
ALAMEDA AFFORDABLE HOUSING CORPORATION
701 Atlantic Avenue, Alameda, CA 94501

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 Board of Directors of Alameda Affordable Housing Corporation, please contact (510) 747-4325 (TDD: 510 522-8467) or dconnors@alamedahsg.org. Notification 48 hours prior to the meeting will enable the Alameda Affordable Housing Corporation Board of Directors to make reasonable arrangements to ensure accessibility.

AGENDA

FIRST MEETING OF THE BOARD OF DIRECTORS

DATE & TIME

Wednesday November 15, 2017 – 7 PM

LOCATION

Independence Plaza, 703 Atlantic Avenue, Alameda, CA

Public Participation

Anyone wishing to address the Board on agenda items or business introduced by Directors 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 Executive Director if you wish to address the Board of Directors.

PLEDGE OF ALLEGIANCE

1. **ROLL CALL** - Board of Directors
2. Public Comment (Non-Agenda)
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 Directors or a member of the public.

NONE



4. AGENDA

- 4-A. Review the Articles of Incorporation Filed by the Incorporator Jennifer Bell, Ratify the Bylaws Adopted by the Incorporator Jennifer Bell, and Instruct Secretary to File Copies in the Corporation's Minute Book Preceding the Minutes of this Meeting. pg 3
- 4-B. Approve Vanessa Cooper as the Corporation's Agent for Service of Process. pg 18
- 4-C. Approve Authorizing Resolution to Establish Business Affairs: pg 19
 - Open Bank Accounts;
 - Designate Bank Account Signers;
 - Determine No Use of Corporate Seal;
 - Adopt the Conflict of Interest Policy;
 - Follow AHA Policies and Procedures Where None Exists; and
 - Establish a Quarterly Regular Meeting Schedule
- 4-D. Authorize the Executive Director to Execute Documents Related to the Applications for State and Federal Tax-Exempt Status. pg 26

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

6. DIRECTORS COMMUNICATIONS, (Communications from the Directors)

7. ADJOURNMENT OF REGULAR MEETING

* * *

Note

If you need special assistance to participate in the meetings of the Alameda Affordable Housing Corporation Board of Directors, please contact 510-747-4325 (TDD: 510-522-8467) or dconnors@alamedahsg.org. Notification 48 hours prior to the meeting will enable the Board of Directors to make reasonable arrangements to ensure accessibility.

Documents related to this agenda are available for public inspection and copying at the Alameda Affordable Housing Corporation office, 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 Directors 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 Alameda Affordable Housing Corporation'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 Alameda Affordable Housing Corporation accommodate these individuals.



ALAMEDA AFFORDABLE HOUSING CORPORATION

To: Board of Directors

From: Vanessa Cooper
Executive Director, Alameda Housing Authority

Prepared By: Kathleen Mertz
Asset Manager

Date: November 15, 2017

Re: Review the Articles of Incorporation Filed by the Incorporator Jennifer Bell, Ratify the Bylaws Adopted by the Incorporator Jennifer Bell, and Instruct Secretary to File Copies in the Corporation's Minute Book Preceding the Minutes of this Meeting

BACKGROUND

On October 18, 2017, the Board of Commissioners of the Housing Authority of the City of Alameda authorized the Executive Director to execute documents necessary to create a new nonprofit ownership entity for Housing Authority of the City of Alameda (Housing Authority) owned properties to comply with HUD requirements for project-based voucher contracts. Housing Authority staff named this new nonprofit corporation Alameda Affordable Housing Corporation.

DISCUSSION

Staff consulted with legal counsel Jennifer Bell and Katrine Shelton at Goldfarb and Lipman LLC to draft and file Articles of Incorporation (Articles) with the California Secretary of State. Jennifer Bell was the incorporator of the corporation. Along with the Articles, Jennifer Bell adopted Bylaws for the corporation. Whereas the Articles are public documents that must be filed with the Secretary of State to form the legal entity, the Bylaws set forth the operating rules that govern the corporation, such as powers of the directors, roles and responsibilities of the officers, and meetings. Both the Articles and Bylaws are official governing documents of the corporation and copies should be filed in the minute book preceding the minutes of the first meeting of the Board of Directors.

The Bylaws specifically discuss that the directors of the corporation shall be the members of the Board of Commissioners of the Housing Authority (Section 5.5) and confirm that the corporation is subject to the Ralph M. Brown Act (Section 5.12). Additionally, in an effort to mirror the operations of the Housing Authority, the Bylaws

specifically designate the role of an Executive Director (Section 6.6). Further, the Housing Authority Executive Director is specifically designated as the Secretary/Executive Director and the Housing Authority Finance Director is specifically designated as the Treasurer (Section 6.1).

Because the Incorporator had to adopt Bylaws to accompany the Articles of Incorporation that were filed with the Secretary of State, the Board needs to ratify, or formally consent to, the Bylaws.

FISCAL IMPACT

None.

RECOMMENDATION

Staff recommends the Board ratify the Bylaws adopted by the Incorporator Jennifer Bell, and instruct Secretary to file copies in the corporation's Minute Book preceding the minutes of this meeting.

Respectfully submitted,



Vanessa Cooper
Executive Director

Exhibit A: Articles of Incorporation

Exhibit B: Bylaws

EXHIBIT A

ARTICLES OF INCORPORATION OF ALAMEDA AFFORDABLE HOUSING CORPORATION A California Nonprofit Public Benefit Corporation

I. NAME

The name of the corporation is Alameda Affordable Housing Corporation (the "Corporation").

II. PURPOSE

(a) This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for charitable and public purposes. The general purpose of this Corporation is to have and exercise all rights and powers conferred on nonprofit corporations under the laws of California, provided that this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of this Corporation.

(b) The specific charitable and public purposes for which the Corporation is organized are to benefit and support the Housing Authority of the City of Alameda, a public body corporate and politic ("AHA") and its purposes in accordance with Section 509(a)(3)(A) of the Internal Revenue Code by (1) acquiring, providing, financing, rehabilitating, owning and operating decent, safe and sanitary housing affordable to persons and households of low income where no adequate housing exists for such groups; (2) lessening the burdens of government by assisting AHA in the provision, ownership, and operating of housing targeted to low-income households; (3) combating blight and deterioration within the City of Alameda, California; (4) working to eliminate discrimination and prejudice; (5) assisting in the lessening of neighborhood tensions; (6) promoting social welfare through community-based housing activities; and (7) carrying out such other activities as the board of directors of this Corporation determines will benefit and support AHA.

III. MEMBERS

The Corporation shall have no members.

IV. AGENT OF SERVICE

The name and address in California of the Corporation's initial agent for service of process is Vanessa Cooper, 701 Atlantic Avenue, Alameda, CA 94501.

V. OFFICE

The principal office for the transaction of affairs and activities of the Corporation is located at 701 Atlantic Avenue, Alameda, CA 94501. The Board of Directors of the Corporation

may change the principal office from one location to another. Any change shall be noted in the Bylaws.

VI. DEDICATION AND DISPOSITION

(a) The property of the Corporation is irrevocably dedicated to charitable purposes, and no part of the net income or assets of the Corporation shall ever inure to the benefit of any director, officer, or member of the Corporation or to the benefit of any private individual, except that the Corporation is authorized and empowered to pay reasonable compensation to private persons, other than directors, for services rendered and to make payments and distributions in furtherance of its exempt purposes.

(b) Upon the winding up and dissolution of the Corporation, and after paying or adequately providing for the debts and obligations of the Corporation, the remaining assets shall be distributed to and inure to the benefit of AHA for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

VII. LIMITATION ON CORPORATE ACTIVITIES

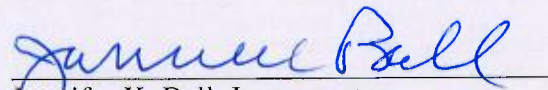
(a) The Corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any activities not permitted to be carried on by: (i) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or the corresponding provision of any future United States Internal Revenue Law; or (ii) by a corporation, contributions to which are deductible under Section 170 of the Internal Revenue Code or the corresponding provisions of any other United States Internal Revenue Law.

(b) No substantial part of the activities of the Corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation, except as provided in Section 501(h) of the Internal Revenue Code, and the Corporation shall not participate in or interfere in (including publishing or distributing statements) any political campaign on behalf of any candidate for public office.

VIII. DIRECTORS

The number of directors and the manner in which directors shall be chosen and removed from office, their qualifications, powers, duties, term of office, the manner of filling vacancies on the board of directors and the manner of calling and holding meetings of directors shall be as stated in the bylaws.

Adopted this 31st day of October, 2017.


Jennifer K. Bell, Incorporator

DECLARATION

I declare that I am the person who executed the foregoing Articles of Incorporation which execution is my act and my deed.

Date: October 31, 2017



Jennifer K. Bell

EXHIBIT B

BYLAWS OF ALAMEDA AFFORDABLE HOUSING CORPORATION A California Nonprofit Public Benefit Corporation

ARTICLE 1. NAME

Section 1.1 Name. The name of the corporation is Alameda Affordable Housing Corporation (the "Corporation").

ARTICLE 2. OFFICE

Section 2.1 Principal Office. The principal office for the transaction of affairs and activities of the Corporation is located at 701 Atlantic Avenue, Alameda, CA 94501. The Board of Directors of the Corporation (the "Board") may change the principal office from one location to another. Any change shall be noted on these Bylaws, or this section may be amended to state the new location.

Section 2.2 Other Offices. The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

ARTICLE 3. SUPPORTING ORGANIZATION

Section 3.1 Supporting Organization Under Internal Revenue Code § 509(a)(3). The Corporation has been organized and shall operate exclusively to support the Housing Authority of the City of Alameda ("AHA") and shall be operated in connection with that organization as specified in Internal Revenue Code § 509(a)(3). If AHA shall (1) cease to be an organization described in Internal Revenue Code § 170(b)(1)(A)(iv), § 501(c)(3), and § 509(a)(1) or § 509(a)(2), or (2) substantially abandon the charitable purposes that the Corporation is organized to support, the directors shall designate a publicly supported charitable organization as described in Internal Revenue Code § 170(b)(1)(A)(iv), § 501(c)(3) and § 509(a)(1) or § 509(a)(2), in substitution for AHA, for purposes of Article 2 of the Articles of Incorporation.

ARTICLE 4. MEMBERS

Section 4.1 Members. The Corporation shall have no members.

ARTICLE 5. DIRECTORS

Section 5.1 Powers. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, all powers and activities of the

Corporation shall be exercised directly by or under the ultimate direction of the Board. The Board may delegate the management of the activities of the Corporation to any person or persons, a management company, or committees, however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 5.2 Borrowing Funds. The Board shall have the power to borrow money and incur indebtedness on the Corporation's behalf and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

Section 5.3 Number of Directors. The number of directors shall be seven (7) unless a greater number is authorized by the Board of Commissioners of AHA.

Section 5.4 Compensation and Reimbursement of Directors. The directors shall serve without compensation though they may be reimbursed for their expenditure of monies on behalf of the Corporation.

Section 5.5 Appointment and Qualification of Directors. The members of the Board shall consist of all of the members of the Board of Commissioners of AHA then in office. If a director of the Corporation ceases to be a Commissioner of AHA, such person shall automatically cease to be a director of the Corporation.

Section 5.6 Term. The directors' terms shall run concurrently with their terms as Commissioners of AHA.

Section 5.7 Vacancies and Removal. Notwithstanding Section 5.3, in the event a director is removed from the AHA Board of Commissioners or resigns from the AHA Board of Commissioners, the seat shall remain vacant until the Mayor of the City of Alameda appoints, and the Alameda City Council confirms, a new member to the AHA Board of Commissioners. A vacancy shall be deemed to exist in the event that the actual number of directors is less than the authorized number for any reason.

Section 5.8 Meetings of the Directors. Regular meetings shall be held at least twice a year at Independence Plaza, 703 Atlantic Avenue, Alameda, California, or at such other place within the City of Alameda as designated by the Board.

Section 5.9 Annual Meeting. The Board shall hold an annual meeting for the purpose of organization, election of officers and the transaction of other business. Annual meetings shall be held on a date determined by the Board.

Section 5.10 Special Meetings. Special meetings of the Board for any purpose or purposes may be called at any time by the President of the Board, the Secretary or by any two (2) directors acting together.

Section 5.11 Director Voting. Each director shall have one vote on each matter presented to the Board of Directors for action. No director may vote by proxy.

Section 5.12 Notice and Conduct of Meetings. All meetings shall be noticed and conducted in accordance with the requirements of the Ralph M. Brown Act, California Government Code Sections 54950 through 54963 (the "Brown Act"), and the California Nonprofit Public Benefit Corporation Law. Any such notice Notices of all meetings shall also be posted in accordance with the Brown Act.

Section 5.13 Notice to Directors. Notice of regular and special meetings shall be given to each director, addressed or delivered to each director at such director's address as it is shown upon the records of the Corporation by the director for purposes of notice.

Section 5.14 Quorum. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the directors present at a duly held meeting of which a quorum is present shall be the act of the Board, subject to any more stringent provisions of California law. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some directors from that meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 5.15 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment to another time and place shall be given to the directors who were not present at the time of the adjournment.

Section 5.16 Committees of Directors. The Board may, by resolution adopted by a majority of the directors then in office, designate one (1) or more committees, each consisting of two (2) or more directors, to serve at the pleasure of the Board. Appointments to such committees shall be by the President.

Section 5.17 Standard of Care – General. A director shall perform the duties of a director, including duties as a member of any committee of the Board on which the director may serve, in good faith, in a manner such director believes to be in the best interest of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) One (1) or more officers or employees of the Corporation whom the director believes to be reliable and competent in the matters presented;
- (b) Counsel, independent accountants, or other persons as to matters which the director believes to be within such person's professional or expert competence; or
- (c) A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as in any such case, the director acts in good faith, after reasonable

inquiry when the need thereof is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

A person who performs the duties of a director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the Corporation, or assets held by it, are dedicated.

Section 5.18 Standard of Care—Investments. Except with respect to assets held for use or used directly in carrying out the Corporation's charitable activities, in investing, reinvesting, purchasing, acquiring, exchanging, selling and managing the Corporation's investments, the Board shall avoid speculation, looking instead to the permanent disposition of the funds, considering the probable income, as well as the probable safety of the Corporation's capital. The provisions of Section 5.17 of these Bylaws shall apply to this Section.

Section 5.19 Self-Dealing Transactions. The Board shall not approve a self-dealing transaction. A self-dealing transaction is one in which the Corporation is a party and in which one (1) or more of the directors has a material financial interest as defined in the Corporation's Conflict of Interest policy, or if no such policy exists, then as it is generally defined, or a transaction between the Corporation and any entity in which one (1) or more of its directors has a material financial interest as defined in the Corporation's Conflict of Interest policy, or if no such policy exists, then as it is generally defined.

Section 5.20 Inspection. Every director shall, at his or her own expense, have the absolute right at any reasonable time during the business hours of the Corporation to inspect and copy all books, records, and documents, and to inspect the physical properties of the Corporation.

ARTICLE 6. OFFICERS

Section 6.1 Officers of the Corporation. The officers of the Corporation shall be a President, who shall be the Chair of the AHA Board of Commissioners, a Vice President, who shall be the Vice Chair of the AHA Board of Commissioners, and a Secretary/Executive Director, who shall be the AHA Executive Director, and a Treasurer, who shall be the AHA Finance Director. If AHA has no Executive Director then the Secretary/Executive Director of the Corporation shall be appointed by the President. If AHA has no Finance Director, then the Treasurer shall be appointed by the President. Each officer shall perform the duties specified in the Bylaws or established by the Board. The Corporation may also have, at the Board's discretion, such other officers as may be appointed in accordance with Section 5.3 of these Bylaws. An officer's term shall be ended and his or her position deemed vacant upon the officer's ceasing to be a Commissioner or Executive Director, as applicable, of AHA.

Section 6.2 Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office.

Section 6.3 Reimbursement of Expenses. The Corporation shall provide reimbursement for monies expended on behalf of the Corporation by its officers.

Section 6.4 President. The President shall preside at the meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him or her by the Board or prescribed by the Bylaws.

Section 6.5 Vice President. In the absence or disability of the President, the Vice President shall perform all duties of the President, and in so acting shall have all the powers of the President. The Vice President shall have such other duties as may be prescribed from time to time by the Board.

Section 6.6 Executive Director. The Executive Director shall serve as the chief executive officer of the Corporation and shall be responsible for conducting the affairs of the Corporation in a manner consistent with the policies and directives of the Board. Subject to the control of the Board, the Executive Director shall be the general manager of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, and officers. The Executive Director shall have such other powers and duties as the Board of the Bylaws may require.

Section 6.7 Secretary. The Secretary shall have the following duties:

(a) The Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and of committees of the Board. The minutes of the meetings shall include the time and place that meeting was held, whether the meeting was annual, regular, or special, and, if special, how authorized and the notice given.

(b) The Secretary shall keep or cause to be kept at the Corporation's principal office, a copy of the Articles of Incorporation and Bylaws of the Corporation, as amended to date.

(c) The Secretary shall give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The Secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

Section 6.8 Treasurer. The Treasurer shall have the following duties:

(a) The Treasurer shall be the chief financial officer of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The Treasurer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times during the business hours of the Corporation.

(b) The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board

may designate, shall disburse the Corporation's funds as the Board may order, shall render to the President and the Board, when requested, an account of all transactions and of the financial condition of the Corporation, and shall have other powers and perform such other duties as the Board or the Bylaws may prescribe.

ARTICLE 7. MISCELLANEOUS

Section 7.1 Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of AHA.

Section 7.2 Corporate Seal. The Corporation may have a seal which shall be specified by resolution of the Board. The seal may be affixed to any corporate instruments, as directed by the Board or any of its officers, but failure to affix it shall not affect the validity of the instrument.

Section 7.3 Contracts. All contracts entered into on behalf of the Corporation must be authorized by the Board, or, where the contract is for less than Two Hundred Fifty Thousand Dollars (\$250,000), by the Executive Director.

Section 7.4 Execution of Checks. Except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of the Corporation shall be signed by such individuals as are authorized by the Board.

Section 7.5 Indemnification. To the fullest extent permitted by law, the Corporation shall indemnify its directors, officers, employees, and agents, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any threatened, pending proceeding.

Section 7.6 Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification.

Section 7.7 Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 1 and 2 of this Article in defending any proceeding covered by those sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

Section 7.8 Insurance. The Board may purchase and maintain insurance on behalf of any director, officer, employee or agent of the Corporation against any liability asserted against or incurred by the director, officer, employee or agent in such capacity or arising out of the director's, officer's, employee's or agent's status as such, whether or not the Corporation would

have the power to indemnify the director, officer, employee, or agent against that liability under law; except, the Corporation may not purchase insurance to protect self-dealing directors (as defined in Section 5.25 of these Bylaws) from liability.

Section 7.9 Annual Report to Directors. The Executive Director shall furnish a written report at the annual meeting of the Corporation containing the following information:

- (a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenue or receipts of the Corporation both unrestricted and restricted for particular purposes, for the fiscal year;
- (d) The expenses or disbursements of the Corporation, for both general and restricted purposes during the fiscal year; and
- (e) An independent accountant's report or, if none, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

The Executive Director must furnish a written report to all directors that lists any transaction during the prior fiscal year involving One Thousand Dollars (\$1,000) or more between the Corporation or a subsidiary and any director or officer of the Corporation or a subsidiary. The report must disclose the name of the director or officer and the person's relationship to the Corporation, the nature of such person's interest in the transaction and, where practicable, the amount of such interest. The Executive Director must also furnish an annual written report to all directors disclosing the amount and circumstances of any indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the prior fiscal year to any officer or director of the Corporation.

This requirement of an annual report shall not apply if the Corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors and to any member who requests it in writing. If the Board approves, the Corporation may send the report and any accompanying material sent pursuant to this section by electronic transmission. If a report sent to the Attorney General in compliance with the requirements of Government Code Sections 12580-12599.7 includes the information required on the annual report, then the Corporation may furnish a copy of its report to the Attorney General in lieu of the annual report whenever it is required to furnish an annual report.

Section 7.10 Amendment of Bylaws. The Bylaws may be amended or repealed and new Bylaws adopted by the vote of a majority of all the members of the Board, provided that any amendment to the Bylaws must receive the prior written approval of AHA's Board of Commissioners. Such amended or newly adopted Bylaws shall take effect immediately.

Section 7.11 Applicable Law. The Corporation shall be subject to any and all applicable federal, state, and local laws, including, but not limited to, such laws as may be applicable as a result of the Corporation's affiliation with AHA.

CERTIFICATION BY INCORPORATOR REGARDING ADOPTION OF
BYLAWS AND APPOINTMENT OF BOARD OF DIRECTORS

I, Jennifer Bell, am the Incorporator of Alameda Affordable Housing Corporation (the "Corporation"), pursuant to the Articles of Incorporation filed on _____, 2017. I hereby adopt the Bylaws for the Corporation in the form attached to this certification.

I hereby appoint the following persons as directors of the Corporation:

1. Kenji Tamaoki
2. John McCahan
3. Art Kurrasch
4. Fayleen Allen
5. Stuart Rickard
6. Sandra Kay
7. _____

Executed this ____ day of November, 2017.

Jennifer Bell,
Incorporator

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

(1) That I am the duly elected and acting Secretary of Alameda Affordable Housing Corporation, a California nonprofit public benefit Corporation; and

(2) That the foregoing Bylaws, comprising nine (9) pages, constitute the Bylaws of such Corporation as adopted by the Incorporator on November ____, 2017 and ratified by the directors of the Corporation at a duly constituted meeting held on November 15, 2017.

IN WITNESS THEREOF, I have hereunto subscribed my name, this 15th day of November, 2017.

Vanessa Cooper,
Secretary

ALAMEDA AFFORDABLE HOUSING CORPORATION

To: Board of Directors

From: Vanessa Cooper
Executive Director, Alameda Housing Authority

Prepared By: Kathleen Mertz
Asset Manager

Date: November 15, 2017

Re: Approve Vanessa Cooper as the Corporation's Agent for Service of Process.

DISCUSSION

An Agent for Service of Process, aka registered agent, is an individual or a company that is appointed by a corporation to receive service of process, legal documents, and important state communications on behalf of the business. Every corporation must have an in-state registered agent in its formation state and in every state where it is registered to do business. Failing to appoint and maintain a registered agent can result in severe penalties for the corporation. The State of California requires this in Section 1502 of the California Corporations Code.

Vanessa Cooper was designated as the initial Agent of Service in the corporation's Articles of Incorporation. Vanessa Cooper is a resident of California and her business address is 701 Atlantic Avenue, Alameda, California 94501.

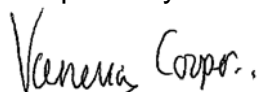
FISCAL IMPACT

None.

RECOMMENDATION

Staff recommends the Board approve Vanessa Cooper as the corporation's Agent for Service of Process.

Respectfully submitted,



Vanessa Cooper
Executive Director

ALAMEDA AFFORDABLE HOUSING CORPORATION

To: Board of Directors

From: Vanessa Cooper
Executive Director, Alameda Housing Authority

Prepared By: Kathleen Mertz
Asset Manager

Date: November 15, 2017

Re: Approve Authorizing Resolution to Establish Business Affairs: Open Bank Accounts; Designate Bank Account Signers; Determine No Use of Corporate Seal; Adopt the Conflict of Interest Policy; Follow AHA Policies and Procedures Where None Exists; and Establish a Quarterly Regular Meeting Schedule

BACKGROUND

On October 18, 2017, the Board of Commissioners of the Housing Authority of the City of Alameda authorized the Executive Director to execute documents necessary to create a new nonprofit ownership entity for Housing Authority of the City of Alameda (Housing Authority) owned properties to comply with HUD requirements for project-based voucher contracts. Housing Authority staff named this new nonprofit corporation Alameda Affordable Housing Corporation.

DISCUSSION

In addition to the Articles of Incorporation and Bylaws organization documents, the corporation needs to establish various business affairs. The corporation will need to establish bank accounts and designate bank account signers. The Bylaws state that the corporation may establish a corporate seal but no seal is officially needed. The Board of Directors will need to adopt a Conflict of Interest Policy, as required by the Internal Revenue Service for a tax-exempt status determination. Staff will be developing policies and procedures for this corporation, modeled after the approved policies of the Housing Authority. When complete, these will come back to the Board for adoption. In the meantime, Housing Authority policies and procedures will be followed. Finally, the corporation is required to have at least two regular meetings but staff recommends establishing a quarterly regular meeting schedule.

Regarding additional business affairs not included in this resolution, the 2018 annual

budget and Consultant Services Agreement with the Housing Authority will come back to the Board once reviewed and approved by the Housing Authority. Insurance for the corporation will be covered under the Housing Authority's policy, which includes error and omissions for the Board of Directors equal to the coverage carried for the Housing Authority Board of Commissioners.

FISCAL IMPACT

Any new bank accounts will require an initial capitalization of \$100, which will be funded by the Housing Authority, per the estimated budget approved upon entity authorization in October 2017.

RECOMMENDATION

Staff recommends the Board approve Authorizing Resolution to establish business affairs: open bank accounts; designate bank account signers; determine no use of corporate seal; adopt the Conflict of Interest Policy; follow AHA policies and procedures where none exists; and establish a quarterly regular meeting schedule.

Respectfully submitted,

A handwritten signature in cursive script that reads "Vanessa Cooper".

Vanessa Cooper
Executive Director

ALAMEDA AFFORDABLE HOUSING CORPORATION

Resolution No. 2017-01

At a duly constituted meeting of the Board of Directors (the “Board”) of Alameda Affordable Housing Corporation, a California nonprofit public benefit corporation (the “Corporation”), held on November 15, 2017, the following resolutions were adopted:

WHEREAS, the Corporation was formed as a public benefit corporation established to operate exclusively to support the Housing Authority of the City of Alameda (“AHA”).

WHEREAS, the Board of the Corporation has determined the following actions are required to carry out the business of the corporation;

NOW, THEREFORE, BE IT RESOLVED, that the Corporation will establish in its name one or more deposit accounts with US Bank, and that the Executive Director and Treasurer are authorized to establish such an account or accounts, on terms and conditions agreed on with the bank;

BE IT FURTHER RESOLVED, that the Executive Director and Treasurer, acting together, are authorized to designate as depositories of this Corporation’s funds one or more other banks, trust companies, or other financial institutions, and to open, keep, and close general and special accounts in such depositories;

BE IT FURTHER RESOLVED, that any officer of the Corporation is authorized to endorse checks, drafts, or other evidences of indebtedness made payable to the Corporation, but only for the purpose of deposit;

BE IT FURTHER RESOLVED, that all checks, drafts, and other instruments obligating the Corporation to pay money will be signed on the Corporation’s behalf by either the Executive Director or Treasurer, provided however, that if the amount of the check is in excess of \$250,000, the signature of both the Executive Director and Treasurer will be required;

BE IT FURTHER RESOLVED, that the Corporation does not adopt a corporate seal;

BE IT FURTHER RESOLVED, that the Corporation shall adopt the Conflict of Interest Policy attached hereto as Exhibit A;

BE IT FURTHER RESOLVED, that the Corporation shall follow AHA policies and procedures where no specific policy or procedure has been developed and adopted by the Corporation; and

BE IT FURTHER RESOLVED, that the Corporation shall adopt a regular quarterly meeting schedule on the Third Wednesday of the months of February, May, August, and November.

CERTIFICATE OF SECRETARY

I, Vanessa Cooper, hereby certify that I am the duly elected, qualified Secretary of Alameda Affordable Housing Corporation, a California nonprofit public benefit corporation, organized and existing under the laws of the State of California, and the foregoing Authorizing Resolution was adopted at a duly constituted meeting of the Corporation held on this November 15, 2017.

Dated: November 15, 2017

Vanessa Cooper, Secretary

EXHIBIT A

Conflict of Interest Policy ALAMEDA AFFORDABLE HOUSING CORPORATION Adopted November 15, 2017

Article I Purpose

The purpose of the conflict of interest policy is to protect the interests of Alameda Affordable Housing Corporation (the "Corporation") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable corporations. Provided, however, if there is a conflict between this Conflict of Interest Policy and any state or federal law, the stricter provision shall prevail.

Article II Definitions

1. Interested Person

Any director, principal officer, or member of a committee with Board of Directors ("Board") delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;
 - b. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.
- Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate Board or committee decides that a conflict of interest exists.

Article III Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with Board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The President of the Board or the Chair of the committee shall, if appropriate, appoint a disinterested person or committee to investigate alternative to the proposed transaction or arrangement.

c. After exercising due diligence, the Board or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV
Records of Proceedings

The minutes of the Board and all committees with Board delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternative to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V Compensation

- a. A voting member of the Board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI Annual Statements

Each director, principal officer and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflict of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII Periodic Reviews

To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefits or in an excess benefit transaction.

Article VIII Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

ALAMEDA AFFORDABLE HOUSING CORPORATION

To: Board of Directors

From: Vanessa Cooper
Executive Director, Alameda Housing Authority

Prepared By: Kathleen Mertz
Asset Manager

Date: November 15, 2017

Re: Authorize the Executive Director to Execute Documents Related to the
Applications for State and Federal Tax-Exempt Status

DISCUSSION

The nonprofit corporation is established by the Secretary of State filing, but the 501(c)3 tax exemption requires an application to the Internal Revenue Services, known as IRS Form 1023. Once the federal tax-exempt status designation is secured, a secondary application to the California Franchise Tax board is required to secure state tax exempt status. Once both of these exemptions are in place, staff will file the welfare exemption paperwork with Alameda County to secure a property tax exemption.

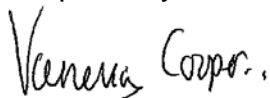
FISCAL IMPACT

The legal services and application fees will be funded by the Housing Authority, per the estimated budget approved upon entity authorization in October 2017.

RECOMMENDATION

Staff recommends the Board authorize the Executive Director to execute documents related to the applications for state and federal tax-exempt status.

Respectfully submitted,



Vanessa Cooper
Executive Director