

Targeting Sustainability & Operational Excellence

Strategic Plan 2019-2021 (Updated to 2023)

THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA



Housing Authority
— of the —
City of Alameda

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Strategic Plan

2019-2023

EXECUTIVE SUMMARY

The Housing Authority of the City of Alameda (AHA) is a Public Housing Agency, whose work is governed by numerous internal plans to ensure that AHA operates its programs effectively in accordance with regulations and sound business practice. This Strategic Plan supplements AHA administrative plan and departmental work plans and is intended to set out overarching goals.

Affordable housing is one of the most pressing issues facing San Francisco Bay Area communities, and the City of Alameda, with AHA's help, is moving forward to address this issue. AHA's goals for the coming three years focus on themes of sustainability and operational excellence.



AHA has four strategic goals:

- 1. AHA works with community partners to optimize affordable housing and services for the Alameda community.** To strengthen and expand its partnerships, AHA will continue to engage stakeholders in discussion of AHA's long-term real estate development strategy, including options for addressing the housing crisis by serving households at 60-120% area median income. AHA will collaborate with homeless housing service providers to successfully implement plans to house the formerly homeless at the North Housing site. Staff will conduct an outreach program with multiple community stakeholders to flesh out the vision for the North Housing site. The authority will recruit and retain landlords in the Housing Choice Voucher program and will explore new partners for enhanced resident services when feasible. AHA will create communication tools and evaluate strategies needed to tell AHA's story and promote AHA's mission.
- 2. AHA uses its resources efficiently.** In order to operate in a sustainable manner, AHA will make use of technology and consider contracting out some functions to make best use of available resources. Over the next

three years, the authority will further automate accounting systems, and seek to implement online tenant and landlord services to make working with AHA as convenient as possible. AHA will review policies and procedures across programs to improve efficiencies, set common standards and adopt best practices. AHA will maintain its high standards in occupancy levels, property condition, energy efficiency and curb appeal. AHA will analyze the option of applying "Moving to Work" status as a public housing agency. In order to fine tune best practices, AHA will visit with other housing authorities and affordable housing owners/managers to learn about their most innovative and impactful operating practices.

3. **AHA retains and recruits excellent staff.** Stakeholder surveys and interviews indicated an appreciation of the knowledge and abilities of AHA's current staff. To maintain this strength AHA will seek to make improvements to staff workspace, continue to provide

robust training and cross-training for staff, and foster an environment of appreciation, acknowledgement, and constructive feedback. AHA will seek to hire from within where appropriate and will stay abreast of compensation standards in the field.

4. **AHA is financially prepared for future challenges.** Over the next three years, the AHA will adopt and measure key performance metrics to track financial performance of the authority. It will review the long term operation of all of its programs to maximize support to Alameda low income families, while meeting regulatory requirements and minimizing cross-subsidy between programs. AHA will continue to manage the short-term cash flow needs of the HCV program. It will create strategic Asset Management plans for each of its existing properties and the Board will also adopt policies and plans for pension liability and organizational reserves. AHA will continue Family Self-Sufficiency as long as HUD provides funding.



Introduction

Since its inception in 1940, the Housing Authority of the City of Alameda (AHA) has not operated in a more daunting environment. The shortage of affordable housing in the Bay Area impacts daily life on so many fronts. Young people cannot afford a home in the communities where they grew up; many employers cannot fill positions because candidates are not willing to relocate to such a high cost area. Traffic jams abound due to long commutes from home to work.

The impact of the housing shortage and climbing rents for AHA is that its exemplary Housing Choice Voucher program does not stretch as far as it used to, landlords are harder to recruit and retain, tens of thousands of applicants are clamoring to get on waiting lists for AHA's housing developments, and the docket for settling landlord-tenant disputes is more challeng-

ing than ever. The authority works hard to obtain more resources to provide housing for more people hit by the crisis and to manage the resources it has as efficiently and effectively as possible.

In this high stress environment, AHA reaffirms its commitment to excellent customer service. We strive to provide caring, professional service to all our residents, program participants, prospective residents and participants.

Our knowledgeable, dedicated staff is a critically important resource in fulfilling AHA's mission. AHA further increases its impact by partnering with the City of Alameda and with many service providers. In the next three years, AHA will continuously implement best practices to be an excellent public employer and community partner.



Anne B. Diamant



AHA Staff at Rosefield Village during construction

Who We Are

AHA serves the island city of Alameda, a community with a population just under 80,000, adjacent to Oakland and east of San Francisco, California. The U.S. Navy had an important presence in the city until the Alameda Naval Air Station was decommissioned in 1997. Creative reuse of military buildings and plans for new construction, including affordable housing, are in progress.

The authority has a staff of over 50, manages assets of \$94 million and has an annual budget of \$40 million, \$26 million of which is for the Housing Choice Voucher

program. AHA is the city's leader in providing a comprehensive array of affordable housing solutions. Its responsibilities extend beyond those of a typical housing authority to meet the unique needs of its community.

- AHA is a well-regarded public housing authority. It is governed by federal law and follows highly structured policies and procedures to maintain its standing with the U.S. Department of Housing & Urban Development. AHA is considered to be a "medium-sized" housing authority, administering approximately

1,500 housing choice vouchers, and HUD has consistently rated AHA a “high performer.” In 2017-18 AHA successfully competed to obtain 55 additional VASH vouchers specifically for supportive housing for veterans.

- AHA adeptly manages many of the City of Alameda’s housing programs. Though legally separate from the city government since 2012, the city has chosen AHA to manage key housing programs such as the CDBG/HOME Programs, housing rehab programs, Rent Program, and the Inclusionary Housing/ Below Market Rate (BMR) Loan program. For example, approximately \$1.1 million dollars were awarded to service

providers, public works projects, and residential rehabs through the CDBG program this past year.

- AHA is a skilled housing developer and thoughtful long-term owner. AHA uses the Low-Income Housing Tax Credit program and other funding sources to build new affordable housing, directly and in partnership with other developers. AHA has recently expanded its role in directly developing housing, applying for and receiving funding for its first Low-Income Housing Tax Credit project in 2016; Littlejohn Commons (31 senior units) will be completed in Summer 2018. AHA’s second tax credit project, Everett Commons, (20 family units) is



expected to be complete during winter 2018-19. Staff stays abreast of other funding sources, changes to program requirements, and other policy decisions that impact affordable housing development. AHA's own real estate portfolio houses approximately 600 families in fourteen properties. Over 200 more families are housed in properties developed by AHA in partnership with local nonprofits. AHA manages most of the AHA-owned sites while some are contracted to third-party management. All sites have social services provided by one or more third-party contractors, including LifeSTEPS, Boys and Girls Club of Alameda, Alameda Point Collaborative, Building Futures with Women and Children, and the Alameda Food Bank.

- AHA is collaboratively building a new neighborhood. The North Housing site gives AHA a unique opportunity to plan and develop 12.5 acres of land for much needed affordable housing. The site's 'public benefit conveyance' requires several partners — AHA, Alameda Point Collaborative, and Building Futures—to construct 90 units of permanent supportive housing on a portion of the site. Once land is transferred, AHA and its partners will undertake a master planning process to lay out the interior roads and parcels as

Once land is transferred, AHA and its partners will undertake a master planning process to lay out the interior roads and parcels as well as envision the types and locations of housing that will be built throughout the site.



well as envision the types and locations of housing that will be built throughout the site. North Housing presents an opportunity to develop a large parcel

of land near to transportation centers like the Main St. Ferry Terminal, shopping and job opportunities at Alameda Landing, Alameda Point, and the new Estuary Park.

- AHA is broadening its role in solving the housing crisis. AHA is unique among public housing authorities nationwide in that it administers

the City of Alameda Rent Stabilization Program which provides rent increase and termination protections to approximately 15,000 rental households of all incomes in the City of Alameda.



VISION, MISSION and GUIDING PRINCIPLES

Our Vision

The Housing Authority of the City of Alameda shall continue to be recognized for creatively seeking ways to expand the availability of affordable housing throughout Alameda, for caring professional staff, and for excellent service provided fairly to all.

Our Mission

The Housing Authority of the City of Alameda, in partnership with the entire community, advocates and provides quality, affordable, safe housing; encourages self-sufficiency; and strengthens community inclusiveness and diversity in housing.

Our Guiding Principles

- Our services, policies and staff considerations shall reflect AHA's value for inclusiveness, diversity and culturally sensitive services.
- Our goals will be achieved by ongoing collaboration with customers and community partners.
- We strive to be the best medium-sized housing authority on the West Coast, learning from and measuring ourselves against our peers and our industry, and sharing our experiences.

STRATEGIC PLANNING PROCESS

AHA undertook a strategic planning process in order to develop a roadmap with measurable objectives and outcomes to sustain AHA's current operations in a challenging operational environment. The resulting plan will direct AHA's role in meeting the growing need for affordable housing in the City over the next three years. Guidance throughout the process was provided by the Board, senior leadership, and a cross-departmental strategic planning committee.

Planning consultants Cathy Craig and Judy Weber worked with the committee to design a staff survey, plus interview and survey AHA's stakeholders to gather information about AHA's strengths, challenges, opportunities and threats. The Board of

Commissioners, senior managers, and committee members then participated in a daylong retreat to review the survey results, discuss emerging themes, and flesh out priority goals.

As a public housing authority, AHA submits Five-Year Plans and annual updates to HUD. Additionally, AHA sets out its operating policies and procedures in its Administrative Plan.

The AHA Board of Commissioners reviews two-year operating budgets and a detailed two-year work plan covering each department and program. This Strategic Plan does not replace any of the other plans, rather it is intended to set out overarching goals that guide AHA's work.





THREE-YEAR STRATEGIC PRIORITIES

AHA's three-year goals focus on themes of sustainability and operational excellence. As one participant put it, "if we focus on sustainability and excellent operations, exemplary program services will flow from that." AHA has four strategic goals:

- Goal One:** AHA works with community partners to optimize affordable housing and services for the Alameda community
- Goal Two:** AHA uses its resources efficiently
- Goal Three:** AHA retains and recruits excellent staff
- Goal Four:** AHA is financially prepared for future challenges

Goal One: AHA works with community partners to optimize affordable housing and services for the Alameda community. Affordable housing is one of the most pressing issues facing Bay Area communities, and the City of Alameda, with AHA's help, is moving forward to address this issue. The development of the North Housing site will be a high priority over the next three years and will require close collaboration with community partners. Opportunities to acquire or develop sites elsewhere on the island will be reviewed on a case by case basis. Community partners are essential to the achievement of AHA's mission. AHA will continually strengthen its relationship with the city's landlords, service providers, city government, and the general public to build support for doing more. To strengthen and expand its partnerships over the next three years, AHA will:

- Continue to engage board, staff and community stakeholders in discussion of AHA's long-term real estate development strategy.
- Discuss options for addressing the housing crisis by serving households at 60-120% area median income.
- Collaborate with multiple partners to develop the vision for the entire North Housing site.
- Collaborate with homeless housing service providers to successfully implement a plan to house the formerly homeless at the North Housing site.

As one participant put it, "if we focus on sustainability and excellent operations, exemplary program services will flow from that."

- Explore program enhancements and continue outreach to recruit and retain landlords in the HCV program.
- Assess gaps in resident services and explore new partners for enhanced services when feasible.
- Create appropriate communication tools and evaluate resources needed to tell AHA's story and promote AHA's mission.

Measures of success:

- Board of Commissioners reviews and adopts annual AHA Development Policy and Capital Improvement Budget.
- AHA's Board of Commissioners and its partners approve Development Plan for North Housing homeless housing; Board of Commissioners approves asset management metrics for North Housing homeless housing.
 - HCV landlords renew agreements with AHA when units become vacant.
- Staff presents a memo detailing the services available for AHA residents and program participants.
- Communications resources are included in AHA budget.

EVALUATION AND UPDATES

AHA's ability to pursue all the actions outlined in this plan depends on full staffing, and in some cases, additional resources. This strategic plan will be reviewed and updated annually in the context of the resources available for the coming year. The review will include an assessment of the accomplishments to date and discussion of lessons learned. After reviewing



the strategic goals to determine if these remain the most relevant priorities, the Board of Commissioners may choose to extend the term of the plan so that it continues to have a three-year outlook.

Goal Two: AHA uses its resources efficiently. This goal is also related to financial sustainability. In order to operate in a sustainable manner, AHA will make use of technology and consider outsourcing to make best use of available financial and human resources. Over the next three years, AHA will:

- Automate accounting systems, thereby freeing up staff for higher level analytical tasks.
- Implement on-line tenant and landlord services to make working with AHA as convenient as possible and reduce staff time spent on processing.
- Review policies and procedures across programs to improve efficiencies, set common standards and adopt best practices.
- Rehabilitate AHA's properties in accordance with the Board-approved capital improvements based on portfolio capital needs assessments to maintain AHA's high standards in occupancy levels, property condition, energy efficiency and curb appeal.
- Analyze the option of applying for "Moving to Work" status as a Public

Housing Agency .

- Fine tune AHA's best practices by visiting other housing authorities and affordable housing owners/managers to learn about their most innovative and impactful operating practices.

Measures of success:

- Staff reports effective communication across programs and departments.
- Adequate management staffing and systems are in place to manage and support staff at all levels and to operate programs effectively in accordance with regulation and mindful of relevant risks.
- AHA's residents are so satisfied in their homes that they choose not to apply to new AHA housing when it opens up.
- Properties perform successfully against balanced property budgets.

Goal Three: AHA retains and recruits excellent staff. Stakeholder surveys and interviews indicated an appreciation

of the knowledge and abilities of AHA's current staff. They routinely attributed AHA's good reputation to these individuals. While AHA faces some limitations, it will use what methods it can to retain and recruit excellent staff over the next three years. Over the next three years, AHA will:

- Improve work space for staff, within certain financial and physical limitations.
- Continue to provide robust training and cross-training for staff.
- Foster an environment of appreciation, acknowledgement and constructive feedback.
- Seek to hire from within where appropriate.
- Conduct a job classification and compensation study to ensure AHA's total compensation package remains competitive in the marketplace.

Measures of success:

- High recruitment ratios (e.g. offer ac-



ceptance rate for candidates).

- Low non-retirement turnover rate for front-line staff.
- Low non-retirement turnover rate for management positions.
- High staff satisfaction rating.

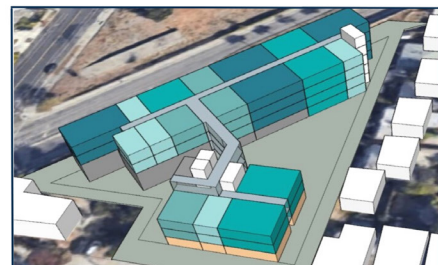
Goal Four: AHA is financially prepared for future challenges. The federal government has not increased funding for the Housing Choice Voucher program nationally, despite massive rent increases. Furthermore, regulations are continually changing. Both of these mean constant adjustments for the local program. AHA anticipates ongoing uncertainty on this front. Fortunately, AHA has other sources of revenue and is not completely dependent on federal funding. Assembling financing for AHA's new housing developments is very challenging because of escalating construction costs, and AHA is continuously challenged to provide the

best, most cost-effective property management and services for its residents. Over the next three years, AHA will assess all its potential resources and prepare for future challenges as follows:

- Adopt a dashboard of key performance metrics to track financial performance.
- Review the long term operation of the HCV program to maximize support to Alameda's low income families and meet federal regulations while reducing its dependency on subsidy from other AHA programs. Continue to manage the short-term cash flow needs of the HCV program.
- Secure funding for AHA's pipeline of affordable housing developments and complete these projects in a cost-effective and timely manner . Explore creative options for managing costs of housing production going forward.
- Review the long-term operations of the



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Property Management functions in the light of future refinancing and rehabilitation. Monitor and manage the short-term and long-term cash flow needs of the properties.

- Continue the Family Self-Sufficiency program as long as HUD provides funding.
- Prepare strategic Asset Management Plans for AHA-owned properties, including Independence Plaza .
- Create pension liabilities policy and adopt a plan for funding this liability.
- Create an organizational reserves policy.

Measures of success:

- AHA receives budgeted developer fees from completed projects.

- AHA assembles financing to redevelop Rosefield Village.
- Asset Management Plans are in place for all AHA-owned properties.
- The HCV program operates with less than 20% annual subsidy from other programs by 2020.
- Property budgets are operating within norms for similar housing authority managed properties in California.
- The Board of Commissioners adopts a pension funding policy and plan.
- The Board of Commissioners adopts an organizational reserves policy and monitors its implementation.

ACKNOWLEDGEMENTS

Many individuals contributed their observations and ideas to this strategic plan. Along with the Executive Director Vanessa Cooper, the Board of Commissioners developed the project scope.

Thanks to:

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Commissioner Stuart Rickard

Commissioner Sandra Kay

Commissioner Brad Weinberg

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AHA is especially grateful to its external stakeholders who responded to the on-line survey or took time to be interviewed by the planning consultants. Their input was vital to this planning process.

The Commissioners, and Strategic Planning Committee members spent a Saturday in late April taking stock of the stakeholder input, examining emerging themes and providing direction for the final strategic goals, actions and measures of success. Thank you all for your time and energy.