



Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

AGENDA

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

DATE & TIME

Wednesday, February 17, 2021

Year 15 Presentation – 5:00 p.m.

Closed Session - 6:00 p.m.

Regular Meeting – 7:00 p.m.

LOCATION

Pursuant to Executive Order Numbers N-29-20 and N-35-20 signed by Governor Gavin Newsom and guidance provided by legal counsel, a local legislative body, such as the Board of Commissioners is authorized to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body. All requirements in the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or the public as a condition of participation in or a quorum for a public meeting have been waived.

PUBLIC PARTICIPATION

Public access to this meeting is available as follows:

Join Zoom Meeting:

<https://zoom.us/j/93407679443?pwd=RStpdmR5VTVrejRob29FejBYRE8vUT09>

Meeting ID: 934 0767 9443

Passcode: 637803

One tap mobile:

1-669-900-9128, 93407679443#, 0#, 637803# US (San Jose)

1-346-248-7799, 93407679443#, 0#, 637803# US (Houston)

Meeting ID: 934 0767 9443

Passcode: 637803

Find your local number: <https://zoom.us/u/augHIYBqb>

Persons wishing to address the Board of Commissioners are asked to submit comments for the public speaking portion of the Agenda as follows:

- Send an email with your comment(s) to jpolar@alamedahsg.org and vcooper@alamedahsg.org prior to or during the Board of Commissioners meeting
- Call and leave a message at (510) 871-7435.



When addressing the Board, on agenda items or business introduced by Commissioners, members of the public may speak for a maximum of three minutes per agenda item when the subject is before the Board.

Persons in need of special assistance to participate in the meetings of the Housing Authority of the City of Alameda Board of Commissioners, please contact (510) 747-4325 (voice), TTY/TRS: 711, or jpolar@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.

5 PM: Optional training on year 15 LIHTC exit strategies.

PLEDGE OF ALLEGIANCE

1. ROLL CALL - Board of Commissioners
2. Public Comment (Non-Agenda)
3. Closed Session – 6:30 p.m. – Adjournment to Closed Session to Consider:
 - 3-A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8.
Property Location: 401 Willie Stargell Avenue, Alameda, CA 94501
Assessor's Parcel Numbers: 074-0905-042-03
Agency Negotiators: Vanessa Cooper, Executive Director, Sylvia Martinez, Director of Housing Development, and Candace Latigue, Asset Manager
Negotiating Parties: Housing Authority of the City of Alameda and Shinsei Gardens Apartments, L.P.
Property Owner: Shinsei Gardens Apartments, L.P.
Under Negotiation: Exercise of purchase option and right of first refusal
 - 3-B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8.
Property Location: 2615 Eagle, Alameda, CA 94501
Assessor's Parcel Numbers: 70-161-55-2
Agency Negotiators: Vanessa Cooper, Executive Director, and Sylvia Martinez, Director of Housing Development
Negotiating Parties: Housing Authority of the City of Alameda and Mark Russell, Jeff Aguilar, Brian Hutcherson, CBRE.
Property Owner: Alameda Unified School District
Under Negotiation: Real estate transaction - price and terms
 - 3-C. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8.
Property Location: Vacant land between Wood and St. Charles Street, Alameda, CA 94501
Assessor's Parcel Numbers: 074-0906-031-06
Agency Negotiators: Vanessa Cooper, Executive Director, and Sylvia Martinez, Director of Housing Development



Negotiating Parties: Housing Authority of the City of Alameda and Union Pacific Railroad

Property Owner: Union Pacific Railroad

Under Negotiation: Real estate transaction - price and terms

4. Adjournment of Closed Session
5. RECONVENE REGULAR MEETING – 7:00 p.m.
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 January 20, 2021 – **Page 1**
- 8-B. Accept the Monthly Overview Report for Operations/H.R./I.T. – **Page 5**
- 8-C. Accept the Monthly Overview Report for the Housing Programs Department – **Page 10**
- 8-D. Accept Memo on Waitlist Opening – **Page 29**
- 8-E. Accept the Monthly Overview Report for the Alameda Rent Program – **Page 31**
- 8-F. Accept the Monthly Overview Report for Property Operations – **Page 34**
- 8-G. Accept the Monthly Overview Report for Housing Development – **Page 39**
- 8-H. Accept the Monthly Development Report for North Housing – **Page 41**
- 8-I. Accept the Monthly Development Report for Rosefield Village – **Page 43**
- 8-J. Accept the Monthly Procurement Report – **Page 46**
- 8-K. Accept the Monthly Financial Report for the Month of December 2020 – **Page 49**
- 8-L. Accept Quarterly Asset Management Report for Q4 - **Page 65**
- 8-M. Authorize the Executive Director to implement two new temporary leave programs: (i) up to 2 weeks of COVID-19 Provisional Sick Leave, with certain limitations, to be used no later than March 31, 2021 and (ii) up to 80 hours of vacation advance, with certain limitations, if requested before June 30, 2021 – **Page 75**
9. AGENDA
- 9-A. Presentation by Alameda Family Services (10 minutes)
- 9-B. Public Hearing Pursuant to Health and Safety Code Section 34312.3 Relating to the Amended and Restated Lease of Real Property; Adopt Resolution: Authorization to Lease Real Property Located at Esperanza Multi-Use Center, 1903 3rd Street in the City of Alameda, County of Alameda, and Approval of Amended and Restated Lease Agreement between the Housing Authority of the City of Alameda, as landlord, and Alameda Family Service, as tenant, for Continued Use of Subject Real Property as a Preschool; CEQA Exempt
- 9-C. Authorize the Executive Director or designee to sign the Amended and Restated Lease Agreement between the Housing Authority of the City of Alameda, as landlord, and Alameda Family Service, as tenant, for Continued Use of Real Property as a



Preschool Located at Esperanza Multi-Use Center, 1903 3rd Street in the City of Alameda, County of Alameda; CEQA Exempt– **Page 81**

10. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
11. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)
12. CONTINUATION OF CLOSED SESSION OF HOUSING AUTHORITY BOARD OF COMMISSIONERS – IF NEEDED
13. Announcement of Action Taken in Closed Session, if any.
14. ADJOURNMENT

* * * Note * * *

- Documents related to this agenda are available on-line at:
<http://www.alamedahsg.org/cms/One.aspx?portalId=3723405&pageId=5912638>
- 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.



DRAFT MINUTES

**REGULAR MEETING OF THE BOARD OF COMMISSIONERS
HELD WEDNESDAY, JANUARY 20, 2021**

PLEDGE OF ALLEGIANCE

1. ROLL CALL - Board of Commissioners

Present: Chair Tamaoki, Vice-Chair Grob, Commissioner Hadid
Commissioner Kay; Commissioner Rickard, Commissioner Sidelnikov

Absent: None

2. Public Comment (Non-Agenda)

None

3. REGULAR MEETING – 7:00 p.m.

Chair Tamaoki called the meeting to order at 7:01 p.m.

4. 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.

*4-A. Approve Minutes of the Board of Commissioners Meeting held December 16, 2020

*4-B. Accept the Monthly Overview Report for Operations/H.R./I.T.

*4-C. Accept the Monthly Overview Report for the Housing Programs Department

*4-D. Accept the Monthly Overview Report for the Alameda Rent Program

*4-E. Accept the Monthly Overview Report for Property Operations

*4-F. Accept the Monthly Overview Report for Housing Development

*4-G. Accept the Monthly Development Report for North Housing

*4-H. Approve an Internship Program to Provide Research and Analysis Support for Housing Authority Projects and Programs and Offer Professional Development Opportunities to Undergraduate and Graduate Students

*4-I. Accept the Monthly Development Report for Rosefield Village

*4-J. Accept the Monthly Procurement Report

*4-K. Accept the Monthly Financial Report for the Month of November 2020

*4-L. Accept the Quarterly Investment Report for Period Ending December 31, 2020

*4-M. Accept the Annual Review of the Investment Policy



- *4-N. Authorize the Executive Director to Execute Increases in the Amounts to the Consultant Services Agreements with Howroyd-Wright Employment Agency, Inc to a Total Not to Exceed Amount of \$400,000.00 and to 22nd Century Technologies, Inc. to a Total Not to Exceed amount of \$260,000.00
- *4-O. Accept the Annual Police Activity Report for FY2020
- *4-P. Accept the Housing Authority 2019-2020 Fiscal Year-End Report

Items accepted or adopted are indicated by an asterisk.

In response to Commissioner Kay, Vanessa Cooper, Executive Director introduced and confirmed that Lynelle Buckley-Broughton, Property Management Supervisor was hired to fill the vacancy created by Heather Brown’s resignation.

Ms. Cooper also introduced new staff members Alicia Jones, Housing Programs Supervisor and Joshua Altieri, Community Relations Manager.

Commissioner Sidelnikov expressed appreciation for staff having produced and provided the annual reports. Ms. Cooper recognized Tonya Schuler-Cummins, Senior Management Analyst for her work on producing these reports.

Commissioner Sidelnikov moved to accept the Consent Calendar and Commissioner Kay seconded the motion. This meeting took place via Zoom, so a roll call vote was taken and the motion passed unanimously.

Yes	6	Chair Tamaoki, Vice-Chair Grob, Commissioner Hadid, Commissioner Kay, Commissioner Rickard, Commissioner Sidelnikov
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5. AGENDA

- 5-A. Approve Changes to the Administrative Plan in accordance with Notice PIH 2020-32, Guidance on Remote Hearings and Briefings.

Ms. Schuler-Cummins explained that due to the current COVID-19 health crisis, HUD issued Notice PIH 2020-32 to allow the Housing Authority to hold hearings and briefings remotely. As the current Administrative Plan only specifies that these hearings must be completed orally, and does not indicate that the hearings must be held in person, the proposed changes to the Administrative Plan are to specify that remote hearings and briefings are allowed and to include information about the Housing Authority meeting the Americans with Disabilities Act (ADA) and limited English proficient (LEP) requirements if done remotely. Per counsel’s recommendation, to clarify that hearings and briefings will be conducted in-person or remotely, Ms. Schuler – Cummins noted that on page 5-1 in section 5-I.B the language “...which can be conducted **orally** or remotely, and provide the family with a briefing packet...” should be amended to read “...which can be conducted **in-person** or remotely, and provide the family with a briefing packet...”.

Ms. Cooper explained that the Administrative Plan is the plan that regulates the Section 8 program. Prior to the COVID-19 health crisis, the Housing Authority would conduct hearings and briefings remotely as part of a Reasonable Accommodation.



During the COVID-19 health crisis, the Housing Authority has been able to accommodate most clients remotely without incident.

In response to Commissioner Kay, Ms. Schuler-Cummins confirmed that while the Housing Authority’s Language Access Plan specifies that written documents must be translated in to the specified four languages, verbal translation services are provided for all languages.

In response to Vice-Chair Grob, Ms. Cooper confirmed that because the Housing Authority has not received any concerns or objections to the use of remote hearings and that offering remote hearings provides flexibility for those with disabilities and/or mobility challenges, remote hearings will continue to be offered after the COVID-19 health crisis has ended.

Commissioner Grob moved to accept changes to the Administrative Plan, with the correction to the language on page 5-1 in section 5-I.B to replace “orally” with “in-person” and Commissioner Kay seconded the motion. This meeting took place via Zoom, so a roll call vote was taken and the motion passed unanimously.

Yes	6	Chair Tamaoki, Vice-Chair Grob, Commissioner Hadid, Commissioner Kay, Commissioner Rickard, Commissioner Sidelnikov
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5-B. Adopt the Resolution to Authorize the Execution of a Roadway Dedication of a Portion of the North Housing Project Site to the City of Alameda for the extension of Singleton Avenue; Authorize Executive Director to Execute Related Documents.

Ms. Cooper explained that the Housing Authority has worked for decades to not only secure the land for the North Housing Project, but to also ensure that two roads were established in order to connect the North Housing property to the adjacent properties.

Sylvia Martinez, Director of Housing Development explained that the extension of Singleton Road has been completed and the road is open and available for public use through an indemnification agreement made with the City of Alameda. Deeding the street over to the City is a step in the creation of the North Housing Development, as this road will serve as a connection to some of parcels to be developed as part of this project. The adoption of this Resolution is the start of the process, as the City must still work through their acceptance process. As reflected in the maps, as it stands, this road bisects the Housing Authority’s current parcel. Deeding this land over to the City will create two separate parcels.

Chair Tamaoki commented that he has visited the site and the creation of this road has made access from the North Housing Development to the adjacent shopping center area and the rest of the City much easier, so much so that it already feels like a new neighborhood has been established.

Commissioner Hadid moved to adopt the Resolution and Vice-Chair Grob seconded the motion. This meeting took place via Zoom, so a roll call vote was taken and the motion passed unanimously.



Yes	6	Chair Tamaoki, Vice-Chair Grob, Commissioner Hadid, Commissioner Kay, Commissioner Rickard, Commissioner Sidelnikov
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6. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
None.

7. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)
None.

8. ADJOURNMENT
Chair Tamaoki adjourned the meeting at 7:23 p.m.

Vanessa M. Cooper
Secretary and Executive Director

Kenji Tamaoki, Chair
Board of Commissioners





Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Janet Basta, Director of Human Resources and Operations
Date: February 17, 2021
RE: Accept the Monthly Overview Report for Operations, H.R., and I.T

BACKGROUND

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

DISCUSSION

Human Resources and Operations

A summary of unfilled positions that are on the Schedule of Authorized positions is presented below. Positions are listed by department, and information about current and recent recruitments is included.

<u>Department</u>	<u>Position</u>	<u>Number of Vacant Positions</u>	<u>Recruitment Status</u>	<u>Other Updates</u>
Administration	Risk Manager	0 FTE	Filled: New hire starting February 16	
	Deputy Executive Director	1 FTE	Will recruit in early 2021	Will use outside recruiter
Finance		0 FTE		Department is fully staffed
Housing Programs		0 FTE		Department is fully staffed
Property Operations	Assistant Resident Manager: IP	.13 FTE	On hold	Department is otherwise fully staffed
	Project Manager	.5 FTE	On hold	



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Housing Development	Senior Project Manager	0 FTE	New hire starting February 22	Department is fully staffed
Rent Program		0 FTE		Department is fully staffed

Summary: Total FTE's approved for FY 2021: 54.63
Number of vacancies: 1.63
Number of active recruitments: 0.00

Additional progress was made on hiring during the last month, including a Risk Manager and Senior Project Manager, who will both join AHA in February. A recruiting firm will be used to conduct the recruitment for a Deputy Executive Director, which is expected to start by the end of the month.

Management continues to monitor and respond to the COVID-19 pandemic. During the past month, the Safety Committee began periodic inspections of AHA offices to augment checks already being done, and social distancing guidelines were updated to reflect new guidance on masks and to clarify additional measures that have been put in place. This month, a request to authorize the Executive Director to implement two new temporary leave programs is being made to provide for additional options for employees impacted by the pandemic. In early February, the new additional offices were opened; this allows for sufficient seating for new hires and for social distancing.

Information Technology/Policy/Administration

The table below provides a summary of monthly and year-to-date statistics on Reasonable Accommodation (RA) processing and a status report on the processing of the requests as of January 31, 2021.

	Number of new submissions in the month	Number received current month and still in process	Number closed out (letter sent)	Running total of new submissions	Running total of RAs closed out
January	21	11	10	21	10
February				21	10
March				21	10
April				21	10
May				21	10
June				21	10
July				21	10
August				21	10
September				21	10
October				21	10
November				21	10



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December				21	10
TOTAL	21		10		

Staff continue to accept requests via e-mail, fax, in person, and phone along with accepting a paper form submitted through the drop box or by mail during the current health situation, so, if a request is needed, participants and tenants can still make requests in a variety of methods.

Techordia's ticketing system has a limitation on tracking response time when duplicate tickets are created and tied to the original ticket. If an AHA employee sends an e-mail without the ticket number in the email header, the automated ticketing system creates a new ticket. Staff then manually connect the two tickets together, but the system does not recognize the original response time, so the second ticket's response time is the time the ticket is closed and creates a larger response time. These tickets are removed when calculating the average response time to tickets.

The IT service tickets for December fell primarily into four (4) categories: hardware issues, software issues, access rights, and on-boarding/off-boarding. Most on-boarding/off-boarding tickets were for on-boarding of five (5) employees in December and January. There were a couple more onsite visits than typical due to new laptop deliveries. We only had one (1) ticket where the response time was not correctly measured, which is a good sign that communication is becoming more consistent. That ticket spiked the average response time to a relatively low 0.53 hours. Disregarding that outlier, the average response time for December tickets was only about 0.16 hours.

Table: Techordia Service Ticket Requests - December 2020

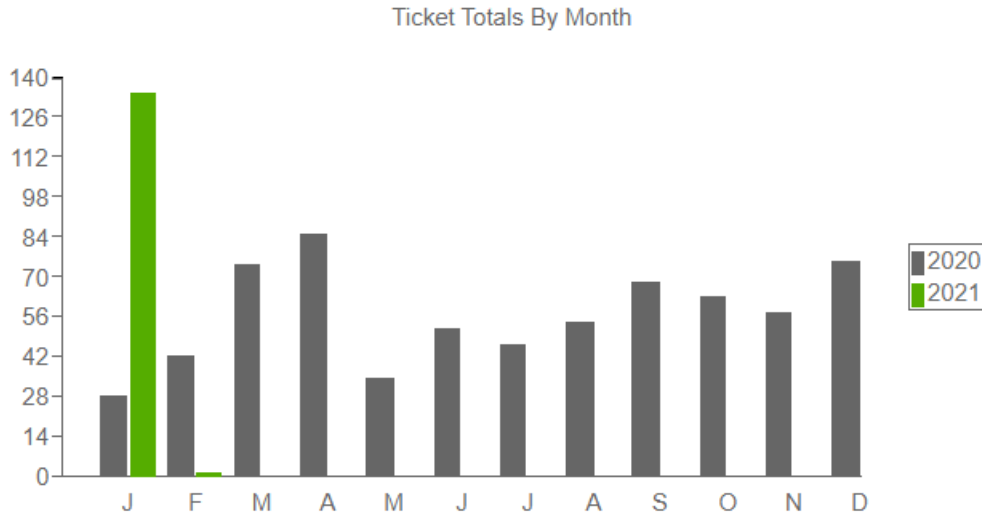
Type of Service Request	Number of Tickets
Access rights	12
Hardware	17
Software	22
On Boarding / Off Boarding	15
On Site Visits	3
Cyber Security	0
TOTAL:	69

As of February 1, 2021, there were 135 tickets in 2021, and, at that time, there were 46 open tickets. Below is a chart of tickets for year 2020 versus 2021. A new contract was effective October 2020 resulting in Techordia now providing the Housing Authority with Managed Services, so some systems will be changed, upgraded, or expanded during the coming 6-month period along with higher tickets than 2020 as Techordia is now primarily covering all IT functions except for administration and troubleshooting for Yardi and Laserfiche. Techordia continues to support staff remotely, but the twice-a-week onsite visits have continued to be suspended and in office staff are being asked to do basic troubleshooting and take responsibility for their equipment such as changing out printer cartridges.



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New IT infrastructure has been purchased for the new office and internet service has been procured for the office space.

Staff continue to work on implementing online solutions for applicants, tenants, landlords, vendors, and staff. The main phone system is expected to be updated early in 2021 allowing for better reporting and tracking of usage. Also, the state contract with Verizon expired in December 2020, so staff will be migrating the service for its cell phones in February.

On January 7, 2021, HUD issued two PIH Notices (2021-02 and 2021-03) to request applications for the Moving to Work Program under Cohorts #3 and #4. Cohort #3 is for a demonstration program to test the efficacy of work requirements while Cohort #4 will test the effectiveness of landlord incentives. The AHA plans to submit applications for both cohorts at this time. This process starts with sending a notice to all participants about the AHA's intention to submit an application package followed by at least two public meetings for each application. A public hearing will follow most likely at the May Board of Commissioner's meeting. Then a Resolution will be needed at the June Board of Commissioner's meeting in order to authorize the submission of the application with a final application date of August 8, 2021.

Community Relations

The new Community Relations Manager, Joshua Altieri, started on January 19, 2021. Mr. Altieri will serve the AHA in two capacities: as a Communications Manager and the agency's Ombudsman. One of the first tasks for Mr. Altieri was to design/mail a postcard to all tenants (ages 65 and over) to notify these tenants of available COVID vaccination options. This postcard was delivered to homes during the first week of February.

A virtual groundbreaking for the Rosefield Village project is being prepared for February 2021. As a COVID safety precaution, this will feature socially distanced videos from the Mayor, County Supervisor, and Executive Director and footage of the work done to date.

Mr. Altieri and Vanessa Cooper hosted a Zoom meeting with Golf Commission member (Ben Finkenbinder) to discuss potential golf events for Housing Authority youth to learn



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and practice the sport. Mr. Altieri will survey AHA residents (with children) to gauge number of interested AHA youth.

FINANCIAL IMPACT

Report only, no financial impact.

RECOMMENDATION

Accept the Monthly Overview Report for Operations, H.R., and I.T.

Respectfully submitted,

DocuSigned by:

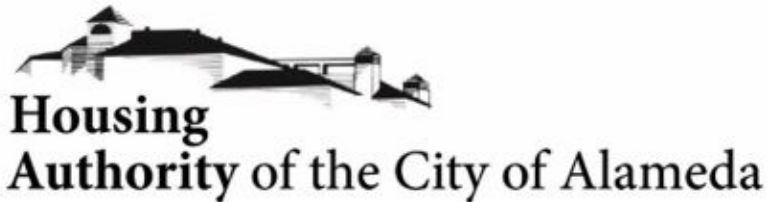
Janet Basta

72DC869D12E247A...
Janet Basta

Director of Human Resources and Operations

JCB/TMSC





PHONE (510) 747-4300
 FAX (510) 522-7848
 TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
 From: Lynette Jordan, Director of Housing Programs
 Date: February 17, 2021
 RE: Accept the Monthly Overview Report for the Housing Programs Department

BACKGROUND

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

Funding Update

Since receiving the funding notice, the Housing Authority of the City of Alameda (AHA) staff continue to meet bi-weekly to review and project HAP cost utilizing the Two-Year Tool (TYT) to project HAP spending. A review of the TYT shows AHA year end reserve amount of \$664K for 2020, and a projected year end amount of \$1.2M for 2021. With the projected available funds, staff will need to open the waitlist in order to spend down those funds and ensure we meet our leasing goals for 2021. A recommendation was given to the Executive Director and a memo informing the Board is also being submitted.

Waivers Update

AHA has been monitoring the rapidly evolving situation surrounding the COVID-19 virus and its effect on our Housing Choice Voucher (HCV) program, program participants and landlords. In May 2020, AHA staff received Board approval to implement HUD waivers in compliance with PIH Notices 2020-05. Due to anticipated impact of COVID-19 on PHAs and assisted families over an extended period, HUD considered which flexibilities remain necessary to maintain PHA operations and which could be allowed to lapse. HUD released PIH Notice 2020-33 on December 2, 2020 which extends the period of availability of many of these previously established waivers and alternative requirements.

Through this Notice, HUD is making the new waivers and alternative requirements listed in this Notice effective immediately as of the date of this Notice for those PHAs that elect to adopt them. The waivers and alternative requirements previously established in Notices PIH 2020-05, PIH 2020-13, PIH 2020-20 and PIH 2020-22 remain effective respective to the publication dates of those notices.

The period of availability for the public housing and HCV waivers is, in most cases, extended to June 30, 2021. Other waivers have unique dates, such as when the period of availability is dependent on a PHA's fiscal year end date or based on a specific action or



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activity. PHAs that adopted waivers/alternative requirements established in Notices PIH 2020-05, PIH 2020- 13, PIH 2020-20, and PIH 2020-22 may continue to operate under those waivers/alternative requirements through the extended availability periods provided in this Notice.

AHA have continued to update the Board with a monthly chart of implemented waivers as staff determine the need to implement them. Attached is an updated chart of the waivers staff have implemented and a full list of waivers available under the PIH notice. Staff reserve the right to implement additional waivers, as needed, and update the Board using the monthly Waiver Chart.

FSS Award Notification

On January 4, 2021, AHA received the Notice of Award from HUD announcing funding for the Family Self-Sufficiency Program. AHA was selected to receive \$72,000 of funding to continue to support the staffing for the FSS program whereby families work to achieve self-sufficiency. On January 15, 2021, the funds became available and AHA accepted the FSS grant funds through Grants.gov.

Currently, there are 29 participants in the program and staff is continuing to outreach to grow the program. These grant funds are for use of staffing costs for the program, a minimum of 25 clients must be served under the grant, but staff's goal is to grow the program to 35 participants.

Online Annual Recertification

September marked the one-year anniversary of the Rentcafe online recertification process which continues to be an asset to the Housing Programs participants. The online recertification system allows participants the opportunity to complete their annual recertifications from the comfort and safety of their homes, at a time when in-person processing could put many participants at risk. In FY 2020, AHA staff processed 1577 online recertification at a significant cost and time savings.

AHA staff reduced its monthly printing and mailing costs in half by processing annual recertifications using the online portal. For the month of January 2021 staff completed 132 online recertification. The online process has proven to be a convenient and efficient way to process annual recertification particularly during the current health crisis. Staff continue to help participants virtually with registration and data entry.

Online Interim Process

The online interim process became available in the month of May. Participants can now report increases/decreases in income, and household composition changes through the Rentcafe portal. This online interim process has been beneficial to participants during this COVID period due to the shelter in place orders and participants inability to submit paperwork directly to the office. Since May 2020, AHA staff have processed 237 interim adjustments utilizing the online portal. In the month of January 2021 staff completed 48 interim adjustments.



Honorable Chair and
Members of the Board of Commissioners

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HPD STATISTICS - See Attachment 1: Housing Programs Department Performance Report

RECOMMENDATION

Accept the Monthly Overview Report for the Housing Programs Department.

Respectfully submitted,

DocuSigned by:
Lynette Jordan
A1A343B2C25D4FB...

Lynette Jordan
Director of Housing Programs

Attachments:

1. Housing Programs Department Performance Report
2. Implemented Waivers
3. HUD Available Waivers



Attachment 1 - Housing Programs Department Performance Report
Month of January 2021

Item	January	February	March	April	May	June	July	August	September	October	November	December	YTD
HAP spent for month	\$2,781,531												\$ 2,781,531
Vouchers under lease at start of month	1523												n/a
Vouchers issued during the month	0												0
New units leased in private market	4												4
New units leased in affordable market	0												0
Seeking vouchers	23												23
Port outs leased	0												0
Port ins leased	2												2
Annuals completed	132												132
Interims completed	48												48
Rent Increases completed	20												20
Inspections conducted	0												0
Inspections passed first time	0												0
Hearings requested	2												2
Hearings held	0												0
End of Participation *	3												3

* includes deaths, over income, voluntary surrender of voucher, etc.

ATTACHMENT 2

CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY (CARES) ACT (PUBLIC LAW 116-136) HOUSING CHOICE VOUCHER PROVISIONS**HOUSING AUTHORITY OF THE CITY OF ALAMEDA (CA062)****IMPLEMENTATION OF PIH NOTICE 2020-33 WAIVERS**

Item	Statutory and regulatory waivers	Summary of alternative requirements	Date Implemented	Availability Period Ends	Effect on Participants
HQS-5: Biennial Inspections	<u>Statutory Authority</u> Section 8(o)(D) <u>Regulatory Authority</u> §§ 982.405(a), 983.103(d)	<ul style="list-style-type: none"> Allows for delay in biennial inspections PHAs must require owner certification there are no life-threatening deficiencies All delayed biennial inspections must resume by 6/30/21 and be completed by 12/31/21 	7/2/2020	6/30/21 12/31/21	HQS inspections will be delayed but missed inspections must be conducted within 1 year of due date. Owner will need to make certification.
HQS-6: Interim Inspections	<u>Statutory Authority</u> Section 8(o)(8)(F) <u>Regulatory Authority</u> §§ 982.405(g), § 983.103(e)	<ul style="list-style-type: none"> Waives the requirement for the PHA to conduct interim inspection and requires alternative method Allows for repairs to be verified by alternative methods 	7/2/2020	6/30/21	HQS inspections will be delayed and expanded use of self-certification.
HQS-9: HQS Quality Control Inspections	<u>Regulatory Authority</u> § 982.405(b), 983.103(e)(3)	<ul style="list-style-type: none"> Provides for a suspension of the requirement for QC sampling inspections 	7/2/2020	6/30/21	Quality Control HQS inspections will be delayed, but must resume with proper notice

Item	Statutory and regulatory waivers	Summary of alternative requirements	Date Implemented	Availability Period Ends	Effect on Participants
HCV-2: PHA Oral Briefing	<u>Regulatory Authority</u> § 982.301(a)(3) § 983.252(a)	<ul style="list-style-type: none"> • Waives the requirement for an oral briefing • Provides for alternative methods to conduct required voucher briefing 	7/2/2020	6/30/21	Briefings for transfers or new admissions are being performed on alternate, virtual platforms with documents mailed prior to virtual meeting.
HCV-3: Term of Voucher - Extensions of Term	<u>Regulatory Authority</u> § 982.303(b)(1)	<ul style="list-style-type: none"> • Allows PHAs to provide voucher extensions regardless of current PHA policy 	7/2/2020	6/30/21	Would impact new admissions or transferring participants if 180-day voucher is about to expire. Would need to submit written request for extension.
11 b: SEMAP	<u>Regulatory Authority</u> 24 CFR Part 985	<ul style="list-style-type: none"> • PHA to retain prior year SEMAP score unless requests otherwise 	7/2/2020	HUD will resume issuing new SEMAP scores for FYE 6/30/21	Minimal impact on participants as this is a HUD-required audit performed by staff. Allows Agency to retain High Performer status when unable to complete HQS inspections.

Item	Statutory and regulatory waivers	Summary of alternative requirements	Date Implemented	Availability Period Ends	Effect on Participants
HQS-8: PBV HAP Contract: HQS Inspections to Add or Substitute Unit	Statutory Authority Section 8(o)(8)(A) Regulatory Authority §§ 983.207(a), 983.207(b) Sub-regulatory Guidance HOTMA HCV Federal Register Notice January 18, 2017	<ul style="list-style-type: none"> • Allows for PBV units to be added or substituted in the HAP contract based on owner certification there are no lifethreatening deficiencies • Allows for delayed full HQS inspection NLT 1-year anniversary of date of owner's certification 	5/21/2020	6/30/21 1-year anniversary of date of owner's certification	Minimal impact on existing participants as these are new units to a contract
11b-2: SEMAP Certification Timing	Regulatory Authority § 985.101(a)	<ul style="list-style-type: none"> • Waives the requirement for PHAs to submit an annual SEMAP certification in PIC within 60 days of FYE during the period of time that HUD will roll forward prior year SEMAP scores 	11/30/2020	6/30/21	Minimal impact on participants as this is a HUD-required administrative function.

Item	Statutory and regulatory waivers	Summary of alternative requirements	Date Implemented	Availability Period Ends	Effect on Participants
MR-5: PHA Inspection Requirement: Annual Inspections	Regulatory Authority § 882.516(b)	<ul style="list-style-type: none"> • Waives the annual inspection requirement and allows PHAs to delay annual inspections for Mod Rehab units • All delayed annual inspections must be completed as soon as reasonably possible but no later than one year after the date the annual inspection would have been required absent the waiver 	8/26/2020	6/30/21	HQS inspections will be delayed but missed inspections must be conducted within 1 year of due date.
HCV-5 Absence from Unit	<u>Regulatory Authority</u> §§ 982.312	<ul style="list-style-type: none"> • Allows for PHA discretion on absences from units longer than 180 days • PHAs must not make HAP payments beyond 12/31/20 for units vacant more than 180 consecutive days 	1/1/2021	<ul style="list-style-type: none"> • 6/30/21 	Allows participants to be out of unit for more than 180 consecutive days

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

This chart summarizes the waivers authorized under this Notice and the availability period for each. As stated in Section 5, PHAs must keep written documentation on the waivers applied by the PHA as well as the effective dates. To fulfill those requirements, PHAs may but are not required to utilize the last two columns to record this information.

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
PH and HCV-1 PHA 5-Year and Annual Plan Submission Dates: Significant Amendment Requirements	<u>Statutory Authority</u> Section 5A(a)(1), Section 5A(b)(1), Section 5A(g), Section 5A(h)(2) <u>Regulatory Authority</u> §§ 903.5(a)(3), 903.5(b)(3), 903.13(c), 903.21, 903.23	<ul style="list-style-type: none"> Alternative dates for submission Changes to significant amendment process 	<ul style="list-style-type: none"> Varies based on FYE 12/31/20 		
PH and HCV-2 Family Income and Composition: Delayed Annual Examinations	<u>Statutory Authority</u> Section 3(a)(1) <u>Regulatory Authority</u> §§ 982.516(a)(1), 960.257(a)	<ul style="list-style-type: none"> Permits the PHA to delay the annual reexamination of income and family composition HCV PHAs must implement HCV-7 for impacted families if they implement this waiver 	<ul style="list-style-type: none"> 6/30/21 All reexams due in CY20 must be completed by 12/31/20. Reexams due between 1/1/21 and 6/30/21 would need to be completed by 6/30/21.		
PH and HCV-3 Family Income and Composition: Annual	<u>Regulatory Authority</u> §§ 5.233(a)(2), 960.259(c), 982.516(a)	<ul style="list-style-type: none"> Waives the requirements to use the income hierarchy, including the 	<ul style="list-style-type: none"> 6/30/21 		

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
Examination; Income Verification Requirements	<u>Sub-regulatory Guidance</u> Notice PIH 2018-18	<p>use of EIV, and will allow PHAs to consider self-certification as the highest form of income verification</p> <ul style="list-style-type: none"> • PHAs that implement this waiver will be responsible for addressing material income discrepancies that may arise later 			
PH and HCV-4 Family Income and Composition: Interim Examinations	<p><u>Statutory Authority</u> Section 3(a)(1)</p> <p><u>Regulatory Authority</u> §§ 5.233(a)(2), 982.516(c)(2), 960.257(a), (b) and (d), 960.259(c)</p> <p><u>Sub-regulatory Guidance</u> Notice PIH 2018-18</p>	<ul style="list-style-type: none"> • Waives the requirement to use the income verification requirements, including the use of EIV, for interim reexaminations 	<ul style="list-style-type: none"> • 6/30/21 		
PH and HCV-5 Enterprise Income Verification (EIV) Monitoring	<p><u>Regulatory Authority</u> § 5.233</p> <p><u>Sub-regulatory Guidance</u> Notice PIH 2018-18</p>	<ul style="list-style-type: none"> • Waives the mandatory EIV monitoring requirements 	<ul style="list-style-type: none"> • 6/30/21 		

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
PH and HCV-6 Family Self-Sufficiency (FSS) Contract of Participation: Contract Extension	<u>Regulatory Authority</u> § 984.303(d)	<ul style="list-style-type: none"> Provides for extensions to FSS contract of participation 	<ul style="list-style-type: none"> 6/30/21 		
PH and HCV-7 Waiting List: Opening and Closing; Public Notice	<u>Regulatory Authority</u> § 982.206(a)(2) <u>Sub-regulatory Guidance</u> Notice PIH 2012-34	<ul style="list-style-type: none"> Waives public notice requirements for opening and closing waiting list Requires alternative process 	<ul style="list-style-type: none"> 6/30/21 		
HQS-1 Initial Inspection Requirements	<u>Statutory Authority</u> Section 8(o)(8)(A)(i), Section 8(o)(8)(C) <u>Regulatory Authority</u> §§ 982.305(a), 982.305(b), 982.405	<ul style="list-style-type: none"> Changes initial inspection requirements, allowing for owner certification that there are no life-threatening deficiencies Where self-certification was used, PHA must inspect the unit no later than 1-year anniversary of date of owner's certification Will include reminder that HQS waiver does 	<ul style="list-style-type: none"> 6/30/21 1-year anniversary of date of owner's certification 		

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
		not include a waiver of 24 CFR 35.15, visual assessment for deteriorated paint			
HQS-2: Project-Based Voucher (PBV) Pre-HAP Contract Inspections: PHA Acceptance of Completed Units	<u>Statutory Authority:</u> Section 8(o)(8)(A) <u>Regulatory Authority:</u> §§ 983.103(b), 983.156(a)(1)	<ul style="list-style-type: none"> Changes inspection requirements, allowing for owner certification that there are no life-threatening deficiencies Where self-certification was used, PHA must inspect the unit no later than 1-year anniversary of date of owner's certification 	<ul style="list-style-type: none"> 6/30/21 1-year anniversary of date of owner's certification 		
HQS-3 Initial Inspection: Non-Life-Threatening Deficiencies (NLT) Option	<u>Statutory Authority</u> Section 8(o)(8)(A)(ii) <u>Sub-regulatory Guidance</u> HOTMA HCV Federal Register Notice January 18, 2017	<ul style="list-style-type: none"> Allows for extension of up to 30 days for owner repairs of non-life threatening conditions 	<ul style="list-style-type: none"> 6/30/21 		
HQS-4 HQS Initial Inspection Requirement:	<u>Statutory Authority</u> Section 8(o)(8)(A)(iii)	<ul style="list-style-type: none"> Under Initial HQS Alternative Inspection Option - allows for 	<ul style="list-style-type: none"> 6/30/21 		

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
Alternative Inspection Option	<u>Sub-regulatory Guidance</u> HOTMA HCV Federal Register Notice January 18, 2017	<p>commencement of assistance payments based on owner certification there are no life-threatening deficiencies</p> <ul style="list-style-type: none"> Where self-certification was used, PHA must inspect the unit no later than 1-year anniversary of date of owner's certification 	<ul style="list-style-type: none"> 1-year anniversary of date of owner's certification 		
HQS-5 HQS Inspection Requirement: Biennial Inspections	<u>Statutory Authority</u> Section 8(o)(D) <u>Regulatory Authority</u> §§ 982.405(a), 983.103(d)	<ul style="list-style-type: none"> Allows for delay in biennial inspections PHAs must require owner certification there are no life-threatening deficiencies All delayed biennial inspections must resume by 6/30/21 and be completed by 12/31/21 	<ul style="list-style-type: none"> 6/30/21 12/31/21 		
HQS-6 HQS Interim Inspections	<u>Statutory Authority</u> Section 8(o)(8)(F) <u>Regulatory Authority</u> §§ 982.405(g), 983.103(e)	<ul style="list-style-type: none"> Waives the requirement for the PHA to conduct interim inspection and 	<ul style="list-style-type: none"> 6/30/21 		

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
		requires alternative method <ul style="list-style-type: none"> Allows for repairs to be verified by alternative methods 			
HQS-7 PBV Turnover Unit Inspections	<u>Regulatory Authority</u> § 983.103(c)	<ul style="list-style-type: none"> Allows PBV turnover units to be filled based on owner certification there are no life-threatening deficiencies Allows for delayed full HQS inspection NLT than 1-year anniversary of date of owner's certification 	<ul style="list-style-type: none"> 6/30/21 1-year anniversary of date of owner's certification 		
HQS-8: PBV HAP Contract: HQS Inspections to Add or Substitute Units	<u>Statutory Authority</u> Section 8(o)(8)(A) <u>Regulatory Authority</u> §§ 983.207(a), 983.207(b) <u>Sub-regulatory Guidance</u> HOTMA HCV Federal Register Notice January 18, 2017	<ul style="list-style-type: none"> Allows for PBV units to be added or substituted in the HAP contract based on owner certification there are no life-threatening deficiencies Allows for delayed full HQS inspection NLT 1-year anniversary of date of owner's certification 	<ul style="list-style-type: none"> 6/30/21 1-year anniversary of date of owner's certification 		

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
HQS-9 HQS Quality Control Inspections	<u>Regulatory Authority</u> §§ 982.405(b), 983.103(e)(3)	<ul style="list-style-type: none"> Provides for a suspension of the requirement for QC sampling inspections 	<ul style="list-style-type: none"> 6/30/21 		
HQS-10 Housing Quality Standards: Space and Security	<u>Regulatory Authority</u> § 982.401(d)	<ul style="list-style-type: none"> Waives the requirement that each dwelling unit have at least 1 bedroom or living/sleeping room for each 2 persons. 	Remains in effect one year from lease term or date of this Notice, whichever is longer		
HQS-11 Homeownership Option: Initial HQS Inspection	<u>Statutory Authority</u> Section 8(o)(8)(A)(i), Section 8(y)(3)(B) <u>Regulatory Authority</u> § 982.631(a)	<ul style="list-style-type: none"> Waives the requirement to perform an initial HQS inspection in order to begin making homeownership assistance payments Requires family to obtain independent professional inspection 	<ul style="list-style-type: none"> 6/30/21 		

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
HCV-1 Administrative Plan	<u>Regulatory Authority</u> § 982.54(a)	<ul style="list-style-type: none"> • Establishes an alternative requirement that policies may be adopted without board approval until 3/31/21 • Any provisions adopted informally must be adopted formally by 6/30/21 	<ul style="list-style-type: none"> • 3/31/21 • 6/30/21 		
HCV-2 Information When Family is Selected: PHA Oral Briefing	<u>Regulatory Authority</u> §§ 982.301(a)(1), 983.252(a)	<ul style="list-style-type: none"> • Waives the requirement for an oral briefing • Provides for alternative methods to conduct required voucher briefing 	<ul style="list-style-type: none"> • 6/30/21 		
HCV-3 Term of Voucher: Extensions of Term	<u>Regulatory Authority</u> § 982.303(b)(1)	<ul style="list-style-type: none"> • Allows PHAs to provide voucher extensions regardless of current PHA policy 	<ul style="list-style-type: none"> • 6/30/21 		
HCV-4 PHA Approval of Assisted Tenancy: When HAP Contract is Executed	<u>Regulatory Authority</u> § 982.305(c)	<ul style="list-style-type: none"> • Provides for HAP payments for contracts not executed within 60 days • PHA must not pay HAP to owner until HAP contract is executed 	<ul style="list-style-type: none"> • 6/30/21 		

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
HCV-5 Absence from Unit	<u>Regulatory Authority</u> § 982.312	<ul style="list-style-type: none"> Allows for PHA discretion on absences from units longer than 180 days PHAs must not make HAP payments beyond 12/31/20 for units vacant more than 180 consecutive days 	<ul style="list-style-type: none"> 6/30/21 		
HCV-6 Automatic Termination of HAP Contract	<u>Regulatory Authority</u> § 982.455	<ul style="list-style-type: none"> Allows PHA to extend the period of time after the last HAP payment is made before the HAP contract terminates automatically. 	<ul style="list-style-type: none"> 6/30/21 		
HCV-7 Increase in Payment Standard During HAP Contract Term	<u>Regulatory Authority</u> § 982.505(c)(4)	<ul style="list-style-type: none"> Provides PHAs with the option to increase the payment standard for the family at any time after the effective date of the increase, rather than waiting for the next regular reexamination. 	<ul style="list-style-type: none"> 6/30/21 		

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
HCV-8 Utility Allowance Schedule: Required Review and Revision	<u>Regulatory Authority</u> § 982.517	<ul style="list-style-type: none"> Provides for delay in updating utility allowance schedule 	<ul style="list-style-type: none"> 6/30/21 		
HCV-9 Homeownership Option: Homeownership Counseling	<u>Statutory Authority</u> Section 8(y)(1)(D) <u>Regulatory Authority</u> §§ 982.630, 982.636(d)	<ul style="list-style-type: none"> Waives the requirement for the family to obtain pre-assistance counseling 	<ul style="list-style-type: none"> 6/30/21 		
HCV-10 Family Unification Program (FUP): FUP Youth Age Eligibility to Enter HAP Contract	<u>Statutory Authority</u> Section 8(x)(2)	<ul style="list-style-type: none"> Allows PHAs to increase age to 26 for foster youth initial lease up 	<ul style="list-style-type: none"> 6/30/21 		
HCV-11 Family Unification Program (FUP): Length of Assistance for Youth	<u>Statutory Authority</u> Section 8(x)(2)	<ul style="list-style-type: none"> Allows PHAs to suspend terminations of assistance for FUP youth who will reach the 36-month limit between April 10, 2020, and December 31, 2020 	<ul style="list-style-type: none"> 6/30/21 		
HCV-12 Family Unification Program (FUP): Timeframe for Referral	<u>Statutory Authority</u> Section 8(x)(2)	<ul style="list-style-type: none"> Allows PHAs to accept referrals of otherwise eligible youth who will leave foster care within 120 days 	<ul style="list-style-type: none"> 6/30/21 		

Attachment 3: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did the PHA implement the waiver or alternative requirement?	Date of PHA adoption.
HCV-13 Homeownership: Maximum Term of Assistance	<u>Regulatory Authority</u> § 982.634(a)	<ul style="list-style-type: none"> Allows a PHA to extend homeownership assistance for up to 1 additional year 	<ul style="list-style-type: none"> 6/30/21 		
HCV-14 Mandatory Removal of Unit from PBV HAP Contract	<u>Regulatory Authority</u> §§ 983.211(a); 983.258	<ul style="list-style-type: none"> Allows a PHA to keep a PBV unit under contract for a period of time that extends beyond 180 from the last HAP but does not extend beyond December 31, 2020 	<ul style="list-style-type: none"> 6/30/21 		



Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Lynette Jordan, Director of Housing Programs

Date: February 17, 2021

Re: Approve Opening of the Housing Choice Voucher (HCV Waitlist) and Project Based Waitlist (PBV) in 2021

BACKGROUND

In 2015, Housing Authority of the City of Alameda (AHA) opened its Tenant-Based Housing Choice Voucher (HCV) waitlist and received over 30,000 applications, of which 750 applicants were randomly selected and placed on the HCV waitlist. Since the waitlist opening, staff have processed 574 of these applicants. As of January 1, 2021, there are 176 applicants remaining on the HCV waitlist. In 2016, AHA opened 7 site-based Project-Based Voucher (PBV) waitlists to fill vacancies in the PBV program. In May 2018, staff purged all site-based waitlists and all grouped waitlists to determine the number of viable applicants still interested in remaining on the waitlists. After completing the waitlist purges, staff determined there was a need to add additional applicants to some of the waitlists and with Board approval those lists were replenished. Since the waitlist opening and subsequent replenish of the list, several of the PBV waitlists lists have been exhausted resulting in PBV partners self-referring applicants to the program. This report is for the review and approval of the Board.

DISCUSSION

Weekly planning sessions began in 2020 to launch the Yardi online applicant portal in preparation for opening of the HCV/PBV waitlists in 2021. Prior to reopening, AHA staff plan to outreach to the remaining 176 applicants on the list to determine the number of viable applicants still interested in remaining on the waitlist. After completing the waitlist outreach and purging non-responsive households, staff intend to process the remaining applicants and if determined eligible, issue vouchers to those households.

Staff plan to use the Yardi applicant portal software which is designed to allow applicants to apply for the waitlist from any internet-enabled device, including smartphones and tablets. Unlike the last reopening, all outreach and support for this opening will need to be provided remotely due the current health crisis.

In 2015, to provide area-wide access to this on-line process and minimize applicants seeking to apply at the Authority office, staff outreached to over 150 community organizations to obtain partners in the opening willing to help provide onsite computer access and support. Community partners were invited to become Outreach Partners who were be provided a special Orientation Session and materials prior to the public opening in order to help spread the word and ensure that current and accurate information about the process was being distributed to their



Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
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stakeholders and the community at large. The same process was followed in 2016 when Project-Based Voucher waitlists were opened.

With the current health crisis these organizations, which were willing in 2015 and 2016 to make computers and staff assistance available at their locations to the public, are currently closed and unable to offer in-person assistance. AHA staff can help mitigate the outreach by issuing a Public Notice about the waitlist opening, posting notification on the Authority website with general information flyers in English, Chinese, Spanish, Tagalog and Vietnamese. Notices will also be published in area newspapers including the Alameda Journal, Argus, Asian Journal, Berkeley Voice, Daily Review, Oakland Tribune/Alameda Times-Star, Montclairion, Piedmonter, Sing Tao Daily, Viet Nam Daily, and Vision Hispana. Assistance will be provided electronically and via phone.

Last time the waitlist was last opened in 2015, over 30,000 applications were received. These were randomly lotterized and 750 applicants were placed on the list immediately with a further 750 were added later. For this 2021 opening, it is recommending that a similar approach is used. Under this plan 750 households would be to the HCV waitlist while reserving an additional 750 households to add to the waitlist within five (5) years if all households are selected off the list within the five years.

Staff will also open the PBV waitlist, and the number of families being added to teach PBV waitlist will be Determined by the number of units an average turnover in 5 years.

Staff will continue planning to ensure equal access and notification is given to all groups applying for the waitlist. Staff will also work on developing ways to mitigate barriers to applying to the waitlist by individuals with disabilities that the onsite application centers addressed last time. Through, our partnerships and meetings, we have forged strong bonds with and among our diverse group of local community-based organizations, which staff will utilize to assist with the wide-spread notification of our waitlist opening. In addition, staff expects these waitlist openings will generate a current waitlist from which to boost voucher utilization and assist families in need.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The proposed for this activity is \$50,000. Listed below is an estimate of costs.

Estimated Costs

- Software costs- \$12,000
- Printing costs-\$ 20,000
- Translation services- \$ 15,000
- Mailing costs \$13,000

RECOMMENDATION

Approve Opening of the Housing Choice Voucher (HCV) and various Project-Based Voucher (PBV) Waitlists in 2021.

Respectfully submitted,

DocuSigned by:

Lynette Jordan

Lynette Jordan

Director of Housing Programs





Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Greg Kats, Rent Program Director
Date: February 17, 2021
Re: Accept the Monthly Overview for the Alameda Rent Program

BACKGROUND

The monthly reports for the Alameda Rent Program are available at www.alamedarentprogram.org. For outcomes of submissions reviewed, please see the full report available online. Note that the December submissions have been updated to include landlord and tenant petitions submitted through the Rent Registry.

	November	December	January
Submissions for staff review of rent increases and/or registration information	0	108	2
Termination of tenancy submissions	0	2	1
Buyout agreement submissions	0	0	0
Temporary relocation payment submissions	0	1	0
Capital Improvement Plan submissions	0	1	0
Petitions submitted for a rent adjustment hearing	1	7	1
Requests submitted for an appeal hearing	0	0	0
Number of hearings held*	0	0	0

**Does not include continuations. Hearings may not be held the same month as submission. Petitions and requests may be withdrawn prior to the hearing because the parties are able to resolve the matter.*



Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
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MONTHLY UPDATE

The Rent Program collaborated with the City of Alameda to present a revised Capital Improvement Plan (CIP) process, and an amended CIP Ordinance, at the January 19, 2021 meeting of the Alameda City Council. In an effort to make the CIP process more accessible and to encourage upgrades of available rental housing stock, the new process would have reset the monetary threshold for CIP applications and applied a set amortization schedule for pass through costs. At the January 19, 2021 City Council meeting, the revised CIP legislation was approved by a 3-2 vote, and then went before the City Council again, for a second read, on February 2, 2021. At the February 2, 2021 meeting, the Alameda City Council decided to send the legislation back to staff for further revision.

In early February 2021, the Rent Program will mail out approximately 3000 letters to landlords and tenants, consisting of Maximum Allowable Rent (MAR) letters for late registrants and non-compliance letters for properties with unresolved invalid rent increases. In late February 2021, the Rent Program will also be mailing out about 700 corrected MAR letters for new tenancies which were previously provided with an incorrect MAR amount. This is due to an error in the Rent Registry MAR calculation for new tenancies, which has now been corrected.

Rent Program staff continues to work with landlords in order to assist them in remedying cases of non-compliance with program requirements, particularly in regards to invalid rent increases; which were discovered through the registration process. Staff also continues processing incoming petition requests from landlords and tenants challenging their MAR determinations.

In February, staff initiated discussions with the City of Alameda regarding adjusting annual program fees for FY 2021-2022, in order to ensure that the Alameda Rent Program is fully funded going forward.

RECOMMENDATION

Accept the Monthly Overview for the Alameda Rent Program.

Respectfully submitted,

DocuSigned by:

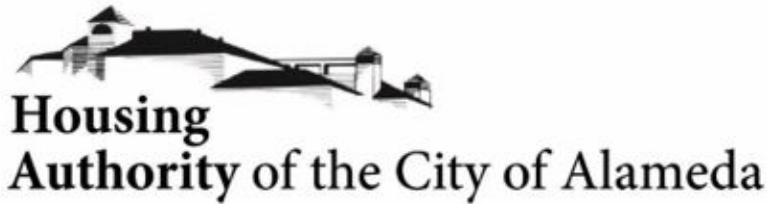
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Greg Kats
Rent Program Director

Attachment(s):

1. Monthly Registration Update





PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

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ATTACHMENT 1 - MONTHLY REGISTRATION UPDATE

The final deadline for the online registration process for City of Alameda residential rental properties was May 25, 2020. Alameda Rent Program staff are currently processing late submissions and updating unit data in the Rent Registry database. The Alameda Rent Program will continue to process late submissions, as they come in.

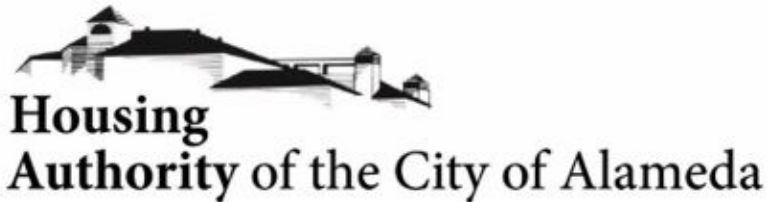
The latest registration and fee payment statistics indicate the following:

- 81.21% of rental properties are registered
- 86.04% of rental units are registered
- 1,362 of unit exemptions requested
- 94.71% of unit exemptions approved
- 400 property exemptions requested
- 85.75% of property exemptions approved
- \$1,550,168.40 in annual fee payments collected
- 87.80% of units are fully paid or exempt from annual fees

During the month of January 2021, staff processed the following Rent Registry submissions:

- 99 rent increase errors
- 10 unit exemptions
- 8 property exemptions
- 3 new owner amendments
- 123 new tenant amendments





PHONE (510) 747-4300
 FAX (510) 522-7848
 TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
 From: Stephanie Shipe, Director of Portfolio Management
 Date: February 17, 2021
 Re: Accept the Monthly Overview Report for Property Operations

BACKGROUND

This memo provides a high-level overview of the Property Operations Department's activities for the month of January 2021.

DISCUSSION

The attached table (Attachment 1) summarizes property performance of all sites including AHA owned and managed, affiliate owned, and managed by The John Stewart Company (JSCo). It excludes performance for Rosefield Village as the property is undergoing rehabilitation and construction.

For the month of January AHA managed Independence Plaza and Anne B Diamant. The remainder of the properties are third party managed by JSCo with staff paying close attention to rent reports, ledger updates, and vacancy applicant information.

Staff absences and vacancies during the month of January continued to impact property operations and required reallocation of staff time to ensure rent collection, applicant processing, and life and safety items were prioritized.

VACANCY

The attached table (Attachment 1) reflects eighteen (18) vacancies out of five hundred seventy-six (576) units for all properties including: AHA owned and managed; affiliate owned; and third party managed by JSCo, as of the end of January. Progress is taking place in filling the vacancies. Of the eighteen vacant units, fifteen are turned and ready for occupancy. Of the eighteen (18) vacant units, four (4) are to be filled by AHA and the remainder by JSCo.

Lease up coordination between AHA Property Management, JSCo, and AHA Housing Programs continues with a common goal to fill vacancies as expeditiously as possible. Various property waitlists have been depleted, including for our HOME units, so JSCo has begun the process to create individual waitlists for the properties they manage. Vacancies that do not have a waitlist are posted on the AHA website and applications are available through contacting the resident managers, as well as GoSection 8, the Section 8 online search engine and on Craig's List.

RENT COLLECTIONS

The attached table (Attachment 1) provides the collection rate versus budget for all AHA owned and managed, affiliate owned, and managed by The John Stewart Company (JSCo).



Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
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An explanation for properties with a collection rate below 98% or above 100% is provided below. Independence Plaza, Anne B Diament, Esperanza and China Clipper's rental income reflects higher income than budgeted due to rent increases that were greater than what was anticipated. Part of the over budget amount at Independence Plaza for this year was the new 25 Project Based vouchers.

The collection rate for the Scattered Sites' is 70.6%, Parrot Gardens & Parrot Village is 94.7% and Everett Commons is 84.8%. This is primarily the result of vacant units, as well as, missed rent payments by residents affected by income loss due to COVID 19. These residents have been referred to LifeSTEPS. JSCo is sending out monthly statements to residents to encourage payment plans. Evictions due to non-payment of rent are currently prohibited by state and federal law.

RENT INCREASES

Rent increases for 2020 were issued through the end of June. As staff reported previously, due to the existing health crisis and, until recently, the agency's corresponding short fall, AHA temporarily ceased all rent increases, except annual PBV rent increases, through June 30, 2021 at which time this decision will be revisited.

AHA continues its process of rightsizing over housed households. All households who are over housed and have a HCV, have, or will be, offered an opportunity to move to the correct sized unit when available, provided they are in good standing with AHA.

ADDITIONAL UPDATES

Staff continues to review and update our policies and procedures as the pandemic progresses. Staff continues to focus on mitigating risk to tenants and themselves during the health situation and to operate the properties as efficiently and effectively as possible within the various constraints the existing parameters require.

AHA staff are not doing annual unit inspections due to the existing Shelter in Place. There continues to be concern that hoarding may be taking place in units unabated. Staff have been working with households identified during our smoke detector project at the end of 2020 with this issue and referred them to LifeSTEPS. However, when all other avenues, such as social work referrals and APS have been exhausted, staff will engage with an AHA attorney to assist in getting cooperation from these tenants. A great amount of resources and staff time are taken when one household adversely impacts the greater community. It is an area that continues to underscore the higher level of care some tenants require in order to mitigate impact on neighbors and ensure a tenant's well-being especially given the health situation in which we are operating.

Social Services

Staff continues to be in discussions with LifeSTEPS to ensure there is ongoing support for tenants, especially during these very trying and challenging times. As reported previously, LifeSTEPS is also observing social distancing and while they are onsite during their regularly scheduled hours, they do not do in-person delivery of services. LifeSTEPS has been providing assistance remotely to tenants and households and continues to link them to financial service agencies, as needed. LifeSTEPS is providing Zoom classes to foster greater interaction among tenants and decrease the sense of isolation many of AHA's tenants are feeling, especially those who live alone.



Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
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AHA tenants continue to avail themselves of the Food Bank during the Shelter in Place as schools have established remote learning and some tenants are impacted with a change in their income levels. AHA continues to manage the logistics, including packaging, staffing to and delivering of food to the front door of 150 households every two weeks. Staff from different departments participate in this activity.

Maintenance

Staff continue to focus on turning vacant units with an ongoing financial savings by carrying out this work in house. At this time, only urgent and emergency work orders are being completed in occupied units. Protocols have been established to mitigate face to face interactions with tenants and staff when work takes place in the units. Given that most people tend to be home when maintenance is to enter, there is a questionnaire and protocols that must be adhered to if work is to be completed in the occupied units.

Staff are working on a plan to restart HQS inspections in March 2021. To this end, staff are working on a plan to make sure units are ready for these inspections.

The attached table (Attachment 1) shows the work orders completed for January.

Capital Projects

The attached table (Attachment 2) summarizes Housing Authority budgeted Fiscal Year 2020-2021 capital projects currently underway.

Update on Feasibility of Camera Installation at Esperanza Apartments

Staff has continued to look into the feasibility of installing cameras at Esperanza Apartments due to recent criminal activity. Staff has been able to identify a few alternative options, and plan to bring a recommendation before the Board in March 2021.

FINANCIAL IMPACT

Report only, no financial impact.

RECOMMENDATION

Accept the Monthly Overview Report for Property Operations.

Respectfully submitted,

DocuSigned by:


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Stephanie Shipe
Director of Portfolio Management

Attachments:

1. Property Performance for the month of October
2. FY 2020-2021 Capital Projects Update



ATTACHMENT 1

Month of January 2021

Property Name	Owned by	Managed by	Total units	Senior or Family	Manager units	Budgeted Gross Potential Rent	Tenant Rent Collected	Subsidy collected	Total Rent Collected	% collected
Independence Plaza	AHA	AHA	186	Senior	1	\$ 110,279.00	\$ 134,526.06	\$ 54,123.94	\$ 188,650.00	171.1%
Anne B Diament	AHHC	AHA	65	Senior	1	\$ 94,972.00	\$ 18,656.00	\$ 81,423.00	\$ 100,079.00	105.4%
Esperanza	AHA	JSCO	120	Family	1	\$ 330,004.25	\$73,684.33	\$ 268,949.00	\$ 342,633.33	103.8%
China Clipper	AHHC	JSCO	26	Family	1	\$ 43,543.00	\$11,838.00	\$33,303.00	\$ 45,141.00	103.7%
Scattered Sites	AHA	JSCO	34	Family	0	\$ 64,576.00	\$11,438.00	\$34,176.00	\$ 45,614.00	70.6%
Parrot Village and Gardens	AHA	JSCO	58	Family	1	\$ 161,653.00	\$ 29,049.00	\$ 124,104.00	\$ 153,153.00	94.7%
Littlejohn Commons	ICD	JSCO	31	Senior	1	\$52,627.00	\$9,633.00	\$43,131.00	\$ 52,764.00	100.3%
Everett Commons	ICD	JSCO	20	Family	1	\$43,793.00	\$9,797.00	\$31,100.00	\$ 40,897.00	93.4%
Eagle Village	AHA	JSCO	36	Family	1	\$92,263.00	\$21,943.00	\$70,443.00	\$ 92,386.00	100.1%
TOTAL			576		8	\$ 993,710.25	\$ 320,564.39	\$ 740,752.94	\$ 1,061,317.33	106.8%

Property Name	Owned by	Vacant units at month end	Vacancy rate %	Units offline for rehab	Vacancy rate excluding offline units	Move ins scheduled in next month	Anticipated move outs next month	Maintenance requests completed	Evictions pending with legal
Independence Plaza	AHA	3	1.6%	0	1.6%	3	2	27	
Anne B Diament	AHHC	1	1.6%	0	1.6%	0	0	9	
Esperanza	AHA	2	1.7%	0	1.7%	2	0	38	1
China Clipper*	AHHC	2	8.0%	0	8.0%	1	0	9	
Scattered Sites*	AHA	5	14.7%	0	14.7%	2	0	18	
Parrot Village and Gardens*	AHA	3	5.3%	0	5.3%	1	0	30	
Littlejohn Commons*	ICD	1	3.3%	0	3.3%	1	0	8	
Everett Commons*	ICD	1	5.3%	0	5.3%	1	0	4	
Eagle Village*	AHA	0	0.0%	0	0.0%	1	0	21	1
TOTAL		18	3.1%	0	3.2%	12	2	164	3

ATTACHMENT 2

Capital Projects Update

FY 2020-2021 Capital Projects-Scheduled

Property	Project	Original Contract or Budget Amount	Approved Change Orders	Current or Revised Budget Amount	Original Substantial Completion	Expected or Actual Substantial Completion	Status
AHA Office	Garage Partial Conversion	1,200,000				TBD	Architecture firm selected and initial work started
AHA Offices	Office Upgrades related to COVID-19	150,000					Ongoing
AHA Office	New Maint Van (w/rear & side doors)	45,000				March 2021	Anticipate purchase 3rd Quarter of FY
All Properties	Paint & Carpet 10% of Portfolio	420,000					Ongoing at unit turns; remainder of portfolio pending lifting Shelter in Place
Anne B Diamant	Balcony Repairs (44 Balconies)	100,000				3/30/2020	Pending lifting of shelter in place and RFP issuance and award
Esperanza	Site Work (Lender Required)	100,000		86,500		8/21/2020	Complete
Independence Plaza	Exterior Renovations (walkway lighting, trellis repairs)	150,000				6/30/2020	Anticipate Issuance of RFP in 2021
Independence Plaza	Balcony Repairs (125 Balconies)	250,000				6/30/2020	Pending lifting of shelter in place and RFP issuance and award
Parrott	Parking Lot Seal & Stripe					11/15/2020	Complete
Parrott Gardens	Roof Repair--1854 St. Charles	22,000				10/31/2020	Complete
North Housing	Demolition and Related Costs	3,000,000		5,204,000			See HCD Report

FY 2019-20 Capital Projects Update (Scheduled)

Property	Project	Original Contract or Budget Amount	Approved Change Orders	Current or Revised Budget Amount	Original Substantial Completion	Expected or Actual Substantial Completion	Status
Anne B Diamond & Independence Plaza	Balcony Assessment	200,000	0	200,000	11/1/2019	12/15/2019	Inspections COMPLETE; ABD report received & currently under review; IP report scheduled for review in September 2020
Sheman Street	Plumbing	25,000	0	80,000	11/1/2019	11/30/2020	Base scope work COMPLETE, staff currently coordinating finish repairs; one unit back online
Lincoln House	Fire Damage	101,000	-	236,500	11/26/2019	10/30/20	Construction has begun and is scheduled to conclude in October, though delays due to window delivery
Independence Plaza	ADA Doors	160,000	0	68,000	8/2/2019	11/15/2019	COMPLETE
Independence Plaza	Sprinkler Inspections/Repairs	14,995	0	14,995	10/15/2019	10/15/2019	COMPLETE
Sherman Street	Roofing	145,000	0	145,000	10/18/2019	10/18/2019	COMPLETE
Haight Avenue	Renovation Project (Pending Acquisition)	500,000	-	500,000	-	-	No update, project pending acquisition
Rosefield Village	Redevelopment Project	7,000,000	-	7,000,000	2020	2020	See HCD Report
North Housing	Demo/New Construction	3,000,000	-	3,000,000	2024	2024	See HCD Report



Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Sylvia Martinez, Director of Housing Development
Date: February 17, 2021
Re: Accept the Monthly Overview Report for Housing Development

BACKGROUND

This memo provides an overview of the Housing Development departmental activities for the prior month.

DISCUSSION

Island City Development

The Housing Authority previously made two predevelopment loans to Island City Development (ICD) on behalf of two development projects: North Housing and Rosefield Village. The loan balance and project details are discussed in the subsequent project specific Board reports.

Affordable Housing Project Pipeline

Rosefield Village – An update report on the project is presented as a separate Board item.

North Housing – An update report on the project is presented as a separate Board item.

Feasibility Studies – The feasibility studies of two potential projects were discussed in the Closed Session of the January 20, 2021 Board Meeting. One is on hold and the second is in process.

Staff continues to evaluate potential real estate development and acquisition opportunities throughout Alameda as they become available. Staff has been notified that the Alameda Unified School District is disposing of 1.05 acres at 2615 Eagle Avenue, Alameda, CA, with letters of intent due April 2, 2021. AHA may pursue if public entities are allowed to bid prior to the open market. AHA has also been approached by another developer interested in a preservation opportunity, utilizing a regulatory agreement at 80% AMI. This potential partnership will be brought forward at a later date if deemed desirable.

Asset Management

Staff is working on the 2021 Alameda County Welfare Exemption renewals for properties that already have an existing exemption. Staff is also working on the insurance renewals for the organization's cyber security policy and Everett and Eagle LP. Staff obtained insurance



Honorable Chair and
Members of the Board of Commissioners

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coverage for the South Shore office lease. Staff continues to complete the monthly financial review of all properties. Staff completed the reversal of a reconveyance that was recorded in error against the Lincoln House property in 2018. Staff is gearing up in preparation for the Alameda Affordable Housing Corporation (AAHC) portfolio transfer. Staff completed the 4th Quarter lender and investor reporting. Staff is completing the partnership audit loan confirmations.

Staffing

A Senior Project Manager has accepted an offer to start in late February.

RECOMMENDATION

Accept the Monthly Overview Report for Housing Development.

Respectfully submitted,

DocuSigned by:
Sylvia Martinez

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Sylvia Martinez
Director of Housing Development





Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Richard Yoshida, Project Manager

Date: February 17, 2021

Re: Accept the Monthly Development Report for North Housing

BACKGROUND

The North Housing Project is the redevelopment of approximately 12 acres of land at the former Alameda Naval Air Station (NAS) at the site known as Coast Guard Housing. The Housing Authority is leading the development under a homeless accommodation conveyance, alongside partners Alameda Point Collaborative (APC) and Building Futures. On February 21, 2016, the Board authorized acceptance of the Quit Claim deed for conveyance of the property to the Housing Authority. On June 5, 2018, City Council approved the resolution for transfer of the North Housing site to the Housing Authority. North Housing successfully transferred to Housing Authority ownership on May 30, 2019. The Board approved the Agency's Vision for the North Housing site at its August 2019 meeting.

Please see previous monthly Board reports for project details prior to this month's update. Documentation of the master planning process may be found at www.northhousing.org.

DISCUSSION

The Development Plan was approved at the Special Planning Board Meeting on August 17, 2020 and the Tentative Map was approved at the City Council Meeting on September 15, 2020.

Work is moving ahead to prepare the site for development. Singleton Road has now been opened to the public and subject to a use agreement with the City. Carmel Partners has demolished all the buildings and is completing demolition of the foundations. Staff is processing the fifth draw. The demolition is now projected to be completed in April/May 2021. Habitat For Humanity has contracted and is preparing for demolition of the buildings on their site.

Staff has continued discussions with our partners, APC and Building Futures, which will update and refine the MOU. Staff has contacted HKIT Architects on the first phase of 90 units of permanent supportive housing and will restart planning once the partners clarify their direction for funding applications in 2021.



Honorable Chair and
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February 17, 2021
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FINANCIAL IMPACT

In November 2020, the Board authorized a predevelopment loan of \$6,238,000 for costs associated with master planning, carrying costs, demolition, and pre-development work for the first 90 units of permanent supportive housing. Funds are being disbursed to ICD on an as-needed basis. The chart below summarizes expenses through January 2021.

North Housing

Pre-development Loan from AHA to ICD	\$ 6,238,000
12 Acre Site Pre-Development (includes demolition)	\$ (1,370,196)
First Building Pre-Development (90 units PSH)	\$ (9,710)
Carrying Costs (see following for details)	\$ (433,934)
Remaining balance	\$ 4,424,160

North Housing Carrying Costs-Details

<i>Predevelopment Category</i>	<u>Total</u>
Classified Ads and Public Notices/outreach material	\$ 550
Furniture and Equipment - Fencing	141,650
Insurance - Other	4,293
Legal Expense	1,167
Office Supplies/Equipment	542
Prepaid - Other	7,286
Professional Services (Other)	17,208
Security, Landscape & Other Maintenance	231,453
Survey/Title Fee	<u>29,785</u>
Grand Total	\$ 433,934

RECOMMENDATION

Accept the Monthly Development Report for North Housing.

Respectfully submitted,

DocuSigned by:
Richard Yoshida
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Richard Yoshida
Project Manager





Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Tony Weng, Senior Project Manager
Date: February 17, 2021
RE: Accept the Monthly Development Report for Rosefield Village

BACKGROUND

The Housing and Community Development Department provides monthly reports on projects under construction where either the Housing Authority of the City of Alameda (AHA) or Island City Development (ICD) is acting as developer and provides performance guarantees.

The Rosefield Village project includes new construction of 78 units and renovation of 14 units, totaling 92 units located on the 700 block of Buena Vista Ave. ICD is the developer. The overall project scope includes both, rehabilitation of existing structures and construction of a new building in the middle of the site. In addition to the 78 units, the new central building includes onsite laundry, property management offices, social service coordination offices, a community room, and central courtyard with play structures. Twelve existing units, in five buildings, on the east and west sides of the new building will be renovated, and one house will be converted into a duplex. Please see previous monthly Board Reports for project details prior to this month's update.

DISCUSSION

The overall project completion and billing percentage through January 31, 2021 is approximately 8%.

Current construction activities include site work, ground improvement, and rough framing in the remodel units. Ground improvement work is 100% complete, and the building pad has been certified. There are no change orders for the current month.

Owner contingency funds are held separately from the contract and when change orders are approved, the original construction contract value will increase accordingly as shown in the table below.

There was a budget reallocation in December 2020 from soft cost contingency to cover additional legal services fee in the amount of \$20,357.



Contingency Utilization

	Original Budget	Previous Revisions	Current Revisions	Revised Budget
Construction Contract	\$38,218,849	\$238,843	\$0	\$38,457,692
Hard Costs Contingency	\$4,586,262	-\$238,843	\$0	\$4,347,419
Soft Cost Contingency	\$300,000	-\$134,680	\$20,357	\$144,963

General Construction Contract Utilization

Contract Total	Value of Work Completed to Date	Retention Withheld	Amounts Paid to Date	Balance to Finish
\$38,457,692	\$2,904,133	\$242,724	\$2,661,409	\$35,553,559

Staff continues to work with AHA Property Management Department and the John Stewart Company on temporary relocation needs for the remaining households for when their units are scheduled for renovation. Below is an update on the relocation status through January 31, 2021:

Total Units	Vacant Units	Moves Completed	Currently Occupied	Remaining Units to Permanently Relocate	Remaining Units to Temporarily Relocate
53	49	30	4	0	2*

* There are two units at 738 Eagle Ave, which will remain in place and no work planned for this building.

FINANCIAL IMPACT

ICD funds were advanced to Rosefield to fulfill the General Partner Capital Contribution requirements. These funds of \$1,115,000 will be outstanding for most of 2021, but will be repaid in three tranches. The Finance department is working with HCD to track these internal disbursements and repayments and the funding of the GP Capital Contribution is documented in a side letter between AHA and ICD.

The current construction draw schedule is shown below. The \$ Disbursed includes the current draw amount.

	\$ Budget	\$ Disbursed	% Disbursed	\$ Balance
Land & Buildings	\$17,435,451	\$17,435,451	100%	\$0
Hard Costs	\$43,365,111	\$2,864,688	7%	\$40,500,423
Soft Costs	\$15,751,616	\$5,049,122	32%	\$10,702,494
Total	\$76,552,178	\$25,349,261	33%	\$51,202,917



Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
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RECOMMENDATION

Accept the Monthly Development Report for Rosefield Village.

Respectfully submitted,

DocuSigned by:

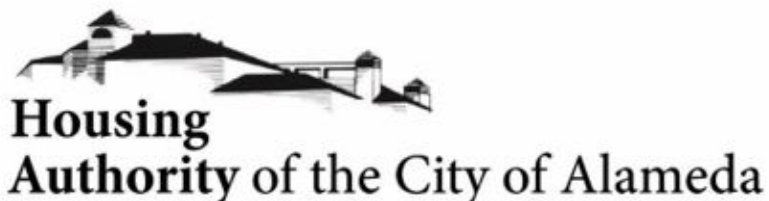
Tony Weng

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Tony Weng

Senior Project Manager





PHONE (510) 747-4300
 FAX (510) 522-7848
 TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
 From: Daniel Mills, Management Analyst
 Date: February 17, 2021
 Re: Accept the Monthly Overview Report on Procurement

BACKGROUND

This memo provides an overview of the procurement activities for the agency for the month of January.

DISCUSSION

Staff continues its internal status review of all department contracts and procedures to ensure compliance and address any deficiencies. A listing of recently closed, current and upcoming RFQs and IFBs can be found at the end of this overview.

Developing systems and processes to further automate and standardize procurement, both inter and intra departmental, will be a focus moving forward. This includes, but is not limited to centralizing and maintaining contractor lists, contract information and procurement documents, enhancing Yardi utilization, and account reconciliation. Development and implementation will be a team effort within departments and AHA, as a whole, and we will inform the Board of all developments.

Other Procurement Notes:

- Staff is having ongoing discussions with some vendors to ensure compliance with contract expectations. In some areas, this has resulted in increased monitoring and deferring payments on invoices.
- As previously reported, we have decided to enter into a contract with CivicPlus to purchase CivicClerk, their Board Management Software, to assist in generating and distributing the scheduled Board memos. The contract has been executed and implementation will begin the month of February. Staff will provide the Board with training on the new system prior to rollout which is expected in May.
- Staff plan on extending our evictions attorney Bill Ford's contract at a future Board meeting.

The contract for social services with LifeSTEPS expires May 1, 2021. Staff will be executing a short term contract as a sole source provider to ensure continued services



during the current health crisis. Staff will conduct an RFP process to ensure the successful bidder is able to provide service starting January 1, 2022.

AHA solicitations can be found here:

http://www.alamedahsg.org/working_with_us/business_opportunities.

A summary of current, past and upcoming RFPs and ITBs is provided below:

RFP/IFB	Description	Status
Appliances	Appliances for residential units	New contract executed.
Benefits Broker	For AHA personnel.	RFP to be issued in Spring 2021.
Board Memo Management	Services and support	New contract executed.
Copier Services	For the AHA Office	RFP to be issued in Spring.
Inspection Services	For HQS	RFP closed, under internal review.
Janitorial Services	For new offices	To be amended to add existing contract.
Payroll Services	For AHA personnel.	RFP to be issued in late 2021.
Pest Control	For Office and AHA managed properties	New scope and solicitation distributed.
Recruiting Services	For AHA open positions.	Bidding closed and received, under internal review.
Security Services.	For Office and AHA managed properties as needed	New contract executed.
Website Services	For the main AHA website.	RFP currently being drafted.



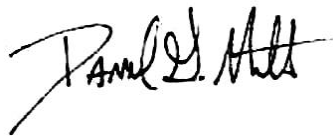
Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
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RECOMMENDATION

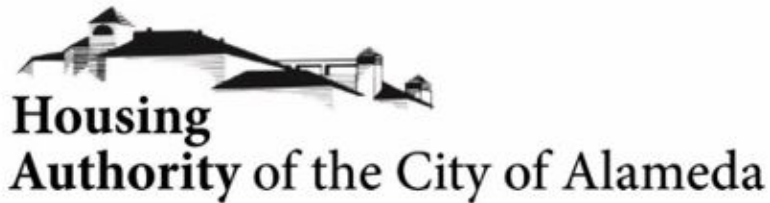
Accept the Monthly Overview Report on Procurement.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel Mills". The signature is written in a cursive, flowing style.

Daniel Mills
Management Analyst





PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Louie So, Director of Finance

Date: February 17, 2021

Re: Accept the Fiscal Year to Date Financial Report through the Month of December 2020

BACKGROUND

This high-level, Finance and Budget Variance Report covers preliminary unaudited financial operating results compared to the FY 2020-21 budget for the period from July 1, 2020 through the month ending December 31, 2020. Although the audited financial statements are on an accrual basis, the month-to-month financials are on a hybrid accrual and cash basis. The numbers presented are subject to change based on the adjustments from the final audited financial statement report, expected in March 2021.

On June 19, 2019, the Board of Commissioners approved a one-year operating budget for all programs covering fiscal year July 1, 2019 through June 30, 2020. On Jun 24, 2020, the Board of Commissioners approved a one-year operating budget for the period covering fiscal year July 1, 2020 through June 30, 2021.

The financial reports include five properties which were transferred to AHA's affiliate, Alameda Affordable Housing Corporation (AAHC) (Anne B. Diament, China Clipper Plaza, Stanford House, Lincoln-Willow Apartments and Independence Plaza). All members of the Board of Commissioners also serve as the Board of Directors of AAHC.

As part of the strategic plan, AHA staff is adopting a simplified format to track financial performance of the authority on a quarterly basis. The Fiscal Year to Date through December 2020 data is presented in this memorandum, and the next memorandum will present the March 2021 Year-to-date information in the May 2021 Board of Commissioners meeting.



Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
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DISCUSSION

Overview

July-December 2020 Financial Snapshot	PTD Actual	PTD Budget	Variance	% Var
TOTAL REVENUE	27,742,981	24,661,932	3,081,048.69	12.49
OPERATING EXPENSES	23,038,247	24,562,954	1,524,706.49	6.21
NET OPERATING INCOME	4,704,734	98,978	4,605,755.18	4,653.30

Further discussions on the cause of these variances are below.

AHA has outsourced Eagle Village and Rosefield Village projects to The John Stewart Company (JSCO) prior to 2019. Additional AHA and AAHC properties were transferred to JSCO's management on July 1, 2020 including Parrot Gardens, Parrot Village, Detached Homes, Sherman Street, Lincoln House, Senior Condos, Stanford House, Lincoln Willow and China Clipper Plaza Apartments. Esperanza was outsourced to JSCO on January 1, 2021. Income and occupancy figures are provided in the Monthly Overview report for Property Operations for the properties managed by JSCO. AHA receives financial statement packages from JSCO for these properties on a monthly basis by the 3rd business week of the following month, and the financial activity of the properties are consolidated and presented in the exhibits attached to this memorandum.

Operations Budget - Revenue

Year-to-date - Rental income (Total Tenant Revenue) of \$6,805,975 is predominantly made up of Housing Assistance Payments (HAP) received for AHA units, the tax increment subsidy for Independence Plaza, and tenant rents received. This is higher than budget by \$400,300 or 6.25% due mostly to higher HAP than budgeted. Please note that the tax increment subsidy for Independence Plaza is received as one lump sum from the City of Alameda. The amount received was \$766,663 and is earned proportionally for the 6 months between the period of July through December 2020; this is presented under account 7030060 in the attached exhibits.

Total Other Income and Restricted Income is lower than budget by \$429,963 (35.47%) This is mostly attributable to account 711092 Professional Service Revenue as Rent Program and Housing Development reimbursements from the City of Alameda are in arrears by several months. AHA staff has followed up on these outstanding MOU reimbursements and the City. Additionally, \$100,000 in budgeted fee from the AHA/ICD services agreement was paid in January 2021. Interest earned from CAMP and LAIF are lower than budget due to the low interest rate environment, and LAIF investments are earned on a quarterly basis in arrears.

In November 2020, an additional \$1,399,195.29 was provided through the Alameda Unified School District Recognized Obligation Payment Schedule. These funds have been allotted to Rosefield Village rehabilitation.



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Going forward, AHA can expect a lower than projected collection of the tenant portion, due to the current health crisis and related job losses. This has been offset by higher HAP subsidy received so total tenant rents and related HAP is higher than budget by \$357,989 on a net basis. Staff will continue to monitor tenant and HAP income closely. Please see Monthly Overview Report for Property Operations for more information.

For the past several years, Administrative Fees from HUD have not fully funded the Housing Programs Department, and the Section 8 Program has been subsidized by income from AHA properties. Although the recent CARES Act provided two additional months of Administrative Fee, this is not expected to cover the additional costs incurred due to the current health crisis. AHA has received an additional \$350,010 in May 2020 from HUD and an additional CARES Act Administrative Fee funds of \$421,086 was received from HUD in August 2020. The uses and timing of these funds are restricted. Due to the CARES Act funding, Administrative Fee income from HUD is higher than budget by \$468,463 (52.32%).

Furthermore, as AHA was in HAP shortfall in 2020, AHA applied and received additional HAP funding with HUD in September 2020 of \$1,362,837. As of September 2020, AHA is officially out of HAP shortfall status with HUD.

Expenses

Total operating expenses are lower than the year-to-date budget by \$1,524,706 (6.21%). This is mainly due to lower salary and benefit expenses, which are under budget due to vacant positions (see Monthly Overview Report for Operations, H.R. and I.T.). Additionally, a conservative approach was taken during the FY 2021 budget process. Housing Development, Finance, Portfolio Management and The John Stewart Company staff meet periodically to review the financial statements to monitor actuals versus budget amounts.

Housing Assistance Payments (HAP) Pass-through

The Housing Assistance Payments (HAP) pass-through includes all the Housing Choice Voucher/Section 8, Shelter Plus, and Bessie Coleman (SRO) programs. Year-to-date HAP revenue (8010000 HUD Operating Grants) is \$1,291,007 (8.11%) higher than budget which is driven by the additional HAP shortfall funds of \$1,362,837 stated previously. Staff continues to make progress on \$201,900 (Account 9700800) in accounts receivable for Port-In billings from other public housing authorities. This amount is subject to change due to net Port-Outs. Port-In billing collections was not budgeted in the FY 2021 budget process.

Shelter Plus Care revenue is paid in arrears by the Alameda County Housing and Community Development Department and is \$16,568 below budget (7.18%).

Statement of Net Position

The Housing Authority has adequate cash resources for operations. As of December 2020, AHA, AAHC and its affiliates have \$14.6 Million in cash, and \$17.6 Million held in LAIF and CAMP investments. A rebalancing of investments will be completed in February 2021.



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OTHER ISSUES IMPACTING FINANCE DEPARTMENT

COVID-19 Mission Critical Tasks:

Due to the effects of the health situation, the finance management team has been prioritizing the following mission critical tasks:

- (1) Review new regulatory and tax pronouncements stemming from COVID-19 and how they may apply to AHA, AAHC, and its affiliates. This includes CARES Act administrative fee increases, and annual and quarterly reporting on CARES Act funds.
- (2) Continue to ensure Housing Assistance Payments are paid to landlords and AHA owned properties timely and to transfer landlords receiving a paper check to ACH for swifter payment and to reduce postage costs.
- (3) Continue to ensure payroll to our employees are paid timely and with no interruption.
- (4) Allow vendors the ability to submit invoices electronically through a web portal (Yardi VendorCafé) and allowing AHA the ability to pay via electronic funds transfer.
- (5) Continue to liaise with auditors remotely to ensure documents (redacted of PII) the auditors can continue their review offsite.

Staffing

Nan McKay and Associates continues to provide consulting services including HUD's monthly Voucher Management System (VMS) report and the annual unaudited Financial Data Schedule (FDS). Currently, the Finance Department is fully staff, and an additional finance consultant is being utilized for special projects.

Audit and Tax

AHA

AHA's single audit and final audit FY 2019 FDS was submitted to HUD's Real Estate Assessment Center (REAC) in March 2020 and the Federal Audit Clearinghouse. The audited FY 2019 FDS was rejected in May 2020. Finance staff, Citrin Cooperman, and Nan McKay discussed the response prior to resubmittal. AHA staff resubmitted the FDS in September 2020 prior to the deadline of September 30, 2020. In late October 2020, HUD staff rejected the 2nd submission. A third submission to REAC was submitted in January 2021 and is pending review. The questions posed by HUD are not controversial in nature, and mostly referenced the disclosures of the audited financial statements. AHA staff have been in regular contact with HUD.

The unaudited FY 2020 FDS was submitted timely to REAC on October 30, 2020, including a new section on how AHA spent CARES Act funds in FY 2020. This was approved by REAC in January 2021 with minimal comments.

AAHC



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Although AHA is exempt from filing a federal tax return, AAHC is required to file a tax return. The June 30, 2020 tax return has a final extended filing deadline of May 15, 2021. The tax extensions were appropriately filed by Citrin Cooperman in October 2020. The tax return for AAHC will be brought to the Board of Commissioners for their review in the April 2021 meeting.

Island City Development

AHA is working with the CPA firm Holthouse, Carlin & Van Tright LLP (HCVT) for audit work of Island City Development and the three low-income housing tax credit (LIHTC) project partnerships (Sherman & Buena Vista, L.P. and Everett & Eagle, L.P., and Constitution & Eagle, L.P. the "LPs"). The audit and tax process is underway. Everett & Eagle, L.P.'s Form 8609 is pending review by HCVT, and will be submitted to the IRS in February 2021.

Additionally, various LLC affiliates have tax filing requirements throughout the year, including the tax extension deadline which will be March 15, 2021. These LLC affiliates have minimal activity and will be filed by the extended deadline of September 15, 2021.

Island City Development's audited financial statements and tax return planning has begun. The extended filing deadline of the tax return for the 2020 year is November 15, 2021.

Unfunded Pension Liabilities

On May 20, 2020, the Board of Commissioners voted to fund CalPERS \$1 Million and to continue to fund the unfunded pension liabilities under the soft fresh start mechanism. AHA funded \$1,000,000 before the end of fiscal year June 30, 2020. On an ongoing basis, AHA staff will monitor on an annual whether the accrued unfunded liability is within 90%-110% of funding level and will escalate to the Board of Commissioners on whether there is any action that will be needed. AHA staff will include in the annual audited financial statements this information in the management discussion & analysis section. Furthermore, the financial activity of the Section 115 Other Post-Employment Benefits Trust (CalPER's California Employer's Retiree Benefit Trust) will be incorporated in the consolidated audited financial statements that will be presented to the Board of Commissioners in March 2021.

Budget

An abbreviated budget for the fiscal year July 1, 2020 through June 30, 2021 was brought to the Board of Commissioners in the June 24, 2020 meeting. The Board of Commissioners passed the motion to adopt the Resolution to Approve the Housing Authority's One Year Budget for Fiscal Year July 1, 2020 to June 30, 2021. AHA staff utilized a conservative approach in FY2021 budget preparation, adopting prior year actual income as a proxy for FY2021 budgeted income. Actual tenant and HAP income have been trending higher in the last several months. AHA staff are currently preparing work on the FY2022 budget to be presented to the Board of Commissioners in the June 2021 meeting.



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Banking Activities

There were no account opening or closures.

Quarterly Financial Reporting

As part of the strategic plan, AHA staff is migrating to a quarterly versus monthly financial reporting. The next finance memorandum will present the March 2021 Year-to-date information in the May 2021 Board of Commissioners meeting.

RECOMMENDATION

Accept the Fiscal Year to Date Financial Report through the Month of December 2020.

Respectfully submitted,

DocuSigned by:

Louie So

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Louie So, CPA
Director of Finance

Attachments:

1. Balance Sheet – December 2020
2. Budget Comparison – Revenue & Expense - Detail
3. AHA Revenue & Expense (Actual versus Budget)



Attachment 1

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Balance Sheet

Period = Dec 2020

Book = Accrual

	Current Balance
1000000 ASSETS	
1100000 CURRENT ASSETS	
1101000 CASH	
1110010 Cash - Unrestricted	11,635,807.80
1110012 Cash - Reserve for Building	78,450.83
1110013 Cash - Reserve for 3rd Party Managed Buildings	95,800.49
1110014 Cash - Reserve for Equipment	2,152.00
1110018 Cash - Operating Checking with 3rd Party	1,838,386.16
1110019 Petty Cash with 3rd Party	200.00
1110020 Cash - Petty cash	500.00
1110021 Cash - Benefit Account	78,630.04
1110030 Cash - FSS	123,817.16
1110040 Cash - Replacement Reserve Bldg	312,415.00
1130030 Cash - Restricted Sec Dep	213,237.72
1140000 Cash - Tenant Security Deposits	120,546.56
1140050 Cash - Tenant Security Deposits with 3rd Party	144,746.79
1190000 TOTAL CASH	<u>14,644,690.55</u>
1200000 ACCOUNTS RECEIVABLE	
1240010 Accounts Receivable - Government	1,567,242.86
1240050 HAP Rent Receivable	120,629.11
1240070 Accounts Receivable- HUD	33,612.45
1250010 Accounts Receivable - Other	307,699.56
1250050 Accounts Receivable - 3rd Party Management	101,512.39
1255000 Subsidy Suspense Receivable	-27,854.07
1260000 Accounts Receivable - Tenant	386,704.34
1260050 Accounts Receivable - Tenant Rent with 3rd Party	95,786.90
1261000 Allowance for Doubtful Accounts -Dwelling Rent	-107,605.35
1280000 Fraud Recovery	31,508.98
1281000 Allowance for Doubtful Accounts - Fraud	-29,829.78
1290000 Accrued Interest Receivable	5,548.82
1299000 TOTAL ACCOUNTS RECEIVABLE	<u>2,484,956.21</u>
1300000 INVESTMENTS AND OTHER CURRENT NOTES	
1310000 Investments(LAIF)- Unrestricted	10,372,532.25
1320010 Investments - Other	200.00
1320020 Investments(LAIF) (Restricted) - FSS Escrow	-325.78
1320030 Investments(LAIF)- Building Reserve	1,073,106.76
1320040 Investments(LAIF) - Equipment Reserve	167,058.44
1350000 Investments - Restricted	0.15
1350010 Investment(LAIF)-Restricted (Jack Capon Villa Trust)	1,402.42
1350021 PFM-Cash	-184.25
1350031 Investments - CAMP	6,003,509.26
1350100 Mortgage Receivable	76,942,290.92

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Balance Sheet

Period = Dec 2020

Book = Accrual

	Current Balance
1350103 Mortgage Receivable-Jack Capon L. P.	101,497.57
1350105 Loan Receivable-Security Deposit Loan	92,569.00
1350106 Loan Receivable - ICD	14,942,482.00
1350107 Loan Receivable-RCD/Stargell/Tri Pointe	2,000,000.00
1350109 Loan Receivable - Section 8	1,790,000.00
1360000 TOTAL INVESTEMENTS AND OTHER CURRENT NOTES	<u>113,486,322.99</u>
1400000 PREPAID EXPENSES	
1420010 Prepaid Insurance - Property	25,818.29
1420020 Prepaid Insurance - Liability	32,702.97
1420040 Prepaid Insurance - Worker Comp	19,350.30
1420050 Prepaid - Other	32,186.34
1420051 Prepaid Rent	14,400.00
1420070 Escrow Deposits - Property	29,540.09
1420075 Escrow Dep. PNC Hedge Res.	85,129.40
1420095 Prepaid Expense - Management Company	2,143.20
1430000 Inventories	19,029.77
1430010 Replacement Reserve-NorthMarq Loan	568,234.50
1430020 Reserve for Replacement NorthMarq	527,270.82
1440099 TOTAL PREPAID EXPENSES	<u>1,355,805.68</u>
1440105 INTERPROGRAM	
1440110 Interprogram (Due From)	1,437,164.95
1440111 Interprogram Due From Sherman St FACSA	12,725.19
1440112 Interprogram Due From Lincoln St FACSA	7,093.49
1440210 Interprogram Due From Esperanza	687.81
1440411 Interprogram Due from Detached Home	-0.02
1440452 Interprogram Due From Stargell Commons	8,156.24
1440453 Interprogram Due From Island City Development - 4530	203.94
1440601 Interprogram Due From ABD	-22,495.73
1440602 Interprogram Due From Rosefield Village - 4537	218.80
1440603 Interprogram Due From Parrot Gardens	15.11
1440604 Interprogram Due From Stanford House	4.67
1440605 Interprogram Due From Lincoln/Willow	15.12
1440606 Interprogram Due From Senior Condos	18.23
1440607 Interprogram Due From China Clipper	407.65
1440608 Interprogram Due From Regent Street Land	1,530.11
1440609 Interprogram Due From Santa Clara Land	60.19
1440610 Interprogram Due From Eagle Village	264.80
1440613 Interprogram Due From Shinsei Gardens	2,580.11
1440710 Interprogram Due From Section 8 Vouchers	435,589.63
1440899 TOTAL INTERPROGRAM	<u>1,884,240.29</u>
1500000 TOTAL CURRENT ASSETS	<u>133,855,831.47</u>
1590000 LONG TERM ASSETS	

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Balance Sheet

Period = Dec 2020

Book = Accrual

	Current Balance
1600000 FIXED ASSETS	
1609999 LAND AND BUILDINGS	
1610000 Land	58,219,778.63
1620030 Buildings	30,922,109.33
1620031 Buildings Improvements	1,430,575.13
1629000 TOTAL LAND AND BUILDINGS	<u>90,572,463.09</u>
1630040 Furniture and Equipment - Dwelling	348,111.58
1630041 Furniture and Equipment - Other	116,685.50
1650000 Leasehold Improvements	14,402,591.32
1660030 Accumulated Deprecation	<u>-30,186,124.51</u>
1699000 TOTAL FIXED ASSETS	75,253,726.98
1700000 ALL OTHER ASSETS	
1740000 Other Asset	<u>110,510.02</u>
1770000 TOTAL ALL OTHER ASSETS	110,510.02
1800000 DEFERRED OUTFLOW	
1800200 Deferred Outflow of Resources	<u>1,505,707.01</u>
1890000 TOTAL DEFERRED OUTFLOW	1,505,707.01
1900000 CONSTRUCTION IN PROGRESS	
1900100 CIP - On Site Improvement	65,043.00
1900210 CIP - Architectural & Engineering Fees	32,102.50
1900230 CIP - Professional Services (Other)	17,208.00
1900410 CIP - Environmental Testing & Reports	13,800.00
1900420 CIP - Permit & Fees (plan'g,buid'g,public work,school dist)	686.77
1900430 CIP - Utilities Fees	<u>607.60</u>
1919999 TOTAL CONSTRUCTION IN PROGRESS	<u>129,447.87</u>
1929999 TOTAL LONG TERM ASSETS	<u>76,999,391.88</u>
1999999 TOTAL ASSETS	210,855,223.35
3000000 LIABILITIES AND EQUITY	
3005000 LIABILITIES	
3100000 CURRENT LIABILITIES	
3100500 ACCOUNTS PAYABLE	
3120010 Accounts Payable<= 90 Days	157,362.03
3120011 Accounts Payable -CALPERS (employee portion)	551.40
3120012 Accounts Payable-Health Insurance (employee portion)	24.13
3120014 Accounts Payable-Garnishment (employee portion)	-128.50
3120015 Accounts Payable-Vision Insurance (employee portion)	666.77
3120016 Accounts Payable-Life Insurance (employee portion)	-35.31
3120018 Accounts Payable-PARS retirement (employee portion)	133.76
3120019 Accounts Payable-Flexible Spending Account(employee portion)	2,610.89
3120021 Employees Cobra	765.27
3120022 Accounts Payable-PERS 1959 Surv(Employee Portion)	40.92
3120023 Accounts Payable-FSA Transit Plan	507.85

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Balance Sheet

Period = Dec 2020

Book = Accrual

	Current Balance
3120024 Accounts Payable FSS	100,240.69
3120026 Accounts Payable FSS Interest	-30.16
3120029 Accounts Payable - 3rd Party Management Company	58,438.63
3120030 Accrued Wage/Payroll Taxes Payable	1,101.95
3120040 Accrued Compensated Absences - Current Portion	187,022.52
3120045 Accrued Vacation Payable - 3rd Party Management	6,154.32
3120070 Accrued Payables	117,229.11
3120075 Accrued Accounts Payable - 3rd Party Management	81,131.15
3330100 Tenants- Rents Payable	9,900.00
3339000 TOTAL ACCOUNT PAYABLE	<u>723,687.42</u>
3400000 SECURITY DEPOSITS HELD	
3410010 Tenant Security Deposits	222,262.44
3410015 Tenant Security Deposits - held with 3rd Party Management	133,081.77
3410020 Tenant Security Deposits - Pets	900.00
3410030 Tenant Security Deposits - Gate Opener	25.00
3410040 Tenant Security Deposits - Satellite Dish/Antenna	1,500.00
3410050 Tenant Security Deposits - Interest	0.02
3410060 Tenant Security Deposits - Pooled Interest	61,619.44
3410999 Security Deposit Refund	5,950.59
3419000 TOTAL SECURITY DEPOSITS HELD	<u>425,339.26</u>
3419900 OTHER LIABILITIES	
3420000 Prepay Tenant Rent	76,071.34
3421000 Prepay Tenant Rent - 3rd Party Management	122,461.19
3425000 Unearned Revenue	-432.00
3426000 Prepaid Ground Lease Rent	16,282,176.97
3430000 Current Portion of Long Term Debt - Capital Projects	557,240.02
3449000 TOTAL OTHER LIABILITIES	<u>17,037,517.52</u>
3470000 INTERPROGRAM	
3470050 Interprogram (Due to)	1,371,450.03
3470110 Interprogram Due To General Fund	468,483.72
3470601 Interprogram Due To Anne B Diament Plaza	19,786.00
3471000 Due To/Due From Suspense Account	102,913.80
3480000 TOTAL INTERPROGRAM	<u>1,962,633.55</u>
3499000 TOTAL CURRENT LIABILITIES	20,149,177.75
3500000 NON-CURRENT LIABILITIES	
3510020 Reduction to Mortgage Loan	81,907.72
3510100 Mortgage Loan Payable	21,576,686.79
3510130 Interest Payable - City of Alameda Loan	1,104,099.53
3510140 Home Fund Loan #1	216,363.20
3510143 \$3.6M Housing Authority Loan Payable	47,325,000.00
3510150 Housing Community Dev. Loan	916,399.98
3510157 Loan Payable - Esperanza	1,790,000.00

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Balance Sheet

Period = Dec 2020

Book = Accrual

	Current Balance
3510160 Home Fund Loan #2	282,700.00
3540000 Accrued Compensated Absences - Noncurrent	141,356.77
3570000 OPEB Liability	-128,123.28
3580000 Pension Liability	909,006.40
3599000 TOTAL NON-CURRENT LIABILITIES	<u>74,051,581.67</u>
3999000 TOTAL LIABILITIES	94,200,759.42
4000000 Equity/Net Assets	
4000001 EQUITY	
4000100 DEFERRED INFLOW	
4001000 Deferred Inflow of Resources	1,901,463.00
4900000 TOTAL DEFERRED INFLOW	<u>1,901,463.00</u>
4999999 CONTRIBUTED CAPITAL	
5010000 Net Investment in Capital Assets	7,986,217.78
5080050 Capital Paid In	3,313,806.00
5090000 Unrestricted	80,954,840.20
5120000 Unrestricted	22,045,058.32
5120010 Net Restricted Assets	453,078.63
5950000 TOTAL CONTRIBUTED CAPITAL	<u>114,753,000.93</u>
5999900 TOTAL EQUITY	<u>116,654,463.93</u>
6000000 TOTAL LIABILITIES AND EQUITY	<u>210,855,223.35</u>

Attachment 2

Budget Comparison (with PTB)

Period = Jul 2020-Dec 2020

Book = Accrual

	PTD Actual	PTD Budget	Variance	% Var
6999990 INCOME				
7000000 REVENUE				
7020000 TENANT REVENUE				
7030000 Tenant Rental Revenue	1,924,340.31	2,252,722.08	-328,381.77	-14.58
7030030 Maintenance Charges	1,560.20	0.00	1,560.20	N/A
7030040 Late Charges	15.00	0.00	15.00	N/A
7030050 Miscellaneous Other Charges	3,013.35	0.00	3,013.35	N/A
7030060 Tax Increment Payments from the City of Alameda (Independence Plaza)	766,659.00	766,662.48	-3.48	0.00
7030100 Tenant HAP Subsidy	4,178,277.79	3,535,887.96	642,389.83	18.17
7030110 Vacancy Loss	-120,676.29	-164,657.52	43,981.23	-26.71
7030300 Commercial Rents (Include land lease from ICD Properties)	52,786.00	15,030.00	37,756.00	251.20
7050000 TOTAL TENANT REVENUE	6,805,975.36	6,405,645.00	400,330.36	6.25
7060000 FEDERAL GRANTS				
7060060 Shelter Plus Care Revenue	214,338.08	230,905.98	-16,567.90	-7.18
7069000 TOTAL FEDERAL GRANTS	214,338.08	230,905.98	-16,567.90	-7.18
7079000 OTHER GRANTS				
7080000 Other Government Grants (AUSD Recognized Obligation Payments)	1,399,195.29	0.00	1,399,195.29	N/A
7089000 TOTAL OTHER GRANTS	1,399,195.29	0.00	1,399,195.29	N/A
7100000 OTHER INCOME				
7110010 Investment Income - Unrestricted (LAIF in arrears)	22,061.34	67,126.50	-45,065.16	-67.13
7110011 Interest Income	10,245.02	60,688.98	-50,443.96	-83.12
7110020 Interest on Equip. Reserve	330.57	1,494.96	-1,164.39	-77.89
7110030 Interest Earned on Operating Reserve	0.00	72.00	-72.00	-100.00
7110060 Interest - Replacement Reserve	2,217.26	24,136.50	-21,919.24	-90.81
7110070 Other - Income (includes prepaid ground lease recognition - Rosefield Village)	157,334.42	26,020.02	131,314.40	504.67
7110075 Laundry Commission	10,445.83	13,089.48	-2,643.65	-20.20
7110082 Land Fee/Ground Lease	4,251.90	2,682.00	1,569.90	58.53
7110090 Other Miscellaneous Revenue	33.00	0.00	33.00	N/A
7110092 Professional Service Revenue (City Reimbursement payments in arrears and ICD paid in January 2021 \$100,000 to AHA)	570,536.97	1,007,721.54	-437,184.57	-43.38
7140000 Fraud Recovery	26.61	0.00	26.61	N/A
7150030 Miscellaneous Other Revenue	1,483.84	0.00	1,483.84	N/A
7150070 Administrative Fee	3,133.60	9,031.50	-5,897.90	-65.30
7159000 TOTAL OTHER INCOME	782,100.36	1,212,063.48	-429,963.12	-35.47
8000000 HUD GRANT				
8010000 HUD Operating Grants	17,208,949.60	15,917,942.52	1,291,007.08	8.11
8020000 Administrative Fees from HUD (includes CARES Act Additional)	1,363,839.00	895,375.02	468,463.98	52.32
8020110 PORT-In Administrative Fees	7,873.87	0.00	7,873.87	N/A
8030000 Administrative Fees Paid (PORT-Outs)	39,290.87	0.00	-39,290.87	N/A
8100120 TOTAL HUD GRANT	18,541,371.60	16,813,317.54	1,728,054.06	10.28
8999000 TOTAL REVENUE	27,742,980.69	24,661,932.00	3,081,048.69	12.49
9000000 EXPENSES				
9000900 OPERATING EXPENSES				
9100000 ADMINISTRATIVE				
9110010 Administrative Salaries	1,957,721.02	2,672,121.60	-714,400.58	-26.74
9110020 Temporary Help - Administrative	169,896.86	256,256.58	-86,359.72	-33.70
9120000 Auditing Fees	14,800.00	23,220.00	-8,420.00	-36.26
9130000 Outside Management Fees	82,468.51	106,910.52	-24,442.01	-22.86
9150010 Admin Employee Benefits - Medical/Dental	351,856.92	637,942.62	-286,085.70	-44.85
9150020 Admin Employee Benefits - PERS/PARS	181,018.29	243,155.52	-62,137.23	-25.55
9150030 Admin Employee Benefits - FICA	28,256.71	38,501.40	-10,244.69	-26.61
9150040 Admin Employee Benefits - SUI	1,535.15	7,041.54	-5,506.39	-78.20
9150050 Admin Employee Benefits - EAP	0.00	0.00	0.00	N/A
9150060 Admin Employee Benefits - Life/LTD	16,918.70	16,535.46	-383.24	-2.32

Budget Comparison (with PTD)

Period = Jul 2020-Dec 2020

Book = Accrual

	PTD Actual	PTD Budget	Variance	% Var
9150090 Admin Employee Benefit - WC	24,137.95	17,573.52	-6,564.43	-37.35
9160010 Office Supplies/Equipment	36,094.20	45,702.48	9,608.28	21.02
9160020 Expendable Administrative Equipment	130.42	0.00	-130.42	N/A
9160030 Dues & Subscriptions Publications	1,183.24	600.00	-583.24	-97.21
9160040 Postage	4,041.71	24,613.98	20,572.27	83.58
9160050 Telephone	41,380.77	30,085.02	-11,295.75	-37.55
9160060 Bank Charges and Check Supplies	12,942.72	13,832.52	889.80	6.43
9160070 Commissioners Meeting Expense	129.90	0.00	-129.90	N/A
9160080 Stationery Envelopes and Business Cards	1,228.72	0.00	-1,228.72	N/A
9160090 Forms and Copies/Printing	17,850.13	2,550.00	-15,300.13	-600.01
9160100 Classified Ads and Public Notices/outreach material	9,526.37	18,787.98	9,261.61	49.30
9160110 Legal Expense	108,545.44	172,498.02	63,952.58	37.07
9160111 Payroll charge	6,197.52	3,574.02	-2,623.50	-73.40
9160112 Survey/Title Fee	0.00	1,002.00	1,002.00	100.00
9160113 Office Rent	54,656.91	183,666.00	129,009.09	70.24
9160114 Administrative Support	14,251.28	0.00	-14,251.28	N/A
9160115 Organization Cost	80.00	0.00	-80.00	N/A
9160120 Training/Conferences and Travel	10,154.93	80,209.98	70,055.05	87.34
9160130 Membership Dues and Fees	8,339.94	5,689.02	-2,650.92	-46.60
9160131 Taxes & Government Fees	61,383.80	0.00	-61,383.80	N/A
9160160 Contracts - Accounting Services	24,750.00	1,704.00	-23,046.00	-1,352.46
9160170 Contracts - Administrative Services/Consultant	51,918.48	196,427.52	144,509.04	73.57
9160180 Contracts - Application Service Provider - Yardi	94,489.28	111,811.02	17,321.74	15.49
9160190 Contracts - Computer/Telephone Maintenance/Email	74,068.99	189,317.52	115,248.53	60.88
9160200 Contracts - Employee/Organizational Development	25.00	0.00	-25.00	N/A
9160210 Contracts - Housing Program Services	15,466.38	0.00	-15,466.38	N/A
9160220 Contracts - Human Resource Services	2,100.00	34,371.96	32,271.96	93.89
9160230 Contracts - Housing Inspection Services	3,309.45	28,357.98	25,048.53	88.33
9160260 Contracts - Office Machine Lease	11,756.41	9,240.48	-2,515.93	-27.23
9160270 Contracts - Web Hosting/Maintenance/Web Ads	7,308.79	8,596.02	1,287.23	14.97
9160290 Contracts - HR Recruitment	57,781.50	66,208.02	8,426.52	12.73
9160510 Association Dues	22,100.40	21,000.00	-1,100.40	-5.24
9169000 TOTAL ADMINISTRATIVE	3,581,802.79	5,269,104.30	1,687,301.51	32.02
9200000 TENANT/SOCIAL SERVICES/POLICE				
9210010 Tenant Services - Salaries	139,869.99	1,722.00	-138,147.99	-8,022.53
9210030 Police Services (Security Services)	81,229.45	94,120.02	12,890.57	13.70
9210100 Tenant/Social Services - Salaries	0.00	147,093.54	147,093.54	100.00
9219000 TOTAL TENANT/SOCIAL SERVICES/POLICE	221,099.44	242,935.56	21,836.12	8.99
9219990 RELOCATION				
9220000 Tenant-Relocation Costs	3,416.43	0.00	-3,416.43	N/A
9229000 TOTAL RELOCATION	3,416.43	0.00	-3,416.43	N/A
9230005 TENANT SERVICES EMPLOYEE BENEFITS AND INSURANCE				
9230010 Tenant Svcs Employee Benefits - Medical/Dental	21,562.92	21,438.00	-124.92	-0.58
9230020 Tenant Svcs Employee Benefits - PERS/PARS	5,526.71	9,809.04	4,282.33	43.66
9230030 Tenant Svcs Employee Benefits - FICA	895.08	4,350.48	3,455.40	79.43
9230040 Tenant Svcs Employee Benefits - SUI	49.52	967.50	917.98	94.88
9230050 Tenant Svcs Employee Benefits - Life/LTD	70.64	0.00	-70.64	N/A
9230071 Property Insurance	3,051.00	0.00	-3,051.00	N/A
9230075 Property Taxes	517.64	0.00	-517.64	N/A
9230080 Tenant Svcs Employee Benefits - Other	1,712.30	0.00	-1,712.30	N/A
9230090 Tenant Svcs Employee Benefit - WC	4,636.29	12,021.90	7,385.61	61.43
9239000 TOTAL TENANT SERVICES EMPLOYEE BENEFITS AND INSURANCE	34,453.46	48,586.92	14,133.46	29.09
9240005 TENANT SERVICES				
9240020 Tenant Service Activities - Contracts and O/S Services	90,978.60	149,604.00	58,625.40	39.19

Budget Comparison (with PTD)

Period = Jul 2020-Dec 2020

Book = Accrual

	PTD Actual	PTD Budget	Variance	% Var
9240050 Tenant/Social Seviles - Other	80.62	0.00	-80.62	N/A
9249000 TOTAL TENANT SERVICES	91,059.22	149,604.00	58,544.78	39.13
9300000 UTILITIES				
9310000 Water	107,175.98	132,508.02	25,332.04	19.12
9320000 Electricity	23,120.10	71,274.54	48,154.44	67.56
9330000 Gas	-657.59	24,979.98	25,637.57	102.63
9380010 Sewer (Passthrough Tax will be charged at later time)	43,693.72	151,330.56	107,636.84	71.13
9380020 Garbage	195,367.50	224,166.96	28,799.46	12.85
9380030 Other (Additional Expenses Budgeted)	0.00	220,080.36	220,080.36	100.00
9399000 TOTAL UTILITIES	368,699.71	824,340.42	455,640.71	55.27
9399990 MAINTENANCE				
9400000 MAINTENANCE SALARIES				
9410010 Maintenance - Salaries	346,070.60	368,346.54	22,275.94	6.05
9419000 TOTAL MAINTENANCE SALARIES	346,070.60	368,346.54	22,275.94	6.05
9420005 MAINTENANCE MATERIALS				
9420010 Maintenance Materials	85,214.20	130,786.50	45,572.30	34.84
9420020 Vehicle - gasoline	1,574.35	3,354.00	1,779.65	53.06
9420030 Janitorials Supplies	163.64	0.00	-163.64	N/A
9429000 TOTAL MAINTENANCE MATERIALS	86,952.19	134,140.50	47,188.31	35.18
9429005 MAINTENANCE CONTRACTS				
9429015 Maintenance Contracts - Unit Turnaround	14,017.33	26,425.38	12,408.05	46.96
9429030 Maintenance Contracts - Tree Trimming	0.00	5,504.52	5,504.52	100.00
9429040 Maintenance Contracts - Cycle Painting	1,100.00	0.00	-1,100.00	N/A
9429060 Maintenance Contracts - Floor Covering	760.00	40,307.70	39,547.70	98.11
9429100 Maintenance Contracts - Services	109,818.17	76,168.80	-33,649.37	-44.18
9430010 Maintenance Contracts - Painting	9,400.00	18,165.24	8,765.24	48.25
9430020 Maintenance Contracts - Plumbing	21,901.13	15,030.72	-6,870.41	-45.71
9430030 Maintenance Contracts - Landscape, Pool, Pond Maintenance	38,580.49	65,035.20	26,454.71	40.68
9430040 Maintenance Contracts - HVAC Maintenance	4,109.00	17,107.14	12,998.14	75.98
9430060 Maintenance Contracts - Elevator Maintenance	20,927.60	21,940.80	1,013.20	4.62
9430070 Maintenance Contracts - Extermination	26,911.50	25,903.98	-1,007.52	-3.89
9430080 Maintenance Contracts - Electrical Maintenance	4,668.53	12,671.52	8,002.99	63.16
9430090 Maintenance Contracts - Security and Nurse Call Systems	70,862.37	8,952.00	-61,910.37	-691.58
9430110 Maintenance Contracts - Gutter Cleaning Services	0.00	6,376.32	6,376.32	100.00
9430120 Maintenance Contracts - Flooring Replmt/Cleaning Srvc	40,843.64	0.00	-40,843.64	N/A
9430130 Maintenance Contracts - Other	83,456.95	5,946.42	-77,510.53	-1,303.48
9430140 Maintenance Contracts - Vehicle Maintenance	4,533.02	3,653.70	-879.32	-24.07
9430150 Maintenance Contracts - Janitorial	56,934.93	92,617.32	35,682.39	38.53
9439000 TOTAL MAINTENANCE CONTRACTS	508,824.66	441,806.76	-67,017.90	-15.17
9450005 MAINTENANCE EMPLOYEE BENEFITS				
9450010 Maint Employee Benefits - Medical/Dental	72,290.54	115,884.00	43,593.46	37.62
9450020 Maint Employee Benefits - PERS/PARS	28,811.84	35,281.98	6,470.14	18.34
9450030 Maint Employee Benefits - FICA	15,343.97	5,040.00	-10,303.97	-204.44
9450040 Maint Employee Benefits - SUI	227.74	1,284.96	1,057.22	82.28
9450050 Maint Employee Benefits - Life/LTD	1,665.77	3,023.52	1,357.75	44.91
9450070 Maint Employee Benefits - Uniforms/Shoes	1,347.22	12,080.94	10,733.72	88.85
9450091 Maint Employee Benefit - WC	18,313.12	16,030.50	-2,282.62	-14.24
9459000 TOTAL MAINTENANCE EMPLOYEE BENEFITS	138,000.20	188,625.90	50,625.70	26.84
9499000 TOTAL MAINTENANCE	1,079,847.65	1,132,919.70	53,072.05	4.68
9500000 GENERAL EXPENSES				
9500100 Interest Expense	477,804.82	579,549.48	101,744.66	17.56
9500160 Mortgage Financial Service Charge	29,422.19	0.00	-29,422.19	N/A
9500200 Other Expense	5,383.79	0.00	-5,383.79	N/A
9500300 Claim's Settlement Cost (Lincoln House)	235,405.38	0.00	-235,405.38	N/A

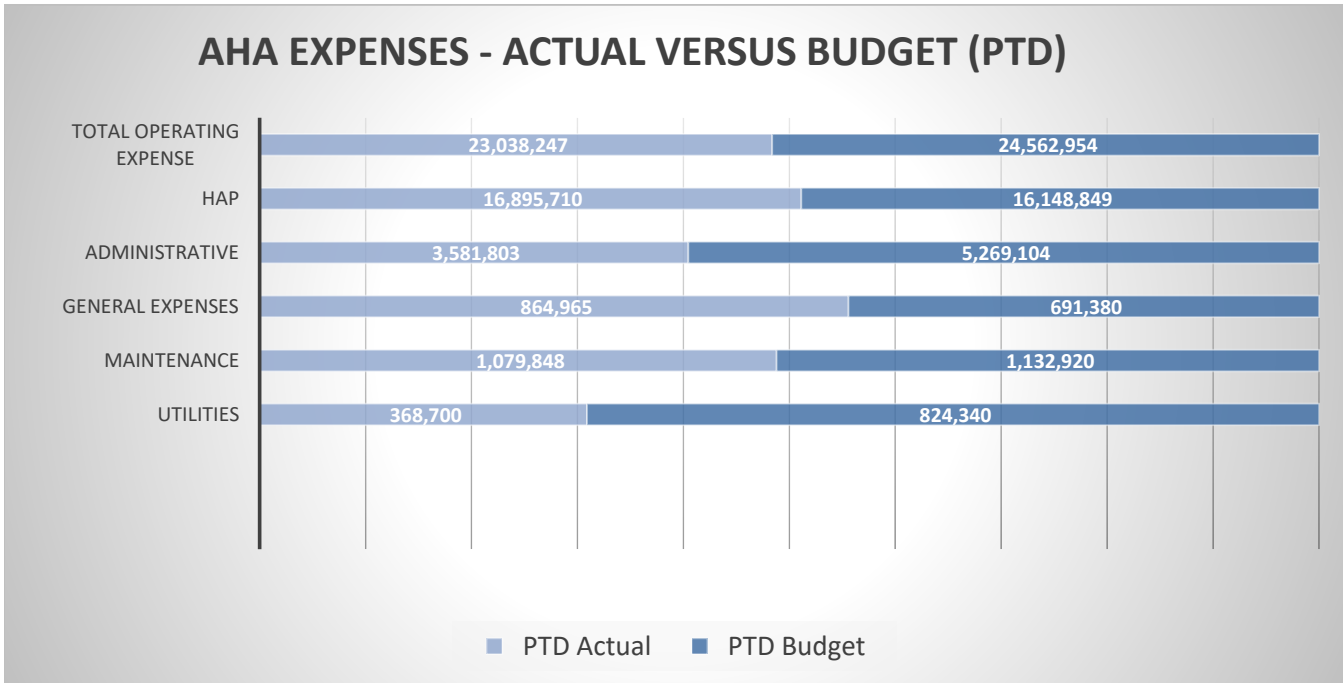
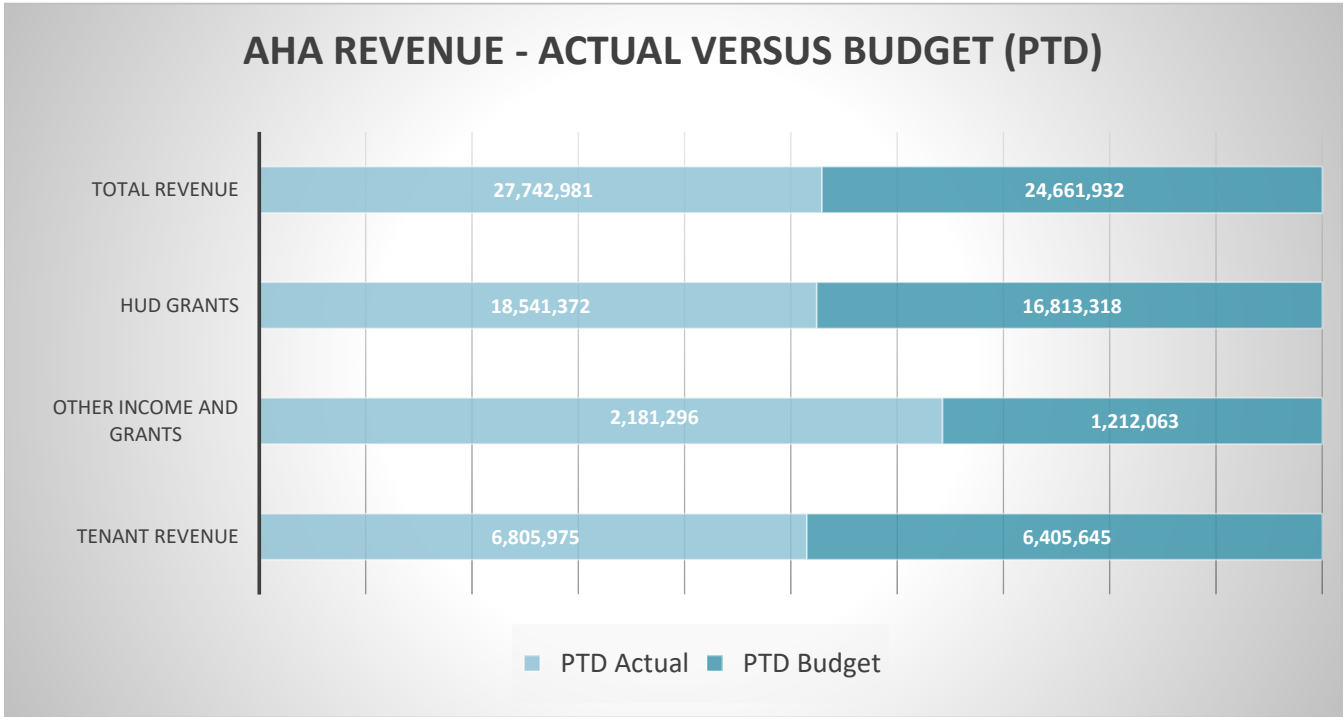
Budget Comparison (with PTD)

Period = Jul 2020-Dec 2020

Book = Accrual

	PTD Actual	PTD Budget	Variance	% Var
9610010 Insurance - Workers Compensation	6,097.82	0.00	-6,097.82	N/A
9610020 Insurance - Liability	27,281.97	27,547.50	265.53	0.96
9610030 Insurance - Property	49,578.56	68,822.46	19,243.90	27.96
9610040 Insurance - Vehicle	3,078.51	7,930.50	4,851.99	61.18
9610060 Insurance - Other	11,497.79	7,530.00	-3,967.79	-52.69
9620010 Other General Expenses	15,846.00	0.00	-15,846.00	N/A
9698000 TOTAL GENERAL EXPENSES	864,965.47	691,379.94	-173,585.53	-25.11
9699000 TOTAL OPERATING EXPENSES	6,245,344.17	8,358,870.84	2,113,526.67	25.28
9700000 MOD REHAB AND SPC EXPENSES				
9700570 Rent to Owners - Bessie Coleman	99,093.00	0.00	-99,093.00	N/A
9700800 PORT-In (A/R Billings)	-201,900.00	0.00	201,900.00	N/A
9700900 TOTAL MOD REHAB AND SPC EXPENSES	-102,807.00	0.00	102,807.00	N/A
9710000 EXTRAORDINARY EXPENSES				
9710090 Pre-development Cost	0.00	55,234.32	55,234.32	100.00
9713001 HOUSING ASSISTANCE PAYMENTS (VOUCHER)				
9719000 TOTAL EXTRAORDINARY EXPENSES	0.00	55,234.32	55,234.32	100.00
9730001 HOUSING ASSISTANCE PAYMENTS (VOUCHER)				
9730010 Housing Assistance Payments - Landlords	16,852,620.00	16,148,848.50	-703,771.50	-4.36
9730020 Housing Assistance Payments - FSS	26,958.00	0.00	-26,958.00	N/A
9730070 Utility Allowance to Tenants	16,132.00	0.00	-16,132.00	N/A
9739000 TOTAL HOUSING ASSISTANCE PAYMENTS (VOUCHER)	16,895,710.00	16,148,848.50	-746,861.50	-4.62
OPERATING EXPENSES	23,038,247.17	24,562,953.66	-1,524,706.49	-6.21
NET OPERATING INCOME BEFORE DEPRECIATION	4,704,733.52	98,978.34	4,605,755.18	4,653.30
9739500 OTHER EXPENSES				
9740000 Depreciation Expense	859,298.01	836,713.02	-22,584.99	-2.70
9859999 TOTAL OTHER EXPENSES	859,298.01	836,713.02	-22,584.99	-2.70
9996000 TOTAL EXPENSES	23,897,545.18	25,399,666.68	1,502,121.50	5.91
9998000 NET INCOME	3,845,435.51	-737,734.68	4,583,170.19	621.25

Attachment 3
Budget Comparison (with PTD)
 Period = Jul 2020-Dec 2020
 Book = Accrual



Note - Categories less than \$100,000 and Depreciation not presented



Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Candace Latigue, Asset Manager
Date: February 17, 2021
RE: Accept Quarterly Asset Management Report for Q4

BACKGROUND

This memo provides an overview of the Quarterly Financials for the Low-Income Housing Tax Credit (LIHTC) Partnership Properties through December 31, 2020 prepared by Asset Management.

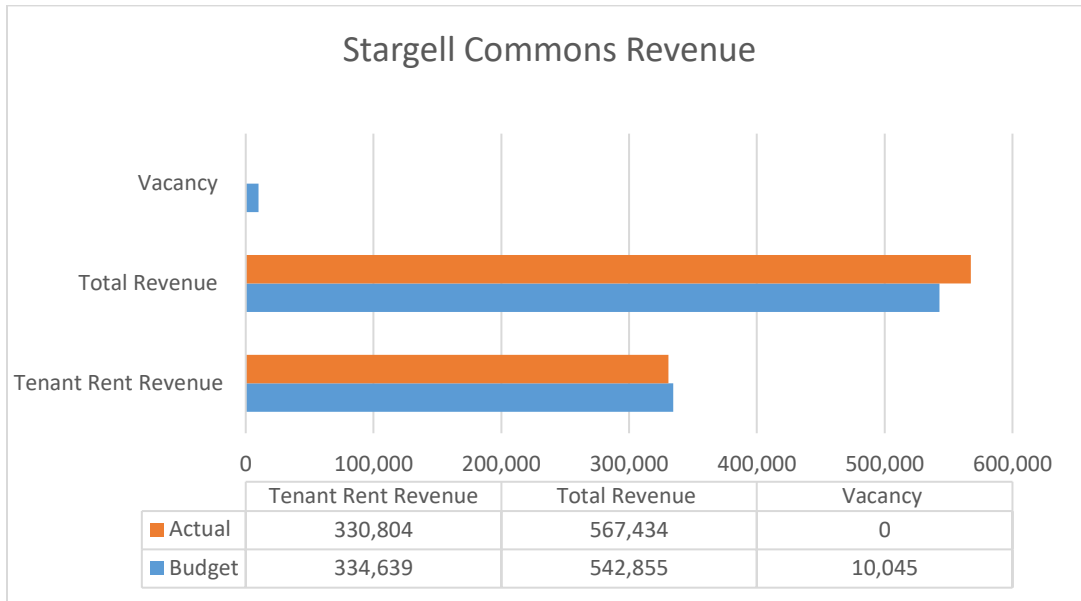
DISCUSSION

Stargell Commons

Stargell Commons is a 32-unit Low Income Housing Tax Credit (LIHTC) Multi-Family project. The Property is run by Resources for Community Development (RCD) and managed by The John Stewart Company (JSCO).

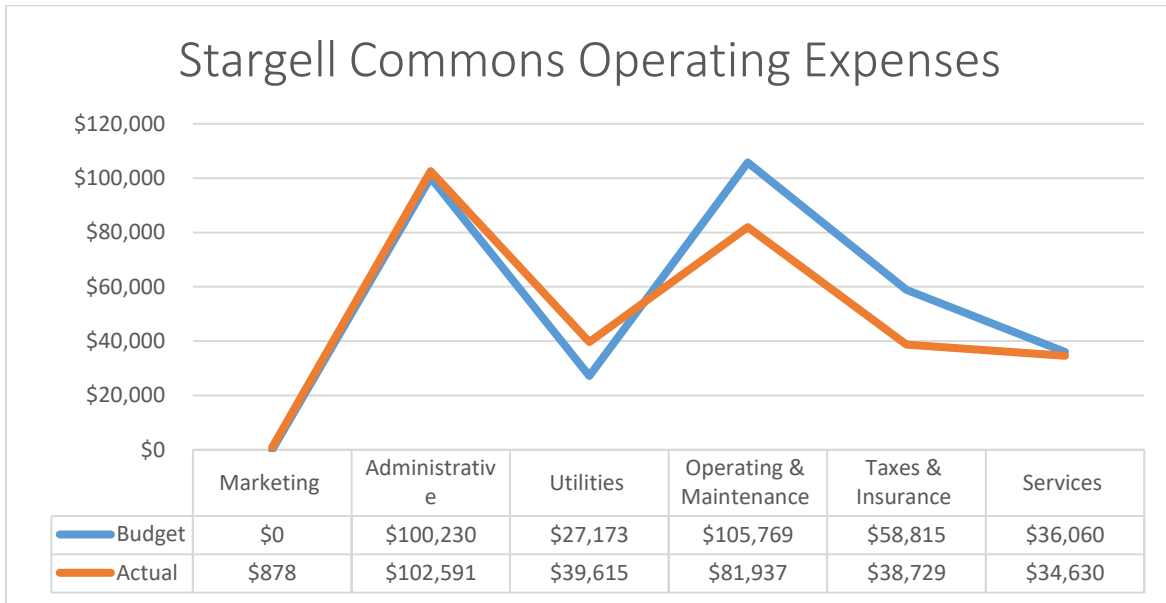
Revenue: Out of the rental revenue, 59% came from the tenant portion of rent while 41% is from the Project-Based Voucher (PBV) Subsidy contract. Year-to-Date (YTD) Gross Potential Revenue (GPR) exceeded budget projections by 3.04% or \$16,552. Although the tenant rental income came in short of the budget by 1.15% or \$3,835, the total revenue which includes additional items such as laundry, interest, vacancy and concessions, surpassed the budget bringing in more revenue than expected by \$24,579.56 or 4.54%. 1.8% was budgeted for vacancy yet there were no vacancies or vacancy loss.





Operating Expenses: This property operated at \$12,799 per unit per year (PUPY) including hard debt and required reserve deposits. Marketing and Administrative Expenses were slightly over budget by 3.23% or \$3,239.31 with the largest variance in Office Expenses where the property over-spent by \$3,318.69 or 143.52%. Expenses for Payroll Property Manager, Audit Services and Phone/Internet also contributed to the overage. With COVID-19 Shut-Ins, it was expected Utility expenses may end the quarter being over budget which was the case for Stargell Commons by \$12,441.58 or 45.79%. The overage was concentrated in electricity expenses. The Operating and Maintenance expenditures were under budget by \$23,831.68 or 22.53%. Taxes and Insurance were under budget by 29.35% or \$16,085.94. Service expenses were also under budget by 3.97% or \$1,430.84. Stargell Commons has a 15-year permanent loan that was converted from the original construction loan in February 2018. Monthly payments are made towards the loan. The Debt Service Coverage Ratios (DSCR) exceeded projection of 2.16, the true DSCR was 2.72, the project has sufficient funds to cover the debt obligations with ease. Overall Net Operating Income (NOI) made a profit of \$50,246.63 above budget projections. Budgeted NOI was \$218,808 versus actuals of \$269,054.83.

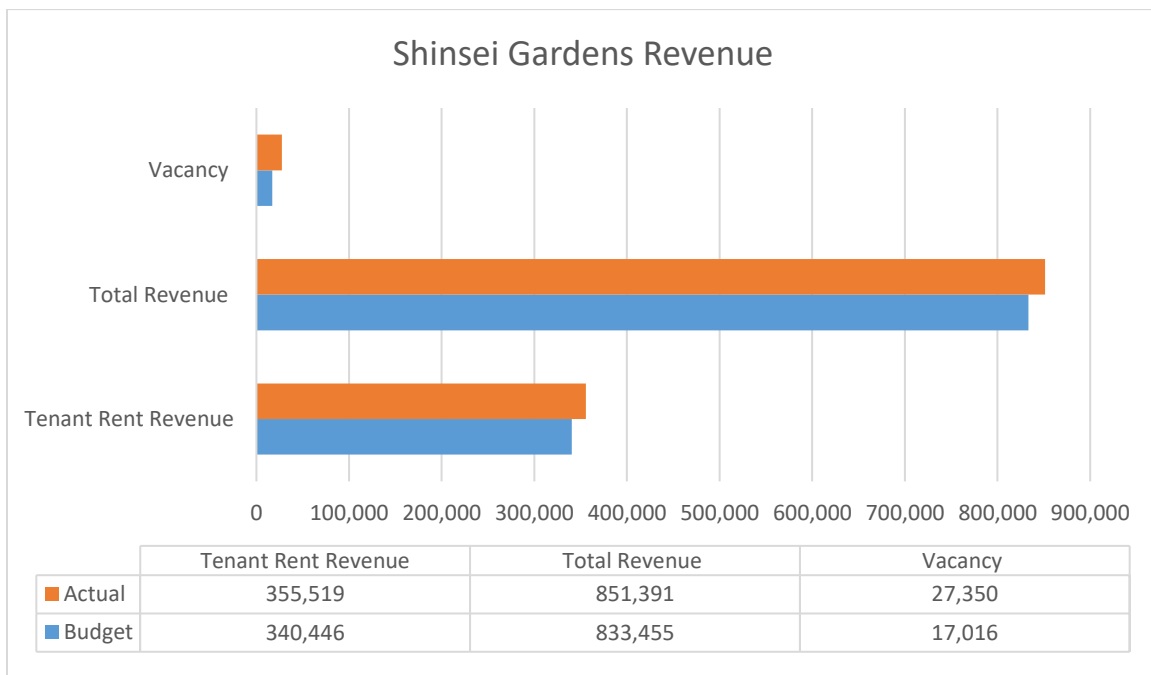




Shinsei Gardens

Shinsei Gardens is a Multi-Family 39-unit LIHTC project. This partnership is also run by Resources for Community Development (RCD) and property management services are provided by JSCO.

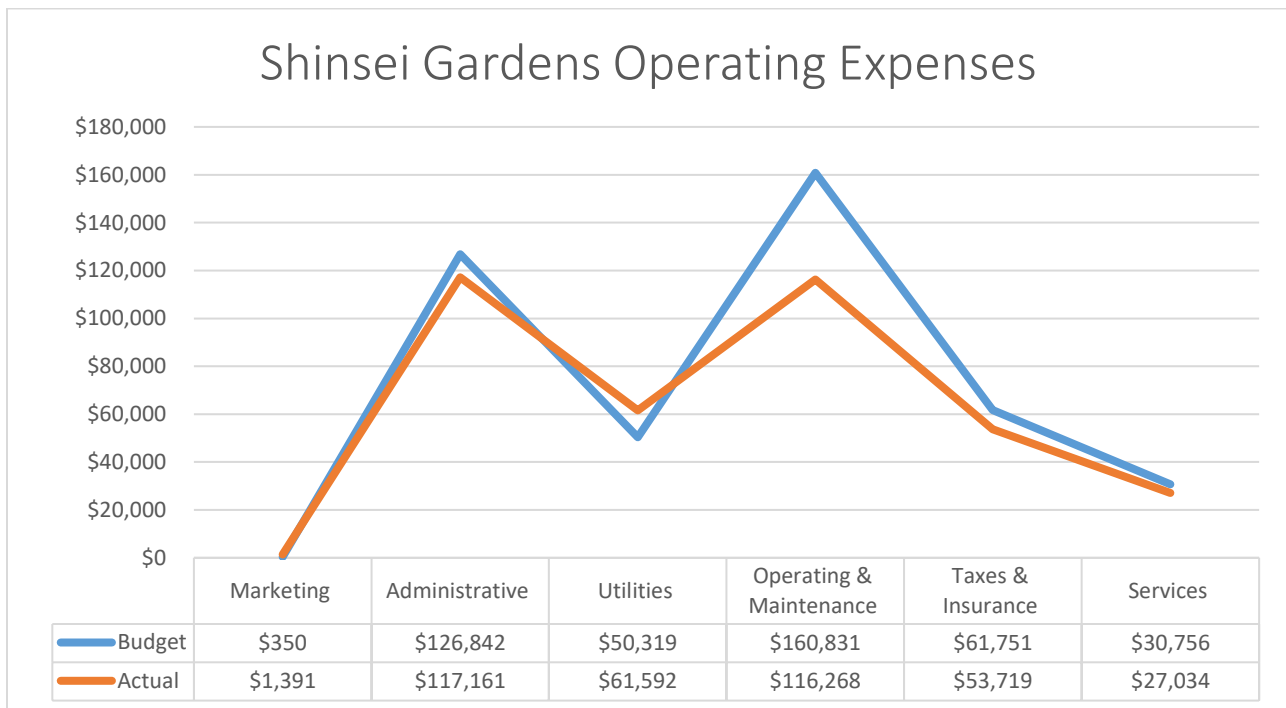
Revenue: The YTD Gross Potential Rent (GPR) was over budget by 3.83% or \$32,138. The Tenant Rent Revenue actuals were higher than budgeted by 4.43% or \$15,073. Total Revenue exceeded budget expectations by 2.15% or \$17,935.44. Vacancy was projected at 1.5% and closed out the year with actuals being 3.1% or \$27,350.



Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
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Operating Expenses: This property operated at \$10,270.91 per unit per year (PUPY) including replacement reserve deposits. Marketing over budget by 297.43% or \$1,041 assuming expenses went towards filling a unit that was vacant since September 2019 and leased in February 2020. Administrative expenses were under budget by 7.63% or \$9,680.92. Utilities at Shinsei Gardens were also over the projections by 22.40% over budget or \$11,272.63. The heaviest expense in utilities were the water expenses by \$8,291.04 or 36.66%. Operating and Maintenance was 444,562.92 or 27.71% under projections. With residents primarily staying at home due to COVID-19, expenses were expected to be over the budget. Taxes and Insurance were under budget estimates by 13.01% or \$8,032.17. Social Services maintained under budget projections by \$3,722.19 or 12.10%. It was confirmed that the permanent loan was paid off in June 2020. The project's remaining debt consist of soft loans, thus there is no DSCR to report at this time. Overall Operating Expenses were under budget by 16.6% or \$71,620.01. Sufficient cash flow is available for corporate and additional financial expenses that traditionally fall "Below The Line".

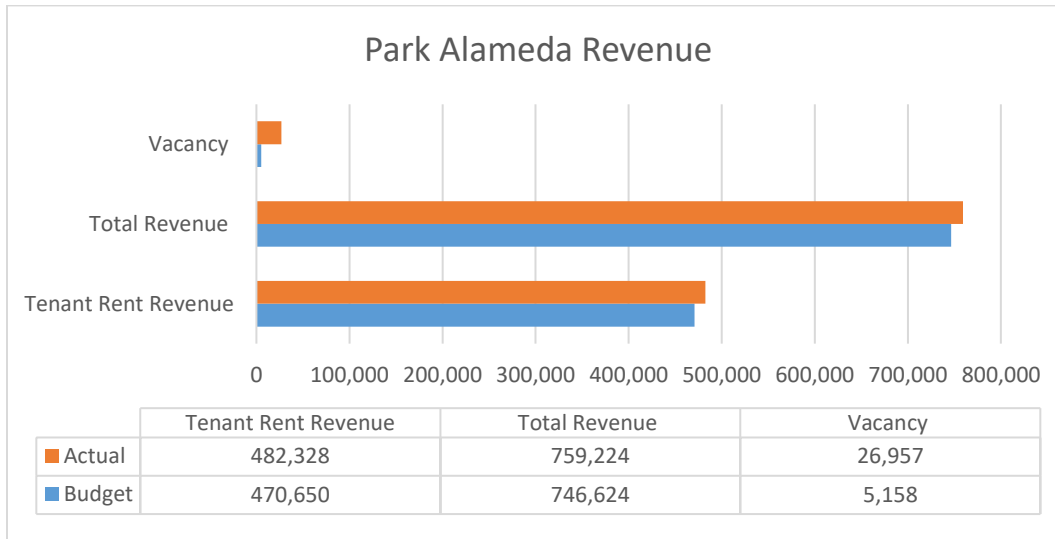


Park Alameda

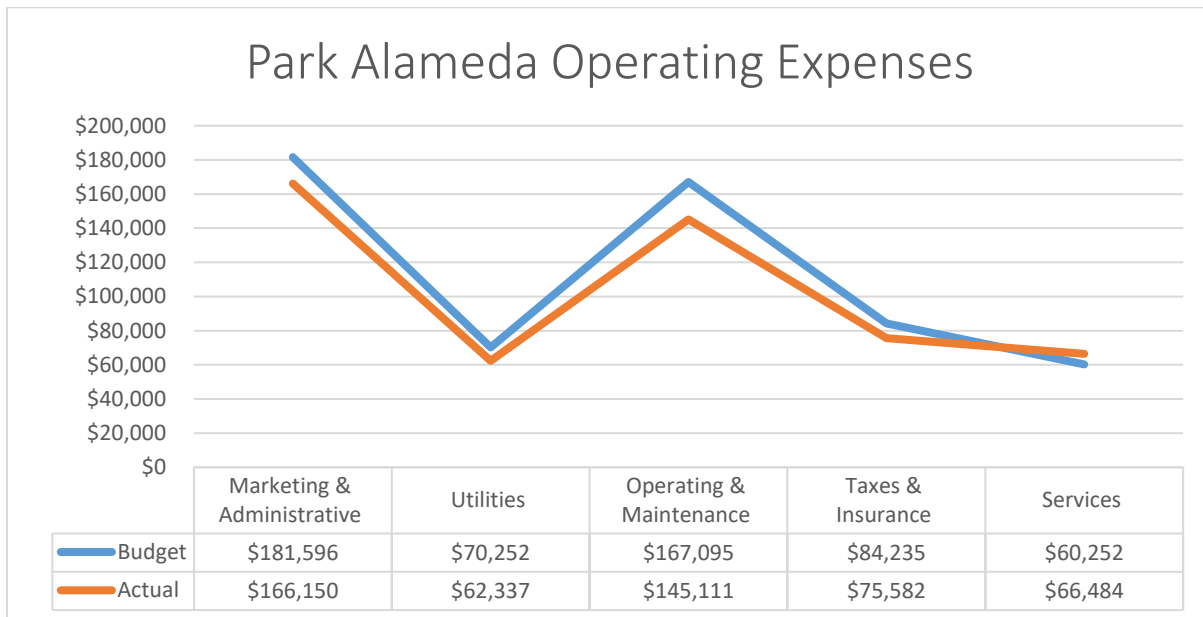
Park Alameda a 62-unit LIHTC Multi-Family Partnership with RCD. JSCO provides property management services.

Revenue: Park Alameda Tenant Rents cover 63% of the projected Rental Revenue. Year- to- Date GPR exceeded projections by 4.78% or \$35,566.30. The Tenant Rent actuals portion also surpassed the budget by \$11,677.56 or 2.48%. Total revenue surpassed the budget by 1.69% or \$12,599.99.





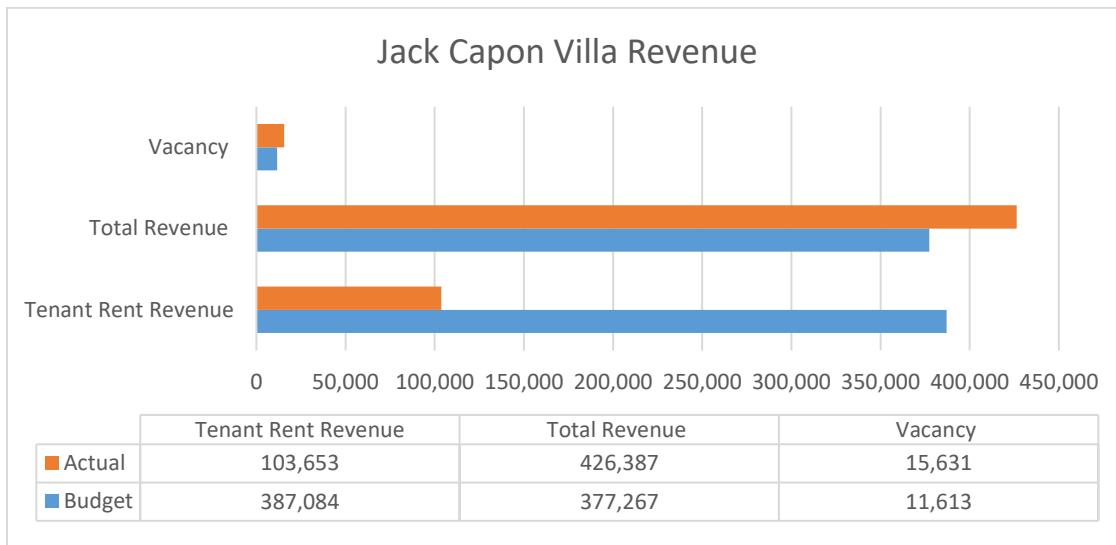
Operating Expenses: This property operated at \$8,832.19 per unit per year (PUPY) including replacement reserve deposits. Marketing and Administrative expense actuals were 8.51% or \$15,445.64 less than the YTD projections. Utilities were also under budget by \$7,914.76 or 11.27%. Water, electricity and sewer were slightly over budget but by no more than 3% with a variance of \$409; yet the gas expense was significantly lower than the budget by \$8,748.16 or 42%. Operating and Maintenance expenses were under budget by \$21,983.26 or 13.16%. Taxes and Insurance expenses were lower than the YTD budget by 10.27% or \$8,652.76. Social Services appeared to be the only category that was exceeded the budget by 10.34% or \$3,232.08. Net Operating Income (NOI) overall topped the projected budget by \$60,364.33 or 32.95%. NOI was budgeted at \$183,193.84 in comparison to actuals of \$243,558.27. Park Alameda does not have any hard debt that is required at this time, all soft loans are deferred, and interest payments are expected to go through the waterfall.



Jack Capon Villa

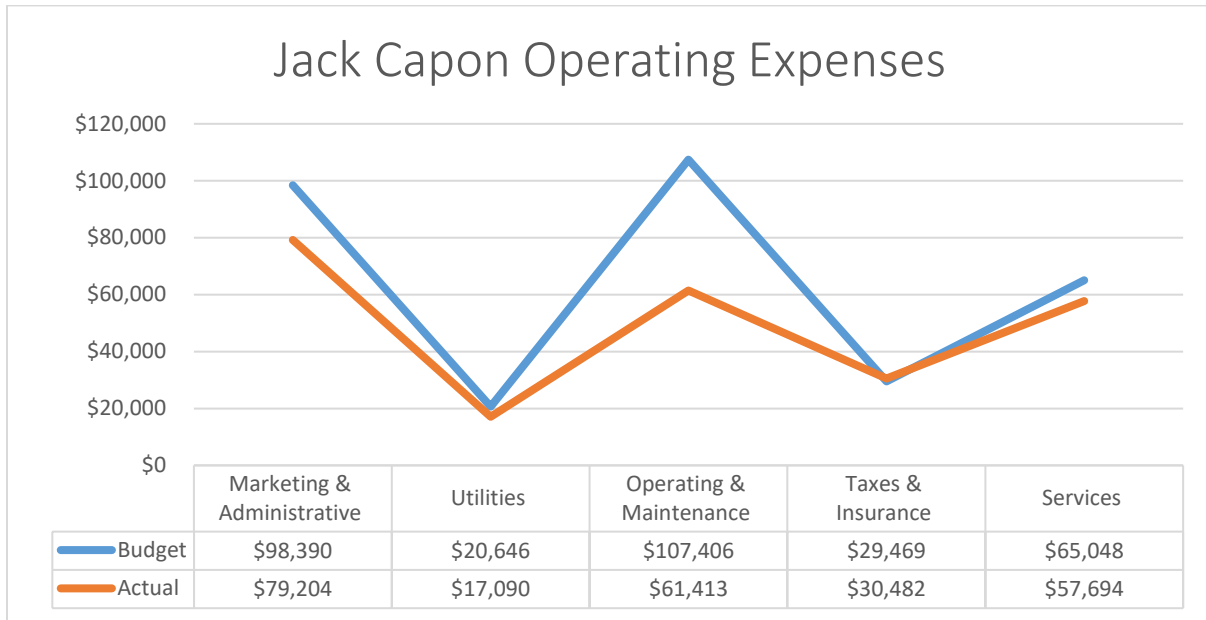
Jack Capon Villa is a 19-unit residential LIHTC project for developmental disabilities. Satellite Affordable Housing Associates (SAHA) is the partner for this development and Housing Consortium of the East Bay (HCEB) provides property management services.

Revenue: Jack Capon Villa projected total revenue exceeded the budget by 13% or \$49,120. Tenant GPR fell short of the budget by \$283,431 or 73%. We can assume the majority of income for the residents decreased during the Shut-In Stay due to COVID-19. Housing Authority subsidy actuals of \$335,007 were the strong factor to push the rental revenue over YTD budget expectations.



Operating Expenses: This property operated at \$15,048.42 per unit per year (PUPY) including hard debt and replacement reserve deposits. All YTD operating expenses were under budget. Administrative expenses were under budget by 20% or \$19,186. Operating and Maintenance expenses were under budget estimations by 43% or \$45,993. There were a few items within operating and maintenance that were over budget with the largest expense for Custodian expenses which contributed to thorough deep cleaning and COVID-19 preventions. Taxes and Insurance expenses were 3% or \$1,012 under budget projections. YTD Social Services at the property were under budget by 11% or \$7,354. Net income surpassed YTD budget estimate by 305%, for the project expected revenue of \$-43,673 and closed the year with \$89,695 in profit.

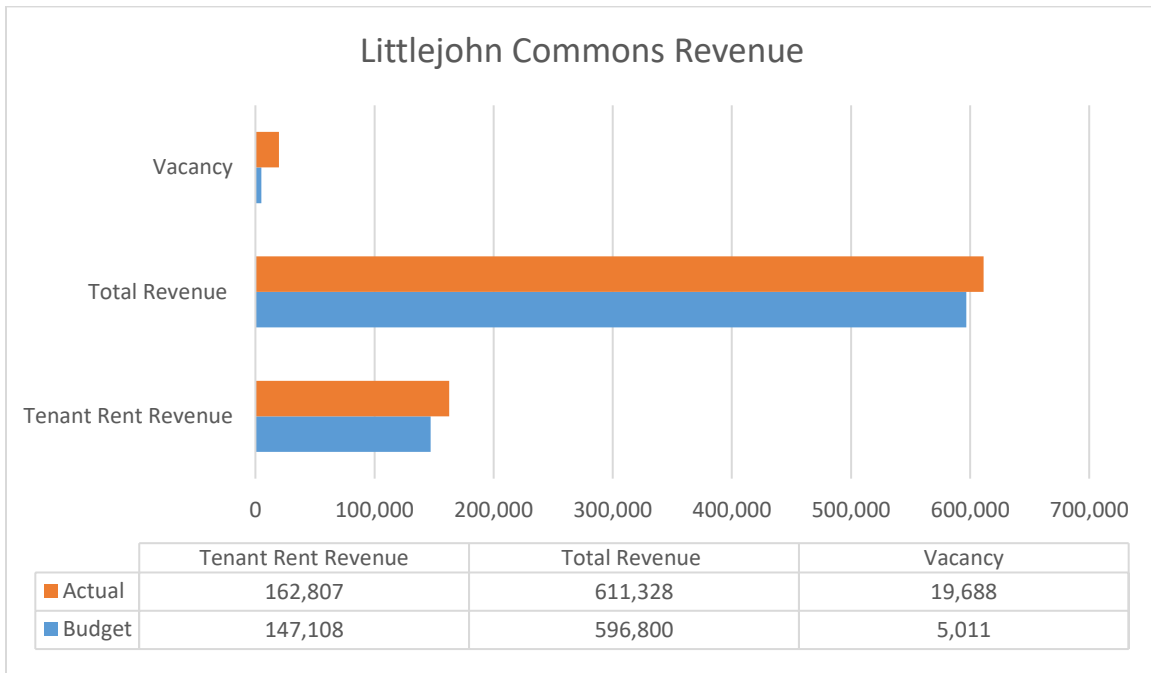




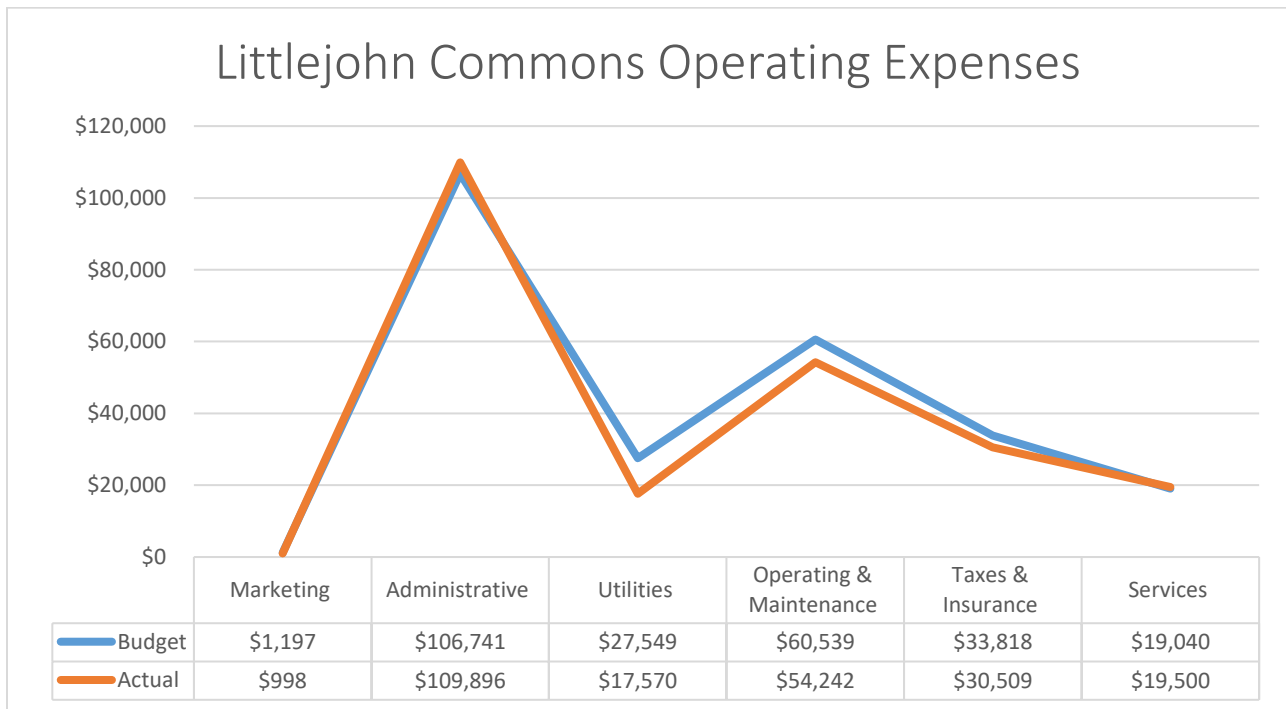
Littlejohn Commons

Littlejohn Commons is a 31-unit LIHTC Senior community. JSCO also provides property management services.

Revenue: Gross Projected Revenue exceeded budget projections by 4.69% or \$28,205. Total YTD revenue surpassed the budget by 2.43% or \$14,527.58. Littlejohn Commons had two vacant units making the vacancy rate higher than the budget by \$14,676.80 or 292.88%. One unit was filled 11/24/2020.



Operating Expenses: This property operated at \$17,249 per unit per year (PUPY) including hard debt and replacement reserve deposits. Marketing expenses were under budget by 16.62% or \$199. Administrative costs were slightly over the YTD budget by 2.96% or \$3,154.40 with the biggest overage in payroll expenses, legal, CPA/Audit services and miscellaneous administrative expenses. Utilities were under budget by 36.22% or \$9,978 with sewer expenses well below the projections of \$11,703 reflecting actuals of \$859. Operating and Maintenance were also under budget by \$6,297 or 10.40%. Taxes and Insurance expenses closed the year under budget by \$9.79% or \$3,309. Social Service costs were over budget, mainly due to additional assistance needed for income and health needs thus the demand for services increased by 2.42% or \$460. Overall Net Operating Income (NOI) projections were over budget by \$30,697 with a estimated NOI of \$347,916 and actuals of \$378,613. The permanent loan on the property is with California Community Reinvestment Corporation (CCRC). The Debt Service Coverage Ratio (DSCR) budgeted was 1.41 and ended with 1.27 which is still sufficient to cover the loan payments.

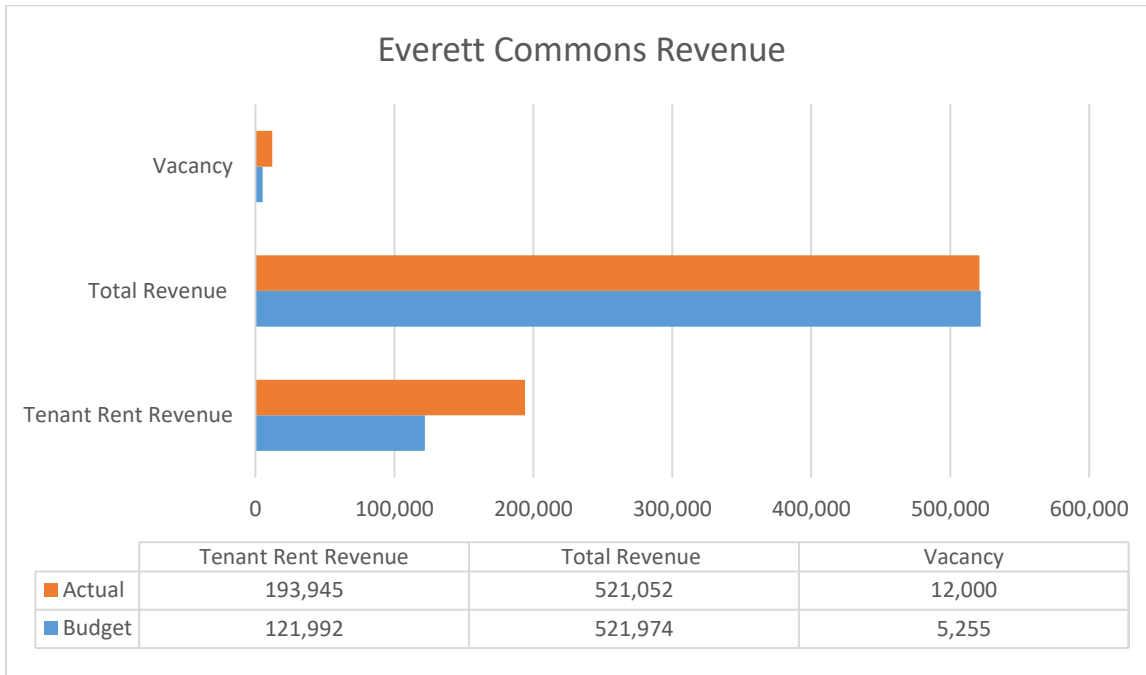


Everett Commons

Everett Commons a 20-unit LIHTC development project for families. The John Stewart Company manages the property.

Revenue: Everett Commons Tenant Revenue exceeded the YTD projections by 14.72% or \$17,953. Gross Potential Rents surpassed the budget by 0.51% or \$2,671. However total budget did not meet budget projections by 0.18% or \$922.16. In regard to vacancy, there was one unit vacant which pushed the vacancy rate above budget at 2.2% (budgeted 1% vacancy) or \$12,000. The unit was filled December 31, 2020.



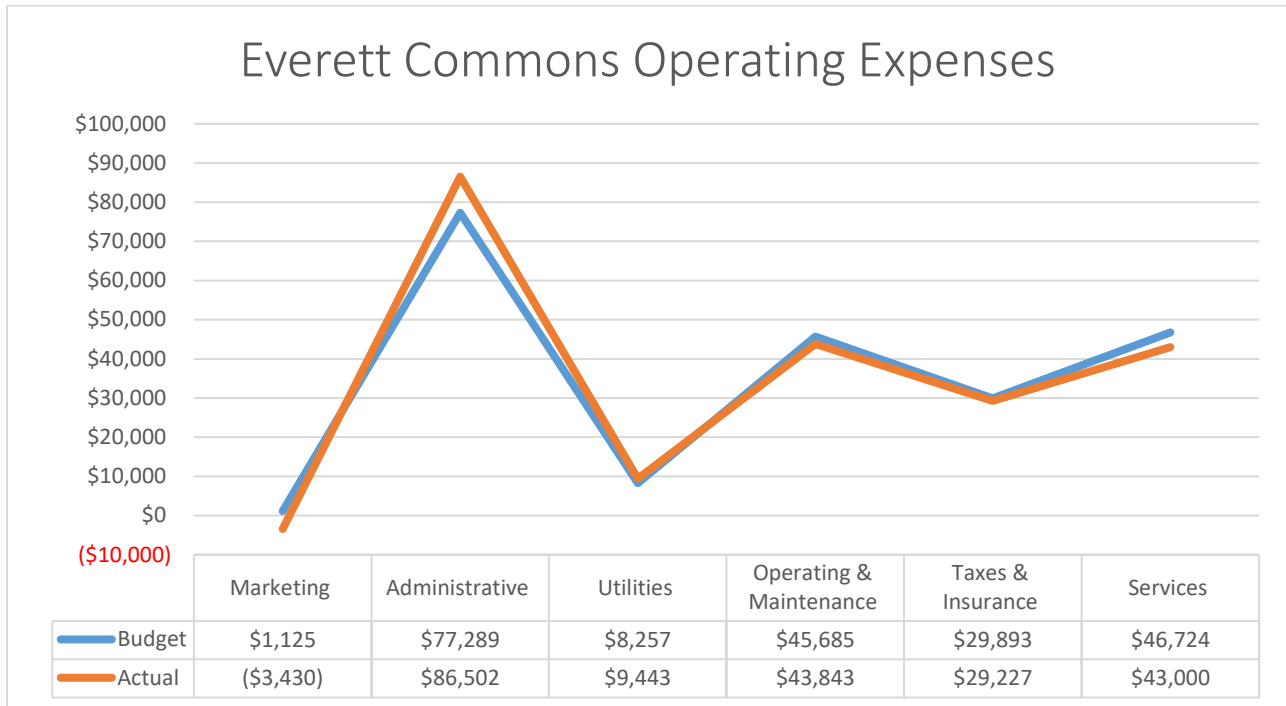


Operating Expenses: Everett Commons operated at \$21,357.50 per unit per year (PUPY) including hard debt and replacement reserve deposits. Marketing expenses were under budget by \$404.9% or \$4,555.16. The contract with the prior marketing service provider was terminated early in the year (2020). Administrative costs were over budget by \$11.92% or \$9,212.92 with the largest variance in Legal, Audit, Computer and Office expenses. Utilities were also over the YTD budget by \$1,186.01 or 14.36%. Water expenses being the largest variance were projected at \$2,133.13 and actuals were \$5,961.77. The Operating and Maintenance expenditures were under budget by 4.03% or \$1,842.62. Taxes and Insurance were over the estimated costs by \$666.01 or 2.23% with the leading variance in Employee Benefits and Workers Comp which may be adjusted in the final audit for some of the expenses tend to be accruals, not actuals. YTD Services expenses ended 2020 under budget by 7.97% or \$3,724.12. The perm loan is held with Chase Commercial with YTD Debt Service Coverage Ratio (DSCR) of 1.452 which was higher than budgeted DCSR of 1.32. Net Operating Income (NOI) was slightly under budget by \$533.



Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
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RESERVE BALANCES AS OF 12/31/2020	
STARGELL COMMONS	\$460,172
SHINSEI GARDENS	\$951,269
JACK CAPON	\$245,227
PARK ALAMEDA	\$749,468
LITTLEJOHN COMMONS	\$272,793
EVERETT COMMONS	\$79,938

The Partnership with Breakers at Bayport is only a land lease relationship between Resources for Community Development (RCD) and will be included more in depth on the Asset Management Annual Report.

RECOMMENDATION

Accept Quarterly Asset Management Report for Q4.

Respectfully submitted,

DocuSigned by:
Candace Latigue
1802DAD767AA43B...
Candace Latigue
Asset Manager





Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Janet Basta, Director of Human Resources and Operations

Date: February 17, 2021

RE: Authorize the Executive Director to implement two new temporary leave programs: (i) up to 2 weeks of COVID-19 Provisional Sick Leave, with certain limitations, to be used no later than March 31, 2021 and (ii) up to 80 hours of vacation advance, with certain limitations, if requested before June 30, 2021

BACKGROUND

Due to the ongoing global pandemic, over the past 11 months staff have utilized leave balances at a higher rate than usual and for some staff, paid leave balances are very low. Staff is proposing two additional options to allow some additional flexibility for staff, particular in the event of an unplanned need for leave, such as childcare or health issues.

Due the short term nature of the proposed changes, staff is proposing two standalone temporary policies rather than a revision to the leave section of the Employee Handbook. This proposal has been reviewed by Liebert Cassidy Whitmore. The policies will be shared with all staff upon approval.

DISCUSSION

Under the Families First Coronavirus Response Act (FFCRA), employees were provided the right to take up to 80 hours of Emergency Paid Sick Leave (EPSL) for certain reasons related to COVID-19. The FFCRA expired on December 31, 2020. At the time the FFCRA expired, there were a number of employees who did not use all or any of their EPSL. Private sector businesses are allowed to extend FFCRA leave through March 31, 2021 in order to receive tax credits for FFCRA leave taken through this date. As a public entity, AHA is not eligible for those tax credits. However, the Board is asked to allow the Executive Director to implement a COVID-19 Provisional Sick Leave (CPSL) program that would allow employees who had a balance of EPSL remaining on December 31, 2020, to use those hours for specific COVID-19 related qualifying purpose through March 31, 2021. It is important to note that this leave is not reimbursed by the federal government, so it is a direct cost the agency.

The proposed CPSL would be in effect from January 1, 2021 to March 31, 2021, and would only be available to those staff who have not already exhausted their EPSL leave as of December 31, 2020. Some 27% of staff used the leave in part or full from April through December 2020. For staff who have already used this leave in 2020, they can



also apply for state disability insurance (SDI) or paid family leave (PFL) benefits through the Employment Development Department (EDD) if they or their family member fall sick; the state has waived the normal one week waiting period for SDI benefits and makes the determinations on eligibility. Eligible employees may also request FMLA/CFRA leave which provides for insurance continuation during these leaves, whether paid or unpaid.

The CPSL leave will be subject to certain constraints – it cannot be used where an employee or their close contact has travelled out of the area and the employee is quarantining as a result. Furthermore, in the event that the federal, state or local government issues new a regulation, guidance or law that provides additional leave for COVID-19 related absences covered by this policy, the policy would immediately and automatically terminate at the time those new leaves become available.

The Board is also asked to allow the Executive Director to temporarily reinstate and amend the leave advance program from February 17, 2021 until June 30, 2021. The prior program expired on December 31, 2020. In order to receive a leave advance, employees would need to request the advance in writing, sign a statement that they understand that they would not accrue additional leave until the advanced leave is earned back, and that they agree to reimburse AHA for the value of the leave if they leave AHA's employment prior to earning back the advance leave. The leave will only be available to staff who have exhausted all other vacation and floating holiday hours. The agency will make a maximum leave advance of 80 hours and the advance will be for vacation time only. Requests for an advance can only be made in a 40 hour blocks. 8% of staff already used some or all of this leave advance, and would be eligible to access only up to a total number of 80 hours from April 1, 2020 to June 30, 2021, including sick or vacation leave advances which were made prior to December 31, 2020.

Reinstating the leave advance program on a temporary basis will help provide employees with no alternative to an unpaid leave, which AHA generally does not grant unless required to do so by law, regulation or policy (ex, FMLA/CFRA). Additionally, this will support maintenance of affected employees insurance benefits, which generally become the employee's responsibility when on unpaid status for more than one pay period unless otherwise covered by a protected leave of absence.

FINANCIAL IMPACT

If employees request CPSL, these leaves will be paid and are in addition to time off employees would otherwise have. Generally, payroll runs at approximately \$200,000 per two-week pay period. If 20% of staff took the full 2 weeks of paid sick leave this could amount to an additional \$40,000 in expenditures. Advancing vacation time has no fiscal cost over time as the employee does not accrue new vacation until the debt is paid off, and is required to repay the advance if they leave AHA's employ.

RECOMMENDATION

Authorize the Executive Director to implement two new temporary leave programs: (i) up to 2 weeks of COVID-19 Provisional Sick Leave, with certain limitations, to be used no later than March 31, 2021 and (ii) up to 80 hours of vacation advance, with certain limitations, if requested before June 30, 2021.



Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
Page 3 of 3

Respectfully submitted,

DocuSigned by:

Janet Basta

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Janet Basta

Director of Human Resources and Operations

Attachments:

1. COVID-19 Provisional Sick Leave (CPSL) Policy
2. Vacation Advance Policy



Attachment 1

COVID-19 Provisional Sick Leave (CPSL)

A. COVID-19 Provisional Sick Leave

The Housing Authority of the City of Alameda will provide COVID-19 Provisional Sick Leave (“CPSL”) to eligible Agency employees on a limited basis beginning January 1, 2021 through March 31, 2021, unless otherwise amended by the Housing Authority. The Agency reserves the right to revoke/amend this provisional sick leave as the Housing Authority deems necessary. The Housing Authority will reassess CPSL if/when new COVID-19 leave obligations are codified into law.

B. Employees Eligible for CPSL

This policy shall apply to all employees who have been employed at the Agency for at least 30 days prior to the need for CPSL.

C. CPSL Entitlement

The amount of CPSL available to employees is determined by employees’ remaining Families First Coronavirus Response Act Emergency Paid Sick Leave (EPSL) balance as of December 31, 2021, not to exceed 80 hours (for full-time employees). For example, if a full-time employee used 40 hours of EPSL in 2020, the balance of leave available to them under CPSL is 40 hours. If a full-time employee did not use any EPSL in 2020, the balance of leave available to that employee under CPSL is 80 hours.

For the purposes of CPSL only, any employee who does not work 40 hours per week is a part-time employee. Part-time employees may take CPSL up to the number of hours that the employee is normally scheduled to work over two workweeks.

If an employee used the full amount of EPSL hours they were eligible for in 2020, they are not eligible for CPSL.

D. Qualifying Reasons for CPSL

Except as indicated in section E, below, an employee is entitled to take CPSL if the employee is unable to work, including if the employee is unable to telework/work from home, for the following listed reasons.

Pursuant to CPSL, an employee will receive 100% of their regular rate of pay, up to \$511 daily and \$5,110 total when the employee:

1. Is subject to a Federal, State, or County quarantine or isolation order related to COVID-19;

2. Has been advised by a health care provider to self-quarantine related to COVID-19 and can provide written notification from their health care provider; and/or
3. Is experiencing COVID-19 symptoms and is seeking a medical diagnosis.

Pursuant to CPSL, an employee will receive two-thirds (2/3) of their regular rate of pay, up to \$200 daily and \$2,000 total when the employee:

1. Is caring for an individual subject to an order as described above in (1) or is self-quarantining as described above in (2); and/or
2. Is caring for their child whose school or place of care is closed (or child care provider is unavailable), due to COVID-19 related reasons.

E. CPSL Use Exceptions

Employees required to quarantine pursuant to State and/or County Public Health directives due to travel, are **not** eligible for CPSL. If an employee who must quarantine due to travel is unable to work from home, the employee must use their personal leave balances, such as sick leave and vacation, in order to be paid during their required post-travel quarantine. Employees who are ineligible for CPSL, and have no available personal leave balances, will be placed on unpaid leave during their required 10-day quarantine after travel, and may be responsible for the cost of their insurance benefits.

Attachment 2

Vacation Advance Policy

A. Vacation Advance Policy

During the COVID-19 health emergency only, employees may request an advance of up to 80 hours of vacation leave. Employees are not eligible to request advances of sick leave or floating holidays.

An employee may only request an advance of vacation when their accrued paid leave balance of vacation and floating holiday is exhausted and must make the request in writing to Human Resources. A request can only be made in either blocks of 40 hours or in a single request to use the full remaining balance if less than 40 hours. The leave can be used in 15 minutes increments for non-exempt employees, or two hour increments for exempt employees.

The employee must sign a vacation advance agreement prior to the issuance of the leave advancement and will not begin accruing vacation leave until the amount that has been advanced is "repaid" through future paid leave accrual. Employees that separate from AHA before earning the advanced leave back must repay the value of the leave to AHA.

B. Employees Eligible for Vacation Advance Policy

This policy shall apply to all full-time employees who have been employed at the Agency for at least 30 days prior to the need for the leave advance.

If an employee used a full 80 hours of sick and/or vacation leave advance in 2020, they are not eligible for a leave advancement under this Policy. Additionally, any leave advance already requested will be deducted from the total amount available under this policy.

C. Expiration

This program shall automatically expire in June 30, 2021 unless extended by the Board. Only requests approved by June 30, 2021 will be honored.



Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Candace Latigue, Asset Manager

Date: February 17, 2021

Re: Approve the Amended and Restated Lease Agreement between the Housing Authority of the City of Alameda, as landlord, and Alameda Family Service, as tenant, for Continued Use of Real Property as a Preschool Located at Esperanza Multi-Use Center, 1903 3rd Street in the City of Alameda, County of Alameda, and Authorize the Executive Director or designee to Execute the lease; CEQA Exempt

BACKGROUND

The Housing Authority of the City of Alameda ("AHA") owns that certain real property improved with an approximately 2,350 square foot building, a surrounding fenced patio and playground area consisting of approximately 4,800 square feet, located at 1901 3rd Street, Alameda, CA, ("Land").

The Housing Authority of the City of Alameda (AHA) and the Alameda Family Services (AFS), successor in interest to Xanthos, Inc., entered into that certain Lease Agreement dated on or about June 18, 1992, as amended by that certain Amendment to Lease Agreement dated on or about October 1, 1997, that certain Amendment No. 1 to Lease Agreement dated on or about October 1, 1998, that certain Amendment No. 2 to Lease Agreement dated on or about May 31, 1999, that certain that certain Amendment No. 3 to Lease Agreement dated on or about August 31, 2004, that certain Amendment No. 4 to Lease Agreement dated on or about August 31, 2009, that certain Amendment No. 5 to Lease Agreement dated on or about September 30, 2014, and that certain Lease Extension Agreement dated on or about September 24, 2020 (extended the term for an additional one year period commencing October 1, 2020 and ending September 30, 2021) (collectively, "Original Lease"). Pursuant to the Original Lease, AHA leased the Land to AFS to be used for the operation of a preschool that benefits the Esperanza Housing Complex located on a portion of the Land and the Alameda community. The term of the Original Lease expires on September 30, 2021.

DISCUSSION

AHA and AFS desire to amend and restate the Original Lease to assemble the terms of the various lease amendments into one lease agreement, to clarify and restate the uses permitted on the leased premises by AFS(i.e., continued use as a preschool), and to extend the term. The proposed Amended and Restated Lease Agreement (1901 3rd Street, Alameda, CA) ("Amended and Restated Lease") is attached. The proposed term is for ten (10) years and the proposed rent is \$2,288 per month with a 3% annual increase. Once the Amended and



Honorable Chair and
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Restated Lease is approved and executed by all parties the terms and conditions of the Original Lease will be amended and restated in their entirety and entirely superseded and replaced by the Amended and Restated Lease, except to the extent of any liabilities that arose under the Original Lease prior to the commencement date.

Health and Safety Code Section 34312.3(b) grants housing authorities a variety of powers including the power to sell, lease or otherwise dispose of real property without complying with any provision of law concerning disposition of surplus property if the proceeds of the sale or lease are used directly to assist a housing project for persons of low income. The Amended and Restated Lease is the continued leasing of an existing facility used as a preschool with ancillary related uses. The term is only ten (10) years and control of the leased premises will be returned to AHA once the lease term ends. The net proceeds of the Amended and Restated Lease will be used directly to assist affordable housing projects for persons of low income, consistent with Health and Safety Code section 34312.3. AHA will hold a public hearing prior to considering the Amended and Restated Lease pursuant to Health and Safety Code section 34312.3.

Pursuant to the California Environmental Quality Act (CEQA), the amended and restated lease of the property was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines Section 15301 Class 1 – Existing Facilities and Section 15061 (b)(3), common sense, general rule exemption. The proposed project is the amending and restating of an existing lease for an existing property used as a preschool, no development is contemplated as part of the proposed amended and restated lease, and it can be seen with certainty that there is no possibility that the activity in question will have a significant impact on the environment since the amended and restated lease is merely the conveyance of a 10 year leasehold interest in the real property. It will not require any construction activities and it will not lead to any direct or reasonably foreseeable indirect physical environmental impacts.

FINANCIAL IMPACT

Staff recommends the monthly lease rate under the Amended and Restated Lease is remains the same as under the Original Lease so there is no financial impact to AHA in connection with this matter.

RECOMMENDATION

That the Board of Commissioners:

1. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 Existing Facilities Exemption and Section 15061(b)(3) General Rule or “Common Sense” Exemption;
2. Conduct a Public Hearing pursuant to Health and Safety Code Section 34312.3;
3. Adopt Resolution Authorizing and Approving the Lease of Real Property located in the City of Alameda, County of Alameda, CA, to Alameda Family Services;
4. Approve the attached form of Amended and Restated Lease Agreement, including all attachments (Lease) between the Housing Authority of the City of Alameda (Housing Authority) and Alameda Family Services, with a 10-year term; and
5. Authorize the Executive Director, or designee, to execute an Amended and Restated Lease Agreement and any other documents, on behalf of the Housing Authority, conforming in form and substance to the attached form of Lease, and administer all



Honorable Chair and
Members of the Board of Commissioners

February 17, 2021
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actions necessary to implement, and complete and memorialize the transactions contemplated in the Lease, subject to approval by General Counsel.

Respectfully submitted,

DocuSigned by:

Candace Latigue

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Candace Latigue
Asset Manager

Attachment(s):

1. Draft Amended and Restated Lease Agreement
2. Draft Resolution
3. Lease Extension Agreement
4. 1972 Site Plan



Attachment 1

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**AMENDED AND RESTATED
LEASE AGREEMENT
(1901 3rd Street, Alameda, CA)**

THIS AMENDED AND RESTATED LEASE AGREEMENT ("Lease"), dated for reference purposes as of _____, 2021, is entered by and between the HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body, corporate and politic ("Lessor"), and ALAMEDA FAMILY SERVICES, a California nonprofit corporation ("Lessee").

RECITALS

A. Lessor is a Housing Authority duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the provision of the Housing Authorities Law which is Part 2 of Division 24 of the California Health and Safety Code commencing with Section 34200 et seq.

B. Pursuant to the Housing Authorities Law, Lessor is authorized to lease its real property or any interest in it.

C. Lessor owns that certain real property improved with an approximately 2,350 square foot building, a surrounding fenced patio and playground area consisting of approximately 4,800 square feet, located at 1901 3rd Street, Alameda, CA, as more specifically depicted on the Site Map attached hereto as Exhibit A and incorporated herein by this reference (the "Land").

D. Lessor and Lessee, successor in interest to Xanthos, Inc., entered into that certain Lease Agreement dated on or about June 18, 1992, as amended by that certain Amendment to Lease Agreement dated on or about October 1, 1997, that certain Amendment No. 1 to Lease Agreement dated on or about October 1, 1998, that certain Amendment No. 2 to Lease Agreement dated on or about May 31, 1999, that certain that certain Amendment No. 3 to Lease Agreement dated on or about August 31, 2004, that certain Amendment No. 4 to Lease Agreement dated on or about August 31, 2009, that certain Amendment No. 5 to Lease Agreement dated on or about September 30, 2014, and that certain Lease Extension Agreement dated on or about September 24, 2020 (collectively, "Original Lease").

E. Pursuant to the Original Lease, Lessor leased the Land to Lessee to be used for the operation of a preschool thereon that benefits the Esperanza Housing Complex located on a portion of the Land and the Alameda community. The term of the Original Lease expires on September 30, 2021.

F. Lessor and Lessee desire to amend and restate the Original Lease for the following purposes (i) to assemble the terms of the various lease amendments into one lease agreement, (ii) clarify and restate the uses permitted on the Leased Premises by Lessee, and (iii) other modifications as more specifically set forth below.

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G. Lessor desires to continue leasing the Land to Lessee pursuant to the terms of this Lease.

H. Capitalized terms which are referred to and utilized throughout this Lease are defined in Article 1 of this Lease.

NOW, THEREFORE, for and in consideration of the foregoing premises, the covenants, representations, warranties and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE 1.
EFFECT OF AMENDED RESTATED LEASE

The foregoing Recitals are true and correct and incorporated herein by this reference. As of the Commencement Date, the terms and conditions of the Original Lease are amended and restated in their entirety and entirely superseded by this Lease, except to the extent of any liabilities that arose under the Original Lease prior to the Commencement Date. The exhibits attached hereto supersede and replace in their entirety the exhibits attached to the Original Lease.

ARTICLE 2.
DEFINITIONS

Section 2.1 Definitions.

For the purposes of this Lease, the following defined terms shall have the meanings ascribed thereto in this Article 2:

- (a) Casualty: As defined in section 8.2 hereof.
- (b) City: The City of Alameda, California.
- (c) Commencement Date: _____, 2021.
- (d) Event of Default: As described in Article 9 hereof.
- (e) Governmental Authorities: Any applicable federal, state or local governmental or quasi-governmental entities, subdivisions, agencies, authorities or instrumentalities having jurisdiction over the Leased Premises, Lessor or Lessee.
- (f) Hazardous Materials or Hazardous Substances: Any oil or any fraction thereof or petroleum products or "hazardous substance" as defined in Section 101(14) of

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CERCLA (42 U.S.C. Section 9601(14) or Section 25281(h) or 25316 of the California Health and Safety Code at such time; any "hazardous waste," "infectious waste" or "hazardous material" as defined in Section 25117, 25117.5 or 25501(j) of the California Health and Safety Code at such time; any other waste, substance or material designated or regulated in any way as "toxic" or "hazardous" in the RCRA (42 U.S.C. Section 6901 et seq.), CERCLA Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), Safe Drinking Water Act (42 U.S.C. Section 300(f) et seq.), Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.), Clean Air Act (42 U.S.C. Section 7401 et seq.), California Health and Safety Code (Section 25100 et seq., Section 39000 et seq.), or California Water Code (Section 13000 et seq.), at such time; and any additional wastes, substances or material which at such time are classified, considered or regulated as hazardous or toxic under any other present or future environmental or other similar laws relating to the Leased Premises, but excluding any substances or materials used in the maintenance of the Leased Premises, so long as the same are used in accordance with all applicable laws.

(g) Hazardous Materials Law: All federal, state, and local laws, ordinances, regulations, orders and directives pertaining to Hazardous Materials in, on or under the Leased Premises or any portion thereof.

(h) HUD: The United States Department of Housing and Urban Development.

(i) Impositions: All taxes including property taxes, assessments, water and sewer charges, charges for public utilities, excises, levies, license and permit fees and other charges that shall or may be assessed, levied or imposed during the Term by any Governmental Authorities upon the Leased Premises or any part thereof, including the buildings or improvements now or hereafter located thereon; provided, however, that the term "Impositions" shall not include any income tax, capital levy, estate, succession, inheritance, transfer or similar taxes of Lessor, or any franchise tax imposed upon any owner of the fee of the Leased Premises, or any income, profits or revenue tax, assessment or charge imposed upon the rent or other benefit received by Lessor under this Lease by any Governmental Authorities.

(j) Land: That certain tract of real property located in the City, which is being leased to Lessee pursuant to this Lease, as described in the attached Exhibit A.

(k) Leased Premises: That certain leasehold interest in the Land, together with all and singular rights, easements, licenses, privileges and appurtenances thereunto attaching or in any way belonging thereto.

(l) Lease Year: A calendar year.

(m) Legal Requirements: All laws, statutes, codes, ordinances, orders, rules, regulations and requirements of all Governmental Authorities and the appropriate agencies, officers, departments, boards and commissions thereof, whether now or hereafter in force, applicable to Lessor, Lessee, the Leased Premises, or any portion thereof, to the extent so applicable.

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(n) Lessee's Estate: Lessee's leasehold interest in the Land acquired pursuant to this Lease.

(o) Lessor's Estate: Lessor's fee estate in the Land.

(p) Mortgage: Any mortgage, deed of trust, security agreement or collateral assignment encumbering Lessee's Estate.

(q) Party: Lessor or Lessee, as applicable. Lessor and Lessee shall be referred to collectively as the "Parties."

(r) Person: An individual, partnership, corporation, limited liability company, trust, unincorporated association, or other entity or association.

(s) Rent: As described in Section 4.1 hereof.

(t) Taking: A permanent or temporary taking during the Term hereof of all or any part of the Leased Premises, or any interest therein or right accruing thereto, as a result of the exercise of the right of condemnation or eminent domain or a change in grade materially affecting the Leased Premises or any part thereof. A conveyance in lieu of or in anticipation of the exercise of any such right of condemnation or eminent domain shall be considered a Taking. Any such Taking shall be deemed to have occurred upon the earlier to occur of (a) the date on which the property, right or interest so taken must be surrendered to the condemning authority, or (b) the date title vested in a condemning authority or other party pursuant to any Taking.

(u) Term: The period of time described in Section 3.3 hereof.

(v) Transfer: Any sale, assignment, transfer, conveyance, encumbrance, mortgage, or hypothecation, in any manner or form or any agreement to do any of the foregoing.

Section 2.2 Exhibits. The Exhibits referred to in this Lease and attached hereto are:

Exhibit A: Depiction of Leased Premises

ARTICLE 3. LEASE OF THE LEASED PREMISES

Section 3.1 Leased Premises. Subject to the terms hereof and in consideration of the covenants of payment and performance stipulated herein, beginning on the Commencement Date, Lessor does lease the Leased Premises to Lessee, and in consideration thereof, Lessee does take, hire and lease the Leased Premises from Lessor pursuant to the terms of this Lease.

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Lessee shall be prohibited from encumbering Lessor's fee interest in the Land, or any portion thereof.

Section 3.2 Possession. Lessor agrees to and shall provide possession of the Leased Premises to Lessee on the Commencement Date.

Section 3.3 Term. Unless sooner terminated pursuant to the provisions hereof, this Lease shall continue in full force and effect for a term ("Term"), commencing on the Commencement Date and terminating on ____ (10 years) _____, unless sooner terminated pursuant to the terms of this Lease.

Section 3.4 Use; Maintenance.

(a) Lessee shall, throughout the Term, use the Leased Premises for the express purpose of operation and maintenance thereon of a preschool, daycare or childcare program. Sharing of the Leased Premises with other organizations for additional programs is encouraged, but must be approved in writing by Lessor in Lessor's sole discretion. Lessee shall have no right to construct any building, structure or improvement on the Leased Premises during the Term.

(b) Lessee shall, throughout the Term, keep and maintain the Leased Premises in good and safe order, condition and repair, in compliance with the Legal Requirements affecting the Leased Premises, including but not limited to removal of all weeds, graffiti, debris, and waste material from the Leased Premises, and, as may be necessary, maintaining the existing fencing around the Leased Premises and the existing playground on the Leased Premises. Lessee shall inform the Lessee promptly of receipt of notice of, or information of, any change in the condition of the Leased Premises. Lessee shall have in its employ at all times a sufficient number of employees to enable it to professionally maintain and repair the Leased Premises in accordance with the terms of this Lease. Subject to Lessor's prior written approval, Lessee may contract with a qualified management company for the performance extraordinary repairs beyond the capability of Lessee's regular maintenance employees.

Section 3.5 Maintenance Budget. Lessee shall be responsible for all costs associated with the maintenance and repair of the Leased Premises. Upon the Commencement Date Lessee shall provide Lessor for Lessor's approval a budget for Lessee's repair and maintenance obligations for the Leased Premises. All maintenance must be done in accordance with city regulations.

Section 3.6 Non-Discrimination.

(a) Lessee shall not discriminate against, or segregate any person or group of persons on the grounds of race, color, creed, religion, , sex, sexual orientation, gender idneity; marital status, national origin, ancestry, disability, medical condition, age, familial status, or source of income in the use, occupancy, tenure or enjoyment of the Leased Premises, nor shall Lessee, or any person claiming under or through Lessee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use of vendees of the Leased Premises. The Lessee shall

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otherwise comply with all applicable local, state, and federal laws concerning discrimination. The foregoing covenant shall run with the land.

(b) Lessor shall be entitled to invoke any remedies available at law or in equity to redress any breach of this subsection or to compel compliance therewith by Lessee. The obligations of Lessee and Lessor to comply with Subsection (a) above shall inure to the benefit of each other. Lessor shall be entitled to invoke any remedies available at law or in equity to redress any breach of this Section or to compel compliance therewith by Lessee.

Section 3.7 No Liens. Lessee shall not have any right, authority or power to bind Lessor, Lessor's Estate or any other interest of Lessor in the Leased Premises, for any claim for labor or material or for any other charge or expense, lien or security interest incurred in connection with any work performed on the Leased Premises. Lessee shall not have any right to encumber Lessee's Estate without the express written consent of Lessor in Lessor's sole discretion.

The Lessee shall promptly pay and discharge all claims for work or labor done, supplies furnished or services rendered at the request of the Lessee and shall keep the Leased Premises free and clear of all mechanics' and materialmen's liens in connection therewith. If any claim of lien is filed against the Leased Premises or a stop notice is served on the Lessor or other third party in connection with any work performed on the Leased Premises, then Lessee shall, within thirty (30) days after such filing or service, either pay and fully discharge the lien or stop notice, effect the release of such lien or stop notice by delivering to the Lessor a surety bond in sufficient form and amount, or provide the Lessor with other assurance reasonably satisfactory to the Lessor that the claim of lien or stop notice will be paid or discharged, provided that the Lessor provides written notice of such claim of lien or stop notice to the Lessee promptly upon receipt by the Lessor.

If Lessee fails to discharge any lien, encumbrance, charge, or claim in the manner required in this Section, then in addition to any other right or remedy, the Lessor may (but shall be under no obligation to) discharge such lien, encumbrance, charge, or claim at Lessee's expense and, Lessee shall pay to the Lessor as Additional Rent any such amounts expended by the Lessor within thirty (30) days after written notice is received from the Lessor of the amount expended. Alternately, the Lessor may require Lessee to immediately deposit with the Lessor the amount necessary to satisfy such lien or claim and any costs, pending resolution thereof. The Lessor may use such deposit to satisfy any claim or lien that is adversely determined against Lessee.

The Lessor shall have the right to post or keep posted on the Leased Premises, or in the immediate vicinity thereof any notices of non-responsibility for any construction, alteration or repair of the Leased Premises by Lessee. Lessee authorizes the Lessor, but without any obligation, to record any notices of completion or cessation of labor, or any other notice that the Lessor deems necessary or desirable to protect its interest in the Leased Premises.

Section 3.8 Permits and Licenses. Lessee shall be responsible for obtaining any and all permits, licenses, and other authorizations required by any Governmental Authority

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with respect to any work to be performed on the Leased Premises. Lessee shall be entitled, without separate payment to Lessor for tap or connection fees, to tap into the existing lines, facilities and systems of applicable electric, gas, cable, water, sewer, sewer treatment and other utilities serving the Leased Premises, provided Lessee remains responsible for payment of such fees therefor as are required by the City.

Section 3.9 No Right to Encumber.

(a) Lessee shall not have the right to encumber Lessee's right, title and interest in the Leased Premises, or any portion thereof, in any manner whatsoever, including, but not limited to a Mortgage.

(b) Lessor's Estate shall not be subject to and Lessor shall have no obligation to consent to any subordination agreement requested by Lessee.

Section 3.10 Additional Lessee Obligations.

In addition to the Lessee obligations set forth in this Lease, Lessee represents, warrants, covenants and agrees to the following during the Term:

- (a) to furnish all employees, supplies, materials necessary to proper operation of the Leased Premises as a preschool without charge to Lessor;
- (b) to explore sharing the Leased Premises with other agencies which provide programming for the community at times when the Leased Premises is not used by Lessee;
- (c) to give priority to residents of the Esperanza Housing Complex to the extent allowed by law;
- (d) to provide an annual report to Lessor by June 30th of each year which describes the programs provided, includes total number of clients served, percentage of population served which are Housing Authority of the City of Alameda tenants and other information as may reasonably be requested by Lessor;
- (e) to repair and replace appliances as needed in connection with the use of the Leased Premises as a preschool; and
- (f) to make the portions of the Leased Premises, other than the office and storage areas, available at unscheduled program hours to Lessor, designated community service groups and agencies upon 48-hour notice from the Lessor, provided such groups and agencies can guarantee the safety of Lessor's property and supplies, and further provided the plans for supervision of the event have been approved by Lessee.

In addition to Lessee's other indemnification and hold harmless obligations set forth in this Lease, Lessee shall also indemnify and hold harmless Lessor, its officers, Board of Commissioners, directors, employees, consultants, contractors and agents from any and all claims and losses occurring or resulting from any property, person, or organization who may

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be injured or damaged while Lessee or Lessee's sublessees designated community service group or agency conduct meetings, programs or any other activities at the Esperanza Housing Complex Community Center located at _____.

ARTICLE 4.
RENTS

Section 4.1 Ground Rent. Not later than the first day of each calendar month of the Term commencing on _____, 2021, Lessee shall pay monthly rent to Lessor in the amount of Two Thousand Two Hundred and Eighty-Eight Dollars (\$2,288.00), increased every year thereafter by 3% ("Rent"). Commencing on the one (1) year anniversary of the Commencement Date and on every anniversary of the Commencement Date thereafter, the monthly rent for the subject one (1) year period shall increase by three (3) percent.[For purpose of illustration only, upon the one (1) year anniversary of the Commencement Date, monthly Rent for the following one (1) year period will be \$2356.64 (\$2,288 + 3% (\$68.64)). Upon the second (2) anniversary of the Commencement Date, monthly Rent for the following one (1) year period will be \$2,427.33 (\$2,356.64 + 3% (\$70.69)).]

Section 4.2 Additional Rents. In addition to the Rent specified in Section 4.1 hereof, any and all of the payments that Lessee is required to make hereunder to or for the benefit of Lessor shall be deemed to be "Additional Rents." All such Additional Rents shall be payable in accordance with the provisions of the Sections of this Lease specifying the payment of such Additional Rents. The Rent specified in Section 4.1 hereof and Additional Rents payable hereunder shall be deemed "Rents" reserved by Lessor, and any remedies now or hereafter given to Lessor under the laws of the State of California for collection of the Rents shall exist in favor of Lessor, in addition to any and all other remedies specified in this Lease.

Section 4.3 Payments. All Rents or other sums, if any, due Lessor hereunder shall be paid by Lessee to Lessor at the address of Lessor set forth hereinafter for notices, or to such other person and/or at such other address as Lessor may direct by written notice to Lessee, without notice or demand, and without abatement, deduction or set off.

ARTICLE 5.
TAXES AND OTHER IMPOSITIONS; UTILITIES

Section 5.1 Payment of Impositions. Prior to delinquency, Lessee will pay all of the Impositions, except that if any Imposition that Lessee is obligated to pay in whole or in part is permitted by law to be paid in installments, Lessee may pay or cause to be paid such Imposition (or its proportionate part thereof) installments prior to delinquency. Upon the written request of Lessor, Lessee shall exhibit and deliver to Lessor evidence satisfactory to Lessor of payment of all Impositions. During the first and last years of the Term, all Impositions that shall become payable during each calendar, fiscal, tax or Lease Year, as applicable, shall be ratably adjusted on a per diem basis between Lessor and Lessee in

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accordance with the respective portions of such calendar, fiscal, tax, assessment or Lease Year during the Term. If any special assessments are payable in installments, Lessee shall pay only those installments that are due and for which the delinquency date occurs during the Term for periods occurring during the Term.

Section 5.2 Contested Taxes and Other Impositions.

(a) Lessee, at its sole cost and expense, in its own name or in the name of Lessor, may contest the validity or amount of any Imposition relating to all or any portion of the Leased Premises, in which event the payment thereof may be deferred during the pendency of such contest, if diligently prosecuted.

(b) Nothing contained in this Section 5.2, however, shall be construed to allow any such contested Imposition to remain unpaid for a length of time which shall permit the Leased Premises, or any part thereof, to be sold by any Governmental Authorities for the non-payment of such Imposition. Lessee shall promptly furnish Lessor copies of all notices, appeals, pleadings, motions and orders in any proceedings commenced with respect to such contested Imposition. During such contest, Lessee shall (by the payment of such disputed taxes, assessments, or charges, if necessary) prevent any advertisement of tax sale, any foreclosure of, or any divesting thereby of Lessor's title, reversion or other interest in or to the Leased Premises.

Section 5.3 Valuation Assessment. If applicable, Lessee, at its expense, may attempt to obtain a lowering of the assessed valuation of the Leased Premises for any year for the purpose of reducing taxes thereon.

Section 5.4 Failure to Pay Impositions. If Lessee shall fail to pay any Impositions before the same become delinquent, or as otherwise required pursuant to Section 5.2 hereof, Lessor, at its election, may pay such Impositions (but shall not be obligated to pay same), together with any interest and penalties due thereon, and the amount so paid by Lessor shall be repayable to Lessor by Lessee within seven (7) business days after Lessor's demand therefor.

Section 5.5 Utilities. Except for gas and water costs as may be necessary for normal use of the Leased Premises which shall be included as part of the Rent, Lessee shall pay all utilities used, rendered or supplied upon or in connection with the Leased Premises including, but not limited to, all charges for electricity, light, heat or power, all telephone and other communications services, all sewer service charges, and all sanitation fees or charges levied or charged against the Leased Premises during the Term. Except for gas and water costs, Lessor shall have no responsibility for the payment of utility costs.

ARTICLE 6.
INSURANCE

Section 6.1 Lessee's Insurance. Without limiting or diminishing the Lessee's obligation to indemnify or hold Lessor and the Indemnitees harmless, Lessee shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance

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coverages during the Term of this Lease. As respects to the insurance section only, the Lessor herein refers to the Housing Authority of the City of Alameda; the Alameda Affordable Housing Corporation, its directors, officers, Board of Commissioners, employees, elected or appointed officials, agents or representatives as Additional Insureds.

(a) Leased Premises Insurance. "All risk" insurance covering all risks of physical loss or damage to the Leased Premises, with liability limits of not less than one hundred percent (100%) of the "full replacement value" thereof, which insurance shall be provided by Lessee upon the Commencement Date.

(b) General Liability Insurance. Commercial General Liability insurance coverage, including but not limited to, premises liability, including, but not limited to premise liability arising out of ownership, maintenance or use of the Leased Premises day care/child care leased to Lessee, unmodified contractual liability, products and completed operations liability, personal and advertising injury, employment practices liability, cross liability coverage, covering claims which may arise from or out of Lessee's performance of its obligations hereunder, including coverage for allegations of molestation. Policy shall name the Lessor, as Additional Insureds. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Lease or be no less than two (2) times the occurrence limit.

(c) Workers' Compensation Insurance. If the Lessee has employees as defined by the State of California, Lessee shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of Lessor.

(d) Professional Liability. Lessee shall maintain Professional Liability Insurance providing coverage for Lessee's performance of work included within this Lease, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Lessee's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Lease and Lessee shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Lease; or 3) demonstrate through Certificates of Insurance that Lessee has maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows.

(e) Placeholder for appropriate insurance for childcare services

Section 6.2 General Requirements.

a. Any insurance carrier providing insurance coverage hereunder shall be

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admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the Lessor's Risk Manager. If the Lessor's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

b. The Lessee must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$2,500,000 per occurrence each such retention shall have the prior written consent of the Lessor's Risk Manager before the commencement of operations under this Lease. Upon notification of self-insured retention unacceptable to Lessor, and at the election of the Lessor's Risk Manager, Lessee's carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Lease with the Lessor, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

c. Lessee shall cause Lessee's insurance carrier(s) to furnish the Lessor with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the Lessor Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) calendar days written notice shall be given to the Lessor prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Lease shall terminate forthwith, unless the Lessor receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. ***Lessee shall not commence operations until Lessor has been furnished original Certificate(s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section, showing that such insurance is in full force and effect. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.***

d. It is understood and agreed to by the Parties hereto that the Lessee's insurance shall be construed as primary insurance, and Lessor's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

e. If, during the term of this Lease or any extension thereof, there is a material change in the use of the Leased Premises; or, there is a material change in the equipment to be used in connection with the use of the Leased Premises as a day care/childcare or preschool; or, the Term of this Lease, including any extensions thereof, exceeds five (5) years; Lessor reserves the right to adjust the types of insurance and the monetary limits of liability required under this Lease, if in the Lessor's Risk Manager's reasonable judgment, the amount or type of insurance carried by the Lessee has become inadequate.

f. Lessee shall pass down the insurance obligations contained herein to all tiers of sublessees using the Leased Premises.

g. The insurance requirements contained in this Lease may be met with a program(s) of self-insurance acceptable to the Lessor.

h. Lessee agrees to notify Lessor of any claim by a third party or any

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incident or event that may give rise to a claim arising from the use of the Leased Premises pursuant to this Lease.

ARTICLE 7.
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.1 Representations, Warranties and Covenants of Lessee. As an inducement to Lessor to enter into and to proceed under this Lease, Lessee warrants and represents to Lessor as follows, which warranties, representations and covenants are true and correct as of the Commencement Date:

(a) Lessee has the right, power and authority to enter into this Lease and the right, power and authority to comply with the terms, obligations, provisions and conditions contained in this Lease;

(b) The entry by Lessee into this Lease and the performance of all of the terms, provisions and conditions contained herein will not, or with the giving of notice or the passage of time, or both, would not, violate or cause a breach or default under any other agreements to which Lessee is a party or by which it is bound;

(c) Lessee (i) shall not cause or permit any Hazardous Materials to be placed, held, located or disposed of on, under or at the Leased Premises or any part thereof, except in commercially reasonable amounts used in the maintenance of the Lease Premises and in accordance with Legal Requirements, and (ii) shall not cause or permit any Hazardous Materials contamination of the Leased Premises or any part thereof; provided, however, that Lessee shall not be in violation of this Subsection 7.1(c) or otherwise be liable or obligated hereunder for any of the foregoing occasioned solely by reason of the existence of soils, water or materials already located on the Leased Premises as of the Commencement Date; and

(d) At all times during the Term, Lessee or its authorized representative shall use, maintain and operate the Leased Premises in accordance with all Legal Requirements.

Section 7.2 Hazardous Materials.

(a) Certain Covenants and Agreements. The Lessee hereby covenants and agrees that:

(1) The Lessee shall not knowingly permit the Leased Premises or any portion thereof to be a site for the use, generation, treatment, manufacture, storage, disposal or transportation of Hazardous Materials or otherwise knowingly permit the presence of Hazardous Materials in, on or under the Leased Premises in violation of any applicable law;

(2) The Lessee shall keep and maintain the Leased Premises and

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each portion thereof in compliance with, and shall not cause or permit the Leased Premises or any portion thereof to be in violation of, any Hazardous Materials Laws;

(3) Upon receiving actual knowledge of the same the Lessee shall immediately advise the Lessor in writing of:

(A) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened against the Lessee or the Leased Premises pursuant to any applicable Hazardous Materials Laws;

(B) any and all claims made or threatened by any third party against the Lessee or the Leased Premises relating to damage, contribution, cost recovery, compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in the foregoing clause (A) and this clause (B) are hereinafter referred to as "Hazardous Materials Claims");

(C) the presence of any Hazardous Materials in, on or under the Leased Premises in such quantities which require reporting to a government agency; or

(D) the Lessee's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Leased Premises classified as "border zone property" under the provisions of California Health and Safety Code, Sections 25220 et seq., or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Leased Premises under any Hazardous Materials Laws.

If the Lessor reasonably determines that the Lessee is not adequately responding to a Hazardous Material Claim or any condition in Sections 8.2(a)(3)(C) or (D), the Lessor shall have the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any such Hazardous Materials Claims and to have its reasonable attorney's fees in connection therewith paid by the Lessee.

(4) Without the Lessor's prior written consent, which shall not be unreasonably withheld or delayed, the Lessee shall not take any remedial action in response to the presence of any Hazardous Materials on, under, or about the Leased Premises (other than in emergency situations or as required by governmental agencies having jurisdiction), nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Materials Claims.

(b) Indemnity. Without limiting the generality of the indemnification set forth in Section 15.2 below, the Lessee hereby agrees to indemnify, protect, hold harmless and defend (by counsel reasonably satisfactory to the Lessor) the Lessor, its board members, commissioners, officers, agents, successors, assigns and employees (the "Indemnitees") from and against any and all claims, losses, damages, liabilities, fines, penalties, charges, administrative and judicial proceedings and orders, judgments, remedial action requirements, enforcement actions of any kind, and all costs and expenses incurred in connection therewith

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(including, but not limited to, attorney's fees and expenses), arising directly or indirectly, in whole or in part, out of:

(1) The failure of the Lessee or any other person or entity on or after the Commencement Date (or prior to the Commencement Date if due to the negligence or willful misconduct of the Lessee or any other person under the control of Lessee to the extent resulting in material harm to an Indemnitee), to comply with any Hazardous Materials Law relating in any way whatsoever to the handling, treatment, presence, removal, storage, decontamination, cleanup, transportation or disposal of Hazardous Materials into, on, under or from the Leased Premises;

(2) Any release or discharge of any Hazardous Materials into, on, under or from the Leased Premises, arising on or after the Commencement Date, or the presence in, on, or under the Leased Premises of any Hazardous Materials that occurs on the Leased Premises after the Commencement Date (or prior to the Commencement Date if due to the negligence or willful misconduct of the Lessee or any person under the control of Lessee to the extent resulting in material harm to an Indemnitee); or

(3) Any activity or omission of activity carried on or undertaken on or off the Leased Premises, on or after the Commencement Date (or prior to the Commencement Date if due to the negligence or willful misconduct of the Lessee or any employees, agents, contractors or subcontractors of the Lessee to the extent resulting in material harm to an Indemnitee), and whether by the Lessee or any employees, agents, contractors or subcontractors of the Lessee or any successor in title that is related to the Lessee occupying or present on the Leased Premises, in connection with the handling, treatment, removal, storage, decontamination, cleanup, transport or disposal of any Hazardous Materials located or present on or under the Leased Premises. The Lessee's indemnity obligations as they pertain to activities occurring off the Leased Premises shall only extend to activities performed by or arising from activities performed by the Lessee or any employees, agents, contractors or subcontractors of the Lessee.

The foregoing indemnity shall further apply to any residual contamination on or under the Leased Premises, or affecting any natural resources, and to any contamination of any property or natural resources arising in connection with the generation, use, handling, treatment, storage, transport or disposal of any such Hazardous Materials, and irrespective of whether any of such activities were or will be undertaken in accordance with Hazardous Materials Laws. The provisions of this subsection shall survive expiration of the Term or other termination of this Lease, and shall remain in full force and effect. This indemnity obligation shall not extend to any claim arising solely from the Lessor's gross negligence or willful misconduct.

(c) No Limitation. The Lessee hereby acknowledges and agrees that the Lessee's duties, obligations and liabilities under this Lease, including, without limitation, under subsection (b) above, are in no way limited or otherwise affected by any information the Lessor may have concerning the Leased Premises and/or the presence on the Leased Premises of any Hazardous Materials, whether the Lessor obtained such information from the Lessee or from its own investigations.

DRAFTSection 7.3 As-Is Conveyance.

(a) Condition of Leased Premises. This Lease is made "AS IS," with no warranties or representations by the Lessor concerning the condition of the Leased Premises, including the presence or absence of any Hazardous Materials. Lessee hereby agrees and acknowledges that except in the event of any fraud, misrepresentation, or withholding of information by Lessor: (i) neither Lessor, nor anyone acting for or on behalf of Lessor, has made any representation, statement, warranty or promise to Lessee concerning the development potential or condition of the Leased Premises; (ii) in entering into this Lease, Lessee has not relied on any representation, statement or warranty of Lessor, or anyone acting for or on behalf of Lessor, other than as may expressly be contained in writing in this Lease; (iii) all matters concerning the Leased Premises have been or shall be independently verified by Lessee and that Lessee shall purchase or lease the Leased Premises on Lessee's own prior examination thereof; and (iv) THAT LESSEE IS PURCHASING OR LEASING THE LEASED PREMISES, AS APPLICABLE, IN AN "AS IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR.

(b) General Release. Subject to Section 7.3(a) above, Lessee and its owners, employees, agents, assigns and successors agree that upon the Commencement Date, Lessee shall be deemed conclusively to have released and discharged Lessor and its agents, employees, trustees, assigns and successors, from any and all damages, losses, demands, claims, debts, liabilities, obligations, causes of action and rights, whether known or unknown, by Lessee regarding the Leased Premises, including, but not limited to, the environmental condition of the Leased Premises.

(c) Waiver of Civil Code § 1542. Lessee agrees that, with respect to the General Release contained in Section 7.3(b) above, the General Release extends to all matters regarding the Leased Premises, whether or not claimed or suspected, to and including the date of execution hereof, and constitutes a waiver of each and all the provisions of the California Civil Code § 1542, which reads as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

Lessee herein acknowledges that the effect and import of the provisions of Civil Code § 1542 have been explained to it by its own counsel. Lessee understands and acknowledges the significance and the consequence of such specific waiver of unknown claims and hereby assumes full responsibility for any injuries, damages, losses or liabilities that it may hereinafter incur from the waiver of these unknown claims.

 Lessor's Initials

 Lessee's Initials

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ARTICLE 8.
TAKING; DAMAGE OR DESTRUCTION

Section 8.1 Taking. Lessor and Lessee agree that, in the event of a Taking this Lease shall terminate at Lessor's sole option, as of the date of the Taking. Lessee shall not, because of such Taking, assert any claim against the Lessor or the taking authority for any compensation because of such taking, and Lessor shall be entitled to receive the entire amount of any award without deduction for any estate or any interest of Lessee.

Section 8.2 Damage or Destruction to Leased Premises. Lessee shall give prompt written notice to Lessor after the occurrence of any fire, earthquake, act of God or other casualty to or in connection with the Leased Premises, or any portion thereof (hereinafter sometimes referred to as a "Casualty"). Upon the occurrence of any such Casualty, Lessee, promptly and with all due diligence, shall apply for and collect all applicable insurance proceeds recoverable with respect to such Casualty. In the event that Lessor shall determine, after notice given to Lessor by Lessee within thirty (30) days after receipt by Lessee of any such insurance proceeds, that it is not economically practical to restore the Leased Premises to substantially the same condition in which it existed prior to the occurrence of such Casualty, then Lessor at its sole option, may terminate this Lease as of a date that is not less than thirty (30) days after the date of such notice. If this Lease is terminated pursuant to this Section 8.2, Lessee shall surrender possession of the Leased Premises to Lessor immediately and assign to Lessor (or, if same has already been received by Lessee, pay to Lessor) all of its right, title and interest in and to the proceeds from Lessee's insurance upon the Leased Premises.

ARTICLE 9.
EVENTS OF DEFAULT

Section 9.1 Events of Default. Each of the following shall be an "Event of Default" by Lessee hereunder:

(a) failure by Lessee to pay any Rent when due or to pay or cause to be paid any Impositions, insurance premiums or other liquidated sums of money herein stipulated to be paid by Lessee, if such failure shall continue for a period of fifteen (15) days after notice thereof has been given by Lessor to Lessee;

(b) failure by Lessee to perform or observe any of the provisions of this Lease stipulated in this Lease to be observed and performed by Lessee, if such failure shall continue for a period of thirty (30) days after written notice thereof has been given by Lessor to Lessee; provided, however, that if any such failure cannot reasonably be cured within such thirty (30)-day period, then Lessor shall not have the right to terminate this Lease or Lessee's right to possession hereunder so long as Lessee promptly commences the curing of any such failure and thereafter proceeds in good faith and with due diligence to remedy and correct

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such failure within a reasonable period of time; provided, however, that such period shall not extend for more than sixty (60) days after the date of Lessor's first written notice to Lessee;

(c) the subjection of any right or interest of Lessee in this Lease to attachment, execution or other levy, or to seizure under legal process, if not released within sixty (60) days;

(d) the filing by Lessee of a petition for voluntary bankruptcy under the Bankruptcy Code of the United States or any similar law, state or Federal, now or hereafter in effect;

(e) the filing against Lessee of any involuntary proceedings under such Bankruptcy Code or similar law, if such proceedings have not been vacated or stayed within ninety (90) days of the date of filing;

(f) the appointment of a trustee or receiver for Lessee or for all or the major part of Lessee's property or the Leased Premises, in any involuntary proceeding, or taking of jurisdiction by any court over all or the major part of Lessee's property or the Leased Premises in any involuntary proceeding for the reorganization, dissolution, liquidation or winding up of Lessee, if such trustee or receiver shall not be discharged or such jurisdiction relinquished or vacated or stayed on appeal or otherwise stayed within ninety (90) days; or

(g) a general assignment by Lessee for the benefit of creditors or Lessee's admittance in writing of its insolvency or inability to pay its debts generally as they become due or Lessee's consent to the appointment of a receiver or trustee or liquidator for Lessee, all or the major part of its property, or the Leased Premises.

Section 9.2 Rights and Remedies.

(a) At any time after the occurrence of an Event of Default hereunder, Lessor, subject in all respects to the provisions of this Lease with respect to Lessor's rights to cure defaults by Lessee, and subject further to the provisions of Section 9.3 of this Lease, may terminate this Lease by giving Lessee written notice thereof, setting forth in such notice an effective date for termination which is not less than thirty (30) days after the date of such notice, in which event this Lease and Lessee's Estate created hereby and all interest of Lessee and all parties claiming by, through or under Lessee shall automatically terminate upon the effective date for termination as set forth in such notice, with the same force and effect and to the same extent as if the effective date of such notice had been the date originally fixed in Article 2 hereof for the expiration of the Term. In such event, Lessor, its agents or representatives, shall have the right, without further demand or notice, to re-enter and take possession of the Leased Premises (including all buildings and other improvements comprising any part thereof) at any time from and after the effective termination date without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of rent or existing breaches of covenants.

(b) Upon the exercise of Lessor's remedies pursuant to this Section 9.2, Lessee shall execute such releases, deeds and other instruments in recordable form as Lessor

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shall reasonably request in order to accurately set forth of record the then current status of Lessee's Estate and Lessee's rights hereunder.

Section 9.3 Deficiency Judgments. Lessor, for itself and for each and every succeeding owner of Lessor's Estate in the Leased Premises, agrees that it shall never be entitled to seek a personal judgment against Lessee and that upon any Event of Default hereunder, the rights of Lessor to enforce the obligations of Lessee, its successors or assigns, or to collect any judgment, shall be limited to the termination of this Lease and of Lessee's Estate and the enforcement of any other rights and remedies specifically granted to Lessor hereunder, provided, however, that the limitations set forth in this Section 9.3 shall not be applicable to any act or omission of the Lessee constituting gross negligence, fraud, intentional misrepresentation or willful misconduct.

Section 9.4 Notices. Notices given by Lessor under Section 9.1 shall specify the alleged default and the applicable Lease provisions, and shall demand that Lessee perform the appropriate provisions of this Lease within the applicable period of time for cure. No such notice shall be deemed a forfeiture or termination of this Lease unless expressly set forth in such notice.

ARTICLE 10. QUIET ENJOYMENT AND POSSESSION; INSPECTIONS

Section 10.1 Quiet Enjoyment. Lessor covenants and warrants that Lessee, upon payment of all sums herein provided and upon performance and observance of all of its covenants herein contained, shall peaceably and quietly have, hold, occupy, use and enjoy, and shall have the full, exclusive and unrestricted use and enjoyment of, all of the Leased Premises during the Term, subject only to the provisions of this Lease and all applicable Legal Requirements.

Section 10.2 Lessor's Right of Inspection. Notwithstanding Section 10.1 above, Lessor, in person or through its agents, upon reasonable prior notice to Lessee, shall have the right, to enter upon the Leased Premises for purposes of reasonable inspections performed during reasonable business hours in order to assure compliance by Lessee with its obligations under this Lease. In addition to the aforementioned inspection rights, Lessee grants a right of access to the Lessor, or any of its authorized representatives, with respect to any books, documents, papers, or other records related to this Lease in order to make audits, examinations, excerpts, and transcripts.

ARTICLE 11. VACATION OF LEASED PREMISES; NON-MERGER

Section 11.1 Surrender of Leased Premises. Lessee covenants that upon any termination of this Lease, whether by lapse of time or because of any of the conditions or provisions contained herein, Lessee will peaceably and quietly yield and surrender possession of the Leased Premises to Lessor. An action of forcible detainer shall lie if Lessee holds over after a demand for possession is made by Lessor.

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Section 11.2 Termination. This Lease may be terminated by either Party with twelve (12) months prior written notice or may be terminated with ninety (90) day prior written notice by Lessee if funding is not secured for the operation of the preschool program on the Leased Premises.

Section 11.3 No Right to Possession after Termination. Lessee has no right to retain possession of the Leased Premises or any part thereof beyond the expiration or earlier termination of this Lease. Any holding over by Lessee (or any successor-in-interest to Lessee) after the expiration or earlier termination of this Lease shall be construed to be a tenancy at sufferance on all of the terms and conditions set forth herein to the extent not inconsistent with a tenancy at sufferance. Acceptance by Lessor of rent or any other sum payable hereunder after such expiration or earlier termination shall not result in an extension or renewal of this Lease. If Lessee fails to surrender the Leased Premises upon the expiration or earlier termination of this Lease, Lessee shall indemnify, defend and hold harmless Lessor from and against all loss, damage, cost, liability or expense (including, without limitation, attorneys' fees and expenses) resulting from or relating to such failure to surrender the Leased Premises including, without limitation, any claim made by any succeeding lessee.

Section 11.4 Non-Merger. Except upon expiration of the Term or upon termination of this Lease pursuant to an express right of termination set forth herein, there shall be no merger of either this Lease or Lessee's Estate created hereunder with the fee estate of the Leased Premises or any part thereof by reason of the fact that the same person may acquire, own or hold, directly or indirectly, (a) this Lease, Lessee's Estate created hereunder or any interest in this Lease or Lessee's Estate, and (b) the fee estate in the Leased Premises or any part thereof or any interest in such fee estate, unless and until all persons, including any assignee of Lessor, having an interest in (i) this Lease or Lessee's Estate created hereunder, and (ii) the fee estate in the Leased Premises or any part thereof, shall join in a written instrument effecting such merger and shall duly record the same.

ARTICLE 12. FEDERAL REQUIREMENTS

Section 12.1 Federal Requirements.

(a) Lessee shall comply with all applicable laws, regulations and administrative requirements governing the use of the Leased Premises. In the event of any conflict between this Lease and applicable laws, regulations and administrative requirements governing the use of the Leased, the applicable laws, regulations and administrative requirements will govern.

(b) The laws, regulations and administrative requirements governing the use of the Leased Premises include (but are not limited to) the following:

(1) Civil Rights, Housing and Community Development, and Age Discrimination Acts. The Fair Housing Act (42 U.S.C. 3601 et seq.) and implementing

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regulations at 24 CFR Part 100; Title VI of the Civil Rights Act of 1964 as amended; Title VIII of the Civil Rights Act of 1968 as amended; Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended; the Age Discrimination Act of 1975 (42 USC 6101, et seq.); Executive Order 11063 as amended by Executive Order 12259 and implementing regulations at 24 CFR Part 107; Executive Order 11246 as amended by Executive Orders 11375, 12086, 11478, 12107; Executive Order 11625 as amended by Executive Order 12007; Executive Order 12432; Executive Order 12138 as amended by Executive Order 12608.

(2) Discrimination against the Disabled. The requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and federal regulations issued pursuant thereto, which prohibit discrimination against the disabled in any federally assisted program, the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and the applicable requirements of Title II and/or Title III of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131 et seq.), and federal regulations issued pursuant thereto.

(3) Labor Standards. The prevailing wage requirements of the Davis-Bacon Act and implementing rules and regulations (40 U.S.C. 3141-3148); the Copeland "Anti-Kickback" Act (40 U.S.C. 276(c)) which requires that workers be paid at least once a week without any deductions or rebates except permissible deductions; the Contract Work Hours and Safety Standards Act – CWHSSA (40 U.S.C. 3701-3708) which requires that workers receive "overtime" compensation at a rate of 1-1/2 times their regular hourly wage after they have worked forty (40) hours in one (1) week; and Title 29, Code of Federal Regulations, Subtitle A, Parts 1, 3 and 5 are the regulations and procedures issued by the Secretary of Labor for the administration and enforcement of the Davis-Bacon Act, as amended.

(4) Debarred, Suspended or Ineligible Contractors. The prohibition on the use of debarred, suspended, or ineligible contractors set forth in 24 CFR Part 24.

(5) Lead-Based Paint. The requirement of the Lead-Based Paint Poisoning Prevention Act, as amended (42 U.S.C. 4821 et seq.), the Residential Lead-Based Paint Hazard Reduction Act (42 U.S.C. 4851 et seq.), and implementing regulations at 24 CFR Part 35.

(6) Drug Free Workplace. The requirements of the Drug Free Workplace Act of 1988 (P.L. 100-690) and implementing regulations at 24 CFR Part 24.

(7) Anti-Lobbying; Disclosure Requirements. The disclosure requirements and prohibitions of 31 U.S.C. 1352 and implementing regulations at 24 CFR Part 87.

ARTICLE 13.
TRANSFERS

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Section 13.1 Consent Required. Except as expressly provided herein, Lessee shall not, without the prior written consent of Lessor, Transfer this Lease or any interest therein. A Transfer shall be deemed to include any attempt by Lessee to (a) make or permit any voluntary or involuntary, total or partial, sale, lease, assignment, conveyance, mortgage, pledge, encumbrance, or other transfer of any or all of the Leased Premises; or (b) transfer, convey or assign any interest in Lessee. Any person to whom any Transfer is attempted without the consent of Lessor (if applicable) shall have no claim, right or remedy whatsoever hereunder against Lessor, and Lessor shall have no duty to recognize any person claiming under or through the same.

Section 13.2 Subsequent Transfer. In cases where Lessor's consent is required, Lessor's consent to one Transfer will not waive the requirement of its consent to any subsequent Transfer.

Section 13.3 Request for Consent. If Lessee requests Lessor's consent to a specific Transfer, Lessee shall provide to Lessor such information as may reasonably be required by Lessor.

Section 13.4 Permitted Transfer. The Lessor is permitted to transfer the Lease to a wholly-owned and controlled entity by issuing a thirty day notice to the Lessee.

ARTICLE 14. MISCELLANEOUS PROVISIONS

Section 14.1 Entire Agreement: Modifications. This Lease supersedes all prior discussions and agreements between the Parties with respect to the leasing of the Leased Premises. This Lease contains the sole and entire understanding between the parties with respect to the leasing of the Leased Premises pursuant to this Lease, and all promises, inducements, offers, solicitations, agreements, representations and warranties heretofore made between the Parties, if any, are merged into this Lease. This Lease may be amended by mutual agreement of the Parties, provided that any such amendment must be in writing and signed by both Parties.

Section 14.2 Indemnifications.

Lessee shall indemnify and hold harmless Lessor, its directors, officers, Board of Commissioners, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any act, omission, or services of Lessee, its officers, employees, subcontractors, independent contractors, agents or representatives arising out of or in any way relating to this Lease, and Lessee's operation of a preschool, daycare or child care facility on the Leased Premises, including but not limited to property damage, bodily injury, or death (Lessor employees included), or any other element of damage of any kind or nature whatsoever, relating to or in any way connected with or arising from the performance of Lessee, its officers, employees, subcontractors, independent contractors, agents or representatives from this Lease, except to the extent caused by the gross negligence or willful

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misconduct of Lessor. Lessee shall defend, at its sole expense, all costs and fees including, but not limited to, attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or legal action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Lessee, Lessee shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim, subject to prior consent of Lessor; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Lessee's indemnification to Indemnitees as set forth herein. Lessee's obligation hereunder shall be satisfied when Lessee has provided to Lessor the appropriate form of dismissal relieving Lessor from any liability for the action or claim involved.

The specified insurance limits required in this Lease shall in no way limit or circumscribe Lessee's obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

Lessor does not, and shall not, waive any rights that it may possess against Lessee because of acceptance by Lessor, or the deposit with Lessor, of any insurance policy or certificate required pursuant to this Lease. This hold harmless, indemnification and defense provision shall apply regardless of whether or not any insurance policies determined to be applicable to the claim, demand, damage, liability, loss, cost or expense. The indemnity obligations of Lessee contained in this Lease shall survive the termination and expiration of this Lease.

Section 14.3 Amendments. Lessor may, in its sole and absolute discretion, refuse to consent to any proposed amendments to the description of the Leased Premises, the Term, Rent or any other amendments which would materially change the rights and/or obligations of Lessor under this Lease.

Section 14.4 Governing Law. This Lease, and the rights and obligations of the Parties hereunder, shall be governed by and construed in accordance with the substantive laws of the State of California.

Section 14.5 Binding Effect. This Lease shall inure to the benefit of and be binding upon the Parties hereto, their heirs, successors, administrators, executors and permitted assigns.

Section 14.6 Severability. In the event any provision or portion of this Lease is held by any court of competent jurisdiction to be invalid or unenforceable, such holdings shall not affect the remainder hereof, and the remaining provisions shall continue in full force and effect to the same extent as would have been the case had such invalid or unenforceable provision or portion never been a part hereof, except to the extent the rights and obligations of the parties have been materially altered by such unenforceability.

Section 14.7 Further Assurances. From and after the date of this Lease, Lessor and Lessee, at the request of the other Party, shall make, execute and deliver or obtain and deliver all such affidavits, deeds, certificates, resolutions and other instruments and documents, and shall do or cause to be done all such other things that either Party may reasonably require in

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order to effectuate the provisions and the intention of this Lease.

Section 14.8 Captions. All captions, headings, paragraphs, subparagraphs, letters and other reference captions are solely for the purpose of facilitating convenient reference to this Lease, shall not supplement, limit or otherwise vary the text of this Lease in any respect, and shall be wholly disregarded when interpreting the meaning of any terms or provisions hereof. All references to particular articles, sections, subsections, paragraphs and subparagraphs by number refer to the text of such items as so numbered in this Lease.

Section 14.9 Gender. Words of any gender used in this Lease shall be held and construed to include any other gender, and words of a singular number shall be held to include the plural, and vice-versa, unless the context requires otherwise.

Section 14.10 Exhibits. Each and every exhibit referred to or otherwise mentioned in this Lease is attached to this Lease and is and shall be construed to be made a part of this Lease by such reference or other mention at each point at which such reference or other mention occurs, in the same manner and with the same effect as if each exhibit were set forth in full at length every time it is referred to and otherwise mentioned.

Section 14.11 References. All references to paragraphs or subparagraphs shall be deemed to refer to the appropriate paragraph or subparagraph of this Lease. Unless otherwise specified in this Lease, the terms "herein," "hereof," "hereinafter," "hereunder" and other terms of like or similar import, shall be deemed to refer to this Lease as a whole, and not to any particular paragraph or subparagraph hereof.

Section 14.12 Rights Cumulative. Except as expressly limited by the terms of this Lease, all rights, powers and privileges conferred hereunder shall be cumulative and not restrictive of those provided at law or in equity.

Section 14.13 Notices. All notices, requests, demands, or other communications required or permitted to be given hereunder shall be in writing and shall be addressed and delivered by hand or by certified mail, return receipt requested, or by Federal Express, or by hand delivery by a recognized, reputable courier, to each party at the addresses set forth below. Any such notice, request, demand or other communication shall be considered given or delivered, as the case may be, on the date that is three (3) days after delivery. Rejection or other refusal to accept or inability to deliver because of changed address of which proper notice was not given shall be deemed to be receipt of the notice, request, demand or other communication. By giving prior written notice thereof, any Party, from time to time, may change its address for notices hereunder. Legal counsel for the respective Parties may send to the other Party any notices, requests, demands or other communications required or permitted to be given hereunder by such Party.

To Lessor: Housing Authority of the City of Alameda
701 Atlantic Avenue
Alameda, CA 94501
Attention: Executive Director

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To Lessee:

Alameda Family Services
2325 Clement Avenue
Alameda, CA 94501
Attention: Executive Director

Section 14.14 Counterparts. This lease may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same agreement.

Section 14.15 Time of Essence. Time is and shall be of the essence in this Lease.

Section 14.16 Relationship of Parties. No relationship exists between Lessor and Lessee other than landlord and tenant. The parties hereto expressly declare that, in connection with the activities and operations contemplated by this Lease, they are neither partners nor joint venturers, nor does a debtor-creditor, principal-agent or any other relationship except as aforesaid, exist between them.

Section 14.17 Standard for Consents. Any consents or approvals required of Lessor under this Lease shall not be unreasonably withheld or made, except where it is specifically provided that a sole discretion standard applies.

Section 14.18 Waiver. Any waiver by Lessor of any breach of any one or more of the terms of this Lease shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term thereof. Failure on the part of Lessor to require exact, full and complete compliance with any terms of this Lease shall not be construed as in any manner changing the terms hereof, or estopping Lessor from enforcement hereof.

Section 14.19 No Third Party Beneficiaries. The Parties to this Lease acknowledge and agree that the provisions of this Lease are for the sole benefit of the Lessor and the Lessee, and not for the benefit, directly or indirectly, of any other person or entity, except as otherwise expressly provided herein.

Section 14.20 Non-Liability of Lessor Officials, Employees And Agents. No member, official, employee or agent of Lessor shall be personally liable to Lessee in the event of any default or breach by the Lessor or for any amount which may become due to Lessee or its successor or on any obligation under the terms of this Lease.

Section 14.21 No Recording of Lease. This Lease shall not be recorded in the Official Records of the Recorder's Office of the County of Alameda.

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IN WITNESS WHEREOF, this Lease is made and entered into as of Commencement Date.

LESSOR:

HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body corporate and politic

By: _____
Vanessa Cooper, Executive Director

LESSEE:

ALAMEDA FAMILY SERVICES, a California Nonprofit Corporation

By: _____

Name: _____

Its: _____

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EXHIBIT A
LAND

All that certain real property situated in the County of Alameda, State of California,
described as follows:

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AMENDED AND RESTATED LEASE AGREEMENT

Between

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
(Lessor)

and

ALAMEDA FAMILY SERVICES
(Lessee)

(1901 3rd Street, Alameda, CA)

Attachment 2

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Resolution No. _____

AUTHORIZATION TO LEASE REAL PROPERTY
LOCATED AT 1901 3RD STREET, ALAMEDA, CALIFORNIA;
AND APPROVING AND AUTHORIZING THE AMENDED
AND RESTATED LEASE AGREEMENT (1901
3RD STREET, ALAMEDA, CA)

WHEREAS, the Housing Authority of the City of Alameda ("Housing Authority") is a public entity, corporate and politic, organized and existing under the Housing Authorities law (commencing at Section 34200 of the California Health and Safety Code), and authorized to transact business and exercise the powers of a housing authority;

WHEREAS, Health and Safety Code Section 34312.3 grants housing authorities a variety of powers including the power to sell, lease or otherwise dispose of real property, after a public hearing, so long as the proceeds of any sale, lease or other disposition, net the cost of such sale, lease, or other disposition, are used directly to assist a housing project for persons of low income, and the funds in any trust fund established pursuant to Health and Safety Code Section 34312.3(f) are used directly to assist housing units for persons of very low income, without complying with any provision of law concerning disposition of surplus property;

WHEREAS, the Housing Authority owns that certain real property improved with an approximately 2,350 square foot building, a surrounding fenced patio and playground area consisting of approximately 4,800 square feet, located at 1901 3rd Street, Alameda, CA ("Property"). The Property is on the same site as the Esperanza Housing Complex, a multi-family affordable housing complex;

WHEREAS, the Housing Authority and the Alameda Family Services, a California nonprofit corporation ("AFS"), successor in interest to Xanthos, Inc., entered into that certain Lease Agreement dated on or about June 18, 1992, as amended ("Original Lease"), providing for the lease of the Property to AFS to be used for the operation of a preschool that benefits the Esperanza Housing Complex and the City of Alameda community. The Original Lease was amended six (6) times. The term of the Original Lease expires on September 30, 2021;

WHEREAS, the Housing Authority and AFS desire to amend and restate the Original Lease to assemble the terms of the various lease amendments into one lease agreement, to clarify and restate the uses permitted on the leased premises by AFS (i.e., continued use as a preschool), and to extend the term. The proposed form of Amended and Restated Lease Agreement (1901 3rd Street, Alameda, CA) is attached hereto as Exhibit A and incorporated herein by this reference ("Amended and Restated Lease"). The

proposed term is for ten (10) years and the proposed rent is \$2,288 per month with a 3% annual increase;

WHEREAS, the Amended and Restated Lease will supersede and replace the Original Lease in its entirety, except to the extent of any liabilities that arose under the Original Lease prior to the commencement date;

WHEREAS, the net lease rent proceeds will be used for affordable housing purposes pursuant to Health and Safety Code Section 34312.3;

WHEREAS, the Housing Authority has reviewed and determined that the amended and restated lease of the Property is categorically exempt from the California Environmental Quality Act ("CEQA") under State CEQA Guidelines Section 15301 Class 1 – Existing Facilities and Section 15061 (b)(3), common sense, general rule exemption. The proposed project is the amending and restating of an existing lease for an existing property used as a preschool, no development is contemplated as part of the proposed amended and restated lease, and it can be seen with certainty that there is no possibility that the activity in question will have a significant impact on the environment since the amended and restated lease is merely the conveyance of a 10 year leasehold interest in the real property. It will not require any construction activities and it will not lead to any direct or reasonably foreseeable indirect physical environmental impacts;

WHEREAS, a public hearing has been duly held by the Board of Commissioners of the Housing Authority on the proposed amended and restated lease of the Property by the Housing Authority to AFS pursuant to the Amended and Restated Lease; and

WHEREAS, the Board of Commissioners of the Housing Authority has duly considered all terms of the Amended and Restated Lease, the agenda report presented to it by staff and any testimony received at the public hearing, and believes that the lease of the Property is in the best interest of the Housing Authority and the City of Alameda, and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law and requirements.

NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND ORDERED by the Board of Commissioners of the Housing Authority of the City of Alameda ("Board"), in regular session assembled on February 17, 2021 as follows:

1. That the Board has received and heard all oral and written objections (if any) to the proposed Amended and Restated Lease, to the proposed lease of the Property pursuant to the proposed Amended and Restated Lease, and to the other matters pertaining to this transaction, and that all such oral and written objections (if any) are hereby overruled.
2. The foregoing recitals are true and correct and incorporated into this Resolution.
3. The Board, based upon a review of the evidence and information presented

on the matter, as it relates to the amended and restated lease, has determined that the proposed amended and restated lease is categorically exempt from CEQA under State CEQA Guidelines Section 15301 Class 1 – Existing Facilities and Section 15061 (b)(3), common sense, general rule exemption. The proposed project is the amending and restating of an existing lease for an existing property used as a preschool, no development is contemplated as part of the proposed amended and restated lease, and it can be seen with certainty that there is no possibility that the activity in question will have a significant impact on the environment since the amended and restated lease is merely the conveyance of a 10 year leasehold interest in the real property. It will not require any construction activities and it will not lead to any direct or reasonably foreseeable indirect physical environmental impacts.

4. The Board hereby approves and authorizes the lease of the that certain real property improved with an approximately 2,350 square foot building, a surrounding fenced patio and playground area consisting of approximately 4,800 square feet, located at 1901 3rd Street, Alameda, CA ("Property") by the Housing Authority to the Alameda Family Services, a California nonprofit corporation ("AFS") for a term of ten (10) years, at the monthly lease rate of \$2,288, with a 3% annual increase. Accordingly, the Board hereby approves the form of Amended and Restated Lease Agreement (1901 3rd Street, Alameda, CA) between the Housing Authority and AFS, a form of which is attached hereto as Exhibit A and incorporated herein by this reference.
5. The Executive Director of the Housing Authority, or designee is hereby authorized to execute an Amended and Restated Lease conforming in form and substance to the form of Amended and Restated Lease Agreement attached hereto as Exhibit A, with the right to make necessary non-substantive modifications, subject to approval by General Counsel.
6. The Executive Director, or designee, is hereby authorized to sign all documents necessary and appropriate to carry out and implement the Amended and Restated Lease Agreement including, but not limited to subsequent and relevant documents and to administer the Housing Authority's obligations, responsibilities, and duties to be performed under said Amended and Restated Lease Agreement, subject to approval to form by General Counsel.
7. The proceeds of the lease rent for the Property, net the cost of the lease, are hereby authorized and directed to be used to assist a housing project pursuant to Health and Safety Code Section 34312.3.

BE IT FURTHER RESOLVED that all actions previously taken by the Housing Authority, or its employees, officers, and agents in connection with the Amended and Restated Lease Agreement or the transactions described herein are hereby ratified and approved.

ATTEST:

Vanessa M. Cooper
Executive Director/Secretary

Kenji Tamaoki, Chair
Board of Commissioners

Adopted:

Date

EXHIBIT A
FORM OF AMENDED AND RESTATED LEASE AGREEMENT
(behind this page)

Attachment 3

Lease Extension Agreement

This lease extension agreement was created on September 18, 2020 between Alameda Housing Authority (herein the LESSOR) and Alameda Family Services (herein the LESEE), for property located at **1901 3rd Street, Alameda, CA 94501.**

This agreement certifies that the parties agree to extend the lease for an additional time period of 1 year starting on **October 1, 2020 and ending on September 30, 2021.**

This lease will be extended at a rate of **\$2288.00 per month.** The original lease allows for an annual 3% increase.

This document binds the Lessor and the Lessee to the terms and conditions of the original lease, unless amendment by a subsequent amendment. This lease extension agreement, along with the attached original lease, is the entire agreement between both parties.

LESSOR

Vanessa Cooper

Executive Director

Printed Name

Title

DocuSigned by:
Vanessa Cooper
5AFA57239EC2484

9/24/2020

Signature

Date

LESSEE

Katherine Schwartz

Executive Director

Printed Name

Title

DocuSigned by:
Katherine Schwartz
D042A4CC654A448...

9/24/2020

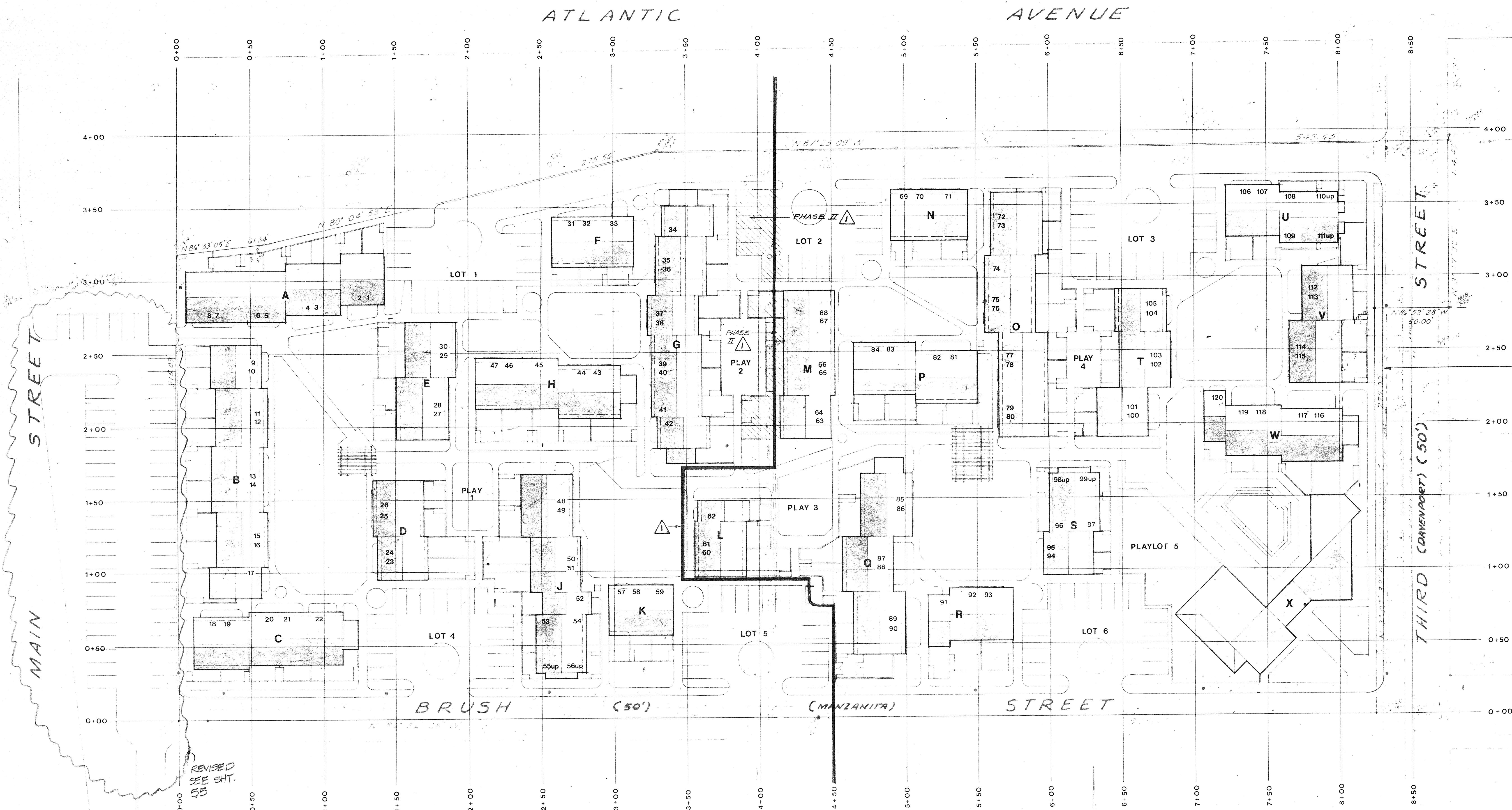
Signature

Date

APPROVED BY OWNER

APPROVED BY AGORA
[Signature]
 ARCHITECTS & PLANNERS

ADDEDUM #1
 10-14-71



NOTE:
 THIRD STREET HAS BEEN SHOWN WIDENED BY 4'-0" BY OTHERS DURING 2ND PHASE.

REVISED
 SEE SHT.
 55

APPROXIMATE LIMIT OF WORK UNDER PHASE ONE

APPROXIMATE LIMIT OF WORK UNDER PHASE TWO

NOTE:
 Hatched areas shown to the right of the vertical line are to be removed.

QUALITY OF HOUSING PROJECT SITE: BEING PORTIONS OF THE 300' x 100' TRACT AT 3RD STREET & BRUSH STREET IN ALAMEDA, CALIFORNIA. SCALE: 1/8" = 20'-0". DATE: 3-15-71. DRAWN BY: J. D. BUILDERS, INC.

ROOF PLAN

J. D. Builders, Inc.

385 Green Avenue
 FARMERS, CALIFORNIA
 (510) 441-8846

AGORA
 ARCHITECTS & PLANNERS

373 MISSION STREET
 SAN FRANCISCO 94108
 PHONE (415) 433-2513

SCALE: 1/8" = 20'-0"
 DATE: 3-15-71 DRAWN

DRAWING
2
 OF