

Annual Report

2011

**Housing Authority of the
City of San Buenaventura**

The opportunity to serve our residents and work with our partners to address changes in the housing market continues to define the agency. Together we are building a sustainable future for the City of Ventura's low-income residents – a future of opportunity and new prospects where a safe, resilient, and thriving community is the foundation for success.

In the past year we had transitions from the executive level to many staff functions. Challenging at times, we saw these transitions not as barriers, but as opportunities. We are committed to reviewing and repositioning our housing assets, allowing us to offer more choices to our current and future residents and to create more sustainable revenue sources.

As we look to the future, we must continue to cultivate new partnerships that will allow us to invest in both human assets and physical capital. We value our place as a significant member of the Ventura community - we are your neighbor and partner. With new leadership and a renewed commitment to meet our community's needs, the agency's Board and staff are poised to successfully provide a Housing Authority that continues to make positive contributions through its people and projects.



Denise Wise, the agency's newly appointed CEO, and John Polanskey, Board Chair

BOARD OF COMMISSIONERS

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The Housing Authority of the City of San Buenaventura has served the needs of low income residents since 1949. With 718 public housing units, 1,349 Section 8 vouchers, and 72 non-HUD housing units, the agency prides itself in providing decent, safe and affordable housing to approximately 2000 low and moderate income families in the City of Ventura.

The Housing Authority maintains a variety of housing types located throughout the city to meet the diverse needs of the community.

“Our approach to the operations of the Housing Authority is very simple: it has to be timely and of the highest quality,” notes Jose Gomez, Chief Operating Officer of Public Housing Operations. The entire staff takes pride and ownership in what they do and takes their responsibilities towards serving the clients very seriously. Jose says, “The housing developments are basically an extension of our homes, and we treat them as such.”

The Housing Authority’s rent collection rate is 99%. The families understand that the availability of affordable housing is limited, and rent collection rates demonstrate that residents know housing is a priority for their families. The Public Housing waiting list is about four to five years.

The Housing Choice Voucher and Public Housing Family Self Sufficiency

Programs received a combined amount of \$123,948 of annual grant funding. The Public Housing Family Resident Opportunities and Self Sufficiency (ROSS) Service Coordinator Program grant was renewed for \$240,000 for a three year period.

The Housing Authority partnered with Landon Pediatrics for a new Health Care Planning Grant of \$80,000 to assess medical needs in the Westside Community of Ventura. First steps include a detailed health survey to assess the current needs of the residents to prevent illness, lead a healthy lifestyle and get access to affordable health care. This is an opportunity for the Housing Authority to develop relevant policies to support HUD’s Policy Priority to use housing as a platform to improve quality of life.

The VASH Program combines Housing Choice Voucher rental assistance for homeless veterans and their families with case management and clinical services provided by the Department of Veterans Affairs at its medical centers and in

the community. The Housing Authority currently administers 50 VASH vouchers has been invited to apply for an additional 25 vouchers in 2012.

Job and Health Fair

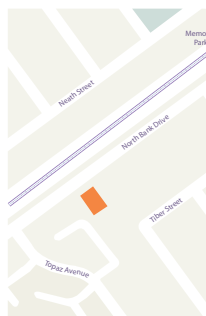
In July 2011, the Housing Authority, in partnership with the Ventura Job and Career Center, organized a Job and Health Fair to help provide direct job opportunities to the 415 job seekers in attendance, including residents and the general public.

Of the dozens of employers on hand, most were private companies such as Farmers Insurance, Panda Express and PetSmart. Some government agencies, including the Los Angeles Police and Fire Department and the Oxnard Police Department, were also in attendance.

Health Providers were on hand to provide blood pressure, cholesterol, body mass index, and other preventative health screenings and referrals.



Johnetta Johnson successfully completed the Public Housing Family Self-Sufficiency Program (FSS) in 2011. She was presented with an impressive escrow check of \$12,323.86 at graduation, which she saved by increasing her earned income while on the FSS Program. Johnetta plans to save her funds for future home-ownership.



North Bank Duplex

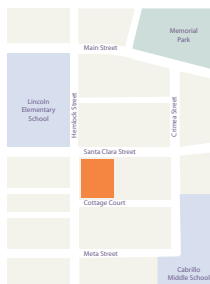
The Housing Authority made substantial improvements to the duplex units in east Ventura. The improvements included a new roof, paved surfaces, landscaping, new windows/sliders, appliances, kitchen cabinets, flooring, showers, and a new HVAC system. For Garay, residing here “means living in a safe community with affordable rent to support my family.”



Reyes Garay and his wife with their two teenage daughters have lived in this unit since 2004.



Robert Ledeaux in Santa Clara Courtyard



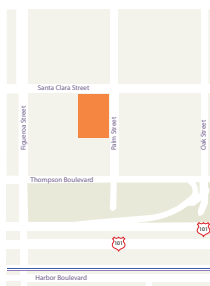
1216 East Santa Clara

The project began as a competitive grant application to the American Recovery and Reinvestment Act (ARRA) that was specifically geared toward green renovations to existing public housing units. The Santa Clara Apartments, built in 1964, received \$1.79 million for a complete building rehab. The midtown Ventura apartment building includes 20

two-bedroom family units and 8 one-bedroom family units. The green renovation included the installation of more efficient windows, doors, plumbing, electrical wiring, lighting fixtures and appliances. All of the units received new flooring and low VOC paint.

The remodel employed seven agency residents who live in public housing or reside in the city through the agency's Housing Choice Voucher (Section 8) program. The "Green Team," as they have come to be known, removed all of the kitchen and bathroom solid wood cabinet doors, then sanded and painted them with low VOC paint after receiving professional training by the Glidden Paint company. Many on the team also received a six-month hands-on training in green building basics. The program received an Award of Merit and an Award of Excellence nomination from the National Association of Housing and Redevelopment Officials (NAHRO) and a Collaborative Action Award from the Ventura County Workforce Investment Board.

Other aspects of the apartment renovation included the installation of solar panels above the carports, hydronic heating systems in each unit, recycled fiber insulation throughout the building, and green landscaping with integrated pest management.



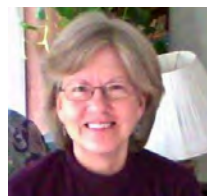
Kathryn Surdam, resident of The Palms

“Good is simply not good enough. When it comes to maintaining public housing we strive for excellence.”

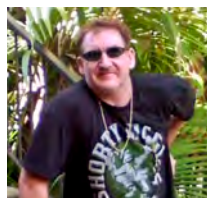
— Jose Gomez, Chief Operating Officer of Public Housing Operations



“I would be homeless without the Section 8 voucher,” says Maggie Simmons a three year beneficiary of the program. Maggie lives a better life due to the Section 8 voucher. She is able to have a vehicle and friends over to visit. Her health is better because she does not have to stress wondering where she would be sleeping.



Kevin Ross has been on the Section 8 program for 16 years. “If Section 8 program was not available, I would be living in a garage or homeless shelters,” says Kevin. Kevin is able to be independent without having to rely on family or friends for help.



Tammy Hernandez has been a resident with the Housing Authority for 8 years. She is a graduate of the Green Construction Program. Tammy notes, “this program has not only changed my life but also has a domino affect for people in my life.”



“The economic climate at the federal level continues to be a challenge and we must continue forming strong partnerships at the local, state and federal levels, so we can find the resources that will bring our agency to the highest level of performance,” says Jose Gomez, Chief Operating Officer of Public Housing Operations.

The Palms Senior Housing

The Palms provides 75 units for seniors and disabled individuals in the heart of downtown Ventura. “I really enjoy living here and interacting with my neighbors. The downtown location feels like a community. Everything is centralized: I can walk to the doctor's office, the variety of shopping options, and to the ocean,” says Kathryn Surdam, a resident since 2002.

The Housing Authority has over 4,000 families on a waiting list. The demand for affordable housing is growing faster than supply. Reduced funding resources, lengthy permitting processes, and a lack of available large sites makes it challenging to increase supply.

The agency benefitted from a one-time funding opportunity offered by the state Department of Housing and Community Development. Foreclosure funding was made available via an over-the-counter application process. “We applied for and received \$9.4 M in foreclosure funding, enabling us to acquire a bank-owned fully entitled condominium project on a vacant parcel in Downtown Ventura,” says Loretta McCarty, Chief Operating Officer of Affordable Housing and Development. Filling the gap with 9% tax credits, the Encanto Del Mar project began construction in late 2010.



“We pursue creative partnerships to build new units and increase supply.” — Loretta McCarty, Chief

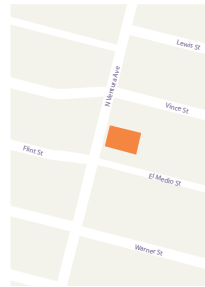
Operating Officer of Affordable Housing & Development



Encanto del Mar



Soho Courtyard



Soho

A central court provides access to 7 two-bedroom and 5 three-bedroom units that sit over parking and ground-floor community space. Residents are eligible for support services through the Authority’s Family Self-Sufficiency Program.

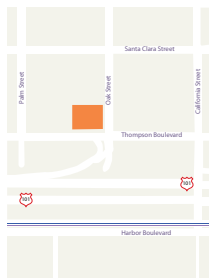
“It is wonderful to be able to live and work within the same city,” says Ana Zapata, a County Medical Center employee who lives at Soho with her husband, Ismael, and their two children. City, County and Ventura Unified School District were given preference to promote affordable housing for local workforce. “This home provides me a stable and secure opportunity to raise a family and go back to school for a technician’s degree so I can get a better job,” says Ismael.

The Soho project was also awarded a \$5,000 grant from the US Bank Foundation. The grant was utilized for property enhancements at the Soho Apartments including a creative mural in the courtyard for the residents’ children to enjoy. The mural was completed by MB Hahrahan, a local artist who resides on the Westside of Ventura, who says, “I was able to personalize the design by incorporating original graphics and quotes that express what transforms structure into a ‘home’ and adding beauty to my neighborhood.”

This project was financed with funds from multiple sources including US Bank, the California Housing Finance Agency, City of Ventura and Redevelopment Agency funds, 9% tax credits and an Affordable Housing Program Grant sponsored by Pacific Western Bank.



Ismael and Ana Zapata with their son and daughter outside their Soho loft apartment.



Encanto del Mar

Encanto del Mar is nearing completion in downtown Ventura. This project will turn a foreclosed property into a permanently affordable community of 37 one-, two- and three-bedroom apartments for low-income wage earners, including downtown retail and service workers. "The Housing Authority's commitment to giving preferential consideration to downtown employees will not only help provide safe, stable and charming housing in an ideal location for many of our dedicated workers and their families, but go a long way to ensure our trained workforce stays in place," says Kevin Clerici, Executive Director, Downtown Ventura Organization/Partners.

Trends

Consistent with HUD's future direction, the Housing Authority is pursuing projects to transform public housing into long-term sustainable housing opportunities. HUD funding for public housing units, specifically operating subsidy and capital funds, has been significantly decreasing over time. To maintain this valuable supply of affordable housing in the community, the Housing Authority is assessing its public housing inventory and developing a strategy to improve or increase the supply of these housing units. Through extensive modernization or rebuilding at increased density, the Housing Authority's associated non-profits can assume ownership of the units. Non-profit ownership, coupled with rental subsidy, provides sufficient cash flow to maintain and operate these units with reduced dependence on federal assistance.

On the drawing board ...



Westview Village

Over the past decades, Westview has undergone numerous alterations and upgrades. At first glance, the decline is not obvious -- in large part due to the high quality of maintenance by the Housing Authority. However, the design, pattern, and quality of construction of the original development has aged into an underperforming habitat -- places that are hard to live in, hard to work in, and hard to carry out personal and communal life.

The image to the right is the Transformation Plan submitted with the 2011 CNI grant application. The graphic represents the comprehensive approach to the Westview Neighborhood. The Housing Authority is committed to partnering with key organizations to integrate housing with supportive services that promote education, health, recreation, accessibility, and self-sufficiency.

Hansen Trust

The Housing Authority has plans to develop 24 units of farmworker housing on Ventura's east side. The University of California has committed to the donation of approximately two acres of the 30-acre Hansen Trust site to the Authority which will be a fully improved building site ready for development. The project is expected to be financed by various sources, including USDA and Joe Serna Farmworker Housing funds. A grant of \$102,000 was received from the Ventura County Community Foundation for pre-development costs. The architect has prepared conceptual design plans consistent with the approved Specific Plan for the area.



The 24 farmworker housing units consist of flats and townhomes designed for net-zero energy consumption.

Hous



People

“The Chamber of Commerce continues to be a strong advocate for workforce housing. Projects including Encanto del Mar and Soho allow employees to live in the communities where they work and support our local economy.”

— Ed Summers, Chamber President & CEO

2011 Employees of the Year

Chief Financial Officer, Rhen C. Bass, CPA, says, “Kathleen handles all landlord rent payments as if she is paying her own bills. She’s extremely focused on providing great customer service to our landlords.”

Assistant to the CEO, Lisa Snider, says “Rosaura answers the phone with a smile in her voice and greets visitors with a welcoming attitude. She exemplifies excellent customer service, and as the first person most people meet at our office, is a wonderful ambassador for the agency.”



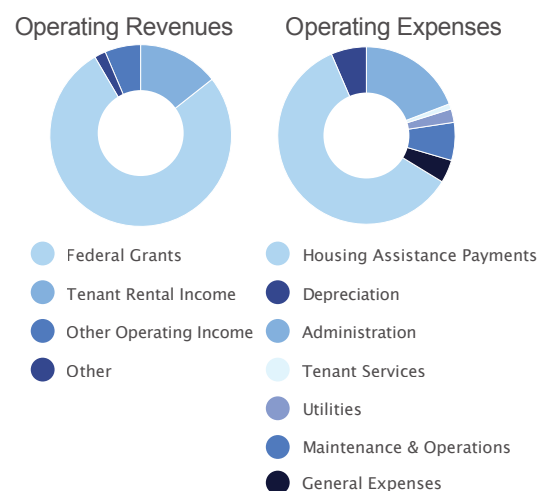
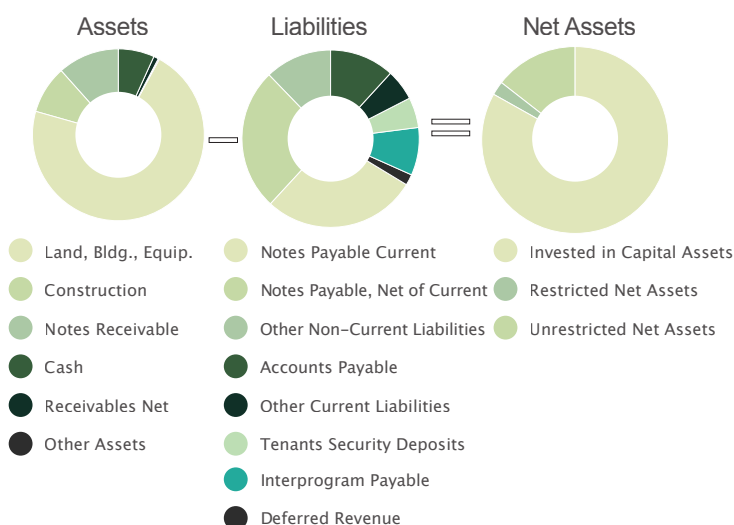


“In 2012, we will closely examine a fee-for-service option to recover costs and possibly sell services to other agencies which could bring additional revenue to the Housing Authority.”

— Rhen Bass, CPA, Chief Financial Officer

Finance

The Finance Department provides accurate, meaningful and timely financing and accounting information necessary to make various decisions. In 2011, the Finance Department made significant investments in people and processes. Putting the right people in the right places and providing them training and the right tools has brought efficiency in the accounting processes. Automation has allowed current and accurate reporting that complies with the federal and state laws, and provides the decision-makers with timely information.



| Statement of Net Assets (Audited) | | |
|---|---------------------|--------------------|
| Fiscal Year Ending on September 30, 2010 | | |
| | Enterprise Fund | Component Unit |
| Assets | | |
| Cash | \$2,591,860 | \$29,043 |
| Receivables, Net | \$349,635 | \$286,150 |
| Other Current Assets | \$81,009 | \$1,209 |
| Land, Building, & Equipment | \$27,365,273 | \$2,612,837 |
| Construction in Progress | \$3,445,948 | |
| Notes Receivable | \$4,438,490 | |
| Total Assets | \$38,272,215 | \$2,929,239 |
| Liabilities | | |
| Accounts Payable | \$386,986 | \$27,419 |
| Other Current Liabilities | \$185,865 | \$722 |
| Tenants Security Deposits | \$181,222 | \$17,137 |
| Interprogram Payable | \$286,150 | |
| Deferred Revenue | \$65,211 | |
| Notes Payable, Current | \$925,425 | \$3,083 |
| Notes Payable, Net of Current | \$851,000 | \$2,862,289 |
| Other Non Current Liabilities | \$401,227 | |
| Total Liabilities | \$3,283,086 | \$2,910,650 |
| Net Assets | | |
| Invested in Capital Assets | \$29,085,796 | \$ (252,535) |
| Restricted Net Assets | \$840,787 | |
| Unrestricted Net Assets | \$5,062,546 | \$271,124 |
| Total Net Assets | \$34,989,129 | \$18,589 |
| Total Liabilities & Net Assets | \$38,272,215 | \$2,929,239 |

| Statement of Revenues, Expenses, & Changes in Net Assets (Audited) | | |
|--|---------------------|-------------------|
| Fiscal Year Ending on September 30, 2010 | | |
| | Enterprise Fund | Component Unit |
| Operating Revenues | | |
| Tenant Rental Income | \$3,165,704 | \$293,094 |
| Federal Grants | \$17,013,117 | |
| Other | \$443,636 | |
| Other Operating Income | \$1,409,792 | \$157,794 |
| Total Operating Revenues | \$22,032,249 | \$450,888 |
| Operating Expenses | | |
| Administration | \$4,301,871 | \$158,701 |
| Tenant Services | \$215,477 | |
| Utilities | \$550,981 | \$84,017 |
| Maintenance & Operations | \$1,552,090 | \$110,313 |
| General Expense | \$939,753 | \$74,426 |
| Housing Assistance Payments | \$13,404,510 | |
| Depreciation | \$1,450,794 | \$80,087 |
| Total Operating Expenses | \$22,415,476 | \$507,544 |
| Total Operating Surplus (Deficit) | (\$383,227) | (\$56,656) |
| Non Operating Revenues (Expenses) | | |
| Interest & Investment Income | \$32,138 | |
| Loss on Sale of Capital Assets | (\$446,357) | |
| Interest Expense | (\$28,000) | (\$13,081) |
| Total Non Operating Revenues (Expenses) | (\$442,219) | (\$13,081) |
| Income (Loss) Before Contributions | (\$825,446) | (\$69,737) |
| Capital Contributions | \$2,133,409 | |
| Change in Net Assets For Year | \$1,307,963 | (\$69,737) |
| Total Net Assets Beginning of Year | \$33,681,166 | \$88,326 |
| Total Net Assets End of Year | \$34,989,129 | \$18,589 |