

HOUSING AUTHORITY OF
THE CITY OF AUSTIN

2014 - 2015 ANNUAL REPORT



BRINGING OPPORTUNITY HOME

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Mission

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

Vision

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

Principles


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


A Message from The President & CEO




For nearly 80 years, the Housing Authority of the City of Austin (HACA) has been a national leader in providing safe, healthy and affordable housing options in the Austin community. Each day, we serve more than 19,000 people and, through an array of dynamic community partnerships, we work to empower residents and move them on the path to self-sufficiency.

This has been an exciting year for HACA:

 HUD Secretary Julián Castro joined us for the grand opening of the Henry Flores Education and Training Center. This 10,000 square foot state-of-the-art neighborhood center is providing a wealth of education, job training and health and wellness programs.

 Construction is underway at the Villages at Ben White and the Pointe at Ben White, where 433 new affordable housing units will be available for families, veterans, seniors and persons with disabilities.

 HACA, through our subsidiary Austin Pathways, launched "Unlocking the Connection," a first of its kind effort to bridge the digital divide and provide Internet access and community connectivity for more than 4,300 public housing residents in Austin.

Everything we do at HACA is about people and "Bringing Opportunity Home" to our residents. Each day, more people choose to make Austin and Central Texas their home. Too many of them struggle to locate affordable housing and require key services to be self-sufficient and live independently. You can count on HACA to be working with our partners and key community leaders to leverage resources and capabilities to have a deeper impact on improving lives.

We are proud to have you partnering with us.

Sincerely,

A handwritten signature in blue ink, appearing to read "mgerber".

Michael G. Gerber



Who We Impact

HACA provided housing to 19,105 people in 2014-15.

Of the 19,105 people we served, 9,812 were children, 1,569 were seniors and 5,034 were persons with disabilities.

The average annual income of a family in public housing is \$10,143. For families in the Housing Choice Voucher program, it is \$13,523.

HACA contributed \$45.3 million to the local economy through its rental assistance and other programs.



Ethnicity



Race



Gender

Henry Flores Education and Training Center Opens at Meadowbrook

HACA's new 10,000 square foot Henry Flores Education and Training Center opened in November 2014 with the new Secretary of the U.S. Department of Housing and Urban Development (HUD), Julián Castro, on hand for the Grand Opening. Funded in 2011 by a grant from the HUD Capital Fund Education and Training Community Facilities program, the building is HACA's first new construction in two decades. The environmentally-conscious facility includes classrooms for youth and adult education programs, a community library, an outdoor amphitheater for cultural and other events, and a state-of-the-art computer lab for on-site classes and distance learning.

The new Flores Education and Training Center, located at HACA's Meadowbrook Apartments in South Austin, 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. The Flores Center serves as an important community learning hub to help build resident self-sufficiency and open doors to opportunity.



"Brainpower is the currency of success in the 21st century global economy."

-HUD Secretary Julián Castro

A Breath of Fresh Air: 10 HACA Properties Launch Energy and Air Quality Improvements

HACA has kicked off a \$13 million HUD-approved Energy Performance Contract (EPC) project that will bring energy improvements, including central air conditioning, to 10 HACA family properties totaling nearly 1,000 public housing units. This project marks the first time in the agency's history that central air conditioning is being installed in its family units. Coupled with other improvements, this will make a significant difference in the quality of life for our residents.

Manchaca Village, Coronado Hills and Northgate Apartments were the first sites to undergo the EPC work, with new HVAC systems, window replacements, insulation upgrades and other indoor air quality improvements. Work is underway at Booker T. Washington Terraces with all projects expected to be complete by 2016.

The EPC project is an exciting step forward that allows HACA to provide a better quality of life for public housing residents. Residents also get the benefit of paying lower utility bills, and receiving training and education on other utility cost savings practices that can help with self-sufficiency goals.



Section 8 Waitlist Successfully Opened:
More Than 44,000 Apply for Assistance

HACA reopened its Section 8 Waiting List in October 2014 for the first time since 2006. During the eight-day Section 8/Housing Choice Voucher pre-application period, HACA collected 19,174 rental assistance pre-applications, representing 44,832 individuals requesting help covering the increasing costs of rent in the Austin area. Nearly 10,000 were submitted within the first 24 hours of the wait list opening. The new online-only process allowed applicants to apply 24/7 using any device with Internet access.

W8LIST

OPENING

OCT 22

THROUGH

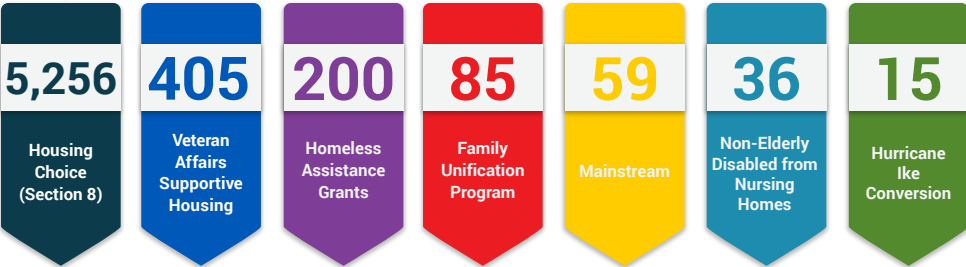
OCT 29

SECTION 8 HOUSING

AUSTIN.APPLY4HOUSING.COM

During this period, HACA partnered with more than 100 community organizations that provided applicants digital access. The hours and locations allowed people to apply at their convenience, with more than half of the pre-applications submitted via a mobile device. Upon conclusion of the wait list opening, 2,500 applications were randomly selected through an online lottery process.

6,056 Total number of housing vouchers allocated to HACA in 2014



HACA Goes Smoke-Free

In an effort to promote a healthier living environment for families, HACA will implement a smoke-free housing policy for all of its residential properties beginning in September 2015. Smoking will be prohibited in public housing units, outdoor patios and in common areas including hallways, stairwells and parking lots.

The dangers of smoking are well documented - heart and lung disease, cancer and stroke. In addition, a growing amount of evidence proves exposure to secondhand smoke is also a key health risk. According to Austin/Travis County Health and Human Services, 4,300 Texas non-smokers die each year from exposure to secondhand smoke. In addition, the U.S. Fire Administration reports smoking is the leading cause of fire deaths in multifamily buildings.

HACA has partnered with the Seton Healthcare System and Austin Travis County Integral Care to offer free smoking cessation classes and resources to residents and staff who are struggling to quit smoking. The policy was approved by the Board of Commissioners in May 2015.



27 Graduates Honored at Family Self-Sufficiency Luncheon

HACA honored 27 graduates, a record number, during the 17th Annual Family Self-Sufficiency (FSS) and Homeownership Recognition Luncheon in December 2014. HACA’s FSS program equips residents with the tools and knowledge they need to achieve housing and financial independence.

Services include education, workforce, health and life-skills programs, bolstered by access to child care, transportation and other support. Participants accrue escrow savings as their earned income increases, which are then used to support education, homeownership, debt repayment and other goals. To date, 192 participants have graduated from HACA’s FSS Program.

The Homeownership Program, provided through HACA’s subsidiary, the Austin Affordable Housing Corporation (AAHC), provides homeownership opportunities to public housing residents, including \$10,000 in down payment and closing costs assistance. In addition, in-house financing and affordable homes are available through AAHC’s Community Land Trust.

A photograph of three women standing together and smiling. The woman in the center is holding a grey and orange toolbox that has a 'Homeowner' certificate attached to it. All three women are wearing name tags.

93

Number of homeowners since 2004 through the Down Payment Assistance Program, including 1 Equity CLT homeowner

Record Number of Students Make YES! Honor Roll

2014 was a busy year for HACA's Youth Educational Success! (YES!) Academic Incentive Program. A record-breaking 475 students each received a \$15 Walmart gift card for making the honor roll and/or achieving perfect attendance at school. These students were also eligible to attend a year-end day trip to the Main Event and enjoyed lunch, bowling, laser tag and miniature golf.

YES! programs are designed to help increase academic performance and result in more students pursuing higher education. It is a critical element in breaking the cycle of poverty for HACA families as more than half of HACA residents are under age 18.

YES! partners include Communities in Schools, Boys and Girls Clubs, Boy Scouts, Girl Scouts, Lifeworks, Any Baby Can, Phoenix House and Mainspring Schools.

1,242 HACA youth participated in YES programs | **100%** of case managed HACA youth stayed in school

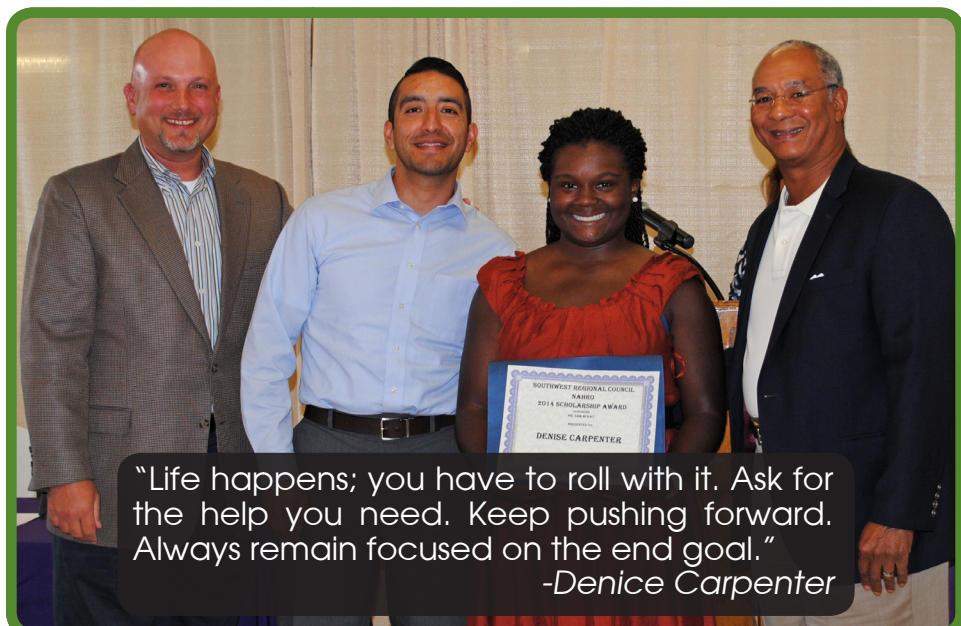


HACA Mom Succeeds in Balancing College, Career and Two Beautiful Daughters

Unlike most of the 50,000 students that attend the University of Texas at Austin, Denice Carpenter had more to balance than just classes, student activities and final exams. Denice is a participant in HACA's Family Self-Sufficiency program and a National Association of Housing and Redevelopment Officials (NAHRO) scholarship recipient who is pursuing a degree in social work. But her most important job is being a mother.

"I am a first-generation college student. My high school didn't prepare me for the academic demands of college," Carpenter said. "I had to become my own advocate to obtain the resources I needed for myself and my daughter."

In her junior year, Carpenter hit her stride. But just as she began the first semester of her teaching internship, while taking five classes in the process, she became increasingly fatigued and drained. "I soon found out that my exhaustion was not only due to a lack of sleep; I was pregnant with my second child. The news left me feeling scared and alone, and I knew this would make obtaining my degree even more difficult. HACA, my family, and professors were there to support me, and I am proud to say I earned my degree, am pursuing my career and raising two beautiful girls."



"Life happens; you have to roll with it. Ask for the help you need. Keep pushing forward. Always remain focused on the end goal."

-Denice Carpenter



UNLOCKING THE CONNECTION

Funding Partners



**OPEN SOCIETY
FOUNDATIONS**



**FORD
FOUNDATION**



freescale™

Google fiber
Austin



**K-12
summer camps**
STEM technology
best-in-class quality
science math
innovating inventors
engaging rigorous
ambitious

**AUSTIN
COMMUNITY
COLLEGE
DISTRICT**

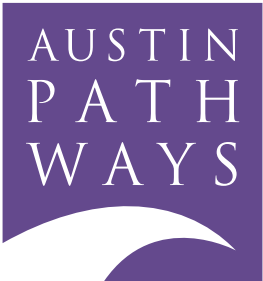


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HACA Launches Groundbreaking Digital Inclusion Initiative

HUD Secretary Julián Castro (pictured left) joined key community leaders, HACA’s Board, and our non-profit subsidiary, Austin Pathways, to launch “Unlocking the Connection,” a first-of-its-kind initiative to bridge Austin’s digital divide and help families build skills that support economic independence and transitioning from public assistance. “Closing the digital divide means that every child has a chance to succeed in the 21st century global economy,” Castro said. “HACA’s work should serve as a model for other public housing agencies and businesses to follow.”

Unlocking the Connection, a locally-driven initiative, is supported by more than 20 community partners and aims to bring Internet access, earned computers and training to more than 4,300 public housing residents of all ages who live in HACA’s 18 housing developments.





Southwest Housing Compliance Corporation: Delivering Results and Supporting HACA Programs



Southwest Housing Compliance Corporation (SHCC) was founded by HACA in 2000 to serve as the Performance Based Contract Administrator for Texas and Arkansas providing administrative oversight for HUD's Project-Based Section 8 housing portfolio.

In this highly specialized work, SHCC has built a reputation for excellence, creativity and integrity in the multifamily industry. Further, SHCC has been widely recognized for its work with owners and agents to meet challenging HUD and other federal program requirements. Annually, SHCC administers approximately \$370 million on behalf of HUD. Revenue generated from SHCC operations is used by HACA to support critical community development and self-sufficiency programming, including education, job training, and health and wellness programs.



Texas

621 Contracts
50,095 Units

Arkansas

231 Contracts
10,745 Units

Blueprint Housing Solutions Launched to Bring Expertise to Affordable Housing and Community Development

This year, HACA and SHCC launched Blueprint Housing Solutions, a national consulting and services company that assists public and private sector clients to deliver exceptional affordable housing and community development programs.

Blueprint provides a full range of services to public housing authorities (PHAs), owners and agents of HUD subsidized multifamily housing and other affordable housing programs. The team is comprised of highly skilled and experienced HACA and SHCC senior level administrators with decades of experience, creativity and technical know-how.

In 2014, Blueprint provided services to clients in California, Illinois, Missouri, North Carolina, North Dakota and Texas. Services include REAC and UPCS inspections, operational and workflow reviews and recommendations, contract renewals and rent adjustments, tenant file audits, TRACS service bureau support and customized training. For more information, please visit our website at blueprinthousing.org.



Blueprint
HOUSING SOLUTIONS

Austin Affordable Housing Corporation Developing 433 Affordable Units in South Austin

On September 30, 2014, Austin Affordable Housing Corporation (AAHC) and LDG Development broke ground on two South Austin affordable housing properties totaling 433 new multifamily units (250 family units and 183 senior units).

The Pointe and The Villages at Ben White will feature apartments for veterans, working families and those 55 and older earning at or below 60 percent of Austin's area median income. The Villages will coordinate with the VA Outpatient Clinic, while The Pointe will coordinate with area social services.

The properties will feature one-, two- and three-bedroom units with a combination of carpet and hardwood. Ceiling fans and window blinds will accompany Energy Star appliances, all of which meet Austin green building standards. On-site amenities include a business center, exercise facility and an outdoor playground.

Lease-up at the properties is expected to begin in the fall of 2015.



"We look forward to showcasing these properties as a model of what can be achieved when working with an involved, thoughtful community and an experienced developer."

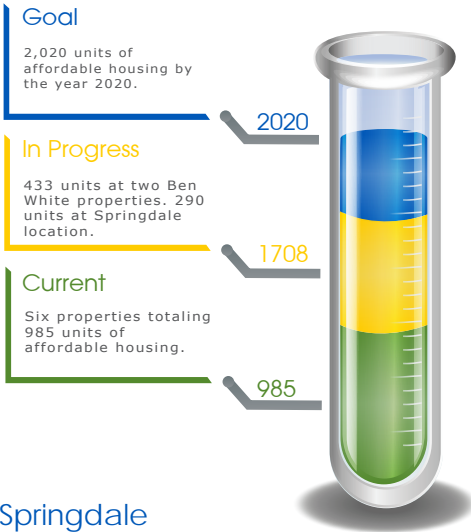
-HACA's Board Chairman, Carl Richie, Jr.



State Representative Eddie Rodriguez joins HACA's Board for the groundbreaking.

AAHC: Working to Meet Austin’s Need for Affordable Housing Opportunity

Recent studies underscore that Austin is now the most expensive rental market in Texas. The need for affordable rental housing far outweighs the current supply. Recognizing this critical need, HACA, through AAHC, is doing its part through a “2020 by 2020” goal to increase its portfolio of affordable housing units from the current 985 to at least 2,020 in the next five years. AAHC is off to a strong start:



Coming Soon:
The Reserve at Springdale

AAHC is looking forward to its newest development: The Reserve at Springdale. This 21-acre, 290 unit property will be located at Springdale Road and Rogge Lane and will provide housing for individuals and families earning at or below 60 percent of the area median income.

Construction Starts Fall 2015

**HACA has been
Designated by HUD as a
High Performer for
14 Consecutive Years**



104%

SECTION 8
MANAGEMENT
ASSESSMENT
PROGRAM SCORE



98%

PUBLIC HOUSING
ASSESSMENT
SYSTEM SCORE



HACA Chairman Carl Richie (right) was inducted into the National Association of Housing and Redevelopment Officials' most elite class of affordable and assisted housing professionals, the NAHRO Fellows, in October 2014.

National Association of Housing and Redevelopment Officials

Awards of Merit in Housing and
Community Development:
Bringing Opportunity Home
Video Project

Compass to College - College
Readiness Program

Rosewood Resident Leaders
Program

Henry Flores Education & Training
Center

Southwest National Association of Housing and Redevelopment Officials

Best Annual Report

Best Other Publication:
2015 Resident Calendar

Extra Mile Award:
Barbara Jackson

Commissioner of the Year:
Tyra Duncan-Hall

Scholarship Award Winner:
Shelli Bird
Denice Carpenter
Tinesha Durr
Tineka Goldsby
Angelica Piña
Azure Snelling
Katherine Taylor
Ashley Wall
Paul Wilson

Texas National Association of Housing and Redevelopment Officials

Executive of the Year:
Lisa Garcia

Maintenance Person of the Year:
Paul Castro

Management Person of the Year:
Michael Roth

Commissioner of the Year:
Tyra Duncan-Hall

Community Service Award:
Barbara Jackson

Resident of the Year:
Rachel Martinez

Best Annual Report for a Large
Housing Authority

Media Recognition Award:
Unlocking the Connection

Best Other Publication for a
Large Housing Authority:
2015 Resident Calendar

Scholarship Award Winner:
Ivy Tran



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

Vice-Chair 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



The Housing Authority of the City of Austin



Southwest Housing Compliance Corporation
Austin Affordable Housing Corporation

2014





Michael G. Gerber
President and CEO



Thomas Cherian
Vice President and CFO



Sylvia Blanco
Executive
Vice President



Pilar Sanchez
Vice President
*Housing and Community
Development*



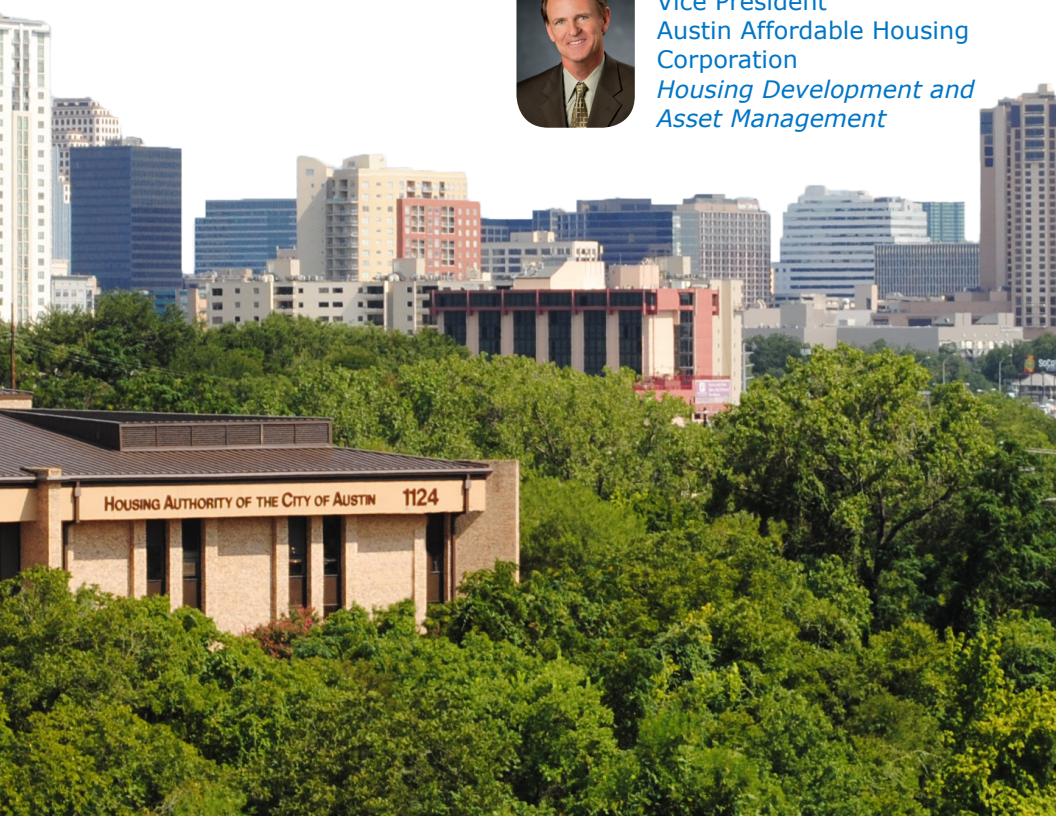
Lisa Garcia
Vice President
Assisted Housing



Michael Cummings
Vice President
*Southwest Housing
Compliance Corporation and
Blueprint Housing Solutions*



Ron Kowal
Vice President
Austin Affordable Housing
Corporation
*Housing Development and
Asset Management*



Combined Statement of Net Assets

March 31, 2015

ASSETS	
Current assets	
Cash and cash equivalents - unrestricted	\$21,607,213
Restricted cash and cash equivalents	15,915,345
Receivables, net	3,324,533
Inventories, net	12,761
Prepaid expenses and other assets	461,915
Total current assets	\$41,321,767
Noncurrent assets	
Capital assets	
Land	\$12,078,348
Building, equipment and infrastructure	165,389,723
Construction in progress	5,233,352
Less accumulated depreciation	(117,748,845)
Capital assets, net	64,952,578
Mortgage Receivable - noncurrent	71,357
Investment in Joint Venture	1,846,244
Total noncurrent assets	66,870,179
Total assets	\$108,191,946
LIABILITIES	
Current liabilities	
Accounts payable	\$755,488
Accrued liabilities	693,135
Intergovernmental payables	52,227
Tenant security deposits	520,798
Unearned revenue	501,448
Current Portion of Long-term Debt - Capital	3,544,393
Other Current Liabilities	628,207
Accrued Liabilities - Other	533,688
Total Current Liabilities	\$7,229,384
Noncurrent liabilities	
Long-term Debt, Net of Current - Capital	\$30,634,622
Accrued Compensated Absences Noncurrent	1,388,355
Noncurrent Liabilities - Other	407,866
Total noncurrent liabilities	32,430,843
Total Liabilities	\$39,660,227

NET ASSETS	
Net Investment in Capital Assets	\$42,204,324
Restricted Net Position	1,511,626
Unrestricted Net Position	24,815,769
Total Equity - Net assets/Position	\$68,531,719
Total Liabilities and Equity/Net assets	\$108,191,946

REVENUES	
Tenant Revenue	\$10,656,201
Government Operating Grants	75,592,275
Other Revenue	3,743,372
Total Revenue	\$89,991,848

EXPENSES	
Administrative	\$16,499,953
Tenant services	2,028,394
Utilities	3,963,961
Maintenance	6,444,277
Protective services	702,852
Insurance Premiums	691,466
Other General Expenses	728,540
Interest Expense and Amortization Cost	1,504,419
Extraordinary Maintenance	250,332
Housing Assistance Payments	47,822,467
Depreciation Expense	5,954,715
Total Expenses	\$86,591,376
Excess of Revenue Over Expenses	\$3,400,472

CHANGE IN EQUITY/NET ASSETS	
Total Equity - Net Assets/Position - Beginning	\$65,131,247
Total Equity - Net Assets/Position - Ending	\$68,531,719



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