

The Housing Authority of the City of Austin

Annual Report 2008-2009



Connecting

FAMILIES.

Creating Housing Opportunities.

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Taxpayer dollars were not used towards the production of this report.

LETTER FROM THE MAYOR

Dear Mr. Hargrove, HACA Board of Commissioners and Staff,

Since 1937, the Housing Authority of the City of Austin (HACA) has provided thousands of Austinites with a place to call home. Despite the collapse of the U.S. economy in 2008, HACA has remained steady in generating revenue to connect families to housing opportunities. I applaud the spirit of success your agency brings to the City of Austin.

The one single initiative that comes to mind this year, is our partnership to build a resource center for entrepreneurs. The City of Austin, Greater Hispanic Chamber of Commerce (GAHCC) and HACA joined forces to establish Emerging Enterprises: Business Development Resource Center. Emerging Enterprises stands as a nucleus for budding business owners to grow their business. Over 50 individuals have taken classes and absorbed business and technology skills to become excellent business managers. The business owners' products and services will boost the Austin economy and will provide needed services to the people of Austin.



Will Wynn
Mayor of the
City of Austin

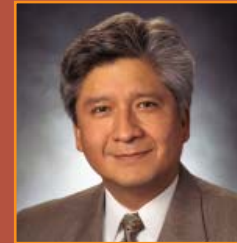
Additionally, I would like to acknowledge HACA's accomplishments and awards during this past year. You have acquired over 1.8 million dollars in grants, providing residents with a variety of support services. You have aided 10 families into realizing the "American Dream" of homeownership. You have given scholarships to 41 students to obtain a higher education in efforts to break the poverty cycle. You have continued your commitment to conserve our earthly resources, thereby helping the Austin community at large. You have also been awarded the GAHCC's Government Partner of the Year, Toastmaster International's Corporate Club of the Year and Austin Partner's in Education's Chair Award.

I commend the Board of Commissioners and the staff of HACA for their outstanding work and dedication to the City of Austin.

Regards,

Will Wynn
Mayor, City of Austin

LETTER FROM THE PRESIDENT & CEO AND BOARD OF COMMISSIONERS



Henry Flores
Chairman



Carl Richie, Jr.
Vice Chair



Dr. Tyra Duncan-
Hall
Second Vice Chair



Charles Bailey
Board Member



Thelma Pannell
Board Member

To the Community of Austin,

We the Board of Commissioners, the staff of the Housing Authority of the City of Austin, HACA, and myself, are pleased to present our 2008-2009 Annual Report. It is our privilege to share the highlights of the year.

The agency embarks on its mission to provide safe, decent affordable housing to more than 18,000 Austinites and numerous individuals awaiting assistance. Since 1937, we have upheld the theme of "Connecting Families and Creating Housing Opportunities." Families have always been the center of the agency's mission and vision. We want to acknowledge their achievements and successes towards self-sufficiency.

HACA is the vehicle to provide individuals and families the opportunity to reach their goals of self-sufficiency, homeownership, education and employment. This year's report illustrates the programs that connect families to affordable housing and a better quality of life. In turn, these triumphant families make a positive imprint on their communities. We beam with pride as we see families soar to success.

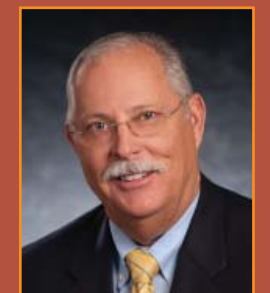
Our staff proactively seeks to encourage and promote each individual it touches. The agency is making a significant, positive impact towards breaking the poverty cycle with every story of homeownership, career advancement and college graduation.

We would like to thank our community partners, resident councils and the Citywide Advisory Board for their contributions to those HACA serves.

The agency will remain dedicated to creating and sustaining healthy communities that promote individual responsibility, economic growth, human dignity and hope for the future.

Sincerely,

Henry Flores
Carl Richie, Jr.
Dr. Tyra Duncan-Hall
Charles Bailey
Thelma Pannell
James Hargrove



James Hargrove
President & CEO

“Connecting Families”

HOUSING & COMMUNITY DEVELOPMENT

WINNERS MAKE UP THE HOUSING AND COMMUNITY DEVELOPMENT (HCD) DEPARTMENT. EACH DAY COMMUNITY DIRECTORS, MANAGERS, COORDINATORS, FAMILY SELF-SUFFICIENCY SPECIALISTS AND MAINTENANCE STAFF DIRECTLY SERVE FAMILIES AND INDIVIDUALS IN PUBLIC HOUSING.

The department continues to ensure there are safe community environments. HCD encourages residents to become involved in their community and the maintenance of their homes through various outreach activities including the Early Bird Rent Drawing, Yard/Porch of the Month, Good Housekeeping Awards, New Resident Move-In packets, Resident Councils and the Citywide Advisory Board. With the assistance of the Management Information Systems (MIS) department, HCD implemented Online Rent Statements for the residents' convenience.

Many public housing properties employ certified peace officers for their neighborhood security. In addition to this safety measure, HACA and the Austin Police Department, APD, work in unison to effectively remove any criminal or drug activity to suspend the negative stereotype of public housing. Within many public housing communities the residents have formed a coalition, Apartment Residents On Watch, AROW, to conduct safety watch meetings. Annually, hundreds of residents have shown their support for their communities at the National Night Out Celebration. Over the past two years, this event has changed from August to October to beat the Texas heat and encourage greater community involvement.

Family Self-Sufficiency Program

The emotions of achieving the impossible and tears of joy filled the banquet room of the annual Family Self-Sufficiency/Homeownership Banquet. FSS program members have worked for three to five years with their FSS Specialist to achieve this important milestone in their lives. The members identify and commit to an extensive plan documenting their personal and professional goals. Housing and Community Development's FSS Specialists encourage the residents' advancement through several channels of self-sufficiency: career advancement, continuing education, homeownership, leasing private rental property, becoming a business owner and regularly setting achievable goals. The FSS Specialists and Coordinators recognize outstanding FSS members through the "FSS Member of the Quarter Award."

There was much to be excited about at the banquet held on October 9, 2008, as graduates posed for the paparazzi on the red carpet honoring "Success Under the Spotlight". The goals and accomplishments of each FSS member were announced and the graduates were celebrated for reaching new heights of victory. Most graduates also received a payout from their accumulating escrow account. The escrow funds are applied to their future aspirations such as homeownership, education, or career.

Lisa Richardson was the featured graduate speaker at the FSS banquet. Lisa had many reasons to join the FSS Program. She desired to learn about financial planning and to build responsible spending habits. She maintained stable employment and will eventually purchase her own home. As a FSS graduate, Lisa has learned many tools of self-sufficiency and has continued to apply them every day. Lisa works in Austin Independent School District's Food Services Department. She would like to become a Nutrition Manager. In addition to saving towards her first home, Lisa plans to use the remaining escrow funds to purchase a vehicle and to pay off her credit card. Lisa advised others striving towards self-sufficiency to use the tools and programs available at HACA to become independent.

Twenty-five men and women graduated at the 2008 Family Self-Sufficiency/Homeownership Banquet. Their individual stories of triumph and perseverance encourage others to become financially independent.

“Creating Housing Opportunities”

HACA continually strives to open more doors to provide affordable homes for men, women and children to rest at night. The Housing Authority creates housing opportunities to connect families to a better quality of life. Austin Affordable Housing Corporation (AAHC) and Southwest Housing Compliance Corporation (SHCC), non-profit subsidiaries of HACA, generate the revenue to acquire additional apartment complexes in the city.

In November 2008, AAHC purchased Park at Summer’s Grove Apartments gaining an increase of 240 doors to the affordable housing inventory. Park at Summer’s Grove, built in 2005, is a tax credit property with Class A amenities. Now AAHC owns a sum of five apartment properties including over 700 units which are at or near 100 percent occupancy. The properties are Bent Tree Apartments, Sterling Village Apartments, Sweetwater Apartments, Leisure Time Village Apartment Homes and Park at Summer’s Grove Apartments. HACA is getting closer to our goal of opening an extra 1,000 doors of affordable housing! HACA is encouraged to see residents currently taking advantage of the housing opportunities.

SHCC supplies an additional realm of service and revenue to HACA. The non-profit agency serves as the Performance Based Contract Administrator (PBCA) for the U.S. Department of Housing and Urban Development (HUD) for Project Based Section 8 properties in Texas and in Arkansas. SHCC has been in operation since September of 2000. SHCC currently has oversight responsibility for over 900 contracts, representing approximately 62,393 project-based Section 8 units throughout the states of Texas and Arkansas. A component of SHCC’s philosophy is to “assist owners and agents in understanding and complying with the many complex federal housing regulations pertaining to their properties.” SHCC actualized this philosophy by conducting a Contract Renewal and Rent Adjustment Training. SHCC invited nearly 40 Housing Authorities and local HUD offices to share their expertise to the industry.



HACA is closer to our goal of opening 1,000 additional doors of affordable housing.



YES! YOUTH EDUCATIONAL SUCCESS

The Youth Educational Success (YES!) Program exists to keep kids in school and to support citywide programs for youth during school hours, after-school and in the summer. Youth success is vital in the effort to break the poverty cycle, as over half of the HACA population is under the age of 18.

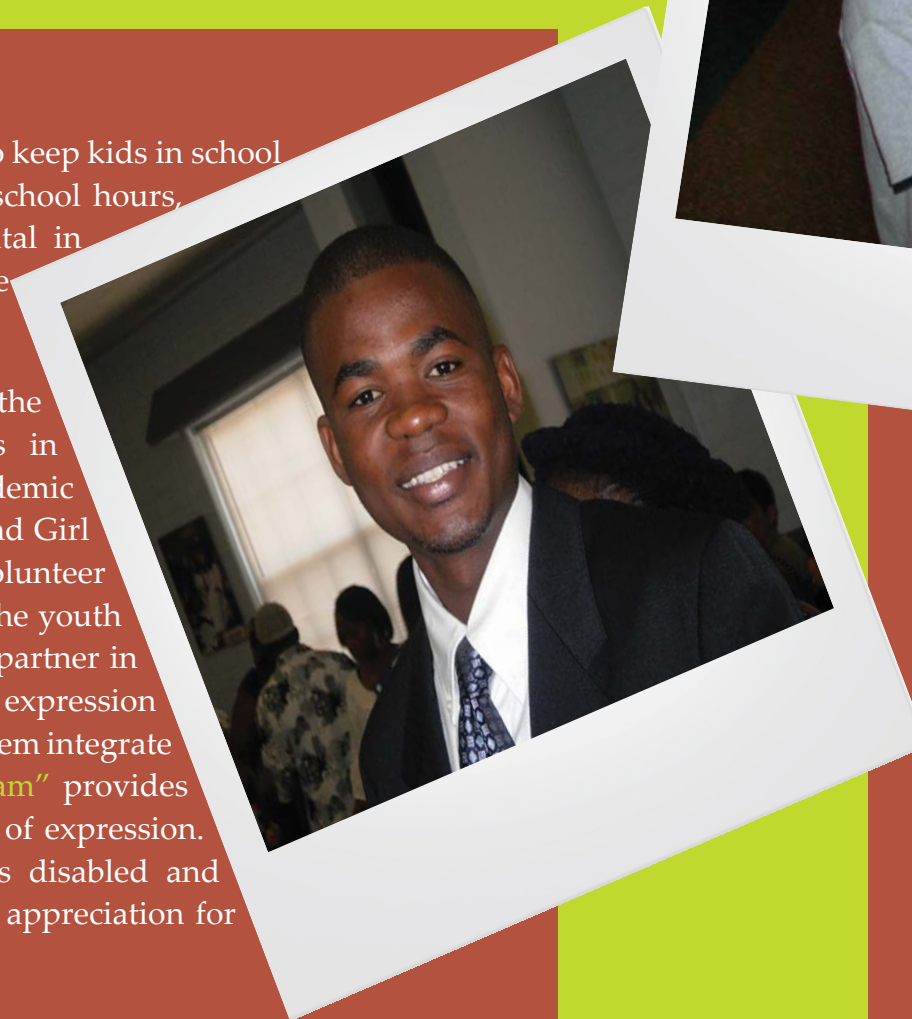
The effectiveness of the YES! Program comes from the dedication of our program partners; Communities in Schools - SMART Kids Tutoring Program, Youth Academic Incentive Program, Boys and Girls Club, Boy Scouts and Girl Scouts, school supply distribution, HACA School Volunteer Mentoring Program and many other programs assist the youth to achieve their successes. Imagine Art became a new partner in 2008. Students were engulfed in the creative, hands-on expression of art. Imagine Art works with disabled artists to help them integrate into the community. Imagine Art's "Project Art Program" provides art education to youth while promoting art as a form of expression. William Betts, HACA resident and talented artist, is disabled and volunteered to help the younger generation obtain an appreciation for the arts.

Parent Leader Summit

"The most important thing you can do for your child is to take a moment of your day to listen to them without any interruptions."

-Pam Willhoite, FamilyConnections

HACA parents force the phrase "It takes a village to raise a child" into action! This year the Parent Leader Project took flight at various HACA properties. The group supplies parents with better tools for effective parenting. HACA Parent Leaders Project is made possible through the partnership of HACA and FamilyConnections. Parents enjoy the support network and are a resource to one another. Lourdes Cardoza of Santa Rita Apartments says, "We are able to get ideas from other parents and to vent to one another." Parents attend 6-8 monthly parenting classes where they view educational videos and complete activities geared towards proactive parenting. "Eye opening," one parent said after viewing a video about child predators. Once a parent becomes a parent leader, the parent takes on an active role in the community and organizes special events.



Karate Kids

HACA partnered with Diversified Youth Services to provide Karate instruction for the youth at multiple properties. Karate teaches HACA children about confidence, discipline, respect, focus and self-esteem. Many of the kids were exposed to Karate for the first time. Even more may not have participated in Karate if it were not for HACA. Students became highly involved and advanced in the degrees of Karate. A number of students were even invited to perform at a half-time show for the San Antonio Spurs!

Youth Academic Incentive Program

It was a busy day at Main Event. Nearly 100 youth crowded the giant fun center to bowl, enjoy rides and play games. These students deserve to have fun for making the A/B Honor Roll and/or Perfect Attendance during the school year. Each Summer HACA staff and parents chaperone the students that have worked hard to achieve success all year. The HACA YES! Program encourages students to stay in school, prepare for college and participate in after-school activities.

HACA Resident Academic Scholarship

HACA salutes emerging leaders. The HACA Resident Academic Scholarship Ceremony is an amazing and inspiring tribute to those who desire to continue their education. A total of \$77,500 was awarded to 41 individuals pursuing their education. HACA's scholarship program was established in 2001 and serves as a vehicle of hope to individuals who have a desire to further their education, but lack the adequate financial means to accomplish this goal. Through intensive staff outreach, HACA scholarships reach students who may not otherwise realize their college aspirations. The scholarship recipients, in turn, serve as role models to their family, neighborhood and community.

OPERATION STRIKE OUT



Detective Michael Crumrine

...the statistics of the Operation Strike Out Program were astonishing: in only four years, a 20 percent reduction of crime was recorded.

THE HOUSING AUTHORITY HAS A STRICT ZERO TOLERANCE POLICY FOR CRIMINAL ACTIVITY. THIS INCLUDES ANY DRUG-RELATED CRIMINAL ACTIVITY, ACTS OF PHYSICAL VIOLENCE OR THREATS OF VIOLENCE, THE USE OF A CONTROLLED SUBSTANCE, ABUSE OF ALCOHOL AND ANY OTHER CRIMINAL ACTIVITY AS DETERMINED BY THE HOUSING AUTHORITY TO INTERFERE WITH THE HEALTH AND SAFETY OF OTHER RESIDENTS.

Operation Strike Out is a collaborative effort between the Austin Police Department (APD) and the Housing Authority of the City of Austin (HACA). The program was designed as an effective way of implementing the federal zero tolerance policy in order to reduce violent and drug related criminal activity in government assisted housing while improving the quality of life in those communities and the surrounding neighborhoods. Operation Strike Out is an unique program and the first of its kind in the United States. Thanks to the efforts of APD and HACA, the agencies have made a significant impact on the Austin community. APD and HACA implemented Operation Strike Out in November 2003. Data recording on the program began July 2004.

Former HACA Law Enforcement Liaison, Detective Michael Crumrine, created a report ranging from January 1, 2005–December 31, 2008. The statistics of the Operation Strike Out Program were astonishing: in only four years, a 20 percent reduction of crime was recorded.

Following the report's release of such unprecedented results from a crime prevention program, local news station KTBC FOX 7 featured a full-length news story on Thurmond Heights Apartments. The news story summarized the success of Operation Strike Out, relaying to the public a positive message. Before Operation Strike Out began, the Thurmond Heights Apartment property was said to be laden with violent crime, drug transactions and prostitution.

However in a few short years, a change was made. Families, not criminals, are now in control of the neighborhood. Thurmond Heights resident, Sylvia Qunionez says, "Now, I am able to go outside with the children. It is nice out here now."

No longer are families and children held indoors; children are at liberty to play outdoors in a safe, peaceful environment.

The news story showed a well-kept and safe environment for children, parents, and families of public housing. The communities are assured APD and HACA are working together to keep properties free of violence and crime.

How does Operation Strike Out work?

Once a month, HACA releases its client database to the Austin Police Department. The information released to APD contains only the names, addresses, dates of births, and client numbers of residents currently being subsidized. Based on the provided information APD receives from HACA, APD queries that data through their local database for those residents that were arrested. Any matches are forwarded to the HACA Liaison Officer for review. Only arrested adults are considered for referral to HACA.

The HACA Liaison Officer is a position jointly funded through the housing authority and APD. The HACA Liaison Officer receives full support from both the Housing Authority of the City of Austin and the Austin Police Department.

Officer Michael Crumrine was promoted to detective during his tenure with HACA. In February of 2009, Officer Hank Moreno replaced him in the position and is continuing on with the success of the Operation Strike Out Program.

HACA Helps Small Businesses...



GROW.

October 20th 2008—the day HACA celebrated the grand opening of Emerging Enterprises: Business Development Resource Center. HACA welcomed a new horizon in business management and entrepreneurial success. Emerging Enterprises fosters growth for budding new businesses and existing small businesses. HACA and the Greater Austin Hispanic Chamber of Commerce (GAHCC), with the assistance of the City of Austin, teamed up to form the business incubator to support up and coming small businesses.

HACA grasped the notion that although many people have amazing ideas, imagination only goes so far in the business world. Emerging Enterprises offers small business owners a place to launch their ideas into action. The purpose of Emerging Enterprises was not only to assist HACA residents into business ownership, but also to extend the

services to anyone in the city of Austin. HACA houses the business incubator in the Eastland Plaza Shopping Center for convenient access to all Austinites. Individuals now have a central hub geared towards owning one's own restaurant, consulting firm, floral shop, bakery, technology company—the possibilities are endless!

The business incubator supplies a road map to efficiently run a successful business in the real world. Entrepreneurs take advantage of a large conference room, private office space, computers, software technology, as well as business essentials such as a phone and a fax machine. Individuals must apply and must be accepted to participate in Emerging Enterprises' core courses. Participants gain priceless technology training and take seminars in effective business management. The training time frame for each participant is 15 weeks, including 60 hours of



*Emerging Enterprises'
Grand Opening*

technology training and 30 hours of business management training. The facility also accommodates an office for the Service Corps of Retired Executives (SCORE) to provide advice and private consultation with the participants.

Emerging Enterprises' participants develop a competitive posture to impact the business industry. Emerging Enterprises' graduates create jobs and positively stimulate the local economy. Space is limited for sessions cycling three times per year. The average number of participants has grown each new session; beginning at 11 individuals to currently 35 individuals! HACA looks forward to connect more families to their dreams through Emerging Enterprises.



*Left: Andrew Martinez, Greater Hispanic Chamber of Commerce President & CEO
Right: James Hargrove, Housing Authority of the City of Austin, President & CEO*



“Welcome To Your New Home”

Homeownership is often thought to be an essential ingredient of the “American Dream.” Owning a home is considered an important social and economic indicator, as well as a symbol of having a stake in society and contributing to the stability of the community. HACA’s Downpayment Assistance/Homeownership Program has been committed to strengthening families and promoting self-sufficiency. Homeownership enables individuals to have greater control and exercise more responsibility over their living environment. Homeowners take great interest in customizing their homes to suit their taste. Owners are not dependent on the decisions of landlords concerning rent increases or lease renewals. The dream of homeownership remains strong despite the current recession. Families of low-income are able to live the American dream in these trouble economic times through HACA’s Downpayment Assistance/Homeownership Program.

This year, Alice Rendon is the first homeownership program participant to have her home built through Habitat for Humanity. This first-time partnership proved to be a three way win for HACA, Habitat for Humanity and of course Alice Rendon, the new homeowner. She is the mother of four children ranging in age from 17 to 29 years old. Alice says she applied for a home through Habitat for Humanity in 2002, but was denied because she was told her need was not as great as another family. This was her second attempt to obtain a home and now her mission is accomplished. In July 2008, Alice celebrated with Habitat for Humanity and HACA staff at a ribbon cutting ceremony at her home.

Alice is employed at Merrill, Inc. in downtown Austin. With assistance from HACA and Habitat for Humanity, she moved into a three-bedroom home on the West side of the city. She says she grew up in the area and her parents still live close by. Living in the area where she was raised brings back memories of when she was a young girl. Alice says, “I feel excited that when I grow old, I will have my own home to live in and not have to pay rent.” She looks forward to spending time in the years to come with her children and grandchildren, creating memories in the new home.



First-time homebuyers, who are residents of the Public Housing or the Housing Choice Voucher Programs, have the opportunity to be awarded \$10,000 towards the downpayment of a home. The loan is awarded on a first-come, first-serve basis as funding for the program continues. Loan applicants must first be qualified for homeownership and contribute a minimum of \$2,500 towards the purchase of the home. Additionally, the applicant must complete a homebuyers training course and qualify for first mortgage financing from a private financial institution.

Best of all, the downpayment loan is forgiven after five years if the homeowner is not in default. No monthly payments are required on the downpayment assistance loan and repayment is deferred unless the owner sells, transfers, refinances or converts the home to a rental property within five years. A total of eight families have become homeowners this year making the total rise to 40 homeowners and four more residents have purchased a home without the Downpayment Assistance/Homeownership Program funding.

HACA created the **Six-Star Resident Program** in consideration of those individuals not yet ready to buy a home, however who are capable of being independent of assisted housing. Austin Affordable Housing Corporation, AAHC, a subsidiary of the housing authority created and operates the Six-Star Resident Program. The program offers an unique opportunity for families who desire to become free from public housing regulations, but who are still in need of a lower price for renting. Six-Star Residents are able to live at one of AAHC'S five North Austin apartment complexes at a discounted rate from the fair market rental rates. To be eligible for the Six-Star Resident Program, participants must have resided in the public housing program for one year or more and be in good standing. Once the family is placed in the Six-Star Program, their public housing assistance discontinues. The length of the program is three years with the rent amounts increasing slightly every year. Participants of the program are able to gradually get back on their feet and eventually afford to pay the entire rental rate for the apartment. In the fall of 2008, Sherita Brown became the first Six-Star Resident to graduate from the program. Currently, there are four participants in Six-Star Resident Program with two more applications pending approval.



Veronica Buentello Garcia and her daughter photographed in front of their new home.

Planning & Development

Planning and Development's goal is to revitalize as many apartment properties as possible transforming them into better communities than ever before. The Planning and Development department is continuously on the move with 19 public housing properties, 1,929 units and 22 Scattered Sites; some of the oldest housing inventory in the nation. The U.S. Department of Housing and Urban Development (HUD) issues to Public Housing Authorities grant money under the Capital Fund Program. The grant's funds are used for physical improvements, emergency repairs, regulatory compliance and improvements that are outside of the scope of routine maintenance and other special projects.

This fiscal year, various property improvements included shower replacements, furnace replacements, playground upgrades, community center improvements, interior unit renovations, siding replacements and paintings, water heater replacements, sidewalk repairs, parking lot improvements, walkway repairs, new fencing, kitchen and bath renovations, roof replacements, mailbox replacements and water softener system repairs. In conjunction with property improvements, the HACA Administration Building received a new metal roof that enhanced the aesthetics of the building and provided for a lifelong durable structure.

Approaching the end of the fiscal year, the American Recovery & Reinvestment Act was announced. HACA will receive \$3,912,362 for property improvements. Plans were initiated to expend the funds towards completing Phase II Rehabilitation Project for Booker T. Washington Terraces. Phase II will include the remodeling of 200 units, renovating the interiors with new tubs and showers, new kitchen and bath cabinet work, new tile floors, ceiling fans, foundation repairs and new paint work.

"Revitalizing Neighborhoods"



Northgate Apartments Community Room

The Northgate Apartment office underwent a much needed repaint of the community room, office, bathrooms, and common/hall areas with all new custom colors and accessible cabinetry. Chalmers Courts, Bouldin Oaks, and Rio Lado offices were also transformed.

The Santa Rita Courts Playground received a whole new tots playscape. Additional repairs were made including a canopy top for shade, a new swing set with more seats, repair and re-stripping.



Santa Rita Courts Playground



In the year 2000, HACA was the first Public Housing Authority in Texas to enter into an Energy Performance Contract to reduce agency-wide water consumption. In 2007, HACA was awarded "The Greenbelt Award" at the Greater Austin Chamber of Commerce's Business Awards for its success in conserving energy and water consumption. By the year 2012, HACA expects to save the agency nearly 145,000,000 gallons of water and save approximately \$5,500,000 in water and energy costs.

HOUSING CHOICE VOUCHER PROGRAM

The Housing Choice Voucher Program (HCVP), also known as Section 8, gives families of low-income a choice in where they live. Families are given a voucher to choose privately owned rental housing. The amount of vouchers HACA oversees has increased from 5,023 to 5,090. The increase in vouchers is due to Disaster Housing Assistance vouchers converting to standard assisted housing vouchers.

HCVP actively seeks landlords in the Austin area to offer rental homes or apartment units. More rental housing in the inventory allows HACA to connect more families to housing opportunities. Through seminars, cold calls, location visits, direct mailings, trade show booths, print advertising campaigns, landlord appreciation meetings and increased involvement with local real estate organizations, the HCVP department has expanded the number of apartment complexes and rental homes accepting Section 8 vouchers. To ensure quality, the HCVP inspects the rental units to verify the home complies with HUD quality standards.

The HCVP has successfully earned high scores in HUD's Section 8 Management Assessment Program (SEMAP). The 2008-2009 SEMAP score is 104% gaining four points since the previous year. HCVP's evaluation score maintains at the high performing status for the eighth consecutive year.

ADMISSIONS

Families and individuals enter the housing authority through the Admissions Department. The Admissions department is the gateway to both the Public Housing and Housing Choice Voucher Programs. The department is responsible for the intake of housing applications, the processing and screening of applicants, the assignment of a housing choice voucher or a public housing unit to a new resident and the reassignment and transfer of units within the Public Housing Program.

The Admissions Department receives an average of 500 applications for Public Housing per month and in turn, schedules monthly an average of 250 applicants to complete the eligibility process. The Admissions Department performs orientation sessions for approximately 40 to 50 clients that are approved for Public Housing per month. The orientation session is an overview of services

In December 2008, the Admissions Department updated the agency's orientation video to welcome residents to their new home, announce the mission and vision of the agency, and explain the rules, regulations and programs available. Two versions of the orientation video were created, one English version and another with Spanish subtitles. **Additionally, the "Waitlist Voice Line" was enabled for clients and residents to check their waitlist status by phone.**

Due to the pressing need of affordable housing opportunities in Austin, there are over 5,000 families on both the Public Housing and Housing Choice Voucher waitlists. The Admissions Department effectively and efficiently cycles families and individuals into a home based on local preference and family composition. Tenant files are processed and assigned based on first availability. Preferences are given to the elderly and to disabled persons. The average unit turnaround time for the fiscal year was ten days.

QUALITY CONTROL

The Quality Control department measures compliance oversight standards of the agency's departments and oversees suspected fraud by Housing Choice Voucher Recipients, Public Housing Tenants and landlords. The Quality Control department's mission is to reduce the agency's risk of non-compliance; to evaluate programs and core activities in order to ensure efficiency, program integrity and quality customer service and to make recommendations for continuous improvement.

Quality Control Activities

Over the past year, Quality Control conducted 26 internal compliance reviews in various departments and programs and HACA subsidiaries companies. As a result, 63 recommendations were made for process or program improvement.

Grants

HACA actively seeks grant funding opportunities that meet HACA's needs for resident services. All grant activities are monitored to ensure grant compliance. Progress reports are prepared on grant activities. HACA was awarded over 1.8 million dollars in grants in the 2008-2009 fiscal year.

Fraud Prevention, Detection and Recovery

Through the Rental Integrity Program, HACA investigates possible cases of fraud or program non-compliance; fully documents fraudulent acts; refers egregious fraud cases to HUD's Office of Inspector General and collects underpaid rent from tenants who under-reported their income.

If a family is not maintaining rental integrity, the fraud investigation unit will conduct a series of investigations to eliminate wrongdoers from housing. The process hopes to create a housing opportunity to deserving families and release and/or prosecute those not abiding by the rules.

The Rental Integrity Program processed, investigated and closed 367 cases of reported and alleged fraud or program non-compliance.

Hearings

HACA conducts informal hearings for tenants and applicants who request an appeal when applications for housing are denied, when tenancy or assistance are terminated and/or when rent calculations are disputed.

Number of Hearings Processed – 653

Number of Final Decisions Favorable to Applicant/Tenant – 329 = 50%

"Above and Beyond the Workplace"

It's no secret that HACA employees work in a great environment geared towards helping others, progressive growth and out-of-the-box thinking. The employees participate in many community activities and volunteer opportunities throughout the year.

The Employee Recognition Committee, ERC, and other staff members willing to volunteer for a greater cause, organize many events throughout the year. Twice a year, HACA hosts an agency-wide blood drive. Employees sign up to donate blood for The Blood Center of Central Texas. An average of 45 employees donate blood at each blood drive event. The ERC also organizes annually a food drive to help those in need at Thanksgiving, donating nearly 200 pounds of food to the food pantry. Through last year's donations, the non-profit food pantry was able to serve 100 families during the holiday season with the food donated by HACA. Of course, the HACA staff could not stop giving without giving to the children in need. All over the city of Austin, especially the families we serve, many children do not receive any gifts under the Christmas tree. Annually, the staff partners with the local Marine Corps and participates in the Toys for Tots Drive. Toys come in all sizes and colors and each gift is carefully chosen to put a smile on a little boy's or girl's face on Christmas morning.

HACA has an active corporate Toastmasters Club currently holding 24 members. The club was recognized as Outstanding Corporate Club at the Austin/Central Texas District Conference. The club functions as a gateway to gain better leadership skills and confidence in public speaking.

HACA Mentors

Currently five staff members volunteer their lunch hour once a week to be a mentor to a student at these area schools: Dawson Elementary, Blackshear Elementary, Martin Middle and Eastside Memorial High School. The staff's commitment to spending one-on-one time with the students greatly impacts the students' self-esteem and academic abilities.

One Housing Authority Helps Another

Hurricane Ike hit the City of Galveston hard in September 2008. On January 31st, the staff of one housing authority reached out to help the staff of another housing authority in need. The Galveston Housing Authority's (GHA) staff sent a plea for help and the HACA staff responded. The HACA staff contributed truckloads of furniture and items to the GHA staff and delivered these items to Galveston. Aside from the donations, HACA donated \$5,000 to buy additional items such as dinette tables, washers and dryers to assist the families back to some sense of normalcy. The GHA staff was touched to receive such a huge response from HACA.



Habitat for Humanity "HACA Builds HOPE"

Owning a home is the cornerstone of the American Dream. The HACA staff volunteers to construct homes of individuals in need through Habitat for Humanity. An average of 12 staff members volunteer their time on Saturday mornings throughout the year to spend a day building hope for a family.

Race for the Cure

Groups of staff have formed their own teams to participate in various marathons in the city. Last year, HACA participated in the Breast Cancer Awareness "Race for the Cure." For the second year in a row, the HACA team was one of the top 100 fund-raising teams, accumulating over \$5,000 in donations.



ERC EMPLOYEE RECOGNITION COMMITTEE

HACA DIRECTORS

Employee of the Quarter Awards

The ERC works hard to recognize employees of exemplary work ethic through the Employee of the Quarter and Employee of the Year Awards. The entire staff votes for a nominee of their choice and the recipient is recognized by the Board of Commissioners for their well-deserved award.

“An agency that works hard, plays hard.” The ERC coordinates events throughout the year to build the morale of the agency staff. Those events and activities include a year-end holiday party, Thanksgiving luncheon, blood drives, Breast Cancer Awareness Race for the Cure, Habitat for Humanity, holiday food drives and the summer picnic.

Acknowledgement and support of our staff is of utmost importance to the agency. HACA values hard work, dedication and innovative solutions to better serve the individual lives we impact everyday.



HENRIETTA WASHINGTON
Employee of the 1st Quarter



ANDREA GALLOWAY
Employee of the 2nd Quarter



MONIQUE DUVALL
Employee of the 3rd Quarter
Employee of the Year



EILEEN SCHRANDT
Employee of the 4th Quarter



James Hargrove
President & CEO



Thomas Cherian
VP & Chief Financial Officer



Lisa Garcia
VP of the Housing Choice
Voucher Program



Ron Kowal
VP of Austin Affordable
Housing Corporation



Sylvia Blanco
VP of Housing and
Community Development
District I



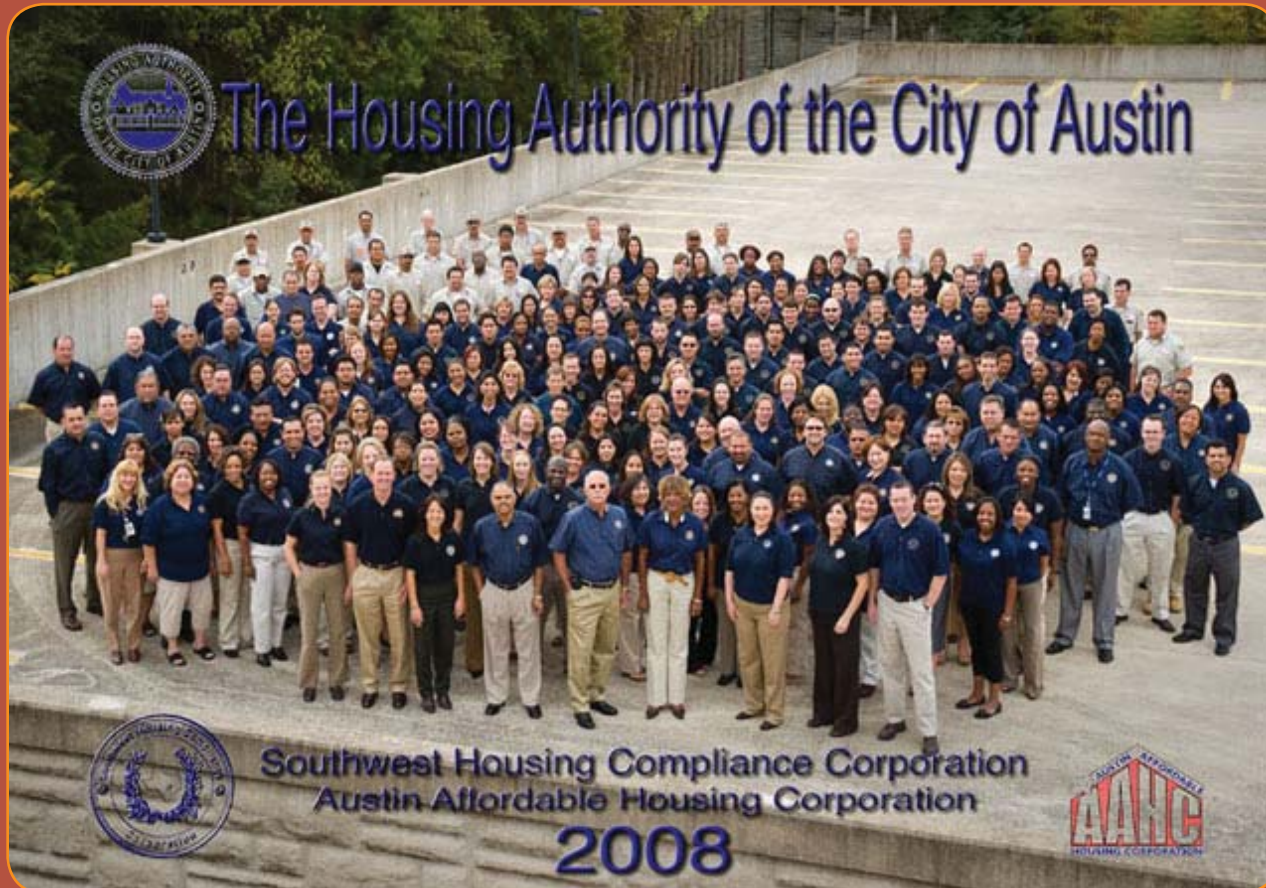
Veronica Macon
VP of Housing and
Community Development
District II



Michael Cummings
VP of Southwest Housing
Compliance Corporation

“Who We Are”

“Who We Serve”



We, the Housing Authority of the City of Austin, dedicate ourselves to creating and sustaining healthy communities that promote individual responsibility, economic growth, human dignity, and hope for the future.

Report of Housing Choice Voucher and Public Housing Programs

| | | |
|-----------------------------|--------|------------|
| TOTAL NUMBER OF FAMILIES | | 7,251 |
| TOTAL NUMBER OF INDIVIDUALS | | 18,914 |
| ETHNICITY (FAMILIES) | | |
| | COUNT | PERCENTAGE |
| HISPANIC | 2,303 | 31.8% |
| NON-HISPANIC | 4,948 | 68.2% |
| RACE (FAMILIES) | | |
| WHITE | 3,423 | 47.2% |
| BLACK | 3,701 | 51.0% |
| AMERICAN INDIAN | 64 | 0.9% |
| ASIAN PACIFIC | 63 | 0.9% |
| GENDER (INDIVIDUALS) | | |
| FEMALE | 11,876 | 62.8% |
| MALE | 7,037 | 37.2% |
| MARRIED | 204 | 2.8% |
| DISABLED | 3,358 | 46.3% |
| CHILDREN | 9,968 | 52.7% |
| AVERAGE FAMILY INCOME | | \$14,419 |

FINANCIAL REPORT

*Housing Authority of the City of Austin
Combined Statement of Revenues, Expenses
and Changes in Fund Net Assets
For the Fiscal Year Ended March 31, 2009*

ASSETS

| | |
|---|-------------------|
| Current assets | |
| Cash and cash equivalents- unrestricted | 13,145,036 |
| Restricted cash and cash equivalents | 9,088,169 |
| Investments - unrestricted | 1,846,244 |
| Receivables, net | 4,576,356 |
| Inventories, net | 113,232 |
| Prepaid expenses and other assets | 518,109 |
| Total current assets | 29,287,146 |
| Noncurrent assets | |
| Capital assets: | |
| Land | 9,975,213 |
| Building, equipment and infrastructure | 130,193,747 |
| Construction in progress | 3,379,639 |
| Less accumulated depreciation | (90,747,981) |
| Capital assets, net | 52,800,618 |
| Total noncurrent assets | 52,800,618 |
| Total assets | 82,087,764 |

LIABILITIES

| | |
|--|-------------------|
| Current liabilities | |
| Accounts payable | 792,148 |
| Accrued liabilities | 870,833 |
| Intergovernmental payables | 367,295 |
| Tenant security deposits | 545,391 |
| Deferred revenue | 650,658 |
| Bonds, notes, and loans payable | 2,155,709 |
| Other current liabilities | 110,366 |
| Total current liabilities | 5,492,400 |
| Noncurrent liabilities | |
| Bonds, notes, and loans payable | 18,105,002 |
| Accrued compensated absences non-current | 449,554 |
| Noncurrent liabilities - other | 573,740 |
| Total noncurrent liabilities | 19,128,296 |
| Total liabilities | 24,620,696 |

*Housing Authority of the City of Austin
Combined Statement of Revenues, Expenses
and Changes in Fund Net Assets
For the Fiscal Year Ended March 31, 2009*

NET ASSETS

| | |
|---|-------------------|
| Invested in capital assets, net of related debt | 32,539,907 |
| Restricted net assets | 9,078,005 |
| Unrestricted net assets | 15,849,156 |
| Total Equity/Net assets | 57,467,068 |
| Total Liabilities and Equity/Net assets | 82,087,764 |

REVENUES

| | |
|---------------------------------|-------------------|
| Tenant revenue | 7,172,484 |
| Government operating grants | 72,967,577 |
| Other revenue | 2,577,138 |
| Total operating revenues | 82,717,199 |

EXPENSES

| | |
|--|-------------------|
| Administrative | 17,775,325 |
| Tenant services | 2,422,843 |
| Utilities | 3,446,504 |
| Maintenance | 5,187,579 |
| Protective services | 845,937 |
| General | 1,425,348 |
| Interest expense and amortization cost | 1,145,655 |
| Housing assistance payment | 44,967,971 |
| Other expenses | 56,630 |
| Depreciation | 4,714,530 |
| Total expenses | 81,988,322 |

| | |
|--|----------------|
| Excess of revenue over expenses | 728,877 |
|--|----------------|

| | |
|---|-------------------|
| Prior period adjustments | (128,223) |
| Change in equity/net assets | 600,654 |
| Total equity/net assets - beginning | 56,866,414 |
| Total equity/net assets - ending | 57,467,068 |

