



# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
FAX (510) 522-7848  
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701 Atlantic Avenue • Alameda, California 94501-2161

## IF YOU WISH TO ADDRESS THE BOARD:

1. Please file a speaker's slip with the Executive Director, and upon recognition by the Chair, approach the rostrum and state your name; speakers are limited to 5 minutes per item.
2. If you need special assistance to participate in the meetings of the City of Alameda Housing Authority Board of Commissioners, please contact (510) 747-4325 (TDD: 510 522-8467) or [dconnors@alamedahsq.org](mailto:dconnors@alamedahsq.org) Notification 48 hours prior to the meeting will enable the City of Alameda Housing Authority Board of Commissioners to make reasonable arrangements to ensure accessibility.

### **AGENDA**

### **REGULAR MEETING OF THE BOARD OF COMMISSIONERS**

### **DATE & TIME**

**Wednesday March 21, 2018 –**

**Closed Session – 6:45 p.m.  
Regular Meeting – 7:00 p.m.**

### **LOCATION**

Independence Plaza, 703 Atlantic Avenue, Alameda, CA

78-6800 Alii Drive, #3, Kailua-Kona, HI 96740  
(808-322-9413)

Welcome to the Board of Commissioners of the Housing Authority of the City of Alameda meeting. Regular Board of Commissioners meetings are held on the third Wednesday of each month in the Ruth Rambeau Memorial Community Room at Independence Plaza.

### **Public Participation**

Anyone wishing to address the Board on agenda items or business introduced by Commissioners may speak for a maximum of five minutes per agenda item when the subject is before the Board. Please file a speaker's slip with the Housing Authority Executive Director if you wish to address the Board of Commissioners.

### **PLEDGE OF ALLEGIANCE**

1. **ROLL CALL** - Board of Commissioners



2. Public Comment on Closed Session
3. Closed Session – 6:45 – Adjournment to Closed Session to Consider:
  - 3-A. Conference with Real Property Negotiator – (Gov. Code. Sec. 54956.8)  
Agency Negotiator: Vanessa Cooper, Executive Director and Victoria Johnson,  
Director of Housing and Community Development  
  
Property: Parcel 1 (see attached metes and bounds description)  
Negotiating Parties: Housing Authority of the City of Alameda and Carmel Partners  
Under Negotiation: Price and Terms of Land
4. Adjournment of Closed Session
5. RCONVENE REGULAR MEETING
6. Announcement of Action Taken in Closed Session, if any.
7. Public Comment (Non-Agenda)
8. CONSENT CALENDAR
  - Consent Calendar items are considered routine and will be approved or accepted by one motion unless a request for removal for discussion or explanation is received from the Board of Commissioners or a member of the public.
- 8-A. Approve Minutes of the Board of Commissioners Meeting held February 21, 2018–  
Page 4
- 8-B. Accept the Monthly Overview Report Administration/I.T./H.R.– Page 10
- 8-C. Accept the Monthly Overview Report Housing & Community Development – Page 12
- 8-D. Accept the Monthly Overview Report Housing Programs Department – Page 15
- 8-E. Accept the Monthly Overview Report Rent & Community Programs – Page 19
- 8-F. Accept the Monthly Overview Report Property Operations –Page 20
- 8-G. Accept the Monthly Development Report for Sherman & Buena Vista LP– Page 24
- 8-H. Accept the Monthly Development Report for 2437 Eagle Avenue – Page 26
- 8-I. Accept the Budget Variance Report – Page 28
- 8-J. Authorize the Executive Director to Negotiate and Approve a Second Extension of Amount (and Term) for the Contract between the Housing Authority of the City of Alameda and Nan McKay and Associates Up to a Total Not to Exceed Amount of \$320,000 to Extend the End Date to December 31, 2018 – Page 34
- 8-K. Accept Report on Quarterly Investment Report for Period Ending December 31, 2017–  
Page 37
- 8-L. Create an Adhoc Committee of the Board to Support the Creation of the Strategic Plan; Nominate up to Two Members to Serve on the Strategic Plan Adhoc Committee– Page 45
- 8-M. Approve Additional Purchase Funds for One Below Market Rate Unit at 2101 Eagle Avenue (Mulberry)– Page 47
- 8-N. Select Property Name for the New Construction Development at 1301 Buena Vista–  
Page 49





9. AGENDA

- 9-A. Accept the Audit Report for Fiscal Year Ending June 30, 2017– Page 66
- 9-B. Public Hearing to Hear Comments on Housing Authority Significant Amendment Effective July 1, 2018 – Page 139
- 9-C. Public Hearing to Hear Comments on Housing Authority Annual Plan for Fiscal Year Starting July 1, 2018 – Page 150
- 9-D. Adopt Significant Amendment to Annual Plan – Page 166
- 9-E. Adopt Annual Plan for Fiscal Year 2018 - 2019 – Page 168
- 9-F. North Housing Project Update; Authorize the Executive Director to Negotiate a Demolition Funding Agreement, to Issue a Public Bid and to Approve Two Contracts for Demolition in a Total Amount Not to Exceed \$1.5 Million - Page 173
- 9-G. Rosefield Project Update; Authorize Resubmission of Applications for Alameda County Rental Housing Development/A-1 Bond Funds; Authorize Executive Director to Execute Related Documents– Page 177
- 10. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
- 11. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)
- 12. ADJOURNMENT

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## Note

- If you need special assistance to participate in the meetings of the Housing Authority of the City of Alameda Board of Commissioners, please contact 510-747-4325 (TDD: 510-522-8467) or [dconnors@alamedahsg.org](mailto:dconnors@alamedahsg.org). Notification 48 hours prior to the meeting will enable the Housing Authority of the City of Alameda Board of Commissioners to make reasonable arrangements to ensure accessibility.
- Documents related to this agenda are available for public inspection and copying at the Office of the Housing Authority, 701 Atlantic Avenue, during normal business hours.
- Know Your RIGHTS Under The Ralph M. Brown Act: Government's duty is to serve the public, reaching its decisions in full view of the public. The Board of Commissioners exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people's review. In order to assist the Housing Authority's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the Housing Authority accommodate these individuals.





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## DRAFT MINUTES

### REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA HELD WEDNESDAY February 21, 2018

The Board of Commissioners meeting was called to order at 7:00 p.m.

#### PLEDGE OF ALLEGIANCE

#### 1. ROLL CALL

Present: Commissioner Kurrasch, Commissioner Rickard, Vice Chair McCahan,  
Commissioner Kay, Commissioner Weinberg, Chair Tamaoki

Absent: Commissioner Allen

#### 2. Public Comment (Non-Agenda)

One tenant said she has concerns about parking at Anne B. Diament. She said previously there were no handicapped parking spots. She said that another tenant got a handicapped parking spot by petitioning someone at City Hall. She said that when that tenant left, they should have taken that disabled spot down. She said that her spot was moved further away from the entrance. She said that she is determined to get her spot back.

Tenant Richard Neveln commented that the parking spots needed to be widened to help seniors with their walkers and wheelchairs. Mr. Neveln also commented on safety and emergencies and staff being available to assist. He suggested some type of watch safety program by AHA staff in four hour shifts.

#### 3. CONSENT CALENDAR

- Consent Calendar items are considered routine and will be approved or accepted by one motion unless a request for removal for discussion or explanation is received from the Board of Commissioners or a member of the public.

Commissioner Kurrasch requested that Item 3-M be moved to the Regular Agenda. Commissioner Kurrasch commented on Item 3-D and congratulated staff on bringing up the number of inspections. Lisa Caldwell commended the new





Maintenance Supervisor on taking on the role of restructuring and taking hold of this and said that he is doing a great job.

Commissioner Kay asked if there is any correlation between our staff and the inspector. She has concerns about the inspector's knowledge when they come out to inspect. Ms. Cooper said that the regular inspector was on vacation and that this is not the norm.

Commissioner Kay commented on the triennial research and what impact it would have on staff and staffing issues. Ms. Cooper spoke on this issue and gave some background. Ms. Cooper spoke about the plans for recertification process.

Vice Chair McCahan spoke on Item 3-D and commented on AHA receiving a high performer award for the Housing Choice Voucher Program. He said that this is an amazing number. Vice Chair McCahan also spoke on the Resiliency Planning Program and congratulated everyone who has worked on the Program. Ms. Cooper thanked Vice Chair McCahan for his guidance on the Program.

Commissioner Rickard asked that Item 3-A be separated out on the vote because he was absent at the last meeting. Commissioner Rickard asked for clarification regarding the purchase of property in the Housing and Community Development Report, Item 3-C, and Kathleen Mertz responded. Commissioner Rickard said the Capital Projects spreadsheets are hard to read and asked that they be enlarged in the future. Commissioner Rickard asked that Item 3-K be moved to the regular agenda.

Commissioner Kay asked if we could make request to the Police Department if we think something is connected to one of our properties. She said that there is an issue at the corner of Park and Otis. People are making illegal turns. Ms. Cooper spoke on the options for resolution. Ms. Cooper said that she would add this item to our bi-weekly agenda with the assigned AHA officers. Mr. Neveln said that this is an issue for the Transportation Commission, not the Police Department.

Chair Tamaoki commented that at the last meeting a tenant said there seems to be an issue of the Police not being able to get into one of the units. Ms. Cooper clarified that there is a key outside of the front door that the officers can access for all of the buildings. Staff checked that the key works.

Chair Tamaoki also commented on AHA being under HUD review for the shortfall funding. He congratulated staff for the response we received during the January meeting with HUD.

Chair Tamaoki commented on ADA Capital Improvements beginning to happen at Independence Plaza. He talked about the plan and timeline.

Chair Tamaoki commented on Standardizing the Fee Schedule. He thinks AHA needs to be compensated for costs incurred.





Commissioner Kurrasch moved to except the Consent Calendar with the move of 3-K and 3-M to the Regular Agenda and a vote on Item 3-A and Vice Chair McCahan seconded. The motion carried unanimously. Items accepted or adopted are indicated by an asterisk.

Commissioner Kurrasch moved to approve Item 3-A and Commissioner Kay seconded. The motion carried with one abstention.

- \*3-A. Approve Minutes of the Board of Commissioners Meeting held January 17, 2018 – Page 4
- \*3-B. Accept the Monthly Overview Report Administration/I.T./H.R. – Page 8
- \*3-C. Accept the Monthly Overview Report Housing & Community Development – Page 10
- \*3-D. Accept the Monthly Overview Report Housing Programs Department – Page 18
- \*3-E. Accept the Monthly Overview Report Rent & Community Programs – Page 23
- \*3-F. Accept the Monthly Overview Report Property Operations – Page 24
- \*3-G. Accept the Monthly Development Report for Sherman & Buena Vista LLP – Page 28
- \*3-H. Accept the Monthly Development Report for Everett Commons – Page 30
- \*3-I. Accept the Budget Variance Report – Page 32
- \*3-J. Accept the Quarterly Police Report – Page 35
- \*3-L. Approve Standardized Loan Fee Schedule – Page 42
- \*3-N. Authorize the Executive Director to Negotiate and Approve an Extension of the Term for the Contract Between the Alameda Housing Authority and 1) Goldfarb & Lipman LLP in the Amount of Fifty Thousand Dollars and Zero cents (\$50,000.00) up to a Total Not to Exceed Amount of Five Hundred and Twenty-Five Thousand Dollars and Zero Cents (\$525,000.00) Through December 31, 2018 and 2) Liebert Cassidy Whitmore in the Amount of Fifty Thousand Dollars and Zero Cents (\$50,000.00) up to a Total Not to exceed Amount of Three Hundred and Ninety Five Thousand Dollars and Zero Cents (\$395,000.00) Through December 31, 2018 – Page 46
- \*3-O. Approve Out-of-State Travel – Page 52
- \*3-P. Resiliency Planning – Page 53
- \*3-Q. Succession Planning – Page 56

#### 4. AGENDA

- \*3-K. Amendment to Executive Director Employment Agreement – Page 40

Commissioner Rickard opened discussion and talked about automatic increases in the Agreement. He said that this increase would be in addition to the automatic increases already in the Agreement. Ms. Cooper said that the automatic increases only happened in the first two years of the contract. In the third year Agreement it states that the Board would meet with the Executive Director to discuss and agree on some further compensation. Thus far the Executive Director has only met with the Board Chair. The Board Chair said that he is in support of the recommendation.

Commissioner Rickard moved to accept the recommendation on page 41 and Commissioner Kay seconded. The motion carried unanimously.





\*3-M. Select Property Name for the New Construction Development at 1301 Buena Vista – Page 44

Commissioner Kurrasch said that he would advocate that this property be dedicated to Mrs. Littlejohn. He talked about the longevity of the family in Alameda and their contributions to Alameda. Commissioner Kurrasch said that he prefers Littlejohn not Unity Commons. He proposes that we contact the Littlejohn family for approval. Commissioner Rickard was also in support of this recommendation. Chair Tamaoki agreed that Unity Commons does not strike him as being something uniquely Alameda. He said that he is always a little cautious when naming a property after a person. Commissioner Tamaoki suggested looking into to make sure that there is nothing that could be considered controversial later on. Ms. Cooper said that the Park is named after the Littlejohn family so she suggested that staff check in with the City Parks and Recreation Director to see what their process were in naming the Park. She feels that there may be some reliance that we could place on that. Commissioner Rickard said that there is already some precedence on naming properties after a person and mentioned a few named properties.

Ms. Cooper said staff will bring this item back to the Board after checking the City's processes.

4-A. North Housing Project Update and Approval to Execute a MOU and Administer a CDBG Grant on Behalf of the City of Alameda; Authorize Executive Director to Execute Related Documents – Page 62

Ms. Johnson presented on this item. She spoke on the monthly update of the housing project, identified City/CDBG funds to pay for some of the demolition work and reviewed some of the slides provided by the work consultant that staff has engaged. She gave a general update on the work with the City on the MOU. The AdHoc Committee Members and the Task Force Committee Members both had their monthly meeting. She said that she has been working diligently on getting ready for the demolition. We have started the process of working with the Navy. Ms. Cooper said that it has been a continual communication with the City and Carmel. Ms. Johnson talked about the timeline, processes and bids received.

Chair Tamaoki said that he knows that a lot of hard work has gone into the process and the preparation. Commissioner Kurrasch thanked staff or all of their hard work.

Commissioner Kurrasch moved to accept the staff recommendation on page 64 and Vice Chair McCahan seconded. The motion carried unanimously.





Ms. Cooper introduced Joyce Boyd, the AHA new Finance Director. Ms. Boyd gave some background of her previous experience.

4-B. Accept Report and Provide Direction to Staff Related to Real Estate Development and Project Management – Page 65

Ms. Cooper said that tonight she wanted to bring some options to the Board and that she is not looking for a decision. In the future we she would like to use the same type of grid that we are using here to show how we move forward.

There was discussion about the type of housing deals that are done. Commissioner Rickard said there is room for multiple approaches in the type of work we have coming up. He said that there are advantages and disadvantages in both. Commissioner Rickard said that he likes the idea of working with non-profits and it generates a lot of ideas. He said that we have competent and personal staff and he is interested in seeing some kind of balance there. Chair Tamaoki said he likes the idea of having internal development staff and he likes having the different options. Chair Kurrasch agreed that we do need a mix. We now have the ability to do work in-house. Vice Chair McCahan said we have great staff, but looking forward, new talent-set and skill-sets will be required. He commented on how that would be addressed.

4-C. Adopt Resolution Authorizing the Real Property Transfer of Four Housing Authority Owned Properties (China Clipper, Anne B. Diament, Lincoln-Willow, and Stanford House) to Alameda Affordable Housing Corporation and Authorize Executive Director to Execute Related Documents – Page 69

Ms. Cooper acknowledged that legal counsel Jennifer Bell is available tonight to answer questions and that Ms. Bell and Kathleen Mertz have worked closely on this project.

Ms. Mertz gave some background of the Alameda Affordable Housing Corporation (AAHC). In relation to our Project Based Voucher Housing Assistance Payment, HUD provided guidance saying that Housing Authority cannot be both the property owner and the contract administrator because you cannot be on both sides of the contract. A wholly controlled non-profit, AAHC was created to be the separate legal entity as owner. Some of the Project based Housing Assistance Payment contracts are coming up for renewal and we want to have everything set-up with AAHC to be in position to take ownership at contract renewal to meet HUD guidelines. Staff is recommending transferring these four properties to AAHC. Ms. Mertz spoke on the transfer steps as outlined in the memo. Ms. Mertz spoke on the transfer transactions, reviewed the budget impact and talked about management of the property. There was discussion about how the funds would be deposited.

Commissioner Kurrasch moved to accept the staff recommendation on page 72 and Vice Chair McCahan seconded. The motion carried unanimously.



Roll Call Vote: Commissioner Kurrasch yes, Commissioner Kay yes, Commissioner Rickard yes, Vice Chair McCahan yes, Commissioner Weinberg yes, Chair Tamaoki yes.

5. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)

Mr. Neveln commented on the new development plan at Rosefield Villas. He said that if there were a fire he has concerns about access of large fire trucks. He also has concerns about bus stop availability and improved bus routes.

6. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

Commissioner Kurrasch thanked Vice Chair McCahan for bringing back the spirit of Estuary Park. He said that this is a wonderful facility.

7. ADJOURNMENT

There being no further business, Chair Tamaoki adjourned the meeting at 8:27 p.m.

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Kenji Tamaoki, Chair

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Vanessa M. Cooper  
Executive Director/Secretary







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To: Honorable Chair and  
Members of the Board of Commissioners

From: Janet Basta  
Director of Human Resources and Operations

Date: March 21, 2018

Re: Monthly Overview Report to the Board: Operations, HR, and IT

## **BACKGROUND**

This memo provides a high level overview of agency activities in the prior month for agency Operations, Human Resources, and IT.

### Human Resources and Operations

Recruiting continues for multiple positions, including the Deputy Executive Director. Panel interviews were held on March 7, followed by a second round on March 14. External interviewers, including AHA Board of Commission members and City staff, participated in the panels, and the reference check process is underway.

The Controller position has been filled, with the candidate starting on March 12. The Senior Accounting Technician position is being reposted in March. Recruiting for this position may be extended and/or a decision made to utilize a temporary agency for staffing should the process not yield a successful candidate. Interviews for the part-time Resident Manager position for Eagle Village have occurred, and will begin in the next month for the Resident Manager position for China Clipper.

A three-hour staff training on Customer Service is scheduled for March 22. The training will be conducted by Michael Dismuke from Eden Housing. Michael has presented at AHA in the past; he blends an engaging presentation style with relevant, useful information, and this session promises to be helpful to all AHA staff as we aim to provide a high level of customer service to the population we serve.

AHA is now a large employer (ALE) under the Affordable Care Act provisions. Notices of coverage were sent to impacted employees, and the summary will be filed with the government by the upcoming deadline.

### Information Technology/Administration

Regular meetings with Yardi staff continue to roll out Rent Café and the Yardi Affordable module. It is anticipated that both systems will be online before the end of this fiscal year.

Honorable Chair and  
Members of the Board of Commissioners


March 21, 2018  
Page 2 of 2

The onsite server and network infrastructure upgrade occurred on March 10, 2018. The upgrade occurred over the weekend. Some of the systems the AHA was operating on were no longer supported by the vendor or other software companies, so this upgrade now brings the equipment up to current operating systems and will hopefully result in improved overall efficiency.

**RECOMMENDATION**

For information only.

Respectfully submitted,



Janet Basta  
Director of Human Resources and Operations

JCB/TMSC





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To: Honorable Chair and  
Members of the Board of Commissioners

From: Victoria Johnson  
Director of Housing and Community Development

Date: March 21, 2018

Re: Update to the Board of Commissioners – Housing and Community  
Development

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## BACKGROUND

This memo provides an overview of departmental activities in the prior month.

## DISCUSSION

### Capital Projects

The attached table (Attachment 1) summarizes Housing Authority capital project work recently completed, currently underway and those planned to begin within the coming quarter.

The *Invitation to Bid* period for the ADA upgrade project at Independence Plaza has closed. Staff received three bids, two of which were deemed responsive and are under consideration. Both bids were significantly higher than the professional estimate of \$1.66 million. One major point of difference is that the estimate of cost did not account for phasing. The project is currently proposed to be completed in six phases to accommodate tenant needs and to minimize relocation. Staff is currently facilitating the bid review and analysis so that a contractor/contract may be presented to the Board at the April meeting. Staff has also secured the necessary City permits to proceed with the project. Construction is scheduled to begin in late May 2018.

### Community Development Block Grant (CDBG)

Staff has begun preparations for the 2018-19 Action Plan. The Notice of Funding Availability has been released for the social services, economic development and HOME funds. Staff is coordinating review of the public services with the Social Services Human Relations Board (SSHRB) as it has in the past.

As we near the end of the current fiscal year, staff is actively monitoring use of the CDBG funds to ensure that the funds are expended in a timely manner. Two residential



rehab loans have been booked, and the projects are on track to complete renovations by mid-April. In addition, Building Futures with Women and Children has completed its RFQ process to select a general contractor to remove and demolish an existing bathroom trailer and replace it with a new one. Work is expected to be completed no later than mid-July. Staff is preparing to present to Council on March 20 to recommend reprogramming of funds for clearance activities that will be used for the demolition and rebuilding of housing at the North Housing site.

**Inclusionary and Below Market Rate Programs**

Staff is circulating the loan documents for the last unit at Alameda Landing. It is expected to close before the end of March.

Staff is currently reviewing applications from households numbered 4 through 8 (from the lottery) for the three units that are for sale at Mulberry (2100 Clement).

**Pre-development Loans**

The Housing Authority has made separate pre-development loans to Island City Development on behalf of two development projects: North Housing and Rosefield. A \$250,000 working capital loan to ICD was also made in 2017. Reporting on loan balances is shown below or is included in a separate report.

Rosefield Village

Pre-development Loan from AHA	\$ 1,000,000
Usage through February 2018	\$ 216,274
Balance	\$ 783,726

Pre-development costs to date include geotechnical, survey and appraisal services, engineering and architectural services, and financial and application consultants.

North Housing

Pre-development Loan from AHA	\$ 300,000
Usage through January 2018	\$ 66,249
	\$
Balance	233,751

Pre-development costs to date include appraisal services and the project planning consultant.

**Pipeline**

Everett Commons Apartments – Construction is on schedule and a separate report on the project is attached. The project architect (Anne Phillips Architecture) has requested an additional change order in the amount of approximately \$70,000 to complete the construction administration (CA) services. The original contact amount was approved at \$550,000 (design and CA) and the current contact amount including approved change orders is \$695,000. The contract has been assigned to the tax-credit partnership and is now managed by ICD. The project has a very tight budget and staff is uncertain if funds are available for additional change orders. Staff met with Anne and





the firm's lead architect in charge of the project to review the request. Staff is now reviewing the specific line items included in the request and will return to the Board further detail and a proposed resolution.

Del Monte Senior – Construction is on schedule and a separate report on the project is attached.

North Housing – The task force committee that includes AHA staff and community partners met on March 1<sup>st</sup> to discuss the status of the MOU, proposed demolition and related matters. A separate report on the project is attached.

Rosefield Village – Staff is currently working with Dahlin Architects to prepare the Design Review drawings that will be submitted for Planning Board consideration in May or June. A separate project update report is attached.

### **Asset Management**

Staff is providing audit and tax return support for the entities with a fiscal year ending December 31, Island City Development, LLCs, and the limited partnerships. Staff continues to work on refinance scenarios, per the Ad Hoc Committee schedule of activities. Staff is working with legal counsel on the AAHC property transfer requirements, approvals, and documents, which is expected to close on or about April 16<sup>th</sup>. Consent to the transfer requires City Council approval on April 3<sup>rd</sup> due to existing loans recorded against two of the properties.

Staff continues to oversee lease up coordination of 1301 Buena Vista Avenue with The John Stewart Company (JSC) and other AHA staff. The first move-ins are not expected until June due to delays with the master developer's ability to finalize infrastructure improvements.

### **Other Activities**

Staff has completed the Homelessness Report in coordination with the City's Community Development Department. In February the Report was unanimously approved by SSHRB and recommended for adoption by City Council. The Report is on the City Council agenda for March 20, 2018.

Active recruitment for the 2018 interns will commence in April.

### **RECOMMENDATION**

For information only.

Respectfully submitted,



Victoria Johnson  
Director of Housing and Community Development



To: Honorable Chair and  
Members of the Board of Commissioners

From: Lynette Jordan  
Director of Housing Programs

Date: March 21, 2018

Re: Monthly Overview Report to the Board Housing Programs

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## **BACKGROUND**

This memo provides a high-level overview of Housing Programs Department (HPD) activities in the prior month.

### **HUD Field Office Staff Visit**

After a HUD Field Office visit on Wednesday, January 17, 2018, it was confirmed that AHA would be over \$3 million in shortfall for the 2018 year. AHA was assigned a "shortfall" team to monitor monthly HAP and administrative costs. As a shortfall agency, AHA will be required to project monthly HAP costs and apply for set aside funds to be front loaded into the Agency's HAP account to offset the deficit. Set-aside funds are funds given to PHAs to help them meet their HAP expenses. AHA was approved an additional \$277,000 payment to cover HAP expenses through February 2018. Furthermore, under shortfall, AHA is required to take several steps to limit HAP expenditure including outreach to tenants currently reporting zero income, reviewing income for households with rent burden over 50%, ceasing issuance of new vouchers to households unless they fall in one of three categories, (VAWA, RA, or are living in an unsafe situation), and not issuing conversion vouchers for project-based voucher to tenant-based vouchers. In preparation of the Agency's shortfall status, AHA ceased voucher issuance in November 2017 and started requiring a 90-day reexamination of all households reporting zero income.

Furthermore, AHA is required to work to reduce any underreporting of income, enforce and implement repayment agreements for tenants who have underreported income in the past, and collect overpayments of HAP funds from owners. Numerous fraud prevention and awareness measures have been implemented and will be vigorously tracked and reinforced in the coming months. Underreporting letters were mailed to all program participants reminding them of their family obligations to report all changes in income and offering them an opportunity to voluntarily report any income changes they have not reported to date with a final deadline for self-reporting. Mandatory reexaminations have



been scheduled with families whose income appears underreported based on rent burden reports and a tool provided by HUD.

AHA hosted its first meeting with the Shortfall team on Monday, March 5, 2018 and HUD staff was pleased to learn that many of the HAP cost-savings efforts AHA will be asked to implement under the shortfall designation, have already been implemented or considered. AHA staff will meet with our Shortfall Team monthly and the next meeting is scheduled for March 15, 2018. A Board memo outlining shortfall and streamlining analysis will be submitted.

### **TRIENNIAL RECERTS**

In response to HUD's recently published interim final rule in the Federal Register implementing the Fixing America's Surface Transportation Act (FAST Act) authorizing triennial reexaminations for some assisted families with fixed income. AHA has determined that 441 households of AHA families have 100% fixed income. The triennial reexamination process will allow AHA to establish a baseline year for these families in 2018 by performing a complete reexamination of the families' income and assets. In 2019 staff will then be able to complete reexaminations for the 100% fixed income families through self-certification process.

This will result in a reduced annual workload for staff, as well as an administrative cost savings. A Board memo outlining the administrative cost savings as AHA moves forward with triennial reexaminations and staffing adjustments has been submitted for Board review.

### **RENTCAFE COMING SOON**

Rentcafe is Yardi's online recertification portal that will allow AHA staff to process annual recertifications online. Early in 2017, staff began working with a Yardi implementation team and had hoped to have the process completed and launched at the end of 2017. However, due to several technical difficulties, Yardi was forced to take Rentcafe out of the implementation stage and placed the program back into production. After researching the issues and reformatting the Rentcafe portal, Yardi has re-launched the online recertification program and AHA staff are actively working to redesign the portal.

Staff's goal is to launch the online recertification process to test groups of participants by property type beginning with Project-Based tenants this fiscal year. This small launch will allow staff the opportunity to train our tenants on the new process and assist them with the new on-line format and train staff and identify any problem areas. Rentcafe is another cost savings that will allow AHA to meet our continued challenge of finding efficiencies within the HPD department.

### **HPD Department Statistics**

<b>Statistics</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>
<b>Annual</b>	102	Due: 113 Completed:	Due: 79 Completed



<b>Re-examinations Processed</b>		105	78
<b>Rent Increases</b>	15	20	91
<b>Interim Re-examinations Processed</b>	43	32	25
<b>HQS Inspections Conducted</b>	34 47% pass rate	38 66%	34 68%
<b>HQS in AHA Owned</b>	No AHA	45-Sherman, CC, Lincoln Willow, Sr, Condo, Stanford 66% pass rate	20- Shinsei-90% 71-APC-83% 117-Esp-45% 4-Lincoln- 90%

**Voucher issuance and lease up data**

<b>Statistics</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>
Section 8 Continued Movers seeking housing	14	8	7
Port-in seeking housing	4	2	4
Voucher holders ported out and seeking elsewhere	2	4	3
Total voucher holders seeking housing	18	10	11
Non-Port Leased	4	3	5
Port Move-In Leased Up	0	0	4
Total vouchers leased up in month	4	3	9
New Vouchers Issued	0	0	0

- Please note AHA is no longer issuing vouchers, or processing PBV to HCV conversions.

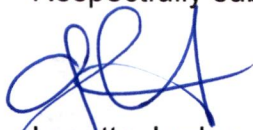
Honorable Chair and  
Members of the Board of Commissioners

March 21, 2018  
Page 4 of 4

**RECOMMENDATION**

For information only.

Respectfully submitted,



Lynette Jordan  
Director of Housing Programs



# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
FAX (510) 522-7848  
TDD (510) 522-8467

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and  
Members of the Board of Commissioners

From: Jennifer Kauffman, Management Analyst

Date: March 21, 2018

Re: Monthly Overview Report to the Board – Rent & Community Programs

## BACKGROUND

The monthly reports for the Rent Stabilization Program are available at [www.alamedarentprogram.org](http://www.alamedarentprogram.org).

The following submissions were filed with our office for review:


<u>Submission Type</u>	Oct	Nov	Dec	Jan	Feb
Rent Increases	21	9	15	14	17
Rent Increases Reviewed by the RRAC	3	2	1	1	1
Terminations of Tenancy	12	11	11	11	10
Capital Improvement Plans	0	0	1	0	0

For outcomes of submissions reviewed, please see the full report available on the website.

## RECOMMENDATION

For information only.

Respectfully submitted,

  
Jennifer Kauffman  
Management Analyst, Rent and Community Programs





# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and  
Members of the Board of Commissioners

From: Lisa Caldwell, Director of Property Operations

Date: March 21, 2018

Re: Monthly Overview Report to the Board for Property Operations

## BACKGROUND

This memo provides a high-level overview of the property operations activities in the prior month.

## DISCUSSION

### VACANCY – February

Lease up coordination between the Property Management and Housing Programs departments continues in order to fill vacancies as soon as possible. Applicants from waitlists have been outreached or are in process for all vacant units. Three applicants are processed at a time for each vacancy.

Property	Unit #	Vacancies end of February	Rate
Anne B. Diament Plaza	65	1	2%
China Clipper Plaza	26	1	4%
Eagle Village	36	1	2%
Esperanza	120	2	2%
Independence Plaza	186	0	0%
Parrot Village	50	0	0%
Combined Smaller Sites *	40	3	8%
<b>Total</b>	<b>529</b>	<b>8</b>	<b>2%</b>

\*Lincoln House (4), Lincoln/Willow (5), Parrot Gardens (8), Senior Condos (7), Sherman Street (9), Stanford House (4), Paru Street (1) and Mulberry Townhomes (2).

The total unit count above includes the six (6) manager units located at Anne B. Diament Plaza, Esperanza, Parrot Village, Independence Plaza, China Clipper and Eagle Village.

Rosefield Village has been removed from the above vacancy chart due to The John Stewart handling the leasing of vacant units.

In February, there were five (5) units at Rosefield that were permanently offline due to the upcoming rehabilitation of the property. As vacancies come up at other AHA owned sites, residents at Rosefield will be offered these units, where eligible, in order to accommodate as many current residents that want to remain housed in Alameda.

Effective November 1, 2017 all upcoming vacant units at Independence Plaza will not be filled in order to accommodate upcoming ADA capital improvements to 20 units. At the end of February there was four (4) vacant unit at Independence Plaza taken offline, this unit is not included in the vacancy numbers and rate listed above.

At the end of December, AHA purchased its first two units of four Below Market Rate (BMR) units at the Mulberry townhome community. These two units have been added to the vacancy chart above under combined smaller sites.

RENT COLLECTIONS – February

Most rents for February were collected. Legal proceedings will be started on the households who did not pay if agreements cannot be reached for the past due payments. No legal actions were taken in the prior month.

All properties had a collection rate of 95% or above in February.

GPR - Budget vs. Collected

Property	ABD	China Clipper	Eagle Village	ESP	IP Tenant Rent Only	Parrot Village	*All Other Sites	Total
Budgeted GPR	80,193	33,246	72,022	280,153	134,390	123,076	50,310	<b>773,390</b>
Collected	83,818	32,517	73,365	282,334	139,274	144,879	48,386	<b>804,573</b>
Collection Rate	105%	98%	102%	101%	104%	118%	96%	<b>104%</b>

\*Lincoln House (4), Lincoln/Willow (5), Parrot Gardens (8), Senior Condos (7), Sherman Street (9), Stanford House (4), Paru Street (1) and Mulberry Townhomes (2).

Below are the collection rates for Rosefield Village for the month of February.

For the month of February, the collection rate was above 95%. As mentioned above there are currently five (5) units offline at Rosefield.

GPR - Budget vs. Collected

Rosefield	February
Budgeted GPR	79,531
Collected	87,127
Collection Rate	110%



Rent increase notices for 2018 are continuing to go out monthly. The rent increase notices are provided 60 days prior to the effective date. Rent increase notices will continue to be mailed out monthly. Many of the increases are to the contract rent for voucher holders and should not affect the tenant's portion. The exception will be to the households that are over housed and paying for an extra bedroom outside of the voucher size. Rent increases are below the current payment standards.

All qualifying residents at Independence Plaza were issued rent increase notices at the end of November with an effective date of February 1, 2018.

**RESIDENT SERVICES**

The below chart outlines the number of hours and services provide by LifeSTEPS for the month of February for all AHA sites.

<b>Service</b>	<b>Participants</b>	<b>Hours</b>
Individual Case Management	416	192.5
Education Classes	207	29.75
Community Building Enrichment Activities	95	31.25
Additional Services & Education	294	21.5

The Reading Room at Esperanza is generally open weekly for children's reading and other activities. Alameda Family Services continues to provide services at Esperanza for families, seniors and the homeless. After school services are provided the Boys & Girls Club of Alameda. In partnership with AHA, the Alameda Food Bank provides services twice a month to both Anne B Diament and independence Plaza. In February the food distribution for Esperanza continued to be a huge success.

The following total households were served in February.

<b>Property</b>	<b>No of units</b>	<b>Households Served</b>
Anne B Diament	65	68
Independence Plaza	186	101
Esperanza	120	79

**MAINTENANCE**

Annual HQS inspections for 2017-2018 have been completed at Eagle Village, Anne B. Diament, Parrot Village, Parrot Gardens, the scattered sites, China Clipper and Esperanza. Staff is working on corrections for units that did not pass and required follow up.

Preventive maintenance has started at Independence Plaza.

Upcoming capital improvement work at Independence Plaza includes ADA upgrades to 20 units and will take place over the upcoming year. The first tenant meeting for the units impacted took place in December. Staff is currently working on meeting with households in the 1<sup>st</sup> phase to offer one time permanent moves within the property.

The maintenance department is in the process of reviewing and updating reporting. Updated reports regarding work order turnaround times and year to date completion will be provided at the board meeting.

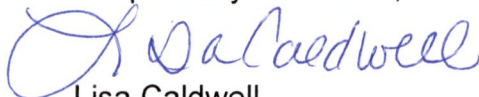
**FINANCIAL IMPACT**

Report only, no financial impact.

**RECOMMENDATION**

For information only.

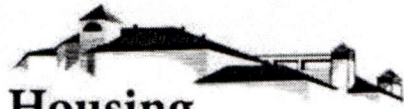
Respectfully submitted,



Lisa Caldwell  
Director of Property Operations

VMC/all





# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
FAX (510) 522-7848  
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To: Honorable Chair and  
Members of the Board of Commissioners

From: Tobi Liebermann  
Housing and Community Development Sr. Project Manager

Date: March 21, 2018

Re: Sherman & Buena Vista LP Project Update

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## BACKGROUND

The Community Development Department provides monthly reports on projects under construction where AHA is acting as developer and provides performance guarantees.

The Sherman & Buena Vista LP (Del Monte Senior) project (Project) includes the new construction of 31 units located at 1301 Buena Vista Ave. Construction funds were secured at the financial closing on December 14, 2016 and BBVA Compass is serving as construction lender. Brown Construction is the General Contractor.

Bedroom Size	1	2	3	4	Total
# Units	30	1			31

Gross Floor Area = 28,466 Square Feet (includes common areas)

## DISCUSSION

Construction of the Project started on December 27, 2016. The current percent complete as of the end of February billing is 93.6%. To date, a total of 104 days of time extensions have been approved. The site infrastructure work that is to be performed by Tim Lewis is underway but delayed, and staff is continuing to monitor this closely. Current construction activities include interior finishing and ongoing site work. The construction contract totals \$11,148,028. The development budget includes a 5% hard cost construction contingency in the amount of \$557,401. There are three owner approved prime contract change orders (PCCO) at this time. Approved PCCOs now total \$162,059 including both added costs and credits. Owner contingency funds are held separately from the contract and as change orders are approved, the original construction contract value will increase accordingly as shown in the table below.

<b>Contingency Utilization</b>				
	Original Budget	Current Revisions	Previous Revisions	Current Budget
Construction Contract	11,148,028	0	162,059	11,310,087
Construction Contingency	557,401	0	-162,059	395,342
Soft Cost Contingency	143,686	-6,003	-51,803	85,880

<b>General Construction Contract Utilization</b>				
Contract Total	Value of Work Completed	Retention Withheld	Payments to Date	Balance to Finish
11,310,087	10,586,007	1,058,601	9,527,406	1,782,680

**FINANCIAL IMPACT**

A pre-development loan from AHA to ICD in the amount of \$1M was made on behalf of the Project and was repaid. The current construction draw schedule is shown below. The land line item is shown as disbursed but is a deferred payment. The \$ Disbursed includes the current draw amount.

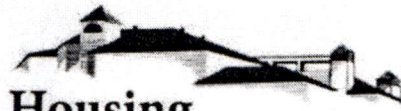
	<b>\$ Budget</b>	<b>\$ Disbursed</b>	<b>% Disbursed</b>	<b>\$ Balance</b>
<b>Land</b>	3,435,000	3,435,000	100%	-
<b>Hard Costs</b>	11,705,429	9,527,407	84%	2,178,022
<b>Soft Costs</b>	4,059,874	2,501,268	62%	1,558,606
<b>Total</b>	19,200,303	15,463,675	81%	3,736,628

Respectfully submitted,



Tobi Liebermann  
Housing and Community Development Sr. Project Manager





# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
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To: Honorable Chair and  
Members of the Board of Commissioners

From: Tobi Liebermann  
Housing and Community Development Sr. Project Manager

Date: March 21, 2018

Re: Everett Commons (Everett and Eagle LP Project) Update

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## BACKGROUND

The Community Development Department provides monthly reports on projects under construction where AHA is acting as developer and provides performance guarantees.

The Everett Commons project (Project) includes the new construction of 20 units located at 2437 Eagle Ave. Construction funds were secured at the financial closing on June 29, 2017 and JPMorgan Chase is serving as construction lender. J.H. Fitzmaurice, Inc. is the General Contractor.

Bedroom Size	1	2	3	4	Total
# Units	4	11	5		20

Gross Floor Area = 26,167 Square Feet (includes common areas)

## DISCUSSION

Construction of the Project started on July 7, 2017. The current percent complete as of the end of February billing is approximately 35.1%. Current GC activities include framing, rough plumbing and electrical and stair and balcony construction.

The construction contract totals \$11,556,266 including 7 approved prime contract change orders for a total of \$150,305. The development budget includes a 5% hard cost construction contingency in the amount of \$577,813. Owner contingency funds are held separately from the contract and as change orders are approved, the original construction contract value will increase accordingly as shown in the table below.

<b>Contingency Utilization</b>				
	Original Budget	Current Revisions	Previous Revisions	Current Budget
Construction Contract	11,556,266	18,965	131,340	11,706,572
Construction Contingency	577,813	-18,965	-131,340	427,507
Soft Cost Contingency	148,371	-20,794	-52,124	75,453

<b>General Construction Contract Utilization</b>				
Contract Total	Value of Work Completed	Retention Withheld	Payments to Date	Balance to Finish
11,706,572	4,109,303	410,930	3,698,373	8,008,199

Staff has submitted the 10% test to TCAC.

**FINANCIAL IMPACT**

A pre-development loan from AHA to ICD in the amount of \$1M was made on behalf of the Project and was paid back in August. The current construction draw schedule is shown below. The \$ Disbursed includes the current draw amount.

	<b>\$ Budget</b>	<b>\$ Disbursed</b>	<b>% Disbursed</b>	<b>\$ Balance</b>
<b>Land</b>	34,900	15,833	45%	19,067
<b>Hard Costs</b>	12,134,079	3,698,372	30%	8,435,707
<b>Soft Costs</b>	2,759,942	1,822,091	66%	937,851
<b>Total</b>	14,928,921	5,536,297	37%	9,392,624

Respectfully submitted,



Tobi Liebermann  
Housing and Community Development Sr. Project Manager



To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Date: March 21, 2018

RE: Budget Variance Report for December 31, 2017

#### BACKGROUND

On May 18, 2016 the Board of Commissioners approved a two-year operating budget for all programs covering the fiscal years July 1, 2016 through June 30, 2018. A revision was approved by the Board of Commissioners for 2016-17 at the May 2017 meeting for 2017-18. This high-level, year-end Budget Variance Report covers preliminary unaudited financial operating results compared to the revised 2017-18 budget. Although the year-end financial data is accrued, the month-to-month financials are on a cash basis. The numbers are subject to change based on the final audit report.

#### DISCUSSION

##### Revenue

Overall, total revenue income is higher than the year-to-date budget by \$2,821,385 (11%).

The net rental income (total tenant revenue) is \$204,486 (3%) higher than budget due to low vacancy rates in the very tight housing market in the Bay Area, especially for low-income tenants and Housing Choice Voucher (HCV) holders. See the Property Operations overview for details on vacancies and rent collection.

Agency-wide, other income is \$2,070,618 (179%) more than the year-to-date budgeted revenue. This is mainly due to other miscellaneous revenue which includes \$2,000,000 for in lieu fee for Alameda landing from TriPointe. Professional service revenue is under budget \$104,926 (10%) and includes developer fees, the rent program, and Housing & Community Development. Developer fees are over budget due to receipt of \$240,000 from Sherman and Buena Vista LP and \$100,000 from ICD to pay for development staff costs. The rent program is under budget \$314,300 mainly due to understaffing.

Administrative Fee income in the HCV Program is less than the year-to-date budget by \$24,538. This is mainly due to a lesser disbursement by HUD of the Administrative Fee revenue compared with our budgeted revenue that included a projected higher proration than actual. Proposed reductions in Administrative fee for 2018 (as low as a 70% proration) will need to be considered when the Board approves the 2018-19 budget revision in June. Administrative Fees from HUD have for many years now not fully funded the Housing Programs Department and the Section 8 program has been subsidized by income from the Property Management Department. It will be important to review options for reducing these costs, which may include freezing hires in the HPD department, accelerating streamlining options such a triennial recertifications and transferring staff to open positions that come available in other departments. Closing the front door to the public every Friday as opposed to every other Friday could facilitate, over time a reduction in staff costs since fewer receptionist staff would be needed.

### Expenses

Agency-wide total operating expenses are lower than the year-to-date budget by \$1,475,227 (19%). This is mainly due to the lower salary and benefit expenses and maintenance expense savings. Please note the use of temporary staff or contractors to fill permanently budgeted positions. There are currently a number of budgeted but unfilled positions.

Net income from operations (before depreciation) is \$4,086,485. This is \$3,268,329 (399%) over budget.

### HOUSING ASSISTANCE PAYMENTS (HAP) PASS-THROUGH

The Housing Assistance Payments (HAP) Pass-through budget includes all the Housing Choice Voucher/Section 8, Shelter Plus and Bessie Coleman (SRO) programs. The year-to-date HAP revenue is \$651,985 (4%) above the budget due to the use of reserves. The HAP payments to landlords are \$1,047,361 (7%) more than the year-to-date budget. The budget was based on the 2016 Budget Authority which was cut by HUD to 97.1% proration in 2017. See HPD memo for more on HAP proration proposals for 2018.

HUD established a project reserve, whereby AHA can draw additional HAP funds if our HAP costs exceed any month's HAP budget authority. This HUD-held HAP reserve began with a balance of \$3.6 million dollars at the start of the 2017 calendar year. To make HAP payments, the entire \$3.6 million was drawn from reserves through January 2018. These funds have now been exhausted and future HAP payments are now dependent on HUD monthly advances. Staff is working closely with HUD to monitor the HAP revenue and expenditure, and the federal budget process to ensure a sufficient cash flow for the program.



OTHER ISSUES IMPACTING FINANCE DEPARTMENT

A new Controller, Kani Lin, started March 12, 2018 to join our new Finance Director, Joyce Boyd, CPA who started on January 29, 2018. Joyce attended a Housing Choice Voucher Financial Management class earlier this month. Nan McKay and Associates continues to provide on-site consulting and training services. Other positions have been filled with temporary staff and recruitment is ongoing for positions currently vacant. At the same a process of documenting desk instructions for Finance staff has also been put in place to assist with the handover.

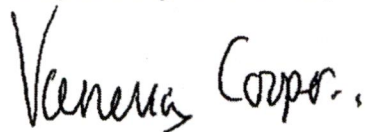
The 2016-17 AHA audit is complete. See separate memo. The ICD 2017 audit is also in progress.

Staff issued an RFP for auditors earlier this summer. HUD requires that the audit contract be rebid every 5 years. Five firms submitted, and interviews took place on November 23. Commissioner Kurrasch served on the panel along with staff and the Board will make the final selection in March 2018.

RECOMMENDATION

For information only.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VC

Attachments: 1. Budget Variance Report



**ALAMEDA HOUSING AUTHORITY**  
**Budget Comparison (with PTD)**  
For the Seven Months Ended January 31, 2018

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
<b>REVENUE</b>								
<b>TENANT REVENUE</b>								
Vacancy Loss	-	(38,747)	38,747	100	-	(271,240)	271,240	100
Rent Free Unit	-	(9,536)	9,536	100	-	(66,752)	66,752	100
Write Off	-	(7,339)	7,339	100	-	(51,379)	51,379	100
Tenant Rental Revenue	301,936	290,808	11,128	4	2,060,762	2,035,656	25,106	1
Maintenance Charges	1,929	1,094	835	76	6,937	7,664	(727)	(9)
Late Charges	10	-	10	N/A	930	-	930	N/A
Tax Increment Payments from the City of Alameda	-	170,281	(170,281)	(100)	1,000,000	1,191,967	(191,967)	(16)
Tenant HAP Subsidy	473,549	508,080	(34,531)	(7)	3,407,076	3,556,560	(149,484)	(4)
Rent Free Unit	-	5,190	(5,190)	(100)	-	36,330	(36,330)	(100)
Commercial Rents	6,717	2,326	4,391	189	17,202	16,282	920	6
<b>TOTAL TENANT REVENUE</b>	<b>784,141</b>	<b>922,157</b>	<b>(138,016)</b>	<b>(15)</b>	<b>6,492,907</b>	<b>6,455,088</b>	<b>37,819</b>	<b>1</b>
<b>FEDERAL GRANTS</b>								
Shelter Plus Care Revenue	25,491	31,215	(5,724)	(18)	166,792	218,505	(51,713)	(24)
<b>TOTAL FEDERAL GRANTS</b>	<b>25,491</b>	<b>31,215</b>	<b>(5,724)</b>	<b>(18)</b>	<b>166,792</b>	<b>218,505</b>	<b>(51,713)</b>	<b>(24)</b>
<b>OTHER INCOME</b>								
Investment Income - Unrestricted	-	-	-	N/A	57,487	-	57,487	N/A
Interest Income	11,600	5,912	5,688	96	126,289	41,388	84,901	205
Interest on Equip. Reserve	-	-	-	N/A	2,007	-	2,007	N/A
Mortgage Interest Income	1,671	-	1,671	N/A	8,146	-	8,146	N/A
Interest - Replacement Reserve	20	-	20	N/A	9,935	-	9,935	N/A
Other - Income	1,124	-	1,124	N/A	2,322	-	2,322	N/A
Laundry Commission	1,405	2,155	(750)	(35)	14,383	15,086	(703)	(5)
Other Income from Other Programs	772	-	772	N/A	772	-	772	N/A
Land Fee/Ground Lease	160	447	(287)	(64)	1,501	3,129	(1,628)	(52)
Other Miscellaneous Revenue	-	-	-	N/A	2,000,530	-	2,000,530	N/A
Professional Service Revenue	120,655	155,555	(34,900)	(22)	983,959	1,088,885	(104,926)	(10)
Fraud Recovery	-	-	-	N/A	12	-	12	N/A
Gain/Loss on Sale of Fixed Assets	-	-	-	N/A	4,770	-	4,770	N/A
Administrative Fee	2,658	1,094	1,564	143	14,650	7,658	6,992	91
<b>TOTAL OTHER INCOME</b>	<b>140,066</b>	<b>165,163</b>	<b>(25,097)</b>	<b>(15)</b>	<b>3,226,764</b>	<b>1,156,146</b>	<b>2,070,618</b>	<b>179</b>
<b>HUD GRANT</b>								
HUD Operating Grants	2,428,999	2,255,207	173,792	8	16,438,434	15,786,449	651,985	4
Administrative Fees from HUD	127,763	131,294	(3,531)	(3)	894,520	919,058	(24,538)	(3)
PORT-In Administrative Fees	1,103	-	1,103	N/A	7,140	-	7,140	N/A
Administrative Fees Paid (PORT-Outs)	5,456	-	(5,456)	N/A	36,593	-	(36,593)	N/A
<b>TOTAL HUD GRANT</b>	<b>2,552,409</b>	<b>2,386,501</b>	<b>165,908</b>	<b>7</b>	<b>17,303,501</b>	<b>16,705,507</b>	<b>597,994</b>	<b>4</b>
<b>TOTAL REVENUE</b>	<b>3,502,107</b>	<b>3,505,036</b>	<b>(2,929)</b>	<b>(0)</b>	<b>27,189,964</b>	<b>24,535,246</b>	<b>2,654,718</b>	<b>11</b>
<b>EXPENSES</b>								
<b>OPERATING EXPENSES</b>								
<b>ADMINISTRATIVE</b>								
Administrative Salaries	247,776	335,920	88,144	26	1,826,653	2,351,453	524,800	22
Temporary Help - Administrative	22,551	15,470	(7,081)	(46)	145,897	108,294	(37,603)	(35)
Auditing Fees	7,028	3,040	(3,988)	(131)	26,705	21,287	(5,418)	(25)
Admin Employee Benefits - Medical/Dental	54,331	88,941	34,610	39	352,214	622,591	270,377	43
Admin Employee Benefits - PERS/PARS	20,312	28,658	8,346	29	152,629	200,614	47,985	24
Admin Employee Benefits - FICA	3,567	4,844	1,277	26	26,221	33,917	7,696	23
Admin Employee Benefits - SUI	11,337	1,143	(10,194)	(892)	14,407	8,016	(6,391)	(80)
Admin Employee Benefits - Life/LTD	4,361	2,176	(2,185)	(100)	15,261	15,241	(20)	(0)
Admin Employee Benefit - WC	1,612	2,344	732	31	8,587	16,416	7,830	48
Employer Benefit Contribution - WC	-	7	7	100	-	49	49	100
Office Supplies/Equipment	3,069	5,738	2,669	47	45,479	40,177	(5,302)	(13)
Dues & Subscriptions Publications	353	1,056	703	67	993	7,406	6,413	87
Postage	4,055	5,257	1,202	23	9,546	36,814	27,268	74
Telephone	9,562	3,547	(6,015)	(170)	31,749	24,841	(6,908)	(28)
Bank Charges and Check Supplies	1,648	2,578	930	36	12,096	18,062	5,966	33
Forms and Copies/Printing	764	-	(764)	N/A	926	-	(926)	N/A
Classified Ads and Public Notices/outreach material	7,232	2,120	(5,112)	(241)	28,239	14,857	(13,382)	(90)
Legal Expense	40,310	18,410	(21,900)	(119)	140,241	128,870	(11,371)	(9)
Payroll charge	511	580	69	12	4,189	4,086	(103)	(3)
Survey/Title Fee	-	-	-	N/A	15,100	-	(15,100)	N/A
Office Rent	4,800	12,516	7,716	62	25,035	87,612	62,577	71
Administrative Support	1,505	-	(1,505)	N/A	1,505	-	(1,505)	N/A



**ALAMEDA HOUSING AUTHORITY**  
**Budget Comparison (with PTD)**  
For the Seven Months Ended January 31, 2018

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
Organization Cost	-	-	-	N/A	20	-	(20)	N/A
Training/Conferences and Travel	7,776	13,354	5,578	42	52,768	93,486	40,718	44
Membership Dues and Fees	7,494	-	(7,494)	N/A	9,345	-	(9,345)	N/A
Taxes & Government Fees	-	-	-	N/A	15,606	-	(15,606)	N/A
Collection Loss	(59)	-	59	N/A	(813)	-	813	N/A
Contracts - Accounting Services	-	-	-	N/A	434	-	(434)	N/A
Contracts - Administrative Services/Consultant	16,326	28,431	12,105	43	187,492	199,036	11,544	6
Contracts - Application Service Provider - Yardi	10,321	12,044	1,723	14	61,087	84,318	23,231	28
Contracts - Computer/Telephone Main/Email	40,694	13,562	(27,132)	(200)	84,852	94,946	10,094	11
Contracts - Housing Program Services	-	-	-	N/A	1,104	-	(1,104)	N/A
Contracts - Human Resource Services	17,275	3,596	(13,679)	(380)	101,780	25,182	(76,598)	(304)
Contracts - Housing Inspection Services	819	4,402	3,583	81	30,143	30,817	674	2
Contracts - Office Machine Maintenance	-	1,503	1,503	100	-	10,538	10,538	100
Contracts - Office Machine Lease	1,700	-	(1,700)	N/A	10,975	-	(10,975)	N/A
Contracts - Web Hosting/Maintenance/Web Ads	1,554	1,963	409	21	8,973	13,764	4,791	35
Association Dues	2,553	2,438	(115)	(5)	17,871	17,066	(805)	(5)
<b>TOTAL ADMINISTRATIVE</b>	<b>553,138</b>	<b>615,638</b>	<b>62,500</b>	<b>10</b>	<b>3,465,306</b>	<b>4,309,756</b>	<b>844,450</b>	<b>20</b>
<b>TENANT/SOCIAL SERVICES/POLICE</b>								
Tenant Services - Salaries	8,243	18,435	10,192	55	72,945	129,062	56,117	43
Police Services	16,223	16,225	3	0	113,558	113,575	18	0
<b>TOTAL TENANT/SOCIAL SERVICES/POLICE</b>	<b>24,466</b>	<b>34,660</b>	<b>10,194</b>	<b>29</b>	<b>186,503</b>	<b>242,637</b>	<b>56,134</b>	<b>23</b>
<b>RELOCATION</b>								
Tenant-Relocation Costs	-	643	643	100	-	4,502	4,502	100
<b>TOTAL RELOCATION</b>	<b>-</b>	<b>643</b>	<b>643</b>	<b>100</b>	<b>-</b>	<b>4,502</b>	<b>4,502</b>	<b>100</b>
<b>TENANT SRV EMPLOYEE BENEFITS AND INSUR</b>								
Tenant Svcs Employee Benefits - Medical/Dental	940	-	(940)	N/A	19,970	-	(19,970)	N/A
Tenant Svcs Employee Benefits - PERS/PARS	1,057	-	(1,057)	N/A	7,831	-	(7,831)	N/A
Tenant Svcs Employee Benefits - FICA	119	-	(119)	N/A	1,047	-	(1,047)	N/A
Tenant Svcs Employee Benefits - SUI	377	-	(377)	N/A	503	-	(503)	N/A
Tenant Svcs Employee Benefits - Other	-	7,618	7,618	100	879	53,331	52,452	98
Tenant Svcs Employee Benefit - WC	1,460	-	(1,460)	N/A	8,577	-	(8,577)	N/A
<b>TOTAL TENANT SRV EMPLOYEE BENEFITS &amp; INSUR</b>	<b>3,954</b>	<b>7,618</b>	<b>3,665</b>	<b>48</b>	<b>38,806</b>	<b>53,331</b>	<b>14,525</b>	<b>27</b>
<b>TENANT SERVICES</b>								
Tenant/Social Services - Supplies	-	-	-	N/A	330	-	(330)	N/A
Tenant Service Activities - Contracts and O/S Srv	18,991	23,730	4,739	20	136,061	166,126	30,065	18
Tenant/Social Services - Resident Participation	-	-	-	N/A	615	-	(615)	N/A
<b>TOTAL TENANT SERVICES</b>	<b>18,991</b>	<b>23,730</b>	<b>4,739</b>	<b>20</b>	<b>137,006</b>	<b>166,126</b>	<b>29,120</b>	<b>18</b>
<b>UTILITIES</b>								
Water	16,165	19,289	3,124	16	135,174	135,035	(139)	(0)
Electricity	11,299	11,048	(251)	(2)	70,748	77,346	6,599	9
Gas	6,620	3,745	(2,875)	(77)	39,544	26,239	(13,305)	(51)
Sewer	19,216	24,493	5,277	22	144,096	171,458	27,362	16
Garbage	33,264	37,827	4,563	12	197,702	264,802	67,100	25
<b>TOTAL UTILITIES</b>	<b>86,564</b>	<b>96,402</b>	<b>9,838</b>	<b>10</b>	<b>587,264</b>	<b>674,880</b>	<b>87,616</b>	<b>13</b>
<b>MAINTENANCE</b>								
<b>MAINTENANCE SALARIES</b>								
Maintenance - Salaries	43,932	40,251	(3,681)	(9)	356,378	281,770	(74,608)	(26)
Facilities - Salaries	-	16,724	16,724	100	-	117,068	117,068	100
Maintenance - Temporary Help	320	-	(320)	N/A	320	-	(320)	N/A
<b>TOTAL MAINTENANCE SALARIES</b>	<b>44,252</b>	<b>56,975</b>	<b>12,723</b>	<b>22</b>	<b>356,698</b>	<b>398,838</b>	<b>42,140</b>	<b>11</b>
<b>MAINTENANCE MATERIALS</b>								
Maintenance Materials	7,833	19,138	11,306	59	53,860	133,978	80,118	60
Vehicle - gasoline	672	-	(672)	N/A	3,835	-	(3,835)	N/A
<b>TOTAL MAINTENANCE MATERIALS</b>	<b>8,504</b>	<b>19,138</b>	<b>10,634</b>	<b>56</b>	<b>57,695</b>	<b>133,978</b>	<b>76,283</b>	<b>57</b>
<b>MAINTENANCE CONTRACTS</b>								
Maintenance Contracts - Unit Turnaround	4,655	23,113	18,458	80	64,712	161,812	97,100	60
Maintenance Contracts - Tree Trimming	-	-	-	N/A	4,410	-	(4,410)	N/A
Maintenance Contracts - Cycle Painting	-	2,552	2,552	100	8,825	17,875	9,050	51
Maintenance Contracts - Floor Covering	16,109	5,799	(10,310)	(178)	56,106	40,599	(15,507)	(38)
Maintenance Contracts - Services	10,811	12,824	2,013	16	60,343	89,782	29,439	33



**ALAMEDA HOUSING AUTHORITY**  
**Budget Comparison (with PTD)**  
For the Seven Months Ended January 31, 2018

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
Maintenance Contracts - Painting	225	1,934	1,709	88	8,550	13,552	5,002	37
Maintenance Contracts - Plumbing	4,100	2,405	(1,695)	(70)	18,082	16,847	(1,235)	(7)
Maintenance Contracts - Landscape, Pool, Pond Main	19,661	10,601	(9,060)	(85)	69,755	74,209	4,454	6
Maintenance Contracts - HVAC Maintenance	1,301	2,513	1,212	48	11,743	17,604	5,861	33
Maintenance Contracts - Elevator Maintenance	1,240	3,113	1,873	60	19,050	21,804	2,754	13
Maintenance Contracts - Extermination	2,875	3,767	892	24	17,280	26,381	9,101	35
Maintenance Contracts - Electrical Maintenance	4,947	1,860	(3,087)	(166)	8,265	13,036	4,771	37
Maintenance Contracts - Security and Nurse Call Sys	4,892	2,520	(2,372)	(94)	14,127	17,654	3,527	20
Maintenance Contracts - Gutter Cleaning Services	6,961	858	(6,103)	(711)	6,961	6,017	(944)	(16)
Maintenance Contracts - Flooring Replmt/Clean Srv	-	661	661	100	710	4,629	3,919	85
Maintenance Contracts - Other	975	552	(423)	(77)	975	3,874	2,899	75
Maintenance Contracts - Vehicle Maintenance	650	422	(228)	(54)	2,809	2,972	163	5
Maintenance Contracts - Janitorial	9,309	3,309	(6,000)	(181)	49,290	23,172	(26,118)	(113)
<b>TOTAL MAINTENANCE CONTRACTS</b>	<b>88,711</b>	<b>78,803</b>	<b>(9,908)</b>	<b>(13)</b>	<b>421,993</b>	<b>551,819</b>	<b>129,826</b>	<b>24</b>
<b>MAINTENANCE EMPLOYEE BENEFITS</b>								
Maint Employee Benefits - Medical/Dental	14,388	25,124	10,736	43	83,531	175,882	92,351	53
Maint Employee Benefits - PERS/PARS	3,795	7,161	3,366	47	32,131	50,130	17,999	36
Maint Employee Benefits - FICA	632	1,146	514	45	5,115	8,030	2,915	36
Maint Employee Benefits - SUJ	2,010	295	(1,715)	(581)	2,641	2,070	(571)	(28)
Maint Employee Benefits - Life/LTD	372	564	192	34	2,621	3,958	1,337	34
Maint Employee Benefits - Uniforms/Shoes	79	-	(79)	N/A	1,584	-	(1,584)	N/A
Maint Employee Benefit - WC	1,682	2,478	796	32	9,827	17,363	7,536	43
<b>TOTAL MAINTENANCE EMPLOYEE BENEFITS</b>	<b>22,958</b>	<b>36,768</b>	<b>13,810</b>	<b>38</b>	<b>137,450</b>	<b>257,433</b>	<b>119,983</b>	<b>47</b>
<b>TOTAL MAINTENANCE</b>	<b>164,425</b>	<b>191,684</b>	<b>27,259</b>	<b>14</b>	<b>973,836</b>	<b>1,342,068</b>	<b>368,232</b>	<b>27</b>
<b>GENERAL EXPENSES</b>								
Interest Expense	95,018	93,925	(1,093)	(1)	647,483	657,495	10,012	2
Mortgage Financial Service Charge	5,808	-	(5,808)	N/A	43,867	-	(43,867)	N/A
Insurance - Liability	6,002	22,311	16,309	73	40,801	156,197	115,396	74
Insurance - Property	7,791	8,368	577	7	54,548	58,585	4,037	7
Insurance - Vehicle	1,168	1,192	24	2	7,966	8,353	387	5
Insurance - Other	793	-	(793)	N/A	3,970	-	(3,970)	N/A
Other General Expenses	500	-	(500)	N/A	11,348	-	(11,348)	N/A
<b>TOTAL GENERAL EXPENSES</b>	<b>117,080</b>	<b>125,796</b>	<b>8,716</b>	<b>7</b>	<b>809,982</b>	<b>880,630</b>	<b>70,648</b>	<b>8</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>968,618</b>	<b>1,096,171</b>	<b>127,553</b>	<b>12</b>	<b>6,198,703</b>	<b>7,673,930</b>	<b>1,475,227</b>	<b>19</b>
<b>MOD REHAB AND SPC EXPENSES</b>								
Rent to Owners - Bessie Coleman	15,238	15,305	67	0	102,394	107,135	4,741	4
PORT-In (A/R Billings)	(28,503)	-	28,503	N/A	(192,750)	-	192,750	N/A
<b>TOTAL MOD REHAB AND SPC EXPENSES</b>	<b>(13,265)</b>	<b>15,305</b>	<b>28,570</b>	<b>187</b>	<b>(90,356)</b>	<b>107,135</b>	<b>197,491</b>	<b>184</b>
<b>EXTRAORDINARY EXPENSES</b>								
Pre-development Cost	508	8,333	7,825	94	508	58,331	57,823	99
<b>TOTAL EXTRAORDINARY EXPENSES</b>	<b>508</b>	<b>8,333</b>	<b>7,825</b>	<b>94</b>	<b>508</b>	<b>58,331</b>	<b>57,823</b>	<b>99</b>
<b>HOUSING ASSISTANCE PAYMENTS (VOUCHER)</b>								
Housing Assistance Payments - Landlords	2,457,023	2,268,242	(188,781)	(8)	16,925,055	15,877,694	(1,047,361)	(7)
Housing Assistance Payments - FSS	4,731	-	(4,731)	N/A	49,537	-	(49,537)	N/A
Utility Allowance to Tenants	2,716	-	(2,716)	N/A	20,032	-	(20,032)	N/A
<b>TOTAL HOUSING ASSIST PAYMENTS (VOUCHER)</b>	<b>2,464,470</b>	<b>2,268,242</b>	<b>(196,228)</b>	<b>(9)</b>	<b>16,994,624</b>	<b>15,877,694</b>	<b>(1,116,930)</b>	<b>(7)</b>
<b>TOTAL EXPENSES</b>	<b>3,420,331</b>	<b>3,388,051</b>	<b>(32,280)</b>	<b>(1)</b>	<b>23,103,479</b>	<b>23,717,090</b>	<b>613,611</b>	<b>3</b>
<b>NET INCOME FROM OPERATIONS</b>								
	81,776	116,985	(35,209)	(30)	4,086,485	818,156	3,268,329	399
Depreciation Expense	123,238	-	(123,238)	N/A	868,600	-	(868,600)	N/A
<b>NET INCOME AFTER DEPRECIATION</b>	<b>(41,463)</b>	<b>116,985</b>	<b>(158,448)</b>	<b>(135)</b>	<b>3,217,884</b>	<b>818,156</b>	<b>2,399,728</b>	<b>293</b>





# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
FAX (510) 522-7848  
TDD (510) 522-8467

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Date: March 21, 2018

RE: Authorize the Executive Director to Negotiate and Approve a Second Extension of Amount (and Term) for the Contract between the Housing Authority of the City of Alameda and Nan McKay and Associates Up to a Total Not to Exceed Amount of \$320,000 to Extend the End Date to December 31, 2018

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## BACKGROUND

AHA first engaged with Nan McKay as a result to an RFP process issued in June 2016 for financial systems and controls review and on-going consulting services. In early 2017, Nan McKay did a financial review of the finance department and started providing monthly support services. With the departure of the Finance Director in mid 2017, Nan McKay provided full-time finance management services until February 2018. Services are being utilized on a part-time basis now that a Finance Director and Controller have been hired to complete the audit and handover process. The contract has been increased over the course of the past year and current contract is for a "do not exceed" amount of \$280,000 and expires June 30, 2018.

## DISCUSSION

Although services have already been scaled back and are now part time, two new staff are on board and a third is expected very soon. To ensure a solid handover and steady transition to the new team, it is recommended that the contract be extended to December 31, 2018 and to a not to exceed amount of \$340,000.

The following amount has been spent since February 28, 2018 under this contract: \$223,348.66. The contract will continue to run at approximately \$11,000 per month until all new hires are trained.

It is essential to retain these services to maintain the day-to-day working of the Finance department and to provide hand-over and coaching services as needed to assist with continuity and successful onboarding.



Honorable Chair and  
Members of the Board of Commissioners

March 21, 2018  
Page 2 of 2

FINANCIAL IMPACT

The costs will be met with salary and benefits savings in the agency.

RECOMMENDATION

Authorize the Executive Director to negotiate and approve an extension of amount (and term) for the contract between the Housing Authority of the City of Alameda and Nan McKay and Associates up to a total not to exceed amount of \$320,000 to extend the end date to December 31, 2018

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC

Attachment: Amendment No. 2 to Consultant Agreement

## AMENDMENT NO. 2 TO CONSULTANT AGREEMENT

This Amendment of a Consultant Agreement by and between the Housing Authority of the City of Alameda, public body, corporate and politic (hereinafter "AHA") and Nan McKay and Associates, a California corporation, whose address is 1810 Gillespie Way, Suite 202, El Cajon, CA 92020 (hereinafter "Consultant"), made with reference to the following:

### RECITALS

A. On November 1, 2016 a Consultant Agreement was entered into by and between AHA and Consultant.

B. The effective date of this Amendment shall be **March 21, 2018**.

C. The Original Consultant Agreement limited the Compensation to Consultant to not exceed thirty-nine thousand three hundred forty and zero cents (\$39,340.00) for the initial one-year term of the contract.

D. Seven contract modifications have been executed increasing the do not exceed total to \$280,000.

E. The original expiration date of the contract was October 31, 2017, but allowed for up to four 1-year extensions.

F. All conditions of the Consultant Agreement will remain the same except as amended below.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

The contract shall be extended to December 31, 2018.

The Compensation to Consultant will not exceed three hundred and twenty thousand dollars and zero cents (\$320,000).

IN WITNESS WHEREOF, the parties hereto have caused this modification of the Consultant Agreement to be executed on the day and year first above written.

Nan McKay and Associates

Housing Authority of the City of Alameda

\_\_\_\_\_  
Raymond G. Adair  
Vice President, Financial Services

\_\_\_\_\_  
Vanessa M. Cooper  
Executive Director





# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
FAX (510) 522-7848  
TDD (510) 522-8467

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Prepared by: Joyce Boyd, Finance Director

Date: March 21, 2018

Re: Accept Report on Quarterly Investment Report for Period Ending December 31, 2017

## BACKGROUND

California Government Code Sections 53600 and 53646 requires that the Housing Authority Finance Director file a quarterly report with the Board of Commissioners on the status of all investments.

## DISCUSSION

The quarter-end report reflects the investment of cash for the operating and reserve funds. Agency investments are covered by the provisions of the Housing Authority's investment policy that is approved annually by the Board.

As of December 31, 2017, AHA held \$10,492,446 (50% of investment funds) in LAIF. These funds are on demand and can be used for immediate needs. The prior quarter balance was \$7,785,261. The accrued interest for the last quarter of 2017 is \$27,867.

As of December 31, 2017, AHA held \$10,507,335 (50% of investment funds) in CAMP. These funds are on demand and can be used for immediate needs. The prior quarter balance was \$13,157,495. Interest is posted monthly to the account by CAMP.

Balances at December 31, 2017:

LAIF:	\$10,492,446
CAMP:	\$10,507,335

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**Total Investment** **\$20,999,781**

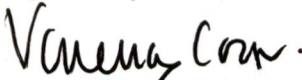
The key changes in balance for the period relate to rebalancing in the amount of \$2,686,117 in November 2017.

The Housing Authority's ordinary expenditure requirements for the next six months are more than sufficiently covered by two sources, namely: (1) anticipated revenues, grants and subsidies, and (2) liquidity of current investments. All investment actions executed since the last report have been made in full compliance with the Investment Policy. The Executive Director will maintain a complete and timely record of all investment transactions.

RECOMMENDATION

It is recommended that the Board of Commissioners accept the report on the Housing Authority's investment portfolio as of December 31, 2017.

Respectfully submitted,

  
Vanessa M. Cooper  
Executive Director

Attachments: LAIF report for the quarter ending December 31, 2017,  
CAMP report for the quarter ending December 31, 2017,



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)  
January 18, 2018

ALAMEDA HOUSING AUTHORITY

EXECUTIVE DIRECTOR  
701 ATLANTIC AVENUE  
ALAMEDA, CA 94501

PMIA Average Monthly Yields

Account Number:



Tran Type Definitions

December 2017 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	10,492,446.02
Total Withdrawal:	0.00	Ending Balance:	10,492,446.02



JAN 09 2018

Account Statement

For the Month Ending December 31, 2017

Housing Authority of the City of Alameda (AHA) - Housing Authority of the City of Alameda (AHA) - 6044-001

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
<b>CAMP Pool</b>					
<b>Opening Balance</b>					<b>10,495,822.23</b>
12/29/17	01/02/18	Accrual Income Div Reinvestment - Distributions	1.00	11,512.46	10,507,334.69
<b>Closing Balance</b>					<b>10,507,334.69</b>

	Month of December	Fiscal YTD July-December
Opening Balance	10,495,822.23	13,119,966.15
Purchases	11,512.46	73,485.54
Redemptions (Excl. Checks)	0.00	(2,686,117.00)
Check Disbursements	0.00	0.00
<b>Closing Balance</b>	<b>10,507,334.69</b>	<b>10,507,334.69</b>
Cash Dividends and Income	11,512.46	73,485.54

<b>Closing Balance</b>	10,507,334.69
<b>Average Monthly Balance</b>	10,496,936.34
<b>Monthly Distribution Yield</b>	1.29%





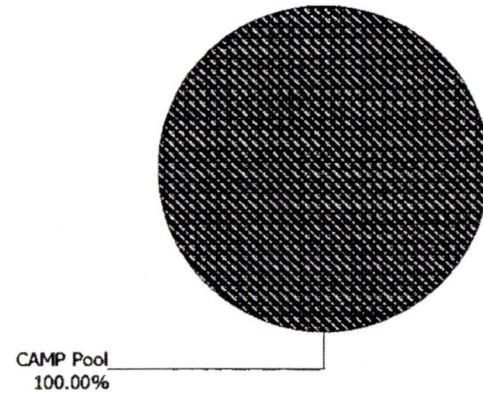
### Account Statement - Transaction Summary

For the Month Ending December 31, 2017

Housing Authority of the City of Alameda (AHA) - Housing Authority of the City of Alameda (AHA) - 6044-001

CAMP Pool	
Opening Market Value	10,495,822.23
Purchases	11,512.46
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	0.00
<b>Closing Market Value</b>	<b>\$10,507,334.69</b>
Cash Dividends and Income	11,512.46

Asset Summary		
	December 31, 2017	November 30, 2017
CAMP Pool	10,507,334.69	10,495,822.23
<b>Total</b>	<b>\$10,507,334.69</b>	<b>\$10,495,822.23</b>
Asset Allocation		







## Important Disclosures

## Important Disclosures

This statement is for general information purposes only and is not intended to provide specific advice or recommendations. PFM Asset Management LLC ("PFM") is an investment advisor registered with the Securities and Exchange Commission, and is required to maintain a written disclosure statement of our background and business experience. If you would like to receive a copy of our current disclosure statement, please contact Service Operations at the address below.

**Proxy Voting** PFM does not normally receive proxies to vote on behalf of its clients. However, it does on occasion receive consent requests. In the event a consent request is received the portfolio manager contacts the client and then proceeds according to their instructions. PFM's Proxy Voting Policy is available upon request by contacting Service Operations at the address below.

**Questions About an Account** PFM's monthly statement is intended to detail our investment advisory activity as well as the activity of any accounts held by clients in pools that are managed by PFM. The custodian bank maintains the control of assets and executes (i.e., settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. PFM recognizes that clients may use these reports to facilitate record keeping and that the custodian bank statement and the PFM statement should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

**Account Control** PFM does not have the authority to withdraw funds from or deposit funds to the custodian. Our clients retain responsibility for their internal accounting policies; implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

**Market Value** Generally, PFM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services or Bloomberg. Where prices are not available from generally recognized sources the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFM believes the prices to be reliable, the values of the securities do not always represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for money market and TERM funds is contained in the appropriate fund information statement.

**Amortized Cost** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.

**Tax Reporting** Cost data and realized gains / losses are provided for informational purposes only. Please review for accuracy and consult your tax advisor to determine the tax consequences of your security transactions. PFM does not report such information to the IRS or other taxing authorities and is not responsible for the accuracy of such information that may be required to be reported to federal, state or other taxing authorities.

**Financial Situation** In order to better serve you, PFM should be promptly notified of any material change in your investment objective or financial situation.

**Callable Securities** Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented.

**Portfolio** The securities in this portfolio, including shares of mutual funds, are not guaranteed or otherwise protected by PFM, the FDIC (except for certain non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested. Actual settlement values, accrued interest, and amortized cost amounts may vary for securities subject to an adjustable interest rate or subject to principal paydowns. Any changes to the values shown may be reflected within the next monthly statement's beginning values.

**Rating** Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed. Shares of some money market and TERM funds are marketed through representatives of PFM's wholly owned subsidiary, PFM Fund Distributors, Inc. PFM Fund Distributors, Inc. is registered with the SEC as a broker/dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Municipal Securities Rulemaking Board ("MSRB"). You may reach the FINRA by calling the FINRA Regulator Public Disclosure Hotline at 1-888-289-9999 or at the FINRA Regulation Internet website address [www.nasd.com](http://www.nasd.com). A brochure describing the FINRA Regulation Public Disclosure Program is also available from the FINRA upon request.

**Key Terms and Definitions**

**Dividends** on money market funds consist of interest earned, plus any discount ratably amortized to the date of maturity, plus all realized gains and losses on the sale of securities prior to maturity, less ratably amortization of any premium and all accrued expenses to the fund. Dividends are accrued daily and may be paid either monthly or quarterly. The monthly earnings on this statement represent the estimated dividend accrued for the month for any program that distributes earnings on a quarterly basis. There is no guarantee that the estimated amount will be paid on the actual distribution date.

**Current Yield** is the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical fund account with a balance of one share over the seven-day base period including the statement date, expressed as a percentage of the value of one share (normally \$1.00 per share) at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by

365 and dividing the result by 7. The yields quoted should not be considered a representation of the yield of the fund in the future, since the yield is not fixed.

**Average maturity** represents the average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. The stated maturity date of mortgage backed or callable securities are used in this statement. However the actual maturity of these securities could vary depending on the level or prepayments on the underlying mortgages or whether a callable security has or is still able to be called.

**Monthly distribution yield** represents the net change in the value of one share (normally \$1.00 per share) resulting from all dividends declared during the month by a fund expressed as a percentage of the value of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

**YTM at Cost** The yield to maturity at cost is the expected rate of return, based on the original cost, the annual interest receipts, maturity value and the time period from purchase date to maturity, stated as a percentage, on an annualized basis.

**YTM at Market** The yield to maturity at market is the rate of return, based on the current market value, the annual interest receipts, maturity value and the time period remaining until maturity, stated as a percentage, on an annualized basis.

**Managed Account** A portfolio of investments managed discretely by PFM according to the client's specific investment policy and requirements. The investments are directly owned by the client and held by the client's custodian.

**Unsettled Trade** A trade which has been executed however the final consummation of the security transaction and payment has not yet taken place.

Please review the detail pages of this statement carefully. If you think your statement is wrong, missing account information, or if you need more information about a transaction, please contact PFM within 60 days of receipt. If you have other concerns or questions regarding your account you should contact a member of your client management team or PFM Service Operations at the address below.

PFM Asset Management LLC  
Attn: Service Operations  
One Keystone Plaza, Suite 300  
N. Front & Market Sts  
Harrisburg, PA 17101

PFM Fund Distributors, Inc. (PFMFD), a wholly-owned broker dealer subsidiary of PFM Asset Management LLC, is registered with the U.S. Securities and Exchange Commission (SEC) and is subject to the Rules of the Municipal Securities Rulemaking Board (MSRB) as it relates to the distribution of shares of local government investment pools. PFMFD is required to inform you of the availability of the MSRB investor Brochure which describes the protections that may be provided by the MSRB rules and how to file a complaint with an appropriate regulatory authority. The MSRB Investor Brochure can be found on the MSRB's website at [www.msrb.org](http://www.msrb.org).





Customer Service  
 PO Box 11813  
 Harrisburg, PA 17108-1813

**ACCOUNT STATEMENT**

For the Month Ending  
**December 31, 2017**

**Housing Authority of the City of Alameda (AHA)**

**Client Management Team**

**Monique Spyke**  
 Managing Director  
 50 California Street, Suite 2300  
 San Francisco, CA 94111  
 415-982-5544  
 spykem@pfm.com

**Izac Chyou**  
 Senior Managing Consultant  
 50 California Street, Suite 2300  
 San Francisco, CA 94111  
 415-393-7251  
 chyoul@pfm.com

**Rachael Miller**  
 Client Consultant  
 One Keystone Plaza, Suite 300  
 Harrisburg, PA 17101  
 1-800-729-7665  
 miller@pfm.com

**Contents**

- Cover/Disclosures
- Summary Statement
- Individual Accounts

**Accounts included in Statement**

**[REDACTED]** Housing Authority of the City of Alameda (AHA)

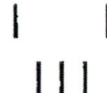
**Important Messages**

- CAMP will be closed on 01/01/2018 for New Years Day.
- CAMP will be closed on 01/15/2018 for Martin Luther King Jr Day.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA (AHA)  
 VANESSA COOPER  
 701 ATLANTIC AVENUE  
 ALAMEDA, CA 94501

**Online Access** [www.camponline.com](http://www.camponline.com)

**Customer Service** 1-800-729-7665





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HOUSING AUTHORITY OF THE CITY OF ALAMEDA (AHA)  
VANESSA COOPER  
701 ATLANTIC AVENUE  
ALAMEDA, CA 94501

HOUSING AUTHORITY OF THE CITY OF ALAMEDA (AHA)  
VANESSA COOPER  
701 ATLANTIC AVENUE  
ALAMEDA, CA 94501

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Harrisburg, PA 17108-1813







# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
FAX (510) 522-7848  
TDD (510) 522-8467

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Date: March 21, 2018

RE: Create an Adhoc Committee of the Board to Support the Creation of the Strategic Plan; Nominate up to Two Members to Serve on the Strategic Plan Adhoc Committee

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## BACKGROUND

At the Board of Commissioners' September 2016 retreat, the Board emphasized the need for AHA to draft and adopt a Strategic Plan by or near the time of the September 2017 annual retreat. This plan would identify five or six key strategic goals for the agency for the next 3-5 years and would supplement (and drive) the current "Two-Year Work Plan" that is utilized by senior management and the Board to prioritize and track agency activities and accomplishments. The issue was brought to the Board in 2017 and delayed to 2018 due to federal funding uncertainty. The process is now restarting.

## DISCUSSION

Staff has procured a facilitator for the Strategic Planning process. Cathy Craig and Judy Weber will facilitate and lead the planning process. Each of these consultants has both Public Housing Authority and local East Bay affordable housing knowledge.

In order to produce a Strategic Plan that addresses the full scope of agency functions, the Board and senior management must make a considerable time commitment. In addition to discussion among Board members to articulate strategic goals for the agency, the Board may also wish to seek input from the public and key stakeholders and to review strategic plans created by other similarly functioning Public Housing Authorities. The desired goal is to create a Plan that can be approved at the September 2018 Board of Commissioners meeting.

The timeline is ambitious and assumes that the full Board will meet initially for a full-day session on April 28, 2018 and again at one or two board meetings to discuss identified issues over the summer. In between those meetings, a strategic planning adhoc committee consisting of staff and one or two Board members will meet up to twice a month through June.

This committee would work on drafting and refining the plan and completing any additional research that may be necessary. Other meetings may be scheduled if needed, but this might push the completion timeline out further.

Once the Strategic Plan has been approved in the fall of 2018, staff will work on the immediate organizational tasks that will be needed to implement the Strategic Plan goals and incorporate them into an updated Two-year Plan. In the first Quarter of 2019, staff will work to align the 2019-20 agency budget to support these goals.

Staff recommends the creation an Adhoc committee of the Board of Commissioners to work with senior management on the Strategic Plan between the full Board meetings. A quorum of the Board may not meet on agency business unless it is a public meeting in accordance with the Brown Act. Adhoc committees of the Board that are truly adhoc in nature and have less than a quorum of the Board are not subject to the Brown Act requirements (including, but not limited to, public noticing and access). The Strategic Plan adhoc committee would meet once or twice a month for 60-90 minutes. Participation of committee members may be possible via telephone to accommodate a range of schedules.

The timeline above is ambitious. It is important to consider when adopting this process that there is a possibility of significant housing policy change at the federal, state and local level in the coming months.

#### FISCAL IMPACT

This activity is not expected to exceed \$25,000 including the facilitator's costs, and related meeting and administrative costs. The current approved budget has sufficient consulting and administrative funds budgeted to cover this expense.

#### RECOMMENDATION

Create an Adhoc Committee of the Board to Support the Creation of the Strategic Plan;  
Nominate Two or Three Members to Serve on the Strategic Plan Adhoc Committee

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC:dc





# Housing Authority of the City of Alameda

PHONE (510) 747-4300

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TDD (510) 522-8467

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Prepared by: Kathleen Mertz, Asset Manager

Date: March 21, 2018

Re: Approve Additional Purchase Funds for One Below Market Rate Unit at  
2101 Eagle Avenue (Mulberry)

---

## BACKGROUND

The City of Alameda first required Below Market Rate (BMR) homes in 1986, and in 2004 added Inclusionary Housing requirements to the Municipal Code. Under the Code, residential developments with 5 or more units are required to restrict 15% of the units to occupancy by very low-, low- or moderate-income households (4%, 4%, and 7% respectively). This restriction is documented with a recorded Affordable Housing Agreement with a 59 year term.

In February 2016, the Board authorized the Executive Director to execute necessary documents and purchase four BMR units at 2100 Clement, now known as "Mulberry". Of the seven total BMR units in the 52-unit development, three will be sold to moderate-income households and four that are designated as low and very-low will be purchased by AHA.

## DISCUSSION

At the time of Board approval, the project had not started construction and the developer had not finalized the Home Owner Association (HOA) documents. Staff estimated the total cost for four units based on the 2015 income levels to be below \$700,000. The final price has now been established based on the 2017 State published income limits for Alameda County. Additionally included in the calculations are HOA fees, utilities, insurance and financing fees. The chart below summarizes the changes.

Unit	Affordability	2016 Estimate	2017/2018 Price
2102 Clement	Very Low	\$103,000	\$136,500
2116 Clement	Low	\$216,000	\$272,400
1911 Mulberry	Low	\$216,000	\$272,400
2101 Eagle	Very Low	\$103,000	\$136,500
TOTAL		\$638,000	\$817,800



Based on these final sales price calculations, staff is able to purchase three of the four townhomes under the approved budget authority of \$700,000. To purchase the last townhome, staff requests additional budget authority of \$140,000, for a total of \$840,000 for all four 3-bedroom townhomes plus associated escrow and title fees.

Two of the four homes are now complete and leasing is in progress. AHA is renting them to income qualified households based on the BMR affordability restriction in place.

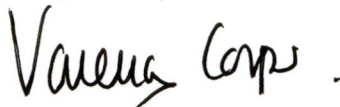
FISCAL IMPACT

The source of funds for the two properties already purchased and the two that are under construction shall be Housing Authority funds from the Esperanza loan that are reserved for housing development. The affordable rents collected are expected to exceed all operating costs such as insurance, HOA fees, inspections and routine maintenance. If the homes continue to be rented, all of the initial investment will be repaid in 15 years or less. Yard maintenance will be performed by the HOA and the units will be subject to an annual inspection by the Housing Authority. Funds will also be deposited into a dedicated reserve account for major maintenance and repairs.

RECOMMENDATION

Approve additional purchase funds for one Below Market Rate Unit at 2101 Eagle Avenue (Mulberry).

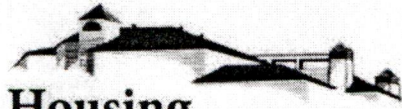
Respectfully submitted,



Vanessa M. Cooper  
Executive Director







# Housing Authority of the City of Alameda

PHONE (510) 747-4300

FAX (510) 522-7848

TDD (510) 522-8467

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701 Atlantic Avenue • Alameda, California 94501-2161

---

To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Prepared by: Danielle Thoe  
Housing and Community Development Analyst

Date: March 21, 2018

Re: Select Property Name for the New Construction Development at 1301  
Buena Vista

---

## BACKGROUND

The Housing Authority currently has a housing development under construction at 1301 Buena Vista Ave. The project will provide 30 units of senior housing plus manager's unit. During the February 21, 2018 meeting of the Board of Commissioners, Commissioners expressed interest in naming the development after Elector Littlejohn in coordination with the adjacent Littlejohn Park.

## DISCUSSION

Staff has followed-up with multiple parties regarding naming this property to recognize Elector Littlejohn. Staff proposes the name "The Commons at Littlejohn Park" and wishes to update the Board. The Board has also suggested Elector Littlejohn Commons as an alternate to be considered.

The City of Alameda Recreation and Parks Director Amy Wooldridge provided additional information regarding the naming of the park. In 1993, the City Council renamed Buena Vista Park to honor Elector Littlejohn (1916-1992). She was a civic leader and activist, particularly for the housing rights of African Americans, and was involved with HOPE (Housing Opportunities Provided Equally). Director Wooldridge saw no issues or conflicts with naming the park for Ms. Littlejohn and provided contact information for one of her family members.

The daughter of Ms. Littlejohn, Esponila Johnson, was contacted and is supportive of the naming of the housing development in coordination with the park named for her mother. Staff has Ms. Johnson's contact information and will be sure to invite her, and other family members, to the grand opening of the development.

Much thanks is owed to local historian and activist Rasheed Shabazz for his assistance throughout this research process. Mr. Shabazz has also made staff aware of the City of Alameda's "Citywide List of Street and Facility Names" (see attached) compiled by the Historical Advisory Board. While the City's naming policy gives the Housing Authority Board of Commissioners full autonomy, Housing Authority staff will reference this list for future name options. Ms. Littlejohn's name appears on this list as an approved name.

RECOMMENDATION

Staff will proceed with The Commons at Littlejohn Park unless otherwise directed by the Board.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC:dt

Exhibit 1 – Approved Citywide List of Street and Facility Names



<b>Proposed Names to be Added to Citywide List of Street and Facility Names (HAB June 5, 2014)</b>			
<b>Street Name</b>	<b>Full Name/Description</b>	<b>Alameda Reference</b>	<b>Recommend Approval</b>
<b>Category: Persons</b>			
<b>Arusia</b>	Arusia Café	Cape Verdean café that operated on Buena Vista across from the Del Monte building serving sailors and packers for years.	Yes
<b>Aschow</b>	John N. Aschow	Violin Maker. Co-founder of the Scandinavian Club of Alameda in 1924. Born in Denmark in 1885, studied at the Mittenwald Violin Making School ( <a href="http://www.instrument-making-school.eu/">http://www.instrument-making-school.eu/</a> ) he migrated to the California around 1906 and worked for Kohler and Chase (possibly at 1013 Broadway, Alameda). Opened a shop at 1242 Park St, Alameda (~ 1910).	Yes
<b>Bette</b>	Frank Bette	Patron of the Arts; the building for Frank Bette Center for the Arts was named in his honor.	Yes
<b>Bingham</b>	Berresford Bingham	First African American elected to the school board. Retired from the Navy in Alameda.	Yes
<b>Bohol</b>	Bohol Circle	A nonprofit mutual aid organization, was founded in 1936 by the American Filipino community in Alameda and incorporated in 1948. The organization offered cultural, social and economic aid to Filipinos.	Yes
<b>Capon</b>	Jack Capon	Instrumental in education and Special Olympics on the island. (Name already used for housing project for people with developmental disabilities.)	Yes
<b>Carnevale</b>	Scott Carnevale	Fire Captain, hired by Alameda Fire Department on April 13, 1997. Passed away on January 3, 2011 due to occupational esophageal cancer.	Yes
<b>Cash-Welch</b>	Bryant Cash-Welch	Former long-time instructor with Alameda's Dance/10 Performing Arts Studio. Died in 2014. Ineligible for listing.	No.

<b>DeWitt</b>	Al DeWitt	Former Councilmember	Yes
<b>Diller</b>	Phyllis Diller	Phyllis Diller may have first been broadcast from Oakland, but she got her start entertaining the ladies at Edison PTA, according to the obit in the Alameda Sun <a href="http://www.alamedasun.com/local-and-hometown/10676-local-deaths-phyllis-diller">http://www.alamedasun.com/local-and-hometown/10676-local-deaths-phyllis-diller</a>	Yes
<b>Enos</b>	Bob Enos	Trumpeteer and former member of the famous Rhode Island Roomful of Blues band who frequently played at the Rooster's Roadhouse. Died in 2008.	Yes
<b>Epperson</b>	Frank Epperson	Inventor of the Popsicle, Oakland resident, debuted the invention at Neptune Beach	Yes
<b>Esteban</b>	Felipe Esteban	Felipe Esteban owned and operated the Esteban Flying Service (1930-1942) in Alameda, and established the Filipino Aviators Club in Alameda, CA, the only club of this kind. The members of the club performed in air shows as wing walkers and exhibition fliers and trained pilots worldwide. The club and service closed during WWII, when most of the local Filipinos joined the military.	Yes
<b>Gilmore</b>	Carter Gilmore	Civic rights leader and President of NAACP's Alameda branch. Later became first African American elected to the Oakland City Council.	Yes
<b>Grant</b>	Don Grant	Beloved teacher and track coach at Encinal High School	Yes
<b>Gunderson</b>	Bud Gunderson	No information available.	No
<b>Hanna</b>	Lois Hanna	Served on the school board and responsible for keeping the dream of a library alive. Worked hard to get Earhart school named for a woman.	Yes
<b>Huchiun</b>	Huchiun Tribe	The earliest known inhabitants were the Huchiun tribe, who lived there for thousands of years. The Huchiun belonged to a linguistic grouping later called the Ohlone (a	Yes



		Miwok word meaning "western people").	
<b>Itliong</b>	Larry Itliong	A Filipino Union leader of the AWOC who led the 1965 Delano Grape Strike after winning the grape strike in Coachella. He invited Cesar Chavez of the NFWOC to join the strike	Yes
<b>Krauth</b>	Fred Krauth	Fire Chief hired by Alameda Fire Department on September 16, 1876. Passed away on May 25, 1912 at the fire station due to natural causes.	Yes
<b>LaCroix</b>	Terry LaCroix	Alameda's first elected mayor. Died 2013, Not eligible for naming until 2016.	Yes
<b>LeMoine</b>	Jack LeMoine	Apparatus Operator hired by Alameda Fire Department on July 1, 1942. Passed away on June 28, 1949 due to a cardiac arrest.	Yes
<b>Littlejohn</b>	Elector Littlejohn	Matriarch of the Littlejohn family, civil rights activist and leader of the African American community in Alameda. Buena Vista Park was renamed in her memory.	Yes
<b>Manning</b>	Barbara Manning	Barbara was the first African American administrator in AUSD and she had to fight against racism to earn the position. She was a remarkable educator who could lead a school because she was actually a phenomenal classroom teacher. She was bold and strong.	Yes
<b>McCall</b>	Louis A. McCall Sr.	American singer, songwriter, drummer, and event planner born in Alameda. He was best known as the co-founder and drummer of the 1970s and 1980s funk/R&B band Con Funk Shun.	Yes
<b>McCrary</b>	Captain Frank McCrary	Commanding Officer of NAS/Naval Aviation Depot Alameda – 1940-1943	Yes
<b>Miller</b>	George Paul Miller	George P. Miller (1891 – 1982). Miller was a U.S. Representative elected as a Democrat to the Seventy-ninth and to the thirteen succeeding Congresses (January 3, 1945 – January 3, 1973). He served as chairman of	Yes

		the Committee on Science and Astronautics (Eighty-seventh through Ninety-second Congresses). He was a resident of Alameda, until his death on December 29, 1982.	
<b>Morrison</b>	Jim Morrison	Famous resident of Alameda.	Yes
<b>Pellettieri</b>	James Pellettieri	Unverified.	No
<b>Peterson</b>	David Peterson	Peterson began as his career as vice principal at Haight Elementary School. He also served as principal at Otis, Haight and Edison elementary schools. Not long before he passed, he received two proclamations from the City as an educator. Not eligible until April 18, 2016.	Yes
<b>Smith</b>	F. M. "Borax" Smith:	Smith commissioned America's first reinforced concrete building, the Pacific Coast Borax Company refinery in Alameda in 1893. The architect was Ernest L. Ransome.	Yes
<b>Strehlow</b>	Strehlow Family	Developers of Neptune Beach	Yes
<b>Takeda</b>	Nellie Takeda	A leader and icon in the community, active at Buena Vista UMC but also beloved by many in the community at large	Yes
<b>Vera Cruz</b>	Philip Vera Cruz	Filipino leader in the Delano Grape Strike that later became a Vice President on the Board of Directors of the United Farm Workers of America.	Yes
<b>Wagner</b>	Fred Wagner	Assistant Fire Chief hired by Alameda Fire Department on December 1, 1902. Passed away on August 14, 1942.	Yes
<b>Weedon</b>	Frank Weedon	Instrumental in getting the Alameda Pools established and making sure all Alameda kids had the opportunity to learn to swim. Weedon is associated with the Kinderswim program, which is free to all.	Yes
<b>York</b>	Marilyn York	Unverified	No



<b>Young</b>	Charles Young	Firefighter hired by Alameda Fire Department on March 3, 1917. Passed away on June 19, 1921 due to an on duty vehicle accident.	Yes
<b>Category: Fish</b>			
<b>Chinook</b>	Chinook Salmon	Migrating individuals move through Oakland –Alameda Estuary and SF Bay waters.	Yes
<b>Coho</b>	Coho Salmon	Migrating individuals move through Oakland –Alameda Estuary and SF Bay waters.	Yes
<b>Herring</b>	Pacific Herring	Present in the Oakland –Alameda Estuary waters.	Yes
<b>Steelhead</b>	Steelhead Trout	Migrating individuals may move through Oakland –Alameda Estuary and SF Bay waters.	Yes
<b>Sturgeon</b>	Green Sturgeon	Travels through San Francisco Bay, spawns upstream in Sacramento River, and are occasionally be present in Alameda area waters.	Yes
<b>Category: Birds</b>			
<b>Albatross</b>		No specific Alameda reference.	No
<b>Burrowing Owl</b>	Burrowing Owl	Known to occur and nest at Alameda Point.	Yes
<b>Cooper Hawk</b>	Cooper’s Hawk	Observed at Alameda Point. Multiple nest sites on Alameda Island. May forage throughout the City and nest in mature trees.	Yes
<b>Egret</b>	Great Egret	Numerous sightings in the project area and likely to forage in wetland habitat and adjacent Bay waters.	Yes
<b>Goldfinch</b>		No specific Alameda reference.	No
<b>Harrier</b>	Northern Harrier	Known to occur at Alameda Point.	Yes
<b>Horned Lark</b>	California Horned Lark	The species has been observed nesting in grassland habitat within or adjacent to Alameda Point.	Yes
<b>Horned Owl</b>	Great Horned Owl	Known to occur and nest at Alameda Point.	Yes

<b>Hummingbird</b>		Common bird. No specific Alameda reference.	No
<b>Ibis</b>		No specific Alameda reference.	No
<b>Kestrel</b>	American Kestrel	Known to forage over Alameda Point area grasslands. May nest in mature trees nearby.	Yes
<b>Least Tern</b>	Least Tern	Known to nest and forage at Alameda Point.	Yes
<b>Osprey</b>	Osprey	Alameda Point is the only known breeding location for Osprey in Alameda County.	Yes
<b>Quail</b>		No specific Alameda reference.	No
<b>Red-Tailed Hawk</b>	Red-Tailed Hawk	Known to occur at Alameda Point.	Yes
<b>Seagull</b>		Common bird. No specific Alameda reference.	Already Used.
<b>Shrike</b>	Loggerhead Shrike	Known to occur and breed at Alameda Point	Yes
<b>Skylark</b>		No specific Alameda reference.	No
<b>Sparrow</b>		Common bird. No specific Alameda reference.	No
<b>Stork</b>		No specific Alameda reference.	No
<b>Swallow</b>		Common bird. No specific Alameda reference.	No
<b>Towhee</b>		No specific Alameda reference.	No
<b>Townsend Bat</b>	Townsend's Big-Eared Bat	Documented roosting in buildings along Alameda's north shore; may roost in vacant project site buildings.	Yes
<b>Warbler</b>		No specific Alameda reference.	No
<b>White-Tailed Kite</b>	White-Tailed Kite	Known to nest and forage at Alameda Point.	Yes
<b>Category: Mammals</b>			



<b>Harbor Seal</b>	Harbor Seal	Known to visit Breakwater Island at Alameda Point	Yes
<b>Sea Lion</b>	California Sea Lion	Known to occur in waters around Alameda Point	Yes
<b>Category: Navy Ships</b>			
<b>Ardent</b>		Minesweeper - Ardent was originally laid down as HMS Buffalo (BAM-8), for the Royal Navy on 20 February 1943 at Alameda, California, by the General Engineering & Dry-dock Co.	Yes
<b>Buckthorn</b>		Net layer ship - Buckthorn (YN-9) was laid down on 5 December 1940 at Alameda, California, by the General Engineering & Dry-dock Co.; launched on 27 March 1941	Yes
<b>Cathwood</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Competent</b>		USS Competent (AM-316/MSF-316) was an Auk-class minesweeper built as the HMS Amelia (BAM-3). She was launched 30 January 1943 by General Engineering and Dry Dock Co., Alameda	No
<b>Derbyline</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Deroche</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Devastator</b>		Minesweeper - Devastator was launched 19 April 1943 by General Engineering and Dry Dock Co.,	Yes
<b>Devolente</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Dillwyn</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Dilworth</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Dreadnaught</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Dungannon</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes

<b>Durango</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Ebony</b>		USS Ebony (YN-10/AN-15) was an Aloe-class net laying ship built for the United States Navy during World War II. She was launched in June 1941 by the General Engineering & Dry Dock Company in Alameda, and completed in September 1941.	Yes
<b>Enterprise</b>		USS Enterprise: Aircraft carrier stationed at NAS, featured in Star Trek IV	Yes
<b>Eucalyptus</b>		USS Eucalyptus (YN-11/AN-16) was an Aloe-class net laying ship built during World War II. She was launched in July 1941 by the General Engineering & Dry Dock Company in Alameda, and completed in October 1941.	Yes
<b>Gompers</b>		USS Gompers, a Destroyer tender, the first of its class, and designed to be a floating repair shop for ships of the U.S. Navy either in port or at sea. It was named for Samuel Gompers, a distinctive American labor leader during the late nineteenth Century.	Yes
<b>Halo</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Halsey</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Halway</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Hambro</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Hamer</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Heffron</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Hegira</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Oak Ridge</b>		USS Oak Ridge (ARD-19/ARDM-1) was an ARD-12-class floating dry dock suitable for docking destroyers, submarines and landing	Yes



		craft. The ship was built in Alameda.	
<b>Pawnee</b>		USS Pawnee (AT-74/ATF-74) was a Navajo-class fleet tug in the United States Navy. Pawnee was laid down on 23 October 1941 by the United Engineering Company, Alameda, California.	Yes
<b>Pigboat</b>		Virginia-class nuclear-powered guided missile cruiser, in service during the 1980s and 1990s. This ship was affectionately known as The "Ark" and "Pigboat" (referencing her mascot, the Arkansas Razorback) by her crewmembers.	Yes
<b>Portola Plumas</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Rescuer</b>		USS Rescuer (ARS-18) was a Rescuer-class rescue and salvage ship commissioned by the U.S. Navy during World War II.	Yes
<b>Richconcal</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>San Jacinto</b>		The USS San Jacinto (CVL-30) was an Independence-class light aircraft carrier that served during World War II. She was stationed at NAS Alameda after the war.	Yes
<b>Sentinel</b>		USS Sentinel (SP-180), a motorboat built in 1917 by Pacific Shipyards and Ways Co. in Alameda	Yes
<b>Skylark</b>		USS Skylark (AM-63) was an Auk-class minesweeper built during World War II. Skylark was laid down on 9 July 1941 by the General Engineering & Dry Dock Company of Alameda. She earned three battle stars during World War II. Skylark sunk off Okinawa in April 1945.	Yes
<b>Starling</b>		USS Starling (AM-64) was an Auk-class minesweeper responsible for removing mines from minefields laid in the water to prevent ships from passing. Starling was laid down on 1 July 1941 by the General Engineering and Drydock Co in Alameda.	Yes

		The ship was sold to the Mexican Navy in 1973.	
<b>Steadfast</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Swallow</b>		USS Swallow (AM-65) was laid down on 19 July 1941 by the General Engineering & Dry Dock Company in Alameda. She was launched on 6 May 1942.	Yes
<b>Undaunted</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Utacarbon</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>Volunteer</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>War Cape</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>War Harbor</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>War Haven</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>War Ocean</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>War Rock</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>War Sea</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>War Surf</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>War Wave</b>		Navy cargo/transport ship built at Bethlehem yard in Alameda	Yes
<b>White Sands</b>		USS White Sands (ARD-20) was laid down on 20 December 1943 by the Pacific Bridge Company in Alameda 1944.	Yes
<b>Category: Navy Aircraft</b>			
<b>Coronado</b>	Consolidated PB2Y Coronado	1930s large flying boat patrol bomber designed by Consolidated Aircraft and served at NAS Alameda.	Yes
<b>Corsair</b>	Navy A-7E Corsair	The Ling-Temco-Vought Corsair is a carrier-capable subsonic light attack aircraft that	Yes



		served at NAS Alameda. One such aircraft crashed into an apartment complex at 1814 Central Avenue in 1973.	
<b>Crusader</b>	Vought F8U-1 Crusader	1950s fighter aircraft that served at NAS Alameda.	Yes
<b>Skywarrior</b>	Douglas A-3 Skywarrior	The Douglas A-3 Skywarrior was designed as a strategic bomber for the Navy and was among the longest serving carrier-based aircraft at NAS Alameda.	Yes
<b>Intruder</b>	Grumman A-6 Intruder	A common all-weather medium attack aircraft that served at NAS Alameda.	Yes
<b>Martin Mariner</b>	Martin PBM-5 Mariner	1940s flying patrol bomber that served at NAS Alameda.	Yes
<b>Prowler</b>	Grumman Prowler	1960s warfare aircraft that served at NAS Alameda.	Yes
<b>Peter Nine</b>	Martin PBM-5 Mariner	Name of the Martin Mariner seaplane from NAS Alameda that crashed into Mount Tamalpais killing eight naval servicemen on November 30, 1944.	Yes
<b>Tradewind</b>	Convair R3Y Tradewind	1950s turboprop-powered flying boat that served at NAS Alameda.	Yes
<b>Category: Navy Squadrons</b>			
<b>Blackhawks</b>		Stationed at NAS Alameda from 1987 to 1996 -- Helicopter Mine Countermeasures Squadron FIFTEEN (HM-15) "Blackhawks" were first of two deployable, Airborne Mine Countermeasures (AMCM) squadrons to receive the Sikorsky MH-53E "Sea Dragon" helicopter.	Yes
<b>Black Ravens</b>		Stationed at NAS Alameda: 1969-1974 -- Activated 15 May 1969. Deployments and detachments to Southeast Asia on USS Coral Sea (CVA-43), USS Hancock (CVA-19), USS Kitty Hawk (CVA-63), and to Mediterranean on USS Franklin D. Roosevelt (CVA-43), USS Forrestal (CVA-59). Transition to EA-6B July 1974	Yes

<b>Dragons</b>		VMA-133 was a U.S. Marine Corps reserve fighter squadron. Known as the "Dragons," the squadron was part of Marine Aircraft Group 42 of the 4th Marine Aircraft Wing. The Dragons flew the Douglas A-4 Skyhawk. VMA-133 was deactivated in 1992.	Yes
<b>Firebirds</b>		Stationed at NAS Alameda: 1970 to 1994 -- VA-304 was a reserve squadron established as part of reorganization intended to increase the combat readiness of the Naval Air Reserve Force. Elements of reserve unit, VA-20G3, were used to form the newly established squadron. VA-304 was the first reserve squadron to receive and operate the A-6E Intruder.	Yes
<b>Garudas</b>		Stationed at NAS Alameda: 1969-1971 -- Established 17 June 1969 with KA-3B and EKA-3B. Served two combat cruises on USS Ranger (CVA-61).	Yes
<b>Golden Bears</b>		Stationed at NAS Alameda: 1989 to 1994 -- HM-19 was established at NAS Alameda on 9 January 1989 as the Naval Reserve's second Airborne Mine Countermeasures (AMCM) squadron, flying the RH-53D Sea Stallion Helicopter operating under the control of Commander, Helicopter Wing Reserve.	Yes
<b>Golden Gater</b>		HS-85 was established as Helicopter Anti-Submarine Squadron Eight Five on 1 July 1970 at NAS Alameda	Yes
<b>Golden Hawks</b>		Stationed at NAS Alameda: 1970 to 1984 -- VA-303 was a reserve squadron established as part of reorganization intended to increase the combat readiness of the Naval Air Reserve Force.	Yes
<b>Griffins</b>		Stationed at NAS Alameda: 1970 to 1989 -- VAK-308 was the first A3 Skywarrior and the first Heavy Attack Squadron ever	Yes



		assigned to the Naval Air Reserve. VAQ-308 along with its later formed sister squadron, VAQ-208, established a new precedence by flying combat support missions in S.E. Asia during the Vietnam War.	
<b>Hollygreens</b>		Stationed at NAS Alameda: 1968-1971 -- Formed 1 November 1968 when VAH-4 was redesignated. Operated KA/EKA-3Bs. Detachment to Gulf of Tonkin on USS Kitty Hawk (CVA-63) and to Mediterranean on USS John F. Kennedy (CVA-67). Moved to NAS Whidbey Island, Washington May 1971 to transition to EA-6B Prowler.	Yes
<b>Jockeys</b>		Stationed at NAS Alameda: 1970 to 1989 -- When the Naval Air Reserve was reorganized in 1970, Tactical Electronic Warfare Squadron 208 was established on 31 July at NAS Alameda, California, as part of Carrier Air Wing Twenty. Equipped with KA-3Bs to support CVWR-20 operations, VAQ-208 also began providing air refueling and pathfinding for Navy and Marine tactical aircraft being ferried to Southeast Asia.	Yes
<b>Scorpions</b>		Stationed at NAS Alameda: 1968-1971 -- Formed 1 November 1968 when VAH-2 was redesignated. Detachments to USS Constellation (CVA-64). Combat cruises on USS Enterprise (CVAN-65) and USS America (CVA-66). Moved to NAS Whidbey Island, Washington 15 January 1971 and transitioned to EA-6B.	Yes
<b>Warhawks</b>		Stationed at NAS Alameda: 1965 to 19?? -- VSF-1 was established on 1 July 1965. On 1 July 1966 VSF-1 was split in half -- One half remained as VSF-1 and deployed on the <u>USS Shangri-La (CVS-38)</u> to the Mediterranean and the other half was called VSF-1 Alameda which was later renamed VSF-3 Chessmen.	Yes

<b>Wizards</b>		Stationed at NAS Alameda: 1969-1971 -- Established 4 March 1969. Deployments to Gulf of Tonkin on USS Constellation (CVA-64) and USS Kitty Hawk (CVA-63). Stood down August 1971. Reactivated 4 August 1972 at NAS Whidbey Island, Washington with EA-6B.	Yes
<b>Zappers</b>		Stationed at NAS Alameda: 1967-1974 -- the Zappers of VAQ-130 have led the way in Navy electronic warfare for more than 40 years. The unit is the longest serving carrier based electronic warfare squadron in Navy history, and has flown the Navy's three primary tactical jamming aircraft into the heaviest, most threatening electronic environments ever faced by manned aircraft.	Yes
<b>Category: Alameda Point</b>			
<b>Bachelor's Quarters</b>		Named to remember uses and locations at the Point	Yes
<b>China Clipper</b>		Named to remember uses and locations at the Point. Already listed.	Already Listed
<b>Control Tower</b>		Named to remember uses and locations at the Point	Yes
<b>Hangar</b>		Named to remember uses and locations at the Point	Yes
<b>PanAm</b>	Pan American World Airways	Pan American World Airways used the yacht harbor as the California terminal for China Clipper trans-Pacific flights beginning in 1935.	Already Used
<b>Seaplane</b>		Named to remember uses and locations at the Point. Name already used (Seaplane Lagoon)	Yes
<b>Transcontinental</b>		Named to remember uses and locations at the Point	Yes
<b>Category: Others</b>			
<b>Balsa</b>	Tule Balsa	Native Ohlone rafts called made from fresh water tules.	Yes
<b>Sákas</b>		Another name for Native American fresh	Yes



		water rafts made of tule reeds.	
<b>Del Monte</b>		Del Monte once operated a plant in Alameda that is now a historic monument.	Yes
<b>Medal of Honor</b>		To honor the heroics of all military service personnel.	Yes
<b>Mayors</b>		Proposed to honor all mayors in Alameda.	Yes
<b>Peanut Butter</b>		Skippy peanut butter plant used to be in Alameda.	Yes
<b>Popsicle</b>	Invention	Debuted at Neptune Beach	Yes
<b>Red Line</b>		Commuter Train system that ran in Alameda	Already Used
<b>Skippy</b>	Skippy Peanut Butter	Skippy peanut butter plant used to be in Alameda	Yes
<b>SnoCone</b>	Invention	Alameda association unverifiable	No
<b>Ilocos</b>	Filipino Culture	Ilocos is the region in the northern part of the Philippine archipelago where the first wave of Filipino immigration to the US came from. First Filipinos that settled in Alameda also came from this region.	Yes
<b>Mabuhay</b>	Filipino Culture	Cultural reference: A Filipino greeting.	Yes
<b>Sakadas</b>	Filipino Culture	Sakadas refers to the group of Filipino farm laborers who came to work in California during the 1920-30s, many of whom settled in the Bay Area. While California's seasonal agricultural economy forced workers to migrate to different farms, many Sakadas chose to stay at Bay Farm Island because of its year-round farming activities.	Yes
<b>Visayas</b>	Filipino Culture	Visayas in the central part of the Philippine archipelago was the other region where the first Filipinos who came to America came from. First Filipinos that settled in Alameda also came from this region.	Yes



# Housing Authority of the City of Alameda

701 Atlantic Avenue - Alameda, California 94501-2161 - Tel: (510) 747-4300 - Fax: (510)522-7848 - TDD: (510) 522-8467

To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Date: March 21, 2018

RE: Accept the Draft Audit Report for Fiscal Year Ending June 30, 2017

## BACKGROUND

The financial statements of the Housing Authority of the City of Alameda for the fiscal year ending June 30, 2017, were prepared in the format prescribed by the requirements of Government Accounting Standards Board Statement 34 (GASB 34). Updates in GASB through statements number 82 have been implemented.

The firm of Cropper Rowe, LLP, Certified Public Accountants, has certified the audited financial statements of the Housing Authority for the fiscal year ending June 30, 2017.

## DISCUSSION

This report submits the annual Financial Statements for the fiscal year ending June 30, 2017. The auditors, Cropper Rowe, LLP, opined that the financial statements present fairly, in all material respects, the financial position of the Housing Authority of the City of Alameda as of June 30, 2017. The respective changes in financial position and cash flows for the year ended are in conformity with accounting principles generally accepted (GAAP) in the United States of America.

The audit includes the Federal Data Schedule (FDS) as a supplemental schedule. Due to U.S. Department of Housing and Urban Development (HUD) computer issues beyond our control, the FDS has not been submitted to HUD and so is not included in the attached report. The FDS report will be submitted to HUD and included in the audit once the computer issues are resolved. A letter date March 12, 2018 was sent to the Director of HUD's Office of Public Housing requesting a waiver for the electronic submission of the Housing Authority of the City of Alameda audited financials if the computer issues are not resolved before submission deadlines.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

For information only.



Honorable Chair and  
Members of the Board of Commissioners

March 21, 2018  
Page 2 of 2

RECOMMENDATION

Accept the audit report for fiscal year ending June 30, 2017.

Respectfully submitted,

  
Vanessa M. Cooper  
Executive Director

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**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**ANNUAL FINANCIAL REPORT**  
**YEAR ENDED JUNE 30, 2017**  
(Including Auditors' Report Thereon)

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Draft 3/15/18

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
FINANCIAL STATEMENTS  
JUNE 30, 2017**

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Draft 3/15/18

## INDEPENDENT AUDITORS' REPORT

The Board of Commissioners  
Housing Authority of the City of Alameda  
Alameda, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Housing Authority of the City of Alameda (the Authority), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

The Authority's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Island City Development, which represent 100 percent of the assets, net position, and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Island City Development, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of the Housing Authority of the City of Alameda, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 5 through 11, the Schedule of Funding Progress for OPEB on page 48, the Schedule of the Authority's Proportionate Share of the Net Pension Liability on page 49, and the Schedule of the Authority's Pension Plan Contribution on page 50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Alameda's basic financial statements. The Schedule of Expenditures of Federal Awards on page 52 is required by *Title 2 U.S. Code of Federal Regulations Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the accompanying Financial Data Schedule on pages 54 through 60 required by the U.S. Department of Housing and Urban Development are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and the Financial Data Schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States

of America by us and the other auditors. In our opinion, the Schedule of Expenditures of Federal Awards and the Financial Data Schedule are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2018 on our consideration of the Housing Authority of the City of Alameda's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the City of Alameda's internal control over financial reporting and compliance.

CROPPER ROWE, LLP  
Walnut Creek, California  
February 24, 2018



Draft 3/15/18

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Housing Authority of the City of Alameda's annual financial report presents a discussion and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we furnished in our letter to the Board of Commissioners.

The following management discussion and analysis (MD&A) will discuss the results of the Authority's operations. Key financial information for the current fiscal year will be compared with those of the prior year.

### Financial Highlights

- The assets and deferred outflows of the Authority exceeded its liabilities and deferred inflows at the close of fiscal year 2017 resulting in a Net Position of \$64,073,928 at June 30, 2017 as opposed to \$55,764,313 at June 30, 2016.
- Total assets and deferred outflows of resources at June 30, 2017 were \$ 97,690,531. Of this, \$27,727,225 represents current assets, \$ 66,419,587 represents non-current assets, and \$3,543,719 represents deferred outflows of resources. Total assets and deferred outflows of resources at June 30, 2016 were \$89,819,661.
- Capital assets, net of accumulated depreciation at June 30, 2017 increased by \$84,537 from \$37,299,016 at June 30, 2016 to \$37,383,553 at June 30, 2017. Capital assets are reflected at cost, less accumulated depreciation for all purchased capital assets.
- Total liabilities and deferred inflows of resources at June 30, 2017 were \$ 33,616,603. Of this, \$3,150,411 represents current liabilities, \$29,162,414 represents non-current liabilities, and \$1,303,778 represents deferred inflows of resources.
- Net position increased from \$55,764,313 at June 30, 2016 to \$64,073,928 at June 30, 2017, an increase of \$8,309,615.
- Total revenues for the Authority for fiscal year 2017 were \$49,571,454 versus \$56,051,784 for fiscal year 2016; a decrease of \$6,480,330. The primary sources of revenue for fiscal year 2017 were governmental grants, and rents collected from the Authority's owned units.
- Total expenses for the Authority for fiscal year 2017 were \$41,261,839 versus \$35,354,153 for fiscal year 2016; an increase of \$5,970,686. The major program expenditure, as reflected on the Combined Statement of Revenues, Expenses, and Changes in Net Position, was for housing assistance payments. There was \$26,572,457 of housing assistance payment expenses for fiscal year 2017. This represents an increase of \$2,594,311 to the \$23,978,146 amount for fiscal year 2016.
- Operating revenues for the Authority for fiscal year 2017 were \$48,418,104 and operating expenses were \$40,171,743. Operating revenues and expenses for fiscal year 2016 were \$38,357,148 and \$34,163,225 respectively.



## **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements, which are comprised of a Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows and Notes to the Financial Statements.

## **Government-Wide Financial Statements**

The government-wide financial statements report information of the Authority as a whole, net of inter-program activity.

The *Statement of Net Position* presents information on the Authority's assets and deferred outflows, and liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *Statement of Revenues, Expenses, and Changes in Net Position* presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* presents the change in the Housing Authority's cash and cash equivalents during the most recent fiscal year.

## **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some programs are required to be established by the United States Department of Housing and Urban Development (HUD). However, the Authority also administers other programs to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other moneys. All of the funds of the Authority are classified on the face of the financial statements as one enterprise housing fund as a result of GASB 34.

Enterprise funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. The focus of enterprise funds is on income measurement, which together with the maintenance of equity, is an important financial indication.

**Notes to the Basic Financial Statements**

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

**Component Unit**

As is more fully described in Note 1.A., the government-wide financial statements include the financial information of the Island City Development (a California Nonprofit Corporation) a discrete component unit of the Housing Authority of the City of Alameda.

**Supplementary Information**

The schedule of expenditures of federal awards, the schedule of funding progress for OPEB, the Schedule of Funding Progress for PERS, and the financial data schedule are presented for purposes of additional analysis as required by the Governmental Accounting Standards Board Statements, the Uniform Guidance at 2 CFR 200 Subpart F, and the requirements of the U.S Department of Housing and Urban Development. These schedules can be found in the Supplementary Information sections of this report.

**Financial Analysis**

The Authority uses funds to help it control and manage money for particular purposes. A portion of the Authority's net position reflects the investment in capital assets (e.g. land, buildings and improvements, furniture, equipment and machinery), net of any debt incurred to finance the acquisition of those assets. The Authority uses these capital assets to provide services to clients; consequently, these assets are not available for future spending.

**Budgetary Highlights**

An agency-wide budget was prepared for the fiscal year ended June 30, 2017. The budget was primarily used as a management tool. Budgets are prepared in accordance with the accounting procedures prescribed by the applicable funding agency and revised during the year as appropriate.



**Comparative Statement of Net Position**

The following table reflects the Statement of Net Position at June 30, 2017 compared to the prior fiscal year. The Authority is engaged only in Business-Type Activities.

**Housing Authority of the City of Alameda  
Comparative Statement of Net Position  
June 30, 2017**

**Table 1  
Net Position**

	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>Variance</u>	<u>%</u>
<b>Assets and Deferred Outflows</b>				
Current Assets	\$ 27,727,225	\$ 31,676,906	\$ (3,949,681)	-12.5%
Notes Receivable	29,036,034	18,237,984	10,798,050	59.2%
Capital Assets, net of accumulated depreciation	<u>37,383,553</u>	<u>37,299,016</u>	<u>84,537</u>	0.2%
Total Assets	<u>94,146,812</u>	<u>87,213,906</u>	<u>6,932,906</u>	7.9%
Deferred outflow of resources	<u>3,543,719</u>	<u>2,605,755</u>	<u>937,964</u>	36.0%
<b>Liabilities and Deferred Inflows</b>				
Current Liabilities	3,150,411	3,117,095	33,316	1.1%
Noncurrent Liabilities	<u>29,162,414</u>	<u>29,960,120</u>	<u>(797,706)</u>	-2.7%
Total Liabilities	<u>32,312,825</u>	<u>33,077,215</u>	<u>(764,390)</u>	-2.3%
Deferred inflow of resources	<u>1,303,778</u>	<u>978,133</u>	<u>325,645</u>	33.3%
<b>Net Position</b>				
Net investment of capital assets	9,744,931	8,944,339	800,592	9.0%
Restricted	1,008,764	605,261	403,503	66.7%
Unrestricted	<u>53,320,233</u>	<u>46,214,713</u>	<u>7,105,520</u>	15.4%
Total net position	<u>\$ 64,073,928</u>	<u>\$ 55,764,313</u>	<u>\$ 8,309,615</u>	14.9%

**Comparative Statement of Revenues, Expenses, and Changes in Net Position**

The following table presents the Statement of Revenues, Expenses, and Changes in Net Position for the fiscal year ended June 30, 2017 compared to the prior fiscal year.

**Housing Authority of the City of Alameda**  
**Comparative Statement of Revenues, Expenses, and Changes in Net Position**  
**Year Ended June 30, 2017**

	6/30/2017	6/30/2016	Variance	%
Operating revenues:				
Grants	\$ 36,418,954	\$32,930,661	\$ 3,488,293	10.6%
Rents	3,598,210	3,515,025	83,185	2.4%
Other	1,390,940	1,911,462	(520,522)	-27.2%
Non-operating revenues:				
Interest income	164,841	202,526	(37,685)	-18.6%
Gain on sale of fixed assets	6,569	-	6,569	n/a
Pension gain (Note 6)	981,940	-	981,940	n/a
Del Monte Senior Housing	7,010,000	-	7,010,000	n/a
Successor agency income	-	17,492,110	(17,492,110)	-100.0%
Total Revenue	<u>49,571,454</u>	<u>56,051,784</u>	<u>(6,480,330)</u>	-11.6%
Operating expenses:				
Administration	6,838,479	4,456,445	2,382,034	53.5%
Utilities	1,116,927	669,263	447,664	66.9%
Maintenance	2,520,226	2,999,081	(478,855)	-16.0%
General	1,384,284	212,462	1,171,822	551.5%
Tenant Services	269,706	184,463	85,243	46.2%
Protective Services	-	209,656	(209,656)	-100.0%
Housing assistance payments	26,572,457	23,978,146	2,594,311	10.8%
Depreciation	1,469,664	1,453,709	15,955	1.1%
Non-operating expenses				
Interest expense	1,090,096	1,190,928	(100,832)	-8.5%
Total expenses	<u>41,261,839</u>	<u>35,354,153</u>	<u>5,907,686</u>	16.7%
Change in net position before prior period adjustment	8,309,615	20,697,631	(12,388,016)	-59.9%
Prior period adjustments	-	4,000,000	(4,000,000)	-100.0%
Change in net position	<u>8,309,615</u>	<u>24,697,631</u>	<u>(16,388,016)</u>	-66.4%
Net Position, beginning of year	55,764,313	31,066,682	24,697,631	79.5%
Net Position, end of year	<u>\$ 64,073,928</u>	<u>\$55,764,313</u>	<u>\$ 8,309,615</u>	14.9%

**Analysis of the Authority's Overall Financial Position and Results of Operations**

As indicated in the above comparative statements the Authority's Net Position at June 30, 2017 increased by \$8,309,615 from the June 30, 2016 balance.



**Changes in Capital Assets**

The following presents the changes in fixed assets (net of accumulated depreciation) at June 30, 2017 versus the prior fiscal year.

**Housing Authority of the City of Alameda  
Changes in Capital Assets  
(Net of Accumulated Depreciation)  
June 30, 2017**

	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>Variance</u>	<u>%</u>
Land	\$ 18,612,054	\$ 18,612,054	\$ -	0.0%
Construction in Progress	286,033	-	286,033	n/a
Building and Improvements	18,456,188	18,636,527	(180,339)	-1.0%
Equipment	29,278	50,435	(21,157)	-41.9%
	<u>\$ 37,383,553</u>	<u>\$ 37,299,016</u>	<u>\$ 84,537</u>	0.2%

Additional information pertaining to capital assets is found in Note 3 to the financial statements.

**Changes in Long-Term Debt**

The following presents the changes in long-term debt at June 30, 2017 versus the prior fiscal year.

**Housing Authority of the City of Alameda  
Changes in Long-term Debt  
June 30, 2017**

	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>Variance</u>	<u>%</u>
Notes and bonds payable	\$ 27,638,622	\$28,354,676	\$(716,054)	-2.5%

Additional information pertaining to long-term debt is found in Note 4 to the financial statements.

**Economic Factors**

The Housing Authority is primarily dependent upon HUD for the funding of operations. Therefore, the Housing Authority is affected more by the federal budget than by state or local economic conditions. Changes in HUD grants affect the number of households that can be assisted under these federally funded programs on an ongoing basis.

The Authority's annual revenues for the Housing Choice Voucher Program is based primarily upon the amounts received each year from the U.S. Department of Housing and Urban Development, which does not correlate directly to the amounts expended each year for administrative costs and housing assistance payments expenses associated with the Housing Choice Voucher Program. Therefore, for any given fiscal year the Authority's revenues for the Housing Choice Voucher Program may be more or less than the expenses for the program. For the fiscal year ended June 30, 2017 the Authority's expenses associated with the Housing Choice Voucher Program exceeded its revenues by \$8,700. For the previous 2016 fiscal year the Authority's expenses for the Housing Choice Voucher Program exceeded its revenues by \$26,449. These excess of expenses over revenues were funded by a reduction in the Authority's Net Position for the Housing Choice Voucher Program.

**Requests for information**

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Finance Director at the Housing Authority of the City of Alameda, 701 Atlantic Avenue, Alameda, California 94501.



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

Draft 3/15/18

	Housing Authority	Component Unit	Total Combined
<b><u>ASSETS</u></b>			
Current Assets:			
Cash and investments (Note 2)	\$ 27,100,576	\$ 3,998,841	\$ 31,099,417
Due from other agencies	245,118	-	245,118
Tenant accounts receivable	53,129	-	53,129
Accounts receivable - other	39,609	3,910	43,519
Interest receivable	70,011	-	70,011
Prepaid expenses	213,699	4,699,277	4,912,976
Inventory	5,083	-	5,083
Total current assets	<u>27,727,225</u>	<u>8,702,028</u>	<u>36,429,253</u>
Noncurrent assets:			
Notes receivable (Note 8)	29,036,034	-	29,036,034
Capital assets, net of accumulated depreciation of \$25,322,193 (Note 3)	37,383,553	903,200	38,286,753
Total noncurrent assets	<u>66,419,587</u>	<u>903,200</u>	<u>67,322,787</u>
Total assets	<u>94,146,812</u>	<u>9,605,228</u>	<u>103,752,040</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Pension Plan (Note 6)	3,543,719	-	3,543,719
Total assets and deferred outflows of resources	<u>97,690,531</u>	<u>9,605,228</u>	<u>107,295,759</u>
<b><u>LIABILITIES</u></b>			
Current Liabilities:			
Accounts payable - other	238,177	42,775	280,952
Accounts payable - other agencies	8,221	-	8,221
Tenant security deposits	548,120	-	548,120
Other accrued liabilities	389,026	160,000	549,026
Interest payable	901,727	8,623	910,350
Compensated absences (Note 5)	105,601	-	105,601
Notes and bonds payable (Note 4)	959,539	9,756,863	10,716,402
Total current liabilities	<u>3,150,411</u>	<u>9,968,261</u>	<u>13,118,672</u>
Noncurrent liabilities:			
Compensated absences (Note 5)	79,663	-	79,663
Other noncurrent liabilities	151,459	-	151,459
OPEB payable (Note 7)	567,257	-	567,257
Pension liability (Note 6)	1,684,952	-	1,684,952
Notes and bonds payable (Note 4)	26,679,083	-	26,679,083
Total noncurrent liabilities	<u>29,162,414</u>	<u>-</u>	<u>29,162,414</u>
Total liabilities	<u>32,312,825</u>	<u>9,968,261</u>	<u>42,281,086</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Pension Plan (Note 6)	1,303,778	-	1,303,778
Total liabilities and deferred inflows of resources	<u>33,616,603</u>	<u>9,968,261</u>	<u>43,584,864</u>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	9,744,931	903,200	10,648,131
Restricted	1,008,764	-	1,008,764
Unrestricted	53,320,233	(1,266,233)	52,054,000
Total Net Position	<u>\$ 64,073,928</u>	<u>\$ (363,033)</u>	<u>\$ 63,710,895</u>

See notes to the Financial statements.

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2017**

Draft 3/15/18

	Housing Authority	Component Unit	Total Combined
<u>Operating Revenues</u>			
Grants	\$ 36,418,954	\$ -	\$ 36,418,954
Rents	3,598,210	-	3,598,210
Other	1,390,940	1,193	1,392,133
Total operating revenues	<u>41,408,104</u>	<u>1,193</u>	<u>41,409,297</u>
<u>Operating Expenses</u>			
Administration	6,838,479	22,550	6,861,029
Utilities	1,116,927		1,116,927
Maintenance	2,520,226	-	2,520,226
General	1,384,284	90,747	1,475,031
Tenant services	269,706	-	269,706
Housing assistance payments	26,572,457	-	26,572,457
Depreciation	1,469,664	-	1,469,664
Total operating expenses	<u>40,171,743</u>	<u>113,297</u>	<u>40,285,040</u>
Operating income (loss)	<u>1,236,361</u>	<u>(112,104)</u>	<u>1,124,257</u>
<u>Non-Operating Revenues (Expenses)</u>			
Interest income	164,841	-	164,841
Gain on sale of fixed assets	6,569	-	6,569
Interest expense	(1,090,096)	-	(1,090,096)
Pension gain/(expense) (Note 6)	981,940	-	981,940
Del Monte Senior Housing	7,010,000	-	7,010,000
Other nonoperating revenues (expenses)	-	(117,219)	(117,219)
Net non-operating revenue	<u>7,073,254</u>	<u>(117,219)</u>	<u>6,956,035</u>
Change in net position	8,309,615	(229,323)	8,080,292
Total net position, beginning	<u>55,764,313</u>	<u>(133,710)</u>	<u>55,630,603</u>
Total net position, ending	<u>\$ 64,073,928</u>	<u>\$ (363,033)</u>	<u>\$ 63,710,895</u>

See notes to the Financial statements.



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2017**

Draft 3/15/18

	Housing Authority	Component Unit	Total Combined
<u>Cash flows from operating activities:</u>			
Grants received	\$ 36,237,692	\$ -	\$ 36,237,692
Cash received from rents	3,752,904	-	3,752,904
Other miscellaneous cash receipts	1,202,644	(1,590)	1,201,054
Cash payments to suppliers and landlords	(34,558,212)	(123,428)	(34,681,640)
Cash payments to employees	(3,785,195)	-	(3,785,195)
Net cash provided (used) in operating activities	<u>2,849,833</u>	<u>(125,018)</u>	<u>2,724,815</u>
<u>Cash flows from capital and related financing activities:</u>			
Interest paid on long-term debt	(1,127,483)	8,623	(1,118,860)
Additions to long-term debt	133,246	-	133,246
Principal paid	(849,300)	-	(849,300)
Expenditures for subsidiary	-	(1,373,268)	(1,373,268)
Acquisition of fixed assets	(1,547,632)	(743,200)	(2,290,832)
Proceeds from notes payable	-	4,900,000	4,900,000
Net cash provided by (used in) capital and related financing activities	<u>(3,391,169)</u>	<u>2,792,155</u>	<u>(599,014)</u>
<u>Cash flows from investing activities:</u>			
Issuances of mortgage notes receivable	(3,788,050)	-	(3,788,050)
Interest received from investments	197,417	-	197,417
Net cash provided by (used in) investing activities	<u>(3,590,633)</u>	<u>-</u>	<u>(3,590,633)</u>
Net increase (decrease) in cash	(4,131,969)	2,667,137	(1,464,832)
Cash at beginning of year	31,232,545	1,331,704	32,564,249
Cash at end of year	<u>\$ 27,100,576</u>	<u>\$ 3,998,841</u>	<u>\$ 31,099,417</u>
<u>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</u>			
Operating income (loss)	\$ 1,236,361	\$ (112,104)	\$ 1,124,257
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	1,469,664	-	1,469,664
<i>(Increase) decrease in assets</i>			
Due from other agencies	(181,262)	1,127	(180,135)
Tenant accounts receivable	154,694	-	154,694
Other accounts receivable	(23,146)	(3,910)	(27,056)
Prepaid expenses	(165,948)	-	(165,948)
Inventory	798	-	798
<i>(Increase) decrease in liabilities</i>			
Accounts payable	(9,369)	22,724	13,355
Accounts payable to other agencies	6,664	-	6,664
Tenant security deposits	10,588	-	10,588
Accrued liabilities	39,622	(32,855)	6,767
Accrued compensated absences	(34,101)	-	(34,101)
Other noncurrent liabilities	(255,682)	-	(255,682)
OPEB payable	401,017	-	401,017
GASB 68 effect on pension expense	199,933	-	199,933
Net cash provided by (used in) operating activities	<u>\$ 2,849,833</u>	<u>\$ (125,018)</u>	<u>\$ 2,724,815</u>

See notes to the Financial statements.

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

Draft 3/15/18

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Housing Authority of the City of Alameda (the Authority) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. The following is a summary of the more significant policies:

**A. Definition of Reporting Entity**

The Housing Authority of the City of Alameda (the Authority) was established on August 8, 1940 by a resolution of the City of Alameda City Council. The Authority is governed by a seven member Board of Commissioners which is appointed by the Mayor of the City of Alameda, California. However, the Housing Authority is not considered to be a component unit of the City or any other primary government. Two members of the Board of Commissioners are participants in programs administered by the Commission. The members of the Commission are selected to serve for either two or four year terms.

The basic financial statements include both the financial activities of the Housing Authority of the City of Alameda and its discretely presented component unit, Island City Development.

Discretely Presented Component Unit - Island City Development

Island City Development (a California Nonprofit Corporation) was established in 2014 primarily to engage in acquiring, developing, rehabilitating, owning, and managing affordable housing for low and moderate-income individuals and families in the City of Alameda, California. The Executive Director of the Housing Authority of the City of Alameda appoints the members of the Nonprofit Corporation's Board of Directors. The Nonprofit Corporation has a year end of December 31, 2016, and the financial activity is reported as a separate column on the financial statements.

Island City Development is the sole member of Del Monte Senior LLC, the 0.01% Managing General Partner of Sherman and Buena Vista LP, created June 23, 2016 for the purpose of developing and owning a 31-unit Low-Income Housing Tax Credit property at 1031 Buena Vista Avenue in Alameda. This property is under construction and is expected to be completed in 2018. Additionally, Island City Development is the sole member of 2437 Eagle Avenue LLC, the 0.01% Managing General Partner of Everett and Eagle LP, created November 22, 2016 for the purpose of developing and owning a 20-unit Low-Income Housing Tax Credit property at 2437 Eagle Avenue in Alameda. This property is under construction and is expected to be completed in 2018. Finally, Island City Development is the 0.1% Special Limited Partner for Stargell Commons LP created February 20, 2015 to own and operate a 32 unit Low-Income Housing Tax Credit property at 2700 Bette Street in Alameda.

A complete audited financial statement is separately issued for Island City Development and its subsidiary limited partnerships and limited liability companies, and may be obtained at the Housing Authority of the City of Alameda's administrative offices located at 701 Atlantic Avenue, Alameda, California.



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

Draft 3/15/18

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

Related Organizations – Blended component units

The Housing Authority is the sole member of AHA Islander GP, LLC which is the 0.005% General Partner of the Alameda Islander LP. This limited partnership owns and operates a 62-unit Low-Income Housing Tax Credit property at 2428 Central Avenue in Alameda. The financial statements include the financial information of AHA Islander GP, LLC.

The Housing Authority is the sole member of 2216 Lincoln AHA, LLC which is the 0.0049% General Partner of the Jack Capon Villa, LP. This limited partnership owns and operates a 19-unit Low-Income Housing Tax Credit property at 2216 Lincoln Avenue in Alameda. The financial statements include the financial information of 2216 Lincoln AHA, LLC.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e. the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows) report the financial information of the Authority's operations as a whole.

For financial reporting purposes, the Authority reports all of its operations as a single business-type activity in a single enterprise housing fund. Therefore, for the Authority the government-wide and fund financial statements are the same. These basic financial statements are presented in accordance with the standards established by the Governmental Accounting Standards Board (GASB).

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The financial statements and the Schedule of Expenditures of Federal Awards are reported using the *economic resources measurement focus* and the *accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when related cash flows take place. Non-exchange transactions are those in which the Authority receives value without directly giving equal value in exchange. These transactions include revenues from federal, state, and local assistance programs. Revenues from these sources are recognized in the fiscal year in which all eligibility requirements have been met.

When the Authority incurs an expense for which both restricted and unrestricted resources may be used, it is the Authority's policy to use restricted resources first and then unrestricted resources as needed.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* activities. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise housing fund are grants from federal funding agencies for housing assistance payments earned, administrative and developer fees, and rental income from its owned housing units. The Authority is party to services agreements with the City of Alameda to provide various housing related services. The cost of these services is reimbursed on an actual cost basis, plus a fixed fee. Operating expenses include employee services and supplies, administrative expenses, management fees, utilities, housing assistance payments to landlords, and depreciation of its capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Authority applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued before November 30, 1989 in accounting and reporting for its proprietary operations.

**D. Assets, Liabilities, and Net Position**

*a. Cash and Cash Equivalents*

For purposes of the accompanying statement of cash flows all highly liquid cash and investments with a maturity of three months or less when purchased and cash restricted by federal governmental requirements are considered cash and cash equivalents.

Cash and cash equivalents include amounts in demand deposits and savings accounts. All of the Authority's investments can be converted to cash in a relatively short amount of time. Therefore, all cash and investments, including restricted amounts, are reported in the Statement of Cash Flows.

*b. Restricted Assets*

Restricted cash, cash equivalents, and investments, represent deposits that are used for replacement reserves, security deposit payable amounts to tenants and amounts that are required by grants from HUD to be used only to provide housing assistance for individuals and families that meet various income, age, and employment standards.

*c. Receivables*

All receivables are reported at their gross value and are reduced by an allowance for doubtful accounts if such an amount is considered applicable.

*d. Inventories and prepaid assets*

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items the financial statements.



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

Draft 3/15/18

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**D. Assets, Liabilities, and Net Position, Continued**

*e. Capital Assets*

Capital assets which include land, buildings, improvements, and furniture and equipment, are reported at historical cost. Contributed capital assets are recorded at fair value at the time received. Interest expense during any development periods is capitalized.

Maintenance, minor repairs and replacements are recorded as expenses; extraordinary replacements of property resulting in property betterments are charged to the property accounts. Depreciation is charged to operations using the straight-line method based on the estimated useful life of the related asset. The estimated useful lives of the various asset categories are as follows:

Buildings	40 years
Improvements	15 years
Furniture and Equipment	5 to 10 years

*f. Compensated Absences*

It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred or at separation. Unpaid sick balances are not paid at separation.

*g. Taxes*

The Authority is exempt from federal and state income taxes, and county property taxes.

*h. Encumbrances*

Encumbrance accounting is not employed by the Authority.

*i. Net Position*

Net position represents the differences between assets and liabilities. Net position consists of investment in capital assets, net of related debt; restricted net position; and unrestricted net position. Net position invested in capital assets, net of related debt, consists of capital assets, net of depreciation, reduced by the outstanding balances of borrowings used for the construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

*j. Deferred Outflows/Inflows of Resources*

In addition to assets and liabilities, the Statement of Net Position includes separate sections for deferred outflows and inflows of resources. These separate sections represent a consumption or acquisition of net position that applies to future periods and will not be recognized as outflows (revenues) or inflows (expenses) until that time.

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**D. Assets, Liabilities, and Net Position, Continued**

*k. Pensions*

For purposes of measuring the net pension liability (NPL) and deferred outflows/inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) of the Authority's California Public Employees' Retirement System (CalPERS) Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**E. New GASB Pronouncements**

**New Accounting Pronouncements**

In November 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 83, *Certain Asset Retirement Obligations* (GASB No. 83). GASB No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in GASB No. 83.

GASB No. 83 will enhance comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure certain AROs, including obligations that may not have been previously reported. GASB No. 83 will enhance the decision-usefulness of the information provided to financial statement users by requiring disclosures related to those AROs. The requirements of GASB No. 83 are effective for reporting periods beginning after June 15, 2018. The Authority does not believe that there will be any financial statement effect related to GASB No. 83.

In January 2017 GASB issued Statement No. 84, *Fiduciary Activities* (GASB No. 84). The objective of which is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of GASB No. 84 will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. The requirements of GASB No. 84 are effective for reporting periods beginning after December 15, 2018. The Authority does not believe that there will be any financial statement effect related to GASB No. 84.



**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**E. New GASB Pronouncements**

In March 2017, GASB issued Statement No. 85, *Omnibus 2017* (GASB No. 85). The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. GASB No. 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Specifically, the following topics are addressed:

- Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation
- Reporting amounts previously reported as goodwill and "negative" goodwill classifying real estate held by insurance entities
- Measuring certain money market investments and participating interest-earning investment contracts at amortized cost
- Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus
- Recognizing on-behalf payments for pensions or OPEB in employer financial statements
- Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB
- Classifying employer-paid member contributions for OPEB
- Simplifying certain aspects of the alternative measurement method for OPEB
- Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

The requirements of GASB No. 85 are effective for reporting periods beginning after June 15, 2017. The Authority does not believe that there will be any financial statement effect related to the GASB No. 85.

In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishment Issues* (GASB No. 86). The primary objective of GASB No. 86 is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources-resources other than the proceeds of refunding debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt. GASB No. 86 also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of GASB No. 86 are effective for reporting periods beginning after June 15, 2017. The Authority does not believe that there will be any financial statement effect related to GASB No. 86.

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**E. New Accounting Pronouncements, Continued**

In June 2017, GASB issued Statement No. 87, *Leases* (GASB No. 87). The objective of GASB No. 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB No. 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB No. 87 will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. GASB No. 87 also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements.

The requirements of GASB No. 87 are effective for reporting periods beginning after December 15, 2019. The Authority does not believe that there will be any financial statement effect related to GASB No. 87.

**F. Estimates**

Management of the Authority has made certain estimates and assumptions relating to the reporting of assets and liabilities and revenues and expenses to prepare the financial statements. Actual results may differ from those estimates.

**G. Budgets and Budgetary Accounting**

Each year the Authority's Board of Commissioners adopts an operating budget. This budget may be revised during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of the adoption of the annual budget.



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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**H. Loans Issued During the 2017 Fiscal Year**

During the 2017 fiscal year the Authority issued the following loans totaling \$11.8 million dollars:

Loan Receivable - ICD – Del Monte Predevelopment	\$ 300,000
Loan Receivable - Sherman and Buena Vista LP	3,600,000
Loan Receivable - Sherman and Buena Vista LP	3,410,000
Loan Receivable - ICD – Operating Capital	250,000
Loan Receivable - Everett and Eagle LP	4,250,000
Total	<u>\$ 11,810,000</u>

More information is available in Note 8.

**Note 2 - CASH AND INVESTMENTS**

**A. Policies**

California law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Authority's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the Authority's name and places the authority ahead of general creditors of the institution.

The Authority and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments*, or by electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. In order to increase security, the Authority employs the Trust Department of a bank as the custodian of certain managed investments, regardless of their form.

The Authority's investments are carried at fair value, as required by generally accepted accounting principles. The Authority adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of those adjustments in income for that fiscal year.

Cash and cash equivalents are considered to be liquid assets for purposes of measuring cash flows.

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**Note 2 - CASH AND INVESTMENTS, Continued**

**B. Classification**

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of Authority debt instruments or agency agreements. Cash and investments as of June 30, 2017 are as follows:

Unrestricted	\$ 25,392,233
Restricted	<u>1,708,343</u>
Total cash and investments	<u>\$ 27,100,576</u>

The \$27,100,576 of cash and investments consists of \$5,617,286 maintained on deposit in banks, \$736,688 maintained by loan servicing agencies, \$7,757,591 deposited in the State of California Local Agency Investment Fund (LAIF), \$13,199,966 deposited in the California Asset Management Program (CAMP), and \$250 in petty cash. Of the amounts on deposit with banks, \$250,000 is covered by federal deposit insurance. The remaining \$5,637,286 is required by California law to be collateralized by governmental securities with a market value of 110% of the deposit or with first deed mortgages with a value of 150% of the uninsured amount.

The \$736,688 of investments maintained by loan servicing agencies reflects amounts held by trust departments of two lending agencies. These amounts will be used for future rehabilitation and operating costs for some of the Authority's housing complexes.

**C. Investments Authorized by the California Government Code and the Authority's Investment Policy**

The Authority's investment policy and the California Government Code allow the Authority to invest in the following, provided rating of the issuers are acceptable to the Authority; and approved percentages and maturities are not exceeded. Each January, the Board of Commissioners approves the Authority's Investment Policy. The table below also identifies certain provisions of the California Government Code or the Authority's investment policy where the Authority's Investment Policy is more restrictive.

Authorized Investment Type	Maximum Maturity	Minimum Quality Credit	Maximum in Portfolio	Maximum Investment One Issuer
Repurchase Agreements	N/A	N/A	N/A	N/A
California Local Agency Investment Fund (LAIF)	On Demand	N/A	N/A	N/A
U.S. Treasury Bonds, Notes & Bills	N/A	N/A	N/A	N/A
U.S. Agency & U.S. Government	N/A	N/A	N/A	N/A
Bankers Acceptances	180 Days	N/A	40%	30%
Negotiable Certificates of Deposit	N/A	A	30%	N/A
Time Certificates of Deposit	N/A	N/A	30%	N/A
Medium Term Corporate Notes	5 Years	A	30%	N/A
Money Market Mutual Funds	N/A	AAA	15%	10%
County Agency Investment fund	On Demand	N/A	30%	N/A
Reverse Repurchase Agreements	N/A	N/A	20%	N/A

In the period under review, the Authority removed investments placed in government securities and divided its investments between LAIF and California Asset Management Program (CAMP).



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**Note 2 - CASH AND INVESTMENTS, Continued**

**D. Investments authorized by Debt Agreements and Governmental Grants**

The Authority must maintain required amounts of cash and investments or fiscal agents under terms of certain debt issues and governmental grants. These funds are unexpended bond proceeds or are pledged as reserves to be used if the Authority fails to meet its obligations under these debt issuances or governmental grants. The California Government Code requires these funds to be invested in accordance with Authority policies, bond indentures or State Statute. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
<b>For U.S. Department of Housing and Urban Development Funds</b>				
State of California Local Agency Investment Fund (LAIF)	No Limit	N/A	No Limit	No Limit
Repurchase Agreements	N/A	N/A	No Limit	No Limit
U.S. Government Obligations & Agencies Sweep Account	No Limit	N/A	No Limit	No Limit
Insured Super NOW Accounts	No Limit	N/A	No Limit	No Limit
Insured Money Market Deposit	No Limit	N/A	No Limit	No Limit
Negotiable Certificates of Deposit	No Limit	N/A	30%	No Limit
Insured Demand & Saving Deposits	N/A	N/A	No Limit	No Limit
STRIPS, Principal Only	No Limit	N/A	No Limit	No Limit
Money Market Mutual Funds	N/A	AAA	20%	No Limit
U.S. Treasury Bills, Notes and Bonds	No Limit	N/A	No Limit	No Limit
<b>For Non U.S. Department of Housing and Urban Development Funds</b>				
Prime Commercial Paper	180 Days	N/A	10%	30%
City of Alameda Bonds	N/A	N/A	No Limit	No Limit
U.S. Treasury Bills, Notes and Bonds	No Limit	N/A	No Limit	No Limit
Local Agency's Obligations Within CA State, Including LAIF	No Limit	N/A	No Limit	No Limit
U.S. Government Obligations and Agencies	No Limit	N/A	No Limit	No Limit
Collateralized Bank Deposit	No Limit	N/A	No Limit	No Limit
Bankers Acceptances	180 Days	N/A	40%	30%
Negotiable Certificates of Deposit	No Limit	N/A	30%	No Limit
Repurchase Agreements	92 Days	N/A	20%	No Limit
Money Market Mutual Funds	N/A	N/A	15%	10%
Trust Indentures	N/A	N/A	No Limit	No Limit
Medium Term Notes	5 Years	A	30%	No Limit
Mortgage & Equipment Lease Obligations	5 Years	AA	20%	No Limit

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**Note 2 - CASH AND INVESTMENTS, Continued**

**E. Interest Rate Risk**

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the Authority's investments (including investments held by bond trustees) to market rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

Investment Type	12 Months or Less	One to Five Years	More than Five Years	Total
Local Agency Investment Fund	\$ 7,757,591	\$ -	\$ -	\$ 7,757,591
CAMP	13,119,966	-	-	13,119,966
Total Investments	<u>\$ 20,877,557</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,877,557</u>

**F. Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2017 for each Authority investment type as provided by Standard and Poor's except as noted:

<u>Investment Type</u>	
Not Rated:	
Local Agency Investment Fund	\$ 7,757,591
CAMP	\$ 13,119,966

**G. Concentration of Credit Risk**

The Authority is required to disclose investments that represent a concentration of five percent or more of investments in any issuer, held by individual Authority Funds in the securities of issuers other than U.S. Treasury securities, mutual funds and external investment pools. At June 30, 2017 there were no investments of this type.

**H. Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank or brokerage failure, the Authority's deposits may not be returned. As previously stated the Authority's bank deposits are either covered by FDIC insurance or are collateralized.



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**Note 3 - CAPITAL ASSETS**

The following is a summary of the Authority's changes in capital assets for the fiscal year ended June 30, 2017:

	Balance 6/30/2016	Additions	Adjustments and Deletions	Balance 6/30/2017
<b>Non-depreciable assets</b>				
Land	\$ 18,612,054	\$ -	\$ -	\$ 18,612,054
Construction in progress	-	286,033	-	286,033
<b>Total non-depreciable assets</b>	<u>18,612,054</u>	<u>286,033</u>	<u>-</u>	<u>18,898,087</u>
<b>Depreciable assets</b>				
Buildings and improvements	42,153,106	1,268,168	-	43,421,274
Equipment	402,927	-	(16,542)	386,385
<b>Total depreciable assets</b>	<u>42,556,033</u>	<u>1,268,168</u>	<u>(16,542)</u>	<u>43,807,659</u>
<b>Accumulated depreciation</b>				
Buildings and improvements	(23,516,579)	(1,448,507)	-	(24,965,086)
Equipment	(352,492)	(21,157)	16,542	(357,107)
<b>Total accumulated depreciation</b>	<u>(23,869,071)</u>	<u>(1,469,664)</u>	<u>16,542</u>	<u>(25,322,193)</u>
<b>Net depreciable assets</b>	<u>18,686,962</u>	<u>\$ (336,216)</u>	<u>\$ -</u>	<u>18,485,466</u>
<b>Total capital assets, net</b>	<u>\$ 37,299,016</u>			<u>\$ 37,383,553</u>

On December 8, 2016 the Authority purchased a single family Below Market Rate home at 1825 Paru Street for \$440,000.

**Note 4 - LONG-TERM DEBT**

Following is a summary changes in long-term debt for the year ended June 30, 2017:

	Balance 6/30/16	Additions	Deletions	Balance 6/30/17	Current Portion
<b>Bonds Payable:</b>					
PNC Bank	\$ 5,497,981	\$ -	\$ (97,981)	\$ 5,400,000	\$ 173,986
<b>Notes Payable:</b>					
Amerisphere	13,921,211	-	(209,329)	13,711,882	221,423
Amerisphere	6,516,233	-	(541,990)	5,974,243	562,668
City of Alameda	1,476,601	119,526	-	1,596,127	1,462
County of Alameda	942,560	13,720	-	956,370	-
	<u>\$28,354,676</u>	<u>\$ 133,246</u>	<u>\$(849,300)</u>	<u>\$27,638,622</u>	<u>\$ 959,539</u>

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**Note 4 - LONG-TERM DEBT, Continued**

The following is a schedule of debt payment requirements to maturity for long-term obligations other than compensated absences:

Year Ending June 30	Principal Payments	Interest Payments	Total Payments
2018	\$ 959,539	\$ 1,112,125	\$ 2,071,664
2019	1,004,293	1,073,398	2,077,690
2020	1,051,181	1,032,845	2,084,026
2021	1,100,362	990,376	2,090,738
2022	1,158,350	945,896	2,104,246
Thereafter	22,364,897	13,379,389	35,744,286
	<u>\$27,638,622</u>	<u>\$ 18,534,029</u>	<u>\$46,172,650</u>

A description of the debt recorded at June 30, 2017 for the housing authority is as follows:

**Bonds Payable:**

A deed of trust bond payable was issued on May 1, 2005 totaling \$6,800,000 for the Parrot Village and Eagle Village Apartments. The bonds payable are administered by PNC Bank. The bonds accrue interest at a variable rate based upon the weekly short-term bond interest rate. The bonds require annual payments in the amounts necessary to pay all principal of premium, if any, and interest on the bonds as they become due. The bonds mature May 15, 2035. The outstanding balance on the bonds total \$5,400,000 at June 30, 2017.

**Notes Payable:**

Lender	Original Note	Note Date
Alameda County	\$35,000	7/9/1996
City of Alameda	\$235,900	7/15/1996
City of Alameda	\$282,700	7/26/1996
Alameda County	\$14,190	2/20/1997
City of Alameda	\$570,000	6/18/1998
Alameda County	\$380,000	9/1/2009
Alameda County	\$536,400	9/1/2009
City of Alameda	\$96,000	11/21/2013
Amerisphere	\$14,291,000	6/30/2014
Amerisphere	\$7,500,000	6/30/2014
City of Alameda	\$400,000	3/30/2016
City of Alameda	\$25,000	4/15/2016



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**Note 4 - LONG-TERM DEBT, Continued**

The Authority assumed a loan, originally entered into by the Filipino American Community Services Agency on July 9, 1996, payable to the County of Alameda on September 8, 2009 for the Lincoln House property at 745 Lincoln Avenue in the amount of \$35,000. This note bears no interest. However, if this note is not paid when due the note will bear interest at 7% per annum for each day the note is not paid in full. The note is payable upon sale or transfer of the property whose deed of trust secures the note. The outstanding balance on this loan at June 30, 2017 was \$26,250.

A promissory note agreement for \$235,900 was entered into with the City of Alameda on July 15, 1996 for three condominiums at the following addresses 2137 Otis Drive, 2209 Otis Drive, 1825 Shoreline Drive. This note bears no interest. Payment on this note was deferred until December 31, 2006, at which time semi annual payments of principal are due based on an amortization schedule. The principal is due and payable on December 31, 2055. The outstanding balance on this note as of June 30, 2017 was \$222,426.

A promissory note agreement for \$282,700 was entered into with the City of Alameda on July 26, 1996 for four condominiums at the following addresses 955 Shorepoint Court and 965 Shorepoint Court. This note bears no interest. Payment on this note is deferred until December 31, 2026, at which time semi annual payments of principal are due based on an amortization schedule. The principal is due and payable on December 31, 2055. The outstanding balance on this note as of June 30, 2017 was \$282,700.

A promissory note agreement for \$14,190 was entered into with the County of Alameda on February 20, 1997 for the 1917 Stanford Street property. This note bears no interest. However, if this note is not paid when due the note will bear interest at 7% per annum for each day the note is not paid in full. The note is payable upon sale or transfer of the property whose deed of trust secures the note. The outstanding balance on this note at June 30, 2017 was \$13,720.

A promissory note agreement for \$570,000 was entered into with the City of Alameda on June 18, 1998 for the China Clipper property at 460 Buena Vista Avenue. This note bears interest at 3% per annum. Both interest and principal payments on this loan are deferred until the note's due date of June 30, 2057. The outstanding balance on this note at June 30, 2017 was \$570,000.

A promissory note agreement for \$380,000 was entered into with the County of Alameda on September 1, 2009 for the Lincoln House property at 745 Lincoln Avenue. The note bears simple interest at 3% per annum. The Authority also assumed the previously accrued interest in the sum of \$154,470. The principal and accrued interest are due and payable on July 30, 2067. Principal and interest are payable annually throughout the term of the loan through Residual Receipts as defined in the note. The outstanding balance on this note at June 30, 2017 was \$380,000.

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**Note 4 - LONG-TERM DEBT, Continued**

**Notes Payable, Continued:**

A promissory note agreement for \$536,400 was entered into with the County of Alameda on September 1, 2009 for the 1917 Sherman Street property. The note bears simple interest at 3% per annum. The Authority also assumed the previously accrued interest in the sum of \$184,735. The principal and accrued interest are due and payable on July 30, 2067. Principal and interest are payable annually throughout the term of the loan through Residual Receipts as defined in the note. The outstanding balance on this note at June 30, 2017 was \$536,400.

A promissory note agreement for \$96,000 was entered into with the City of Alameda on November 21, 2013 for the Anne B. Diamant property at 920 Park Street. The note bears no interest. The principal is deferred and forgivable until November 22, 2028. The outstanding balance on this note at June 30, 2017 was \$96,000.

On June 30, 2014 the Authority entered into a mortgage note totaling \$14,291,000 with Amerisphere Multifamily Finance, LLC. The mortgage is serviced by NorthMarq Capital. The note is secured by the property referred to as the Esperanza Apartments at 1903 Third Street. The note bears interest at 5.63% per annum and requires combined monthly principal and interest payments totaling \$82,312. The note matures and is payable in full on July 1, 2044. The outstanding balance on the note at June 30, 2017 was \$13,711,881.

On June 30, 2014 the Authority entered into a mortgage note totaling \$7,500,000 with Amerisphere Multifamily Finance, LLC. The mortgage is serviced by NorthMarq Capital. The note is secured by the property referred to as the Independence Plaza at 703 Atlantic Avenue. The note bears interest at 3.75% per annum and requires combined monthly principal and interest payments totaling \$64,758. The note matures and is payable in full on July 1, 2026. The outstanding balance on the note at June 30, 2017 was \$5,974,243.

A first amendment to a promissory note agreement for \$400,000 was entered into with the City of Alameda on April 1, 2017, retroactive to March 30, 2016, for property located at 738 Eagle Avenue, Alameda, CA. This note bears simple interest at 2.33% per annum. The principal, together with accrued interest is due and payable on April 1, 2074 and the loan can be forgiven on March 30, 2031. The outstanding balance on this note at June 30, 2017 was \$400,000.

A promissory note agreement for \$25,000 was entered into with the City of Alameda on April 15, 2016 for the China Clipper property at 460 Buena Vista Avenue. The note bears interest at 2.33% compounded annually. The principal and accrued interest are due and payable on April 15, 2074. Principal and interest are payable annually throughout the term of the loan through Residual Receipts as defined in the note. The outstanding balance on this note at June 30, 2017 was \$25,000.



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**Note 5 - COMPENSATED ABSENCES**

It is the Authority's policy to permit employees to accumulate earned but unused vacation leave up to a maximum of their annual accrual rate plus 10 days, up to a maximum of 250 hours at any time. This leave will be used in future periods or paid to employees upon separation from the Authority. Accrued vacation leave has been valued by the Authority and has been recorded as current compensated absences of \$105,601 and noncurrent compensated absences of \$79,663 for a total of \$185,264 as of June 30, 2017.

It is the Authority's policy to permit employees to accumulate earned but unused sick leave, however, the value of unused sick leave is not payable upon separation from the Authority.

**Note 6 - PENSION PLAN**

Pensions

For purposes of measuring the net pension liability (NPL) and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position (FNP) of the Authority's Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. In addition to CalPERS plans, the Housing Authority of the City of Alameda adopted the Public Agency Retirement Services (PARS) Plan effective April 22, 2012 as an alternative plan to Social Security for their employees who otherwise are not eligible for participation in the Authority's other retirement system(s).

GASB No. 78 - Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans.

The objective of this statement, issued December of 2015, is to address a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. This issue is associated with pensions provided through certain multiple employer defined pension plans and to state or local government employers whose employees are provided with such pensions.

The Authority is required to implement the provisions of this Statement for the fiscal year ended June 30, 2017 (effective for periods beginning after December 15, 2015). This Statement may result in a change in current practice, and have a material effect on the financial statements of the Authority.

*General Information about the Pension Plan*

*Plan Descriptions* - The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes and membership information is listed in the June 30, 2015 Annual Actuarial Valuation Report. This report is a publically available valuation report that can be obtained at CalPERS' website under Forms and Publications. All qualified permanent and probationary employees are eligible to participate in the Authority's cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Authority's resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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**Note 6 - PENSION PLAN, Continued**

**Benefits Provided** - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2016, are summarized as follows:

Hire Date	Miscellaneous Plans	
	Prior To January 1, 2013	On or After January 1, 2013
Benefit Formula	2% @ 55	2% at 62
Benefit Vesting Formula	5 years of service	5 years of
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7%	6.5%
Required employer contribution rates	9.353%	6.73%

**Contributions** - Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The Plan's actuarially determined rate is based on the estimated amount necessary to pay the costs of benefits earned by employees during the year, with an additional amount to pay any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the measurement period ended June 30, 2016 (the measurement date), the active employee's contribution rate are 7.00 (First Level/Classic Members) and 6.50 (PEPRA New Members) percent of annual payroll, and the effective employer's rates are 9.599 percent and 6.908 percent of annual payroll.

For the year ended June 30, 2017, the contributions recognized as part of pension expense for each Plan were as follows:

	Miscellaneous Plan	Classic	PEPRA
	Contributions – employer	\$ 1,335,827	9.599%
Contributions – employee	273,491	7.000%	6.500%
<b>Total</b>	<b>\$ 1,609,318</b>		



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**Note 6 - PENSION PLAN, Continued**

***Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions***

The following table shows the Plan's proportionate share of the miscellaneous risk pool collective net pension liability over the measurement period:

**Proportionate Share of Net Pension Liability**

	<b>Net Pension Liability</b>
Balance at 6/30/15 - Measurement date	\$ 1,854,640 0.067600%
Balance at 6/30/16 - Measurement date	1,684,952 0.019472%
Net Pension Liability Year-to-Year Increase/(Decrease)	\$ (169,688)

The Authority's net pension liability of \$1,684,952 is measured as the proportionate share of the net pension liability of \$3,473,877,243 (or 0.0485%). The net pension liability is measured as of June 30, 2016, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The Authority paid down \$1,335,827 during the year ended June 30, 2017. Since the pension liability is based on the measurement date of June 30, 2016, the outstanding pension liability here does not reflect the pay down of contributions made during the year ended June 30, 2017. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

For the year ended June 30, 2017, the Authority recognized pension expense/(income) of \$483,518 for the Plan. At June 30, 2017, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,335,827	\$ -
Differences between actual and expected experience	14,115	(3,235)
Changes in assumptions	-	(133,559)
Differences in contributions and proportionate share of contributions	1,074,194	-
Net differences between projected and actual earnings on pension plan investments	1,119,583	(424,451)
Adjustments due to differences in proportions	-	(742,533)
Total	\$ 3,543,719	\$(1,303,778)

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**Note 6 - PENSION PLAN, Continued**

Of the \$3,543,719 reported as deferred outflows of resources, \$1,335,827 related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017 (measurement period ended June 30, 2016). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30	Deferred Outflows/(Inflows) of resources
2017	\$ 215,409
2018	206,784
2019	301,876
2020	180,047
Thereafter	-

The amounts above are the net of outflows and inflows recognized in the measurement period ended June 30, 2016.

**Actuarial Methods and Assumptions Used to Determine Total Pension Liability** - For the measurement period ending June 30, 2016 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2015 total pension liability. Both the June 30, 2015 total pension liability and the June 30, 2016 total pension liability were determined using the following actuarial methods and assumptions:

	<u>Miscellaneous Plan</u>
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	Varies by entry age and service
Investment Rate of Return	7.5% (1)
Mortality Rate Table (2)	Derived using CalPERS' Membership Data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power Applies. 2.75% thereafter

- (1) Net of pension plan investment and administrative expenses; including inflation
- (2) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2015 experience study report. The experience study can be found on CalPERS website under Forms and Publications.



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**Note 6 - PENSION PLAN, Continued**

**Discount Rate** - The discount rate used to measure the total pension liability was 7.65%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1-10 (a)	Real Return Years 11+ (b)
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	12.0%	6.83%	6.95%
Real Estate	11.0%	4.50%	5.13%
Infrastructure and Forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	(0.55)%	(1.05)%
Total	100%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

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**Note 6 - PENSION PLAN, Continued**

***Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate -***

The following presents the Authority's proportionate share of the net pension liability/ (asset), calculated using the discount rate of 7.65 percent, as well as what the Authority's proportionate share of the net pension liability/ (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.65%) or 1-percentage point higher (8.65%) than the current rate:

	Discount Rate less 1% (6.65%)	Current Discount Rate (7.65%)	Discount Rate Plus 1% (8.65%)
Plan's Net Pension Liability/ (Asset)	\$ 3,577,152	\$ 1,684,952	\$ 121,142

***Pension Plan Fiduciary Net Position*** - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

***Payable to the Pension Plan***

At June 30, 2017, there was no outstanding account payable for contributions to the pension plan required for the year ended June 30, 2017.

**Note 7 - OTHER POST EMPLOYMENT BENEFITS (OPEB)**

**Eligibility Requirements and Plan Description:**

The Authority participates in the CalPERS 2%@55 Public Agency Miscellaneous Employees' pension plan for all regular employees hired before January 1, 2013 and 2%@62 for those hired on or after January 1, 2013.

Employees who retire with a CalPERS pension (at least age 50, or age 52 for employees hired on or after January 1, 2013, with 5 years of services) are eligible for post-employment medical benefits.

The Authority contributes the minimum amount provided under Government Code Section 22825 of the Public Employees Medical and Hospital Care Act (\$125 per month in 2016, increasing to \$128 in 2017). Retirees must contribute any premium amounts in excess of the Authority's contributions described above. Amounts paid by the Authority continue for lifetime of the retiree and any surviving spouse, subject to CalPERS eligibility requirements.

The Authority does not provide dental, vision or other GASB 45 benefit to retirees.



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**Note 7 - OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued**

**Requirements of GASB 45:**

The government Accounting Standards Board (GASB) has mandated disclosure of other post-employment benefit (OPEB) liabilities for all government employers beginning in 2009. During fiscal years prior to 2012 the Authority's employees were actually employees of the City of Alameda and not employees of the Authority itself, therefore there was no OPEB obligation or expense recognized in fiscal years prior to 2012. During fiscal year 2016 the Authority administered this program on a pay-as-you-go basis and actual costs were expensed as incurred. In 2017, the Authority paid in to the CERBT account by \$30,448.

**Funding Policy:**

The goal of GASB 45 is to match recognition of retiree medical expense with the periods during which the benefit is earned. The entry age normal cost method effectively meets this goal in most circumstances. The Authority has adopted an entry age normal cost method to determine the present value of benefits and the actuarial accrued liability. The plan currently has no assets. The amortization method is a level percent of payroll. The amortization period is thirty years. The Authority has adopted a pay-as-you-go policy and is not currently funding this liability above the monthly requirement. The Authority makes actual monthly payments for its portion of the retirees' premiums.

**Annual OPEB Cost and Net OPEB Obligation:**

The Authority's annual OPEB costs (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. Interest on net OPEB obligation is based on an interest rate of 4.25% and is computed on the unfunded amount.

The following table shows the components of the annual OPEB cost, the amount actually contributed to the plan, and any changes in the net OPEB obligation.

Annual required contribution	\$ 191,628
Interest on net OPEB obligation	17,303
Adjustment of annual required contribution	<u>(18,367)</u>
Annual OPEB Cost	<u>\$ 190,564</u>
Annual OPEB Cost	\$ 190,564
Contributions made	<u>(30,448)</u>
Increase in net OPEB obligation (asset)	160,116
Net OPEB obligation (asset), beginning of year	<u>407,141</u>
Net OPEB obligation (asset), end of year	<u>\$ 567,257</u>

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**Note 7 - OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued**

**Annual OPEB Cost and Net OPEB Obligation, Continued:**

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 is as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Employer Contribution</u>	<u>Percentage Contribution</u>	<u>Net Ending OPEB Obligation (Asset)</u>
6/30/17	\$ 190,564	\$30,448	15.97%	\$ 567,257
6/30/16	\$ 176,390	\$ 13,659	7.74%	\$ 407,141

**Funded Status and Funding Progress:**

The funded status of the plan based on an actuarial valuation as of July 1, 2015, was as follows:

Actuarial accrued liability (AAL)	\$ 1,754,071
Actuarial value of plan assets	<u>                  -</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 1,754,071</u>
Funded ratio (actuarial value of plan Assets/AAL)	0%
Covered payroll	\$ 3,783,177
UAAL as percentage of covered payroll	46.4%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events in the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

**Actuarial Methods and Assumptions:**

For the actuarial valuation, the entry age normal cost, level percent of pay; closed group method was used. The actuarial assumptions include a 4.25% discount rate. An annual rate increase of 3.25% in payroll was used in developing level percent amortization. The healthcare trend rate assumption is 8% for 2018 grading down to 5% by 2030 for pre-Medicare premiums and 5.5% grading down to 5% in 2020 for post-Medicare premiums. The actuarial value of assets is equal to the market value. The unfunded actuarial accrued liability is being amortized over a fixed period of 30 years as a level percentage of projected payroll. The remaining amortization period at July 1, 2016 is 26 years reflecting the Authority's use of a 30 year closed amortization period beginning July 1, 2012.

The schedule of funding progress, presented as required supplementary information following the *Notes to the Financial Statements*, will present multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL benefits.



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**Note 8 – NOTES RECEIVABLE**

At June 30, 2017, the Housing Authority of the City of Alameda had \$29,036,034 of notes receivable due to them. This balance was comprised of \$1,000 security deposit loans and \$29,035,034 of loans.

A summary of the Authority loans is outlined below:

<b>Borrower</b>	<b>Original Note</b>	<b>Note Date</b>
Playa del Alameda	\$243,109	1/31/2000
Breakers at Bayport LP	\$2,015,000	1/5/2004
Taplin, Tamiko	\$23,600	3/9/2007
Nebeker, Bud	\$31,800	12/18/2007
Moore, Analisa	\$31,800	1/23/2008
Shinsei Gardens Apartments LP	\$4,000,000	3/24/2008
Alameda Islander LP	\$8,600,000	9/27/2011
Jack Capon Villa LP	\$225,000	1/11/2013
Jack Capon Villa LP	\$1,400,000	1/11/2013
Jack Capon Villa LP	\$200,000	1/11/2013
Rojas, Ana	\$4,148	4/16/2013
Assefa, Fikre	\$4,148	6/10/2013
Petochis, Nicola	\$7,676	8/1/2013
Island City Development - Del Monte	\$700,000	8/10/2015
Island City Development – 2437 Eagle	\$1,000,000	8/10/2015
Island City Development - Rosefield	\$1,000,000	2/10/2016
Stargell Commons LP	\$2,000,000	11/24/2015
Island City Development - Del Monte	\$300,000	11/1/2016
Sherman and Buena Vista LP	\$3,600,000	12/1/2016
Sherman and Buena Vista LP	\$3,410,000	12/1/2016
Island City Development – Operating Capital	\$250,000	4/28/2017
Everett and Eagle LP	\$4,250,000	6/21/2017

Effective January 31, 2000, Playa del Alameda Associates entered into an Amended and Restated Promissory Note with the Authority Playa del Alameda Associates for \$243,109 for the Playa del Alameda property located at 148 Crolls Garden Court. The interest accrues at 1% per annum. The full principal and interest are due on January 31, 2055, or upon the occurrence of a default as defined in the Loan Agreement. The outstanding balance on the note at June 30, 2017 was \$243,108.

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**Note 8 – NOTES RECEIVABLE, Continued**

Effective January 5, 2004, Resources for Community Development entered into a Promissory Note with the Authority for an amount not to exceed \$2,015,000 for the Breakers at Bayport property located at 459 Neptune Gardens Avenue. This loan was assigned to the Breakers at Bayport LP on October 14, 2004. This loan accrues no interest. Payments shall be deferred until January 5, 2059. The outstanding balance on the note at June 30, 2017 was \$1,408,790.

Effective March 9, 2007, Tamiko L. Taplin and Anthony Taplin entered into a Promissory Note with the City of Alameda [and therefore the Successor Agency per ROPS] for \$23,600 for the property at 338 Ansel Avenue. A balloon payment is due on March 9, 2021. If the principal amount is paid after March 9, 2011, the borrower must also pay a share of the appreciation of the property, as calculated in the Note. The outstanding balance on the note at June 30, 2017 was \$23,600.

Effective December 18, 2007, Bud D. and Jennifer S. Nebeker entered into a Promissory Note with the City of Alameda [and therefore the Successor Agency per ROPS] for \$31,800 for the property at 2 Bertero Court. A balloon payment is due on December 18, 2022. If the principal amount is paid after December 19, 2012, the borrower must also pay a share of the appreciation of the property, as calculated in the Note. The outstanding balance on the note at June 30, 2017 was \$31,800.

Effective January 23, 2008, Annalisa Moore entered into a Promissory Note with the City of Alameda [and therefore the Successor Agency per ROPS] for \$31,800 for the property at 101 Kingfisher Avenue. A balloon payment is due on January 23, 2023. If the principal amount is paid after January 23, 2013, the borrower must also pay a share of the appreciation of the property, as calculated in the Note. The outstanding balance on the note at June 30, 2017 was \$31,800.

Effective March 24, 2008, Resources for Community Development entered into a Promissory Note with the Community Improvement Commission of the City of Alameda [and therefore the Successor Agency per ROPS] for an amount not to exceed \$4,000,000 for the Shinsei Gardens property, located at 401 Willie Stargell Avenue. The loan was assigned to Shinsei Gardens Apartments LP on March 24, 2008, and was modified on March 24, 2008, and modified again on May 14, 2010. This loan accrues no interest. Payments shall be deferred until March 23, 2063. The outstanding balance on the note at June 30, 2017 was \$1,391,739.

Effective September 27, 2011, Alameda Islander LP entered into a Promissory Note with the Community Improvement Commission of the City of Alameda [and therefore the Successor Agency per ROPS] for \$8,600,000 for the Park Alameda property located at 2428 Central Avenue. This loan accrues no interest. Payments shall be deferred until September 27, 2068. The outstanding balance on the note at June 30, 2017 was \$8,600,000.

Effective January 11, 2013, Jack Capon Villa LP entered into a Promissory Note with the Authority for the amount of \$225,000 for the Jack Capon Villa property located at 2216 Lincoln Avenue. Interest accrues at 5% per annum. Monthly installments of \$2,386 (principal and interest) are due based on a 10-year amortization schedule. The entire unpaid principal and interest shall be due and payable on April 1, 2024. The outstanding balance on the note at June 30, 2017 was \$177,158.



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**Note 8 – NOTES RECEIVABLE, Continued**

Effective January 11, 2013, Jack Capon Villa LP entered into an Amended and Restated Promissory Note with the Authority for an amount not to exceed \$1,400,000 for the Jack Capon Villa property located at 2216 Lincoln Avenue. Simple interest accrues at 3% per annum. Payments shall be deferred until January 17, 2068. The outstanding balance on the note at June 30, 2017 was \$1,400,000.

Effective January 11, 2013, Jack Capon Villa LP entered into a Promissory Note with the Authority for the amount of \$200,000 for the Jack Capon Villa property located at 2216 Lincoln Avenue. Simple interest accrues at 3% per annum. Principal and interest shall be due and payable on January 13, 2070. The outstanding balance on the note at June 30, 2017 was \$201,067.

Effective April 16, 2013, Ana M. Rojas entered into a Promissory Note with the Authority for the amount of \$4,148 for the Regent Street property located at 1129-1131 Regent Street. The loan accrues no interest. The principal is due and payable on demand, on sale of the property, or when the property is no longer the primary residence of the borrower. The outstanding balance on the note at June 30, 2017 was \$4,148.

Effective June 10, 2013, Fikre Assefa entered into a Promissory Note with the Authority for the amount of \$4,148 for the Regent Street property 1129-1131 Regent Street. The loan accrues no interest. The principal is due and payable on demand, on sale of the property, or when the property is no longer the primary residence of the borrower. The outstanding balance on the note at June 30, 2017 was \$4,148.

Effective August 1, 2013, Nicola Petochis entered into a Promissory Note with the Authority for the amount of \$7,676 for the Regent Street property 1129-1131 Regent Street. The loan accrues no interest. The principal is due and payable on demand, on sale of the property, or when the property is no longer the primary residence of the borrower. The outstanding balance on the note at June 30, 2017 was \$7,676.

Effective August 10, 2015, Island City Development entered into a Promissory Note with the Authority for the amount of \$700,000 for the Del Monte Senior project, located at 1301 Buena Vista Avenue. The note accrues simple interest at 3% per annum beginning January 1, 2018. The principal and interest are due and payable on December 31, 2047. This loan was paid in full on April 19, 2017. The outstanding balance on the note at June 30, 2017 was \$0.

Effective February 10, 2016, Island City Development entered into a Promissory Note with the Authority for the amount of \$1,000,000 for the Rosefield project, located on the 700 block of Buena Vista Avenue. The note accrues simple interest at 3% per annum beginning January 1, 2018. The principal and interest are due and payable on December 31, 2073. The outstanding balance on the note at June 30, 2017 was \$1,000,000.

Effective November 24, 2015, Stargell Commons LP entered into a Loan Agreement with the Authority for the amount of \$2,000,000 for the Stargell Commons property, located at 2700 Bette Street. The loan bears simple interest at 3% per annum. Annual payments shall be made equal to the lender's share of residual receipts. The principal and interest are due and payable on December 2, 2072. The outstanding balance on the note at June 30, 2017 was \$2,000,000.

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**Note 8 – NOTES RECEIVABLE, Continued**

Effective November 1, 2016, Island City Development entered into a Promissory Note with the Authority for the amount of \$300,000 for the Del Monte Senior project at 1301 Buena Vista Avenue. The note accrues simple interest at 3% per annum beginning January 1, 2018. The principal and interest are due and payable on December 31, 2073. The outstanding balance on the note at June 30, 2017 was \$0.

Effective December 1, 2016, Sherman and Buena Vista LP entered into a Loan Agreement with the Authority for the amount of \$3,600,000 for the Del Monte Senior property at 1301 Buena Vista Avenue. The loan bears interest at 2.26% compounded annually. Annual payments shall be made equal to the lender's share of residual receipts. The principal and interest are due and payable on December 31, 2073. The outstanding balance on the note at June 30, 2017 was \$3,600,000.

Effective December 1, 2016, Sherman and Buena Vista LP entered into a Loan Agreement with the Authority for the amount of \$3,410,000 for the Del Monte Senior property at 1301 Buena Vista Avenue. The loan bears interest at 2.26% compounded annually. Annual payments shall be made equal to the lender's share of residual receipts. The principal and interest are due and payable on December 31, 2073. The outstanding balance on the note at June 30, 2017 was \$3,410,000.

Effective April 28, 2017, Island City Development entered into a Promissory Note with the Authority for the amount of \$250,000. The note accrues simple interest at 3% per annum beginning July 1, 2017. The principal and interest are due and payable on June 30, 2022. The outstanding balance on the note at June 30, 2017 was \$250,000.

Effective June 21, 2017, Everett and Eagle LP entered into a Promissory Note with the Authority for the amount of \$4,250,000 for the 2437 Eagle Avenue property. The note accrues interest at 2.68% compounded annually. Annual payments shall be made equal to the lender's share of residual receipts. The principal and interest are due and payable on December 31, 2074. The outstanding balance on the note at June 30, 2017 was \$4,250,000.



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**JUNE 30, 2017**

Draft 3/15/18

**Note 9 – GUARANTEES**

Related to the Del Monte Senior property located at 1301 Buena Vista Avenue, the Authority entered into a Guaranty Agreement dated December 1, 2016 and attached as Exhibit E to the Amended and Restated Limited Partnership Agreement of Sherman and Buena Vista LP for all of its obligations under that agreement, including partnership management duties, development completion, operating deficits, tax credit delivery, and repurchase obligations. The operating deficit guaranty amount is \$245,668. The Authority is released from this operating deficit obligation after two consecutive years of 1.15 debt service coverage ratio after stabilized occupancy and no sooner than 2020. As of June 30, 2017 the outstanding guaranty amount was approximately \$9,312,014.

Related to the Del Monte Senior property located at 1301 Buena Vista Avenue, the Authority entered into an Unlimited Guaranty Agreement with Compass Bank related to the construction loan agreement and promissory note for \$10,322,328, any costs required to achieve permanent loan closing, and any environmental claims pursuant to the Environmental Indemnity Agreement. As of June 30, 2017 the outstanding guaranty amount was approximately \$9,066,346.

Related to the 2437 Eagle Avenue property, the Authority entered into a Guaranty Agreement dated June 27, 2017 and attached as Exhibit D to the First Amended and Restated Limited Partnership Agreement of Everett and Eagle LP for performance of all their obligations under that agreement including construction completion, operating deficits, liquidity, and tax credit delivery. The operating deficit loan guaranty obligation is up to \$314,000. The Authority is released from this operating deficit obligation after two consecutive years of 1.15 debt service coverage ratio after stabilized occupancy and no sooner than 2024. As guarantor, the Authority must also maintain liquid assets of at least \$850,000 in aggregate with Island City Development until all obligations are met.

Related to the 2437 Eagle Avenue property, the Authority entered into a Payment and Performance Guaranty dated June 21, 2017 with JPMorgan Chase Bank NA related to construction loan in the amount of \$9,859,528 which will convert to a permanent loan in the amount of \$3,330,168. As of June 30, 2017 the outstanding guaranty amount was approximately \$9,859,528.

**Note 10 – GROUND LEASES**

On December 1, 1998 the Authority entered into a ground lease agreement with Regent St. CLT Condominiums located at 1129-1131 Regent Street. The lease term is 99 years ending in 2097. Total rental income for the year ended June 30, 2017 was \$2,747.

On May 7, 2001, the Authority entered into a ground lease agreement with Santa Clara Ave CLT Condominiums located at 2201-2203 Santa Clara Avenue and 1502 Walnut Street. The lease term is 99 years ending in 2100. Total rental income for the year ended June 30, 2017 was \$2,616.

On March 14, 2003 the Authority entered into a ground lease agreement with Resources for Community Development (RCD), as amended by the First Amendment to Ground Lease dated October 14, 2004 for the Breakers at Bayport development located at 459 Neptune Gardens Avenue. The lease term is 75 years ending March 14, 2078. On October 14, 2004 the lease was assigned to Breakers at Bayport, LP. Total rental income for the year ended June 30, 2017 under the lease agreement was \$1.

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

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**Note 10 – GROUND LEASES, Continued**

On October 4, 2006 the Authority entered into amended ground lease agreement with Resources for Community Development (RCD) for the Shinsei Gardens Apartments, located at 401 Willie Stargell Avenue. The lease term is 75 years ending March 31, 2081. On March 24, 2008 the lease was assigned to Shinsei Gardens Apartments, LP. Total rental income for the year ended June 30, 2017 under the lease agreement was \$1.

On May 25, 2012 the Authority entered into a ground lease agreement with Housing Consortium of the East Bay (HCEB) and Satellite Housing, Inc. for the Jack Capon Villas, located at 2216 Lincoln Avenue. The rent for the entire lease term, \$100, was prepaid at lease signing. The lease term is 75 years ending May 25, 2087. In November 2012 the lease was assigned to Jack Capon Villas, LP. Total rental income for the year ended June 30, 2017 under the lease agreement was \$0.

On November 14, 2015 the Authority entered into a ground lease agreement with Stargell Commons, LP for the property located at 2700 Bette Street. The lease term is 99 years ending December 31, 2114. Initial rent of \$400,000 plus \$1 per year in prepaid lease payments for the entire term (\$99) was paid on December 2, 2015. Total rental income for the year ended June 30, 2017 under the lease agreement was \$0.

On December 1, 2016 the Authority entered into a ground lease agreement with Sherman and Buena Vista, LP, a subsidiary of Island City Development, for the property located at 1301 Buena Vista Avenue. The lease term is 99 years ending December 31, 2115. Prepaid rent for the entire lease term of \$3,410,000 was paid on December 15, 2016. Total rental income for the year ended June 30, 2017 under the lease agreement was \$3,410,000.

On June 1, 2017 the Authority entered into a ground lease agreement with Everett and Eagle LP, a subsidiary of Island City Development, for the property located at 2437 Eagle Street. The lease term is 99 years ending June 1, 2116. Prepaid rent for the entire lease term of \$9,900 was paid on June 29, 2017. Total rental income for the year ended June 30, 2017 under the lease agreement was \$9,900.

At June 30, 2017, the future rental income required under the lease agreements entered into by the Authority are as follows:

<u>Fiscal Year Ending</u>	
2018	\$ 5,365
2019	5,365
2020	5,365
2021	5,365
Thereafter	5,365
	<u>\$ 26,825</u>



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

Draft 3/15/18

**Note 11 – JOINT POWERS AGREEMENTS**

Workers' Compensation Insurance

The Authority participates in a joint venture under a joint powers agreement (JPA) with the California Housing Workers' Compensation Authority (CHWCA). The CHWCA is a California joint powers insurance authority established in 1991 for the purpose of providing workers' compensation coverage to California public housing authority members. CHWCA is a special district in the state of California providing its members with a comprehensive workers' compensation coverage program for the sharing of risk for self-insured losses, as well as jointly purchasing claims adjusting services, actuarial services, risk control services, and legal services connected with the program.

CHWCA is governed by a seven (7) member Executive Committee which is elected by the 33 member Board of Directors. Each of CHWCA's 33 member agencies appoint one primary and one alternate member to serve on the Board of Directors.

The relationship between the Authority and CHWCA is such that CHWCA is not a component unit of the Authority for financial reporting purposes.

Condensed audited financial information for the year ended December 31, 2016, is as follows:

Total assets	\$ 26,789,732
Total liabilities	<u>(15,021,154)</u>
Total net assets	<u>\$ 11,768,578</u>
Total revenues	\$ 5,052,947
Total expenses	<u>(3,288,286)</u>
Net increase (decrease) in net assets	<u>\$ 2,062,864</u>

CHWCA had \$14,414,410 of unpaid claims and claim adjustment expenses outstanding at December 31, 2016. The Authority's share of year-end assets, liabilities, or retained earnings has not been calculated.

Property and Liability Insurance

The Authority participates in a joint venture under a joint powers agreement (JPA) with the Housing Authorities Risk Retention Pool (HARRP). HARRP was formed to provide property and liability insurance coverage for member housing authorities. At December 31, 2016 there were 86 members. The relationship between the Authority and HARRP is such that HARRP is not a component unit of the Authority for financial reporting purposes.

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

Draft 3/15/18

**Note 11 – JOINT POWERS AGREEMENTS, Continued**

Condensed audited financial information for the year ended December 31, 2016 is as follows:

Total Assets	\$ 36,036,040
Total liabilities	<u>(10,729,511)</u>
Total net position	<u>\$ 25,306,529</u>
Total revenues	\$ 11,725,332
Total expenses	<u>(9,136,302)</u>
Net increase (decrease) in net assets	<u>\$ 2,589,030</u>

HARRP had \$2,331,590 in outstanding claims liabilities at December 31, 2016. The Authority's share of year-end assets, liabilities, or retained earnings has not been calculated.

ABAG Natural Gas JPA

The Authority participates in a joint venture under a joint powers agreement (JPA) with the ABAG POWER, an Association of Bay Area Governments (ABAG) Service Program. The joint powers agency formed in collaboration with many Bay Area cities, and special districts. Currently, ABAG POWER's primary objective is to conduct pooled purchasing of natural gas on behalf of local governments and special districts who voluntarily join the Pool. The program enables members to achieve pricing suppliers who are interested in larger and more attractive combined loads. The pool is currently in its twentieth year of operation, and is serving forty member agencies throughout PG&E's service territory. There are 66 members in the program.

Condensed audited financial information for the year ended June 30, 2017 is as follows:

Total assets	\$ 4,880,230
Total liabilities	<u>(350,928)</u>
Total net position	<u>\$ 4,529,302</u>
Total revenues	\$ 1,864,333
Total expenses	<u>(1,094,566)</u>
Net increase (decrease) in net assets	<u>\$ 769,767</u>

**Note 12 – CONTINGENT LIABILITIES**

**Federal Grants**

The Authority has received funds from various federal, state, and local grant programs. It is possible that at some future date it may be determined that the Authority was not in compliance with applicable grant requirements. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Authority does not expect such disallowed amounts, if any, to materially affect the financial statements.



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

Draft 3/15/18

**Note 13 – SUBSEQUENT EVENTS**

Management evaluated all activity of the Authority through the date of the audit opinion letter, and concluded that no subsequent events have occurred that would require recognition in in the financial statements or disclosure in the notes to the financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**(Other than the MD&A)**



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2017**

**Schedule of Funding Progress for Other Post-Employment Benefits (OPEB)**

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2017	July 1, 2015	\$ -	\$ 1,754,071	\$ 1,754,071	0.0%	\$ 3,783,177	46.4%
June 30, 2016	July 1, 2015	\$ -	\$ 1,593,167	\$ 1,593,167	0.0%	\$ 3,783,177	42.1%

Note - Prior to April 22, 2012, the employees working at the Authority were actually employees of the City of Alameda. Effective April 22, 2012, these former City employees became employees of the Housing Authority of the City of Alameda. The Authority's OPEB information prior to April 22, 2012 was included as a part of the OPEB valuation information for the City of Alameda as a whole, and the Authority's portion could not be separately determined.

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2017**

**Schedule of the Authority's Proportionate Share of the Net Pension Liability  
Last 10 Years\***

	Fiscal Year Ending June 30,		
	2017	2016	2015
Measurement date	6/30/2016	6/30/2015	6/30/2014
Plan's proportion of the Net Pension Liability (Asset)	0.019472%	0.02702%	0.03013%
Plans Proportionate Share of the Net Pension Liability (Asset)	\$ 1,684,952	\$ 1,854,640	\$ 1,871,494
Plan's Covered-Employee Payroll	\$ 2,752,784	\$ 3,634,051	\$ 2,707,587
Plan's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	61.21%	51.04%	69.12%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	88.01%	107.30%	83.00%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 460,640	†	\$ 446,386

\* Fiscal year ending June 30, 2015 was the first year of implementation, therefore only three years are shown.

† Information was not provided



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2017**

**Schedule of the Authority's Pension Plan Contributions  
Last 10 Years\***

	Fiscal Year Ending June 30,		
	2017	2016	2015
Actuarially Determined Contributions	\$ 1,322,171	\$ 1,393,004	\$ 300,316
Contributions in relation to the actuarially determined contribution	<u>(1,322,171)</u>	<u>(1,393,004)</u>	<u>(505,233)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (204,917)</u>
Covered-employee payroll	\$ 2,752,784	\$ 3,634,051	\$ 2,707,587
Contributions as a percentage of covered-employee payroll	48.03%	38.33%	18.66%

**Notes to Schedule:**

Valuation Date: June 30, 2015

Actuarial cost method	Entry age normal cost method
Actuarial assumptions	Level percent of payroll
Discount rate	7.65%
Inflation	2.75%
Salary increases	Varies by age and service
Investment rate of return	7.50%, net of pension plan investment and administrative expense, including inflation
Mortality rate table	Derived using CalPERS membership data for all funds
Post-retirement benefit increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance floor on Purchasing Power applies, 2.75% thereafter

\* Fiscal year ending June 30, 2015 was the first year of implementation, therefore only three years are shown.

**OTHER SUPPLEMENTARY INFORMATION**



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2017**

<u>Federal Grantor</u>	<u>CFDA Number</u>	<u>Expenditures</u>
<u>Department of Housing and Urban Development (HUD):</u>		
Direct Programs:		
Shelter Plus Care	14.238	\$ 317,615
Section 8 Moderate Rehabilitation — Single Room Occupancy	14.249	222,641
Section 8 Housing Choice Vouchers	14.871	27,984,207
Family Self-Sufficiency	14.896	<u>77,702</u>
U.S. Department of Housing and Urban Development		<u>28,602,165</u>
Total Federal Expenditures		<u><u>\$ 28,602,165</u></u>

See Notes to the Schedule of Expenditures of Federal Awards

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2017**

1. The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by the Housing Authority of the City of Alameda. The Housing Authority of the City of Alameda's reporting entity is defined in Note 1 to the Financial Statements.
2. The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Housing Authority of the City of Alameda (AHA) under programs of the federal government for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance at 2 CFR 200, Subpart F (200.500). Because the schedule presents only a selected portion of the operations of AHA, it is not intended to, and does not present the financial position, changes in net position, or cash flows of AHA.
3. The Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting. This is the same method of accounting as was used in the preparation of the Authority's basic financial statements.
4. The Housing Authority of the City of Alameda did not pass-through any federal awards to subrecipients during the fiscal year ended June 30, 2017.



Draft 3/15/18

Draft 3/15/18

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Draft 3/15/18

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

The Board of Commissioners  
Housing Authority of the City of Alameda  
Alameda, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of the Housing Authority of the City of Alameda, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Alameda's basic financial statements and have issued our report thereon dated February 24, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Alameda's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Alameda's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Alameda's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Alameda's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**The Housing Authority of the City of Alameda's Response to Findings**

The Housing Authority of the City of Alameda's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Housing Authority of the City of Alameda's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CROPPER ROWE, LLP  
Walnut Creek, California  
February 24, 2018



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR A FEDERAL PROGRAM,  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE**

To the Board of Commissioners  
Housing Authority of the City of Alameda  
Alameda, California

**Report on Compliance for Each Major Federal Program**

We have audited the Housing Authority of the City of Alameda's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Alameda's major federal programs for the year ended June 30, 2017. The Housing Authority of the City of Alameda's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Housing Authority of the City of Alameda's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the City of Alameda's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Housing Authority of the City of Alameda's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the Housing Authority of the City of Alameda complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

**Report on Internal Control Over Compliance**

Management of the Housing Authority of the City of Alameda is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority of the City of Alameda's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Alameda's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the business-type activities and the discretely presented component unit of the Housing Authority of the City of Alameda, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Alameda's basic financial statements. We issued our report thereon dated February 24, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the



financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and related directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

CROPPER ROWE, LLP  
Walnut Creek, CA  
February 24, 2018



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

Draft 3/15/18

The previous audit report for the year ended June 30, 2016 contained no audit findings.

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

**Section I: Summary of Auditor's Results**

***Financial Statements***

Type of auditors' report to be issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to the financial statements?	No

***Federal Awards***

Internal control over major federal programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
Section 8 Housing Choice Vouchers	CFDA 14.871
Dollar threshold to distinguish between Type A and Type B programs	\$ 858,065
Auditee qualified as low risk auditee?	Yes



# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Prepared by: Veronica Jefferson, Management Analyst

Date: March 21, 2018

Re: Public Hearing to Hear Comments on Housing Authority Significant  
Amendment Effective July 1, 2018

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## BACKGROUND

The Housing Authority's Five-Year and Annual Plans make up the Agency Plan, a document that is mandated by and must be submitted to the U. S. Department of Housing and Urban Development (HUD).

As part of the 5-Year Plan process, the Housing Authority defines a significant amendment. The Housing Authority of the City of Alameda defines a "substantial deviation/modification" and "significant amendment" for both its Five-Year and Annual Plans as one that meets all the following qualifications:

- a. Is discretionary (rather than mandated by HUD or other government entity);
- b. Fundamentally changes the policies of the Housing Authority;
- c. Requires formal approval of the Board of Commissioners; and
- d. Would result in changes to a Streamlined Plan submission.

The proposed amendment is a modification to AHA's Administrative Plan which affects the Applications, Wait List and Tenant Selection procedures. This meets the criteria of a significant amendment.

## DISCUSSION

The significant amendment proposed is to create a local preference at one project-based voucher property, to allow targeting of HOPWA eligible households, due to property funding restrictions and contingent upon a HUD waiver. Upon HUD approval,





nine specified units will be restricted to applicants who qualify for the HOPWA preference. HOPWA stands for Housing Opportunities for Persons with AIDS.

This preference will be limited to the number of vacancies experienced at the project to the specified units. The preference will only be in place until the earlier of: the removal of the HOPWA funding; December 31, 2031; or the expiration of the PBV contract and any extensions. This preference is contingent upon HUD approval of a waiver to 24 CFR 982.207(b)(3).


FINANCIAL IMPACT

None.

RECOMMENDATION

Accept public comment on the Housing Authority's proposed Significant Amendment.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC/vj

Attachments:

1. AHA Housing Choice Voucher Program Administrative Plan Amendment: 2018-01
2. Public Notices

## Housing Choice Voucher Administrative Plan Amendment 2018-1

### The Housing Authority of the City of Alameda

#### Proposed Significant Amendment to Annual Plan

The following proposed modification to the Administrative Plan affects the Applications, Wait List and Tenant Selection Procedures, and meets the housing authority's definition of significant amendment and substantial deviation/modification to annual plan.

Proposed deletions are in track changes and proposed additions are underlined.

1. Changes to section 4-II.B. *Organization of the Waiting List [24 CFR 982.204 and 205]* to add a waitlist for the HOPWA program.

#### **4-II.B. ORGANIZATION OF THE WAITING LIST [24 CFR 982.204 and 205]**

The AHA's HCV and PBV waiting lists must be organized in such a manner to allow the AHA to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.

A waiting list must contain the following information for each applicant listed as a minimum:

- Applicant name;
- Date and time of application;
- Qualification for any local preference;
- Racial or ethnic designation of the head of household.

In addition to the HCV tenant-based wait list, the AHA maintains project-based waiting lists grouped by common unit types and similar bedroom size. All PBV wait lists will be referred to as "grouped" even if the list only covers one site. The AHA maintains the following waiting lists:

- HCV Program (Section 8 tenant-based programs)
- PBV Program - Elderly Properties (Anne B. Diamant Plaza and Lincoln/Willow)
- PBV Program - Supportive Services for Disabled (Jack Capon Villa)
- PBV Program - Supportive Services (Park Alameda Apartments)
- PBV Program – HOPWA (Park Alameda Apartments)
- PBV Program - Supportive Services for Homeless (Alameda Point Collaborative Property)

- PBV Program - Single/Family units sized 0 to 2 bedrooms (Shinsei Gardens, Breakers at Bayport, China Clipper, Esperanza, Parrot Village, and Stanford House)
  - PBV Program - Family units sized 3 and above (Shinsei Gardens, Breakers at Bayport, China Clipper, Esperanza, Parrot Village, and Stanford House)
2. Changes to section 4-III.C. *Selection Method* to add a waitlist for the HOPWA program at Park Alameda; to add a HOPWA preference for those units funded by HOPWA; to define the new preference; and to add a limit for the preference.

**Local Preferences and Point Values [24 CFR 982.207; HCV p. 4-16]**

HUD allows housing authorities to establish local preferences, and the AHA has established local preferences, that give priority to serving families that meet those criteria. All local preferences are consistent with the AHA plan and the consolidated plan, and are based on local housing needs and priorities that are documented by generally accepted data sources.

The AHA has established local preferences for the HCV Program, the PBV Program at the Alameda Point Collaborative (APC) Property, the PBV Program at Jack Capon Villa (JCV), the PBV Program at Park Alameda (PA), and the PBV Program at all other sites. These preferences and their point values are:

<u>HCV Program</u>	<u>PBV Program at APC &amp; JCV</u>	<u>PBV Program at Other</u>
FUP Graduates (25 Points)	In Place (37 points)	<del>In Place (37 points)</del>
Displaced (9 points)	Supportive Services (10 pts.)	<del>Displaced (9 points)</del>
Special Provisions (8 points)	Displaced (9 points)	<del>Terminated (7 points)</del>
Terminated (7 points)	Terminated (7 points)	Residency (6 points)
Residency (6 points)	Residency (6 points)	Family (3 points)
Family (3 points)	Family (3 points)	<del>Veteran (2 points)</del>
Veteran (2 points)	Veteran (2 points)	

<u>PBV Program at PA</u>	<u>PBV Program at Other</u>
<u>HOPWA (27 points)</u>	<u>In Place (37 points)</u>
<u>In Place (37 points)</u>	<u>Displaced (9 points)</u>
<u>Displaced (9 points)</u>	<u>Terminated (7 points)</u>
<u>Terminated (7 points)</u>	<u>Residency (6 points)</u>
<u>Residency (6 points)</u>	<u>Family (3 points)</u>
<u>Family (3 points)</u>	<u>Veteran (2 points)</u>
<u>Veteran (2 points)</u>	

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Preference points are aggregated to produce the total preference points for each applicant. Applicants with the same total preference points will then be sorted by the method in which they were selected to be placed on the waiting list (i.e., date and time of application or order of random selection). Applicants that have been randomly selected for placement on a wait list must contact the AHA to notify staff of any change in status. If an applicant submits a change in status that results in a change in preference, the preference must be verified prior to any change in placement on a wait list. Changes to preference points will be applied to the next available waitlist pull.

FUP Graduates. Emancipated Youth assisted with Family Unification Program (FUP) funding pursuant to FUP regulations dated 2009 or later who were given rental assistance for a fixed term of thirty-six months who are now aging out of that thirty-six-month period and referred by Alameda County Social Service for assistance under the HCV Program. Admissions are limited to five per calendar month for this preference subject to availability of vouchers.

Displaced. Special Admissions are explained in 4-III.B and qualification for the displaced preference is not qualification for a Special Admission. Applicants eligible for the displaced preference must meet one of the following criteria in order to receive the preference points.

A person or persons whose dwelling in AHA's jurisdiction, as determined by AHA:

- Has been destroyed, rendered uninhabitable or projected to be uninhabitable for at least 180 days from the date of displacement as a result of action or inaction by a landlord in response to a disaster declared by the Federal Government or the State of California—provided that the family was meeting all conditions of occupancy at the time of its occurrence; or
- Has been, or will be, rendered legally or functionally uninhabitable for, at least, 180 days from the date of displacement as a result of redevelopment activity or actions invoking the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Relocation Act) or Section 104(d) of the Housing and Community Development Act (HCD).

At the time of application, an applicant must be displaced within 120 days of application to qualify for this preference. Applicants on a waitlist are eligible for this preference if they experience displacement after the time of application and prior to being housed upon verification as outlined above.

As of the date that AHA selects the applicant for housing assistance from its waiting list, contingent on AHA's verification of the family's application information, is not living in standard, permanent replacement housing.

Standard, permanent replacement housing is defined as housing that is decent, safe, and sanitary according to Housing Quality Standards and State and local housing code that is adequate for the family size according to Housing Quality Standard and State and local code, and that the family is occupying pursuant to a written or oral lease or occupancy agreement.

Standard, permanent replacement housing does not include transient facilities, hotels, motels, temporary shelters and, in case of Victims of Domestic Violence, housing occupied by the individual who engages in such violence. It does not include any individual imprisoned or detained pursuant to State Law or an Act of Congress. Shared housing with family or friends is not considered temporary and is considered standard, permanent replacement housing.

Applicants on any waiting list who claim a preference for being displaced pursuant to the definition above must present third-party evidence of displacement at the time when selected for certification. Failure to present documentation to validate displacement will result in the loss of preference and return to the waiting list.

In Place. Eligible residents who reside in units at the time of the PBV property owner's proposal selection date for Project-based assistance.

Special Provisions. There are two categories of Special Provisions Applicants:

- Applicants who are residents residing in units owned and/or managed by the AHA and who are overhoused or underhoused and for whom there is no appropriate unit in the complex where they live and only with the approval of the Executive Director.
- Family Unification Program (FUP)-eligible families and FUP-eligible youths to which the AHA intends to issue FUP vouchers with available funding provided by HUD for this purpose. [Note: This previously was a separate preference.]

Supportive Services at APC is defined as: Disabled persons or families referred by Alameda Point Collaborative (APC) in need of supportive services for the homeless or persons/families at risk of homelessness.

Supportive Services at JCV is defined as: Disabled persons or families in need of the supportive services offered at Jack Capon Villa.

Terminated. Section 8 participants who have been terminated by AHA due to overleasing or lack of federal funding. At the time a participant is terminated due to overleasing or lack of federal funding, that person's name will automatically be placed on the waiting list and given the appropriate preference. If more than one family is terminated under the same action, the families will be placed on the AHA's waitlist in a randomly selected order.

Residency. This residency preference is limited to the jurisdictional boundaries of the city of Alameda. Use of the residency preference will not have the purpose or effect of delaying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family. Applicants who live or work in Alameda, or applicant families including at least one adult member who lives or works in Alameda, at the time of application or during the time on a wait list qualify for this preference. For homeless applicants, this preference will apply if the applicant had been living in Alameda prior to becoming homeless.

Family. A family including a member 62 years of age or older or a person with disabilities. This revised definition is effective for families whose application was received after November 20, 2014.



Veteran. A member of the military, a veteran who was discharged or released under conditions other than dishonorable, or a surviving spouse (as defined by the Department of Veteran Affairs.)\_Providing these preference points for a veteran, preference is given to veterans within each preference category for which the veteran is eligible.

HOPWA. An individual who is eligible for the HOPWA (Housing Opportunities for Persons with Aids) funding tied to 9 of the Project-Based units at Park Alameda. This local preference is limited to specific units and the number of admissions per year with this preference will be limited to the number of vacancies experienced at the project to these units. The preference will only be in place until the sooner of: the removal of HOPWA funding tied to the project; December 31, 2031; or the expiration of the PBV contract and any extensions. This preference is contingent upon HUD approval of a waiver to 24 CFR 982.207 (b)(3).

3. Changes to section 16-VI.D. *Selection From the Waiting List [24 CFR 983.251(c)]* to clarify preferences in the project-based voucher program and to add the HOPWA units.

**Preferences [24 CFR 983.251(d)]**

The AHA will use the same definitions and requirements for selection preferences that are used for the tenant-based voucher program. The AHA provides an absolute selection preference for eligible in-place families as described in Section 16-VI.B. The preferences for the PBV program may differ slightly from the HCV program. See Chapter 4-III.C.

When vacancies exist in PBV units of a specific size (i.e., number of bedrooms) or in excepted units, the AHA will select only qualified families of the correct family composition size according to the AHA's subsidy standards for those units in the correct order from the waiting list.

Preference points are aggregated to produce the total preference points for each applicant. Applicants with the same total preference points will then be sorted by the method in which they were selected to be placed on the waiting list (i.e., date and time of application or order of random selection).

At the time of initial application, the applicant certifies as to whether or not it is eligible for a preference, and the AHA will place the applicant on the waiting list according to the preference claimed. Before the family receives assistance, however, the AHA must verify the family's eligibility for the preference based on current circumstances. If upon verification the AHA determines that the family does not qualify for the preference claimed, the family does not receive the preference. In this situation, the AHA will notify the applicant in writing that they do not qualify for the preference and will be returned to the waiting list with an update to the applicant record.



If the AHA has projects with more than 25 percent of the units receiving project-based assistance because those projects include "excepted units" (units specifically made available for elderly or disabled families, or families receiving supportive services), the AHA will give preference to such families when referring families to these units [24 CFR 983.261(b)].

Contingent upon HUD approval, nine units at Park Alameda will be restricted to applicants who qualify for the HOPWA preference. These are the only units that will be restricted in this manner.

**Alameda Journal**

1516 Oak Street  
Alameda, CA 94501  
510-262-2740

2000604

ALAMEDA HOUSING AUTHORITY  
ATTN: ACCOUNTS PAYABLE  
701 ATLANTIC AVE  
ALAMEDA, CA 94501

**PROOF OF PUBLICATION**  
**FILE NO. RAB Sect. 8 Program**

In the matter of

**Alameda Journal**

I am a citizen of the United States. I am over the age of eighteen years and I am not a party to or interested in the above entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Alameda Journal, a newspaper published in the English language in the City of Alameda, County of Alameda, State of California.

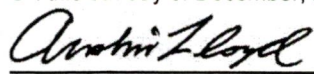
I declare that the Alameda Journal, is a newspaper of general circulation as defined by the laws of the State of California, as determined by the order of the Superior Court of the County of Alameda, dated August 25, 1992, in the action entitled "In the Matter of the Petition of the Alameda Journal to Have the Standing of the Alameda Journal as a Newspaper of General Circulation Ascertained and Established," Case Number 702515-6. Said order provides that: "Petitioner's prayer for an order ascertaining and establishing The Alameda Journal as a newspaper of general circulation...within the City of Alameda, County of Alameda, State of California, is granted." Said order has not been revoked.

I declare that the notice, a printed copy of which is annexed hereto, has been published in each regular and entire issue of the Alameda Journal and not in any supplement thereof on the following dates, to-wit:

**12/08/2017**

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Executed at Walnut Creek, California.  
On this 8th day of December, 2017.

  
\_\_\_\_\_  
Signature

Legal No. 0006072082

Public Notice

This is an announcement of a meeting of the Resident Advisory Board of the Housing Authority of the City of Alameda to discuss its proposed Annual Plan (Section 8 Program) for the period starting July 1, 2018 and a Significant Amendment to be effective July 1, 2018. The meeting will be held at 6:00 p.m., Wednesday, December 13, 2017 at Independence Plaza, 703 Atlantic Avenue, Alameda, CA.

Accessible seating for persons with disabilities is available. Documents prepared for the meeting are available in enlarged print, tape, or disk form upon request. Sign language interpreters are available on request. Please contact Denise Connors, Executive Assistant (510-747-4325 VOICE or 510-522-8467 TDD) at least 24 hours before the meeting for such requests.

AJ 6072082 December 8, 2017

**Alameda Journal**

1516 Oak Street  
Alameda, CA 94501  
510-262-2740

2000604

ALAMEDA HOUSING AUTHORITY  
ATTN: ACCOUNTS PAYABLE  
701 ATLANTIC AVE  
ALAMEDA, CA 94501

**PROOF OF PUBLICATION**  
**FILE NO. Annual Plan**

In the matter of

**Alameda Journal**

I am a citizen of the United States. I am over the age of eighteen years and I am not a party to or interested in the above entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Alameda Journal, a newspaper published in the English language in the City of Alameda, County of Alameda, State of California.

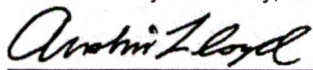
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I declare that the notice, a printed copy of which is annexed hereto, has been published in each regular and entire issue of the Alameda Journal and not in any supplement thereof on the following dates, to-wit:

**01/05/2018**

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Executed at Walnut Creek, California.  
On this 5th day of January, 2018.

  
\_\_\_\_\_  
Signature

Legal No. 0006086120

**HOUSING AUTHORITY OF  
THE CITY OF ALAMEDA**

**PUBLIC NOTICE**

The Housing Authority of the City of Alameda is accepting written comments on its proposed Annual Plan and significant amendment for the fiscal year starting July 1, 2018. The proposed plan is available for public review through Wednesday, March 21, 2018. It is available at the following Alameda locations: Housing Authority Office, 701 Atlantic Avenue; Alameda City Hall, City Clerk's Office, 2263 Santa Clara Avenue; Alameda Free Library; Main Branch, 1550 Oak Street; Alameda Free Library, West End Branch, 788 Santa Clara Avenue; or on the web at [www.alamedahsg.org](http://www.alamedahsg.org). Supporting documents may be viewed at the Housing Authority Office. Written comments on the Annual Plan will be accepted through Wednesday, February 28, 2018. Send comments to the Director of Housing Programs, Lynette Jordan, 701 Atlantic Avenue, Alameda, CA 94501-2161.

A public hearing for the Board of Commissioners for the Housing Authority to hear comments from the public is anticipated to occur on Wednesday, March 21, 2018, at 7:00 p.m. at 703 Atlantic Avenue, Alameda, CA. The date could change; therefore, a separate public notice will be issued for the date and time of the meeting when they are established.



AJ 6086120 January 5, 2018



# Alameda Journal

1516 Oak Street  
Alameda, CA 94501  
510-262-2740

2000604

ALAMEDA HOUSING AUTHORITY  
ATTN: ACCOUNTS PAYABLE  
701 ATLANTIC AVE  
ALAMEDA, CA 94501

## PROOF OF PUBLICATION

FILE NO. March 21 Hearing

In the matter of

### Alameda Journal

I am a citizen of the United States. I am over the age of eighteen years and I am not a party to or interested in the above entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Alameda Journal, a newspaper published in the English language in the City of Alameda, County of Alameda, State of California.

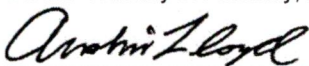
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I declare that the notice, a printed copy of which is annexed hereto, has been published in each regular and entire issue of the Alameda Journal and not in any supplement thereof on the following dates, to-wit:

02/16/2018

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Executed at Walnut Creek, California.  
On this 16th day of February, 2018.



Signature

Legal No. 0006103076

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

### PUBLIC NOTICE

The Housing Authority of the City of Alameda (AHA) will hold a public hearing for its proposed Annual Plan and Significant Amendment for the fiscal year starting July 1, 2018. The public hearing to receive oral comments from the public will occur on March 21, 2018, at 7:00 p.m. at 703 Atlantic Ave., Alameda, CA. The proposed Plan is available for public review on the AHA's website at [www.alamedahsg.org](http://www.alamedahsg.org), and four other locations including the Housing Authority office at 701 Atlantic Avenue, Alameda. The deadline to submit written comments is February 28, 2018.



AJ 6103076 February 16, 2018



# Housing Authority of the City of Alameda

PHONE (510) 747-4300

FAX (510) 522-7848

TDD (510) 522-8467

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Prepared by: Veronica Jefferson, Management Analyst

Date: March 21, 2018

Re: Public Hearing to Hear Comments on Housing Authority Annual Plan for  
Fiscal Year Starting July 1, 2018

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## BACKGROUND

The Housing Authority's Five-Year and Annual Plans make up the Agency Plan, a document that is mandated by and must be submitted to the U. S. Department of Housing and Urban Development (HUD). As a Housing Choice Voucher (Section 8) only and High Performer agency, HUD allows the Housing Authority to submit a streamlined Plan. In April 2015, the Authority submitted its Five-Year Plan. An Annual Plan must be submitted every year.

The Executive Director has been authorized to select the members of the Resident Advisory Board (RAB), which is charged with reviewing and commenting upon the Annual Plan. This Committee also is called to review and comment on any substantial amendments or modifications to the plan.

HUD requires that the Agency Plan be made available for public comment for 45 days prior to the public hearing. The Agency Plan must be submitted to HUD 75 days prior to the start of the Housing Authority's fiscal year on July 1, 2018.

## DISCUSSION

The RAB is made up of participants of the Housing Choice Voucher program. Members of the RAB met on December 13, 2017, to review and comment on the proposed Annual Plan for Fiscal Year 2018-2019 and the proposed Significant Amendment. RAB member comments are included as Attachment B to the Annual





Plan. None of the comments resulted in changes to the proposed Annual Plan or proposed Significant Amendment.

Under HUD's new Annual Plan template layout, there are multiple templates, but the Housing Authority only fills out one Annual Plan and can select which template to use. For ease, the Housing Authority completed the Streamlined Annual PHA Plan (HCV Only PHAs), which is form HUD-50075-HCV. This form removes all references to Public Housing.

The HUD template shows an expiration date of February 29, 2016; however, HUD has not yet replaced or updated the form. As such, the Housing Authority completed the template as follows:

**Section A** (page 1) provides the PHA Information (name, code, fiscal year beginning date, number of vouchers in ACC, plan submission type, and consortia information).

**Section B** (pages 2 and 3) is the Annual Plan. The subparts of Section B are:

**B.1: Revision of PHA Plan Elements**

The Housing Authority is continuing with the implementation of Veterans Affairs Supportive Housing (VASH) program to provide rental assistance for homeless veterans.

The Housing Authority did revise the section on the Discrimination/Grievance Process of the Administrative Plan, Chapter 2.

The Housing Authority is proposing a Significant Amendment to the Administrative Plan to create a local preference at one-project based property for HOPWA households.

**B.2: New Activities**

The Housing Authority applied for and was awarded 45 new PBV VASH vouchers in 2016 for new construction<sup>6</sup>. One project is under AHAP and under construction and the owner is seeking additional funding for the other project due to increased construction costs.

The Housing Authority and its Moderate Rehabilitation Partners are exploring options for converting the 30 units assisted under this contract due to the renewal limitation of the contract being approached and length of time to change funding models.

**B.3: Most Recent Fiscal Year Audit**

There were no findings in the current audit.





**B.4: Civil Rights Certification**

These are attachments that must be submitted. Certification of Compliance with PHA Plans and Related Regulations (Standard, Troubled, HCV-Only, and High Performer PHAs) (HUD-50077-ST-HCV-HP) and Civil Rights Certification (Form HUD-50077-CR). This form will be signed by the Board of Commissioners chairperson if the plan is approved.

**B.5: Certification by State or Local Officials**

This is an attachment that must be submitted. Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan (Form HUD-50077-SL). This form was signed by Jill Keimach, City Manager.

**B.6: Progress Report**

This is a narrative section describing the progress of the Housing Authority towards meeting the goals outlined in the 5-year Plan.

**B.7: Resident Advisory Board (RAB) Comments**

These are included as Attachment A. There were no recommendations to the Annual Plan made by the RAB.

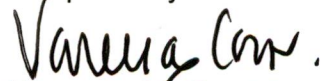
FINANCIAL IMPACT

None. This is a HUD reporting requirement, so failure to submit the report would place the Housing Authority in violation of its Annual Contributions Contract.

RECOMMENDATION

Accept public comment on the Housing Authority's proposed Annual Plan for the Fiscal Year starting July 1, 2018.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC/vj

Attachments:

1. Draft Annual Plan and Attachments
2. Public Notices



**Streamlined Annual  
PHA Plan  
(HCV Only PHAs)**

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

OMB No. 2577-0226  
Expires 02/29/2016

**Purpose.** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

**Applicability.** Form HUD-50075-HCV is to be completed annually by **HCV-Only PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, High Performer PHA, Small PHA, or Qualified PHA do not need to submit this form. Where applicable, separate Annual PHA Plan forms are available for each of these types of PHAs.

**Definitions.**

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment, and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS and SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A.	PHA Information.																																			
A.1	<p>PHA Name: <u>Housing Authority of the City of Alameda</u> PHA Code: <u>CA062</u>            PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/01/2018</u>            PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)            Number of Housing Choice Vouchers (HCVs) <u>1845</u>            PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p><b>Availability of Information.</b> In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website.</p> <p>PHA Plan and Elements are available at: <b>701 Atlantic Avenue, Alameda, CA 94501</b></p> <p><input type="checkbox"/> <b>PHA Consortia:</b> (Check box if submitting a joint Plan and complete table below)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Participating PHAs</th> <th style="width: 10%;">PHA Code</th> <th style="width: 25%;">Program(s) in the Consortia</th> <th style="width: 20%;">Program(s) not in the Consortia</th> <th style="width: 20%;">No. of Units in Each Program</th> </tr> </thead> <tbody> <tr> <td>Lead HA:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	Lead HA:																													
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Lead HA:																																				



<b>B.</b>	<b>Annual Plan.</b>
<b>B.1</b>	<p><b>Revision of PHA Plan Elements.</b></p> <p>(a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission?</p> <p>Y N</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Housing Needs and Strategy for Addressing Housing Needs.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input type="checkbox"/> <input type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Informal Review and Hearing Procedures.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Significant Amendment/Modification.</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each element(s):</p> <p>CONTINUING IMPLEMENTATION OF A VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) PROGRAM TO PROVIDE RENTAL ASSISTANCE FOR HOMELESS VETERANS AND THEIR FAMILIES. REVISIONS TO THE DISCRIMINATION/GRIEVANCE PROCESS OF THE ADMINISTRATIVE PLAN, CHAPTER 2.</p> <p>SIGNIFICANT AMENDMENT PROPOSED TO CREATE A LOCAL PREFERENCE AT ONE PROJECT-BASED VOUCHER PROPERTY, DUE TO PROPERTY FUNDING RESTRICTIONS AND CONTINGENT UPON A HUD WAIVER, TO ALLOW TARGETING OF HOPWA ELIGIBLE HOUSEHOLDS.</p>
<b>B.2</b>	<p><b>New Activities</b></p> <p>(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?</p> <p>Y N</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Project Based Vouchers.</p> <p>(b) If this activity is planned for the current Fiscal Year, describe the activities. Provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.</p> <p>CURRENTLY THERE ARE 246 PROJECT-BASED UNITS UNDER HAP CONTRACT WITH THE HOUSING AUTHORITY. THE FOLLOWING IS THE NUMBER OF UNITS UNDER HAP CONTRACT WITHIN EACH CENSUS TRACT: 7 (4272), 36 (4273), 0 (4274), 0 (4275), 43 (4276), 18 (4280), 15 (4281), 59 (4282), and 68 (4287). THE FOLLOWING UNITS ARE UNDER AHAP WITHIN EACH CENSUS TRACT: 25 (4273) AND 17 (4271). TWO PROJECTS AWARDED PBV VOUCHERS ARE STILL PENDING AHAP IN CENSUS TRACT 4287 FOR 40 VASH VOUCHERS.</p> <p>THE HOUSING AUTHORITY APPLIED FOR AND WAS AWARDED 45 NEW PBV VASH VOUCHERS FOR NEW CONSTRUCTION IN 2016. ONE PROJECT IS UNDER AHAP AND UNDER CONSTRUCTION AND THE OWNER IS CURRENTLY SEEKING ADDITIONAL FUNDING FOR THE OTHER PROJECT DUE TO ESCALATING CONSTRUCTION COSTS.</p> <p>THE HOUSING AUTHORITY USES PROJECT-BASED VOUCHERS TO INCREASE THE SUPPLY OF AFFORDABLE HOUSING IN THE CITY OF ALAMEDA. THE AHA WILL PURSUE PROJECT-BASING UP TO 20 PERCENT OF ITS CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT (ACC) AUTHORIZED UNITS PROVIDED ADDITIONAL FUNDING IS AVAILABLE AND THE SUPPLY OF AFFORDABLE HOUSING REMAINS TOO LOW TO MEET THE DEMAND. THE AHA WILL NOT COUNT THE VASH PBV UNITS TOWARDS THIS CAP.</p> <p>AHA AND ITS MODERATE REHABILITATION PARTNERS ARE EXPLORING THE OPTIONS FOR A RAD CONVERSION OF THE 30 MODERATE REHABILITATION UNITS AS THE CONTRACT IS ON A YEAR-TO-YEAR RENEWAL AND HUD ONLY ALLOWS FOR AT MOST FIVE MORE RENEWALS.</p>
<b>B.3</b>	<p><b>Most Recent Fiscal Year Audit.</b></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N N/A</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>



<b>B.4</b>	<b>Civil Rights Certification</b>  <i>Form HUD-50077, PHA Certifications of Compliance with the PHA Plans and Related Regulations, must be submitted by the PHA as an electronic attachment to the PHA Plan.</i>
<b>B.5</b>	<b>Certification by State or Local Officials.</b>  <i>Form HUD 50077-SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan, must be submitted by the PHA as an electronic attachment to the PHA Plan.</i>

**B.6 Progress Report.**

Provide a description of the PHA's progress in meeting its Mission and Goals described in its 5-Year PHA Plan.

**Goal 1: Achieve organizational excellence.**

STAFF TRAINING HAS BEEN PROVIDED AND IS ONGOING IN FAIR HOUSING, EXECUTIVE HOUSING CHOICE VOUCHER MANAGEMENT, RENT CALCULATION, HOUSING QUALITY STANDARDS, LEADERSHIP DEVELOPMENT, SOFTWARE ADMINISTRATION, MONTHLY TRAINING ON PROPERTY MANAGEMENT ISSUES, WEEKLY TRAINING BY NATIONAL HOUSING ORGANIZATION IN ISSUES RELATING TO THE HOUSING CHOICE VOUCHER PROGRAM. SEVERAL STAFF COMPLETED A 5-DAY HOUSING CHOICE VOUCHER CERTIFICATION COURSE AND/OR A 3-DAY HOUSING QUALITY STANDARDS CERTIFICATION COURSE PROVIDED BY NATIONALLY RECOGNIZED TRAINERS. AN E-LEARNING PLATFORM, WHICH INCLUDES A COORDINATED ONLINE TRAINING PLATFORM THAT PROVIDES ON-DEMAND TRAINING AND LEARNING PLANS FOR ALL DEPARTMENTS HAS BEEN LAUNCHED. AS AN INDICATOR OF THE SUCCESS OF STAFF TRAINING AND PROFESSIONAL DEVELOPMENT, DURING 2017 THERE WERE FOUR INTERNAL PROMOTIONS. IN 2016, STAFF STARTED A HOUSING CHOICE VOUCHER MANAGEMENT ROUNDTABLE TO BRING TOGETHER DIRECTORS AND ANALYSTS OF THE PROGRAM FROM VARIOUS AGENCIES THROUGHOUT THE AREA. THIS MEETING IS HELD QUARTERLY AT DIFFERING LOCATIONS THROUGHOUT NORTHERN CALIFORNIA.

**Goal 2: Maximize use of Housing Choice Voucher allocation to provide housing assistance to low-income families.**

THE HOUSING AUTHORITY SCORED HIGH PERFORMER STATUS ON THE THREE MOST RECENT SEMAP CERTIFICATIONS. THE HOUSING AUTHORITY CONTINUES TO OUTREACH TO OWNERS AND INCREASE LEASING EFFORTS BY HOSTING OWNER INCENTIVE AND EDUCATION WORKSHOPS. THE LANDLORD WORKSHOPS PROVIDE LANDLORDS WITH PROGRAM INFORMATION AND BEST PRACTICES; WHICH INCLUDE AN OVERVIEW OF THE HCV PROGRAM, LEASE REQUIREMENTS AND RENTAL INCREASE PROCESS. A SYSTEM TO ALLOW FOR E-MAIL DISTRIBUTION OF PERIODIC NEWSLETTERS CONTINUES TO BE SUCCESSFULLY USED TO COMMUNICATE IMPORTANT INFORMATION AND CHANGES. THE IMPLEMENTATION OF BIENNIAL INSPECTIONS AND USE OF HANDHELD ELECTRONIC TABLETS HAVE PROVED TO BE SUCCESSFUL AND PROVIDES MORE CLARITY IN INSPECTION NOTES. NO NEW WAITLISTS WERE OPENED IN 2017 FOR THE ASSISTANCE PROGRAMS, BUT MULTIPLE PROJECT-BASED WAITLISTS WERE OPENED IN 2016 AND THE HCV WAITLIST WAS OPENED IN 2015. AHA IS UTILIZING THE HUD TWO-YEAR FORECASTING TOOL WHICH AIDED THE AGENCY IN MONITORING OUR LEASING EFFORTS AND FUNDING WHILE STRATEGICALLY USING HUD-HELD RESERVES. A THIRD PARTY INTERPRETATION AND TRANSLATION SERVICE CONTINUES TO BE UTILIZED TO ALLOW FOR FLEXIBLE LEP SERVICES. A LANDLORD INCENTIVE PROGRAM WAS IMPLEMENTED IN 2016 AND CONTINUED THROUGH NOVEMBER 2017 USING NON-FEDERAL FUNDS THIS PROVED SUCCESSFUL IN ASSISTING HOUSEHOLDS TO BE SUCCESSFUL IN LEASING UNITS. PAYMENT STANDARDS WERE SET AT 110% OF FMR DURING 2016 TO MAINTAIN LEASING.

**Goal 3: Improve the quality of life of residents while maintaining efficient and effective operations of Housing Authority rental units.**

A COMPREHENSIVE ASSESSMENT OF THE HOUSING AUTHORITY'S PHYSICAL NEEDS WAS CONDUCTED FOR EACH PROPERTY. CAPITAL IMPROVEMENTS WERE COMPLETED AT SEVERAL PROPERTIES TO IMPROVE SAFETY, ACCESSIBILITY, AND ENERGY AND WATER EFFICIENCY. THE HOUSING AUTHORITY HAS CONTRACTED WITH A NON-PROFIT AND NOW HAS TWO, FULL-TIME SOCIAL WORKERS PROVIDING SOCIAL SERVICES SUPPORT TO FAMILIES IN AHA-OWNED UNITS AND, IF NEEDED, TO HOUSING CHOICE VOUCHER AND PROJECT-BASED VOUCHER TENANTS IN PRIVATELY OWNED UNITS. ONE SOCIAL WORKER PROVIDES SERVICES AT THE FAMILY SITES, INCLUDING ASSISTING RESIDENTS WITH BUDGETING, RESUME BUILDING AND HOMEWORK. THE SECOND SOCIAL WORKER PROVIDES SERVICES AT THE SENIOR SITES, INCLUDING FITNESS PROGRAMS, CONNECTION TO RESOURCES AND ASSISTANCE IN OBTAINING OR MAINTAINING RENTAL ASSISTANCE AND OTHER ASSISTANCE PROGRAMS. KITCHENS AND BATHROOMS WERE MODERNIZED AT TWO AHA-OWNED UNITS AT PARROT VILLAGE AND PARROT GARDENS. A THIRD PARTY INTERPRETATION AND TRANSLATION SERVICE CONTINUES TO BE UTILIZED TO ALLOW FOR FLEXIBLE LEP SERVICES.

**Goal 4: Improve environment impact.**

THE AHA CONTINUES TO PROMOTE THE USE OF TRANSIT AND TO PROMOTE SUSTAINABILITY. A FREE "FARMER'S MARKET" MADE AVAILABLE BY THE LOCAL FOOD BANK IS SET UP ON AHA SENIOR SITES TO IMPROVE ACCESS TO FRESH VEGETABLES. BUSES ARE AVAILABLE TO RESIDENTS TO VISIT THE MARKET. ALL OF THE NEW DEVELOPMENT PROJECTS WILL INCLUDE BIKE STORAGE AND WILL PROVIDE FREE TRANSIT PASSES WHEN COMPLETED. AHA IS LOOKING INTO A PARTNERSHIP WITH THE BIKE SHARE PROGRAM. ALL HOUSEHOLDS PARTICIPATE IN THE CITY-WIDE RECYCLING PROGRAM. STAFF IS WORKING WITH THE LOCAL UTILITY PROVIDER TO ASSESS THE USE OF A LARGE PARKING AREA FOR THE INSTALLATION OF A SOLAR ARRAY.

**Goal 5: Maintain and improve data integrity and collection.**

THE HOUSING AUTHORITY HIRED A CONSULTANT TO REVIEW THE INFORMATION TECHNOLOGY SYSTEMS. MOST OF THE RECOMMENDATIONS HAVE ALREADY BEEN IMPLEMENTED AND THE FINAL ONE WILL BE COMPLETED WITH THE STRATEGIC PLANNING IN 2018. STAFF IS IN THE FINAL STAGES OF REDESIGNING THE CURRENT PAPER RECERTIFICATION PACKET TO MIRROR THE NEW ONLINE RECERTIFICATION PROCESS FOR PARTICIPANTS IN THE HOUSING CHOICE AND PROJECT-BASED VOUCHER PROGRAMS. BY REDESIGNING THE PACKET, THIS WILL ENABLE THE TENANT TO ANSWER QUESTIONS IN THE SAME FORMAT AND BECOME FAMILIAR WITH THE NEW MODULE FORMAT. AHA IS AIMING TO HAVE THE ONLINE RECERTIFICATION MODULE AVAILABLE TO PARTICIPANTS IN 2018. THE AGENCIES MAIN DATABASE WAS UPGRADED IN 2017 ALLOWING STAFF ADDITIONAL FUNCTIONS AND RESULTING IN EASIER PROCESSING. THE AGENCY'S



	<p>SERVER WILL BE UPGRADED IN 2018. IN 2016, AHA LAUNCHED A NEW ADA- AND LEP- COMPLIANT WEBSITE. WAITLIST OPENINGS ARE CONDUCTED ENTIRELY ONLINE RESULTING IN HIGHER INTEGRITY OF DATA COLLECTED AND AUTOMATION OF DATA INPUT. HUMAN RESOURCES IS UTILIZING AN ONLINE FORM FOR APPLICATIONS. THIS SYSTEM WILL BE EXPANDED THROUGHOUT THE AGENCY.</p> <p><b>Goal 6: Expand Housing Choice throughout the City of Alameda.</b></p> <p>THIRTY-TWO NEW AFFORDABLE UNITS WERE CONSTRUCTED BY AHA IN COOPERATION WITH A LOCAL NON-PROFIT. THE PROPERTY WAS LEASED UP IN MAY 2017. THE AHA ALSO HAS TWO, NEW CONSTRUCTION PROJECTS UNDERWAY, WITH AN ADDITIONAL 51 NEW UNITS TO COME ONLINE IN 2017-2018. STAFF IS ALSO WORKING TO REDEVELOP AN EXISTING AFFORDABLE SITE TO INCREASE THE NUMBER OF UNITS FROM 40 TO 80, AND TO ACQUIRE A VACANT SITE THAT MAY INCLUDE AS MANY AS 600 NEW HOUSING UNITS. AHA AWARDED 45 NEW VASH VOUCHERS TO THREE PROJECTS (ONE UNDER CONSTRUCTION AND TWO NOW SEEKING ADDITIONAL FUNDING). AHA ALSO TOOK ON CITYWIDE RESPONSIBILITY FOR RENT STABILIZATION FOR NON-SECTION 8 UNITS IN ALAMEDA. THIS IS FUNDED BY NON-FEDERAL FUNDS AND ENCOMPASSES APPROXIMATELY 15,000 RENTAL UNITS.</p>
<p><b>B.7</b></p>	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) provide comments to the PHA Plan?</p> <p>Y    N  <input type="checkbox"/>   <input checked="" type="checkbox"/></p> <p>(a) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p>

## Instructions for Preparation of Form HUD-50075-HCV Annual PHA Plan for HCV Only PHAs

**A. PHA Information.** All PHAs must complete this section. (24 CFR §903.23(4)(e))

**A.1** Include the full PHA Name, PHA Code, PHA Type, PHA Fiscal Year Beginning (MM/YYYY), Number of Housing Choice Vouchers (HCVs), PHA Plan Submission Type, and the Availability of Information, specific location(s) of all information relevant to the public hearing and proposed PHA Plan.

**PHA Consortia:** Check box if submitting a Joint PHA Plan and complete the table. (24 CFR §943.128(a))

**B. Annual Plan.** All PHAs must complete this section. (24 CFR §903.11(c)(3))

**B.1 Revision of PHA Plan Elements.** PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

**Housing Needs and Strategy for Addressing Housing Needs.** Provide a statement addressing the housing needs of low-income, very low-income families who reside in the PHA’s jurisdiction and other families who are on the Section 8 tenant-based waiting list. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. (24 CFR §903.7(a)(1) and 24 CFR §903.7(a)(2)(i)). Provide a description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. 24 CFR §903.7(a)(2)(ii)

**Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.** A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. (24 CFR §903.7(b))

**Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. (24 CFR §903.7(c))

**Rent Determination.** A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents, and payment standard policies. (24 CFR §903.7(d))

**Operation and Management.** A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. (24 CFR §903.7(e)(3)(4)).



- Informal Review and Hearing Procedures.** A description of the informal hearing and review procedures that the PHA makes available to its applicants. (24 CFR §903.7(f))
- Homeownership Programs.** A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. (24 CFR §903.7(k))
- Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.** A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA's partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA's partnerships with other entities, and activities under section 3 of the Housing and Community Development Act of 1968 and under requirements for the Family Self-Sufficiency Program and others. Include the program's size (including required and actual size of the FSS program) and means of allocating assistance to households. (24 CFR §903.7(l)(i)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. (24 CFR §903.7(l)(iii)).
- Substantial Deviation.** PHA must provide its criteria for determining a "substantial deviation" to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))
- Significant Amendment/Modification.** PHA must provide its criteria for determining a "Significant Amendment or Modification" to its 5-Year and Annual Plan. Should the PHA fail to define 'significant amendment/modification', HUD will consider the following to be 'significant amendments or modifications': a) changes to rent or admissions policies or organization of the waiting list; or b) any change with regard to homeownership programs. See guidance on HUD's website at: [Notice PIH 1999-51](#). (24 CFR §903.7(r)(2)(ii))

If any boxes are marked "yes", describe the revision(s) to those element(s) in the space provided.

- B.2 New Activity.** If the PHA intends to undertake new activity using Housing Choice Vouchers (HCVs) for new Project-Based Vouchers (PBVs) in the current Fiscal Year, mark "yes" for this element, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake this activity, mark "no." (24 CFR §983.57(b)(1) and Section 8(13)(C) of the United States Housing Act of 1937.
- Project-Based Vouchers (PBV).** Describe any plans to use HCVs for new project-based vouchers. If using PBVs, provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.
- B.3 Most Recent Fiscal Year Audit.** If the results of the most recent fiscal year audit for the PHA included any findings, mark "yes" and describe those findings in the space provided. (24 CFR §903.11(c)(3), 24 CFR §903.7(p))
- B.4 Civil Rights Certification.** Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulation*, must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o))
- B.5 Certification by State or Local Officials.** Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, including the manner in which the applicable plan contents are consistent with the Consolidated Plans, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15)
- B.6 Progress Report.** For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.11(c)(3), 24 CFR §903.7(r)(1))
- B.7 Resident Advisory Board (RAB) comments.** If the RAB provided comments to the annual plan, mark "yes," submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

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This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the Annual PHA Plan. The Annual PHA Plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 4.5 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

**Privacy Act Notice.** The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Annual PHA Plan  
Fiscal Year 2018-2019

ATTACHMENT A  
RESIDENT ADVISORY BOARD COMMENTS

Resident Advisory Board was held December 13, 2017, at 6:00 p.m. at Independence Plaza, Ruth Rambeau Memorial Community Room, 703 Atlantic Avenue, Alameda, California.

Roll Call:

Present: Two members present.  
Absent: Two members absent.

Staff present: Lynette Jordan, Director of Housing Programs; Tonya Schuler-Cummins, Senior Management Analyst; Veronica Jefferson, Management Analyst; and Kathleen Fraser, Management Analyst

Resident Advisory Board Comments:

RAB member asked if the Housing Authority of the City of Alameda (AHA) would not only consider bike storage for the new developments, but for existing properties such as Esperanza. Member stated that some of the other properties have areas that could accommodate bike storage. Member stated that residents would love to have this feature. Staff responded that the existing properties are older and have limited space to accommodate additional storage, but comments would be forwarded to the proper department.

RAB member asked if AHA would also consider solar arrays for the existing properties, such as Esperanza. Staff responded that the existing properties are older and that it would be costly for AHA to install solar arrays, but comments would be forwarded to the proper department.

RAB member asked about the Rent Stabilization Board and what it does. Staff provided an explanation to member regarding the functions of the Rent Stabilization Board and the protections that it provides.



RAB member stated that an inappropriate letter from AHA regarding a failed HQS Inspection was received. Member indicated that the inspection staff failed the unit without asking any questions. Staff responded and informed the member that the concern will be addressed with the appropriate department.

RAB member asked if the Alameda Food Bank was part of the “farmer’s market”. Staff responded that Alameda Food Bank does sponsor the “farmer’s market” that is held at Independence Plaza. Staff also informed the RAB member that the food bank will be expanding to the Esperanza site in the upcoming year.

RAB member requested that maintenance staff be patient when responding to maintenance work orders by allowing time for residents to get to the door. Staff responded and stated that the information will be referred to Property Management.

RAB member asked a question about the significant amendment regarding the nine, PBV units for HOPWA. The RAB Member wanted to know if the HOPWA designation would be applied to all the PBV units because he felt there are other homeless people with different disabilities that need housing. Staff responded that the HOPWA designation would only apply to the nine units which the developer received separate HOPWA funding to build the units. Also, this designation will only apply as long as the funding is valid and only if HUD grants a waiver to AHA.

RAB member requested that his name be released so that other housing participants would know who is currently serving on the RAB. Member requested that this awareness would enable participants to have a “voice” and their concerns brought to the attention of AHA. Staff responded and informed member that they will take the concern under advisement.

RAB member stated that property manager is not responding to repeated issues with problems in complex regarding sewage back-up, busted pipes



and poor maintenance of front yard. Staff responded and advised member to request a special inspection with the Housing Programs Department to assess the HQS concerns as this is a private landlord.

RAB member commented about the broken garbage enclosure doors at Esperanza. Staff responded and stated the information will be forwarded to the Property Operations Department to evaluate.

**Certification by State or Local  
Official of PHA Plans Consistency  
with the Consolidated Plan or  
State Consolidated Plan  
(All PHAs)**

U. S Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 2/29/2016

**Certification by State or Local Official of PHA Plans  
Consistency with the Consolidated Plan or State Consolidated Plan**

I, Jill Keimach, the City Manager  
*Official's Name* *Official's Title*

certify that the 5-Year PHA Plan and/or Annual PHA Plan of the

Housing Authority of the City of Alameda

*PHA Name*

is consistent with the Consolidated Plan or State Consolidated Plan and the Analysis of  
Impediments (AI) to Fair Housing Choice of the

City of Alameda

*Local Jurisdiction Name*

pursuant to 24 CFR Part 91.

Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State  
Consolidated Plan and the AI.

The goals for the 5-year plan include three that are aimed at meeting the priority housing needs  
outlined in the Consolidated Plan by expanding housing choice and voucher utilization to increase  
availability of affordable housing to families earning less than 50% of AMI. Another goal is to  
increase the availability of service-enriched housing.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Jill Keimach

Title

City Manager

Waiting for authorized signature

Signature

Jill Keimach

Date TO BE SUBMITTED TO THE CITY

Approved as to Form  
CITY ATTORNEY  
By: Michael H. Nuel  
Assistant City Attorney

**Alameda Journal**

1516 Oak Street  
Alameda, CA 94501  
510-262-2740

2000604

ALAMEDA HOUSING AUTHORITY  
ATTN: ACCOUNTS PAYABLE  
701 ATLANTIC AVE  
ALAMEDA, CA 94501

**PROOF OF PUBLICATION  
FILE NO. RAB Sect. 8 Program**

In the matter of

**Alameda Journal**

I am a citizen of the United States. I am over the age of eighteen years and I am not a party to or interested in the above entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Alameda Journal, a newspaper published in the English language in the City of Alameda, County of Alameda, State of California.

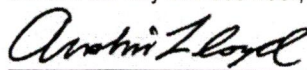
I declare that the Alameda Journal, is a newspaper of general circulation as defined by the laws of the State of California, as determined by the order of the Superior Court of the County of Alameda, dated August 25, 1992, in the action entitled "In the Matter of the Petition of the Alameda Journal to Have the Standing of the Alameda Journal as a Newspaper of General Circulation Ascertained and Established," Case Number 702515-6. Said order provides that: "Petitioner's prayer for an order ascertaining and establishing The Alameda Journal as a newspaper of general circulation...within the City of Alameda, County of Alameda, State of California, is granted." Said order has not been revoked.

I declare that the notice, a printed copy of which is annexed hereto, has been published in each regular and entire issue of the Alameda Journal and not in any supplement thereof on the following dates, to-wit:

**12/08/2017**

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Executed at Walnut Creek, California.  
On this 8th day of December, 2017.

  
\_\_\_\_\_  
Signature

Legal No. **0006072082**

**Public Notice**

This is an announcement of a meeting of the Resident Advisory Board of the Housing Authority of the City of Alameda to discuss its proposed Annual Plan (Section 8 Program) for the period starting July 1, 2018 and a Significant Amendment to be effective July 1, 2018. The meeting will be held at 6:00 p.m., Wednesday, December 13, 2017 at Independence Plaza, 703 Atlantic Avenue, Alameda, CA.

Accessible seating for persons with disabilities is available. Documents prepared for the meeting are available in enlarged print, tape, or disk form upon request. Sign language interpreters are available on request. Please contact Denise Connors, Executive Assistant (510-747-4325 VOICE or 510-522-8467 TDD) at least 24 hours before the meeting for such requests.

**AJ 6072082 December 8, 2017**



# Alameda Journal

1516 Oak Street  
Alameda, CA 94501  
510-262-2740

2000604

ALAMEDA HOUSING AUTHORITY  
ATTN: ACCOUNTS PAYABLE  
701 ATLANTIC AVE  
ALAMEDA, CA 94501

## PROOF OF PUBLICATION

FILE NO. Annual Plan

In the matter of

### Alameda Journal

I am a citizen of the United States. I am over the age of eighteen years and I am not a party to or interested in the above entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Alameda Journal, a newspaper published in the English language in the City of Alameda, County of Alameda, State of California.

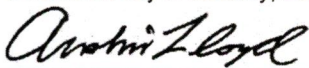
I declare that the Alameda Journal, is a newspaper of general circulation as defined by the laws of the State of California, as determined by the order of the Superior Court of the County of Alameda, dated August 25, 1992, in the action entitled "In the Matter of the Petition of the Alameda Journal to Have the Standing of the Alameda Journal as a Newspaper of General Circulation Ascertained and Established," Case Number 702515-6. Said order provides that: "Petitioner's prayer for an order ascertaining and establishing The Alameda Journal as a newspaper of general circulation...within the City of Alameda, County of Alameda, State of California, is granted." Said order has not been revoked.

I declare that the notice, a printed copy of which is annexed hereto, has been published in each regular and entire issue of the Alameda Journal and not in any supplement thereof on the following dates, to-wit:

**01/05/2018**

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Executed at Walnut Creek, California.  
On this 5th day of January, 2018.



Signature

Legal No. 0006086120

HOUSING AUTHORITY OF  
THE CITY OF ALAMEDA

### PUBLIC NOTICE

The Housing Authority of the City of Alameda is accepting written comments on its proposed Annual Plan and significant amendment for the fiscal year starting July 1, 2018. The proposed plan is available for public review through Wednesday, March 21, 2018. It is available at the following Alameda locations: Housing Authority Office, 701 Atlantic Avenue; Alameda City Hall, City Clerk's Office, 2263 Santa Clara Avenue; Alameda Free Library; Main Branch, 1550 Oak Street; Alameda Free Library, West End Branch, 788 Santa Clara Avenue; or on the web at [www.alamedahsg.org](http://www.alamedahsg.org). Supporting documents may be viewed at the Housing Authority Office. Written comments on the Annual Plan will be accepted through Wednesday, February 28, 2018. Send comments to the Director of Housing Programs, Lynette Jordan, 701 Atlantic Avenue, Alameda, CA 94501-2161.

A public hearing for the Board of Commissioners for the Housing Authority to hear comments from the public is anticipated to occur on Wednesday, March 21, 2018, at 7:00 p.m. at 703 Atlantic Avenue, Alameda, CA. The date could change; therefore, a separate public notice will be issued for the date and time of the meeting when they are established.



AJ 6086120 January 5, 2018

# Alameda Journal

1516 Oak Street  
Alameda, CA 94501  
510-262-2740

2000604

ALAMEDA HOUSING AUTHORITY  
ATTN: ACCOUNTS PAYABLE  
701 ATLANTIC AVE  
ALAMEDA, CA 94501

## PROOF OF PUBLICATION FILE NO. March 21 Hearing

In the matter of

### Alameda Journal

I am a citizen of the United States. I am over the age of eighteen years and I am not a party to or interested in the above entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Alameda Journal, a newspaper published in the English language in the City of Alameda, County of Alameda, State of California.

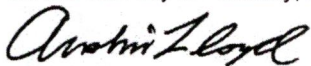
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I declare that the notice, a printed copy of which is annexed hereto, has been published in each regular and entire issue of the Alameda Journal and not in any supplement thereof on the following dates, to-wit:

**02/16/2018**

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Executed at Walnut Creek, California.  
On this 16th day of February, 2018.



Signature

Legal No. **0006103076**

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

### PUBLIC NOTICE

The Housing Authority of the City of Alameda (AHA) will hold a public hearing for its proposed Annual Plan and Significant Amendment for the fiscal year starting July 1, 2018. The public hearing to receive oral comments from the public will occur on March 21, 2018, at 7:00 p.m. at 703 Atlantic Ave., Alameda, CA. The proposed Plan is available for public review on the AHA's website at [www.alamedahsg.org](http://www.alamedahsg.org), and four other locations including the Housing Authority office at 701 Atlantic Avenue, Alameda. The deadline to submit written comments is February 28, 2018.



**AJ 6103076 February 16, 2018**



# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
FAX (510) 522-7848  
TDD (510) 522-8467

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Prepared by: Veronica Jefferson, Management Analyst

Date: March 21, 2018

Re: Adopt Significant Amendment to Annual Plan

---

## BACKGROUND

The Housing Authority's Five-Year and Annual Plans make up the Agency Plan, a document that is mandated by and must be submitted to the U. S. Department of Housing and Urban Development (HUD).

As part of the 5-Year Plan process, the Housing Authority defines a significant amendment. The Housing Authority of the City of Alameda defines a "substantial deviation/modification" or "significant amendment" for both its Five-Year and Annual Plans as one that meets all the following qualifications:

- a. Is discretionary (rather than mandated by HUD or other government entity);
- b. Fundamentally changes the policies of the Housing Authority;
- c. Requires formal approval of the Board of Commissioners; and
- d. Would result in changes to a Streamlined Plan submission.

The Executive Director has been authorized to select the members of the Resident Advisory Board (RAB), which is charged with reviewing and commenting upon the Annual Plan. This Committee also is called to review and comment on any substantial amendments or modifications to the plan.

HUD requires that any Significant Amendments be made available for public comment for 45 days prior to the public hearing.

## DISCUSSION

The RAB, representing the interests of Housing Choice Voucher participants, was formed and met on December 13, 2017 to review the proposed Significant Amendment





and Annual Plan. Participation by the present RAB members was very good. No changes resulted from the RAB meeting to the proposed Significant Amendment.

The Significant Amendment was made available to the general public for comment for a period of 45 days. The public comment period ended February 28, 2018. The Housing Authority also allowed for lengthy written comments for the public hearing to be accepted through this same date. No comments were received.

The Board of Commissioners conducted a Public Hearing prior to the consideration of adopting the Significant Amendment to accept additional oral comments. This report assumes no oral comments were received that would result in changes to the proposed Significant Amendment. If the comments received result in changes to the proposed Significant Amendment, the amendment will be revised and presented to the board at a later date.

#### FINANCIAL IMPACT

None.

#### RECOMMENDATION

Staff recommends the Board of Commissioners adopt the Significant Amendment effective upon acceptance by HUD or 75 days after HUD submittal.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC/vj





# Housing Authority of the City of Alameda

PHONE (510) 747-4300

FAX (510) 522-7848

TDD (510) 522-8467

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Prepared by: Veronica Jefferson, Management Analyst

Date: March 21, 2018

Re: Adopt Annual Plan for Fiscal Year 2018-2019

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## BACKGROUND

The U. S. Department of Housing and Urban Development (HUD) requires the Housing Authority to submit an Annual Plan 75 days prior to the beginning of the Authority's fiscal year, which begins July 1, 2018, and a 5-Year Plan once every 5-years. HUD provides a template that must be used for the Annual Plan and has issued specific regulations on the process that housing authorities must follow to adopt a Plan. The Housing Authority's last submitted the 5-Year Plan covers 2015-2020.

The process for development of the Annual Plan includes the formation of a Resident Advisory Board (RAB). The RAB is responsible for reviewing and commenting on the Annual Plan. The process also involves a 45-day public comment period, a public hearing, and finally, adoption of the 5-Year and Annual Plan by the Board of Commissioners.

## DISCUSSION

The RAC, representing the interests of Section 8 participants, was formed and met on December 13, 2017 to review the proposed Annual Plan beginning with the next fiscal year. Participation was very good. No changes resulted from the RAB meeting to the proposed Annual Plan.

The Annual Plan was made available to the general public for comment for a period of 45 days. The public comment period ended February 28, 2018. The Housing Authority also allowed for lengthy written comments for the public hearing to be accepted through this same date. No comments were received.



The Board of Commissioners conducted a Public Hearing prior to the consideration of adopting the Annual Plan to accept additional oral comments. This report assumes no oral comments were received that would result in changes to the proposed Annual Plan beginning with the next fiscal year. If the comments received result in changes to the proposed Annual Plan, the plan will be revised and presented to the board prior to the April 17, 2018 submission deadline. The proposed Plan is attached to the staff report for the public hearing.

HUD requires that a resolution be adopted to certify compliance of the Annual Plan with federal regulations. A copy of the resolution, form HUD-50077-ST-HCV-HP is attached.

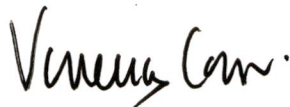
### FINANCIAL IMPACT

None. This is a HUD reporting requirement, so failure to submit the report would place the Housing Authority in violation of its Annual Contributions Contract.

### RECOMMENDATION

Staff recommends the Board of Commissioners adopt the Annual Plan beginning with the next fiscal year and authorize the Chair to certify, by resolution, that the Board of Commissioners has approved submission of the Agency Plan to the U. S. Department of Housing and Urban Development.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC/vj

Attachments:

- Certification of Compliance with PHA Plans and Related Regulations (Standard, Troubled, HCV-Only, and High Performer PHAs) (HUD-50077-ST-HCV-HP)
- Civil Rights Certification (Form HUD-50077-CR)



**Certifications of Compliance with  
PHA Plans and Related Regulations  
(Standard, Troubled, HCV-Only, and  
High Performer PHAs)**

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 02/29/2016

**PHA Certifications of Compliance with the PHA Plan and Related Regulations including  
Required Civil Rights Certifications**

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the \_\_\_ 5-Year and/or X Annual PHA Plan for the PHA fiscal year beginning 07/01/2018, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
5. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
6. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those programs, addressing those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.
7. For PHA Plans that includes a policy for site based waiting lists:
  - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2010-25);
  - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
  - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
  - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing;
  - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

13. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
14. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
15. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
16. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
17. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
18. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
19. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
22. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Housing Authority of the City of Alameda  
PHA Name

CA062

PHA Number/HA Code

Annual PHA Plan for Fiscal Year 2018

5-Year PHA Plan for Fiscal Years 20\_\_ - 20\_\_

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Name of Authorized Official

Kenji Tamaoki

Title

Chairman, Board of Commissioners

Signature

Date: 3/21/2018



**Civil Rights Certification**  
*(Qualified PHAs)*

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB Approval No. 2577-0226  
Expires 02/29/2016

**Civil Rights Certification**

**Annual Certification and Board Resolution**

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official, I approve the submission of the 5-Year PHA Plan for the PHA of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the public housing program of the agency and implementation thereof:*

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those program, addressing those impediments in a reasonable fashion in view of the resources available and working with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.

Housing Authority of the City of Alameda  
PHA Name

CA-062  
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official: Kenji Tamaoki

Title: Chairman, Board of Commissioners

Signature

Date 03/21/2018





# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
FAX (510) 522-7848  
TDD (510) 522-8467

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Prepared  
By: Victoria Johnson, Director of Housing and Community Development

Date: March 21, 2018

Re: North Housing Project Update; Authorize the Executive Director to Negotiate a Demolition Funding Agreement, to Issue a Public Bid and to Approve Two Contracts for Demolition in a Total Amount Not to Exceed \$1.5 Million

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## BACKGROUND

In 2012, the Navy approved the transfer of 13 acres of land from the Navy to the Housing Authority at the former Coast Guard housing site known as North Housing. The approved 'public benefit conveyance' is based on the proposal submitted by AHA, Alameda Point Collaborative (APC) and Building Futures with Women and Children (BFWC) to develop 90 units of permanent supportive housing. Habitat for Humanity has applied separately to HUD and the Navy to receive a two-acre parcel that is also a part of the North Housing area.

The Navy intends to sell the 14-acre adjacent parcel of land to Carmel Partners. Prior to closing, the Navy must obtain a Certificate of Compliance through the State Lands Commission. Carmel expects to obtain this approval in April.

AHA has previously received two written offer letters to purchase a portion of the proposed AHA site but both offers have expired. In closed session meetings, the Board gave direction to the Executive Director to evaluate and consider offers, but there has been no further Board action. The APC and BFWC Boards also gave direction to consider the offer. As of March 2018, AHA has not received another offer. Before the Board can take action that authorizes a real estate transaction, the specific price and terms of the sale must be publicly noticed in compliance with Brown Act procedures.

On January 16, the City Council approved by second reading the removal of the G-overlay zoning and the removal of the 435-unit cap, and authorized the City Manager to negotiate and execute a MOU with Carmel Partners that outlines the responsibilities related to infrastructure. Housing Authority staff submitted written comments on the draft MOU throughout the month of January. The City and Carmel have not yet signed the MOU. The Housing Authority and Habitat



are not parties to the MOU, but are identified as third party beneficiaries and the terms of the MOU have direct impact on future improvements made at the adjacent sites.

The Housing Authority's real estate counsel (Carle, Mackie & Ross) has reviewed the MOU and related documents and has reviewed this staff report.

## DISCUSSION

The MOU requires Carmel to construct road extensions at Singleton and Moseley and install certain utility upgrades. All three Singleton buildings fall within the boundaries of the AHA parcel and AHA is responsible for the full cost of demolition of these three buildings. The City MOU states that Carmel will be responsible to demolish the buildings once it has gained a license from the Navy and if AHA guarantees the availability of reimbursement funds.

In January, the Board approved the use of up to \$750,000 to pay for demolition costs of three buildings at Singleton. In February, the Board approved acceptance of a CDBG grant in an amount up to \$750,000 to pay for the demolition of the buildings at Mosley. The January staff report stated that AHA funds will be deposited in a demolition escrow account after competitive demolition bids were received, and paid as reimbursement to Carmel once AHA takes possession of the land. The MOU differs on this point and states that funds will be placed in escrow by April 15, 2018 and costs will be reimbursed upon completion of the work. To move forward with the scenario as outlined in the MOU, AHA will be required to escrow and release the funds sooner than previously approved.

In recent days, staff has been notified that the City has contacted the Navy to request that the proposed boundaries of the Carmel and AHA parcels be amended to eliminate the 'split building' at 2005 Lakehurst Circle. This proposal would amend the terms of the Navy's IFB for the site and would eliminate the need for Carmel to purchase the ¼ acre of land from AHA and the partners upon which the building sits. In exchange for this concession, Carmel would pay for and manage the demolition of the three buildings at Singleton prior to AHA taking ownership of the site. It is not known if this idea will be approved by Navy and the GSA. Staff has also presented the information to outside counsel to review.

Staff has also proposed (to Carmel) an alternate work plan whereby AHA solicits competitive bids and contracts directly for the demolition work and engages Carmel to manage the demolition project. In this way, AHA will pay Carmel for the project management and pay the demolition contractor directly and no reimbursement will be required. The funds may be placed into escrow to guarantee availability, and the work would be paid for per standard contracting protocol. The proposal is that there will be two separate contracts; one funded through AHA and the other funded through CDBG. AHA will execute a MOU with the City to administer the Mosley demolition contract. Staff is actively negotiating with Carmel to determine the most straightforward and beneficial structure. A Demolition Funding Agreement between AHA and Carmel will document the responsibilities connected with the funding and demolition work. The demolition cannot commence until Carmel obtains a license from the Navy.

AHA staff continues to meet with Carmel weekly to coordinate and plan for the demolition work as outlined in the MOU. The environmental consultant has recently completed tests at all buildings. Ninyo & Moore (environmental consultant) are providing the report and demolition



specifications that will be part of the demolition bid package. The various environmental review agencies must also accept the report. Once accepted, the demolition bid package (IFB) can be completed. Assuming that Carmel closes on their site in April, and obtains all necessary permissions, the approximate schedule will be to publish the IFB in May, receive bids in June and issue a Notice to Proceed in July. If for any reason Carmel does not demolish the buildings, AHA can use the same reports and approvals to ensure that the demolition work meets all environmental standards.

Staff has consulted with outside counsel Henry Loh to confirm that it is permissible to expend AHA funds on behalf of the Navy owned parcel, prior to the conveyance of the land, to the extent that AHA determines that such expenditure is in furtherance of its housing purpose. It is customary for AHA to expend pre-development funds on behalf of a project prior to acquisition. For example, at the Del Monte project application fees and legal and design costs were paid prior to taking ownership of the property. In the case of North Housing however, there is no specific Purchase & Sale Agreement or Option Agreement that establishes AHA site control. Because the land is owned by the United States of America (Navy), AHA cannot obtain a Purchase & Sale Agreement. However, the following documents and public body actions establish facts that allow AHA to determine that it can reasonably expect to obtain site control for the purpose of developing affordable housing.

- 2009 – Community Reuse Plan is adopted by the Alameda Reuse and Redevelopment Authority (ARRA) and approved by Navy; document states homeless accommodation parcel will be conveyed to Housing Authority to develop 90 units of supportive housing
- 2009 – Legally Binding Agreement executed by ARRA/City, AHA and Service Partners to define responsibilities and commit to use of land as proscribed
- 2011 – Legally Binding Agreement approved by HUD
- 2012 – Amended and Restated LBA approved by Navy and City Council, executed by City (as Local Reuse Authority or LRA), AHA and Service Partners; City Attorney transmits LBA to Navy attesting that the Amended and Restated LBA is a “legal, valid, binding and enforceable obligation” of the LRA
- 2016 – AHA Board adopts Resolution 928 to accept Quit Claim Deed from City of Alameda to receive the North Housing site

### FISCAL IMPACT

The source of the \$750,000 of AHA funds for the demolition activity will be the Esperanza loan proceeds that have been set aside for development. All costs related to North Housing are tracked separately. Typically, the costs of demolition and clearance are not recoverable as pre-development costs through a tax credit transaction, but the costs can be reflected as equity in the overall deal in the context of a master development agreement.

With respect to the overall North Housing project, in the prior fiscal year CDBG funds of approximately \$150,000 are available to pay for surveys, environmental assessments and related costs. Incurred costs to CDBG total to approximately \$85,000 and are not included below. The Board has previously authorized a \$300,000 loan to ICD be used to pay for planning, engineering and other related services.



Honorable Chair and  
Members of the Board of Commissioners

March 21, 2018  
Page 4 of 4

North Housing

Pre-development Loan from AHA	\$	300,000
Usage through February 2018	\$	66,249
Balance	\$	233,751

RECOMMENDATION

Authorize the Executive Director to negotiate Demolition Funding Agreement, to issue a public bid and approve two contracts for demolition in a total amount not to exceed \$1.5 million.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Prepared by: Victoria Johnson  
Director of Housing and Community Development

Date: March 21, 2018

Re: Rosefield Project Update; Authorize Resubmission of Applications for  
Alameda County Rental Housing Development/A-1 Bond Funds;  
Authorize Executive Director to Execute Related Documents

## BACKGROUND

Since early 2015 staff has been working to prepare a redevelopment plan for the buildings at Rosefield Village. It was initially expected that the site could be preserved through substantial rehabilitation and staff applied for tax-exempt bonds and for Affordable Housing and Sustainable Communities funds in early 2016. Soon thereafter, two structural reports were received that indicated that the nine pre-fabricated buildings that were put into service in 1979 have reached the near-end of their useful life. Hence the AHSC and bond applications were withdrawn. Staff then applied for Project-Based-VASH Vouchers and Veteran's Housing and Homelessness Prevention Program (VHHP) funds in late 2016 and early 2017, but both applications were unsuccessful.

In October 2016 the Board authorized staff to proceed with a plan to construct 60 (or more) new units and approved the selection of Dahlin Group Architecture to design the project. Two Board workshops were held, and the Board provided direction to the design team to identify a preferred site plan and design genre. In September 2017, the Planning Board approved the proposed site plan and encouraged staff to return for Design Review approval for a project that includes up to 80 new units.

In December 2017 the Board approved a loan of \$5.7 million of AHA funds to support the project, and authorized staff to apply for Alameda County bond funds.



## DISCUSSION

A County bond application was submitted in January, but there have been two significant events that impact the project schedule. First, the County bond application cycles have been revised and the amount of funds available is changed, and second, City staff provided new information related to the zoning of the site.

County Bond Funds: In November 2017 the County announced a January 2, 2018 application due date for all projects seeking a commitment of bond funds in 2018. Staff worked with REDS as application consultant and submitted a funding request on January 2<sup>nd</sup>. However, the County subsequently issued a revised application schedule. Applications for bond funds that fall under each City's base allocation are due on April 20, 2017, and applications for mid-County regional funds will be due in late 2018. Staff plans to apply in each of these rounds, and seeks Board authorization to prepare and submit the respective applications. A Resolution is attached (Exhibit 1). City Council approval is also required to approve funds from the City base allocation, and this approval will be requested on April 17, 2018.

The December staff report stated that \$4.3 million was available from the City of Alameda base allocation. The correct amount is approximately \$1.6 million. The total amount available has been reduced by \$1.1 million that Alameda County will retain from the City's base (10% administrative fee) and \$1.6 million that has been earmarked for the future Alameda Point Collaborative redevelopment project. Accordingly, staff will need to apply for a much larger share of competitive mid-County regional funds. The specific amount is not yet known.

Staff will continue to work with financial consultant Community Economics to create a financial plan that can be successful. Because the County regional funds will not be awarded in time for the July 2018 tax credit round, staff does not recommend the submission of a competitive tax credit application in 2018.

Site Plan Approval: The second piece of information is based on new information recently conveyed by Planning Department staff. The Site Plan approval that was granted by the Planning Board in September 2011, was based on the original zoning that was in force at the time of the City's Guyton Settlement Agreement. That base zoning was thought to be R-5. Planning staff has since determined that while the original "Rosefield Village parcel" zoning is R-5, the western "Eagle Village parcel" zoning is R-3. As a result, the site plan and density calculations have been recalculated. In order to redevelop the site at the desired density, the eastern portion of the property that includes the four buildings (seven units) must be incorporated into the overall site plan. The engineer and architect will make this adjustment as part of the Design Review item that will be considered by the Planning Board in May or June. Currently, the design includes a total of 91 units (78 new plus 13 existing). The architect recently met with City staff regarding the zoning matters and the proposed building type and style. A conceptual building elevation is attached (Exhibit 2).





Overall Development Plan: It will not be feasible to apply for tax credits in 2018, but there are at least three other State funding programs that can be applied for. These are the VHHP and Sustainable Communities previously applied for, and the No Place Like Home Program that will commence within the next year. Staff will also continue to seek new VASH vouchers when they become available. Other funds should be available through the former CIC Pass-Through funds (\$1.5 million) and staff submitted an application for Affordable Housing Program funds (\$830,000) in early March. When secured, each of these sources will help to fill the large 'soft funds' gap caused by high construction costs, and will increase the likelihood to secure tax credits by making the application more competitive.

Tenant Considerations: Three of the 40 modular units were taken out of service permanently and three additional units are now vacant. Approximately five units have been rented under short-term (six-month leases) and several households have been relocated to other affordable housing. Through attrition and prioritizing long term tenants for relocation to vacancies at other sites, it is expected that 15-20 households will remain at 2018 year end and will require additional assistance to be relocated. All of these households have housing choice vouchers and all moving costs will be paid by the Housing Authority. Temporary moving costs (for any tenants that return) are eligible for reimbursement but permanent moving costs are not. A professional relocation firm (Paragon Partners) has been selected to provide the necessary services. Five tenant meetings have been held in 2016 and 2017 and the next meeting will be scheduled in mid-2018. The existing tenants will have a preference to return to the property under certain circumstances.

### FINANCIAL IMPACT

The Board has previously authorized a \$1 million loan to Island City Development for pre-development expenses and accepted a CDBG loan of \$575,000 for the conversion of the single-family to a duplex at 738 Eagle Ave. As of 2/28/18, approximately \$216,274 in pre-development funding has been expended for application fees, professional services, and engineering and design fees. Pre-development expenses are generally reimbursed at loan closing and are then repaid from ICD to AHA.

In December the Board committed \$5.7 million in AHA loan funds that will repaid through net cash flow over time. The source of funds is \$2 million fee received in December 2017 from the Alameda Landing project, and \$3.7 million from Esperanza loan proceeds now held in the LAIF account.

### RECOMMENDATION

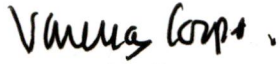
Authorize resubmission of applications to Alameda County for Rental Housing Development/A-1 bond funds and authorize Executive Director to execute related documents.



Honorable Chair and  
Members of the Board of Commissioners

March 21, 2018  
Page 4 of 4

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC/VJ

Exhibit 1 – Alameda County Bond Loan Resolution  
Exhibit 2 – Conceptual Building Elevations





HOUSING AUTHORITY OF THE CITY OF ALAMEDA

*Resolution No.* \_\_\_\_\_

AUTHORIZE THE SUBMITTAL OF ONE OR MORE APPLICATIONS TO THE ALAMEDA COUNTY DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE MEASURE A-1 RENTAL HOUSING DEVELOPMENT FUND PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT IF SELECTED FOR SUCH FUNDING AND ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE BOND PROGRAM.

**WHEREAS**, Alameda County Department of Housing and Community Development (the "Department") has invited applications for the Measure A-1 Rental Housing Development Fund ("Bond Loan"); and

**WHEREAS**, the Housing Authority is authorized to do business in the State of California and is empowered to enter into an obligation to receive County funds for the acquisition, construction, rehabilitation, or preservation of affordable multifamily supportive housing, affordable transitional housing, affordable rental housing, or related facilities; and

**WHEREAS**, the Housing Authority on December 20, 2017 approved the commitment of \$5.7 million in AHA permanent loan funds and the contribution of land value; and

**WHEREAS**, the Housing Authority wishes to obtain an award from the Department for a Bond Loan for the acquisition, construction, rehabilitation, or preservation of an income-restricted affordable rental housing development (the Project") located in the County of Alameda; and

**WHEREAS**, the Housing Authority is eligible to be a Sponsor pursuant to the criteria set forth in the Guidelines;

**NOW, THEREFORE, IT IS RESOLVED:** That the Housing Authority hereby authorized to submit an application to borrow an amount up to \$10 million for the Project.

**RESOLVED FURTHER:** If the application is approved, the Housing Authority or its affiliated development entity is hereby authorized to incur an obligation for the Bond Loan and to enter into, execute, and deliver, a Loan Agreement, and any and all other related documents including but not limited to, a promissory note, a deed of trust and security agreement, a regulatory agreement, a development agreement and certain other documents that may be required by the Department as security for, evidence of or pertaining to the Loan, and all amendments thereto (collectively, the "Bond Loan Documents").



RESOLVED FURTHER: The Housing Authority is further authorized to request amendments, including increases in amounts up to amounts approved by the Department, and to execute any and all documents required by the Department to govern and secure these amendments.

RESOLVED FURTHER: That Vanessa Cooper as the Executive Director or her written designee are each separate, individually, and independently hereby authorized to execute: an application for the Bond Loan, the Bond Loan Documents, and any amendment or modifications thereto, on behalf of the Corporation.

RESOLVED FURTHER: That this Resolution shall take effect immediately upon its passage.

ATTEST:

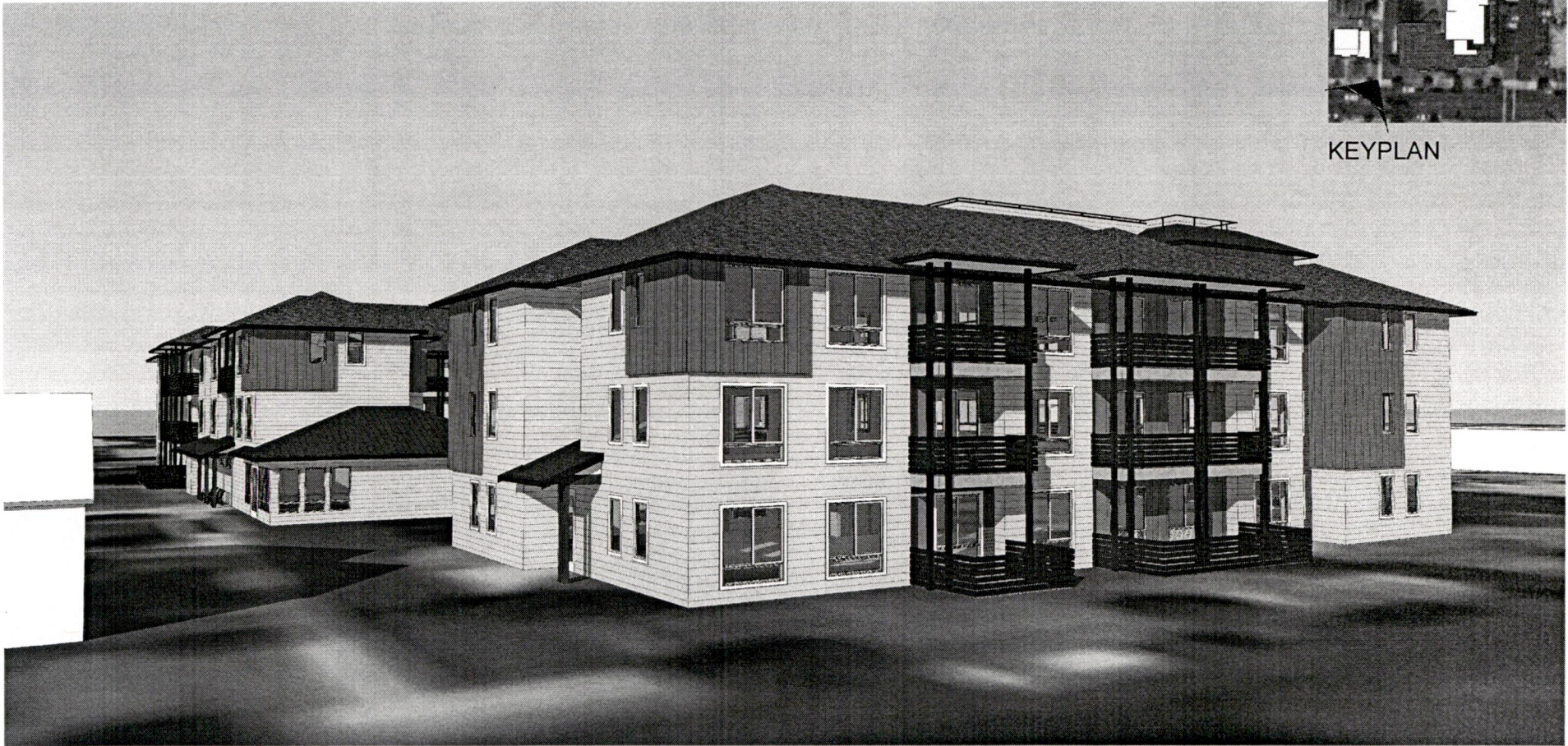
\_\_\_\_\_  
Vanessa M. Cooper  
Executive Director/Secretary

\_\_\_\_\_  
Kenji Tamaoki, Chair  
Board of Commissioners

**Adopted:**

\_\_\_\_\_  
Date





KEYPLAN

BUILDING PERSPECTIVES - SOUTHWEST CORNER

ROSEFIELD VILLAGE

HOUSING AUTHORITY OF THE CITY OF ALAMEDA



DATE 03-08-2018  
JOB NO. 1405.001

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A1.2