

# **SUMMARY OF AGENCY ACCOMPLISHMENTS FOR FY 2006**

**APRIL 1, 2006 - MARCH 31, 2007**

The performance of the Executive Director is measured against specific goals for the Agency. The Board of Commissioners approved eleven Agency Goals for FY 2007. In this report the accomplishments relating to specific Agency Goals are listed first.

**Agency Goal #1: Public Housing: Maintain “High Performer” status under HUD’s Public Housing Assessment System (PHAS). Ensure that PHA properties continue to be managed to the highest possible standards, including thorough and uniform applicant eligibility determination, fair lease enforcement, regular preventative maintenance, prompt responses to maintenance work orders, full occupancy and timely turnover of vacant units, and all other components of quality property management and maintenance. Continue preparing for “project-based accounting” and “project-based management” which will be required by the new Public Housing Operating Fund rule.**

**1. PHAS: The PHA achieved High Performer status for the seventeenth (17<sup>th</sup>) consecutive year in FY 2007.** At the May 22, 2007 meeting the Board approved the Agency’s performance under the PHAS Management Assessment indicator for FY 2007, which HUD has since confirmed. The Agency’s overall score for FY 2007 is 93%, the same as FY 2006. Some PHAS management highlights:

- **Vacant Unit Turnaround Time:** The PHA’s average turnaround time of 22.83 days (excluding modernization days) scores 3.4 out of 4 points, a “B”. This is a slight increase over the previous year’s average turnaround time of 21.67 days.

Calculated from vacancy days and the total number of unit-days available, the PHA’s occupancy rate for the year was 98.39% after excluding vacancy days related to modernization work, compared to 98.83 last year. The average month-end occupancy rate was 99.35%. Month-end occupancy exceeded 99% every month during the year.

- **Capital fund (modernization):** The PHA scored “A”s on all components (unexpended fund balances, timeliness of fund obligation, adequacy of contract administration, quality of physical work, and budget controls).
- **Maintenance work orders (emergency and non-emergency):** The PHA completed all 6,342 emergency work orders within 24 hours, and all 25,064 non-emergency work orders in an average of 3.77 days. The total number of priority 1 and 2 work orders for FY06 was 31,406, down somewhat from 34,544 last year.

Resident satisfaction with work orders for this fiscal year was 99%.

- **Annual inspection of units and major systems:** The PHA inspected all units and major systems during the year.

- **Security:** The PHA scored “A”s on all components (tracking and reporting crime-related problems, screening of applicants, lease enforcement, drug prevention and/or crime reduction program goals).
- **Economic self-sufficiency:** The PHA scored “A”s on all components.
- **Physical inspections:** The PHA’s last inspections were “for FY 2005” and conducted during September – October 2005. The PHA scored 83% (24 out of 30 points). At staff’s urging REAC agreed to use those inspection scores for FY 2006 and 2007. That saved much staff time preparing for the inspections, accompanying the inspector(s), responding to “EHS” notices (“Exigent Health & Safety” deficiencies) and requesting score corrections.
- **Resident satisfaction surveys (RASS):** Staff coordinated required advance notice to residents early in 2007, but HUD has not mailed the survey form to residents yet (as of June 1, 2007). The results may not be available until October. The RASS score for FY 2006 was 92%, the same as the previous year.
- **Quality Assurance: The High Performer designation for the public housing program should provide assurance to the Board and the public that the PHA is well run and its staff remain committed to the mission of helping families and individuals with low incomes achieve greater stability and self reliance by providing safe, affordable, quality housing and links to community services. Staff at all levels of the PHA deserves credit for this remarkable record of sustained performance!**

#### 1A. Details on Selected PHAS indicators:

##### Vacant Unit Turnaround Time:

- Overall turnaround time (including modernization vacancies) increased from an average of 25.6 days in 2006 to an average of 27.4 days.
- Turnaround time in hi-rise units increased from an average of 24 days to 30 days.
- ⊖ Turnaround time in family units decreased from an average of 28 days to an average of 23 days.
- ⊖ A continued focus on turnaround time within the Scattered Sites team resulted in further improvements. In 2007 the turnaround time was 32 days as compared to 46 days in 2006. This includes all of the contractor unit modernization time as well as Maintenance and Resident Services time. In 2005 the Scattered Sites turnaround time was 60.44, and in 2004 it was 81.75.
- ⊖ During the FY the Maintenance Department turned over 827 units for re-rental, in an average of 5.41 days. The average preparation hours were 24.33. Maintenance Department rehabilitated and prepared for re-rental 71 scattered site homes in an average of 32.18 days, which is well below the goal of 45 days.
- ⊖ Maintenance staff continued to paint one vacant unit per area per week in an effort to maintain a high acceptance rate for the units. Hi-rise maintenance staff painted 530 units. Maintenance Managers or Maintenance Supervisors performed an inspection of every

vacant unit to ensure that completed units meet the Agency's unit preparation standards prior to being turned over as ready for re-rental.

**Public housing admissions and occupancy:** The department goals include: Maintain a public housing occupancy level of 99%, maintaining the highest PHAS "A" rating while continuing to perform thorough and uniform screening of all public housing applicants. Review and adapt policies and procedures to ensure a system of ongoing efficient, consistent and fair screening practices.

☉ **The PHA completed FY 07 with an overall combined family/hi-rise occupancy rate of 99.4 %.** Each of the twelve months had overall occupancy levels greater than 99%. The average occupancy rate for family units was 99.3% compared to 99.1% for the prior year; the average hi-rise occupancy rate was 99.4% compared to 99.6% the prior year.

☉ A total of 921 leases were signed in FY 07, a number that includes waiting list applicants (736) and leases (185) were with families and individuals who were transferred within public housing properties.

☉ All 371 families who leased in family developments attended an Admission Orientation program. A three-hour program conducted by family management staff. These sessions review lease and PHA requirements as well as introduce the families to the array of services available to them.

☉ All 550 hi-rise tenant move-ins were invited to attend a New Resident Orientation at their new home. These sessions serve a purpose similar to the Admission Orientation sessions do in family developments. New tenants are also encouraged to meet with a resident of their building who serves as a Resident Orientor.

☉ 1556 files were reviewed for possible admission into public housing. 47% (736) of the public housing applications that were processed during the last fiscal year were approved. 53% (820) were denied. This is a change from the prior year where the approval/denial ratio was 60-40.

☉ The total number of units offered in FY 2007 was 1,361. Of that number 440 or 32% were turned down the initial time they were shown. This is a decrease from the prior year where the turndown percentage was 35%. Hi-Rise turndown rates ranged from 17% at Neill to 54% at Mt. Airy. The range in family developments was 18% at Dunedin Terrace to 37% at Roosevelt. 50% of the turndowns were because applicants either didn't like the unit or its location. 25% were because the applicant failed to respond to the unit offer. Another 14% stated they were not ready to move at the time of the offer.

☉ Rental Office staff continued their file review process of submitting files that did not meet clear-cut admission or denial standards to the Round Table group. This allows for input into the decision-making process from representatives of the various Management sites as well as from existing public housing residents. 227 denial hearings were scheduled in FY 07 and 32% of those attending their hearing had their denial overturned. Applicants approved through the Round Table process or overturned at a hearing are tracked to determine if any correlation exists between this decision and their success as a public housing resident.

- ⊖ For a portion of the fiscal year, new applicants who did not meet the housing history criteria, but who were otherwise eligible, were offered the opportunity to attend a training program. The pilot program was ended toward the end of the fiscal year. It was determined that training did not serve as an adequate substitution for housing history.

**Public housing lease enforcement:** The departmental goals include: Work with residents and others to achieve compliance with all provisions of the resident lease. Work with staff to assure consistent, effective and well-documented follow-up on all lease compliance issues. Consistently implement lease termination actions if lease compliance cannot be achieved by resident. Maintain lease terminations database.

- ⊖ Management staff initiated 225 termination actions, resulting in 104 vacates. This is a decrease of 11 from FY 2006, which was at an all time high of 115 lease terminations. The 104 vacates represent about 2.5% percent of all households living in public housing during the year. A comprehensive analysis of the termination data was conducted to see if there were any key factors contributing to this increase. The reasons were varied, however the analysis did prove very instructive for management. In family housing, the terminations decreased by 7 from FY 2006.

- ⊖ Management staff participated in training/review of the lease termination process.

- ⊖ Staff updated and restructured the scattered site training program required for all new admissions and for family site transfer families.

- ⊖ Staff updated and added to the mandatory admission orientation program for all new family development residents.

- Management staff participated in a training session “Supporting Successful Tenancies” developed and presented with the assistance of Dispute Resolution Center.

**Public housing rent collections:** The departmental goals include: Continue proper collection procedures for both current and vacated residents, coordinating efforts with the Finance Department to ensure that collection loss write-offs meet the PHAS “A” rating (Tenant Account Receivables less than 1.9 percent of total dwelling unit rental income and other charges billed to tenants). Maintain emphasis on timely rent payment through enforcement of chronic late rent policy.

- ⊖ Total uncollected rent averaged 0.24% for the FY06, monitored and reported in the Monthly Management Report.

- Total write-offs for the fiscal year were \$196,157 or 1.68% of the total dwelling and other charges billed to tenants. As discussed in a 4/25/07 report to the Board, this was the largest annual write-off in the 20 years the PHA has been tracking this indicator. Staff will continue to monitor and report on this indicator, with quarterly reports to the Board.

- ⊖ Staff initiated 60 terminations for chronic late rent payment (4 times in a 12 month period), resulting in 20 vacates and 47 stipulations; in 13 cases a violation of the stipulations resulted in the tenant vacating the unit.

- ⊖ Report of unpaid sales and service charges was revised to include even small amounts delinquent and appropriate follow up on unpaid amounts delinquent 3 months or more.

At year-end, only 30 accounts with a total of \$4,800 in Sales and Services Charges were delinquent by three months or more.

- Importance of timely payment of rent has been emphasized stronger than ever in new resident orientation programs. At the end of the year just 5 accounts had delinquent security deposits payment agreements.

**Work Orders:** The Maintenance Department, in conjunction with Resident Services, further expanded use of the work order system (priority 50) by including pest control contractor reports of poor housekeeping. Also, all code infractions, such as A/C blocking egress, use of extension cords, improperly installed cable and satellite dishes, etc, are now reported using the work order system to provide a permanent record.

**Marketing:** The Departmental goals include: Maintain marketing initiatives to increase public awareness, ensure an adequate waiting list of qualified applicants for all bedroom sizes and increase unit acceptance. Utilize the waiting list as well as other available data and resources to identify potential under representation of specific applicant groups.

- Marketing efforts for FY 07 focused on potential hi-rise applicants, specifically, elderly applicants. (The PHA closed its public housing waiting list effective March 1, 2007 for applications from families with dependent children, unless the head-of-household or spouse is elderly, near elderly, or disabled.)
- A new marketing committee was formed with subcommittees assigned to various target populations including the elderly, students and low wage earners. Initiatives are underway to promote PHA buildings and programs to service providers, to reinstate and promote the residents referral program, to interface with local post secondary educational institutions and the service industry, and to expand community connections overall.
- Staff from the Rental Office continued to work in conjunction with CHSP staff to increase the number of elderly and program eligible applicants. A new brochure featuring general information about all of the hi-rises was redesigned and printed.
- The PHA continued to run advertisements in Minnesota Senior Housing Directory, Senior Times, Senior Housing Guide, Care Options Newsletter and Care Options Senior-Care Guidebook. There were marketing outreach efforts by participating in the Wilder roof Project, the St. Paul Schools' Career Skills Day and Project Homeless Connect.

**Preventive maintenance and housekeeping inspections:** Maintenance staff under the leadership of Hank Petro performed annual preventive maintenance inspections (PM) on all 4,258 dwelling units and buildings, to conform to PHAS requirements and to meet Uniform Physical Conditions Standards (UPCS). Resident Services staff under the direction of Lyle Schumann, Connie Toavs, and Mike Winston led housekeeping inspection efforts as follows:

- Recruited and trained a new group of resident housekeeping trainers.
- In family developments, 123 residents initially failed the annual inspection, 25 required monthly monitoring to achieve compliance and 4 leases were terminated due to noncompliance after many efforts to assist with lease compliance.

- In Hi-rise services 120 residents initially failed the annual inspection, 17 required monthly monitoring to achieve compliance and 4 leases were terminated due to noncompliance after many efforts to assist with lease compliance.
- Mt. Airy management staff conducted monthly “hands on” classes on yard care, including referrals from all family sites and scattered sites. Managers conducted weekly checks of yards and exteriors and monitored resident efforts to correct yard care issues.
- All 4,258 hi-rise and family housing units underwent an annual inspection, as well as follow-up inspections on failed annuals, complaints, and inspections for special purposes such as air conditioner installations.
- The City conducted Certificate of Occupancy Inspections in nearly 100% of the units at McDonough, Mt. Airy and Roosevelt this year. Management staff scheduled the initial inspections with residents and scheduled follow up inspections for any violation ranging from the use of extension cords to evidence of mouse infestation. Staff accompanied the Inspector on each inspection and to assure that all violations were corrected.
- Fourteen of the sixteen hi-rise buildings received Certificate of Occupancy inspections. An average of 35 units per building were inspected. Twelve of those buildings required follow-up inspections. The most common finding was the use of extension cords and multi-plug adaptors. Managers did pre-inspections prior to all follow-up inspections to ensure compliance.
- Management staff and maintenance staff performed joint monthly inspections of all family developments and hi-rise buildings. Managers accompanied assistant managers on inspections on a monthly basis with a goal of assuring consistency of implementing PHA housekeeping standards.
- Maintenance Contracts staff had all City required testing performed during this fiscal year. The inspections include, elevators, fire alarms, sprinkler systems, nurse call alarms, community center and room commercial kitchen hoods, fire extinguishers, emergency generators, flue gas analysis, and fire systems. As a result of an agreement with the Fire Department, Maintenance staff performed 36,619 dwelling unit smoke detector tests.
- Preventive Maintenance Inspections of both hi-rise and family units from April 2006 through February 2007. Work orders were entered for the deficiencies found and repairs completed within the same time period. Priority 90 work orders documenting larger cost repairs were sent to the Maintenance Contracts staff so funds could be allocated in future budgets. Priority 50 work orders were sent to Resident Services staff reporting concerns about resident issues. This included housekeeping issues, unauthorized people living in the unit, possible PHAS findings, violations of city codes and suspected criminal activity. Maintenance supervisory staff re-inspected a minimum of 10% of all units to ensure the quality of the inspection completed by Maintenance employees.
- Any large deficiencies requiring modernization dollars noted during an inspection were entered in to the work order system using a priority number 90 and sent to the Maintenance Contracts. The work was then tracked and completed either when the unit was vacated or when there was enough similar work, a contract could be written.

**PHAS and SEMAP Activity Monitoring and Reporting:** MIS staff worked with other

departments to develop and maintain accounting systems and documentation to support PHAS and SEMAP certifications in the area of modernization (timely obligation of funds), rent collections, tenant accounts receivable as well as other areas defined by HUD.

As in the past, a significant amount of MIS time is devoted to creating, modifying and running reports for PHA staff. MIS also supports many special purpose databases including ones related to: Appliances, Board Meeting Minutes, Collections/ Losses, Complaints, Contacts, External Contacts, MIS Inventory, MIS Hotline, MIS telephones, Move-in/Move-outs, Police Calls, Procurement, Public Housing Waiting List, Applications, Tenant Vacates, Terminations, and Trespass List.

**Agency Goal #2: Maintain “High Performer” status under HUD’s Section 8 Management Assessment Program (SEMAP). Continue successful strategies to maintain high voucher utilization. Successfully implement and administer current agreements for Project-Based Assistance (PBA). Continue to advocate for full voucher funding and program reform.**

**2. SEMAP High Performer status: The PHA achieved High Performer status for FY 2007 (sixth consecutive year),** as reported to the Board most recently on May 22, 2007. The Agency’s SEMAP score for FY 2007 was 93% (compared to 97% for FY 2006). Under the direction of Lyle Schumann and Rita Ander, staff worked to accomplish these goals, including:

- **The PHA averaged a unit lease up rate of 98.7% and a budget utilization rate of 97.65% in FY 2007.**
- Conducted 32 regular briefings; 46 port-in briefings; and 37 PBA briefings
- Issued 743 vouchers (includes PBA and port-ins), (625 vouchers in FY 06).
- Processed 455 new admissions (544 in FY 06).
- Conducted 11,503 housing inspections (11,743 in FY 06).
- Completed 3,141 annual re-exams (2,964 in FY 06) and completed 3,414 interim re-exams (3,136 in FY 06).
- Processed 268 portability move-ins (318 in FY 06).
- Processed 291 portability move-outs (238 in FY 06).
- Processed 368 “end of participations” (375 in FY 06); and processed 33 FSS enrollment/end of participations (32 in FY 06).
- Special Allocations:
  - RAFS: Funding canceled; program ended December 31, 2006.
  - Welfare To Work: Funding canceled, program diminishing through attrition.
  - Mary Hall SRO: Average utilization of 96%.
  - Mainstream Disability Vouchers: Average utilization of 91%. Applied for and received 17 new Mainstream vouchers. Applied for and received funding for 6 Mod-Rehab SRO units for homeless individuals in partnership with the Salvation Army .

- **Quality Control:**
  - Continued to run and review internal Elite/Crystal reports to identify and prevent SEMAP errors. Ran PIC SEMAP reports least bi-monthly to monitor scores and correct problems.
  - Inspections unit supervisor implemented landlord/tenant inspection improvement plan that resulted in an 8% reduction in re-inspections, a 5% reduction in rescheduled inspections and 12 % reduction in “no one homes”.

**Agency Goal #3: Capital Improvements: Continue renovating public housing properties and making capital improvements which promote fire safety and life safety. Maintain high quality and timely design, bidding and construction. Continue to actively involve residents, staff and the community in planning capital improvements.**

### **3. Program Administration, Fund Obligation and Expenditure:**

- The 2004 CFP application was submitted as a part of the Agency Plan in December of 2003. The ACC date was September 7, 2004, for \$8,860,374 of funding. The goals for the 90% obligation and 100% expenditure of the PHA’s FFY2004 funding are September 7, 2006 (obligation) and September 7, 2008 (expenditure). As of September 30, 2006, 100% of the funds were obligated. As of February 28, 2007, 99.44% of the 04 funds were expended. Staff should have no trouble meeting HUD’s goals for obligation and expenditure.
- The PHA’s CFP application for FFY2005 funding was submitted in January of 2005 with the PHA’s Annual Agency Plan. The ACC date was August 18, 2005, for the \$8,079,514 of funding. The goals for the 90% obligation and 100% expenditure of the PHA’s FFY2005 funding are August 17, 2007 (obligation) and August 17, 2009 (expenditure). As of January 31, 2007, 90% of the FFY2005 CFP funds were obligated. As of February 28, 2007, 89.9% of the FFY2005 CFP funds were expended. Staff should have no trouble obligating and expending these funds in accordance with HUD guidelines.
- The PHA’s application for FFY2006 CFP funding was submitted with the PHA Agency Plan on December 28, 2005. The ACC date was July 18, 2006, for the \$7,116,346 of funding. The goals for the 90% obligation and 100% expenditure of the PHA’s FFY2006 funding are July 18, 2008 (obligation) and July 18, 2010 (expenditure). As of January 31, 2007, 69.8% of the funds were obligated. As of February 28, 2007 37.2% of the funds were expended. Staff should have no trouble obligating and expending these funds in accordance with HUD guidelines. On April 17, 2007 the PHA received HUD notification that we would be receiving an additional \$602,092 of 2006 CFP funding due to our status as a high performer
- The PHA’s application for FFY2007 CFP funding was submitted with the PHA Agency Plan in December of 2006. As of June 1, 2007, the PHA has not received HUD notification of our final FFY2007 CFP funding amount.

### **3A. Designing with residents:**

- Residents continued to be involved in the modernization process for McDonough Homes through newsletters, presentations at Resident Council meetings and staff information sessions with residents undergoing temporary relocation.
- Residents were actively involved in the entire planning process for both the McDonough Homes and Central Duplexes modernization. They continued to be involved in meetings during the actual construction of the improvements.

**3B. Capital fund program coordination:** Departmental goals include: Coordinate the efficient, high quality and timely design, bidding and construction of modernization projects. Develop bid documents and conduct contract administration that result in minimal change orders and high quality work. The following represents some of the work that was awarded and/or completed during FY 2007:

- **McDonough Modernization:** Socon Construction completed Phase II by the specified September 2006, completion date. Phase III was awarded to Frerichs Construction in the amount of \$5,782,507 on August 23, 2006. Part I of the Phase III work will be completed ahead of the specified September 2007 completion date. Work on Part II of the Phase III contract has been accelerated from a September 2007 start to an April 2007 start due to the addition of \$1.8 million from public housing operating reserves. Phase III work will be completed by the end of March 2008, well ahead of the specified September 2008 completion date. Staff is working with the architect to prepare Phase IV construction documents for a January 2008 award for an early March 2008 start of work.
- **Central Duplexes Exterior Modernization:** Phase III work at the eight Iglehart site units was completed by Merit Building Company in early summer of 2006. Phase IV work at the six Carroll/St. Albans site units was awarded to Merit Construction for an amount of \$188,230 on August 23, 2006. Funding for the last phase of the exterior modernization work at the St. Anthony site was included in the FFY2007 CFP funding application.
- **Dunedin and Wilson Sprinkler Installation and Fire Alarm replacement:** The contract for the installation of the sprinklers was awarded to Viking Sprinkler in the amount of \$960,000 on November 28, 2005. The contract for replacement of the fire alarm systems was awarded to All Tec in the amount of \$279,000 on November 28, 2005. Contract work on both contracts was completed on time during this rating period.
- **Seal Elevator Modernization:** The contract for the elevator modernization was awarded to Unicorp in the amount of \$338,900 on January 26, 2006. Work was completed on time within this rating period.
- **Wabasha Elevator Installation:** The contract for the installation of an elevator in the shaft that was constructed at the PHA's new Central Administration Office Building was awarded to Construction Results Company in the amount of \$684,700 on February 21, 2006, and was completed on time within this rating period.
- **Front Hi-Rise Exterior Envelope Repair:** The contract for repair of the exterior envelope concrete surfaces was awarded to Spanjers Company in the amount of \$386,658 on May 24, 2006. All work was completed on time within this rating period.

- **Roosevelt Community Center Roof and HVAC Replacements:** The contract for replacement of the community center roof was awarded to Palmer West in the amount of \$111,815 on February 28, 2007. The contract for replacement of the heating, ventilating and cooling systems at the community center was awarded to Erickson Plumbing and Heating Company in the amount of \$94,427 on February 28, 2007.
- **Edgerton Hi-Rise Roof Replacement:** The contract for replacement of the tower roof at Edgerton was awarded to R&N Roofing in the amount of \$156,200 on March 28, 2007.
- **Hi-Rise Corridor Painting, Flooring Replacement and Community Room Furnishing Replacement:** Planned corridor painting, corridor flooring replacement and community room furnishing replacement work was completed at several hi-rises.
- **Scattered Site Modernization:** Various work including kitchen and bath remodeling, flooring replacement and painting was accomplished at the scattered site homes as they became vacant during the year. Other work such as roof replacement, window replacement and driveway replacement was accomplished in occupied units.

**3C. Energy conservation:** Departmental goals include: Incorporate energy and water conserving materials, fixtures and systems in modernization and contracting work wherever feasible. Work with public utilities, other staff, and residents to prioritize improvement needs and to complete audits and improvements, utilizing non-PHA and non-HUD resources where feasible. Take full advantage of Xcel energy conservation and rebate programs.

- Some examples of this work are as follows: Staff retrofitted Dunedin hi-rise heating system from gas/oil boilers to District Heat. The District Heating system is computer controlled for efficiency and resident comfort. In addition it provides emergency backup boiler lead/lag control. This new control program will automatically switch the heating from District Heating to existing boilers if the supply is interrupted, providing uniform heat usage and energy conservation. Excessive heating cost are eliminated because of increased temperature control. Boiler burners and burner tubes will be replaced at Mt. Airy, Front, Ravoux and Hamline Hi-Rises this summer. The new burners will increase boiler life and efficiency.

**3D. Procurement:** Staff conducted annual purchasing training for all staff who are authorized to purchase and/or to request a purchase. Staff provided procurement assistance, compliance review and approval, periodic updating of procedures, and on going training to support our decentralized procurement activities. The PHA Purchasing Manual was revised by the Procurement Manager (John Wright) and distributed to all staff during the fiscal year.

- All assigned FY07 NROB work was accomplished in a timely manner. Of special note are: the installation of new rooftop fans and other HVAC equipment at Neil, Ravoux and Exchange Hi-Rises; the purchase of replacement boiler burners for several hi-rise heating systems, and the replacement of the parking lot at Seal Hi-Rise. In addition, approximately 130 Purchase Orders, Work Authorizations and Contracts were written for miscellaneous non-routine work items that improved the livability and curb-appeal of PHA properties.

**3E. MBE/WBE participation:** Staff continued efforts at maximizing outreach to provide bidding opportunities to M/W/DBE's:

- Progress toward meeting M/W/DBE goals was reported to the Board quarterly. The Agency's goals for participation by Women-Owned Business Enterprises (WBE) and enterprises owned by disabled persons (DBE) were exceeded in both the CFP and the Operating Budget programs in FY2007. In the CFP, where the goal is 10%, the level of participation was 20%. And in the Operating Budget where the goal is 5%, the level of participation was 8.6%. Participation by Minority-Owned Business Enterprises (MBE) in both the CFP and the Operating Budget were lower than the goals. In the CFP, where the goal is 20%, the level of participation was 13.7%. And in the Operating Budget, where the goal is 10%, the level of participation was 7.2%.
- During fiscal year 2007, 111 contracts were awarded to MBE's, and 98 contracts were awarded to W/DBE's.
- Outreach efforts included: PHA directory of M/W/DBE firms for use by staff and prime contractors, mailing of invitation to bid to M/W/DBE firms, advertising in all known M/W/DBE newspapers, and attending various scheduled events organized by minority contractor organizations including construction exchanges. The PHA is a member of the National Association of Minority Contractors (NAMC).
- Maintenance Contracts Department and EOD Department continued to review and edit contracting documents to ensure compliance with Affirmative Action laws, policies and goals. Established a working group consisting of EOD and Maintenance Contracts staff to ensure effective and ongoing efforts to maintain and improve Affirmative Action compliance. Met with staff from Minneapolis Public Housing Authority to discuss and identify processes, goals and best practices. Participated in the City of St. Paul Minority Contractor Forum.

**Agency Goal #4 - Equal Opportunity and Diversity: Promote and enforce equal employment opportunity and affirmative action. Attract and retain a diverse and qualified work force. Manage workplace diversity by fostering respect for and valuing of diversity.**

**4A. Equal Employment Opportunity (EEO) Compliance and Affirmative Action.** Staff, especially Director of Equal Opportunity and Diversity Sheri Russell led the following:

- Monitored and analyzed recruitment, hiring and other employment actions for EEO/AA compliance. Reviewed 188 Personnel Action Forms for EEO Compliance. Reviewed current recruitment and retention efforts. Collaborated with HR to refine the PHA's recruitment processes, including posting position descriptions on the PHA's Web Site.
- Conducted 115 consultations where staff provided advice and guidance to PHA directors, supervisors and employees on issues of equal opportunity, affirmative action, discrimination, discriminatory harassment, sexual harassment, workplace violence, domestic violence, and policies and laws related thereto.
- Conducted 23 Informal Resolutions and 2 formal investigations (comprehensive interviews and document review to determine whether the facts supported allegations of discrimination, discriminatory harassment or sexual harassment). Recommendations were discussed with the

relevant Department Director, the Human Resources Department Director, the Executive Director and legal counsel.

- Developed and conducted trainings on discrimination and harassment awareness and prevention, equal opportunity and affirmative action, including comprehensive trainings materials.
- Created the PHA's annual Affirmative Action Plan, including a comprehensive workforce analysis, job group analysis, census data analysis and statistical analysis to determine hiring goals for minorities and women per job group. Discussed details of plan and hiring goals with department directors.
- Developed and implemented workplace diversity initiatives described below to improve retention of all employees, especially minorities and women.
- Periodically reviewed job requirements and testing process to ensure that all applicants have fair and equal opportunity to be considered for positions for which they are qualified.
- Audited the PHA's policies and procedures regarding EEO compliance.

#### **4B. Diversity Initiatives:**

- Provided opportunities for PHA staff to acknowledge and celebrate diversity and cultural heritage months, including:
  - April - March to Capitol for Gay Lesbian Bisexual Transgender (GLBT) equality rally
  - May - Asian Pacific American Heritage Month – Panel Discussion
  - June – Gay and Lesbian Pride Month - Training on GLBT issues
  - September/October - Hispanic Heritage Month – Lunch Discussion
  - October - Disability Awareness Month - Mental Health training: Human Resources
  - November - American Indian Heritage Month – Interactive Discussion and Activity
  - February - Black History Month – African American Storyteller and Potluck
  - March - Women's History Month – Domestic Violence and VAWA Training
- Maintained and distributed a monthly newsletter and calendar of diversity information and events for PHA staff and residents. Purchased and distributed “diversity” posters to all PHA Hi-Rise and Family site management offices, and “community building” posters to all Hi-Rise and Family Community Rooms and Community Centers.
- Facilitated and supported employee resource groups – AHANA (African, Hispanic, Asian, Native American) Alliance and GSEN (Gay-Straight Employee Network). With the Promise Fellows, led presentations on diversity at a resident council meeting at each family site while Promise Fellows conducted a session at the same time with youth. With the Promise Fellows, maintained a multicultural emphasis within their after-school programs at each family site with a goal of assuring that youth of multiple cultures participate together.

- Helped plan and assist with several cultural events in the Hi-Rise buildings including the National Night Out Event at Dunedin that included a visit and presentation by an African-American Drill Team from Chicago Public Housing.

#### **4C. Employee Relations and Conflict Resolution:**

- Conducted 36 consultations with staff (out of the 115 consultations) regarding “employee relations” concerns such as issues with co-workers, supervisors, performance, discipline, anger management, pay equity, conflict resolution techniques and other workplace concerns.
- Conducted one workgroup facilitation with a small work-group regarding multiple employee-relations issues. This facilitation included 4 individual meetings and 1 group discussion. Provided feedback and the workgroup’s recommendations to supervisors.

**Agency Goal #5 -Employee and Organizational Development: Promote education, growth and advancement of employees through career planning, training opportunities and other resources. Continue internal rethinking strategies to promote organizational development, continuous improvement, and appropriate responses to budget challenges and program changes.**

**5A. Staffing:** All Senior Staff, and especially the Director of Human Resources (Mike McMurray) and the Director of Equal Opportunity and Diversity (Sheri Russell), assisted in performing the following as the PHA continued to attract and retain a qualified workforce:

- Staffing activity was lower than last fiscal year due to lower turnover (8.6% in FY 07, down from 10.5% in FY 06) and resulting vacancies (10 new hires and 12 promotions, lateral transfers). Recruiting activity including testing and other activities related to hiring (reference checks, scheduling physical examinations, criminal background checks, new employee orientation, etc.) continued. This resulted in the processing of 188 “Notifications of Personnel Action” forms.
- **Of the 220 staff members employed by the PHA at the end of FY07, 48% were women and 33.6% were people of color. Both groups work in all levels of the organization.**
- **Of the 10 staff hired for regular positions, 33% were employees of color (down from 39% last fiscal year) and 50% were women (up from 43% last fiscal year).**
- **Of the 11 staff members promoted in FY07, 82% were people of color (up from 33% last fiscal year) and 64% were women (up from 42% last fiscal year).**
- To aid in the workload because of turnover, 18 67-day temporary employees were hired throughout the fiscal year (21 last fiscal year). This included temporary employees for the seasonal maintenance positions.
- Continued to identify and work with PHA residents whose skills match PHA temporary employment needs and assist in developing resident economic development initiatives.
- Continued to perform comprehensive applicant-testing program. Approximately 142 internal and external applicants were tested for various positions during the year (on average one to one and one-half hours of HR staff time per applicant).

- Conducted exit interviews with 17 staff that terminated employment with the Agency.

**5B. Training and employee career development:** Continued to follow our comprehensive strategy for employee training and career development in FY 07:

- Conducted routine training programs such as individual new employee orientation (met with 28 new employees individually, including 10 regular staff and 18 temporary staff); new employee group orientations (2 sessions for 8 employees).
- Conducted training programs for all new supervisory/management staff covering employment and personnel issues. Topics included the hiring process at the PHA, coaching/counseling/disciplinary process, leaves of absence including FMLA, and the performance appraisal process.
- Met with several employees to discuss career objectives, arrange job shadowing, provide training/education resources, and discuss ways to advance.
- 91 of the 97 Maintenance employees attended 405 hours of classroom training presented by the PHA or an outside contractor. The subjects ranged from job specific to general information to skills development. Job specific training included information on various cleaning products and their uses; responding to after-hours no heat calls; completing electrical, plastering, lock, plumbing and furnace repairs. General information sessions were presented on work place violence prevention and on the mental health issues faced by some residents, how they affect resident behavior and how staff may best respond. In addition to classroom training, supervisors and veteran Maintenance staff spent 370 hours with employees providing on-the-job-training to further develop job specific knowledge and skills.
- Five staff are pursuing college degrees, utilizing the PHA tuition reimbursement program.
- Held four agency wide training sessions (110 employees attended). The topics were: interviewing skills, listening skills, mental health issues and “Verbal Judo”
- Developed and provided 11 mandatory staff trainings on discrimination, harassment, retaliation, and EEO/AA issue.

**5C. Rethinking the organization:**

- Resident Services and Section 8 staff participated in a “rethinking” exercise in December 2006 with the Executive Director discussing topics such as: applicant re-instatements, pre-screening applicants for criminal history, reorganizing the work area, reinstating marketing and outreach efforts, and adding multiple languages to the phone system.
- Resident Services and Section 8 staff continued their efforts to update and post forms on the Intranet, assuring that staff have access to most recent revisions of forms and lowering costs.
- Staff continued training included topics such as: annual inspections process, building consistency of inspection standards, supporting successful tenancies, terminations, and the Elite tenant data system.

**5D. Compensation review:**

- The PHA received notice from the Minnesota Department of Employee Relations that the Agency continued to be in compliance with the Minnesota pay Equity Act. A report stating salary range maximums and job classification gender mix must be filed every three years.
- Worked with each department to continue to update job descriptions and performance standards when job duties changed. With Fox Lawson, re-evaluated one existing position.

**5E. Benefits:** Continued to work with the benefits consultant and continued the employee task force comprised of representatives from each of the Agency's bargaining groups and S&C. Also:

- Continued to review the factors that influence the costs of medical insurance. Reviewed current medical plan benefits and premium rates and examined our claims history.
- Discussed/negotiated with employee groups the costs for health insurance for the year.
- Notified, and tracked staff and their use of leave time under the Family Medical Leave Act.
- Notified staff and their dependents of their right to continue medical insurance coverage under federal law (COBRA).
- Compensated employees proficient in a second language \$1,000 per year and contracted with vendor to test language proficiency to determine who meets the qualification.
- Pension committee offered up to \$300 to each pension plan participant for professional financial/estate planning.
- Conducted health and dental insurance open enrollment period.
- Discussed pension benefit with all terminating employees during their exit interviews.

**Agency Goal #6: Safety and Security: Maintain safety and security at all PHA housing and work sites for residents, staff and the public. Promote non-violence in all aspects of the PHA's work. Continue and enhance safety efforts such as the ACOP, Officer-in-Residence, Resident Doorwatch and Police Storefront Office programs.**

**6A. Workplace Violence Prevention:** Senior staff, and especially EOD and Human resources staff implemented workplace violence prevention initiatives. Staff continued to work together on strategies that support a safe, secure, productive and inclusive work environment.

- Investigated and resolved 5 complaints of workplace violence.
- Assisted 2 employees with domestic violence issues.
- Worked on further policy development and review of individual incidents. Worked with the safety committee and individual departments to access ways to prevent additional incidents.
- Participated in training on de-escalation techniques and dispute resolution with a goal of providing more tools and negotiation techniques for staff working with lease violating behavior. Dispute Resolution Center, located at Mt. Airy Community Center was a key presenter in this session.

- Discussed safety concerns with front line staff and initiated request for safety modifications, where needed.
- Took appropriate action in situations where residents exhibited violent or harassing behavior in management offices. Restated for staff what we expect them to do in cases where tenants, applicants or vendors are inappropriate in person or over the phone.

**6B. Community Safety and Security:** EOD and Resident Services staff worked with other PHA staff, St. Paul Police Department, PHA residents and community partners to maintain safety and security for residents and staff.

- Continued to work closely with ACOP, PHA staff and residents to problem-solve around specific operational issues and incidents. Worked to improve communication between PHA managers and ACOP officers, reporting and follow-up, and identification of needs. Maintained relationships with various police districts to help ensure safety and security in PHA hi-rises. Family management staff worked closely with ACOP officers to monitor problem properties, complete knock-and-talks where drug activity was suspected and to foster positive community/police/management relationships.
- There were 39 “one strike” lease terminations in public housing for drug-related and/or criminal activity. ACOP action in most of these situations provided the necessary documentation for staff.
- Coordinated presence of ACOP officers at multiple hi-rise and Resident Council sponsored family events, including picnics, special community celebrations, and resident recognition events. Coordinated with ACOP the Dunedin National Night Out activities.
- ACOP supervisor continued to meet bi-monthly with family Managers to discuss mutual concerns. ACOP officers attended Resident Council meetings and participated in Admission Orientation Programs for new residents in each family development.
- Coordinated presence of ACOP officers at hi-rise and family events, including picnics, special community celebrations, and resident recognition, including the National Night Out ACOP Open House in which over 200 residents, staff and police officers attended.
- Worked with ACOP to coordinate special trainings for PHA staff and residents related to crime prevention and safety including Auto Theft Prevention and Sex Offender Notification.
- Managed and implemented the Weed and Seed Program at Edgerton including crime prevention trainings, a presentation by Family Services on chemical dependency, and purchase of cameras to improve security at Edgerton Hi-rise.
- **Officer-in-Residence (OIR).** Successfully worked with St. Paul Police Department and PHA staff to hire officers for the program. All 16 hi-rises had an OIR during most of the year. Provided orientation and assistance to new officers.
- **Doorwatch and Storefront Programs.** Continued to strengthen safety for residents through the Doorwatch and Storefront Programs. Coordinated the 2<sup>nd</sup> Annual Doorwatch/Storefront Event to provide recognition and training to all volunteers. Worked with individual hi-rises to provide guidance on procedures and expectations and to identify specific needs and issues.

- Staff dealt with a major incident in June 2006 where a youth shot several other youth and barricaded himself in the unit, resulting in a very public incident for police, swat teams, staff and residents. Mt. Airy staff worked for many hours with police, neighbors and siblings of the shooter during the immediate crisis. They also held a meeting for the community where staff and police could explain what happened and worked to assure residents that this was an isolated incident. Staff also worked with neighbors to resolve any damage issues with their units and followed through with the appropriate eviction action for those directly involved.
- Dunedin Resident Council voiced their concerns about increased disturbances and inappropriate behavior of youth leaving the new Wellstone Center next to Dunedin. Their efforts resulted in a community meeting to focus resources to deal with the problems and provide a more peaceful environment for Dunedin family and hi-rise residents.
- Resident Participation funds were used to purchase 28 color cameras to replace outdated black and white security cameras in hi-rises and community centers. In response to concerns by residents 10 additional cameras were purchased and specifically placed in designated areas of concern. Continued to work on improved security, in part through technology, in and around our properties.

**Agency Goal #7: PHA Administrative Office: Continue to fully lease and manage the commercial space in the PHA's new Administrative Office building according to sound business practices, to generate reliable non-HUD revenue.**

555 North Wabasha continues to be fully occupied, producing needed non-federal revenues the PHA can use to offset falling federal resources.

**Agency Goal #8 Fair Housing: Work cooperatively with community representatives and other units of government to ensure non-discrimination in PHA programs and to affirmatively further fair housing objectives. Promote the value of diversity and respect for differences.**

**8A. Fair Housing and Non-discrimination:** Public Housing and Section 8 staff continued to work cooperatively with community representatives, including SMRLS and the Community Stabilization Project and units of government to ensure non-discrimination in PHA programs and to affirmatively further fair housing objectives. The Equal Opportunity and Diversity (EOD) Department worked with Resident Services managers, other staff and Resident Councils to provide sound guidance, resources, services and programs to enhance fair housing and diversity. EOD staff developed and implemented the Hi-Rise Diversity Initiatives aimed at promoting respect of differences. The Diversity Initiatives include training on inclusiveness and community building, cultural celebrations, and assistance and guidance on conflict resolution.

- Developed and provided 11 mandatory staff trainings on discrimination, harassment, retaliation, and EEO/AA.

- Provided 22 trainings for residents on discrimination, discriminatory harassment, sexual harassment and retaliation to further non-discrimination and promoting respect of differences among residents. (Trainings were held at every PHA site, 398 residents attended.)
- Provided 5 diversity trainings/initiatives for Family and Scattered Site youth. (76 resident youth attended.)
- Provided 6 “Dinner and a Movie” diversity initiatives (1 hour documentary on race with 1 hour facilitated discussion) at 6 Hi-Rises. (162 residents attended.)
- Met with groups advocating for both physically and mentally disabled individuals as well as agencies representing families from diverse cultural backgrounds in order to explain the public housing application process and eligibility criteria.
- Worked closely with advocates such as legal aid (SMRLS), and Community Stabilization Project and the City Wide Resident Council, to develop policy revisions.
- Advised supervisors on issues of discrimination, discriminatory harassment, sexual harassment, retaliation, diversity and conflict resolution to ensure fair and equal treatment of all residents, housing applicants and Section 8 participants.
- Facilitated monthly Resident Diversity Team meetings, and Resident Advisory Committee meetings, including discussions and activities on race and diversity (approximately 70 residents and staff attended).
- Several staff volunteered time for the St. Paul/Ramsey County Project Homeless Connect day at the Armory.

**8B. Section 8/Housing Voucher landlord recruitment:**

- Held 6 bi-monthly landlord workshops.
- Conducted general Section 8 training and outreach for Wilder Tenant Training.
- Staff presented “Successful Section 8 Utilization Strategies” at the NCRC/MN NAHRO Conference in May 2006.
- Continued to work with City Information Sharing Group on problem properties
- Conducted annual, half day Section 8 Property Owner workshop
- Produced quarterly Owner Newsletters designed to keep program owners informed of current Section 8 issues, available resources and educational opportunities.
- Partnered with Metro HRA, Dakota County CDA and Ramsey County Public Health to provide safe work practices training to participating landlords.

**8C. HousingLink:** Continued to work with HousingLink to better serve PHA voucher holders in locating eligible units and willing owners, recruiting new owners, and enhancing other programs and services provided by HousingLink. This organization is an effective outreach tool to get information to service providers who assist clients in finding affordable housing.

Discussed changes for FY 2008 contract and executed a contract for \$30,000. Provided HousingLink outreach via brochure mailings in June and December landlord checks.

**8D. Reasonable accommodation:** Staff continued to respond to requests for reasonable accommodations from residents and staff. Staff continued to work individually with the Agency Attorney when dealing with requests for reasonable accommodation. Several trainings and discussions were conducted to assist staff in handling these situations.

**Agency Goal #9: Linking Residents to Community Services: Promote links to community services through PHA Community Centers and at other sites to meet the changing needs of PHA residents, focusing on programs and services that enrich residents' lives, promote independence, increase community involvement and support successful tenancies in public housing. Continue CHSP and other assisted living programs.**

**Services to residents at community centers:** Staff, especially Housing Managers and Human Service Coordinators worked hard to accomplish the following:

**9A. Community Centers:** Successfully managed four Community Centers in a manner that meets the needs of changing populations, maximizes the number of services that can be offered to family residents and prioritizes space for programs that work with residents with needs identified in the Family Needs Study.

- Staff continued to successfully manage four community centers.
- ACOP moved its office to the McDonough Community Center. The increase in officers' presence at the Center has helped management staff and other service providers.
- Continued the partnership with the Wilder Foundation providing a third year with a Promise Fellow who developed Youth Connections, an after school program at Mt. Airy and Dunedin.
- CHSP Coordinators and Human Service Coordinators attended Hi-Rise management meetings. They also hold their own monthly meetings that assists with communication and information sharing.
- Dispute Resolution Center continued to expand their services and work with residents referred by PHA staff. They also worked with family management staff to develop and present a training session for staff on communication, negotiation and listening skills in dealing with resident situations.
- Community Center Service Providers participated in monthly coordination meetings facilitated by Human Service Coordinators to share information and resources, assure that residents are being served and work on common problems. Providers are also present at monthly Admission Orientation programs for new residents to assure that new residents are aware of all the services available to them at the Centers.
- In an effort to assure that the Centers are well maintained and adequately equipped, staff worked with Maintenance Contracts staff to purchase new tables for use in each of the

Centers, paint hallways and other common areas at McDonough Center and do minor repair and touch up work in each Center.

- Met with key Community Center service providers to discuss our financial situation and that we were considering charging a nominal amount of rent for the community center space that had traditionally been provided free of charge. These providers, including Head Start, ECFE and West side Clinic provide valuable services to our residents, and have been long term partners with the PHA. Each provider, while understanding of our financial challenges, indicated that even a below market rate rental charge would likely cause them to reconsider remaining in our centers. After considerable review we have determined, at least for now, to continue our past practice of providing community center space free of charge.

**9B. Employment and training programs:** Staff, especially Connie Toavs and management staff assisted with:

**Resident Initiatives; Jobs programs: Family Self-Sufficiency (FSS):**

- Eleven participants graduated from the Section 8 Family Self-Sufficiency Program (FSS) and five participants graduated from the public housing FSS Program. As of April 1, 2007, the minimum program size for the Section 8 FSS program is 480, and for public housing it is 21. Management staff continued to refer residents to the FSS program.
- Due to ending of the ROSS Grant in FY 2006, the STEP program consolidated workers and efforts at the McDonough Community Center site but increased services to residents from all sites. STEP discontinued services to residents at all sites in June 2006 due to budget tightening at St. Paul Public Schools.
- Management staff continued to identify residents eligible for the Earned Income Disregard program and assured that the program was explained and that residents were provided the full benefits of the rent reduction to encourage new wage earners.
- Housing Policy staff (Al Hester and Alicia Huckleby) participated in the St. Paul-Ramsey County Workforce Investment Board (WIB) and the Youth Council until July 2006 when their terms ended.

**Income Tax Assistance:**

- Management staff with support from other family sites continued a partnership between the Mt. Airy Resident Council, the State Department of Internal Revenue and the Hi-way Federal Credit Union, which resulted in a 10-week tax preparation assistance program at Mt. Airy. 567 families were assisted. Refunds totaled \$603,274. A number of staff volunteered to support this great program.

**Promise Fellows:**

- For the third year, Wilder Foundation partnered with PHA staff and submitted a successful Promise Fellow application, providing two full time Promise Fellows to work with junior high, senior high age youth. The focus is on closing the educational achievement gap for youth of color by providing caring adults, safe places during non-school hours, emphasis on healthy living, opportunities to learn new skills and opportunities to serve the community.

**Other:**

- PHA partnered with Wilder Foundation staff to offer a condensed version of the Neighborhood Leadership Program to family and hi-rise public housing residents. The program, titled Building Connections to Community, was an intensive 2½-day training for 29 public housing resident leaders. PHA provided the facility and recruited the participants; resident participation funds paid for child care, program supplies and food. Wilder staff provided excellent training on community leadership.
- EOD, Resident Services and ACOP collaborated to develop and implement the Summer Youth Employment Program for resident teenagers. Staff assisted with all coordination, scheduling, activities, supervision and payment aspects of program.
- Staff collaborated with Resident Councils, Resident Services and Maintenance Departments, Ramsey County Elections officials, the National Low Income Housing Coalition, the League of Women Voters, and other providers to provide resident trainings on voter registration, “Get Out The Vote” activities, and Kids Vote. Staff worked to coordinate and manage primary and general elections, ensure available and working telephone lines and adequate voting space.

**9C. Congregate Housing Services Program (CHSP):** The departmental goals include: Work to attain full census in all CHSP sites as supported by the grant budget. Maintain improved communication, procedures, and computer reports to link CHSP with the Hi-Rise Management work unit.

- **Program utilization is the strongest in program history averaging 147 participants a month. Financial management of the program continued to be excellent.** Improved communication between CHSP and maintenance has made work order, key authorization and inspection processes more efficient.
- CHSP obtained a state-mandated UMPI (Unique Minnesota Provider Identifier) number that has allowed the program to continue billing with Ramsey County for services CHSP provide to County clients.
- Improved reports and on-going meetings between CHSP and Rental staff increased coordination of application processing. On-site CHSP Coordinators meet with building Manager and HSC’s monthly at their Coordination meeting.
- Staff continued to receive regular training on disability, food safety and housekeeping.

**9D. Adopt-A-Hi-Rise Program (AHP):** The Adopt-A-Hi-Rise Program was developed to link PHA hi-rise communities to corporate and community organizations and volunteers. “Adopters” sponsor events and activities, donate goods and services, and provide time to hi-rise residents.

- Continued efforts to recruit and retain corporate and community “adopters”. Met and successfully retained the participation of St. Paul Travelers, arranging their transition from Wilson Hi-Rise to Hamline Hi-Rise to enable them to serve older residents.
- Worked with adopters to plan hi-rise events, increase resident participation, and identify collaborative projects.

### **9E. Implementing Family Needs Study Recommendations:**

- Family Steering committee continues to meet monthly. Participated with Resident Councils in meaningful community events such as Back to School nights at all four family sites, Family Day at McDonough, Holiday events, roller-skating event to honor PALS participants and their families, City Wide Resident Council picnic for all families.
- Through the Family Steering Committee, shared resources and information regarding changes in programs such as Energy Assistance, Emergency Assistance, changes in eligibility for Medicaid, Medicare, Social Security, and MFIP and assures that this information is made available to residents. The Family Steering Committee added a representative of ACOP and the Promise Fellows to committee membership.

**Agency Goal #10: Housing Preservation and Development: Work with other agencies and organizations to preserve, develop, and/or manage affordable housing through programs such as the Section 8 Project-Based Assistance and Preservation Vouchers, through the disposition of property, and other cooperative and entrepreneurial efforts. Secure replacement units for any scattered sites that may be sold. Seek out opportunities to produce additional affordable housing or improve management of existing subsidized properties through expanded partnerships with Twin Cities Habitat for Humanity, Metro HRA or by other methods.**

**10.** The Executive Director, at the invitation of Mayor Chris Coleman, serves on the task force that is drafting the updated annual Housing Action Plan. In February 2007 he presented an overview of the PHA's programs and needs to the task force members, and proposed language about public housing for the draft plan.

#### **10A. Section 8 project-based assistance program**

- Executed one Agreement to Enter Into Housing Assistance Payments Contracts (AHAPs), for Unidale Apartments.
- Project Based Utilization averaged 324 out of 356 approved units. We are positioned to participate in the next round of project-based budgeting with 17 recently received vouchers.

**10B. Funders Council:** The PHA, primarily Al Hester, participated in monthly meetings of the Ramsey County/Saint Paul Funder's Council to oversee and coordinate public and private efforts to achieve the goals stated in the City/County Plans to End Homelessness. Staff provided data, technical assistance and insight into issues of funding, managing and maintaining housing for very low-income families, as well as program rules for public housing and Section 8.

**10C. Sale of excess land to Habitat for Humanity:** In prior fiscal years the PHA sold excess land at two sites (Roosevelt Homes and Ravoux Hi-Rise) to Twin Cities Habitat for Humanity. Habitat for Humanity purchased both sites for approximately \$360,000; the PHA received net income and Habitat produced 30 affordable homes for sale.

This past year staff met with representatives of Twin Cities Habitat for Humanity and discussed the possible sale of a variety of PHA properties. In March 2007, the PHA signed a purchase agreement for Habitat to purchase a vacant lot adjacent to 139 E. Annapolis in the amount of \$30,000, contingent upon the PHA receiving disposition approval from HUD. At this time, approval for disposition is still pending. PHA staff are reviewing proposals for two properties.

**10D. Disposition of Scattered Site Properties:** During this fiscal year one scattered site unit (1232 Goodrich) was sold and a replacement unit was acquired in July 2006.

In September 2006, the PHA Board gave staff approval to begin the process of disposing of sixteen scattered site units, to save on rehab and maintenance costs and to generate sales proceeds that could be used to offset capital fund (CFP) cuts. This option was one of the strategic planning initiatives that came out of the July 2006 retreat for Board members and PHA staff. After conducting all of the required resident consultation sessions and planning relocation activities, staff drafted an application for the disposition of these sixteen properties and submitted it to HUD in December 2006. (HUD approved the disposition application on May 31, 2007.) In an effort to keep some of the units available as affordable housing, staff also received Board approval to publish an RFP for non-profit organizations to purchase any of the scattered site units. In April 2007, staff signed purchase agreements for Rondo Community Land Trust to purchase two scattered site units (1082 Hague and 1673 Lafond) contingent upon receiving disposition approval from HUD. Staff issued a request for proposal and selected five real estate agents who will sell the remaining 14 homes on the open market.

**10E. Leasing Rooftop Space:** Staff continued efforts to lease PHA rooftop space to cell phone companies. Additional leases were negotiated and signed with Cingular for installation of antennas and other equipment at the Iowa, Exchange, Edgerton and Cleveland Hi-Rises.

**10F. New Ventures:** Explore possible new Agency ventures; including exploring options related to the Metropolitan Council's public housing program. Also, explore potential options for developing additional public housing, through the use of existing PHA resources or other means. Continue to explore viable partnership opportunities with Habitat for Humanity.

- Washington Co. RFP: Reviewed the opportunity to submit a response to a request for proposals for property management/maintenance services. Convened meetings, requested supplemental information, and inspected properties. In the end, the decision was made to pass on the opportunity.
- Columbia Heights: Staff inspected and developed a scope of work for public housing property in Columbia Heights that the PHA was considering purchasing. (Ongoing at the end of FY 07.)
- Phalen Shores: Met with MHFA staff to review the financial performance of a property that had long standing vacancy problems. The property was viewed as a potential non-HUD ownership option (Ongoing at the end of FY 07).

**Agency Goal #11: National Leadership Responsibilities: Continue active leadership in national and state housing organizations to improve national housing policy and funding. Continue to provide assistance to other housing authorities and organizations seeking organizational development, business systems, or program support.**

**11. National leadership: PHADA:** The Executive Director was elected President of PHADA in May 2005 and he served in that capacity throughout FY 2007. He testified before Congressional committees on June 20, 2006, and met with HUD officials on June 20, 2006. The ED and other staff maintained contact with PHADA staff on a variety of issues related to HUD budgets, QHWRA, Harvard Cost Study, and PHAS and responded to PHADA surveys and inquiries as requested.

At the Executive Director's urging, PHADA established a new scholarship fund for public housing residents in honor of civil rights pioneer Rosa Parks.

**11A. CLPHA participation:** The Executive Director and Resident Services Director participated in CLPHA quarterly meetings to provide Saint Paul's perspective in the debates over national issues. Responded to CLPHA surveys and inquiries as requested.

**11B. NAHRO leadership:** Staff to NAHRO surveys and inquiries as requested. Several PHA staff conducted presentations at MN NAHRO sponsored conferences. Al Hester serves on the MN NAHRO Board.

MN NAHRO recognized the St. Paul PHA's leadership by presenting its 2006 Allan Anderson Award to Hank Petro and its 2006 "Dedicated Service Award for Commissioners" to Kit Hadley (presented May 2007).

**11C. Appropriations/Legislation advocacy:** With special assistance from Lyle Schumann, Junella Pichelman and Al Hester, the Executive Director led the PHA's efforts to fight the dramatic cuts to the Public Housing Program for FFY 2006 and continuing for FFY 2007.

In addition to appropriations issues, staff contacted U.S. Senators Coleman, Dayton and Klobuchar and Representative Betty McCollum by telephone, letter and e-mail during the year on other housing issues, including HUD's implementation (micromanagement) of the asset management system and numerous proposals for legislative reform.

**11D. Asset-based management, HUD operating subsidy:** This is one of the biggest challenges the PHA has faced, and it will continue to demand large amounts of staff time. The Executive Director and other staff continued to monitor and provide comments with the housing industry groups and HUD on the new Public Housing Operating Subsidy rule and HUD "guidance". Staff, especially former Controller/Finance Director Junella Pichelman, Acting Controller/Finance Director Ron Moen and Resident Services Director Lyle Schumann analyzed the requirements for Asset Management Project (AMP) groupings. The PHA's proposed groupings were accepted by HUD with minor modifications, which further benefited the PHA.

The PHA's auditors, McGladry & Pullen LLP, included the following description of Asset Management in the PHA's FY 2006 financial audit and compliance report:

HUD has established revised asset management policies for public housing in an effort to improve the efficiency and effectiveness, to preserve and protect the assets, to facilitate future investment and reinvestment, and to provide appropriate mechanisms for monitoring the performance at the property level. HUD intends public housing agencies to decentralize management and change the way activities are currently accounted for and reported. HUD intends for each project to be operated autonomously and have the activities accounted for and reported in the same manner. The most significant impact to public housing agencies relates to the decentralized management of its projects. According to HUD's revised asset management policies, marketing, leasing, certifications, rent collection responsibility, routine and preventive maintenance, resident services, protective services, project based budgeting and accounting, and procurement are some examples of the management components that are typically performed by a public housing agency's central office that will now be the responsibility of the project manager of each project:

HUD revised asset management policies will create new resource requirements for public housing agencies and will require redefined organizational structures for public housing agencies. Each project will require a manager to be dedicated to the properties within each of the public housing agency's defined projects. According to HUD, the project manager will be given the authority for decision making for the project and control the project's budget. HUD revised asset management policies will also create requirements for many of the public housing agencies' contractors and vendors in the form of decentralized invoicing, accountability to more business units or projects, and revised administrative requirements.

HUD will no longer be providing a direct subsidy for a public housing agency's costs associated with its central office. HUD will only be providing a subsidy to each project based on the project's budget. Under the new asset management model, a public housing agency will only be able to charge fee-for-service to the projects for overhead and centralized services. If the fees charged the projects do not cover the public housing agency's central office overhead cost, the public housing agency will need to rely either on reserves or funding from other non-HUD sources to cover the shortfall.

The Executive Director's commitment is to do what is best for the PHA and our clients while conforming to "maximum flexibility" provisions of the regulation (and "best practices" such as centralized procurement).

**11E. Minnesota Legislature:** Staff advocated for reform on the following topics:

- **\$50 MFIP Cut:** Staff, especially Al Hester and Alicia Huckleby, analyzed data for the Minnesota NAHRO, Minnesota Housing Partnership legislative advocates and supportive legislators. Al Hester testified before legislative committees in 2006 and 2007 to push for repeal of the "housing penalty" and to oppose legislative proposals to make the cuts even deeper. Although both the House and Senate voted to repeal the housing penalty, the Governor refused to accept that provision in the final bill so the repeal died.
- **State Appropriation to Preserve Public Housing:** The Executive Director formed a team of several staff members to actively support and promote the Governor's budget recommendation for a major funding increase for the Minnesota Housing (Finance) Agency, including –for the first time- direct State funding to help preserve public housing. PHA staff contacted St. Paul's legislative delegation by letter, telephone and in person to urge their support of the funding for the budget recommendations. Staff also encouraged MN NAHRO and the other housing advocacy organizations to support the Governor's recommendation.

The Legislature did approve the recommendation including the \$2.5 million for public housing (part of "PARIF": Preservation Affordable Rental Investment Fund).

**11F. Technical assistance to other housing authorities:** PHA Senior Staff responded to numerous inquiries from other housing authority staff, students, public officials and staff, and general public about public housing and Section 8 regulations and policies:

- The PHA increasingly provided technical assistance through its Internet website, which includes a variety of form notices, letters, manuals and other documents for use by other agencies. The McDonough Modernization Master Plan and Resident Survey Reports from Wilder Research Center are also posted there.
- Staff responded to specific requests for assistance from housing authorities in Guam, New York City, Lake County IL, Portland ME, and several Minnesota agencies including Duluth, Minneapolis, St. Louis Park, Eveleth, North Mankato, Washington County, Dakota County, Olmsted County and; also the Center on Budget and Policy Priorities, Minnesota Housing.
- Analyzed the possibility of assisting Hawaii Housing Authority with their financial operations at their request. (The decision was not to assist the HCDCH as the PHA's own workload was too heavy.)
- Staff responded to HUD requests to share information about PHA procedures with other housing authorities in Minnesota and other states.

**Other Significant FY 07 Agency Accomplishments Included:**

**12. Certificate of Achievement for Excellence in Financial Reporting:** The PHA was again awarded this distinction by the Government Finance Officers Association of the United States and Canada on March 31, 2006.

**12A. FY 07 budgets:** Finance Department staff accomplished much relative to our budgets:

- Low Rent Public Housing net assets \$127,477,014 in FY 07 (\$126,971,971 in FY 06).
- Section 8 FY 06 un-audited close administrative fee reserve: \$551,835 (\$543,245 in FY 06).
- FY 07 Building Fund net assets equaled \$14,421,189 (\$14,121,540 in FY 06).
- Prepared three FY 07 original budgets for primary operations, totaling over \$69 million, (Low Rent Public Housing, Section 8, and Building Funds) as well as the budget for CHSP.
- Three revised budgets (Low Rent, Section 8, Building) were approved during FY 07.

**13. Agency Plan:** Staff successfully coordinated RAB meetings, performed data analysis, and submitted the FFY07/PHA FY08 Agency Plan (approved by HUD).

**14. Accounting systems, reports, maintenance of sound fiscal operations, etc.:** Finance Department staff under the leadership of Junella Pichelman, Ron Moen and Pat Riley, accomplished much in FY 06, including the following:

- Closed out CFP 704R, 705R, & 706R Replacement Housing Grants with HUD.
- Issued 6,410 payroll checks/direct deposits for \$11.14 million, 7,563 accounts payable checks to vendors (6,277 last year) totaling over \$24.8 million (\$ 22.4 million last year) and 22,763 checks to Section 8 landlords (22,758 in FY 06, 23,666 in FY 05) for more than \$31.68 million (down from \$33.82 million in FY 06 and \$35.20 million in FY 05).
- Prepared and mailed 50,538 rent statements (50,533 last year).
- Prepared and mailed 5,688 Certificates of Rent Paid (5,686 last year). These documents are sent to all adults age 18 and older who lived in PHA units at any time during the calendar year and enables them to claim a renter's tax refund from the state of Minnesota.
- Distributed quarterly financial statements to the Board and staff; internal cost center reports; encumbrance reports; and reports for position control, payroll distribution, etc.
- Provided timely and accurate distribution of all required IRS and HUD financial quarterly and year-end reports.
- Provided 90 monthly financial reports on the intranet for internal management use including; special monthly analysis of Section 8 voucher utilization, CHSP analysis, and encumbrance.
- Managed the agency-wide investment portfolio which at March 31, 2007 was \$18,798,867 (\$17,240,348 last year) invested at an average yield of 5.23% (3.96% last year). (On March 31, 2005 the PHA had \$18,394,705 invested with an average yield of 2.32%. On March 31, 2004, the PHA had \$16,340,554 invested with an average yield of 1.53%.)
- Continued participation in the Minnesota Revenue Recapture program with \$108,402 collected in FY07 from former public housing or Section 8 participants. This program has been by far the most successful method employed by the PHA to collect what are commonly called "bad debts". In FY 2006 the PHA passed the million-dollar milestone in debt collections using Revenue Recapture and issued a press release.
- Continued participation in the construction sales tax rebate program, filing for a refund of \$62,056 in FY07 (\$55,744 in FY06).

**15. Audits:**

- The audit work for FY 2006 resulted in an **unqualified opinion with no findings** or questioned costs related to internal control or compliance issues in the financial or programmatic areas. The auditors are now (June 2007) completing their review of FY 2007 transactions and compliance and will report to the Board at the August or September meeting.
- Cooperated with a HUD required audit of the Section 8 calendar year 2006 Voucher Management System reporting, resulting in no findings.

- Supported the annual agency-wide financial and compliance audit, resulting in a clean opinion. The audited report was submitted for, and **received, the Government Finance Officers Association's Certificate of Excellence in Financial Reporting.**
- Performed seven resident council internal audits at year-end.
- Supported annual PILOT and workers' compensation audits. Neither had issues or findings.
- Implemented a review system to monitor, report and pay use tax. This process allows the Agency to remain in compliance with MN State Statute regarding use tax (This follows the use tax audit done by the State of Minnesota in FY06).
- The agency continued to qualify as a low risk under applicable provisions of OMB Circular No. A-133, for the years ended March 31, 2006. This designation reduces the amount of compliance work necessary and thereby helps contain audit cost.
- Completed the annual PILOT calculation audit – no issues.
- Completed the annual Workers Compensation audit – no issues.

**16. Management information systems (computer and phone systems):** MIS, under the direction of Junella Pichelman and Rick Jordan, accomplished the following this fiscal year:

- **Computer Systems:**
  - Began implementing Laser Fiche Document Imaging as a method for data storage and retrieval for Finance.
  - Evaluated, purchased and installed the highly automated CommVault data backup system with disk-to-disk-to-tape backup hardware to protect the Agency's data.
  - Supported telecommunications and network service delivery to service providers in the family sites and hi-rises (ACOP, Promise Fellow, President's Council).
  - Completed upgrading the network wiring to all of the Fire Command Stations in the hi-rises, as well as the PHA offices at Central, Hamline, Neill, Ravoux, Seal and Wilson. Partially updated the wiring at McDonough and the Mt. Airy Community Center.
  - Upgraded from the Flex business application to the Elite business application for LRP. This application emulates Windows and works in a more current and stable environment. Report generation is easier and the application supports a broader base of information.
  - Upgraded Citrix software to support remote access to our Elite business application.
  - Continued reviews of the Elite Section 8 FSS and LRP tenant processes. Conversion of the LRP module took place August 1, 2006. This was a major undertaking, involving over 12 months of preparation and the joint participation of Finance, Resident Services and Maintenance. Conversion of the Section 8 FSS module planned for July 1, 2007.
  - Handled 2,400 internal "MIS Hotline" calls for computer support.
  - Maintained the WatchGuard Firewall and Backup Exec tape backup system. We backup data nightly and send copies of data backup tapes off-site twice per week for disaster recovery purposes.

- Supported 250 computer workstations. Staff completed the replacement plan for monitors by replacing all remaining CRT-based monitors with flat panel monitors.
- Doubled the capacity and added redundant linked to the Agency Internet connection. This improved performance and increased dependability. Implemented other necessary changes to the Intranet and Internet sites.
- Completed graphic designing of the 2006 Annual Report, cover page for the 2006 Audit Report, and the 2007 Strategic Plan Summary Brochure.
- **Phone Systems:**
  - Evaluated and replaced the Centigram Voice Mail system with a new integrated NEC NEAXmail AD-64 software package.
  - Selected and implemented a network-based fax server, allowing centralized sending and receiving of fax transmissions, increasing dependability and reducing costs.
  - Continued to review and revise documents describing end-user and internal MIS procedures, equipment and software inventories, and communications architecture diagrams to our support library.
  - Maintained the PHA Network Architecture diagrams to show present network configuration.
  - Worked with our Sprint/Nextel representative to analyze our cell phone usage. We adjusted the Cell service contracts to more closely match usage, saving \$1,400 per month.

#### **17. Insurance:**

- The PHA received an "Outstanding" (maximum points on all nine standards) from HARRG for the PHA's FY 2006 "Work Plan Submission", resulting in an insurance premium savings of \$21,727. This work plan relates to safety and risk management efforts throughout the PHA. This was the fifth consecutive year the PHA has achieved this status.
- The property insurance premium increased to \$474,356 (up from \$447,958 last year) on an insurable property value of \$437,080,000 (up from \$409,239,272 last year).
- The general liability insurance premium decreased to \$175,870 (or 2.8% below last year's premium of \$180,859).
- On February 28, 2007 the Board approved the current workers compensation insurance policy with an annual premium of \$137,932, an increase from last year's premium of \$111,102. (The experience modification factor increased from 0.67 to 0.81.) This was the start of the third year of purchasing a policy with a \$10,000 deductible per occurrence. By having a \$10,000 deductible, the Agency saved \$36,000 versus the cost of a no deductible policy.
- Continued coverage in the areas of automobiles, commercial crime, directors and officers, boiler, and Section 8 Lead Based Paint liability at a total cost of \$92,167 (an increase from last year's premium of \$78,944). Fiduciary coverage is provided for staff serving as Pension Plan Trustees/Administrative Committee members at a cost of \$6,171 (same as last year).

**18. Risk management and general employee safety:** Staff, especially Mike McMurray, Hank Petro and Junella Pichelman led our efforts to promote employee safety, including:

- Monitored and updated the Agency's material safety data sheets. Continued the contract with DeMarco Solutions to maintain a database for all material safety sheet information. Issued name and picture ID badges to employees including the 1-800 phone number for 24 hour, 365-day emergency information availability regarding material safety sheet information.
- Worked with Health Partners Occupational Medicine Clinic for pre-employment physicals and medical care for employee on-the-job injuries. Pre-employment physicals continued to be specialized and tailored to the physical requirements of the job.
- Continued to manage claims, work with physicians to determine employee job restrictions, and quickly return employees-to-work in modified or light duty status. Physician examination of injured employees is coordinated with employee's department, the insurance carrier, and the workers' compensation management consultant. Light or alternative work continued to be assigned to employees to foster a quick return to work. This approach continued to minimize employee injuries and claims.
- Sent wellness and health information to employees. The Hope Health newsletter was sent to all employees monthly.
- In conjunction with the Employee Right To Know and Bloodborne Pathogen safety program provided Hepatitis B vaccinations to Maintenance and CHSP staff considered at risk for occupational exposure. New employees who may be at risk for occupational exposure were offered the vaccination at the time of their pre-placement physical and receive safety training as part of the orientation program.
- Continued to monitor infectious materials spill kits installed in each main employee work location and in all buildings.
- Continued to offer ergonomic review of workstations when requested.
- Worked with the consultant from Stanton, Health Partners and Health Fair Committee members to organize a "Health Fair" which consisted of flu shots, flexibility test, cardio respiratory fitness, muscular strength, blood pressure readings, cholesterol and glucose reading. Over 100 employees attended and participated in all aspects of the fair. The goal of the Health Fair is to increase and promote healthy living and preventative health measures that will help keep employees healthy and help control health care costs.
- Members of the safety committee conducted safety inspections of twelve PHA sites during the year. Safety committee continued work on a business continuation plan in the event of a disaster. Completed and posted the OSHA 300 Log which reports on-the-job carrier.
- During the year there were a total of 17 employee injury claims. The total cost of these claims was \$45,206 (\$19,731 for actual medical and time lost costs plus \$25,475 in reserves). There were a total of 19 non-reported (required no medical attention and no lost time) injuries on the job. Three workers compensation claims were denied by the insurance carrier.

### **19. Pension plan:**

- The HRA/PHA Pension Plan is under the direction of its Board of Trustees (5 members). The Plan exists only to serve PHA employees and certain City HRA employees. Junella Pichelman served as the PHA administrative representative on the Board and as Chairperson of the Administrative Committee thru January 2007. Kathy Frits, Human Resource Generalist, was elected to serve as the new PHA administrative representative on the Board for a term beginning July 1, 2007. Mike McMurray is also a member of the Board of Trustees and on the Administrative Committee. The Committee has the fiduciary responsibility associated with managing the assets of the defined contribution plan.
- Set up total cash distributions, rollovers to other plans/IRAs, installment cash distributions, deferred distributions, Minimum Required Distributions upon reaching age 70.5, etc.

### **20. Contract settlements and labor relations:** Mike McMurray and Kathy Frits assisted the Executive Director and Department Directors in maintaining good working relationships with the Agency's employee bargaining groups during FY 07:

- Continued to maintain positive employee relations by pro-actively addressing and resolving problems at the earliest stages. Continued to work to minimize number of formal grievances.
- Worked with AFSCME to negotiate the voluntary resignation of a long-term employee.
- Grievances: During the fiscal year there were a total of four grievances filed. One was filed by Local 132 and three by AFSCME. All were resolved at or before the "Step 3" level.

### **23. Admissions and Occupancy Policy revisions:** Continue to monitor and revise the public housing policies based on Congressional changes and Board directives. Work closely with other departments in reviewing and evaluating proposed changes to programs.

- Revised the Policy to increase excess utility charges for freezer and air conditioner use in hi-rises with PHA paid utilities. Implemented a revised utility allowance schedule for use in family units with tenant-paid utilities
- Violence Against Women Act (VAWA): All public housing residents were notified about the provisions of the Act in July 2006. During the FY Housing Policy staff drafted PHA policies in collaboration with the PHA's Legal Counsel and Resident Services staff. The policies and a VAWA lease addendum were approved by PHA Board 4/25/07.

### **23. Public housing re-exams:** Goals include: Perform resident interim rent determinations and annual re-exams with accuracy within established time frames. Continue to develop processes to increase efficiency and ensure compliance with current HUD guidelines. Fully integrate HUD's UIV application into our business systems. Work with Re-exam, Rental Office and Section 8 staff to share information and ongoing training.

- Integrated HUD's Enterprise Income Verification System into Admissions and Occupancy Policies and routine procedure.
- Took appropriate action to retro-charge all residents where EIV showed discrepancy with termination actions where appropriate.

- Developed, implemented, and trained staff on HUD required policies regarding appropriate and secure use of EIV data.
- Implemented increase in flat rents.
- Completed 4,263 annual income reviews. This includes interview with resident; verification of all income, assets and deductions; determination of eligibility for earned income or other special programs; calculation of new rent; notification to resident of new rent amount.
- Staff conducted more than 3,500 interim income reviews to meet all HUD regulations regarding increase or decrease of rent between annual income reviews.
- Staff implemented use of HUD's Enterprise Income Verification system, resulting in the need for many retro rent charges, payment agreements and termination actions. Family staff initiated 14 terminations for fraud. Hi-rise initiated 2 terminations for fraud. Revised procedures for fraudulent reporting of income/late reporting of income assuring consistent action in all situations of unreported income.
- Implemented change in minimum rents from \$25 to \$50 effective October 1, 2006

**27. Heating, ventilation and air conditioning (HVAC) systems/energy consumption:** Staff, under the leadership of Hank Petro and Al Borman maintained all HVAC systems in a safe and efficient manner to ensure resident/staff comfort and safety, and assured that all HVAC systems are in compliance with City and State regulations, including:

- All State, City and HUD required inspections and safety checks were performed as required this fiscal year. All boilers passed these inspections; performed by the PHA's insurance company.
- The Maintenance Department staff has been active participants in all modernization projects and continues to advocate for energy saving equipment. Radiation heating pumps and domestic water booster pumps have been updated in several hi-rise buildings for maximum energy saving. This is achieved by controlling these systems through the energy management system. This program automatically monitors and adjusts water pumps discharge pressure.
- The Chief Operating Engineer expended \$350,000 of Comp Grant and Non-Routine funds replacing obsolete and inefficient HVAC equipment in the hi-rises and community centers.
  - Some examples of this work are as follows: retrofitted Dunedin hi-rise heating system from gas/oil boilers to District Heat. The District Heating system is computer controlled for efficiency and resident comfort. In addition it provides emergency backup boiler lead/lag control. This new control program will automatically switch the heating from District Heating to existing boilers if the supply is interrupted. This provides uniform heat usage and saves energy. Excessive heating cost are eliminated because of increased temperature control. Boiler burners and burner tubes will be replaced at Mt. Airy, Front, Ravoux and Hamline Hi-Rises this summer. The new burners and tubes will increase boiler life and efficiency.

**28. Appearance of buildings and grounds:** Maintenance staff, working with Resident and Technical Services staff continued to assume the primary responsibility for maintaining and improving the appearance of PHA buildings and grounds.

- Maintenance Contracts staff worked team with Managers and Resident Services staff during the design, construction and inspection of all modernization work including McDonough modernization, Central Duplex exterior modernization, Wabasha and Seal Hi-Rises elevator work, Front Hi-Rise exterior work, Dunedin and Wilson Hi-Rises sprinkling, scattered site home modernization and other projects to make sure that modernization met Agency goals.
- Maintenance and Property Managers perform all of the joint monthly inspections and provide written documentation of their findings. Work assigned to maintenance staff was completed prior to the next scheduled monthly inspection. During the inspections, managers also evaluated the work in progress or completed by contractors. They then brought the corrective action needed to the attention of the project leader. Another purpose of the inspections was to document the repairs or improvements to be considered for future budgets.
- Maintenance and management staff continued to perform joint vacate and ready unit inspections in family areas and scattered sites to improve the quality of the unit at turnover. These joint activities promote the Agency vision of team property management.
- Management staff did weekly drive-by inspections of several Scattered Site units all summer in areas where neighbor complaints had been an issue. This effort greatly reduced neighbor complaints and negative comments about public housing.
- Scattered Site staff, with help from Mt. Airy and Roosevelt/Dunedin management staff completed a minimum of 5 inspections of yard and home exteriors of all scattered site properties and did necessary follow up.
- In all family developments staff assured that residents adequately maintained yards, sidewalks, and trash enclosures using techniques such as daily monitoring; recognitions such as “yard of the month”, framed pictures of yards with outstanding flowers, providing flower seeds, encouraging planting of perennials, recognizing efforts by providing incentives to purchase yard care tools, tool lending programs and yard care classes for those who needed frequent reminders about yard care.
- Senior staff performed monthly inspections throughout the fiscal year. These included hi-rises, family developments and single-family scattered sites. Any noted deficiencies are passed along to the appropriate staff for correction.

**29. HOME (Home Ownership Made Easy):**

- At the beginning of FY 07, a total of 257 families had become homeowners since HOME’s inception in 1990 (145 public housing residents and 112 Section 8 participants). Ten households became homebuyers in FY 07, short of the goal of assisting 15 families.
- During FY 07, 37 new families were counseled by Thompson Associates, bringing the total number counseled since the program’s inception to 1,482. Thompson also conducted follow-up visits with recent homebuyers. The average income of the HOME purchaser in FY2006 &

FY2007 was \$39,711 (compared with \$35,339 over the life of the program). The average purchase price was \$190,800 (compared with \$95,857 over the life of the program).

- On March 28, 2007, the Board approved the Year 18 HOME contract with the Family Housing Fund. The PHA and our partners (the Family Housing Fund, and Thompson Associates) are proud of the 257 families that have moved out of public housing or Section 8 into homeownership. Their units have been re-rented to other families on the waiting list.
- Much of the program's success can be attributed to the generous financial support provided by Tom Fulton and the Family Housing Fund, counseling and education services of Sue Didier of Thompson Associates, and the hard work of PHA staff and residents who prepare families for the responsibilities of homeownership. Tristy Auger also deserves credit for assuming the PHA's administrative duties for the HOME program this past year.
- The challenges facing the program continue to be rapidly increasing home prices that outpaced participant's purchase ability, and limited lender agreements.

**30. Other homeownership purchases:** In addition to the HOME and HOMEWARD, one participant in the Family Self-Sufficiency Program (FSS) purchased a home upon graduating from FSS.

**31. City of St. Paul Fire Department of Fire and Safety Services Activities:**

- During this fiscal the Agency and the Fire Department joined forces to work on several projects. The Fire Department was instrumental in working with the residents of Wilson Hi-Rise during installation of the sprinkler system. They helped calm resident concerns with regard to balcony storage. We joined into a team effort to apply for a Home Land Security Grant for \$1,000,000. This grant application is to complete installation of a sprinkler system at Iowa Hi-Rise and community fire prevention education.
- All citations/referrals from the St. Paul Fire Department are sent to the Maintenance Senior Manager who ensures all corrections are assigned to appropriate staff throughout the Agency. In addition the Maintenance Senior Manager updated the Hi-Rise and Family area preventive maintenance checklists to include commonly cited Fire Department code violations.
- Documentation of completion of all requests for reports and citations is completed by the Maintenance Senior Manager and on file at Mt. Airy Maintenance Administration.

**32. Resident Councils:** Staff continued to provide necessary staff support and funding to all family and hi-rise Resident Councils, City Wide Residents Council and Presidents Council by attending all council meetings, encouraging participation of residents, providing new residents with information about councils, and encouraging residents to take leadership roles in councils.

- McDonough Resident Council sponsored a youth art project where youth worked with a mosaic artist to develop artwork to be on permanent display in the Community Center.
- Dunedin Resident Council provided funds for a resident to staff the computer lab for the after school youth program.

- All family councils submitted records for audit timely and received full funding, based on audits conducted.
  - Presidents Council and City Wide Resident Council each sponsored successful summer picnic events for all residents.
  - The 4 family HSC's handled approximately, 1,400 referrals during the fiscal year. Referrals were for a variety of issues including: housekeeping, property upkeep issues, late rent, parenting issues, mental health, crisis intervention, conflict resolution, domestic abuse, child abuse, transfer requests, police call follow ups, and 504 accommodations.
  - The 5 hi-rise HSC's handled approximately 1,600 referrals during the fiscal year, several residents were seen multiple times for different issues.
  - All 4 family site and scattered site Resident Councils held "School Success" programs just prior to the start of the school year. Families heard presentations by school staff on how to help children succeed in schools and received school supplies for their children.
  - Funding for the STEP program ended in June 2006 necessitating among other losses, closing of computer labs at each family site. City Wide Resident Council provided volunteers to staff computer labs some hours each week at McDonough and Dunedin.
  - Dunedin Resident Council, ACOP and the Dunedin staff conducted a very successful summer program that provided jobs and life skill training for 12 Dunedin youth, Science Camp experience and other summer activities for children at Dunedin.
  - McDonough Resident Council, management staff and Parks and Rec staff held a successful annual Family Day celebration for all McDonough residents.
  - City Wide Resident Council and the Presidents Council negotiated a contract to assess the condition of all Resident Council and computer lab computer equipment and to provide ongoing maintenance, updating and trouble shooting for a two-year period. This is the first time the 2 major Councils are working together on a project.
  - Family Resident Councils partnered with and provided funding for Promise Fellows Youth Connections After School programs and ACOP Police Athletic League (PALS) program. Council funding allowed these programs to buy supplies, pay for transportation and pay youth registration fees for city sports leagues.
- 33. Ending Homelessness:** The Executive Director serves on the Governor's Advisory Committee for the State Business Plan to End Long-Term Homelessness.

Housing Policy staff Al Hester and Alicia Huckleby participate in St. Paul/Ramsey County Homeless Advisory Board and the Ramsey County Advisory Committee on Family Homelessness Prevention Assistance Program (FHPAP). They helped implement "Project Homeless Connect" at the St. Paul Armory on June 19, 2006 (and also June 19, 2007).

**34. Employee and resident scholarships:**

- **Former Commissioners Richard Willits and John Wilking and current Commissioner Marty Strub** have donated a total of almost \$5000 to the PHA for staff scholarships through FY 2007. These scholarships can be used to supplement education related expenses not covered by the PHA's tuition reimbursement plan. When former Commissioner Willits made the first donation, he wrote: "I would like this donation to be used by the PHA for the purpose of assisting an employee with their education. The education may or may not be related to their work at the PHA. Any education for the purpose of self-improvement is acceptable." The balance remaining at the end of FY06 was \$1700.
- On September 27, 2006, the Board awarded five public housing residents scholarships of \$1,000 each through the PHA's Scholarship Award Program to pursue post-secondary education. This program was created in 1996. The PHA has awarded 66 scholarships to residents since the inception of the program.

**35. Agency-wide employee recognition event:** Held yearly banquet in October. In addition to the Employee Length of Service Awards, staff continued the Team Awards including the Outstanding Risk Taking Award (Elite Implementation Team) and the Outstanding Team of the Year (Excellent Emergency Mode Team).

**35. Monthly Management Report:** This report continued to be the focus of detailed, semi monthly Senior Staff review of numerous operational indicators, such as: units owned, vacancy rate, turnover rate, families housed each month, waiting list and admissions, tenant accounts receivable, annual housekeeping inspections, annual preventive maintenance inspections, applications for continued occupancy, lease terminations for cause, maintenance work orders, resident satisfaction surveys, and Section 8 utilization.

**36. Monthly Human Resources Employee Activity Guide:** This monthly report provides detailed information to department directors and the Executive Director covering human resources/staffing activity indicators. Indicators include: employees hired, promoted/transferred/demoted, terminated/laid-off; recruiting activity by department; employee turnover; employee population by ethnic group; age distribution of all employees; employees on leave; health insurance cost; list of temporary employees; full-time equivalent employee count by department; and training programs attended by each employee.

**37. Strategic Planning:** On July 26, 2006, the PHA held a daylong strategic planning retreat. All commissioners, senior staff, legal counsel, and external community stakeholders participated in the retreat. In August, the Board prioritized a number of specific short-term and long-term strategies, which staff are implementing and reporting to the Board on a monthly basis.

**38. Executive Director Consulting:** In October, the Executive Director reported to the Board that he participated in two minimal consulting activities, one involving the Korean research Foundation and the second involving the Housing Authority of the City of Los Angeles.

**39. Legal Counsel:** In May the PHA presented its annual review and appraisal of Mike Driscoll and forwarded that to the City Attorney. We stated that we were fortunate to have Mike as our legal counsel and member of the senior management team. Later during this fiscal year, Mike announced his plans to retire in December of 2007. The Board instructed the Executive Director to work on a transition plan, which is now in place. (In June of 2007 Laura Pietan was appointed by the City Attorney as the new Assistant City Attorney assigned to the PHA.)

**40. Annual Report:** Published. Special thanks to Tristy Auger, Executive Assistant; Laurie Wachter, Business Systems Analyst and Graphic Designer; and Al Hester, text editor.

**41. Annual meeting, election of Officers, filling Board vacancies:**

- On September 27, 2006 the Board conducted its annual meeting and elected the following officers: Chair, Andy Boss; Vice Chair, Tom Reding; Treasurer, Kevin Lindsey; Secretary, Marty Strub; and Assistant Secretary, Shirley Kane.
- Board members completed their annual conflict of interest reports in September.
- On June 26, 2006 Mayor Coleman appointed Maria Manzanares and Merry Xiong to the Board (replacing Katherine Hadley and Ong Yang) and reappointed Tom Reding.
- Special thanks to Tristy Auger for her excellent performance as the Board's Recording Secretary.
- Special thanks to Tristy Auger and Al Hester for their assistance in assembling and editing this document as well.

**Many thanks to the PHA Board, and PHA Attorney Mike Driscoll for your continued support and guidance:** The Board meetings are effective and informative. A detailed record of your accomplishments in FY 07 is provided for the public record in the minutes and the various Reports to the Commissioners. **The public should be proud of the work you do in performing your policy-making obligations to this organization.**

Thanks to the PHA staff for their continued outstanding performance and dedication. I am especially proud of the depth of talent and the diverse individuals we continue to attract and retain at the PHA. Our mission is clear, our organizational climate is healthy and our ability to serve our clients intact. Thank you for the opportunity to be a part of this magnificent team.

Jon Gutzmann, 6/27/2007