



HOUSING COMMISSION AGENDA

Regular Meeting: March 10, 2010

Time: 8:00 a.m.

HACA Board Room, 22941 Atherton Street, Hayward, CA 94541-6633

The public is welcome at all Housing Commission meetings. Anyone wishing to address the Commission on an agenda item or on business introduced by the Housing Commission may do so when the Chairperson calls for comments on the agenda item. Please be brief and limit your comments to the specific subject under discussion. If you wish to speak on a matter NOT on the Agenda, please file a Public Comment card with the Commission Clerk. Upon recognition by the Chairperson during Public Comment, state your name, comments and/or questions. NOTE: Only matters within the Housing Commission's jurisdiction may be addressed. Time limitations shall be at the discretion of the Housing Commission Chairperson.

*The Housing Commission Secretary of the Housing Authority of the County of Alameda has, on **Thursday, March 4, 2010**, duly distributed this Agenda to the Clerk of the Board of Supervisors for posting in the office of the Alameda County Administration Building and has posted it on the bulletin board of the Housing Authority of the County of Alameda.*

AMERICANS WITH DISABILITIES: In compliance with the Americans with Disabilities Act, if special assistance to participate in this meeting is needed, please contact the Housing Authority office at (510)727-8511. Notification at least 48 hours prior to the meeting will enable the Housing Authority to make reasonable arrangements.

PAGE

1. CALL TO ORDER / ROLL CALL		
2. APPROVAL OF MINUTES OF THE FEBRUARY 10, 2010 MEETING		2
3. PUBLIC COMMENT		
On matters not on the Agenda		
4. NEW BUSINESS		
4-1. Discussion of Minutes of the November 10, 2009 Meeting	POSSIBLE ACTION	9
4-2. Format of Meeting Minutes and Speaker Time Limits	POSSIBLE ACTION	15
4-3. Resolution Approving HACA's 5-Year Plan for Fiscal Years 2010-2014 and Annual Plan for Fiscal Year 2010	ACTION <i>Public Hearing Required</i>	19
4-4. Accept Audit for the Fiscal Year Ending June 30, 2009	ACTION	24
4-5. Award Contract for Temporary Services	ACTION	28
4-6. Appointment of Scholarship Committee	ACTION	30
4-7. Budget Status Reports	INFORMATION	31
4-8. Programs Activity Report	INFORMATION	34
5. COMMITTEE REPORTS		
6. COMMISSIONER REPORTS		
7. COMMUNICATIONS		
8. ADJOURNMENT		

MINUTES
February 10, 2010

HOUSING COMMISSION MINUTES
Regular Meeting: January 13, 2010, 8:00 a.m.
HACA Board Room, 22941 Atherton Street, Hayward, CA 94541

1. CALL TO ORDER / ROLL CALL

A Regular meeting of the Housing Commission was called to order by Chairperson Natarajan at 8:10 a.m.

COMMISSIONERS PRESENT:

Ruth Atkin	Anna May
Carol Dutra-Vernaci	Roberto Medina
Mark Gerry	Anu Natarajan
Maxine Haddock	Christine Steiner
Janet Lockhart	

COMMISSIONERS EXCUSED:

Ruth Cashmere
Ursula Reed

COMMISSIONERS ABSENT:

None

STAFF PRESENT:

Christine Gouig, Executive Director	Jennifer Cado, Senior Administrative Analyst
Ron Dion, Deputy Director for Programs	Sharon DeCray, HAFS Manager
Tom Makin, Deputy Director for Operations	Mary Rizzo-Shuman, HAHM Manager
Cathy Leoncio, Finance Director	Melissa Taesali, Executive Assistant

2. APPROVAL OF THE MINUTES OF THE JANUARY 13, 2010 MEETING

Recommendation: Approve the minutes of the January 13, 2010 meeting

Questions and Comments:

Pamela Holmes-Morton, Housing Specialist, stated that the meeting minutes of the January 13, 2010 meeting did not reflect specific statements that she made at that meeting and read these statements to the Commission. Chairperson Natarajan stated that the meeting minutes are a recap of the discussions and actions taken at a meeting and that statements made during a meeting are not reflected word for word in the written meeting minutes. She also stated that Ms. Holmes-Morton's comments were recorded on tape. Cmr. Dutra-Vernaci asked how long staff retains the recordings from the meetings and staff indicated that the tapes are retained permanently.

Mr. Bernard Morton, a member of the public, stated that the minutes of the January 13, 2010 meeting did not specify that he made three requests of the Commission at that meeting. Mr. Morton read these requests to the Commission. *Cmr. Atkin made a motion to amend the minutes of the January 13, 2010 meeting to note that Mr. Morton made three requests at that meeting. The motion was seconded by Cmr. Gerry.*

Motion/Second: Atkin/Gerry. 7 ayes; 2 abstentions: Cmr. May and Steiner
Motion passed

3. PUBLIC COMMENTS – *On items not on the agenda*

Mr. Bernard Morton commented on the issues that were raised previously by Ms. Pamela Holmes-Morton concerning the Leasing Services Lead Worker recruitment. He noted that a petition was signed by HACA employees requesting that the Commission look into the issues that Ms. Holmes-Morton brought to the Commission regarding this recruitment. He stated that he found it inappropriate that the Commission directed the Executive Director and HACA management to look into the matter. Mr. Morton further stated that since he is not a HACA employee, the grievance process is not available to him and that as a taxpaying citizen he has a right to express his concerns to the Commission regarding this recruitment.

Daniel Taylor, Leasing Services Lead Worker, commented on the petition. He stated that some of the employees who signed the petition were told that the subject of the petition was HACA's general hiring practices. He further stated that these employees indicated that additional statements referencing the July 29, 2009 Leasing Services Lead Worker recruitment were later added to the signed petition when the petition was presented to the Executive Director and the Commission.

4. NEW BUSINESS

4-1.	Resolution Recognizing Allan Maris	ACTION Resolution No. 04-10
-------------	---	--

Christine Gouig presented the staff report.

Ms. Gouig explained that Allan Maris, former Housing Commissioner from the City of Albany, was being recognized for his service on the Commission. She read Resolution No. 04-10 and announced that HACA will make a donation to *Engineers Without Borders* in honor of Mr. Maris. Mr. Maris expressed his appreciation for the recognition and for the donation. The Commissioners and staff applauded Mr. Maris.

4-2.	Discussion of the Housing Commission Meeting Minutes of November 10, 2009	POSSIBLE ACTION
-------------	--	----------------------------

Christine Gouig presented the staff report.

Chairperson Natarajan called for comments from the Commission and from the public on the minutes of the November 10, 2009 meeting.

Questions and comments:

Ms. Pamela Holmes-Morton, Housing Specialist, noted that the minutes of the November 10th meeting referenced comments made by Cmr. Maris but a typo in the minutes incorrectly showed that these comments were made by "Cmr. Makin." She asked to have this corrected.

Recommendation: Amend the minutes of November 10, 2010 to correct the reference to the statement made by Cmr. Maris.

Motion/Second: Lockhart/Haddock. 7 ayes; 2 abstentions: Cmr. May and Steiner

Motion passed

4-3.	Utility Allowance Schedule	ACTION Resolution No. 05-10
-------------	-----------------------------------	--

Jennifer Cado presented the staff report.

Ms. Cado reported that staff completed its annual review and explained the methodology for analyzing the utility rates. She summarized the findings and reported that some utilities have changed by at least 10%. Ms. Cado explained that when utility rates have changed by 10% or more, HUD requires a revision to the utility allowance schedule.

Recommendation: Adopt Resolution No. 05-10 approving an update to the utility allowance schedule

Motion/Second: Haddock/Dutra-Vernaci. Unanimous

Motion passed

4-4.	Section 8 Benefit Payment Standards (Continued from the January 13, 2010 meeting)	ACTION
-------------	--	---------------

Ron Dion presented the staff report.

Mr. Dion reported that staff met with Rental Housing Owners Association (RHO) Executive Director Tim May, some members of RHO's Board of Directors, and Steve Edrington, Executive Director of the Rental Housing Association of Northern Alameda County (RHANAC). He stated that staff discussed HACA's rationale behind a proposed reduction to the Section 8 Benefit Payment Standards and answered questions from the meeting attendees. Mr. Dion stated that RHO was supportive of HACA's need to reduce the Section 8 Benefit Payment Standards. He also stated that he would be writing an article for an upcoming RHO newsletter once the Commission takes action on this matter.

Questions and comments:

Cmr. Gerry reported that he also met with Mr. May and that Mr. May was comfortable about moving forward with the update to the Section 8 Benefit Payment Standards.

Recommendation: Approve update to HACA's Section 8 Benefit Payment Standards

Motion/Second: Gerry/Lockhart. Unanimous

4-5.	Budget/Audit Committee Appointments	ACTION
-------------	--	---------------

Christine Gouig presented the staff report.

Ms. Gouig stated that the Fiscal Year 2009-2010 Budget/Audit Committee was comprised of Cmr. Dutra-Vernaci, Medina and Natarajan. She asked the Commission to appoint a Committee to work with staff for the Fiscal Year 2010-2011.

Chairperson Natarajan called for volunteers. After a brief discussion, Cmr. Dutra-Vernaci, Gerry, and Haddock were nominated for the Committee.

Recommendation: Appoint Cmr. Dutra-Vernaci, Gerry, and Haddock to the Budget/Audit Committee for the Fiscal Year 2010-2011

Motion/Second: Lockhart/Atkin. Unanimous

Melissa Taesali, Executive Assistant, informed Chairperson Natarajan that the Commission did not make a motion on the resolution for Allan Maris (Item 4-1.). Chairperson Natarajan called for a motion.

Recommendation: Approve Resolution No. 04-10 recognizing Allan Maris for his years of service on the Housing Commission

Motion/Second: Dutra-Vernaci/Atkin. Unanimous

4-6.	Draft of HACA's 5-Year Plan for Fiscal Years 2010-2014 and Annual Plan for Fiscal Year 2010	INFORMATION
-------------	--	--------------------

Ron Dion presented the staff report.

Mr. Dion explained that the drafts of HACA's 5-Year Plan and Annual Plan were being presented to the Commission at this time for their review only. He indicated that staff will seek final action from the Commission on the proposed drafts at the Commission's March 10, 2010 meeting.

4-7.	Quarterly Budget Status Reports for the Quarter Ending December 31, 2009	INFORMATION
4-8.	Programs Activity Report	INFORMATION

Chairperson Natarajan called for questions and comments on informational items 4-7 and 4-8. Since there were none, the Commission moved on to the next agenda item.

5. COMMITTEE REPORTS

None.

6. COMMISSIONER REPORTS

Cmr. Atkin noted that the statement that appears at the top of the Housing Commission and Personnel Committee meeting agendas do not specify a time limit for speakers. She suggested that staff revise the statements to specify an established time limit and added that time limits for speakers was a common practice at public meetings. The Commission was in agreement. Ms. Gouig stated that staff could agendize this topic for the next Housing Commission and Personnel Committee meetings.

A discussion on simplifying the format of the meeting minutes ensued. Ms. Gouig noted that many public meeting minutes typically state the motions, report the actions taken, and record the votes. Some Commissioners cited the format of the meeting minutes for their city council meetings as examples. Ms. Gouig stated that the subject of the format of the meeting minutes could also be an agenda item for the next Housing Commission and Personnel Committee meetings.

Comr. Gerry updated the Commission on a matter he was looking into involving a Section 8 landlord. Comr. Gerry also commented on Section 8 fraud and indicated that he would like staff to continue efforts in uncovering Section 8 fraud.

Mr. Lockhart reported that she was approached by a multi-family housing tenant about the issue of second hand smoke. Mrs. Lockhart and Atkin commented that staff may want to consider a future discussion on a second hand smoke policy for HACA's public housing units.

Mr. May asked about the new housing software and inquired if the new software had been set up to provide Section 8 data that separates the incorporated and unincorporated areas of the county. Mr. Makin explained that staff was working with the programmers to get this customization completed. Mr. May indicated that one of the proposed goals for 2010 for the City of Hayward is to conduct a study of the Section 8 program in the City of Hayward and said that this data would be important for the study.

7. COMMUNICATIONS

Ms. Gouig announced that HACA received recognition by HUD for being a 2009 Housing Choice Voucher Program High Performer.

8. ADJOURNMENT

There being no further business Chairperson Natarajan adjourned the Housing Commission meeting at 9:05 a.m.

Respectfully submitted,

Melissa Taesali
Executive Assistant

Christine Gouig	Date
Executive Director/Commission	Secretary

Anu Natarajan Chairperson	Date
------------------------------	------

NEW BUSINESS

March 10, 2010

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: March 10, 2010

Subject: Discussion of the Minutes of the November 10, 2009 Meeting

Exhibits Attached: Amended Minutes of the November 10, 2009 Meeting

Recommendation: None

Financial Statement: None

DISCUSSION AND ANALYSIS

The Housing Commission meeting minutes of November 10, 2009 were approved at your January 13, 2010 meeting. Subsequent to the approval of these minutes, a member of the public indicated during the Public Comment period that she wanted to comment on what she felt were errors in the meeting minutes and you directed that these minutes be placed on your February 10, 2010 meeting agenda for further discussion.

The minutes of November 10, 2009 were discussed at your February meeting and at the conclusion of the discussion your Commission voted to amend the November 10th minutes to correct an error discovered by a member of the public.

Due to a problem with the recording equipment during the taping of the February Commission meeting, no audio from that meeting is captured on the tape recordings of that meeting. Staff is placing the minutes of the November 10, 2009 meeting on your March meeting agenda to allow members of the public the opportunity to re-submit their comments regarding the November 10, 2009 meeting minutes and have these comments recorded on tape.



- A M E N D E D -

HOUSING COMMISSION MINUTES

Special Meeting: November 10, 2009, 8:00 a.m.

HACA Board Room, 22941 Atherton Street, Hayward, CA 94541

1. CALL TO ORDER / ROLL CALL

A Special meeting of the Housing Commission was called to order by Chairperson Natarajan at 8:03 a.m.

COMMISSIONERS PRESENT:

Runa Atai (entered after roll call)
Carol Dutra-Vernaci
Maxine Haddock
Janet Lockhart
Allan Maris (entered after roll call)

Anna May
Roberto Medina
Anu Natarajan
Ursula Reed (entered after roll call)
Christine Steiner

COMMISSIONERS EXCUSED:

Ruth Atkin
Mark Gerry

STAFF PRESENT:

Christine Gouig, Executive Director
Ron Dion, Deputy Director for Programs
Cathy Leoncio, Finance Director
Tom Makin, Deputy Director for Operations
Irv Aragon, Network Administrator
Jennifer Cado, Sr. Administrative Analyst

Sharon DeCray, HAFS Manager
Jim McRoberts, IT Manager
Mary Rizzo-Shuman, HAHM Manager
George Smith, Contracts Manager
Melissa Taesali, Executive Assistant

2. APPROVAL OF THE MINUTES OF THE OCTOBER 14, 2009 MEETING

Recommendation: Approve the minutes of October 14, 2009

Motion/Second: Lockhart/Dutra-Vernaci. Unanimous

3. PUBLIC COMMENTS – *On items not on the agenda*

Pamela Holmes-Morton submitted a document to the Housing Commission. Ms. Morton stated that the document outlined her concerns with a recent recruitment.

4. NEW BUSINESS

4-1.	Management Class Annual Comparability Adjustment	ACTION
-------------	---	---------------

Tom Makin presented the staff report.

Mr. Makin reported that a survey of the agencies in the Housing Authority's Comparability Pool was conducted to determine the cost of living salary adjustments that were granted to management employees in the Pool. Mr. Makin presented the

results of the survey and explained that the average adjustment was 1.13%, and that the amount, rounded down to 1%, is the amount proposed for the HACA management class annual comparability adjustment. He indicated that the adjustment would be applied to both the employees' salaries and salary ranges and that approval was required from the Commission.

Recommendation: Approve the management class comparability adjustment.

Motion/Second: Maris/Medina. Unanimous

4-2.	Addition of an Administrative Analyst Position	ACTION
-------------	---	---------------

Tom Makin presented the staff report.

Mr. Makin reported that staff has been working to bring HACA's existing contracts into compliance with the new HACA Procurement Policy that was adopted by the Commission in October 2008. He described some of the procurement activities and contracts that staff has completed and indicated that there are still several existing contracts that are not in compliance with the new Procurement Policy. He stated that this is a concern since HUD closely monitors procurement activities whenever they conduct audits of housing authorities.

Mr. Makin explained that since HACA does not have full time procurement staff, staff recommends the addition of an Administrative Analyst position to bring the balance of the Housing Authority's contracts and contracting activities into compliance with the Procurement Policy. He noted that the appointment to this position would be on a provisional basis, expected to last one year. Mr. Makin also noted that the Personnel Committee had considered and approved the creation of the Administrative Analyst position at their meeting held earlier that morning and that final approval from the Housing Commission is required.

Recommendation: Approve the addition of an Administrative Analyst position.

Motion/Second: Haddock/May. 8 ayes; 1 nay: Cmr. Maris;

1 abstention: Cmr. Reed

Motion passed

4-3.	Award Contract for Architect of Record	ACTION
-------------	---	---------------

Tom Makin presented the staff report.

Mr. Makin reported that staff issued a request for qualifications (RFQ) for an architect of record in July and that 15 responses were received. He explained that staff reviewed and scored the responses and selected a "short list" of 3 firms. He further explained that the firms were invited to a formal panel interview and presentation on September 30, 2009 and reported that the panel unanimously selected K2A Architecture + Interiors (K2A). Mr. Makin stated that K2A's presentation was thorough and that they used a Styrofoam model of the office building to present design alternatives that included a cost analysis detailing how the alternatives would save construction costs. He also stated that K2A had excellent references including the San Mateo County Housing Authority, the San Francisco Housing Authority, the City of San Francisco, the

San Francisco Superior Court, City College of San Francisco, and Calyon Investments. Mr. Makin noted that staff reviewed K2A's financial statements and the information that was presented was acceptable. He recommended that the Commission award the contract for architectural and engineering services to K2A for a two year period with an option for a third year. Henry Kwong, Principal, and Cheryl Gordon, Interior Design Director, were present at the meeting to answer questions from the Commission.

Questions and Comments from the Commission:

Cmr. Steiner recounted that prior to the termination of the contract with Edward J. Gee and Associates (EJGA) plans had been submitted to the City of Hayward. She asked staff for the outcome. Mr. Makin stated that after the plans were submitted, HACA's Contracts Manager met with the city staff to discuss their comments on the plans. Mr. Makin said that the comments from the city were extensive and that the plans developed by the new architect will have to address the city's concerns. Cmr. Steiner also asked for an updated timeline of the office remodel. Mr. Makin explained that once the contract is awarded and signed, the new architects will need a couple of weeks to familiarize themselves with the state of the project and then they will be able to provide a schedule for the project.

Chairperson Natarajan asked Mr. Kwong to outline his experience with green/sustainable projects. Mr. Kwong described a project that K2A did for the City College of San Francisco. He also indicated that some of K2A's subcontractors are LEED consultants that have worked on green/sustainable buildings throughout the Bay Area. Chairperson Natarajan asked if there were any LEED Accredited Professionals (LEED APs) within the K2A organization. Mr. Kwong indicated that he and Ms. Gordon both were LEED APs. Ms. Gordon added that two project managers at K2A were also LEED APs.

Cmr. Maris asked what criteria staff used to judge the firm's financial statements as acceptable. Mr. Makin explained that in the response to the RFQ, K2A provided indication of their ongoing projects. He further explained that the ongoing projects were reflected in their financial statements. Cmr. Maris asked how long K2A has been in business. Ms. Gordon stated that in 2010, K2A will celebrate its 20 year anniversary and indicated that K2A has future projects lined up. Cmr. Maris asked what priority K2A will give to the HACA project. Ms. Gordon stated that once the contract is awarded they will begin working on the HACA project immediately. Mr. Kwong added that they have started working on some design plans already and are excited to start the HACA office remodel project.

Recommendation: Award contract for Architect of Record to K2A Architecture + Interiors.

Motion/Second: Reed/Maris. Unanimous

4-4.	Quarterly Budget Status Report for the Quarter Ending September 30, 2009	INFORMATION
-------------	---	--------------------

Cathy Leoncio presented the staff report. Report received with no questions or comments from the Commission.

4-5.	Program Activity Reports	INFORMATION
-------------	---------------------------------	--------------------

Jennifer Cado presented the staff report.

Ms. Cado highlighted two items in the report. She reported that the participants in the 2009 NAHRO *What Home Means to Me* poster contest would be recognized at the next Housing Commission meeting scheduled for December 9, 2009.

She also reported that staff opened the waitlist for public housing one bedroom units for the elderly and disabled in Union City. Ms. Cado stated that the waitlist was opened from November 2, 2009 to November 6, 2009 and that HACA received a little over 500 applications. She also stated that HACA would conduct a lottery among the applications received to create a waitlist of 300 applicants. Ms. Cado reported that a number of city libraries and community based organizations served as distribution sites. Ms. Gouig commented that staff received excellent cooperation from the city libraries.

Questions and Comments from the Commission:

Cmdr. May asked Ms. Cado to clarify how the libraries acted as distribution sites. Ms. Cado explained that the libraries agreed to let HACA place paper applications at the library so that those who did not have access to the internet could visit their local library for a paper application.

5. COMMITTEE REPORTS

None.

6. COMMISSIONER REPORTS

None.

Cmdr. Maris commented on the personnel matter that was raised by Pamela Holmes-Morton and asked if staff was looking into the matter. Cmdr. Dutra-Vernaci, who chaired the Personnel Committee meeting earlier that morning, stated that she talked to Christine Gouig about the issues and that Ms. Gouig reassured her that the matter is being handled internally. Cmdr. Maris thanked Cmdr. Dutra-Vernaci and stated that he wanted to be sure that the matter was being dealt with.

7. COMMUNICATIONS

Christine Gouig announced that HACA was one of a few select housing authorities invited by HUD's Secretary Shaun Donovan to participate in a Section 8 stakeholders meeting in Washington D.C. She stated that it was an honor to be invited and reported that Ron Dion, HACA's Deputy Director for Programs, attended the event. She asked Ron to speak briefly about the event. Mr. Dion described the format for the meetings and indicated that attendees had the opportunity to talk with Secretary Donovan during question and answer sessions. He stated that the topics for discussion at the meetings and work sessions included deconcentration, HUD's initiative to re-engineer business practices by creating a massive database to automate information, and HUD's plan to conduct

an administrative fee study to identify components for operating an efficient and effective Section 8 program and using that model to fund housing authorities in the future. Mr. Dion reported that meetings were very productive and informative.

Ms. Gouig reminded the Commission that the time of the December meeting was changed to 5:00 p.m. She stated that at the December meeting, staff would recognize the six local NAHRO Poster Contest winners. Ms. DeCray announced that following the Commission meeting, FSS would be holding their gift making event. She indicated that refreshments would be served and invited the Commissioners to stay on after their meeting to participate in the FSS event. Ms. DeCray also talked about the FSS holiday gift giving effort and stated that staff was seeking donations. She stated that the goal was to give every FSS family a gift card for the holidays.

8. ADJOURNMENT

There being no further business Chairperson Natarajan adjourned the meeting at 8:40 a.m.

Respectfully submitted,

Melissa Taesali
Executive Assistant

Christine Gouig	Date
Executive Director/Commission	Secretary

Anu Natarajan Chairperson	Date
------------------------------	------

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: March 10, 2010

Subject: Format of Meeting Minutes and Speaker Time Limits

Exhibits Attached:

- Survey of Public Agencies
- Revised Statement for Commission Agenda
- Speaker Card with Time Limit Information
- Attachment A: Meeting Minutes from the Alameda County Board of Supervisors

Recommendation: Receive the attached information and provide direction to staff

Financial Statement: None

BACKGROUND

At your February 2010 meeting, your Commission discussed setting time limits for public speakers at Commission meetings to allow adequate time for consideration of all matters on the agenda and to ensure consistency in the time allotted to each public speaker. Currently, time limitations for public speakers at your meetings are set at the discretion of the Commission Chairperson. You directed staff to review the practice of Alameda County cities in HACA's jurisdiction.

You also discussed re-formatting your meeting minutes in a summary form. HACA uses a fairly detailed format to report the minutes of Housing Commission meetings. This format includes a summary of staff's presentation, a narrative of the questions raised and comments made by the Commission, staff's responses, comments from members of the public and a record of motions and votes. Recently, a member of the public has raised questions regarding the manner in which statements and comments have been summarized in the meeting minutes.

DISCUSSION AND ANALYSIS

Staff surveyed Alameda County and the cities that are represented in HACA's jurisdiction to determine whether they employ time limits for public speakers and how they report their meeting minutes. The attached chart outlines the results of this survey. As you can see, all jurisdictions have time limits, typically 3 minutes, although a few have up to 5 minutes and Newark allows 10 minutes. With respect to format of the minutes, only Hayward and Pleasanton have more detailed minutes—the others all have summary action minutes.

Agency		Time Limits for Public Speakers	Format of Meeting Minutes
HACA	Housing Commission	<ul style="list-style-type: none"> At the discretion of the Housing Commission Chairperson 	Detailed Minutes
ALAMEDA COUNTY	Board of Supervisors	<ul style="list-style-type: none"> 3 minutes per speaker 	Summary Action Minutes
CITIES IN HACA'S JURISDICTION	Albany City Council	<ul style="list-style-type: none"> 3 minutes per speaker 	Summary Action Minutes
	Dublin City Council	<ul style="list-style-type: none"> 3 minutes per speaker 	Summary Action Minutes
	Emeryville City Council	<ul style="list-style-type: none"> 3 minutes per speaker 	Summary Action Minutes
	Fremont City Council	<ul style="list-style-type: none"> 4 minutes per speaker for Public Comment (non-agenda items) Public Hearings & Public Comment on agenda items: <ul style="list-style-type: none"> 3 minutes per speaker if 1-5 speakers 2 minutes per speaker if 5-30 speakers 1 minute per speaker if 30+ speakers 	Summary Action Minutes
	Hayward City Council	<ul style="list-style-type: none"> 3 minutes per speaker 5 minutes per speaker representing a group of citizens or organization 	Detailed Minutes
	Newark City Council	<ul style="list-style-type: none"> 10 minutes per speaker 	Summary Action Minutes
	Pleasanton City Council	<ul style="list-style-type: none"> 3 minutes per speaker for Public Comment (non-agenda items) 3 minutes per speaker for Agenda Items Mayor may reduce speaker time 	Detailed minutes
	San Leandro City Council	<ul style="list-style-type: none"> 3 minutes per speaker for Public Comment 5 minutes per speaker for Public Hearings Mayor may reduce speaker time 	Summary Action Minutes
	Union City City Council	<ul style="list-style-type: none"> 3 minutes per speaker If more than 10 speakers, cards will be shuffled and chosen at random Remaining speakers have the opportunity to speak during the Second Oral Communications period on the agenda 	Summary Action Minutes



HOUSING COMMISSION AGENDA
Regular Meeting: March 10, 2010

Time: 8:00 a.m.

HACA Board Room, 22941 Atherton Street, Hayward, CA 94541-6633

ORIGINAL STATEMENT:

The public is welcome at all Housing Commission meetings. Anyone wishing to address the Commission on an agenda item or on business introduced by the Housing Commission may do so when the Chairperson calls for comments on the agenda item. Please be brief and limit your comments to the specific subject under discussion. If you wish to speak on a matter NOT on the Agenda, please file a Public Comment card with the Commission Clerk. Upon recognition by the Chairperson during Public Comment, state your name, comments and/or questions. NOTE: Only matters within the Housing Commission's jurisdiction may be addressed. Time limitations shall be at the discretion of the Housing Commission Chairperson.

*The Housing Commission Secretary of the Housing Authority of the County of Alameda has, on **Thursday, March 4, 2010**, duly distributed this Agenda to the Clerk of the Board of Supervisors for posting in the office of the Alameda County Administration Building and has posted it on the bulletin board of the Housing Authority of the County of Alameda.*

AMERICANS WITH DISABILITIES: *In compliance with the Americans with Disabilities Act, if special assistance to participate in this meeting is needed, please contact the Housing Authority office at (510)727-8511. Notification at least 48 hours prior to the meeting will enable the Housing Authority to make reasonable arrangements.*

REVISED STATEMENT:

The public is welcome at all Housing Commission meetings. If you wish to speak on a matter NOT on the Agenda, please file a Public Comment card with the Commission Clerk. Upon recognition by the Chairperson during Public Comment, state your name, comments and/or questions. Anyone wishing to address the Commission on an agenda item or on business introduced by the Housing Commission may do so when the Chairperson calls for comments on the agenda item. Please be brief and limit your comments to the specific subject under discussion. NOTE: Only matters within the Housing Commission's jurisdiction may be addressed.

To allow the opportunity for all to speak, a time limit of 3 minutes has been set for public speakers wishing to address the Housing Commission.

*The Housing Commission Secretary of the Housing Authority of the County of Alameda has, on **Thursday, March 4, 2010**, duly distributed this Agenda to the Clerk of the Board of Supervisors for posting in the office of the Alameda County Administration Building and has posted it on the bulletin board of the Housing Authority of the County of Alameda.*

AMERICANS WITH DISABILITIES: *In compliance with the Americans with Disabilities Act, if special assistance to participate in this meeting is needed, please contact the Housing Authority office at (510)727-8511. Notification at least 48 hours prior to the meeting will enable the Housing Authority to make reasonable arrangements.*



PUBLIC COMMENTS

INSTRUCTIONS:

If you wish to speak on a matter NOT on the agenda please complete this public comment card and turn it in to the Commission Clerk.

Upon recognition by the Chairperson during Public Comment, please state your name, comments, and/or questions.

To allow the opportunity for all to speak, a time limit of 3 minutes has been set for public speakers wishing to address the Commission.

Meeting: _____
Meeting Date: _____
Name: _____
Subject: _____

The public is permitted to address the Housing Commission on an item not appearing on the posted agenda. In accordance with State Law, however, no action or discussion may take place on any item not appearing on the posted agenda. The Housing Commission may respond to statements made or questions asked or may request Staff to report back at a future meeting concerning the matter. Any member of the public may contact the Administration Department related to the proper procedure to place an item on a future Housing Commission Agenda. The exceptions under which the Housing Commission MAY discuss and/or take action on items not appearing on the agenda are contained in Government Code Section 54954.2(b)(1)(2)(3).

HOUSING AUTHORITY OF ALAMEDA COUNTY

AGENDA STATEMENT

Meeting: March 10, 2010

Subject: Resolution Approving 5-Year and Annual Plan for
Fiscal Year 2010 – *Public Hearing Required*

Exhibits Attached: – Resolution No. 06-10
– Attachment B: PHA 5-Year and Annual Plan for
Fiscal Year 2010

Recommendation: None

Financial Statement: None

BACKGROUND

As staff indicated at last month's meeting when we presented the draft plans for your Commission's information and comment, the HACA 5-Year and Annual Plans are general guides to HACA's policies, programs, operations, and strategies for meeting local housing needs and goals. HUD regulations require that housing authorities update their 5-Year Plans in 2010 and their Annual Plans each year.

Staff has prepared the draft Plans using the templates required by HUD. The Plans are due at HUD by April 15. A public hearing will need to be held, for which HACA published the notice in a timely manner. No comments had been received as of the time of this agenda's preparation.

DISCUSSION and ANALYSIS

The following are the substantive changes proposed in the current draft Plans:
HACA proposes to adopt the following goals and objectives:

- Preserve the long-term financial viability of all 230 of HACA's Public Housing units by disposing of them in orderly phases; by obtaining project-based replacement vouchers or project-based rental assistance for each unit; and by transferring the units to a HACA-controlled non-profit entity in order to achieve a one-to-one replacement of all 230 Public Housing units with Section 8 Project-Based Voucher units or other HUD project-based rental assistance.
- Achieve consolidation with the Dublin Housing Authority.
- Evaluate and, if feasible, undertake public housing development opportunities using Replacement Housing Factor (RHF) funds and other funds available, including HUD development funds.
- Partner with social services providers in order to use housing as a platform for improving quality of life, including as set forth in the FY 2011 HUD budget.

- Achieve over 98% utilization of HACA's HCVP HAP payments in order to assist as many qualified families as possible.
- Reduce the number of annual reexaminations that are more than 2 months overdue from the SEMAP rating category of 5 to 10 percent to the SEMAP rating category of fewer than 5 percent.

HACA also proposes to revise one element of its definition of a "significant amendment" and a "substantial deviation/modification from "any change with regard to demolition or disposition, designation, homeownership programs, or conversion activities" to an action "that provides for public housing demolition and/or disposition". This definition is entirely at the discretion of the local housing authority.

As in recent years, total Capital Funds are now shown as a transfer to operations rather than being separately budgeted for each project. This is allowed for housing authorities with fewer than 250 public housing units and that, like HACA, are, at a minimum, standard performers under the PHAS reporting system. Capital Fund allocations are determined either by HUD formula (annual allocations), or through competition (such as the capital funds made available by last year's stimulus funding for the Mission View Development re-siding project).

As required by HUD regulation, a meeting of the Resident Advisory Board (RAB) to solicit input on the draft Plan was held Thursday, March 4, 2010. Minutes of the meeting along with staff responses are attached (Attachment "B"). No changes to the draft Plan are proposed in response to RAB input.

Staff recommends your Commission conduct a Public Hearing on the draft Plan, consider comments and revisions, and authorize staff to submit the Plan to HUD. HUD has 75 days to approve the Plan and will post the Plan on its website.

PHA Certifications of Compliance with PHA Plans and Related Regulations	U.S. Department of Housing and Urban Development Office of Public and Indian Housing OMB No. 2577-0226 Expires 4/30/2011
--	--

**PHA Certifications of Compliance with the PHA Plans and Related Regulations:
Board Resolution to Accompany the PHA 5-Year and Annual PHA Plan**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the X 5-Year and/or X Annual PHA Plan for the PHA fiscal year beginning July 1, 2010, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
 - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low- or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
 - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Housing Authority of the County of Alameda

CA067

PHA Name

PHA Number/HA Code

☒ 5-Year PHA Plan for Fiscal Years 20¹⁰ - 20¹⁴

☒ Annual PHA Plan for Fiscal Years 20¹⁰ - 20¹¹

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
	Housing Commission Chairperson
Signature	Date

Civil Rights Certification

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Civil Rights Certification**Annual Certification and Board Resolution**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

PHA Name

PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)	
Name of Authorized Official	Title
Signature	Date

form HUD-50077-CR (1/2009)
OMB Approval No. 2577-0226

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: March 10, 2010

Subject: Audit for the Fiscal Year Ending June 30, 2009

Exhibits Attached: Attachment C: Audit Reports and Certificate of Actual Modernization Cost

Recommendation: Accept Reports

Financial Statement: None

BACKGROUND

The Housing Authority's (HACA) audit for the fiscal year ending June 30, 2009 was completed by the auditors, Patel & Associates, on January 29, 2010. The audit is an unqualified audit and there were no financial statement findings nor were there any material findings regarding compliance with program or internal control requirements. Staff recommends that your Commission accept the audit reports.

DISCUSSION and ANALYSIS

Audit Report

In the independent auditor's report addressed to the Board of Commissioners, Patel & Associates opined that HACA's financial statements at the fiscal year ending June 30, 2009 were stated fairly in all material respects. The auditors did not identify any deficiencies in internal control over financial reporting that they considered to be material weaknesses.

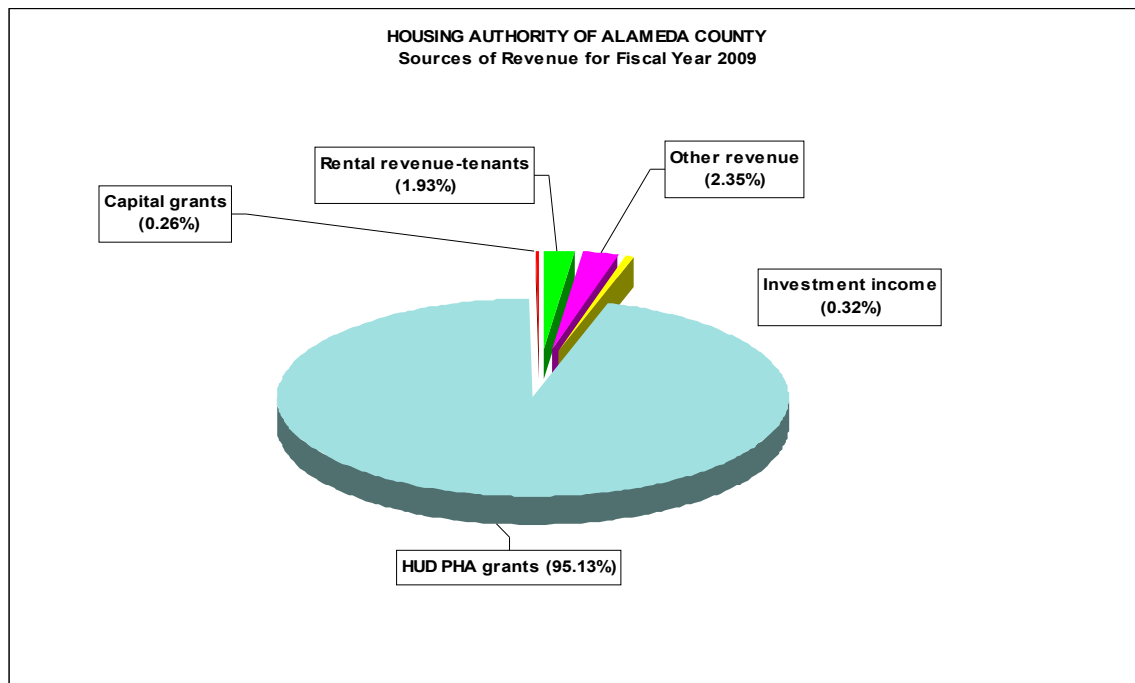
Management's Discussion and Analysis (MD&A) (pages 3-10)

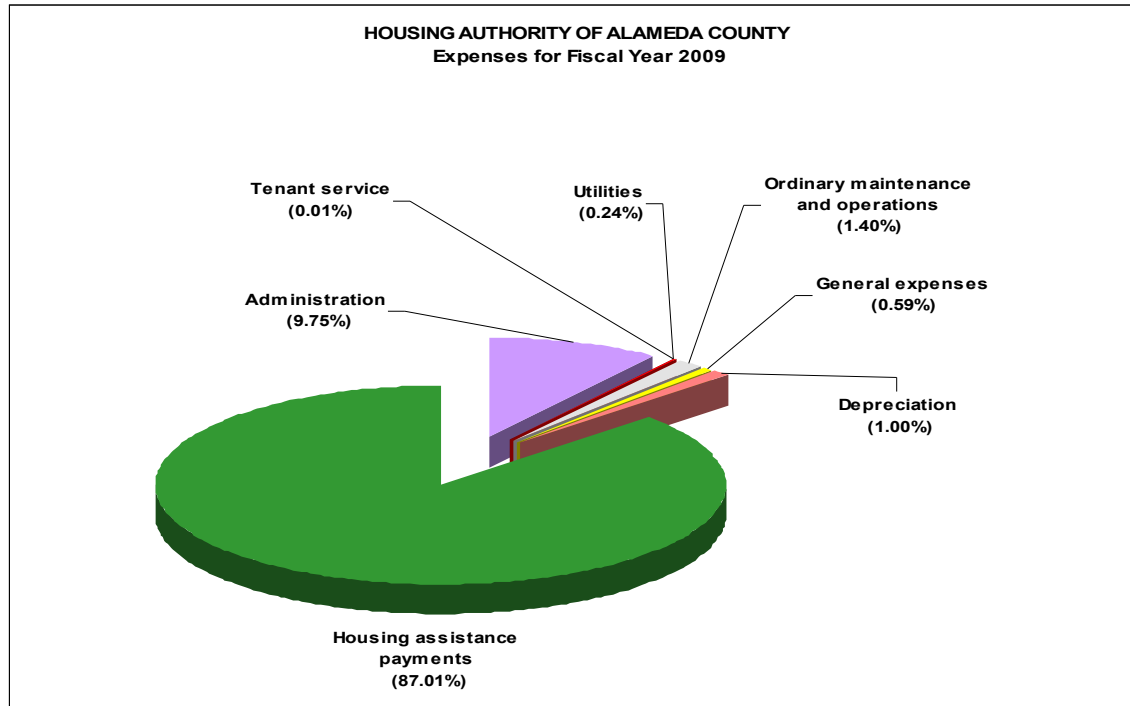
The MD&A is an overview of HACA's financial activity and highlights changes in our financial position as well as identifies significant financial and individual fund issues. It also discusses the current year's results in comparison with the prior year, with emphasis on the current year.

1. Total assets were \$30.31 million
2. Total liabilities were \$1.48 million
3. HACA's assets exceeded its liabilities by \$28.83 million (net assets) of which \$9.03 million are invested in capital assets and \$5.74 million are restricted
4. Total revenues were \$76.80 million
5. Total expenses were \$79.64 million

The Statement of Net Assets presents information about HACA's assets and liabilities, and is similar to a balance sheet. The Statement of Net Assets reports all financial and capital resources for HACA. The Authority-Wide Statement of Net Assets (Table 1, page 6) shows net assets at year end of \$28.83 million compared to \$31.67 million in 2008, a decrease of \$2.84 million (9%).

The Statement of Revenues, Expenses and Changes in Net Assets reports HACA's revenues by source and type and its expenses by category to substantiate the change in net assets for the fiscal year. Table 3 on page 8 shows total revenue of \$76.80 million compared to \$80.38 million in 2008, a decrease of \$3.58 million (4%), and total expenses of \$79.64 million compared to \$77.08 million in 2008, an increase of \$2.56 million (3%). There is a net loss of \$2.84 million-- approximately \$2.45 million is attributable to housing assistance payments made to landlords in excess of funding received from HUD and was offset by using Net Assets restricted for Section 8 Housing Assistance Payments (HAP). The Housing Choice Voucher program received less annual contributions from HUD (5%) as compared to last year. The Housing Choice Voucher Net Assets restricted for Housing Assistance Payment (HAP) is \$5.64M compared to \$8.09M in 2008.





Audited Financial Statements (pages 11-15)

Patel & Associates conducted an audit of the financial statements of each of the programs administered by HACA. Each program is considered a separate accounting entity with its own assets, liabilities, net assets, revenues and expenses.

Page 13 shows the Statement of Net Assets – Propriety Funds individually and in aggregate.

Page 14 shows the Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Funds. As the Commission will note, this Statement under Income (Loss) before transfers shows balances that include depreciation expense. While depreciation is treated as an expense that reduces the results of operations, it does not have an impact on Restricted and Unrestricted Net Assets. When the depreciation expense is excluded, the change in net assets balances shows the actual income or loss for the year.

The Low Rent Public Housing program had a net loss of \$171,699 while the Housing Choice Voucher program had a net loss of \$2,052,271 (\$48,685 was used to purchase capital equipment; \$344,412 income which may be used for operations and \$2,445,368 loss due to the use of restricted net assets for Housing Assistance Payments). The Housing Development Fund had a net loss of \$84,840; Park Terrace had a net income of \$46,919 and Ocean Avenue a net income of \$26,852.

Schedule of Findings and Questioned Costs (pages 30-39)

Section 1 – Summary of Auditor’s Results on page 34 shows that the audit was an unqualified audit. HACA is qualified as a low-risk auditee because a single audit has been conducted and there were no significant findings in the past two years.

There were no financial statement findings nor were there any material findings regarding compliance with program or internal control requirements (pages 30-31, 35).

There were no matters reported on non-compliance with the requirements applicable to the programs administered by HACA under "Section III-Federal Award Findings and Questioned Costs" (page 35). Prior year findings were addressed, implemented and closed out (page 36).

Certificate of Actual Modernization Cost

Every year, HUD provides Capital Funds to housing authorities for the development, financing, and modernization of public housing developments and for management improvements. Upon expenditure of all funds for a given grant year, a housing authority must submit to HUD an audited Actual Modernization Cost Certificate (AMCC), in a form prescribed by HUD, for review and approval for audit. After audit verification, HUD approves the AMCC.

The AMCC for the Capital Fund program is enclosed. It was prepared by Patel & Associates as part of the audit of our fiscal year June 30, 2009 and covers the Capital Fund grant awarded in 2007.

The auditor determined that the total cost was \$348,631; that all costs have been paid and liabilities discharged and that HACA did not incur any budget overruns. The work funded under this contract was completed within the fiscal year and the AMCC now closes the project.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: March 10, 2010

Subject: Award Contract For Temporary Employment Services

Exhibits Attached: Bid Tabulation

Recommendation: Award Contract to Howroyd-Wright Employment Services dba AppleOne

Financial Statement: \$151,730.64 anticipated for first year of contract

BACKGROUND

In January 2010 staff bid out a contract for Temporary Employment Services. The Housing Authority uses temporary personnel when employees are on leaves of absence, for periods between recruitments and for special projects.

As it is not possible to know the *exact* number of hours or classification of temporary employees that might be required each year, bidders were asked to bid on different classifications of temporary employees, with an anticipation of the annual hours used by the Housing Authority for each class. The bid documents indicated that billed hourly rates may be adjusted in subsequent years based on the change in the San Francisco-Oakland-San Jose area CPI.

Staff received nine proposals. The low bidder was AppleOne, a nationwide temporary employment agency with over 250 offices. The Housing Authority will be serviced by the Fremont branch office.

DISCUSSION AND ANALYSIS

AppleOne is a minority and women-owned business (M/WBE) and has extensive experience working with government agencies. It has established a "Government Solutions" division and currently has over 250 government contracts. This division provides unique terms and services to government employers. The references provided by AppleOne and checked by staff included Contra Costa County, San Francisco Administrative Offices of the Courts and NASA Research Center. All references were very positive.

Staff recommends awarding a contract for Temporary Employment Services to Howroyd-Wright Employment Services, dba AppleOne, for a one year period with options for a second and third year and authorizing the Executive Director to sign the necessary contract documents.

**TEMPORARY EMPLOYMENT SERVICES
2010-2013
Thursday, February 18, 2010 at 4:00 p.m.**

Present:

*Tom Makin, Deputy Director for Operations
Barbara Barlow, Administrative Assistant
Angel Geil, Administrative Analyst/Procurement
Barbara Zimmerman, Recording Secretary
Bill Marshall, The Plus Group
Patrick O'Donnell, The Plus Group
Kim Wetzig, RHI/OfficeTeam*

Mr. Makin announced that it was 4:00 p.m. and that the submittal for bids was closed. The following bids were opened and announced:

<u>FIRM</u>	<u>CITY</u>	<u>GRAND BID TOTAL</u>
Manpower	Fremont	\$156,958.48
Snelling Staffing Services	Alameda	\$209,106.00
Howroyd-Wright Employment Agency, Inc dba AppleOne Government Solutions	Torrance Fremont	\$151,730.64
Robert Half International/OfficeTeam	San Mateo	\$203,049.10 \$247,222.78
Staffmark	San Francisco	None Listed
Nelson Family of Companies	Sonoma	\$174,066.72
West Valley Staffing Group	Sunnyvale	\$165,740.00 \$218,003.00
Mainstay Business Solutions	Folsom	\$154,845.82
The Plus Group	San Ramon	\$179,862.48

:bz Temporary Employment Services 2010-2013
2/18/10

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: March 10, 2010

Subject: Appointment of Scholarship Committee

Exhibits Attached: None

Recommendation: Appoint Committee Members

Financial Statement: None

BACKGROUND

Each year, the HACA Scholarship Program provides an opportunity for residents of the Public Housing program and participants of the Family Self-Sufficiency (FSS) program to apply for a scholarship that can be used to pay for eligible expenses related to their education. Up to 10 scholarships (not to exceed \$15,000 in total) are awarded each year.

Your Commission needs to appoint members to the Scholarship Committee to work with staff in reviewing scholarship applications. Commissioner Natarajan is currently the only member on the Scholarship Committee as former Committee members Runa Atai and Allan Maris are no longer on the Commission.

The Committee usually has one meeting at the HACA offices, typically following the Housing Commission's regular meeting, and follow-up discussions via telephone or email if needed. The Committee then makes award recommendations to the Commission for approval.

BUDGET STATUS **REPORTS**

Housing Authority of Alameda County
HOUSING CHOICE VOUCHER
Budget Status Report FYE 2009-2010
January 2010

FY 2010 OPERATING BUDGET	Budgeted @ 1/31/2010	Actual @ 1/31/2010	OVER (UNDER)	PROJECTED TO 6/30/10	SCH. NO.	2009 BUDGET	2010 BUDGET	DIFFERENCE
INCOME								
Investment Income	19,833	735	(19,098)	1,260	A1	39,500	34,000	(5,500)
Misc. Income	203,000	202,182	(818)	346,598	A1	450,300	348,000	(102,300)
(Fees)	4,379,742	4,153,953	(225,789)	7,121,062	A	6,987,776	7,508,129	520,354
TOTAL INCOME	4,602,575	4,356,870	(245,706)	7,468,920		7,477,576	7,890,129	412,554
EXPENSES								
Administration								
Salaries	2,566,883	2,387,334	(179,549)	4,092,573	B-1&2	4,191,398	4,400,371	208,973
Other Admin.	645,129	726,061	80,932	1,244,676	C-1&2	986,473	1,105,936	119,463
Total	3,212,012	3,113,395	(98,617)	5,337,249		5,177,871	5,506,306	328,436
General								
Insurance	99,637	82,679	(16,958)	141,735	E	155,433	170,807	15,374
Employee Benefits	1,283,441	1,119,366	(164,076)	1,918,913		2,095,699	2,200,185	104,486
Miscellaneous	0	0	0	0		0	0	0
Total	1,383,079	1,202,045	(181,034)	2,060,648		2,251,132	2,370,992	119,860
Total Routine Expenses	4,595,091	4,315,440	(279,651)	7,397,897		7,429,003	7,877,298	448,296
Capital Expenditures	0	0	0	0	D2	33,700	0	(33,700)
TOTAL EXPENSES	4,595,091	4,315,440	(279,651)	7,397,897		7,462,703	7,877,298	414,596
NET INCOME (DEFICIT)	7,485	41,430	33,945	71,023		14,873	12,831	(2,042)

Unrestricted Net Assets-AF @ 6/30/08
Income/(Deficit) @ 6/30/09
Projected Unrestricted Net Assets @ 6/30/09
Budgeted Income/(Deficit) @ 6/30/10
Budgeted Unrestricted Net Assets-AF @ 6/30/10

\$ 2,633,795
344,413
\$ 2,978,208
12,831
\$ 2,991,039

Housing Authority of Alameda County
PUBLIC HOUSING
Budget Status Report FYE 2009-2010
January 2010

FY 2010 OPERATING BUDGET	YTD BUDGET 1/31/2010	YTD ACTUALS 1/31/10	OVER/(UNDER) BUDGET	Projected to 6/30/10
INCOME				
Dwelling Rentals	648,620	588,930	(59,690)	1,009,595
Investment Income	5,469	447	(5,022)	766
Misc. Income	100,137	92,838	(7,298)	159,152
Operating Subsidy (HUD form 52723)	239,743	235,771	(3,973)	404,179
Capital Grant (salaries/benefits)	88,242	0	(88,242)	0
TOTAL INCOME	1,082,210	917,987	(164,225)	1,573,691
EXPENSES				
Administration				
Salaries	224,551	200,789	(23,762)	344,210
Other Admin.	34,677	35,447	770	60,765
Total	259,228	236,236	(22,993)	404,975
Tenant Services				
Resident Managers	3,208	1,575	(1,633)	2,700
Recreation	4,375	7,068	2,693	7,500
Total	7,583	8,643	1,060	10,200
Utilities				
Water	52,526	41,261	(11,265)	70,734
Electricity	11,585	9,802	(1,783)	16,803
Gas	3,321	1,303	(2,017)	2,233
Sewage	26,250	26,250	0	45,000
Total	93,682	78,616	(15,064)	134,770
Maintenance				
Salaries	71,414	71,909	495	123,272
Materials	73,186	45,828	(27,358)	78,562
Capital Fund Grants	(62,058)	0	62,058	0
Contract Costs	446,578	337,358	(109,219)	578,329
Total	529,120	455,095	(74,025)	780,163
General				
Insurance	37,853	32,297	(5,556)	55,366
Tax-In Lieu Of	55,494	55,493	(0)	95,132
Employee Benefits	147,983	105,262	(42,721)	180,449
Collection Loss	583	0	(583)	1,000
Miscellaneous	583	0	(583)	1,000
Total	242,496	193,052	(49,443)	332,946
Total Routine Expenses	1,132,110	971,641	(160,466)	1,663,054
Capital Expenditure				
TOTAL EXPENSES	1,132,110	971,641	(160,466)	1,663,054
NET INCOME (DEFICIT)	(49,899)	(53,655)	(3,759)	(89,363)

SCH. NO.	2009 BUDGET	2010 BUDGET	Difference
A	1,111,920	1,111,920	0
**	18,400	9,375	(9,025)
	82,905	171,663	88,758
	334,582	410,989	76,407
	105,923	151,272	45,349
	1,653,730	1,855,218	201,488
B-1 & 2	406,827	384,945	(21,882)
C-1	51,853	59,446	7,593
	458,680	444,391	(14,289)
	5,500	5,500	0
	7,500	7,500	0
	13,000	13,000	0
	90,045	90,045	0
	19,860	19,860	0
	5,693	5,693	0
	40,156	45,000	4,844
	155,754	160,598	4,844
B-2	118,296	122,424	4,128
D	76,997	125,461	48,464
	(175,786)	(106,385)	69,402
D	677,715	765,562	87,847
	697,222	907,062	209,840
E	67,553	64,891	(2,662)
	95,617	95,132	(485)
	262,561	253,685	(8,876)
	1,000	1,000	0
	1,000	1,000	0
	427,731	415,708	(12,023)
	1,752,386	1,940,759	188,373
	0	0	0
	1,752,386	1,940,759	188,373
	(98,656)	(85,541)	13,115

Net Assets, @ 7/1/08
Net Deficit @ 6/30/09
Net Assets, 6/30/09
Budgeted Net Loss @ 6/30/10
Budgeted Net Assets, 6/30/10

455,550
(171,697)
\$ 283,853
(85,541)
\$ 198,311

PROGRAMS ACTIVITY **REPORTS**

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: March 10, 2010

Subject: Programs Activity Report

Exhibits Attached: Section 8 Contract Report; Fraud Payments Report; Landlord Rental Listing Report; FSS Program Monthly Report

Recommendation: Receive Report

Financial Statement: None

SECTION 8 HOUSING CHOICE VOUCHERS

- **Lease-Up:** As of March 1, 2010 the Section 8 Housing Choice Voucher program had 5,589 units under contract. The 3-month lease-up average for the 2009 calendar year is 98.98%.
- **Program Utilization:** As of March 1, 2010 the average HAP subsidy is \$1,066 and the average tenant-paid rent portion is \$359 for an average Contract Rent of \$1,425.
 - ❖ As of March 1, 2010 HACA has 116 outgoing billed portability contracts (i.e., HACA voucher holders who are housed in another housing authority's jurisdiction).
 - ❖ As of March 1, 2010 HACA billed other housing authorities, primarily the Oakland Housing Authority, for 1,474 incoming portability contracts. HACA receives only 80% of the HUD-authorized Administrative Fee for billed incoming portability contracts.
- **Section 8 Contract Report:** A copy of the Contract Report is attached.
- **Fraud / Debt Recovery:** HACA retained \$6,752.48 in fraud and debt recovery payments for the month of February 2010. A total of \$33,306.73 was retained over the last six months.

HACA retained \$691.50 in Housing Assistance Payment (HAP) overpayments for the month of February 2010. A total of \$3,737.70 was retained over the last six months.
- **Landlord Rental Listings:** As of March 1, 2010 there are 1,086 landlords with properties in HACA's jurisdiction utilizing the *GoSection8* rental listing service. Of those, 32 are new to the Section 8 program this month. There were 224 active properties listed.

FAMILY SELF SUFFICIENCY

February was a planning month in FSS. The process of document imaging for FSS case files has begun. Staff developed a preliminary event calendar for the year and confirmed workshops for the first quarter. We met with our advisory group, the Program Coordinating Committee. Members of this group provided valuable updates on the real estate market for our homeownership candidates. The representative from Eden I&R provided updates on emergency housing options.

PUBLIC HOUSING

- **Occupancy:** As of March 1, 2010 the Public Housing program had 222 of 230 units leased and has a 96.96% fiscal year-to-date lease up rate.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
Section 8 Contract and HAP Report for the month of February 2010

	Certificates		Vouchers		FEBRUARY 2010 TOTAL			
City	Number	HAP*	Number	HAP**	Number	HAP	FEBRUARY 2009	FEBRUARY 2008
Albany	-	\$ -	45	\$ 47,880	45	\$ 47,880	43	42
Castro Valley	13	\$ 11,453	242	\$ 257,488	255	\$ 268,941	250	259
Dublin	2	\$ 1,762	231	\$ 245,784	233	\$ 247,546	206	167
Emeryville	6	\$ 5,286	91	\$ 96,824	97	\$ 102,110	100	104
Fremont	28	\$ 24,668	1,405	\$ 1,494,920	1,433	\$1,519,588	1,362	1,436
Hayward	109	\$ 96,029	2,290	\$ 2,436,560	2,399	\$2,532,589	2,414	2,410
Newark	3	\$ 2,643	297	\$ 316,008	300	\$ 318,651	293	295
Pleasanton	3	\$ 2,643	143	\$ 152,152	146	\$ 154,795	147	145
San Leandro	20	\$ 17,620	1,311	\$ 1,394,904	1,331	\$1,412,524	1,286	1,295
San Lorenzo	2	\$ 1,762	190	\$ 202,160	192	\$ 203,922	180	184
Union City	3	\$ 2,643	701	\$ 745,864	704	\$ 748,507	704	738
TOTALS	189	\$166,509.00	6,946	\$7,390,544.00	7,135	\$7,557,053.00	6,985	7,075

* based on an average February Housing Assistance Payment (HAP) of \$884 per certificate contract

**based on an average February Housing Assistance Payment (HAP) of \$1064 per voucher contract

09-10

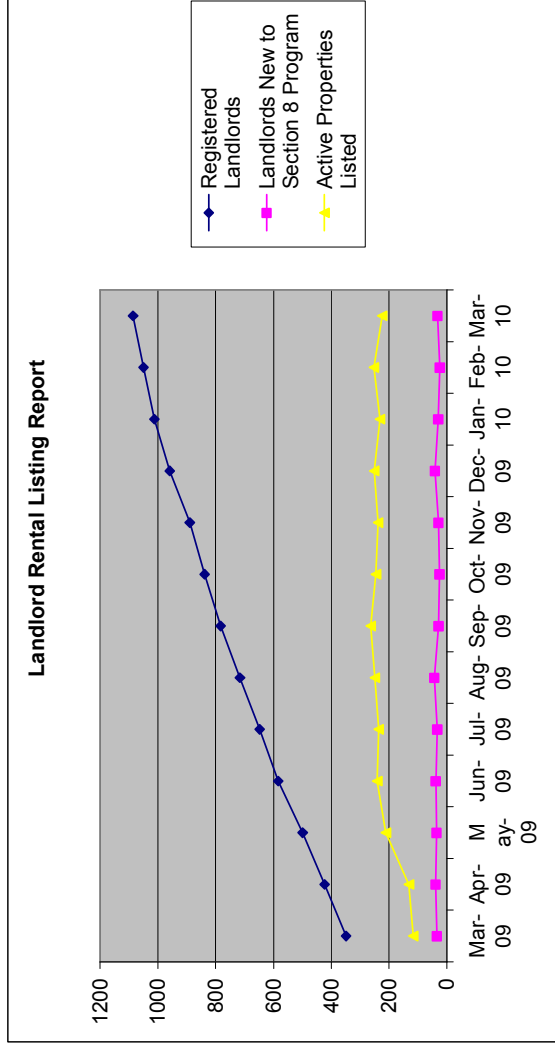
DEBT COLLECTIONS
FYE 6/30/10

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	GRAND TOTALS
<i>DAMAGE CLAIMS</i>	\$0.00	\$0.00	\$0.00	\$50.00	\$0.00	\$0.00	\$65.00	\$0.00					\$115.00
<i>FRAUD REPAYMENTS</i>	\$15,456.33	\$8,002.83	\$6,044.44	\$5,083.96	\$4,735.92	\$4,452.94	\$6,236.99	\$6,752.48					\$56,765.89
<i>HAP OVERPAYMENTS</i>	\$686.50	\$538.00	\$691.50	\$570.00	\$501.00	\$576.70	\$613.50	\$785.00					\$4,962.20
TOTALS	\$16,142.83	\$8,540.83	\$6,735.94	\$5,703.96	\$5,236.92	\$5,029.64	\$6,915.49	\$7,537.48	\$0.00	\$0.00	\$0.00	\$0.00	\$61,843.09

Landlord Rental Listing Report

Monthly

	3/2/09	4/1/09	5/1/09	6/1/09	7/1/09	8/1/09	9/1/09	10/1/09	11/2/09	12/1/09	1/4/10	2/1/10	3/1/10
Registered Landlords	349	423	499	584	648	716	783	838	890	959	1012	1050	1086
Landlords New to Section 8 Program	34	39	36	38	33	43	28	25	29	41	30	24	32
Active Properties Listed	116	131	211	241	236	249	263	245	238	251	231	252	224





To: Christine Gouig, Executive Director
From: Sharon DeCray, HAFS Manager
Re: **FSS Program Summary**
CC: Ron Dion, Phyllis Harrison, Linda Evans
Date: March 1, 2010

Program Summary	February 2010
Total Clients under Contract:	199
Graduates:	3
Escrow Disbursed:	\$24,094.60
Ports In:	0
Ports Out:	1
Terminations:	2
New Contracts:	3

FSS Program News:

Workshops

FSS had a Program Coordinating Committee (PCC) meeting on Thursday February 4, 2010. PCC attendees included a representative from Realty World. We were given an update on the current housing market and the immediate outlook for low-income buyer's home purchasing prospects. A representative from Eden I & R also gave an update on the Homeless Prevention Rapid Re-Housing funds.

FSS held a Money Management 1 workshop on Saturday February 27, 2010 in collaboration with MeriWest Credit Union. Fifteen people enrolled and eight attended. The topics included introduction to checking accounts and tips on how to set up a personal budget that included a take home budget exercise.

Upcoming Workshops

Money Management 2 - March 2010
Creating a Successful Plan for Life - March 2010
Children's Money Management - April 2010

Staffing

Recruitment for the open position of FSS Coordinator was closed on February 26, 2010. The applicants will be screened and qualified applicants will be interviewed in March.

Referrals= 62 Case Management Referrals

ATTACHMENT A

SUMMARY ACTION MINUTES



BOARD OF SUPERVISORS

Special Meeting

Monday, February 1, 2010

ALAMEDA COUNTY FAIRGROUNDS
4501 PLEASANTON AVENUE
PLEASANTON, CALIFORNIA

SCOTT HAGGERTY
GAIL STEELE
ALICE LAI-BITKER, PRESIDENT
NATE MILEY, VICE-PRESIDENT
KEITH CARSON

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

SUSAN S. MURANISHI
COUNTY ADMINISTRATOR

RICHARD E. WINNIE
COUNTY COUNSEL

MISSION

*TO ENRICH THE LIVES OF ALAMEDA COUNTY RESIDENTS THROUGH VISIONARY POLICIES AND
ACCESSIBLE, RESPONSIVE, AND EFFECTIVE SERVICES.*

VISION

ALAMEDA COUNTY IS RECOGNIZED AS ONE OF THE BEST COUNTIES IN WHICH TO LIVE, WORK AND DO BUSINESS.

The Board of Supervisors welcomes you to its meetings and your interest is appreciated. If you wish to speak on a matter on the agenda or during public input, please fill out a speaker slip and turn it in to the Clerk as soon as possible. When addressing the Board, please give your name for the record prior to your presentation. If you wish to speak on a matter not on the agenda, please wait until the President calls for public input at the end of the Regular Calendar. **NOTE:** Only matters within the Board of Supervisors' jurisdiction may be addressed. Time limitations shall be at the discretion of the President of the Board.

Pursuant to Board Policy: (1) Signs or demonstrations are prohibited during Board meetings; (2) Any Board Member may request a two-week continuance on any item appearing for the first time; (3) All agenda items shall be received by the County Administrator prior to 3 p.m. on Tuesday two weeks before the meeting date or earlier when a Holiday intervenes.

Hearing difficulty? Please ask the Clerk for use of a personal sound receiver. The Board of Supervisors' meetings are wheelchair accessible. Call (510) 208-4949 (voice) or (510) 834-6754 (TDD) to request a sign-language interpreter. Five working days' notice is required. If you have questions regarding the agenda, please call (510) 208-4949.

ALAMEDA COUNTY FAIRGROUNDS
HERITAGE HOUSE
4501 PLEASANTON AVENUE
PLEASANTON, CALIFORNIA

9:30 A.M.

CALL TO ORDER

CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

- a) Agency Negotiators: Mary Welch and Keith Fleming - Employee Organization: All Labor Organizations
- b) Agency Negotiator: Mary Welch - Employee Organization: Unrepresented Management

CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION

- a) Initiation of litigation pursuant to Subdivision (c) of Government Code § 54956.9: (Five Cases)
- b) Significant exposure to litigation pursuant to Subdivision (b) of Government Code § 54956.9: (Five Cases)

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

- a) *County of Alameda v. City of Oakland*, Superior Court, State of California, County of Alameda, No. RG0946007

BOARD OF SUPERVISORS RETREAT

1. Budget and Finance
 - Federal/State/County Budget
 - Revenue Opportunities
 - Pending Factors

The County Administrator provided budget and finance updates.
2. Board Operations
 - Operating Procedures
 - Other

The Board reviewed the Regular and Planning meeting calendar for calendar year 2010.
3. Report on Board Member Initiatives
 - Children and Youth
 - Transportation
 - Unincorporated Area
 - Regional Collaboration
 - Strategic Vision
 - Federal/State Initiatives
 - Economic Development
 - Other
4. Report on County initiatives and Operational Issues
 - Capital Projects/Facilities
 - Planning for 2010 Elections
 - Communications
 - Partnership Programs
 - Other

COUNTY COUNSEL: REPORT ON ACTION TAKEN IN CLOSED SESSION

None

PUBLIC INPUT (TIME LIMIT: 3 MINUTES PER SPEAKER)

None

ADJOURNMENT

P:\Agenda Scans\MinutesReg_02_01_10 spoutg
File # 25664

ATTACHMENT B

PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011
-----------------------------------	---	--

1.0	PHA Information PHA Name: Housing Authority of the County of Alameda PHA Code: CA067 PHA Type: <input type="checkbox"/> Small <input checked="" type="checkbox"/> High Performing (SEMAP) <input checked="" type="checkbox"/> Standard (PHAS) <input type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (MM/YYYY): 07/2010				
2.0	Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: 230 Number of HCV units: 5646				
3.0	Submission Type <input checked="" type="checkbox"/> 5-Year and Annual Plan <input type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only				
4.0	PHA Consortia <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)				
	Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program PH HCV
	PHA 1:				
	PHA 2:				
	PHA 3:				
5.0	5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update.				
5.1	Mission. State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years: HACA's mission is to deliver housing, housing assistance and related services to low-, very low- and extremely low-income: <ul style="list-style-type: none"> Elderly persons and persons with verifiable disabilities, in order to enable them to live as independently as possible within their economic resources, and Persons who are not elderly or do not have verifiable disabilities, for the time necessary to enable them to become self-sufficient and economically independent. 				
5.2	Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.				
6.0	PHA Plan Update (a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission. (b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.				
7.0	Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. Include statements related to these programs as applicable.				
8.0	Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.				
8.1	Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> , form HUD-50075.1, for each current and open CFP grant and CFFP financing.				
8.2	Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i> , form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.				
8.3	Capital Fund Financing Program (CFFP). <input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.				
9.0	Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.				

9.1	Strategy for Addressing Housing Needs. Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.
10.0	Additional Information. Describe the following, as well as any additional information HUD has requested. <ul style="list-style-type: none"> (a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan. (b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification."
11.0	Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office. <ul style="list-style-type: none"> (a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights) (b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only) (c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only) (d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only) (e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only) (f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations. (g) Challenged Elements (h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only) (i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)

HUD-50075 PHA 5-Year and Annual Plan – Attachment Fiscal Year Beginning: 07/2010

5.0 Five-Year Plan

5.1 Mission (See form HUD-50075)

5.2 Goals and Objectives

- 5.2.1 Preserve the long-term financial viability of all 230 of HACA's Public Housing units by disposing of them in orderly phases; by obtaining project-based replacement vouchers or project-based rental assistance for each unit; and by transferring the units to a HACA-controlled non-profit entity in order to achieve a one-to-one replacement of all 230 Public Housing units with Section 8 Project-Based Voucher units or other HUD project-based rental assistance.
- 5.2.2 Achieve consolidation with the Dublin Housing Authority.
- 5.2.3 Evaluate and, if feasible, undertake public housing development opportunities using Replacement Housing Factor (RHF) funds and other funds available, including HUD development funds.
- 5.2.4 Partner with social services providers in order to use housing as a platform for improving quality of life, including as set forth in the FY 2011 HUD budget.
- 5.2.5 Achieve over 98% utilization of HACA's HCVP HAP payments in order to assist as many qualified families as possible.
- 5.2.6 Reduce the number of annual reexaminations that are more than 2 months overdue from the SEMAP rating category of 5 to 10 percent to the SEMAP rating category of fewer than 5 percent.

6.0 The following PHA Plan elements have been revised since HACA's last Annual Plan submission:

- 6.1.1 Element #1: Eligibility, Selection and Admission Policies, including Deconcentration and Wait List Procedures;
- 6.1.2 Element #2: Financial Resources;
- 6.1.3 Element #3: Rent Determination;
- 6.1.4 Element #4: Operation and Management;
- 6.1.5 Element #5: Grievance Procedures; and
- 6.1.6 Element #11: Fiscal Year Audit.

This completed form HUD-50075 with attachments is available at the PHA's Business Office, 22941 Atherton St., Hayward, CA 94541. It's also available on the HACA website at _____.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers.

7.1 Hope VI, Mixed Finance Modernization or Development.

- 7.1.1 HACA plans to consolidate with the Dublin Housing Authority (DHA) upon DHA's disposition of its Arroyo Vista public housing project. HACA will then have access to the modest RHF funds from Arroyo Vista as well as remaining development funds from DHA and its own account, which it plans to use to create additional public housing units in a mixed finance project. To do this, HACA will seek to partner with an experienced non-profit or for-profit developer to secure a percentage of units as public housing units in a project(s) developed by such developer.

7.2 Demolition and/or Disposition.

- 7.2.1 In 2009, HACA submitted an application to HUD to dispose of all 58 of its scattered-site Public Housing units. That application is now pending. Because the combination of tenant rents and fees, HUD Operating Subsidy, and Capital Fund funding is inadequate to finance the long-term viability of HACA's Public Housing units, HACA plans to dispose of its additional 172 Public Housing units in stages over the next five years, as well. As for its disposition application currently pending, subsequent to HUD's approval of each HACA disposition application, HACA will apply for project-based replacement vouchers or other HUD project-based rental assistance, including HUD's Transforming Rental Assistance initiative, if applicable. Upon receipt of the vouchers/assistance, HACA will transfer the scattered-site units to a HACA-controlled non-profit instrumentality in order to achieve a one-to-one replacement of the Public Housing units with Section 8 Project-Based Voucher units or other HUD project-based rental assistance.

7.2.2 Disposition Timetable (estimated):

Disposition Stage 2: CAL 67-8, All 100 1-Br Elderly and Disabled units, of which units are wheelchair accessible	
Consult with impacted Residents, RAB and City of Union City	July-August 2011
Submit Disposition Application	January 2012
HUD Approval of Disposition Application	June 2012
Submit application for replacement vouchers to be project based	July 2012
HUD approval of replacement vouchers	February 2013
Dispose of units to HACA-affiliated non-profit	June 2013
Disposition Stage 3: CAL 67-13 36	

Consult with impacted Residents, RAB and City of Union City	February-March 2012
Submit Disposition Application	August 2012
HUD Approval of Disposition Application	January 2013
Submit application for replacement vouchers to be project based	February 2013
HUD approval of replacement vouchers	September 2013
Dispose of units to HACA-affiliated non-profit	January 2014
Disposition Stage 4: Estimated # of units: 36	
Consult with impacted Residents, RAB and City of Emeryville	February-March 2013
Submit Disposition Application	August 2013
HUD Approval of Disposition Application	January 2014
Submit application for replacement vouchers to be project based	February 2014
HUD approval of replacement vouchers	September 2014
Dispose of units to HACA-affiliated non-profit	January 2015

7.3 Conversion of Public Housing (to tenant-based assistance). N/A

7.4 Homeownership. N/A

7.5 Project-Based Vouchers.

- 7.5.1 HACA anticipates project-basing up to 400 units. The cities of Emeryville, Dublin, Fremont, San Leandro, and Union City are currently-identified potential locations. Additional locations in Alameda County are possible.

8.0 Capital Improvements

HACA will use 100 percent of funds from the Capital Fund program for activities that are eligible under the Operating Fund.

- 8.1 Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* has been completed as required and is enclosed.
- 8.2 Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* has been completed as required and is enclosed.
- 8.3 HACA does not propose to pledge any portion of its CPF/RHF funds to repay debt incurred to finance capital improvements.

9.0 Housing Needs

Housing Needs in HACA's jurisdiction are set forth in Part I of the Alameda County HOME Consortium's FY05-09 Consolidated Plan and Annual Action Plan at

<http://www.acgov.org/cda/hcd/documents/Con%20Plan%20Part%20I%20Housing%20Needs%20Assessment.pdf>

The Consolidated Plan's profile of housing and homeless needs and conditions in the Alameda County HOME Consortium states:

In the past five years, the Consortium has seen little growth in the area's economy. This has been coupled with increasing costs of living in Alameda County. The economy and loss of jobs has had negative impacts as workers have had to search for housing in a tight housing market. Home prices have increased dramatically along with the costs of food, clothing and transportation. Rents had stabilized, however, now are starting to increase again. While Welfare to Work Programs moved people off of the welfare rolls, many have found only minimum wage jobs. This and loss of higher paying jobs have led to an increase in the numbers of working poor who need different federal assistance. Instead of welfare, these families need housing rental assistance programs and food programs. The homeless demographics are also changing. While many long term homeless are individuals with dual diagnoses of alcohol or drug addictions with a physical or mental disability, many more families are moving in and out of homelessness as their ability to pay for food and shelter varies from paycheck to paycheck.

While that statement was developed a number of years ago, much of it is still accurate. The housing market, however, has changed dramatically. The Great Recession and the sub-prime mortgage crisis have resulted in a decrease in home prices and rents in HACA's jurisdiction. As of December 2009, unemployment in California is over 12% and exceeds the national average. Notwithstanding the softness in the rental market, the high rate of unemployment and the reduction in some public benefits has exacerbated housing affordability.

9.1 Strategy for Addressing Housing Needs

HACA will continue to apply for additional HUD funding and assisted housing contract authority as made available by Notices of Funding Availability (NOFAs), and as any other HUD funding opportunities present themselves, including use of Replacement Housing Factor (RHF) funds and HUD development funds. HACA will also continue to seek to partner with social services providers in order to use housing as a platform for improving quality of life, including as set forth in the FY 2011 HUD budget.

10.0 Additional Information

10.1 Progress in Meeting Mission and Goals

10.1.1 **Mission:** HACA's success in meeting its mission is reflected in its High Performing SEMAP designation and its PHAS Standard Performer designation.

10.1.2 **Goal:** Expand the supply of assisted housing

Objectives: Apply for additional rental vouchers; and, depending on available funding, utilize Section 8 HCV Project-Basing to increase housing opportunities for special needs populations.

Progress: HACA has applied for additional funding as made available by Notices of Funding Availability (NOFAs), and has received additional opt-out and tenant protection vouchers, and vouchers to offset Public Housing unit disposition. HACA applied for Family Unification Program vouchers but was not selected for funding. The total number of HACA Section 8 vouchers increased from 5,456 in 2005 to 5,646 today.

10.1.3 **Goal:** Improve the quality of assisted housing

Objectives: Maintain Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) scores of 90 or higher; transition to a computerized inspection system and inspections conducted by census tract; and modernize five public housing units.

Performance: In 2004, HACA was a High Performer as measured by SEMAP. HACA remains a High Performer as measured by SEMAP. In 2005, HACA was a Standard Performer as measured by PHAS. HACA remains a Standard Performer as measured by PHAS.

HACA has decoupled HQS inspections from annual redeterminations and implemented computerized scheduling of HQS inspections by census tract. HACA's HQS inspections are current. HACA obtained all 10 SEMAP points for HQS inspections last fiscal year and is on track to do so again this fiscal year.

As of January 2009, HACA had completed modernization of 16 units.

10.1.4 **Goal:** Increase assisted housing choices

Objectives: Conduct outreach efforts to potential voucher landlords; monitor voucher success and utilization rates and assess adequacy of payment standards; and continue promoting homeownership activities and assisting participants to become homeowners.

Progress: HACA has, for years, been an active participant in the Rental Housing Organization of Southern Alameda County (RHO). Participation has included membership on the RHO Governing Board, and participation in RHO activities and trainings. HACA has promoted the HCVP in publications of RHO and the Rental Housing Association of Northern Alameda County (RHANAC). HACA monitors voucher success and utilization rates and, at least once per year, assesses the adequacy of payment standards. HACA also continues to implement its Family Self Sufficiency (FSS) homeownership program, although participants are not currently able to purchase homes due to the crisis in the banking/lending industry.

10.1.5 Goal: Provide an improved living environment

Objectives: Work proactively with local governments to foster understanding and support of HACA and its assisted housing programs.

Progress: HACA staff, at various levels, participates in a variety of local government forums as part of a continuous effort to provide information and support for HACA's assisted housing programs.

10.1.6 Goal: Promote self-sufficiency and asset development of assisted households

Objectives: Provide or attract supportive services to improve employability.

Progress: HACA's FSS program sponsors and provides supportive services to improve assistance recipients' employability.

10.1.7 Goal: Ensure equal opportunity and affirmatively further fair housing

Objectives: Undertake affirmative measures to ensure access to assisted housing, and a suitable living environment for families living in assisted housing, regardless of race, color, religion, national origin, gender, family status, or disability.

Progress: HACA developed a Section 504 Grievance Procedure (discrimination on the basis of handicap) and began providing hard-copy weekly rental listings which include units designated for the disabled. (As a public service, HACA also lists privately owned subsidized developments in its jurisdiction, including those with accessibility features, regardless of whether the developments accept Housing Choice Vouchers.)

HACA periodically monitors its weekly rental listing to insure that at least 35% of the listed units are located in non-impacted (minority/poverty) areas. (In fact, well over 90% of the units on the rental listing are typically located in areas outside of areas of minority or poverty concentration.)

HACA surveyed Public Housing (PH) and Section 8 wait list applicants to determine which would benefit from an accessible unit, and the interpretation/translation needs of those applicants with Limited English Proficiency (LEP).

HACA developed a Language Assistance Plan for serving LEP populations in its jurisdiction; developed a Public Housing Affirmative Fair Housing Marketing Plan, conducted a needs assessment of its PH units for Uniform Federal Accessibility Standards (UFAS) compliance; and created a Transition Plan in order to reach compliance with UFAS requirements.

HACA applied for competitive stimulus Capital Grant funds to renovate one unit at its Mission View project to make it UFAS-compliant and to renovate the two community buildings at the Nidus and Dyer senior/disabled projects to make them UFAS-compliant but was not selected for funding.

10.2 Significant Amendment and Substantial Deviation/Modification

HACA defines a "significant amendment" and a "substantial deviation/modification" as, except for changes in the following required to reflect changes in HUD regulatory requirements, a change:

- to HACA's criteria for eligibility for admission; or
- that provides for public housing demolition and/or disposition.

10.3 Memorandum of Agreement with HUD or Plan to Improve Performance

Not applicable.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary		Grant Type and Number Capital Fund Program Grant No. CA3906750110 Replacement Housing Factor Grant No. _____ Date of CFFP: _____		FFY of Grant: 2010 FFY of Grant Approval: 2010	
PHA Name: Housing Authority of Alameda County					
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending: _____ <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Original	Revised ²	Obligated	Total Actual Cost ¹
1	Total non-CFF Funds				Expended
2	1406 Operations (may not exceed 20% of line 21) ³	\$279,614		\$279,614	
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 – 19)	\$279,614		\$279,614	
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security – Soft Costs				
24	Amount of line 20 Related to Security – Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFF Grants for operations.

⁴ RHFF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 Expires 4/30/2011

Part I: Summary			
PHA Name: Housing Authority of Alameda County		Grant Type and Number Capital Fund Program Grant No: CA3906750110 Date of CFFP: _____	FFY of Grant: 2010 FFY of Grant Approval: 2010
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending: Line Summary by Development Account		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report	
Total Estimated Cost		Revised ²	Total Actual Cost ¹
Original		Obligated	Expended
Date		Date	
Signature of Executive Director		Signature of Public Housing Director	

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/20011

Part I: Summary		Locality (City/County & State) Alameda County, California				Revision No:	
PHA Name/Number HACA CA067		Work Statement for Year 1 FFY 2010	Work Statement for Year 2 FFY 2011	Work Statement for Year 3 FFY 2012	Work Statement for Year 4 FFY 2013	Work Statement for Year 5 FFY 2014	
A.	Development Number and Name						
B.	Physical Improvements Subtotal	Annual Statement					
C.	Management Improvements						
D.	PHA-Wide Non-dwelling Structures and Equipment						
E.	Administration						
F.	Other						
G.	Operations		\$265,633	\$252,351	\$239,733	\$227,746	
H.	Demolition						
I.	Development						
J.	Capital Fund Financing - Debt Service						
K.	Total CFP Funds		\$265,633	\$252,351	\$239,733	\$227,746	
L.	Total Non-CFP Funds						
M.	Grand Total		\$265,633	\$252,351	\$239,733	\$227,746	

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/20011

Part II: Supporting Pages – Physical Needs Work Statement(s)					
Work Statement for Year 1 FFY 2010	Work Statement for Year 4 FFY 2013			Work Statement for Year 5 FFY 2014	
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity Estimated Cost
See Annual Statement	PHA Wide			PHA Wide	
	CAL 67-7/16 OPERATIONS		\$239,733	CAL 67-7/16 OPERATIONS	\$227,746
	Subtotal of Estimated Cost		\$ 239,733	Subtotal of Estimated Cost	\$ 227,746

ATTACHMENT C

The Board of Commissioners
Housing Authority of the County of Alameda
Hayward, California

We have audited the accompanying financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Housing Authority of the County of Alameda (the Authority) as of and for the year ended June 30, 2009, which collectively comprise the Authority's basic financial statements. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards and OMB Circular A-133 as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 11, 2008. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority as described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2009. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Estimates: Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements were:

- The useful lives of capital assets have been estimated based on the intended use and are within Generally Accepted Accounting Principles guidelines.

Difficulties Encountered in Performing the Audit: We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 29, 2010.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Commissioners and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

PwC

Oakland, California
January 29, 2010

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

JUNE 30, 2009

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-10
FINANCIAL STATEMENTS:	
Statement of Net Assets	11
Statement of Activities	12
Statement of Net Assets – Proprietary Funds	13
Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Funds	14
Statement of Cash Flows	15
Notes to Financial Statements	16-26
SUPPLEMENTARY INFORMATION:	
Combining Statement of Net Assets – Non-Major Enterprise Funds	27
Combining Statement of Revenues, Expenses and Changes in Net Assets – Non-Major Enterprise Funds	28
Schedule of Expenditures of Federal Awards	29
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	30-31
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	32-33
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	34-35
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS	36

INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
Housing Authority of the County of Alameda
Hayward, California

We have audited the accompanying financial statements of the business-type activities, each major fund and the aggregate remaining fund information of the Housing Authority of the County of Alameda (the Authority) as of and for the year ended June 30, 2009, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

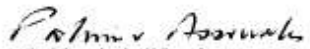
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund and the aggregate remaining fund information of the Authority, as of June 30, 2009, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2010 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis on pages 3 through 10 is not a required part of the basic financial statements but contains supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods and measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Palmer Associates
Oakland, California
January 29, 2010

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA MANAGEMENT'S DISCUSSION AND ANALYSIS

The Housing Authority of the County of Alameda's (the Authority) Management's Discussion and Analysis (MD&A) is designed to:

- provide an overview of the Authority's financial activity,
- identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges),
- assist the reader in focusing on significant financial issues, and
- identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the attached financial statements.

FINANCIAL HIGHLIGHTS

The assets of the Authority exceeded its liabilities at the close of the fiscal year by \$28.8 million (net assets). Of this amount, \$14.1 million (unrestricted net assets) may be used to meet the Authority's ongoing obligations to clients and creditors.

The Authority's FY 2009 total net assets decreased by \$2.8 million (9%) from FY 2008. Total revenues decreased by approximately \$3.6 million (4%) during 2009, and were \$76.8 million and \$80.4 million for 2009 and 2008, respectively.

Total expenses increased by approximately \$2.5 million (3%). Total expenses were \$79.6 million and \$77.1 million for 2009 and 2008, respectively.

AUTHORITY-WIDE FINANCIAL STATEMENTS

The Authority-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business in that all enterprise fund type activities are consolidated into columns, which add to a total for the entire Authority.

These statements include a Statement of Net Assets, which is similar to a Balance Sheet. The Statement of Net Assets reports all financial and capital resources for the Authority. The statement is presented in the format where assets minus liabilities equal "Net Assets", formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year) and "Non-current".

The Statement of Net Assets (the "Unrestricted Net Assets") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority.

Net Assets (formerly equity) are reported in three broad categories:

- Net Assets, Invested in Capital Assets, Net of Related Debt: This component of Net Assets consists of all Capital Assets, reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted Net Assets: This component of Net Assets consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.
- Unrestricted Net Assets: Consists of Net Assets that do not meet the definition of "Net Assets Invested in Capital Assets, Net of Related Debt", or "Restricted Net Assets".

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Assets (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative costs, utilities, maintenance, depreciation, and Non-Operating Revenue & Expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Fund Net Assets is the "Change in Net Assets", which is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by or used for operating activities, non-capital financing activities, and from capital and related financing activities.

FUND FINANCIAL STATEMENTS

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on Major Funds, rather than fund types. The Authority consists of exclusively Enterprise Funds. Enterprise Funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector.

The Department of Housing and Urban Development (HUD) requires the Authority to maintain many of the funds. Others are segregated to enhance accountability and control.

THE AUTHORITY'S FUNDS

Business Type Funds

Low Rent Public Housing Program – Under the Low Rent Public Housing Program (LRPH), the Authority rents units that it owns to low-income households. The LRPH Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy to enable the Authority to provide the housing at a rent that is based upon 30% of a household's adjusted gross income. The LRPH Program also includes the Capital Fund Program (CFP), which is the primary funding source for physical and management improvements to the Authority's properties.

Housing Choice Voucher Program – Under the Housing Choice Voucher Program (HCV), the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions funding to enable the Authority to structure a lease that sets the participant's rent at 30% of adjusted gross income.

Housing Development Fund – The Authority maintains a Local Fund for low-income housing development and management improvements.

Shelter Plus Care Program – This program is funded through the Alameda County Housing and Community Development Agency, for which the Authority provides the housing subsidy administration.

Moderate Rehabilitation Program – This program is a form of the Section 8 Rental Assistance program in which the rental assistance is "tied" to the rental unit rather than to the family. The Authority has 100 units under this program.

Other Non-major Funds – In addition to the major funds above, the Authority also maintains the following non-major funds. Non-major funds are defined as funds that have assets, liabilities, revenues, or expenses of less than 10% of the Authority's combined enterprise funds.

Capital Fund Program – This program is the primary funding source for physical and management improvements to the Authority's LRPH properties.

Other Business Activities – The Authority owns non-assisted units in Hayward known as Park Terrace (9 units) and in Emeryville known as Ocean Avenue (6 units) that are rented to low-income families. The Authority owns land in Union City to be developed for low-income housing. The Authority also manages, for a fee, 4 houses owned by the City of Union City and these homes are also rented to low-income families.

AUTHORITY-WIDE STATEMENT

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets compared to the prior year. The Authority is engaged only in Business-Type Activities.

TABLE 1

NET ASSETS (in millions)

	2009	2008
Current and other assets	\$ 21.28	\$ 24.12
Capital assets	9.03	9.09
Total assets	30.31	33.21
Current liabilities	1.45	1.52
Noncurrent liabilities	0.03	0.02
Total liabilities	1.48	1.54
Net assets:		
Invested in capital assets	9.03	9.09
Restricted	5.74	8.19
Unrestricted	14.06	14.39
Total net assets	\$ 28.83	\$ 31.67

For more detailed information, see Statement of Net Assets.

Major Factors Affecting the Statement of Net Assets

Current and other assets decreased by approximately \$2.84 million primarily due to lower amounts of cash and cash equivalents and investments. Total liabilities decreased by approximately \$60,000 primarily due to decreases in accounts payable to HUD and other accounts payable.

Investments in capital assets decreased by approximately \$60,000 and were \$9.03 million and \$9.09 million in 2009 and 2008, respectively. The \$737,000 increase in capital expenditures was offset by depreciation expense of approximately \$797,000 for the year.

Table 2 below presents details on the change in Unrestricted and Restricted Net Assets

TABLE 2
CHANGE IN UNRESTRICTED AND RESTRICTED NET ASSETS
(in millions)

Unrestricted and restricted net assets 6/30/08	\$ <u>22.58</u>
Results of operations	(2.84)
Adjustments:	
Depreciation (See Note 1 below)	<u>0.80</u>
Adjusted results from operations	<u>(2.04)</u>
Capital expenditures	<u>(0.74)</u>
Unrestricted and restricted net assets 6/30/09	\$ <u><u>19.80</u></u>

Note 1: Depreciation is treated as an expense and reduces the results of operations but does not have an impact on Unrestricted and Restricted Net Assets.

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted and Restricted Net Assets provides a clearer change in financial well being.

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only in Enterprise Fund-Type Activities.

TABLE 3
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
(in millions)

	<u>2009</u>	<u>2008</u>
Revenues		
Rental revenue – tenant	\$ 1.48	\$ 1.53
Operating subsidies and grants	73.27	76.71
Investment income	0.25	0.59
Other revenue	<u>1.80</u>	<u>1.55</u>
Total revenue	<u>76.80</u>	<u>80.38</u>
Expenses:		
Administrative	7.77	7.17
Utilities	0.20	0.18
Maintenance	1.11	1.09
General	0.47	0.29
Housing assistance payments	69.29	67.63
Depreciation	<u>0.80</u>	<u>0.72</u>
Total expenses	<u>79.64</u>	<u>77.08</u>
Net increase (decrease)	<u>\$ (2.84)</u>	<u>\$ 3.30</u>

Major Factors Affecting the Statement of Revenue, Expenses and Changes in Net Assets

HUD provided 95% of the Authority's total revenue in 2009 and 2008. The HUD HCV program represents the majority of the Authority's total operating subsidies and grants revenue. Changes in HUD funding directly impact the Authority's operating results. Total revenues decreased by 4% mainly due to the decrease in the Housing Choice Voucher (HCV) Program revenue. The HCV Program received lesser annual contributions from HUD (5%) as compared to last year.

Most expenses changed slightly with the exception of housing assistance payments which increased by 2%.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of fiscal year ended June 30, 2009, the Authority had \$9.03 million invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease (addition, deductions and depreciation) of approximately \$60,000 or 1% from the end of last year.

TABLE 4
CAPITAL ASSETS AND DEBT ADMINISTRATION
(in millions)

	2009	2008
Land and land rights	\$ 3.59	\$ 3.59
Buildings and improvements	16.27	15.76
Furniture and equipment	1.97	1.72
Accumulated depreciation	(12.94)	(12.15)
Construction in progress	<u>0.14</u>	<u>0.17</u>
Total	<u>\$ 9.03</u>	<u>\$ 9.09</u>

The following reconciliation summarizes the change in capital assets, which is presented in detail in the notes to the financial statements.

TABLE 5
CHANGE IN CAPITAL ASSETS
(in millions)

Beginning balance, July 1, 2008	\$ 9.09
Additions	0.74
Deductions	<u>(0.80)</u>
Ending balance, June 30, 2009	<u>\$ 9.03</u>

Debt Outstanding

As of year-end, the Authority had no debt (bonds, notes, etc.) outstanding.

ECONOMIC FACTORS

The Authority is primarily dependent upon HUD for the funding of operations; therefore, it is affected more by the Federal budget than by local economic conditions. For a number of years, HUD has reduced funding to administer federal housing programs. The reduction has required the Authority's management to implement a comprehensive strategy to find new ways of assisting its participants while reducing costs, and continuing to comply with regulatory requirements.

Other significant economic factors affecting the Authority are as follows:

- Local labor supplies and demand, which can affect salary and wage rates
- Local inflationary, recessionary, and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs
- Supply of affordable housing

FINANCIAL CONTACT

The individual to be contacted regarding this report is Cathy Leoncio, Finance Director, at (510) 727-8521. Specific request may be submitted to the Housing Authority of the County of Alameda, 22941 Atherton Street, Hayward, California 94541-6633.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
STATEMENT OF NET ASSETS
JUNE 30, 2009

	Primary Government Business-Type Activities
Assets	
Current assets:	
Cash and cash equivalents (Note 2)	\$ 1,668,831
Investments (Note 2)	12,473,225
Accounts receivable - HUD	741,538
Accounts receivable - other	608,800
Prepaid and other assets	38,078
Total current assets	<u>15,530,472</u>
Restricted assets:	
Cash and cash equivalents (Note 2)	5,658,793
Investments (Note 2)	88,019
Total restricted assets	<u>5,746,812</u>
Capital assets (Note 4)	21,975,932
Less accumulated depreciation (Note 4)	<u>(12,942,066)</u>
Capital assets, net	<u>9,033,866</u>
Total assets	<u>30,311,150</u>
Liabilities	
Current liabilities:	
Accounts payable	365,197
Accounts payable - HUD	114,629
Accounts payable - other	8,015
Accrued compensated absences - current portion (Note 1)	173,645
Deferred revenue (Note 9)	77,056
Tenants security deposits	104,789
Other liabilities	384,027
Accrued liabilities	208,478
Total current liabilities	<u>1,435,836</u>
Noncurrent liabilities:	
Accrued compensated absences - noncurrent portion (Note 1)	<u>37,001</u>
Total noncurrent liabilities	<u>37,001</u>
Total liabilities	<u>1,472,837</u>
Net assets:	
Investment in capital assets	9,033,866
Restricted	5,746,812
Unrestricted	<u>14,057,635</u>
Total net assets	<u>\$ 28,838,313</u>

The accompanying notes are an integral part of these financial statements

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Functions/Programs Primary government	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants	Total
Business-type activities:				
Low Rent Public Housing Program	\$ 2,304,018	\$ 1,164,363	\$ 383,245	\$ (756,410)
Housing Choice Voucher Program	73,921,005		70,105,645	(3,815,360)
Housing Development Fund	627,672	125,004		(502,668)
Public Housing Capital Fund Program	164,916		164,917	199,141
Shelter Plus Care	1,236,918		1,236,918	
Other Federal Program	82,596		82,596	
Moderate Rehabilitation 1	112,715		112,715	
Moderate Rehabilitation 4	984,461		984,461	
Ocean Avenue	80,465	61,483		(18,982)
Park Terrace	104,644	111,955		7,311
Union City Managed	18,115	21,000		2,885
Total Business-type activities	\$ 79,637,525	\$ 1,483,805	\$ 73,070,497	\$ (4,884,083)
General revenues:				
Other revenue				1,806,311
Investment income				247,949
Total general revenues				2,054,260
Change in net assets				(2,829,823)
Equity transfer				(2,885)
Net assets - beginning				31,671,021
Net assets - ending				\$ 28,838,313

The accompanying notes are an integral part of these financial statements

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
JUNE 30, 2002

	Major Enterprise Funds					Other Enterprise Funds	
	Low Rent Public Housing	Housing Choice Vouchers	Housing Development Fund	Shelter Plus Care	MOD Rehab 4	Non-Major	Total
Assets							
Current assets:							
Cash and cash equivalents (Note 2)	\$ 481	\$ 1,630,875	\$ 502	\$	\$	\$ 36,973	\$ 1,668,831
Investments (Note 2)	487,003	1,000,075	9,507,500			1,478,647	12,473,225
Accounts receivable - HUD	20,508	212,884			508,146		741,538
Accounts receivable - other	(1,372)	103,528		414,606		92,038	608,800
Prepaid and other assets	5,300	32,778					38,078
Due from other funds (Note 3)	76,235	1,042,811	10,229			84,182	1,213,457
Total current assets	588,155	4,022,951	9,518,231	414,606	508,146	1,691,840	16,743,929
Restricted assets:							
Cash and cash equivalents (Note 2)		5,642,023	8,000			8,770	5,658,793
Investments (Note 2)	88,019						88,019
Total restricted assets	88,019	5,642,023	8,000			8,770	5,746,812
Capital assets (Note 4)	14,680,804	717,724	4,109,068			2,468,336	21,975,932
Less accumulated depreciation (Note 4)	(9,750,907)	(660,196)	(1,721,411)			(809,552)	(12,942,066)
Capital assets, net	4,929,897	57,528	2,387,657			1,658,784	9,033,866
Total assets	5,606,071	9,722,502	11,913,888	414,606	508,146	3,359,394	31,524,607
Liabilities							
Current liabilities:							
Accounts payable	23,268	297,938	24,272	12,930	20	6,769	365,197
Accounts payable - HUD	94,904	2,810				16,915	114,629
Accounts payable - other			8,015				8,015
Accrued compensated absences - current portion (Note 1)	14,009	158,316	1,320				173,645
Deferred revenue (Note 9)			10,977			66,079	77,056
Tenants security deposits	88,019		8,000			8,770	104,789
Other liabilities		384,027					384,027
Accrued liabilities	36,937	151,832	4,796			14,913	208,478
Due to other funds (Note 3)	132,247	15,757	82,405	401,676	508,126	73,246	1,213,457
Total current liabilities	389,384	1,010,680	139,785	414,606	508,146	186,692	2,649,293
Noncurrent liabilities:							
Accrued compensated absences - noncurrent portion (Note 1)	2,937	34,064					37,001
Total noncurrent liabilities	2,937	34,064					37,001
Total liabilities	392,321	1,044,744	139,785	414,606	508,146	186,692	2,686,294
Net assets:							
Investment in capital assets	4,929,897	57,528	2,387,657			1,658,784	9,033,866
Restricted	88,019	5,642,023	8,000			8,770	5,746,812
Unrestricted	195,834	2,978,207	9,378,446			1,505,148	14,057,635
Total net assets	\$ 5,213,750	\$ 8,677,758	\$ 11,774,103	\$	\$	\$ 3,172,702	\$ 28,838,313

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Major Enterprise Funds					Other Enterprise Funds Non-Major	Totals
	Low Rent Public Housing	Housing Choice Vouchers	Housing Development Fund	Shelter Plus Care	Mod Rehab 4		
<u>Operating revenues</u>							
Rental revenue - tenants	\$ 1,164,363	\$ _____	\$ 125,004	\$ _____	\$ _____	\$ 194,438	\$ 1,483,805
Total operating revenues	<u>1,164,363</u>	<u>_____</u>	<u>125,004</u>	<u>_____</u>	<u>_____</u>	<u>194,438</u>	<u>1,483,805</u>
<u>Operating expenses</u>							
Administration	512,362	6,630,285	268,712	69,310	105,218	176,379	7,762,266
Tenant service	11,800						11,800
Utilities	138,562		44,876			7,111	190,549
Ordinary maintenance and operations	952,939		90,184			69,206	1,112,329
General expenses	187,688	192,212				93,810	473,710
Depreciation	500,667	11,454	223,900			60,789	796,810
Housing assistance payments		67,087,054		1,167,608	879,243	156,156	69,290,061
Total operating expenses	<u>2,304,018</u>	<u>73,921,005</u>	<u>627,672</u>	<u>1,236,918</u>	<u>984,461</u>	<u>563,451</u>	<u>79,637,525</u>
Operating loss	<u>(1,139,655)</u>	<u>(73,921,005)</u>	<u>(502,668)</u>	<u>(1,236,918)</u>	<u>(984,461)</u>	<u>(369,013)</u>	<u>(78,153,720)</u>
<u>Non-operating revenues</u>							
HUD PHA grants	383,245	70,105,645		1,236,918	984,461	360,228	73,070,497
Capital grants						199,140	199,140
Other revenue	71,527	1,724,784	10,000				1,806,311
Investment income	12,517	26,851	183,928			24,653	247,949
Total non-operating revenues	<u>467,289</u>	<u>71,857,280</u>	<u>193,928</u>	<u>1,236,918</u>	<u>984,461</u>	<u>584,021</u>	<u>75,323,897</u>
Income/(loss) before transfers	<u>(672,366)</u>	<u>(2,063,725)</u>	<u>(308,740)</u>			<u>215,008</u>	<u>(2,829,823)</u>
Transfers in/(out) (Note 10)	220,973					(220,973)	
Equity transfer (Note 14)						(2,885)	(2,885)
Change in net assets	<u>(451,393)</u>	<u>(2,063,725)</u>	<u>(308,740)</u>			<u>(8,850)</u>	<u>(2,832,708)</u>
Net assets at the beginning of year	<u>5,665,143</u>	<u>10,741,483</u>	<u>12,082,843</u>			<u>3,181,552</u>	<u>31,671,021</u>
Ending net assets	<u>\$ 5,213,750</u>	<u>\$ 8,677,758</u>	<u>\$ 11,774,103</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 3,172,702</u>	<u>\$ 28,838,313</u>

The accompanying notes are an integral part of these financial statements

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009

	Low-rent Public Housing	Housing Choice Vouchers	Housing Development Fund	Shelter Plus Care	Mod Rahab 4	Other Enterprise Funds Non-Major	Totals
Cash flows from operating activities:							
Cash collected from:							
Dwelling rental	\$ 1,083,805		\$ 133,019			\$ 191,838	\$ 1,408,662
Non-dwelling rental	\$6,336						\$6,336
Cash paid for:							
Housing assistance payments		(66,872,314)		(1,167,608)	(879,243)	(172,767)	(69,091,932)
Employee expenses	(435,717)	(5,420,494)		(69,310)	(105,218)	(115,717)	(6,146,456)
Administrative expenses	(85,379)	(1,733,641)	(268,712)			(149,018)	(2,236,750)
General expenses	(205,706)	(152,389)	(44,876)			(12,566)	(415,537)
Maintenance expenses	(1,106,299)		32,384			(51,822)	(1,125,737)
Net cash used by operating activities	(662,960)	(74,178,838)	(148,185)	(1,236,918)	(984,461)	(310,052)	(77,521,414)
Cash flows from non capital financing activities:							
Other revenue received	71,527	1,676,276	10,000				1,757,803
Grant revenue received	383,245	70,105,645		1,236,918	984,461	559,368	73,269,637
Net cash provided by non capital financing activities	454,772	71,781,921	10,000	1,236,918	984,461	559,368	75,027,440
Cash flows from capital and related financing activities:							
Acquisition of capital assets		(48,685)	(215,660)				(264,345)
Construction of capital assets			(240,722)			(233,192)	(473,914)
Net cash used by capital and related financing activities		(48,685)	(456,382)			(233,192)	(738,259)
Cash flows from investing activities:							
Proceeds from investment maturities	175,955	3,005,199					3,181,154
Purchase of investments			(883,634)			(26,764)	(910,398)
Interest received from investments	12,517	75,359	183,928			24,653	296,457
Net cash provided/(used) by investing activities	188,472	3,080,558	(699,706)			(2,111)	2,567,213
Net increase/(decrease) in cash and cash equivalents	(19,716)	634,956	(1,294,273)			14,013	(665,020)
Cash and cash equivalents at the beginning of the year	20,197	6,637,942	1,302,775			31,730	7,992,644
Cash and cash equivalents at the end of the year	\$ 481	\$ 7,272,898	\$ 8,502			\$ 45,743	\$ 7,322,624
Reconciliation of operating loss to net cash used by operating activities:							
Operating loss	\$ (1,139,655)	\$ (73,921,005)	\$ (502,668)	\$ (1,236,918)	\$ (984,461)	\$ (369,013)	\$ (78,153,720)
Adjustments to reconcile operating loss to net cash used by operating activities:							
Equity transfer in/out						(2,885)	(2,885)
Depreciation expense	500,667	11,454	223,900			60,789	796,810
(Increase)/Decrease in accounts receivable - HUD		214,740			(204,919)	(84,958)	(75,137)
(Increase)/Decrease in in accounts receivable - other	5,322	1,065					6,387
(Increase)/Decrease in in accounts receivable - other government		10,694		(568)		(2,125)	8,001
(Increase)/Decrease in accounts receivable - tenants	7,975					285	8,260
(Increase)/Decrease in prepaid expenses	(5,300)	(32,778)					(38,078)
(Increase)/Decrease in interfund receivable	(58,434)	(309,425)	27,338			17,822	(322,699)
Increase/(Decrease) in accounts payable	9,281	(41,514)	16,803	8,010	(12)	6,746	(686)
Increase/(Decrease) in wages/payroll taxes payable	(1,537)	(4,005)					(5,542)
Increase/(Decrease) in accounts payable - HUD						(17,703)	(17,703)
Increase/(Decrease) in interfund payable	33,602	(58,872)	82,253	(7,442)	204,931	68,227	322,699
Increase/(Decrease) in accounts payable - other government	(4,517)	(8,194)	8,015			16,915	12,219
Increase/(Decrease) in accrued compensated absences	(3,599)	39,823					36,224
Increase/(Decrease) in deferred revenue			519			(15,536)	(15,017)
Increase/(Decrease) in other current liabilities		(107,384)					(107,384)
Increase/(Decrease) in accrued liabilities	(4,568)	26,563	(4,345)			14,084	31,734
Increase/(Decrease) in tenant security deposit	(2,197)					(2,700)	(4,897)
Net cash used by operating activities	\$ (662,960)	\$ (74,178,838)	\$ (148,185)	\$ (1,236,918)	\$ (984,461)	\$ (310,052)	\$ (77,521,414)

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Organization

The Housing Authority of the County of Alameda (the Authority) was established by the Alameda County Board of Supervisors on December 3, 1968. It is funded primarily by the Department of Housing and Urban Development (HUD) by means of two Annual Contribution Contracts.

The Authority provides housing assistance to low and moderate-income families at rents they can afford. Eligibility is determined by family composition, income and residency in areas served by the Authority.

The accompanying financial statements are those of the Low Rent Public Housing Program, the Housing Choice Voucher Program, the existing Moderate Rehabilitation programs, the Authority administered Shelter Plus Care program and the Housing Development Fund. A summary of the programs administered by the Authority is provided below to assist the reader in interpreting such financial statements.

The Authority does not have any component units as defined under generally accepted accounting principles.

(b) Major Funds

Based on criteria established by the Governmental Accounting Standards Board's Statement No. 34, the Authority has reported the following major funds:

Low Rent Public Housing - Under the Low Rent Public Housing Program (LRPH), the Authority rents units that it owns to low-income households. The LRPH Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy to enable the Authority to provide housing at a rent that is based upon 30% of a household's adjusted gross income. The LRPH Program also includes the Capital Fund Program (CFP), which is the primary funding source for physical and management improvements to the Authority's properties.

Housing Choice Voucher Program - Under the Housing Choice Voucher Program (HCV), the Authority administers contracts with independent landlords that own properties. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. The program is administered under an ACC with HUD. HUD provides Annual Contributions funding to enable the Authority to structure a lease that sets the participant's rent at 30% of adjusted gross income.

Housing Development Fund - The Authority maintains a Local Fund for low-income housing development and management improvements.

Shelter Plus Care Program - This program is funded through the Alameda County Housing and Community Development Agency, for which the Authority provides the housing subsidy administration.

Moderate Rehabilitation Program - A form of the Section 8 Rental Assistance program in which the rental assistance is "tied" to the rental unit rather than to the family. The Authority has 100 units under this program.

Non-major Funds - In addition to the major funds above, the Authority also maintains the following non-major funds. Non-major funds are defined as funds that have assets, liabilities, revenues, or expenses less than 10% of the Authority's total assets, liabilities, revenues or expenses:

Capital Fund Program - The primary funding source for physical and management improvements to the Authority's LRPH properties.

Other Business Activities - The Authority owns non-assisted units in Hayward known as Park Terrace (9 units) and in Emeryville known as Ocean Avenue (6 units) that are rented to low-income families. The Authority owns land in Union City to be developed for low-income housing. The Authority also manages, for a fee, 4 houses owned by the City of Union City and these homes are also rented to low-income families.

(c) **Fund Accounting**

The basic accounting and reporting entity is a "fund". A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves and equities segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The Authority applies all applicable GASB pronouncements in accounting and reporting for its proprietary operations as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure.

The accounting records of the Authority are organized on the basis of funds classified for reporting purposes as follows:

Enterprise Funds

All of the funds of the Authority are considered Enterprise Funds. Enterprise Funds are used to account for operations (a) that are financed primarily through user charges, or (b) where the governing body has decided that determination of net income is appropriate.

(d) **Measurement Focus and Basis of Accounting**

The proprietary fund types are accounted for on an "income determination" or "cost of services" measurement focus. Accordingly, all assets and liabilities are included on the statement of net assets, and the reported net assets provide an indication of the historical net worth of the fund. Operating statements for proprietary fund types report increases (revenues) and decreases (expenses) in total historical net worth.

Proprietary funds use the accrual basis of accounting, i.e., revenues are recognized in the period earned and expenses are recognized in the period incurred.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses result from providing goods and services related to the fund's ongoing operations. The principal operating revenue of the Authority's enterprise funds is dwelling rental income. Operating expenses include the cost of services provided, administrative expenses and depreciation on fixed assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

(e) **Cash, Cash Equivalents and Investments**

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid investments. For purposes of the statement of cash flows, cash equivalents are defined as short-term highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents also represent the proprietary funds' share in the cash and investment pool of the Authority. Cash equivalents have an original maturity date of three months or less from the date of purchase.

The Authority pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as *cash* and *investments*. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

Investments are reported at fair value in accordance with GASB Statement No. 31, Accounting and Financial Reporting for certain investments and for External Investment Pools.

(f) **Capital Assets**

The Authority's established capitalization policy, requires all acquisitions of property and equipment in excess of \$3,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets be capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed on a straight-line basis over the useful lives of the assets generally as follows:

	<u>Years</u>
Furniture and equipment	5
Building improvements	10
Buildings	27.5

(g) Accounts Receivable

Receivables are principally amounts due from other governments and tenants. Allowance for doubtful accounts has been provided based on the likelihood of the recoverability.

(h) Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

(i) Accrued Compensated Absences

Accumulated vacation benefits are recorded as liabilities on the books of the Authority. The total liability for the Authority is \$210,646 based on year-end hourly rates. Of this total amount, \$173,645 is the current portion, and \$37,001 is the non-current portion.

(j) Net Assets

Net assets consist of investment in capital assets, restricted net assets, and unrestricted net assets. Unrestricted net assets are designated for use for expenditures in future periods. Restricted net assets are designated for tenant security deposits, family self-sufficiency escrow deposits, capital fund program and HAP equity.

(k) Taxes

The Authority is exempt from federal and state income taxes. The Authority is also exempt from property taxes but makes payments in lieu of taxes on owned housing.

(l) Deferred Revenues

Deferred revenues represent funds received that have not yet been earned. As the funds are earned, the liability is reduced.

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments as of June 30, 2009 are classified on the Statement of Net Assets as follows:

Cash, cash equivalents and investments:	
Deposits with financial institution	\$ 1,668,831
Investments	12,473,225
Restricted cash, cash equivalents and investments for tenant security deposits, family self-sufficiency escrow, and capital fund program:	
Deposits with financial institution	5,658,793
Investments	88,019
Total cash, cash equivalents and investments	\$ <u>19,888,868</u>

The Authority had the following cash, cash equivalents and investments at June 30, 2009:

Cash and cash equivalents:	
Deposits with financial institution	\$ 7,327,624
Investments:	
Certificates of deposit	<u>12,561,244</u>
Total cash, cash equivalents and investments	\$ <u>19,888,868</u>

A. Deposits

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside entity. All time and savings deposits (which include NOW accounts, money market deposit accounts and other interest-bearing checking accounts) maintained in an insured depository institution insured up to \$250,000 per bank by the Federal Deposit Insurance Corporation (FDIC) depending upon the type of deposit and the location of the insured depository institution. These accounts are held with a single financial institution. The Authority's deposits exceeded the FDIC's insurance limit by \$19,638,868. The uninsured amount was exposed to custodial credit risk and was collateralized with securities held by pledging financial institutions' trust departments, but not in the Authority's name. As required by California Government Code Section 53652, the market value of the pledged securities must equal at least 110 percent of the Authority's deposits, except that for mortgage-backed securities, which must equal at least 150 percent.

B. Investments

The Authority is authorized by State statutes and in accordance with the Authority's Investment Policy (Policy) to invest in the following:

- Securities issued or guaranteed by the Federal Government or its agencies
- State Local Agency Investment Fund (LAIF)
- Insured and/or collateralized certificates of deposit

The Policy, in addition to State statutes, establishes that funds on deposit in banks must be federally insured or collateralized and investments shall (1) have maximum maturity not to exceed five years, (2) be ladderized and based on cash flow forecasts; and (3) be subject to limitations to a certain percent of the portfolio for each of the authorized investments. The Authority's investments comply with the established policy.

NOTE 3: DUE FROM/TO OTHER FUNDS

During the course of operation, numerous transactions occur between the individual programs of the Authority for goods provided and services rendered. The receivables and payables balances at June 30, 2009, between the various funds of the Authority are as follows:

<u>Due From</u>	<u>Housing Choice Vouchers</u>	<u>Low Rent Public Housing</u>	<u>Capital Fund Program</u>	<u>Housing Development Fund</u>	<u>DHAP</u>	<u>Total Interfund Payable</u>
Housing Choice Vouchers	\$	\$	2,428	\$ 10,229	\$ 3,100	\$ 15,757
Low Rent Public Housing	53,593		78,654			132,247
Shelter Plus Care	401,676					401,676
Moderate Rehab 1	69,634					69,634
Moderate Rehab 4	508,126					508,126
DHAP	3,588					3,588
Ocean Avenue Development		24				24
Housing Development Fund	6,194	76,211				82,405
Total Interfund Receivable	\$ 1,042,811	\$ 76,235	\$ 81,082	\$ 10,229	\$ 3,100	\$ 1,213,457

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

<u>Items</u>	<u>Balance at July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at June 30, 2009</u>
Capital assets not being depreciated:				
Land and land rights	\$ 3,588,497	\$	\$	\$ 3,588,497
Construction in progress	168,522		(21,832)	146,690
Total capital assets not being depreciated	3,757,019		(21,832)	3,735,187
Capital assets being depreciated:				
Buildings and improvements	15,764,867	506,191		16,271,058
Furniture and equipment	1,715,787	253,900		1,969,687
Total capital assets being depreciated	17,480,654	760,091		18,240,745
Less accumulated depreciation for:				
Buildings and improvements	(11,135,825)	(590,105)		(11,725,930)
Furniture and equipment	(1,009,431)	(206,705)		(1,216,136)
Total accumulated depreciation	(12,145,256)	(796,810)		(12,942,066)
Total capital assets being depreciated, net	5,335,398	(36,719)		5,298,679
Total capital assets, net	\$ 9,092,417	\$ (36,719)	\$ (21,832)	\$ 9,033,866

Depreciation expense for the year ended June 30, 2009 was \$796,810.

A summary of enterprise funds capital assets at June 30, 2009 is shown below:

Capital Assets

Land and land rights	\$ 3,588,497
Buildings and improvements	16,271,058
Furniture and equipment	1,969,687
Construction in progress	146,690
Total capital assets	21,975,932
Less: Accumulated depreciation	(12,942,066)
Net capital assets	\$ 9,033,866

NOTE 5: PAYMENT IN LIEU OF TAXES

In connection with the Low Rent Public Housing Program, the Authority is obligated to make annual payments in lieu of property taxes based on the lesser of assessable value of owned housing times the current tax rate or 10% of the dwelling rents net utilities expense. At June 30, 2009, accounts payable to others included \$94,904 for payment in lieu of taxes.

NOTE 6: DEFINED BENEFIT PENSION PLAN

Plan Description:

The Authority provides retirement benefits for all its full-time employees through the Alameda County Employees Retirement Association (ACERA). ACERA began operations on January 1, 1948, and is governed by the California Constitution, the County Employees Retirement Law of 1937 and the bylaws, procedures and policies adopted by the Board of Retirement. ACERA operates as a cost-sharing multiple-employer defined benefit plan for Alameda County and five participating special districts located in the County, but ACERA is not under the control of the Alameda County Board of Supervisors.

ACERA provides service and disability retirement benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Benefit and contribution provisions are established by State Law and are subject to amendment only by an act of the State of California legislature. Alternative benefit and contribution schedules are permissible with the Board of Supervisors' approval. All risks and costs, including benefit costs, are shared by the participating entities. An actuarial valuation is performed annually for the system as a whole. ACERA's financial statements and required supplementary information are audited annually by independent auditors. The audit report and December 31, 2008 financial statements may be obtained by writing to Alameda County Employees' Retirement Association, 475 14th Street, Suite 1000, Oakland, CA 94612.

Plan Membership. All full time employees appointed to permanent positions are required by statute to enroll in the plan when they are hired.

Membership of ACERA at December 31, 2008, is as follows:

Retirees and beneficiaries currently receiving benefits	7,193
Active members	11,136
Inactive members	<u>1,819</u>
Total	<u>20,148</u>

Funding Policy

The employers and members contribute to ACERA based on rates recommended by an independent actuary and adopted by the Board of Retirement. Covered employees are required by statute to contribute toward their pensions. Member contribution rates are formulated on the basis of their date of entry and the actuarially calculated benefits, and are between 6.30 percent and 20.17 percent of their annual covered salary. Member contributions are refundable upon termination from the retirement system.

Alameda County and special districts are required by statute to contribute the amounts necessary to finance the estimated benefits accruing to their employees. The Authority's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years of continuous service. The Authority's contribution for the fiscal year ended June 30, 2009 was \$762,341.

NOTE 7: CONTINGENT LIABILITIES

The Authority has received funds from various Federal and local grant programs. It is possible that at some future date, it may be determined that the Authority was not in compliance with applicable grant requirements. The amounts, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Authority does not expect such disallowed amounts, if any, to materially affect the financial statements.

NOTE 8: RISK MANAGEMENT

The Authority is exposed to all common perils associated with the ownership and rental of real estate properties. A risk management pool has been established to minimize loss occurrence and to transfer risk through various levels of insurance. Property, casualty, employee dishonesty and public official's liability forms are used to cover the respective perils. Insurance for these perils is underwritten by a housing authority insurance pool: Housing Authorities Risk Retention Pool (HARRP).

HARRP is a Joint Powers Authority organized under the intergovernmental cooperation laws of the states of Washington, Oregon, California, and Nevada, to manage the self-insurance program of housing authorities. The relationship between the Authority and HARRP is not a component unit of the Authority for financial reporting purposes. Through HARRP, the Authority currently maintains general liability coverage for claims up to \$3 million and property insurance for claims up to \$2 million and also business auto, fidelity bonds and errors and omission coverages.

Condensed audited financial information for the year ended December 31, 2008 is as follows:

Total assets	\$ 30,174,327
Total liabilities	4,945,844
Minority interest	13,673
Member's equity	25,214,810
Total liabilities and equity	\$ 30,174,327
Total revenues	\$ 6,531,727
Total expenses	4,758,444
Revenues in excess of expenses	1,773,283
Minority interest in income of subsidiary	(10,014)
Member's equity at beginning of year	23,451,541
Member's equity at end of year	\$ 25,214,810

NOTE 9: DEFERRED REVENUE

The changes in the Authority's deferred revenue account for the year ended June 30, 2009, were as follows:

Balance at the beginning of year	\$	92,073
Decreases		(15,017)
Balance at the end of the year	\$	<u>77,056</u>

NOTE 10: TRANSFERS IN/(OUT)

Transfers in/(out) for the year ended June 30, 2009 consisted of the following:

	Low Rent Public Housing	Capital Fund Program	Total Transfers
Low Rent Public Housing	\$ 220,973	\$	\$ 220,973
Capital Fund Program		(220,973)	(220,973)
Total transfers	\$ <u>220,973</u>	\$ <u>(220,973)</u>	\$

The transfer between the Capital Fund Program and Low Rent Public Housing Program resulted from the closeout of capital projects.

NOTE 11: RESTRICTED CASH AND INVESTMENTS

The Authority reports amounts as restricted cash for any security deposits received from tenants at the time of move-in. Those monies will be returned to the tenant upon move-out after all outstanding costs have been deducted. Also, the Authority reports amounts as restricted cash for FSS Escrow balances which are maintained for tenants who participate in the Family Self Sufficiency Program. These monies are given to the tenant upon graduation from the program or are forfeited by the tenant if they do not graduate. The Authority also restricts net HAP assets in line with HUD requirements. All of these monies are restricted because they can not be used for the day-to-day operations of the Authority.

NOTE 12: JOINT POWERS AGREEMENT

The Authority participates in a joint venture under a joint powers agreement (JPA) with the California Housing Workers' Compensation Authority (CHWCA). CHWCA was formed to provide workers' compensation insurance coverage for member housing authorities. At December 31, 2008, there were thirty-one members. The relationship between the Authority and CHWCA is such that CHWCA is not a component unit of the Authority for financial reporting purposes.

Condensed audited financial information for the year ended December 31, 2008, is as follows:

Total assets	\$ <u>23,509,064</u>
Total liabilities	11,901,569
Net assets	<u>11,607,495</u>
Total liabilities and net assets	\$ <u>23,509,064</u>
Operating revenues and non-operating revenues	\$ <u>5,766,523</u>
Total revenues	<u>5,766,523</u>
Operating expenses	<u>3,147,958</u>
Net increase in net assets	2,618,565
Net assets, beginning of year	<u>8,988,930</u>
Net assets, end of year	\$ <u>11,607,495</u>

NOTE 13: RELATED PARTY

The Authority has established a non-profit entity which did not have any activity during the fiscal year ended June 30, 2009. This entity has been dormant for the entire fiscal year under audit.

NOTE 14: EQUITY TRANSFER

The equity transfer of \$2,885 in the Union City Managed Fund is for the excess between the amounts of rent collected, and expenses at the property. This amount is a payable by the Authority to the City of Union City. This arrangement is based upon a property management agreement between the Authority and the City of Union City.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR ENTERPRISE FUNDS
JUNE 30, 2009

Assets	Capital Fund	Other Federal Program	Mod Rehab-1	Ocean Avenue	Union City Property	Park Terrace	Union City Managed	Total
Current assets:								
Cash and cash equivalents		\$	\$	\$ 16,571	\$	\$ 20,402	\$	\$ 36,973
Investments				632,492		846,155		1,478,647
Accounts receivable - other		488	84,470	309		(127)	6,898	92,038
Due from other funds	81,082	3,100						84,182
Total current assets	81,082	3,588	84,470	649,372		866,430	6,898	1,691,840
Restricted assets:								
Cash and cash equivalents				3,542		5,228		8,770
Total restricted assets				3,542		5,228		8,770
Capital assets - net	146,690			825,523	170,000	516,571		1,658,784
Total assets	227,772	3,588	84,470	1,478,437	170,000	1,388,229	6,898	3,359,394
Liabilities								
Current liabilities:								
Accounts payable	2,428		805	170			3,366	6,769
Accounts payable - HUD			14,031				2,884	16,915
Deferred revenue	66,079							66,079
Tenants security deposits				3,542		5,228		8,770
Accrued liabilities	12,575	3,588	69,634	335		1,355	648	14,913
Due to other funds				24				73,246
Total current liabilities	81,082	3,588	84,470	4,071		6,583	6,898	186,692
Net assets:								
Investment in capital assets	146,690			825,523	170,000	516,571		1,658,784
Restricted				3,542		5,228		8,770
Unrestricted				645,301		859,847		1,505,148
Total net assets	146,690			1,474,366	170,000	1,381,646		3,172,702

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Capital Fund	Other Federal Program	Mod Rehab-1	Ocean Avenue	Union City Property	Park Terrace	Union City Managed	Total
<u>Operating revenues</u>								
Rental revenue - tenants	\$	\$	\$	\$ 61,483	\$	\$ 111,955	\$ 21,000	\$ 194,438
Total operating revenues				61,483		111,955	21,000	194,438
<u>Operating expenses</u>								
Administration	76,561	23,758	15,397	18,682		26,043	15,938	176,379
Utilities				5,787		97	1,227	7,111
Ordinary maintenance and operations				15,890		52,366	950	69,206
General expenses	88,355			4,783		672		93,810
Depreciation				35,323		25,466		60,789
Housing assistance payments		58,838	97,318					156,156
Total operating expenses	164,916	82,596	112,715	80,465		104,644	18,115	563,451
Operating income/(loss)	(164,916)	(82,596)	(112,715)	(18,982)		7,311	2,885	(369,013)
<u>Non-operating revenues</u>								
HUD PHA grants	164,917	82,596	112,715					360,228
Capital grants	199,140							199,140
Investment income				10,511		14,142		24,653
Total non-operating revenues	364,057	82,596	112,715	10,511		14,142		584,021
Income/(loss) before transfers	199,141			(8,471)		21,453	2,885	215,008
Transfers in/(out)	(220,973)						(2,885)	(220,973)
Equity transfer							(2,885)	(2,885)
Changes in net assets	(21,832)			(8,471)		21,453		(8,850)
Net assets at the beginning of year	168,522			1,482,837	170,000	1,360,193		3,181,552
Ending net assets	\$ 146,690	\$	\$	\$ 1,474,366	\$ 170,000	\$ 1,381,646	\$	\$ 3,172,702

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009**

<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entry Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development :			
Low Rent Public Housing	14.850a		\$ 383,245
Public Housing Capital Fund Program	14.872		364,057
Section 8 - Moderate Rehabilitation	14.856		1,097,176
Housing Choice Vouchers	14.871		<u>70,105,645</u>
Subtotal Direct Programs			71,950,123
Pass-Through Program From:			
Alameda County Housing and Community Development - Shelter Plus Care	14.238	N/A	<u>1,236,918</u>
Total U.S. Department of Housing and Urban Development			<u>73,187,041</u>
Federal Emergency Management Agency			
Pass-Through Program From:			
Department of Housing and Urban Development Disaster Housing Assistance Program	97.109	N/A	<u>82,596</u>
Total Federal Emergency Management Agency			<u>82,596</u>
Total Expenditures of Federal Awards			<u>\$ 73,269,637</u>

N/A: Not Available

Note: Basis of Presentation

The above schedule of expenditures of federal awards includes the federal grant activity of the Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Board of Commissioners
Housing Authority of the County of Alameda
Hayward, California

We have audited the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Housing Authority of the County of Alameda as of and for the year ended June 30, 2009, which collectively comprise the Housing Authority of the County of Alameda's basic financial statements and have issued our report thereon dated January 29, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the County of Alameda's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the County of Alameda's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the County of Alameda's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Housing Authority of the County of Alameda's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Housing Authority of the County of Alameda's financial statements that is more than inconsequential will not be prevented or detected by the Housing Authority of the County of Alameda's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Housing Authority of the County of Alameda's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the County of Alameda's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management, Board of Commissioners, others within the Housing Authority of the County of Alameda, the U.S. Department of Housing and Urban Development, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Oakland, California
January 29, 2010

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Board of Commissioners
Housing Authority of the County of Alameda
Hayward, California

Compliance

We have audited the compliance of the Housing Authority of the County of Alameda, with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Housing Authority of the County of Alameda's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Housing Authority of the County of Alameda's management. Our responsibility is to express an opinion on the Housing Authority of the County of Alameda's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the County of Alameda's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority of the County of Alameda's compliance with those requirements.

In our opinion, the Housing Authority of the County of Alameda, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the Housing Authority of the County of Alameda is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority of the County of Alameda's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine

our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the County of Alameda's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Housing Authority of the County of Alameda's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Housing Authority of the County of Alameda's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the management, Board of Commissioners, others within the Housing Authority of the County of Alameda, the U.S. Department of Housing and Urban Development, and other federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Oakland, California
January 29, 2010

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

SECTION 1 - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: *Unqualified*

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No

Type of auditor's report issued on compliance for major programs: *Unqualified*

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.871	Housing Choice Voucher Program
14.238	Shelter Plus Care

Dollar threshold used to distinguish between type A and type B programs: \$2,198,089

Auditee qualified as low-risk auditee? Yes

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
JUNE 30, 2009**

Prior Year Findings:

Current Status:

14.871 Section 8 Housing Choice Voucher Program

Finding 08-1:

During our audit, we noted that one out of forty tenant files reviewed did not have third party verification and the Authority did not reexamine family income and composition every twelve months and adjust the tenant rent and housing assistance payment as necessary using the documentation from third party verification.

Implemented.

Finding 08-2:

During our audit, we noted that six out of forty tenant files reviewed did not have unit inspections performed at least once every twelve months.

Implemented

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
STATEMENT OF ACTUAL PROJECT COST AND FUNDING
THE CAPITAL FUND PROJECT -
PROJECT NO. CA39P06750107**

 **Patel &
Associates**
Certified Public Accountant

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
STATEMENT OF ACTUAL PROJECT COST AND FUNDING	2
NOTES TO STATEMENT OF ACTUAL PROJCT COST AND FUNDING	3

INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
Housing Authority of the County of Alameda
Hayward, California

We have audited the Housing Authority of the County of Alameda's (the Authority) Statement of Actual Project Cost and Funding (the Statement), through February 9, 2009, pertaining to the Development of the Authority, Project No. CA39P06750107. The Statement is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, the Authority's Statement was prepared in conformity with the basis of accounting and reporting practices prescribed by the U.S. Department of Housing and Urban Development (HUD), which is a comprehensive basis of accounting other than generally accepted accounting principles. Further, the Statement represents the financial statements of the project.

In our opinion, the Statement referred to above, presents fairly, in all material respects, the actual cost of the above project of the Authority, through February 9, 2009, on the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2010 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

This report is intended solely for the information and use of the board of directors and management of the Authority and HUD and is not intended to be and should not be used by anyone else other than these specified parties.

Ramesh Patel
Oakland, California
March 3, 2010

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
HAYWARD, CALIFORNIA
STATEMENT OF ACTUAL PROJECT COST AND FUNDING
THE CAPITAL FUND PROJECT -
PROJECT NO. CA39P06750107**

Project funding	
HUD grant	\$ <u>348,631</u>
 Project cost	
Operations	\$ 69,726
Administration	57,933
Site improvement	75,420
Dwelling structure	<u>145,552</u>
 Total cost	\$ <u>348,631</u>

Notes:

- (1) The distribution of cost by major cost accounts as shown on the Statement of Actual Project Cost and Funding is in agreement with the Authority's records.
- (2) All development work in connection with the Project has been completed.
- (3) All development costs have been paid and all related liabilities have been discharged through payment.
- (4) The Authority did not incur any budget overruns.

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
HAYWARD, CALIFORNIA
NOTES TO STATEMENT OF ACTUAL PROJECT COST AND FUNDING**

NOTE 1: ORGANIZATION

The Housing Authority of the County of Alameda (the Authority) was established by the Alameda County Board of Supervisors on December 3, 1968. It is funded primarily by the Department of Housing and Urban Development (HUD) by means of two Annual Contribution Contracts. The Authority provides housing assistance to low and moderate-income families at rents they can afford. Eligibility is determined by family composition, income and residency in areas served by the Authority.

The Authority does not have any component units as defined under generally accepted accounting principles.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Statement of Actual Project Cost and Funding has been prepared in conformity with the accounting and reporting standards prescribed by HUD in the Audit Guide for Auditing Development Costs of HUD Projects. These standards differ in some respects from U.S. generally accepted accounting principles mainly due to the following additional HUD accounting and reporting principles:

- (a) Costs are to be exclusive of kickbacks, rebates or trade discounts. For this project, there were no kickbacks, rebates or trade discounts.
- (b) Financing charges are limited to the lesser of amounts actually paid, or amounts approved by HUD. For this project, there were no financing charges paid.

