



2012-2013

Housing Authority of the City of Austin **ANNUAL REPORT**

Bringing Opportunity Home



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BOARD OF COMMISSIONERS

Henry Flores, Chairman

Carl S. Richie, Jr., Vice Chairman

Charles C. Bailey, Commissioner

Dr. Tyra Duncan-Hall,
Commissioner

Thelma Pannell, Resident
Commissioner
(Through February 2013)

Isaac Robinson, Resident
Commissioner
(February 2013 to present)



From left: Henry Flores, Carl S. Richie, Jr., Thelma Pannell, Charles C. Bailey and Dr. Tyra Duncan-Hall

HACA Mission

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

HACA Vision

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

A MESSAGE FROM THE PRESIDENT AND CEO



For more than 75 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 year, as we have for the last 12 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 public housing agencies administering the Housing Choice Voucher (HCV) program.

HACA also has embarked on an ambitious strategic planning process, "Bringing Opportunity Home," to focus on our commitments to:

- Affordable Housing by revitalizing our public housing assets and seeking additional rental assistance vouchers;
- Resident Self-Sufficiency and Quality of Life by promoting individual responsibility and fostering results-based community partnerships focused on workforce development, wellness and education;
- Exceptional Service by ensuring a resident, partner and customer focused environment where all are treated with dignity;
- Employee Engagement by ensuring accountability and effective communication, and promoting an innovative, healthy and safe work environment with training and leadership development opportunities;

- Corporate and Environmental Sustainability by pursuing new funding sources and entrepreneurial opportunities, maximizing efficiency and promoting environmentally friendly initiatives.

This has been a year of significant change at HACA. Austin's growth and increasing numbers of people in poverty mean we must continue to plan for the future. Through our subsidiary, the Austin Affordable Housing Corporation, we are working to acquire and develop additional properties that will serve as permanent affordable housing locations.

During this challenging time for the public housing industry, HACA remains committed to assisting the most vulnerable among us by inspiring self-reliance, growth and optimism. Please join us in *Bringing Opportunity Home*.

Michael G. Gerber

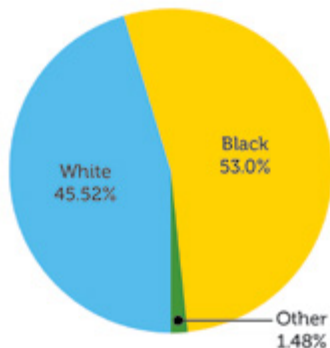


Mike Gerber meets with Rosewood Courts residents regarding the Rosewood Choice project

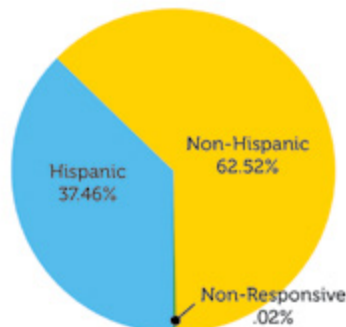
WHO WE SERVE

The Housing Authority of the City of Austin (HACA) provided housing to 19,404 people consisting of 7,373 families.

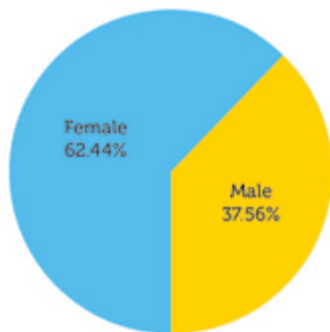
Race



Ethnicity



Gender



Other Key Data

Married	392
Disabled Individuals	4,654
Children	9,988
Elderly	1,307

The average annual income of a family in HACA's public housing program is \$13,709. For families in the Housing Choice Voucher (Section 8) program, it is \$13,816.

75TH ANNIVERSARY/HISTORY

Bringing Opportunity Home

For more than 75 years, the Housing Authority of the City of Austin (HACA) has served those most in need in our community. HACA was one of the first three housing authorities created in the United States as a result of the Housing Act of 1937, co-authored by Congressman Lyndon Johnson. Johnson ensured that the new housing authorities were listed in the statute alphabetically, guaranteeing that Austin would always be able to boast having "the first Housing Authority in the United States."

On December 23, 1937, HACA's first organizational meeting was held, and the ground work began soon after for construction of public housing. The first residents moved into Santa Rita Courts in 1939. Later that year residents moved into Rosewood Courts, and in 1940 the last of the three original developments, Chalmers Courts, was ready for occupancy.

Today, HACA has 19 public housing developments serving more than 4,200 residents. HACA's Housing Choice Voucher Program subsidizes housing for more than 15,000 residents or 5,500 families of low-income.

From the Great Depression to the Information Age, HACA has given families and individuals a place that is more than just an address. The agency is creating and sustaining healthy, vibrant communities that promote individual responsibility, economic growth, human dignity and hope for the future.



Left: Santa Rita Courts being built in 1939 Right: Santa Rita Courts today

2012-2013 COMMUNITY IMPACT

Booker T. Washington

19,404 individuals housed daily (7,373 families)

7,191 (72%) of HACA youth participated in Youth Educational Success programs

99% of case-managed youth stayed in school

87% of students who participated in case management and tutoring improved academic achievement

746 youth achieved perfect attendance and/or A-B honor roll

80% of HACA scholarship recipients continued working toward their post-secondary education

100% of HACA's properties elected and maintained resident councils

1700+ landlords make their properties available to participants through the Housing Choice Voucher (HCV) program

HACA administered 270 HCV program vouchers for homeless veterans

HACA contributed \$46.5 million to the local economy through HCV program housing assistance payments.



2012-2013 NOTABLE ACHIEVEMENTS

Award of Excellence from NAHRO Economic Growth Business Incubator Partnership

The National Association of Housing and Redevelopment Officials (NAHRO) honored the Housing Authority of the City of Austin (HACA) with its prestigious Award of Excellence in Program Innovation in Resident and Client Services for its pioneering business development resource center, the Economic Growth Business Incubator (EGBI).

As the cornerstone of its services, EGBI conducts a comprehensive eight-week, three-module Building Success Program that integrates all aspects of starting and running a successful business. Since its inception in 2008, EGBI has served 545 clients through business training, consulting or office incubation services, graduated 205 clients and helped launch an estimated 75 new businesses that generate more than \$6,400,000 in annual revenue for the Austin area. EGBI

began business boot camps at several HACA public housing sites specifically for HACA residents who have the desire to establish their own businesses.



From left: Betsy Martens, NAHRO President; Mike Gerber, HACA President/CEO; Carl S. Richie, Jr., HACA Vice Chairman; Thelma Pannell, HACA Resident Commissioner; Jim Hargrove, former HACA President/CEO; and Saul Ramirez, NAHRO CEO

Rosewood Choice

HACA is one of only 17 communities nationwide to receive a \$300,000 planning grant in 2012 through the U.S. Department of Housing and Urban Development's (HUD) Choice Neighborhoods

Initiative to develop a strategy to redevelop Rosewood Courts and enhance the surrounding community.



The Choice grant is focused on three core goals:

- **Housing:** Transforming distressed public and assisted housing into energy efficient, mixed-income housing that is physically and financially viable over the long term;
- **People:** Supporting positive outcomes for families who live in the target development and the surrounding neighborhood, particularly outcomes related to residents' health, safety, employment, mobility and education;
- **Neighborhoods:** Transforming distressed, high-poverty neighborhoods into viable, mixed-income and sustainable neighborhoods with access to well-functioning services, high quality public schools and education programs, high quality early learning programs and services, public assets, public transportation and improved access to jobs.

With the two-year grant, HACA, and its co-grantee, the Austin Housing Finance Corporation, are leading a consortium of neighborhood residents, associations and organizations in a planning dialogue with the Rosewood neighborhood in East Austin on how to enhance Rosewood Courts while preserving the neighborhood's history, character and vitality.



Neighborhood residents at a Rosewood Choice community meeting

Rental Assistance Demonstration

In late 2012, HACA applied for and was awarded a preliminary commitment for unit conversion under HUD's Rental Assistance Demonstration (RAD) program for the possible redevelopment of Rio Lado Apartments.

The program provides HACA with the opportunity for a one-for-one replacement of the current 90 public housing units, with the possibility of creating additional affordable units and a vibrant mixed-income community. Some of the financial benefits include the ability to leverage private debt and equity to meet rehabilitation needs; more security with subsidy funding streams; historically low rates on permanent financing; long-term preservation; and operational stability.

2012-2013 NOTABLE ACHIEVEMENTS (CONTINUED)

Thurmond Heights Modernization Project

HACA continues to revitalize its properties to ensure continued integration with the surrounding neighborhoods. The most recent property to undergo modernization is Thurmond Heights Apartments.

Built 40 years ago, the 144-unit complex has been undergoing a comprehensive transformation of its apartments in phases. In July 2013, the first 32 residents will be coming home to a complete interior renovation that includes new ceramic tile flooring, cabinetry, bath facilities, fire alarm systems, double-insulated windows, re-insulation of all walls and attic areas, and a higher capacity electrical system that supports the new tankless water heating and high-efficiency HVAC systems. Additionally, each building included in the project is receiving new exterior siding and trim consisting of sustainable materials and full repainting. Phase II of the renovation will begin in the fall 2013. The renovations are made possible through a \$1.5 million grant funded by HUD's Capital Fund Program.

"I love my new home at Thurmond," says Maleah Douglas, a five-year Thurmond resident and vice president of the HACA Citywide Resident Advisory Board. "The new air conditioning, ceramic tile and windows have been wonderful. I can't wait until all the units are completed. It's really making Thurmond better for our kids."

This revitalization of Thurmond Heights underscores HACA's commitment to providing appealing, modernized housing for its residents.



Thurmond Heights

HOMEOWNERSHIP

Homeownership is part of the American Dream, and generates family and community benefits. Through Austin Affordable Housing Corporation (AAHC), a HACA nonprofit subsidiary, resident participants may realize their dreams of owning their own home. AAHC contributes \$10,000 for closing costs and down payment assistance to eligible families that are ready to purchase a home and become self-sufficient. AAHC also helps HACA's Resident Opportunities for Self-Sufficiency (ROSS) and Family Self-Sufficiency (FSS) program participants realize their goal of homeownership attainment. To date, AAHC has assisted 82 public housing and Housing Choice Voucher residents accomplish their dreams of homeownership.

Equity Community Land Trust (CLT), another HACA nonprofit subsidiary, offers affordable homeownership opportunities to its public housing residents that meet income and credit

qualifications. The CLT Program is unique in that it separates ownership of land and home. The CLT permanently owns the land, while individuals own the house and other structures built on the land. The land is leased to the homeowner pursuant to a long-term (99-year) renewable ground lease. When the house is sold, the CLT does not need additional subsidies to keep it affordable to other low-income homebuyers; the permanent affordability is built into the lease.

This year AAHC purchased two homes in the Del Valle community, seven miles southeast of downtown Austin. The first home will be ready for a public housing family to purchase in summer 2013.

2012-2013 HOMEOWNERSHIP STATISTICS

4 Homeowners -
Down Payment Assistance Program
(2 with the assistance of FSS)

Yvonne Alaniz

Yvonne Alaniz has moved 15 times in her lifetime; nine times with her children in tow. But that all changed in 2012, when the single mother of four bought a house with the help of AAHC, HACA and its community service partners. "I don't know what I would have done without my Section 8 voucher. It was the foundation for all of this happening," she says. Today, Yvonne is a nurse and her children are all planning on going to college. And, after being in their house for a year, the Alaniz family is realizing they don't have to move anymore because they are already home.

At right: Joseph, 14; Yvonne Alaniz; Xyla, 8; Jacob, 12; and Robert, 16



"There is more to life. You can be successful.
You can be somebody."

SELF-SUFFICIENCY

HACA encourages and supports residents' goals toward economic independence through the Resident Opportunities for Self-Sufficiency (ROSS) and Family Self-Sufficiency (FSS) Programs.

ROSS Program participants set and achieve personal goals related to economic autonomy. The program is self-directed and self-paced. Participants work closely with HACA case managers to find local partner organizations that can help make their goals, such as education, employment, financial management and homeownership, a reality.

The FSS Program provides opportunities to residents of the Public Housing and Housing Choice Voucher programs to become financially independent through a five-year strategic plan that documents their personal and professional aspirations. As the resident's rent increases due to earning higher wages, a portion of the rent is saved and credited monthly to an escrow account, which they will receive upon graduation. The agency honors graduates of these programs and their achievements annually at an FSS and Homeownership graduation ceremony.

2012-2013 FSS STATISTICS

159 Public Housing participants

177 Housing Choice Voucher participants

22 FSS Graduates (PH and HCV combined)

\$210,830 Escrow Earned by FSS participants

Adrian Hardeman

Through the FSS Program, Adrian Hardeman created a five-year plan to go back to school, find a job using the services of HACA partner Goodwill Industries and learn financial literacy through Foundation Communities. His children also participate in Communities in Schools and the Boys and Girls Club. "This is a way we can move up; living in public housing is temporary. HACA gave me a chance and I feel like I owe it to them and to my family to take advantage of the programs," says a resolute Adrian Hardeman. Doing most of the cooking growing up, Adrian is now studying the culinary arts at Austin Community College with the help of a HACA academic scholarship. He also is working with the City of Austin Parks and Recreation Department.

At right: Adrian Hardeman, Rosewood Courts resident, with his 13-year-old triplets Dadra, Debra and Dwight



"Five years gave me something to focus on and seemed like a reasonable amount of time to reach my goals."

EDUCATION

HACA strives to help break the poverty cycle by providing numerous opportunities for educational success for youth and adults.

The Youth Educational Success (YES) programs are intended to help lower the dropout rate, increase academic success and have more children attend institutes of higher education. The success of the program is due in large part to HACA's program partners that include Communities in Schools, Boys and Girls Clubs, Boy Scouts, Girl Scouts, Lifeworks, Any Baby Can, Phoenix House and Mainspring.



A-B Honor Roll and Perfect Attendance students celebrate at Main Event Entertainment as part of the Youth Educational Success incentive program

HACA's Resident Academic Scholarship program has awarded \$820,600 through 414 renewable scholarships to 265 individual residents since its inception in 2000. The scholarship recipients range from newly graduated high school students, to students currently enrolled in post-secondary education and adults attending college for the first time.

Additionally, HACA has completed plans and permitting in preparation for construction of a new education and training center at Meadowbrook Apartments. The facility will encompass six separate training rooms for HACA and its community education partners



HACA awarded \$39,000 in scholarships to 31 residents for the 2012-2013 academic year

to provide various classes, a state-of-the-art computer lab, reading room, audio/video recording and production bay and a small outdoor amphitheater.

The education center will be named The Henry Flores Learning Center at Meadowbrook in honor of HACA's long-term Board Chairman Henry Flores who is retiring in the summer of 2013 after serving on the HACA board of commissioners for 14 years. Mr. Flores has been a tireless and passionate advocate for families and persons of low income and expanding affordable housing in Austin.



Rendering of The Henry Flores Learning Center at Meadowbrook to be completed in 2014

JOB SKILLS TRAINING

In partnership with Austin Community College (ACC), Ascend Center for Learning, Economic Growth Business Incubator (EGBI), Goodwill Industries of Central Texas, Skillpoint Alliance and others, HACA offers various job skills trainings to its residents.

ACC and Ascend Center for Learning offer GED preparation, Adult Basic Education and English as a Second Language (ESL) courses. Goodwill Industries and Skillpoint Alliance offer career services such as job search skills, résumé writing and interviewing skills on HACA public housing properties. These partners also provide onsite trainings in computer and financial literacy, office skills, maintenance, plumbing and construction, as well as job placement assistance.

EGBI continues to work with HACA residents who aspire to own their own businesses by providing the tools, resources and networks to successfully establish or grow their businesses.

2012-2013 JOB SKILLS TRAINING STATISTICS

217 PH and HCV residents
obtained employment

- 142 Full-time
- 75 Part-time

54 PH and HCV residents
completed job training

70 PH and HCV residents
enrolled in job readiness
training

Shameika Bunton

Prior to enrolling in the FSS Program, Shameika Bunton, a single-mother of one, was not working. Once she enrolled in the program and outlined her five-year plan, she participated in several of HACA's partner programs like Any Baby Can as a parent leader, Caritas for financial literacy and Goodwill Industries for job training. She says the résumé building and interview skills training were exceptionally helpful, and adds the mock interview was vital to her finding a position as a direct care specialist at a group home. Shameika, a resident council member, adds that participation in the various programs has provided her with many opportunities. "They've helped me become involved in my community. I live in this community and I should be a part of keeping it productive for future residents," she says.



"The questions they asked during the mock interview were very helpful. HACA and Goodwill did a great job in preparing me for the actual interview."

At right: Shameika Bunton, Thurmond Heights resident, and her 7-year-old son Carl

2012-2013 HONORS/RECOGNITION

Section Eight Management Assessment Program (SEMAP) Score:

104 percent

Public Housing Assessment System (PHAS) Score released on March 31, 2012:

95 out of 100 (High Performer designation by HUD)

2012

National Association of Housing and Redevelopment Officials (NAHRO)

Award of Excellence "Economic Growth Business Incubator"

Southwest NAHRO

Other Agency Publications "2012 Calendar"

Texas NAHRO

Best Annual Report for a Large Housing Authority

Best Newsletter for a Large Housing Authority

Best Other Publication for a Large Housing Authority "2012 Resident Calendar"

2013

Texas NAHRO

Maintenance Person of the Year: Barry Hall, District I Lead Maintenance

Management Person of the Year: Pilar Sanchez, Director of Compliance Oversight

Administrative Person of the Year: Josie Dangerfield, Administrative Assistant

SHCC AND AAHC



The Southwest Housing Compliance Corporation (SHCC) serves as HUD's Performance Based Contract Administrator (PBCA) for Project-Based Section 8 properties in Texas and Arkansas.

Founded by HACA in 2000, SHCC currently has oversight responsibility for 859 Housing Payment Assistance contracts, representing 61,066 Project-Based Section 8 units throughout those states.

SHCC's role includes adjusting contract rents, processing contract renewals, responding to health and safety issues and resident/community concerns through a toll-free call center, processing special claims, and processing and disbursing monthly voucher payments for the contracts in its portfolio.

Considered an industry 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 workforce development programming, academic scholarships and after school programs.



Austin Affordable Housing Corporation's (AAHC) real estate portfolio continues to grow its current inventory of apartment complexes while creating additional revenue and maintaining affordable housing. AAHC's current affordable housing portfolio includes: Sterling Village Apartments

(207 units), Bent Tree Apartments (126 units), Sweetwater Apartments (152 units), Leisure Time Village (22 units) and General Partnership Investment at Park at Summers Grove (240 units). Equity CLT, a community land trust, is currently in development to supply land as a permanent affordable housing solution. AAHC's shopping center, Eastland Plaza, attracts high profile businesses that are capitalizing on its location in East Austin and adding valuable resources to the community. AAHC continues to search for new multi-family acquisitions to create additional housing and generate revenue to be cycled back into the communities.

SHCC and AAHC continue to pursue entrepreneurial endeavors while securing long-term financial support for HACA's resident programs.

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

Veronica Macon

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

Gloria Morgan

Director of Human Resources

Judy Paciocco

Senior Director of Operations

Pilar Sanchez

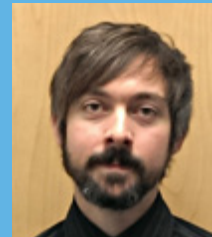
Director of Compliance Oversight

James Teasdale

Director of Planning and Development



2012-2013 EMPLOYEES OF THE QUARTER/YEAR



1st Quarter

Cameron Creamer

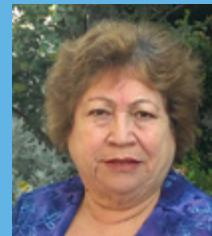
Financial Analyst



2nd Quarter

Andrea Galloway

Director of MIS



3rd Quarter

EMPLOYEE OF THE YEAR 2013

Mary Gonzales

Resident Wellness Specialist



4th Quarter

Eileen Schrandt

Choice Neighborhood
Project Manager

COMBINED STATEMENT OF NET ASSETS

March 31, 2013

ASSETS	
Current assets	
Cash and cash equivalents- unrestricted	\$16,664,249
Restricted cash and cash equivalents	\$7,346,450
Receivables, net	\$2,447,324
Inventories, net	\$142,049
Prepaid expenses and other assets	\$454,141
Total current assets	\$27,054,213
Noncurrent assets	
Capital assets:	
Land	\$10,730,869
Building, equipment and infrastructure	\$144,753,033
Construction in progress	\$3,677,947
Less accumulated depreciation	(\$106,352,760)
Capital assets, net	\$52,809,089
Investment in Joint Venture	\$1,846,244
Total noncurrent assets	\$54,655,333
Total assets	\$81,709,546

LIABILITIES	
Current liabilities	
Accounts payable	\$521,312
Accrued liabilities	\$530,731
Intergovernmental payables	\$42,347
Tenant security deposits	\$459,704
Deferred revenue	\$131,203
Bonds, notes, and loans payable	\$3,232,097
Other current liabilities	\$121,975
Total current liabilities	\$5,039,369
Noncurrent liabilities	
Bonds, notes, and loans payable	\$10,773,144
Accrued compensated absences non-current	\$1,145,811
Noncurrent liabilities - other	\$589,290
Total noncurrent liabilities	\$12,508,245
Total liabilities	\$17,547,614

NET ASSETS	
Invested in capital assets, net of related debt	\$38,803,848
Restricted net assets	\$3,442,375
Unrestricted net assets	\$21,915,709
Total Equity/Net assets	\$64,161,932
Total Liabilities and Equity/Net assets	\$81,709,546

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	\$18,245,761
Tenant services	\$1,821,105
Utilities	\$3,072,431
Maintenance	\$5,048,850
Protective services	\$640,461
General	\$1,685,405
Interest expense and amortization cost	\$872,047
Housing assistance payment	\$46,449,824
Depreciation	\$5,481,366
Total expenses	\$83,317,250
Excess of revenue over expenses	(\$3,847,349)
Change in equity/net assets	
Total equity/net assets - beginning	\$68,009,281
Total equity/net assets - ending	\$64,161,932



www.hacanet.org

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No taxpayers dollars were used in the production of this publication.