

HACA

HOUSING AUTHORITY OF THE CITY OF AUSTIN
2013-14 ANNUAL REPORT



Bringing Opportunity Home





For more than 76 years the Housing Authority of the City of Austin (HACA) has provided a safety net of safe, affordable housing to Austin's low-income individuals and families in need.

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A MESSAGE FROM THE PRESIDENT AND CEO

From the Great Depression to the Information Age, the Housing Authority of the City of Austin has given families and individuals a place that is more than an address. We are creating and sustaining healthy, vibrant communities that promote individual responsibility, economic growth, human dignity, and hope for the future.



HACA continues to be one of the leading housing authorities in the nation. More than 19,000 people in the Greater Austin area receive critical assistance each day from HACA's high-quality housing and self-sufficiency programs. And, this year, as we have for the past 13 years, HACA earned a "High Performer" designation from the U.S. Department of Housing and Urban Development in the operations of our public housing program, as well as a perfect 104 score in the Section Eight Management Assessment Program (SEMAP) that measures the performance of agencies administering the Housing Choice Voucher (HCV) program.

HACA has launched a number of key initiatives this year, including:

- A new Energy Performance Program that will provide central air conditioning, new windows, insulation and bath vents for more than 1,000 public housing units.
- HACA's subsidiary, Austin Affordable Housing Corporation, purchased Lexington Hills Apartments, providing 238 high-quality affordable units in the fast-growing east Riverside area.
- The Henry Flores Education and Training Center at Meadowbrook is nearing completion and will be home to a new Boys and Girls Club, expanded after school programs, and job skills training.

In the years ahead, HACA will continue to redevelop and improve our properties – ensuring that they meet the critical needs of our residents, and serve as assets for our entire community. We will also continue to expand our programs and partnerships to help residents achieve meaningful self-sufficiency. Through Austin Pathways, our new Foundation, we invite you to participate and join with us in supporting scholarships and new initiatives to help improve the quality of life for our residents.

Thank you for your interest in HACA and our programs. We look forward to working together in the future to Bring Opportunity Home.

A stylized, handwritten signature in blue ink, appearing to read "Michael G. Gerber".

Michael G. Gerber

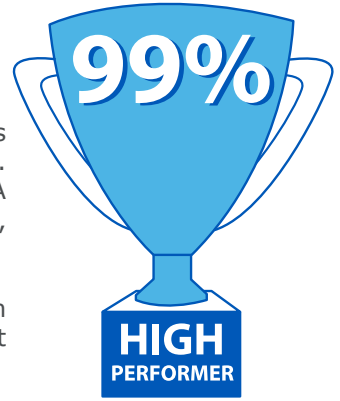
OUR IMPACT: PUBLIC HOUSING

HACA's public housing portfolio is comprised of 18 public housing developments with 1,838 units and 22 single-family homes serving more than 4,300 individuals, including families with children, elderly and persons with disabilities.

Public Housing Assessment System (PHAS)

Each year HACA's public housing program undergoes an independent performance review by the U.S. Department of Housing and Urban Development. A 100 point scale is used to score physical, financial, management and resident assessment factors.

In 2013-2014, HACA again received the "High Performer" designation by scoring a 99%, a status it has maintained for 13 consecutive years.



Improving Public Housing Communities: Thurmond Heights

Through a grant from the U.S. Department of Housing and Urban Development, Thurmond Heights is undergoing a multi-phase / multi-year external and internal modernization project of all of its 144 units.

All units and buildings will receive insulation, energy-efficient windows, upgraded electrical systems that will support new tankless water heating and centralized air conditioning (HVAC). All buildings will also receive new exterior siding and trim that is made of sustainable materials and easily blends with homes in the adjacent neighborhood.

Residents in the renovated units completed during Phase I of this venture have experienced effective cooling of their units during the summer, significant decreases in their electric bills, and reliable hot water through the installation of tankless water heaters. HACA's initiative at Thurmond Heights has earned a National Association of Housing and Redevelopment Officials (NAHRO) Award of Merit.

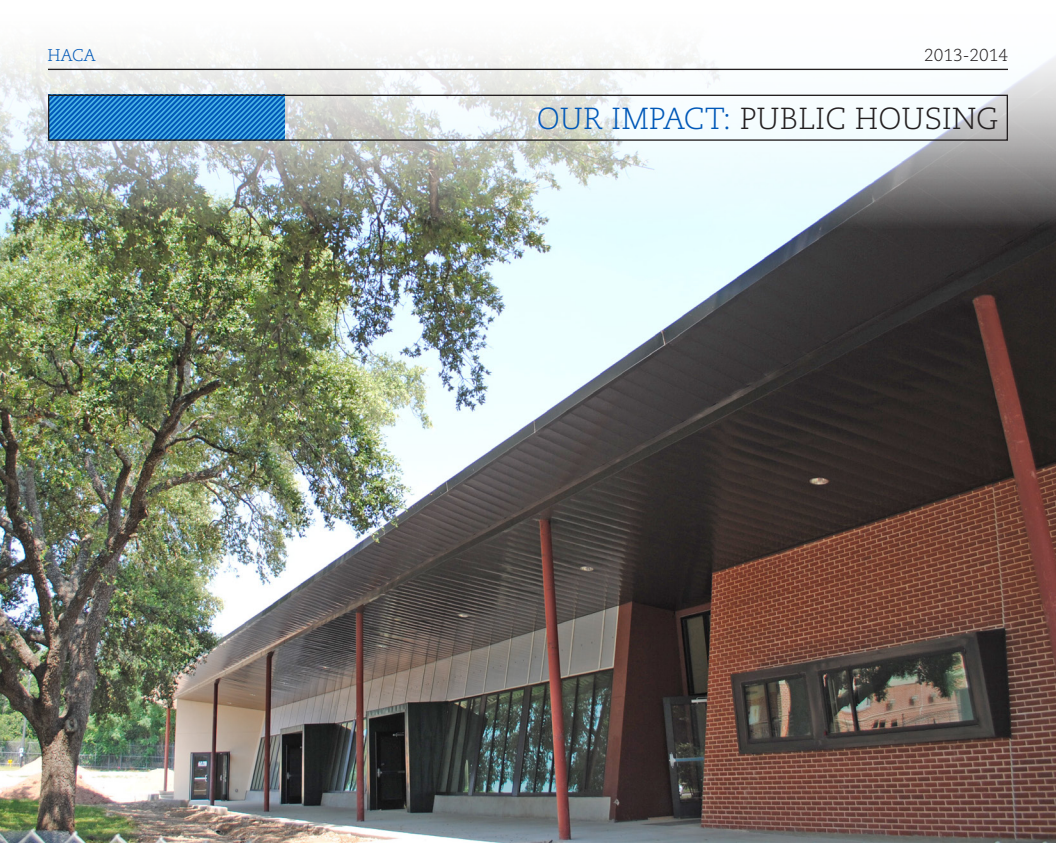
OUR IMPACT: PUBLIC HOUSING

Each year HACA receives support from the U.S. Department of Housing and Urban Development to address major modernization projects, management improvements, emergency repair needs, regulatory compliance, security upgrades and other repair needs that are outside the scope of routine maintenance.

In 2013-2014, HACA was awarded \$2.5 million to address these needs, a fraction of the funds necessary to address all outstanding capital improvement needs.



OUR IMPACT: PUBLIC HOUSING



Improving Public Housing Communities: Capital Fund Education and Training Community Facilities Program

In 2011, HACA was awarded \$1.74 million in funds through the U.S. Department of Housing and Urban Development (HUD) Capital Fund Education and Training Community Facilities program to support the construction of a state-of-the-art learning facility at Meadowbrook Apartments in south Austin.

Henry Flores

Education & Training Center



OUR IMPACT: PUBLIC HOUSING

Henry Flores Education and Training Center

Opening in October 2014, the Henry Flores Education and Training Center will help build resident self-sufficiency and serve as a community learning hub. The 10,000 square foot facility will include:

- Classrooms for youth and adult education programs
- Community library
- Outdoor amphitheater for cultural and other events
- Community meeting space
- State-of-the-art computer lab for on-site classes and distance learning
- Outdoor green space to foster community and learning; and
- Video and sound production lab

The facility is named in honor of HACA's former Chairman, Henry Flores, who retired in 2013 after serving on HACA's Board of Commissioners for 14 years.



OUR IMPACT: PUBLIC HOUSING

Rosewood Choice Neighborhoods Initiative

HACA was one of only 17 communities nationwide that received a \$300,000 Choice Neighborhoods Planning Grant through the U.S. Department of Housing and Urban Development (HUD) in 2012.

Awarded to HACA to develop a strategy for the redevelopment of Rosewood Courts and enhancement of the surrounding community, the Choice grant is focused on three core goals: Housing, People and Neighborhoods

With a draft plan submitted to HUD in April 2014, HACA will submit its final plan to HUD in late 2014 - early 2015 and anticipates applying for a Choice Neighborhoods Implementation Grant in the future, which could bring substantial federal investment for affordable housing, community improvements, and social services to Rosewood and the surrounding neighborhoods.



OUR IMPACT: PUBLIC HOUSING



Neighborhood residents identified area assets at the fourth Rosewood Choice Neighborhoods Community Meeting in April 2013.



Rosewood Courts residents provided feedback on potential site concepts at a Rosewood Choice Neighborhoods Resident Meeting in December 2013.



OUR IMPACT: HOUSING CHOICE VOUCHER

HACA manages Central Texas' largest Housing Choice Voucher (HCV) program (formerly known as Section 8) as well as several other key assisted housing programs that provide rental vouchers for nearly 6,000 units of housing. These programs support more than 15,200 individuals, including families with children, elderly and persons with disabilities in greater Austin's private rental market. In 2013-2014, HACA administered several voucher programs, including:

- 5,256 Housing Choice Vouchers
- 355 Veteran Affairs Supportive Housing (VASH) vouchers
- 178 Homeless Program Grant vouchers
- 85 Family Unification Program vouchers
- 59 Mainstream vouchers
- 36 Non-Elderly with Disabilities vouchers
- 16 Hurricane Ike – Conversion vouchers

In October 2014, HACA expects to reopen its Housing Choice Voucher Waiting List for the first time since 2006. More than 20,000 people are expected to apply, underscoring the need for more affordable housing in the Austin area.

Section Eight Management Assessment Program (SEMAP)

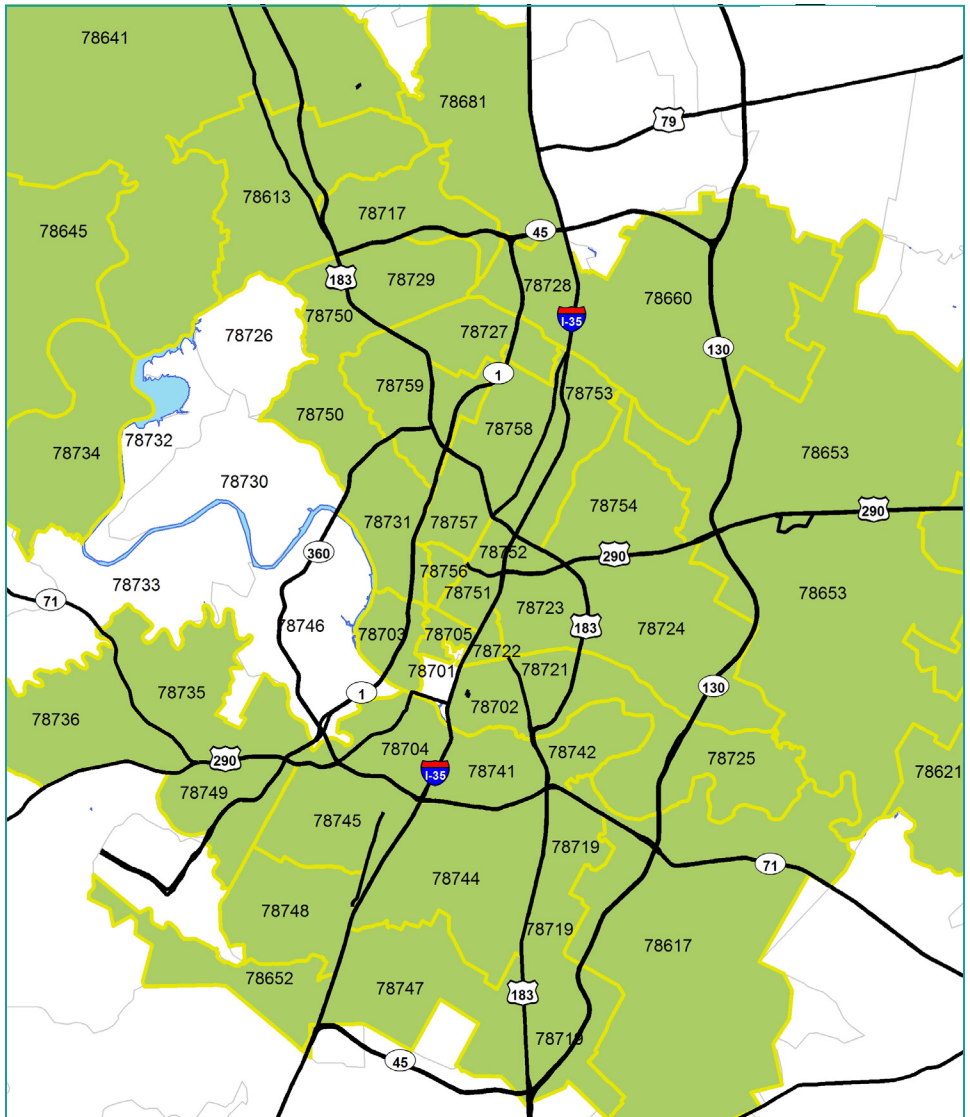
Each year HACA's HCV program undergoes an independent performance review by the U.S. Department of Housing and Urban Development. Fourteen separate indicators are assessed on a 100 point scale and 4 bonus points are awarded if a housing authority is successful in encouraging families to choose housing in low-poverty areas.

In 2013-2014, HACA received a perfect score of 104% and was designated a "High Performer," a status it has maintained for 13 consecutive years.



OUR IMPACT: HOUSING CHOICE VOUCHER

Where Do Austin Area HCV Families Live?

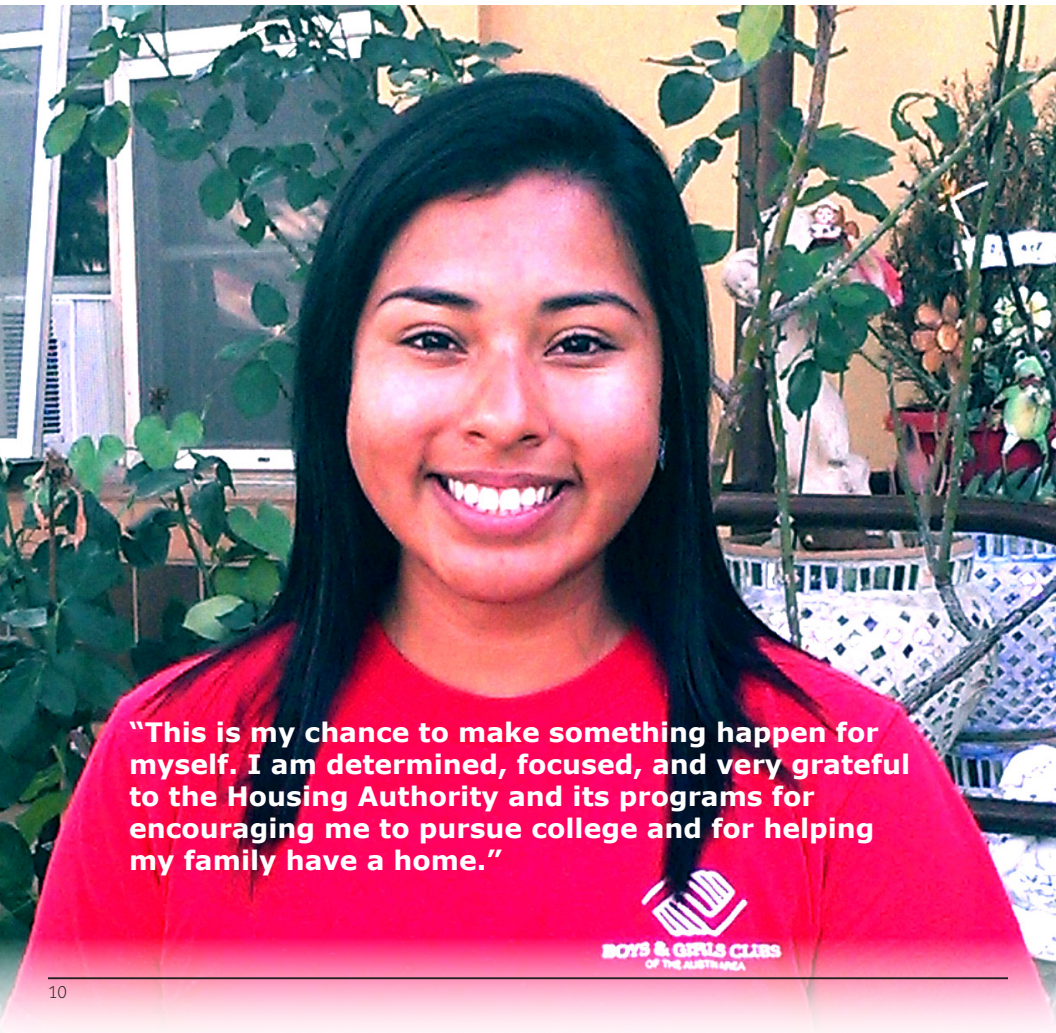


Zip codes in green indicate areas where landlords are accepting Housing Choice Vouchers. There are housing opportunities across Austin; however, more are needed. HACA strongly supports Fair Housing choice for all renters using Assisted Housing programs.

OUR IMPACT: RESIDENT SUCCESS STORIES

At 22, **Rosalinda Almaguer** has made an impact on her community and serves as a role model for others. She and her three older siblings were raised at HACA's Booker T. Washington and Chalmers Courts. As a child, Rosalinda was active in HACA's Youth Educational Success (YES) program where she attended and later volunteered with the HACA-sponsored Boys & Girls Club at Chalmers Courts.

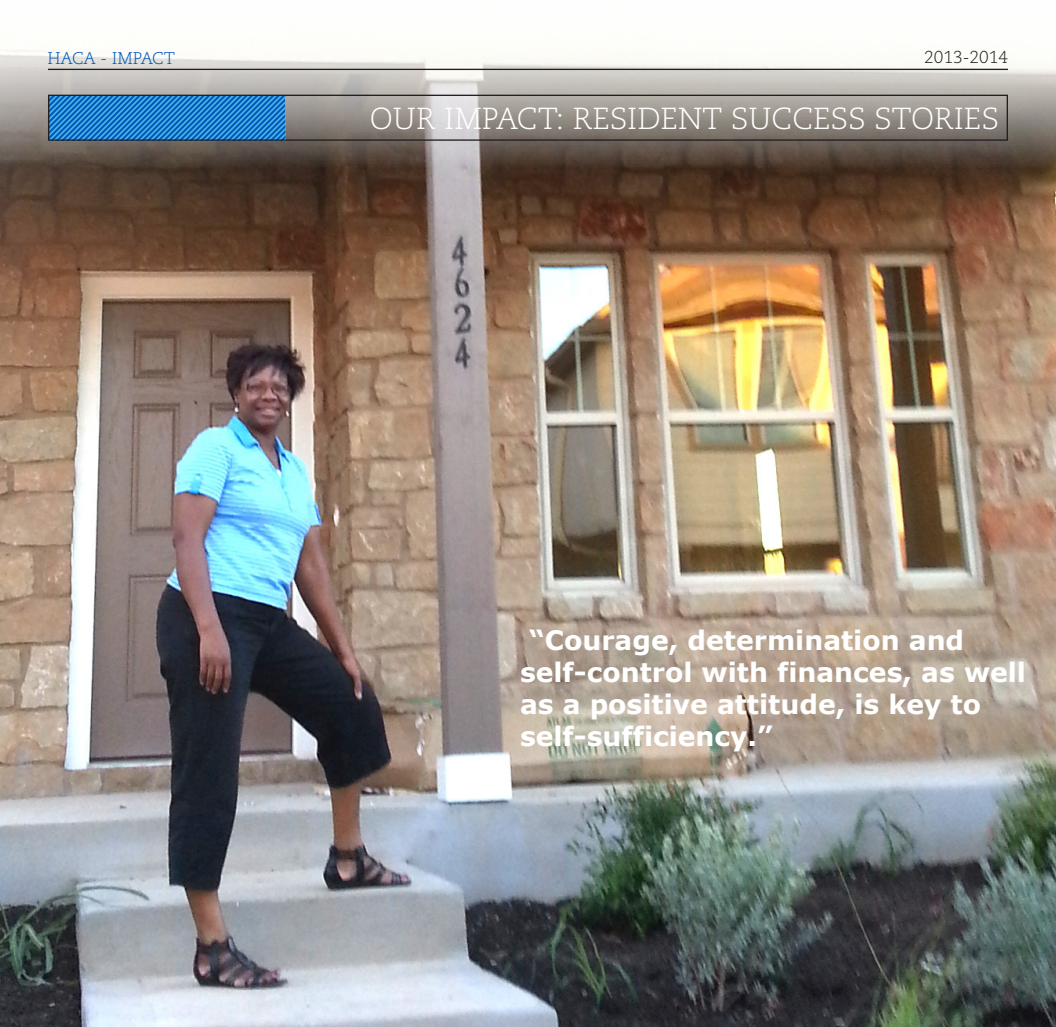
Rosalinda later gained admission to Texas State University in San Marcos as well as earned scholarships from organizations such as HACA's Austin Pathways. Driven by her desire to give back to the community, Rosalinda studies Social Work and hopes to continue on to graduate school. Her motivation and hard work are paying off – this past semester Rosalinda made the Dean's List!



"This is my chance to make something happen for myself. I am determined, focused, and very grateful to the Housing Authority and its programs for encouraging me to pursue college and for helping my family have a home."



OUR IMPACT: RESIDENT SUCCESS STORIES



"Courage, determination and self-control with finances, as well as a positive attitude, is key to self-sufficiency."

Olivia Farley has endured great hardship, but always with grace and a determination to persevere. After her family emigrated from Zimbabwe to Texas, Olivia found her teaching credentials did not transfer and she struggled to find work that would cover their housing costs and other basic needs in Austin. Olivia applied to the Housing Choice Voucher program, and later received a voucher and access to the continuum of self-sufficiency programs and services provided by HACA.

Olivia soon joined the Family Self-Sufficiency program and worked toward her goals of education and homeownership. She later became one of the few Certified Tumor Registrars in Texas. Olivia now works full-time as a Certified Tumor Registrar, capturing a complete history, diagnosis, treatment and disease status for cancer patients. In September 2013, Olivia became the proud owner of a newly built home purchased with support from the Down payment Assistance program managed by HACA subsidiary Austin Affordable Housing Corporation.

OUR IMPACT: SELF-SUFFICIENCY PROGRAMS

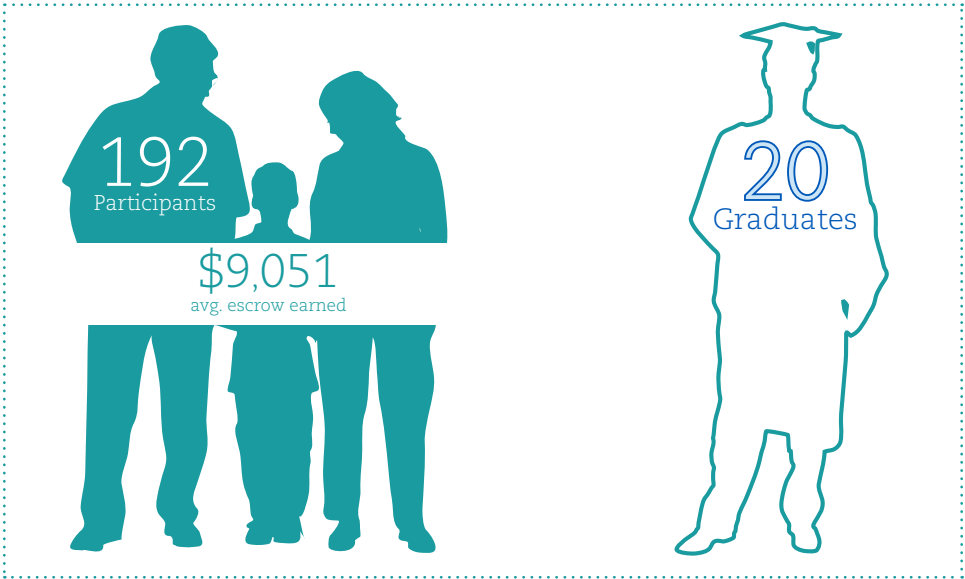
To build resident independence, HACA offers several programs focused on self-sufficiency that are implemented by HACA staff and supported by numerous community partners. Self-sufficiency programs are critical in that they support resident transition from public assistance which allows the next families waiting for housing assistance to be served.

Family Self-Sufficiency (FSS)

Supported by the U.S. Department of Housing and Urban Development and private contributions, the FSS program helps adults living in public housing and those in the Housing Choice Voucher program increase earned income and reduce dependency on government assistance. Once enrolled, the head of household executes a five-year Contract of Participation with one of HACA's FSS coordinators and sets time-bound goals and related activities, such as credit repair, pursuit of homeownership, furthering their education, and maintaining employment.

FSS participants are connected to child care, transportation, education, job training, employment counseling, financial literacy and home ownership support, among other services. HACA also establishes an interest-bearing escrow account for each family and any increases in rent as a result of increased earned income are deposited into the family's escrow account. Upon graduation from the program, families receive the escrow.

In 2013-2014, 192 FSS participants earned funds in escrow accounts and 20 residents graduated from the program.



OUR IMPACT: SELF-SUFFICIENCY PROGRAMS

Celebrating Resident Achievements

Each fall, HACA hosts a luncheon to honor all graduates of the FSS program. It is a time of great pride and accomplishment for both the recipients and HACA. At the 16th annual luncheon in November 2013, HACA honored 10 such graduates.



FSS graduate Mariana Cueva, pictured center, surrounded by family at the 16th annual FSS Luncheon.

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From left to right, FSS graduates Bettie Mims, Trisha Castillo, Riki Bradshaw and Alma Cortez



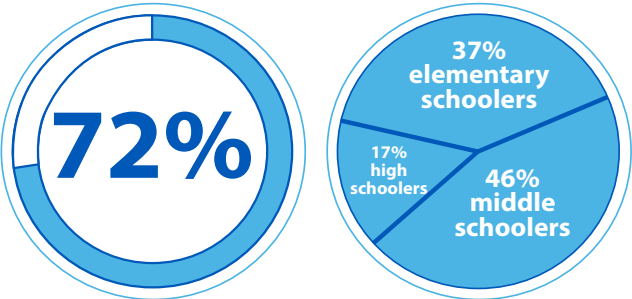
OUR IMPACT: SELF-SUFFICIENCY PROGRAMS

Youth Educational Success (YES)

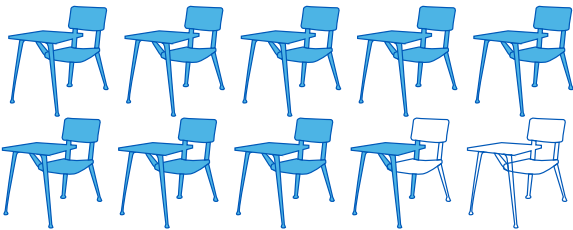
HACA’s Youth Educational Success (YES) programs are designed to reduce the dropout rate, increase academic performance, and result in more youth pursuing higher education. It is a critical element in breaking the cycle of poverty for HACA families, as over half of the residents HACA serves is under the age of 18.

HACA’s YES Program coordinates with local providers of quality after-school and enrichment programs to ensure public housing youth are engaged in healthy, safe and meaningful activities outside of school hours. Partners include Communities in Schools, Boys and Girls Clubs, Boy Scouts, Girl Scouts, Lifeworks, Any Baby Can, Phoenix House and Mainspring Schools. During the 2013-14 Fiscal Year, 1,163 HACA youth participated in a variety of YES programs.

YES Program Participation Rate



84%
of YES students
improved
academically



In partnership with
**Capital Area
Food Bank,**
5,782 free lunches were
served to youth at
nine HACA properties
during the 2013 summer months

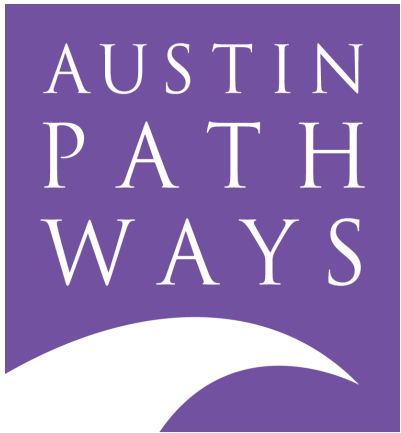
OUR IMPACT: SELF-SUFFICIENCY PROGRAMS



Resident Opportunities for Self-Sufficiency (ROSS)

Funded by the U.S. Department of Housing and Urban Development and private contributions, the ROSS program helps families, elderly and persons with disabilities living in public housing increase earned income and reduce dependency on government assistance. Participants develop goals related to education, employment, financial management and homeownership, among others with HACA staff and are connected to needed community resources and partners. Incentives are provided at the successful completion of each goal and its required activities.

In 2013-2014, 233 residents living at all 18 public housing communities participated in the ROSS program, of which 27 completed their self-sufficiency goal.



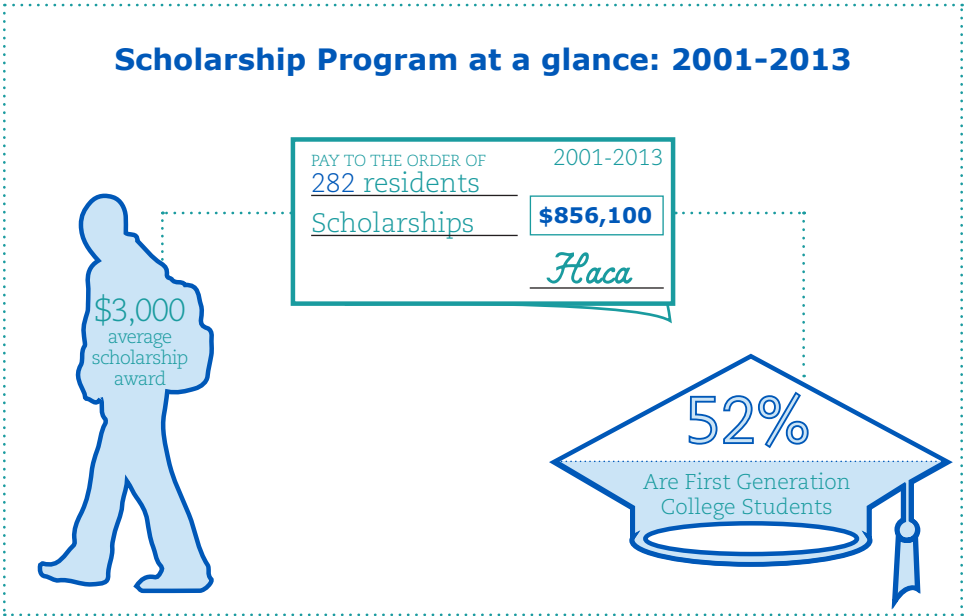
The road to success.

Austin Pathways is a HACA-directed nonprofit organization that supports HACA's scholarship and self-sufficiency programs. Previously named the HACA Scholarship Foundation, the organization began a rebrand at the end of FY 2013-2014 to better reflect its mission.

The road to success is different for all residents but the support they receive from Austin Pathways is constant. In March 2014, the nonprofit participated in the 24-hour Amplify Austin online giving campaign. Donations supported HACA's scholarship program and Family Self-Sufficiency program for public housing and Housing Choice Voucher program residents.

The nonprofit administers HACA's renewable scholarship program; in FY 2013-2014, it awarded \$38,500 in scholarships for post-secondary education to 25 public housing and Housing Choice Voucher residents.

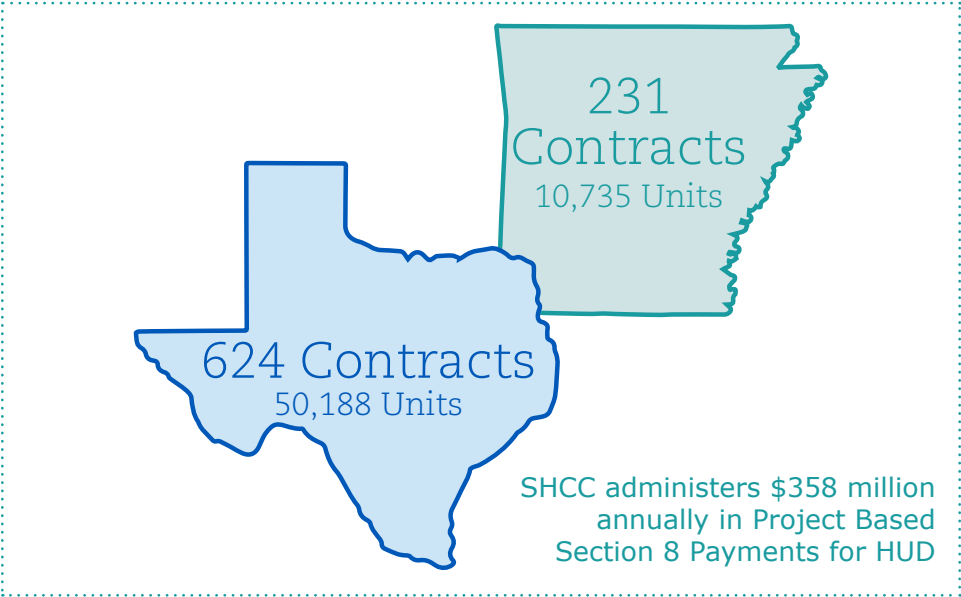
Scholarship Program at a glance: 2001-2013





Southwest Housing Compliance Corporation (SHCC) is a nonprofit subsidiary of HACA. Since 2000, SHCC has served as HUD’s Performance Based Contract Administrator for Project-Based Section 8 properties in Texas and Arkansas, ensuring owner/managers are operating and maintaining housing in a safe manner and adhering to complex program requirements.

The two-state portfolio consists of 855 Housing Assistance Payment (HAP) contracts, representing close to 61,000 Project-Based Section 8 units throughout the two states.

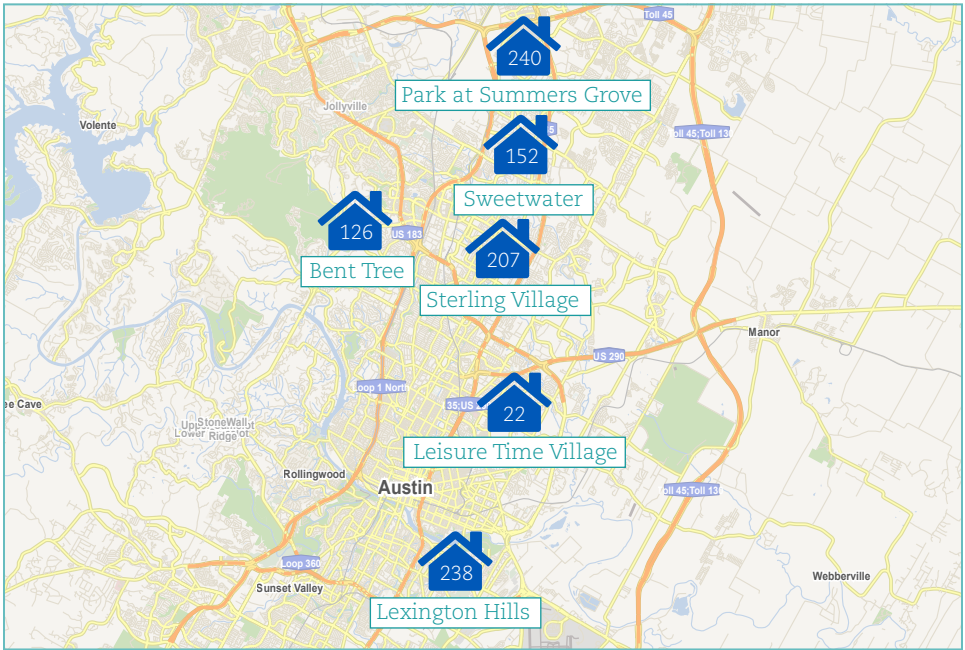


Considered an industry leader and top performer, SHCC also tracks HUD multi-family regulations, implements HUD policies and provides guidance to properties on meeting HUD requirements.

SHCC income proceeds are used to enhance HACA’s endeavors, including the funding of HACA scholarship and self-sufficiency programs.



Austin Affordable Housing Corporation (AAHC) is a non-profit subsidiary of HACA that ensures and preserves quality, affordable housing opportunities and pursues entrepreneurial endeavors. Its current real estate portfolio includes the following affordable housing:



In September of 2013, Lexington Hills was purchased, bringing the total number of affordable units owned by AAHC to 963. This East Austin apartment community boasts 238 one- and two-bedroom units and is one of the largest properties in AAHC’s portfolio.

Coming Soon!

AAHC is looking forward to breaking ground in fall of 2014 on its first new construction project: Pointe at Ben White and Villages of Ben White, which will consist of 250 affordable family units and 183 affordable senior units, respectively, in South Austin.



Helping Families Realize the American Dream

Down Payment Assistance Program

Since 2004, AAHC's Down Payment Assistance program has supported the transition to homeownership for families in HACA's public housing and Housing Choice Voucher program. Eligible first-time homebuyers complete homeownership and financial education training prior to purchasing a home. They can then receive \$10,000 for closing costs and down payment assistance. In FY 2013-2014, three families became homeowners through the Down Payment Assistance Program bringing the grand total of homeowners to 86.

Equity Community Land Trust

Formed in 2012 as a HACA subsidiary, Equity CLT's Community Land Trust (CLT) program helps HACA's public housing families achieve their goals of homeownership.

The CLT program provides a household the opportunity to purchase a home at an extremely affordable price while the land is held by the trust. In exchange for purchasing the house at a reduced rate, the ground lease guarantees a specific equity return to the homeowner when they sell, but limits the sales price to keep the home affordable.

In April 2013, the Cortez family (pictured at right) became the first family to purchase a CLT home.



National Association of Housing and Redevelopment Officials (NAHRO)

Award of Merit in Housing and Community Development:

Keeping Kids Learning, Growing, and Engaged

This submission was also nominated for an Award of Excellence



Since 2010, the Boys and Girls Club of Austin has operated at two public housing sites through a partnership with the Housing Authority of the City of Austin. Prior to that time, youth from Thurmond Heights and Chalmers Courts had to travel by car or van in order to attend after-school and summer youth programs or clubs. By offering curriculum-based after-school, school break and summer programs on-site, community volunteers travel to the youth, thus enabling more youth to easily join in activities and enjoy targeted academic and social support that enrich their lives and help fulfill their potential.

Award of Merit in Housing and Community Development:

Modernization of Thurmond Heights

highlighted on page 2



Candace Buck-Ledesma

Denise Carpenter

Rodrick Guyton

HACA HONORS

Southwest National Association of Housing and Redevelopment Officials

Best Annual Report for a Large Housing Authority

Best Newsletter for a Large Housing Authority: *One Voice*

Best Other Publication for a Large Housing Authority: *2014 Resident Calendar*

Scholarship Award Winners: *Candace Buck-Ledesma, Denise Carpenter & Rodrick Guyton*

Texas National Association of Housing and Redevelopment Officials

Executive of the Year:

Sylvia Blanco, Executive Vice President

Maintenance Person of the Year:

Danny Robbins, Lead Maintenance

Resident of the Year:

Maleah Douglas, Thurmond Heights

Scholarship Award Winner:

Bulls Taban

Best Newsletter for a Large Housing Authority: *One Voice*

Best Other Publication for a Large Housing Authority: *2014 Resident Calendar*



Maleah Douglas



Bulls Taban



Danny Robbins

HACA BOARD OF COMMISSIONERS



Carl S. Richie, Jr., Esquire
Attorney, Law Offices of Carl S. Richie, Jr.



Charles C. Bailey, Esquire
Attorney, Law Offices of Charles C. Bailey



Dr. Tyra Duncan-Hall
Retired/Former Austin Community College Provost



Edwina Carrington
Retired/Former State Agency Director



Isaac Robinson
Resident Commissioner

Our Mission

To cultivate sustainable, affordable housing communities and partnerships that inspire self-reliance, growth and optimism.

Our Vision

We envision neighborhoods where poverty is alleviated, communities are healthy and safe and all people can achieve their full potential.

Our Principles

Respect - Integrity - Collaboration - Trust - Safety - Innovation - Sustainability



HACA EXECUTIVE TEAM

Michael G. Gerber
President and CEO

Sylvia Blanco
Executive Vice President

Thomas Cherian
Vice President and CFO

Lisa Garcia
Vice President of Assisted Housing

Pilar Sanchez
Vice President of Housing and
Community Development

Michael Cummings
Vice President of Southwest
Housing Compliance Corporation

Ron Kowal
Vice President of Housing
Development/Asset Management



HACA STAFF




COMBINED STATEMENT OF NET ASSETS

March 31, 2014

ASSETS	
Current assets	
Cash and cash equivalents- unrestricted	\$19,656,405
Restricted cash and cash equivalents	\$2,971,742
Receivables, net	\$2,869,290
Inventories, net	\$109,963
Prepaid expenses and other assets	\$505,839
Total current assets	\$26,113,239
Noncurrent assets	
Capital assets	
Land	\$12,078,352
Building, equipment and infrastructure	\$158,340,778
Construction in progress	\$4,350,250
Less accumulated depreciation	(\$111,835,865)
Capital assets, net	\$62,933,515
Mortgage Receivable - Non Current	72,804
Investment in Joint Venture	\$1,846,244
Total noncurrent assets	\$64,852,563
Total assets	\$90,965,802

LIABILITIES	
Current liabilities	
Accounts payable	\$941,044
Accrued liabilities	\$611,885
Intergovernmental payables	\$28,434
Tenant security deposits	\$526,866
Deferred revenue	\$48,641
Bonds, notes, and loans payable	\$1,112,474
Other current liabilities	\$122,582
Total current liabilities	\$3,391,926
Noncurrent liabilities	
Bonds, notes, and loans payable	\$20,575,139
Accrued compensated absences non-current	\$1,274,836
Noncurrent liabilities - other	\$592,654
Total noncurrent liabilities	\$22,442,629
Total liabilities	\$25,834,555


COMBINED STATEMENT OF NET ASSETS
NET ASSETS

Invested in capital assets, net of related debt	\$41,245,902
Restricted net assets	\$1,004,886
Unrestricted net assets	\$22,880,459
Total Equity/Net assets	\$65,131,247
Total Liabilities and Equity/Net assets	\$90,965,802

REVENUES

Tenant revenue	\$7,826,044
Government operating grants	\$68,762,365
Other revenue	\$2,881,492
Total operating revenues	\$79,469,901

EXPENSES

Administrative	\$16,411,111
Tenant services	\$1,924,648
Utilities	\$3,619,685
Maintenance	\$5,479,159
Protective services	\$704,013
General	\$1,578,059
Interest expense and amortization cost	\$1,024,404
Housing assistance payment	\$47,801,153
Depreciation	\$5,624,948
Total expenses	\$84,720,056
Excess of revenue over expenses	(969,315)
Change in equity/net assets	
Total equity/net assets - beginning	\$64,161,932
Total equity/net assets - ending	\$65,131,247



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Twitter : [@hacanet](https://twitter.com/@hacanet)
Youtube : youtube.com/user/hacanetorg

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