



# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
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TTY/TRS 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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## IF YOU WISH TO ADDRESS THE BOARD:

1. Please file a speaker's slip with the Executive Director, and upon recognition by the Chair, approach the rostrum and state your name; speakers are limited to 5 minutes per item.
2. If you need special assistance to participate in the meetings of the City of Alameda Housing Authority Board of Commissioners, please contact (510) 747-4325 (TTY/TRS: 711) or [vmundo@alamedahsg.org](mailto:vmundo@alamedahsg.org). Notification 48 hours prior to the meeting will enable the City of Alameda Housing Authority Board of Commissioners to make reasonable arrangements to ensure accessibility.

## **AGENDA**

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

## **DATE & TIME**

**Wednesday, January 15, 2020 –**

**Regular Meeting – 7:00 p.m.**

**ICD Meeting – 7:02 p.m. (MEETING TO FOLLOW DIRECTLY AFTER  
REGULAR MEETING)**

## **LOCATION**

Independence Plaza, 703 Atlantic Avenue, Alameda, CA

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

## **Public Participation**

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

## **PLEDGE OF ALLEGIANCE**

1. **ROLL CALL** - Board of Commissioners
2. **Public Comment (Non-Agenda)**



### 3. CONSENT CALENDAR

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

- 3-A. Approve Minutes of the Board of Commissioners Meeting held November 20, 2019 – **Page 1**
- 3-B. Accept the Monthly Overview Report for Operations/H.R./I.T. – **Page 8**
- 3-C. Accept the Monthly Overview Report for the Housing Programs Department – **Page 12**
- 3-D. Accept the Monthly Overview Report for the Alameda Rent Program – **Page 17**
- 3-E. Accept the Monthly Overview Report for Property Operations – **Page 21**
- 3-F. Accept the Monthly Overview Report for Housing & Community Development – **Page 29**
- 3-G. Accept the Monthly Development Report for Rosefield Village – **Page 31**
- 3-H. Accept the Monthly Development Report for North Housing – **Page 33**
- 3-I. 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 – **Page 41**
- 3-J. Accept the Annual Police Activity Report for FY 2019 – **Page 43**
- 3-K. Accept the Budget Variance report for November 30, 2019 – **Page 57**
- 3-L. Accept the Annual Review of the Investment Policy and Approve Minor Changes – **Page 73**
- 3-M. Approve Write-off of Uncollectible Accounts Receivable from Former Tenants – **Page 83**
- 3-N. Authorize the Executive Director to Negotiate an Increase to the Contract between the Alameda Housing Authority and the Law Office of Bill Ford in the Amount of a Total Not to Exceed \$250,000 – **Page 86**
- 3-O. Authorize the Executive Director to Negotiate and Approve a Retroactive Contract Extension of Six (6) Months for the Contract between the Alameda Housing Authority to March 31, 2020 and Tree Sculpture in the Amount of a Total Not to Exceed \$745,000 – **Page 89**
- 3-P. Approve an Increase to the Consultant Services Agreement with Howroyd-Wright Employment Agency, Inc. – **Page 94**
- 3-Q. Accept an Update on the Alameda City Council Referral from October 15, 2019 and Approve the Establishment of a Short Term Ad Hoc Board/Staff Committee to Review Termination and Eviction Procedures – **Page 97**
- 3-R. Accept an Update on a Letter Received from HUD Regarding Administrative Fees for the Section 8 Housing Choice Voucher Program – **Page 100**

### 4. AGENDA

- 4-A. Approve an Amendment to the Housing Authority of the City of Alameda (AHA) Section 8 Administrative Plan, Chapter 11, Requirements for Families to Report Increases in Family Income Between Annual Reexaminations to Change the Amount at Which a Full Interim Will Occur from \$5,000 to \$10,000 – **Page 103**



- 4-B. Adopt the Resolution to Adopt Revisions to the Vacation Leave, On-Call and Emergency Call Compensation, and Breastfeeding-Friendly Workplace Policies of the Housing Authority's Employee Policies and Procedures Handbook– **Page 109**
- 4-C. Adopt the Resolution to Adopt a Corrected Pay Schedule – **Page 116**
- 4-D. Authorize the Executive Director to negotiate and enter into a Third Party Property Management Services Contract Between the Housing Authority and John Stewart Company for up to \$280,000 per year for a total Not To Exceed Amount of \$1,400,000 for Three Years, Plus Up to Two One-Year Renewals – **Page 119**
- 4-E. Provide Direction to Staff for Transfer of Properties With a Fannie Mae Loan to Alameda Affordable Housing Corporation – **Page 146**
- 5. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
- 6. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)
- 7. ADJOURNMENT

\* \* \*

Note

- If you need special assistance to participate in the meetings of the Housing Authority of the City of Alameda Board of Commissioners, please contact (510) 747-4325 (TTY/TRS: 711) or [vmondo@alamedahsg.org](mailto:vmondo@alamedahsg.org). Notification 48 hours prior to the meeting will enable the Housing Authority of the City of Alameda Board of Commissioners to make reasonable arrangements to ensure accessibility.
- Documents related to this agenda are available for public inspection and copying at the Office of the Housing Authority, 701 Atlantic Avenue, during normal business hours.
- Know Your RIGHTS Under The Ralph M. Brown Act: Government's duty is to serve the public, reaching its decisions in full view of the public. The Board of Commissioners exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people's review. In order to assist the Housing Authority's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the Housing Authority accommodate these individuals.



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DRAFT MINUTES

**REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
HELD WEDNESDAY NOVEMBER 20, 2019**

The Board of Commissioners Meeting began at 6:00 p.m.

PLEDGE OF ALLEGIANCE

1. ROLL CALL - Board of Commissioners

Present: Chair Kurrasch, Vice Chair Tamaoki, Commissioner Hadid, Commissioner Weinberg, Commissioner Grob (arrived during Closed Session), Commissioner Rickard (arrived during Closed Session)

Absent: Commissioner Kay

2. Public Comment on Closed Session

None

3. Closed Session – 6:00 p.m. – Adjournment to Closed Session to Consider:

3-A. Closed Session pursuant to Government Code Section 54956.8, Conference with Real Property Negotiators. Property: Assessor's Parcel Number 74-451-1-8; Authority Negotiators: Vanessa Cooper and Kathleen Mertz; Negotiating Parties: PUR Atlantic LLC; Under Negotiation: Price and Terms of Payment.

3-B. Closed Session: Pursuant to Government Code Section 54956.8, Conference with Real Property Negotiators. Property: Assessor's Parcel Number 74-1366-9; Authority Negotiators: Vanessa Cooper and Kathleen Mertz; Negotiating Parties: Pulte Group; Under Negotiation: Price and Terms of Payment.

3-C. Closed Session pursuant to Government Code Section 54956.9(a) – Conference with legal counsel re existing litigation, Housing Authority of the City of Alameda v. Johnson, Alameda County Superior Court No. RG18933615.

4. Adjournment of Closed Session

5. RECONVENE REGULAR MEETING – 7:32 p.m.



6. Announcement of Action Taken in Closed Session, if any.

Chair Kurrasch stated that three items were discussed and that for Item 3-A and Item 3-B the Board gave direction to AHA’s real estate negotiators. Item 3-C was conferenced with Council and direction was given.

Chair Kurrasch then commented on the passing of Mr. Richard Neveln and said a few words.

7. Public Comment (Non-Agenda)

None

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.

**Items accepted or adopted are indicated by an asterisk.**

Chair Kurrasch and Commissioner Weinberg recused themselves from voting on Item 8-A: Approve Minutes of the Board of Commissioners Meeting held October 16, 2019, since they did not attend the meeting.

Item 8-L was pulled from the consent calendar for further discussion, see below.

Commissioner Rickard referred to the LAIF and CAMP statements and commented that the beginning and end balance on the LAIF statement is the same; Ms. Vanessa Cooper, Executive Director, explained that payments are made quarterly.

On Item 8-L, Ms. Cooper explained that during the last Board of Commissioners meeting AHA staff was asked to add a monthly update regarding the Alameda City Council Referral from October 15, 2019. AHA has a meeting with the City Manager on December 2, 2019, ARC has declined the offer to set up mediation sessions, and AHA has offered to the City to create a task force for issues reading to seniors aging in place.

Commissioner Grob moved to accept the motion and Commissioner Hadid seconded the motion. All were in favor with two abstentions on Item 8-A:

Yes:	4	Vice Chair Tamaoki, Commissioner Hadid, Commissioner Grob, and Commissioner Rickard
Abstained:	2	Chair Kurrasch and Commissioner Weinberg
Absent:	1	Commissioner Kay

- \*8-A. Approve Minutes of the Board of Commissioners Meeting held October 16, 2019
- \*8-B. Accept the Monthly Overview Report for Operations/H.R./I.T.
- \*8-C. Accept the Monthly Overview Report for the Housing Programs Department



- \*8-D. Accept the Monthly Overview Report for the Alameda Rent Program
- \*8-E. Accept the Monthly Overview Report for Property Operations
- \*8-F. Accept the Monthly Overview Report for Housing & Community Development
- \*8-G. Accept the Monthly Development Report for Rosefield Village
- \*8-H. Accept the Monthly Development Report for North Housing
- \*8-I. Accept the Holiday and Office Closure Schedule for 2020
- \*8-J. Accept the Quarterly Investment Report for Period Ending September 30, 2019
- \*8-K. Accept the Budget Variance Report for September 30, 2019
- \*8-L. Accept an update on the Alameda City Council Referral from October 15, 2019
- \*8-M. Approve Clarification of Revised Payment Standard Decrease for the Section 8 Housing Choice Voucher Program and Payment Standard Increase for Project Based Vouchers Effective December 2, 2019

9. AGENDA

- 9-A. Authorize Staff to Prepare Documents to Transfer Housing Authority Owned Properties to Comply with HUD Requirements for Project-Based Voucher and Housing-Choice Voucher Contracts

Ms. Kathleen Mertz, Director of Housing and Community Development, introduced Valerie Yong, Special Projects Intern, and explained that in May of 2018, four properties transferred from AHA to the non-profit affiliate Alameda Affordable Housing Corporation (AAHC) which was a result of HUD’s guidance that a Housing Authority cannot be both the Section 8 contract administrator and the property owner. Staff is coming before the Board for approval to transfer the balance of AHA’s portfolio over to AAHC to address this. Ms. Mertz explained that this move will take place by July 1, 2020, but some properties may need to transfer sooner in order to execute the Project Base Voucher award. Staff is coming before the Board with the same structure previously approved, that AHA will own the land but improvements will be transferred to AAHC. Ms. Mertz explained that staff will need to do appraisals and four properties have hard debt (Independence Plaza, Esperanza, Parrot Village, and Eagle Village), which will require lender approvals as well.

Vice Chair Tamaoki moved to accept the motion and Commissioner Grob seconded the motion. The motion passed unanimously:

Yes:	6	Chair Kurrasch, Vice Chair Tamaoki, Commissioner Grob, Commissioner Hadid, Commissioner Rickard, and Commissioner Weinberg
Absent:	1	Commissioner Kay

- 9-B. Provide Direction to Staff for Development Opportunity at Alameda Landing

Ms. Mertz stated that there is an opportunity available to AHA at Alameda Landing. The Pulte Group has come to AHA with the opportunity to build their required affordable units. There was a discussion in Closed Session, and now this item is before the Board for approval to move forward. The Pulte Group asked if AHA is interested in building all the



moderate, low and very low affordability units. AHA has not done all three tiers of affordability since the construction of Independence Plaza.

Ms. Mertz explained that there is a new program rolling out this year, which AHA can utilize to build moderate units, but staff would need approval from the Board if this is something the Board would like AHA to pursue. Ms. Mertz then explained the three potential development models for this project.

Vice Chair Tamaoki asked if there is a requirement that the affordable units be built prior to the remaining development and Ms. Mertz explained Pulte's multi-phased development plan. Vice Chair Tamaoki asked about the timing of the first phase and Ms. Mertz explained that Pulte has gone through design review and is looking to start building next summer. Ms. Mertz has already spoken with the City of Alameda's Planning staff and can move forward with a planning revision if this item received approval from the Board of Commissioners. Vice Chair Tamaoki confirmed that construction will start in 2020 and Ms. Mertz explained that there has already been discussion between AHA and Pulte regarding AHA's inability to begin building next summer. Ms. Mertz then explained that AHA's portion of the development would be carved out and built later if AHA is given approval to move forward with this project. Chair Kurrasch asked for clarification on the exact location and Ms. Mertz described the location of the parcel. Vice Chair Tamaoki asked about the mixed income levels and Ms. Mertz explained the features of the property.

Vice Chair Tamaoki and Commissioner Weinberg expressed that they are inclined to self-develop the property and Commissioner Rickard expressed the benefit of having partnerships with non-profits so that there are multiple entities that can develop and for AHA to learn best practices from other developers. A dialogue then ensued regarding the North Housing development. Ms. Cooper commented that AHA will maintain the right of first refusal and AHA intends to keep the land, but is asking for the approval to make a decision moving forward. Vice Chair Tamaoki asked how the Board making a decision would determine how staff moves forward and Ms. Mertz explained that AHA will need to negotiate the terms with Pulte and explained the next steps. Ms. Cooper commented that the MOU will not include a third party and Commissioner Weinberg asked about time timing of the project and the creation of the RFP. Ms. Cooper explained that AHA can bifurcate issues and that staff will come back before the Board in January, but asked if the Board would like AHA to move forward with the Pulte MOU. Ms. Mertz confirmed and explained that the final MOU will come back before the Board as well. Ms. Cooper addressed the 80% - 120% question raised by Vice Chair Tamaoki and explained the position of Housing Authorities and going above 80% for PHA funding. Vice Chair Tamaoki expressed the importance of keeping control of the land and Ms. Mertz explained that there has been conversations with Pulte regarding the options before the Board and Pulte has not expressed concern about the options.

Commissioner Hadid would like to keep the land and discussed Option #2 regarding a third party partner, asking about the timeframe and staff time associated with collaborating with a third party team. Ms. Cooper commented that AHA would set the expectations and Commissioner Weinberg and Commissioner Rickard discussed the difference between



hiring more staff vs. working with third party developers. Chair Kurrasch commented about moving forward with getting the land and working on the MOU.

Commissioner Grob asked about the process of getting guidance from the State and Ms. Cooper explained that there is written legislation regarding the 80% - 120%, but if AHA would like to proceed with this option, then the necessary legislative changes may need to be submitted soon. Commissioner Grob stated that incorporating 120% is a great idea and Commissioner Weinberg would like staff to investigate what it means to go above 80%.

Staff was given direction to move forward with Pulte negotiation on land acquisition and coming back to the Board with further information regarding the legal implications of this project. Since Item 9-B was to provide direction to staff, a vote was not taken.

9-C. Report to the Board of Commissioners on the 2019 Compensation Study of Exempt Positions and Adopt the Corresponding Resolution to Adopt a Revised Pay Schedule

Ms. Janet Basta, Director of HR and Operations, explained that staff came before the Board earlier this year with the Director level positions salary compensation study and are coming back with the remaining exempt positions results. Ms. Basta explained that the same comparator agencies and firm were used to conduct this study in order to keep the project consistent. Ms. Basta explained the results of the study and that overall compensation came back a little low. Ms. Basta explained that if the Board approves the changes to the Pay Schedule, AHA would adjust staff salaries at the next pay period. Budget wise, AHA can absorb the increased remaining cost through FY 2019.

Chair Kurrasch was glad to see the same methodologies have been used and commented on the tough job market. Vice Chair Tamaoki confirmed that on average staff will see about a 5% increase and Ms. Basta explained that the range is between 2½% - 7½% and explained how the ranges will work. A dialogue ensued between Vice Chair Tamaoki and Ms. Basta regarding the percentage ranges listed on page 77.

Commissioner Rickard asked if, when recruiting, it helps that AHA's offered salary is higher due to a difference in provided benefits, and Ms. Basta said this is likely be the case. Commissioner Grob asked what the process would be to increase benefits in the future rather than just increasing salary. Ms. Basta commented that a study of our benefits would need to take place and explained that this would mean changing some of AHA's policies.

Commissioner Hadid moved to accept the motion and Vice Chair Tamaoki seconded the motion. A roll call vote was taken and all were in favor of adopting the resolution:

- Yes:           6           Chair Kurrasch, Vice Chair Tamaoki, Commissioner Grob, Commissioner Hadid, Commissioner Rickard, and Commissioner Weinberg
- Absent:       1           Commissioner Kay



9-D. Accept the Resolution to Amend the Schedule of Authorized Positions

Ms. Basta explained that there has been a long-term Housing Specialist vacancy due to staff being out of the office and commented that CalPERS regulations limit who can be hired and how long they are able to stay in the temporary position of a Housing Specialist. Ms. Basta further explained that this has implications for workload and ongoing oversight. As a result, staff is coming before the Board for approval to add an additional Housing Specialist to the organization with the understanding that this position would be reduced later. Ms. Basta mentioned that staff is also eliminating the Parrot Village Resident Manager position due to difficulty finding a candidate to fill the vacancy, and explained that this position would be outsourced going forward.

Vice Chair Tamaoki asked if there is a risk involved with of hiring an additional Housing Specialist because if the absent employee returns, there would be too many employees and Ms. Basta commented that staff has been trying to make the shortage of staff work for months, but assistance is needed in this critical department.

Commissioner Rickard asked if AHA will pay a third party to oversee Parrot Village and Ms. Cooper confirmed, explaining that this cost would be transferred to the property's budget.

Commissioner Grob moved to accept the motion and Commissioner Rickard seconded the motion. A roll call vote was taken and all were in favor of adopting the resolution:

Yes: 6 Chair Kurrasch, Vice Chair Tamaoki, Commissioner Grob, Commissioner Hadid, Commissioner Rickard, and Commissioner Weinberg

Absent: 1 Commissioner Kay

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

None

11. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

The Board wished everyone a Happy Holidays!

Commissioner Hadid asked if staff could reach out to Mr. Richard Neveln's family and send a sympathy card. Ms. Cooper commented that staff has attempted to reach family.

12. CONTINUATION OF CLOSED SESSION – IF NEEDED

None



- 13. Announcement of Action Taken in Closed Session, if any.

None

- 14. ADJOURNMENT

There being no additional Closed Session or further business, Chair Kurrasch adjourned the meeting at 8:23 p.m.

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Vanessa M. Cooper  
Executive Director/Secretary

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Arthur Kurrasch, Chair  
Board of Commissioners





# Housing Authority of the City of Alameda

PHONE (510) 747-4300  
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TTY/TRS 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Janet Basta, Director of Human Resources and Operations

Date: January 15, 2020

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

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## **BACKGROUND**

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

### Human Resources and Operations

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, including any positions on the current Schedule of Authorized Positions that Management is electing not to fill or that have been outsourced.

<u>Department</u>	<u>Position</u>	<u>Number of Vacant Positions</u>	<u>Recruitment Status</u>	<u>Other Updates</u>
Administration	Management Analyst	1 FTE	One position open due to turnover, post in 2020	Two newly hired Analysts onboarding
	Communications Manager	1 FTE	Position posted	
	Risk Manager	1 FTE	Position posted; extended to open until filled	
Finance		0 FTE		Department is fully staffed
Housing Programs	Housing Specialist II	2 FTE	In interview process; one open	



			due to turnover, one new position approved by Board	
Property Operations	Facilities Supervisor	1 FTE	Position reposted with revised title and salary range	
	Assistant Resident Manager (IP)	.13 FTE	Initial posting not successful; will repost in 2020	
Housing and Community Development		0 FTE		Department is fully staffed
Rent Stabilization Program	Rent Program Specialist	1 FTE	One position open due to turnover; in interview process	

Summary:    Total FTE's approved for FY 2020:        58.50  
                   Number of vacancies:                                    7.13  
                   Number of active recruitments:                        6.00

On December 19, a training on Customer Service in the Public Sector was presented to all AHA staff and LifeSTEPS staff. The well-received training, provided by Gil Morales of CPS HR Consulting, focused on the unique aspects public agencies must address when working with customers, and staff learned new techniques and skills to work more effectively with AHA's customers and clients. In addition, it provided various contexts and illustrated ongoing challenges between perceptions and regulatory requirements, as seen through AHA's customers and clients.

AHA's annual Fair Housing training is being done on-line this year through the Yardi e-learning platform. All staff will complete this training by the end of December.

Information Technology/Administration

The selection letters for the Request for Proposals for the Project-Based Voucher program have been issued, and are pending acceptance. An initial meeting for leasing the 25 Veterans Affairs Supportive Housing (VASH) Project-Based Vouchers awarded to Eden Housing has been set between Eden, the Housing Authority and staff from Veteran's Affairs. It is anticipated that leasing will be complete by the end of summer 2020.



The initial results for the Information Technology (IT) part of the annual audit were verbally communicated to staff, resulting in two small changes. One was the complexity of the Yardi passwords was increased and the second was formalizing the documentation of a process that is already completed by sending an e-mail upon completion.

The service tickets for Techordia for the month of October 2019 follow. The IT service tickets for the month of October 2019 have been routine in nature. A category for cyber security was added to highlight tickets dealing with phishing attempts, firewall or other software/hardware related to preventing a cyber attack. The average response time for tickets this month was about 5.33 hours. Three tickets were not marked as responded to; however, Techordia did respond to these three tickets the same day. Removing these three tickets drops the average to a response time of 0.5 hours.

Techordia Service Ticket Requests - October 2019

Type of Service Request	Number of Tickets
Access rights	11
Hardware	4
Software	21
On Boarding / Off Boarding	3
On Site Visits	9
Cyber Security	4
TOTAL:	52

The service tickets for Techordia for the month of November 2019 follow. The IT service tickets for the month of November 2019 have been routine in nature. There was an increase in service requests for off and on boarding as several staff changes were processed during November. The Admin category was added for November due to the IT piece of the annual audit and Techordia preparing documents for the auditor. This category will not be regularly tracked. The average response time for tickets this month was about 3 hours.

Techordia Service Ticket Requests - November 2019

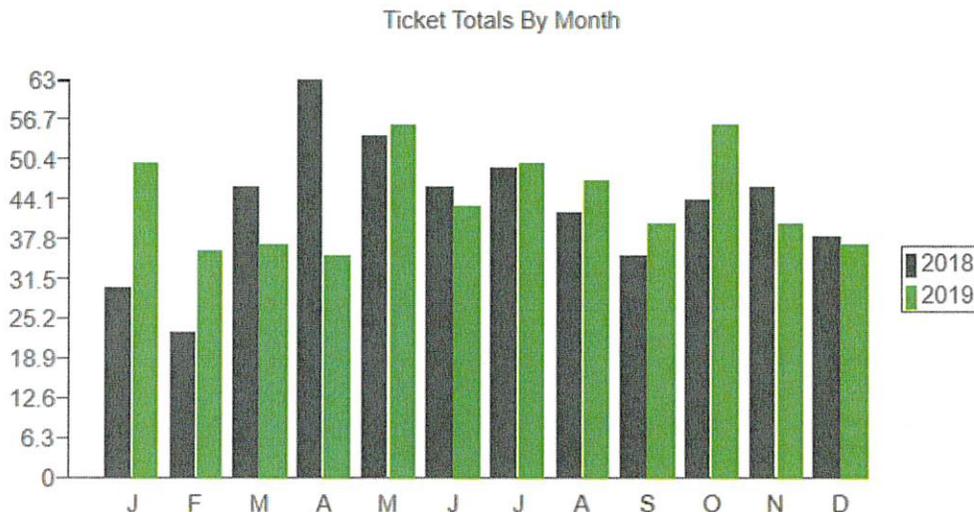
Type of Service Request	Number of Tickets
Access rights	3
Hardware	4
Software	11
On Boarding / Off Boarding	10
On Site Visits	8
Cyber Security	2
Admin	1
TOTAL:	39



Honorable Chair and  
Members of the Board of Commissioners

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As of 12/30/2019, there have been 527 tickets this year and, at that time, there were 30 open tickets. Below is a chart of tickets for year 2018 versus 2019.



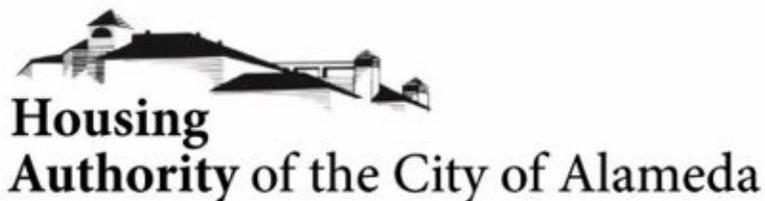
**RECOMMENDATION**

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

Respectfully submitted,

Janet Basta  
Director of Human Resources and Operations  
JCB/TMSC





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To: Honorable Chair and Members of the Board of Commissioners  
 From: Lynette Jordan, Director of Housing Programs  
 Date: January 15, 2020  
 RE: Accept the Monthly Overview Report for the Housing Programs Department

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### **BACKGROUND**

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

### **CY 2020 Housing Choice Voucher Program (HCVP) Renewal Awards:**

On November 27, 2019 all Public Housing Authorities (PHA's) received a letter from HUD stating the following: The Department is currently operating under the Continuing Resolution (CR) H.R.3055 – Further Continuing Appropriations Act, 2020, and Further Health Extenders Act of 2019, which is effective until December 20, 2019. The purpose of the letter was to communicate to PHAs administering the Housing Choice Voucher (HCV) Program, their current status and projections of their calendar year (CY) 2020 renewal funding, and steps PHAs must take to support the funding process. The letter provided important information about the PHAs' monthly Housing Assistance Payments (HAP), Administrative Fee (AF) disbursements, and projected HAP and AF proration based on the Fiscal Year (FY) 2020 Senate and House of Representatives Appropriations Bills.

HUD obligated funding to PHAs as follows:

- December 2019 and January 2020 HAP obligations at 99.5% proration of estimated CY 2020 eligibility; additionally,
- December 2019, January and February 2020 AF obligations have been allocated at 79% proration of estimated CY 2020 eligibility.
- If the PHAs also administer the Mainstream Program, both HAP and AF for January and February 2020 have been allocated at 100% and 79% proration, respectively.

Consequently, PHAs should expect the timely disbursement of HCV Program HAP and AF payments for December 2019 and January 2020. A second notification regarding the February 2020 HAP and AF payments will be provided to PHAs in January 2020.



Honorable Chair and  
Members of the Board of Commissioners

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AHA Monthly Funding Update

Each month AHA continues to project future HAP expenses by utilizing the two-year tool. A review of the two-year tool in November projected that by December 31, 2019 AHA would have \$883,014 in HAP reserves with a utilization rate of 98.2% of HUD approved funding. Under indicator 1 of SEMAP which is worth up to 20 points, AHA must have utilized at least 98% of its HAP funds to receive full points for SEMAP. This amount of lease-up is currently just slightly above that threshold, and must still be confirmed with HUD’s calculations. A final calculation will not be available for some time and is dependent on a number of yearend financial transactions.

If AHA does not meet the HAP expenditure maximum requirement rating for 2019-20, AHA will be a Standard Performer. AHA has focused every effort on working diligently to avoid this designation by increasing AHA HAP expenditures. For example, staff absorbed all remaining port in vouchers effective December 1, 2019, all interim adjustments received within the 2019 year were processed, and rent increase requests from owners were expedited prior to December 31, 2019, increasing AHA HAP expenses in November and December 2019 as outlined in the chart below. Utilization is highly dependent on the willingness of private landlords to both, take Section 8 vouchers and, for those who do take them, to not reduce their participation. The City Council raised providing financial incentives for lease up at their October 15, 2019 meeting. However, there has not yet been further action on this point.

For the month of November and December, HAP expenses for HPD are as follows:

HAP	November 2019	December 2019
Received	\$2,237,926	\$2,617,719
Expended	\$2,513,561	\$2,648,882

Online Recertification

The Online Recertification portal launched on September 1, 2019, to all program participants with recertifications effective January 1, 2020, (prior rollout of online recertification was a pilot for certain properties to test the online portal and facilitate adoption). In the month of November and December staff completed 146 online recertifications, with few exceptions provided for approved Reasonable Accommodations. This online system allows AHA participants to complete their annual recertifications online via cell phones, tablets, laptops, or home computers. Participants are also able to upload proof of income, assets, or other recertification documents directly into the portal. In order to support our participants with the new process ongoing training sessions were held at Independence Plaza in November and December.

AHA continues to offer monthly training sessions and individual assistance is available, upon request, in the office for participants seeking assistance with the new system. Adoption of online submission is essential to limit program costs and reflects changes made with other government agencies. The Section 8 program currently is subsidized by



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AHA though non-HUD funding in excess of \$1mn per year. This transfer is approved by the Board each year and is driven by under leasing of units due to the high rental market, HUD's proration of Administrative Fees, high costs of salaries and benefits in the Bay Area and AHA's desire to provide excellent customer service.

Upcoming Scheduled Monthly Training Sessions:

*There are two classes provided each training day:  
9:00 AM – 10:30 AM or 2:00 PM – 3:30 PM*

The next three classes will be held at Independence Plaza, 703 Atlantic Avenue, Alameda on the following dates:

- January 14, 2020
- February 11, 2020
- March 17, 2020

Family Self-Sufficiency (FSS) Grant Awarded

On Tuesday, December 31, 2019, U.S. Housing and Urban Development (HUD) awarded more than \$79 million to nearly 700 public housing authorities across the country. These funds will help residents of public housing and voucher-assisted housing increase their earned income and reduce their dependency on public assistance and rental subsidies. AHA applied for, and received, \$72,000 in funding to continue administering the FSS program for 2020. This grant will enable AHA to collaborate with social service agencies, community colleges, businesses, and other local partners to help participants further their education, gain marketable skills, and otherwise increase their income potential.

Participants in the FSS program sign a five-year contract requiring the head of the household to obtain employment. In addition, no member of the FSS family may have received cash welfare assistance for twelve months prior to program graduation. Families in the FSS program have an interest-bearing escrow account established for them. The amount credited to the family's escrow account is based on increases in the family's earned income during the term of the FSS contract. LifeSTEPS is now providing regular workshops for the FSS participants.

FSS participants who successfully complete the requirements of their FSS contract receive the escrow funds upon completion and are able to apply those funds to advance their personal circumstances, including, for example, paying educational expenses or making a down-payment on a home.

In the month of December 2019, AHA celebrated the graduation of an FSS participant with a \$43,000 escrow account. AHA continues to recruit for new participants for the program and to do outreach to replace the slots vacated by graduates.



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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### HPD STATISTICS

<b>Statistics</b>	<b>October</b>	<b>November</b>	<b>December</b>
Annual Re-examinations Processed	Completed: 122	Completed: 68	Completed: 78
Rent Increases	Completed: 38	Completed: 68	Completed: 53
Interim Re-examinations Processed	Completed: 64	Completed: 65	Completed: 102
<b>Statistics</b>	<b>October</b>	<b>November</b>	<b>December</b>
HQS Private Landlord Inspections Conducted Pass Rate %	Private LL: 29 Pass Rate: 34%	Private LL: 36 Pass Rate: 31%	Private LL: 39 Pass Rate: 46%
HQS in AHA Owned Units Pass Rate	Sherman St:7 Pass Rate:100 % CC : 25 Pass Rate:48% LW: 5 Pass Rate:20% Condos:7 Pass Rate: 86% Stanford: 3 Pass rate: 67%	Everett Commons: Pass Rate: 53%	APC S+C:13; Pass rate: 38% Operation Dignity S+C: 4; Pass Rate: 50% APC PBV: 24; Pass rate: 38% BCC: 30; Pass Rate: 77% Shinsei Gardens:21; Pass Rate: 53%

### VOUCHER ISSUANCE AND LEASE UP DATA

<b>Statistics</b>	<b>October</b>	<b>November</b>	<b>December</b>
Section 8 Continued Movers seeking housing	21	17	18
Port-in voucher holders seeking housing	6	6	3
Voucher Holders Ported Out & Seeking Elsewhere	-10	-6	-11
<b>New Vouchers Issued</b>	<b>35</b>	<b>41</b>	<b>30</b>
<b>Total Voucher Holders Seeking Housing in Alameda</b>	<b>62</b>	<b>64</b>	<b>51</b>
Non-Port Leased	HCV - 4 PBV - 1	HCV - 5 PBV - 1	HCV - 4 PBV - 0
Port Move-In Leased	4	0	0
<b>Total Vouchers Leased Up within the City of Alameda</b>	<b>9</b>	<b>6</b>	<b>4</b>



Honorable Chair and  
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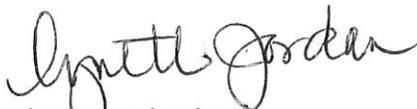
January 15, 2020  
Page 5 of 5

Note: Total voucher seeking housing is cumulative, less port-out vouchers and leasing

**RECOMMENDATION**

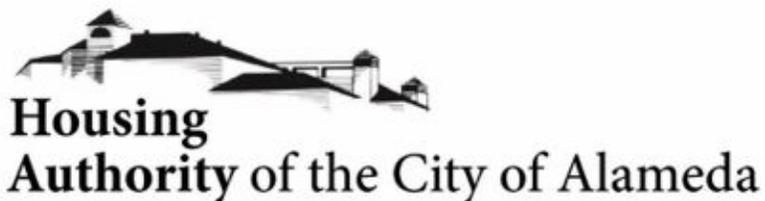
Accept the Monthly Overview Report for the Housing Programs Department.

Respectfully submitted,



Lynette Jordan  
Director of Housing Programs





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

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Greg Kats, Rent Program Director

Date: January 15, 2020

Re: Accept the Monthly Overview Report for the Alameda Rent Program

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### **DATA**

The monthly reports for the Rent Program are available at [www.alamedarentprogram.org](http://www.alamedarentprogram.org). For outcomes of submissions reviewed, please see the full report available online.

	October	November	December
Rent increase submissions*	7	4	9
Termination of tenancy submissions	4	2	3
Buyout agreement submissions	8	1	2
Capital Improvement Plan submissions	0	0	0
Number of rent adjustment hearings requested	6	1	2
Number of hearings held resulting in a rent adjustment**	0	0	0
Number of staff mediations held	1	0	1

\*Includes both: requests for rent adjustment hearings and requests for other staff services, e.g., reviewing rent increase notices for compliance.

\*\*Requests for hearings may not result in a hearing being held for a number of possible reasons, including: 1) successful mediation that resolves the matter, 2) the party withdrawing their request, or 3) the parties resolving the matter between themselves.



**MONTHLY UPDATE**

Staff continues to engage in extensive community outreach to help the public, both tenants and landlords, better understand the new amendments to the program regulations stemming from the passage of Ordinance 3249 in September. Rent Program staff is currently hosting informational workshops for the public, twice a month through January and once a month thereafter, to provide updates regarding changes to the termination of tenancy and rent increase processes.

Rent Program staff will begin offering registration workshops for owners and property managers, twice a week during late January and throughout February. These workshops are offered to provide information about, and assist with, the rental unit registration process, in preparation for the scheduled roll out of the online rent registration system in January. The development of the rent registry database is ongoing and staff continues to conduct system testing to get ready to “go live” in January. Approximately 14,000 private market units will need to be registered. Introductory letters providing owners/property managers with a unique APN and PIN combination to access the system are scheduled to be mailed out in mid-January. There is a projected registration deadline of mid-March scheduled for all rental units. The letters will be accompanied by the System User Guide, which is in the process of being finalized.

On October 8, Governor Newsom signed Assembly Bill 1482. This legislation mandates statewide rent control and termination of tenancy regulations for certain types of units. The City of Alameda and the Alameda Rent Program are in the process of reviewing this legislation and assessing the potential impact on Alameda renters and landlords. Additional outreach may be necessary in the New Year, to inform the public regarding these new rent control measures, as this law became effective on January 1, 2020. Rent program staff are in the process of drafting a mailer, for both renters and landlords, to clarify rights and responsibilities under the new, statewide legislation.

Staff are working with the CAO on regulations for the new ordinance. It is expected that this will include regulations that impact the Section 8 program. This work is in progress with the City Attorney’s Office.

The service agreement between the City of Alameda and the Rent Program expires on June 30, 2020. AHA has received written confirmation (see Attachment 1) from the City Manager indicating that City staff will recommend, to the City Council, a three-year service agreement extension effective July 1, 2020, during which AHA would continue to administer the Alameda Rent Program. The agreement will need considerable reworking, due to the significant changes in the program over the past 6 months. However, the overall budget and staffing impacts for the agency are unlikely to be significant. The revised agreement will come to the Board for approval in the coming few months.



**RECOMMENDATION**

Accept the monthly overview report for the Alameda Rent Program.

Respectfully submitted,



Greg Kats  
Director of the Alameda Rent Program

Attachment:

1. City of Alameda California Letter from Eric J. Levitt, City Manager



## City of Alameda California

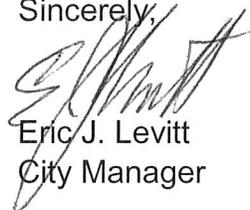
December 29, 2019

Ms. Vanessa Cooper  
Executive Director  
Housing Authority of the City of Alameda  
701 West Atlantic Avenue  
Alameda, CA 94501

Dear Vanessa:

I am writing to you regarding the potential renewal of the service agreement between the Alameda Housing Authority (AHA) and the City of Alameda, designating AHA as the Program Administrator of the Alameda Rent Program. As you know, the current service agreement between the City of Alameda and AHA expires June 30, 2020. As you are aware we are currently negotiating with AHA to draft a new service agreement and corresponding program budget, and to complete a fee study designed to update annual program fees. Once these documents are finalized, City staff will be recommending to the City Council approval of a three-year agreement extension during which the HA would continue to administer the Alameda Rent Program, effective July 1<sup>st</sup>, 2020. We will keep you apprised as to any future developments regarding this matter.

Sincerely,



Eric J. Levitt  
City Manager

EJL:jo

cc: Debbie Potter, Community Development Director  
Gregory Kats, Director, Rent Stabilization Program

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Office of the City Manager

2263 Santa Clara Avenue, Room 320  
Alameda, California 94501  
510.747.4700 • [manager@alamedaca.gov](mailto:manager@alamedaca.gov)

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Lisa Caldwell, Director of Property Operations

Date: January 15, 2020

Re: Accept the Monthly Overview Report for Property Operations

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### **BACKGROUND**

This memo provides a high-level overview of the Property Operations Department's activities for the month of November and December 2019.

### **DISCUSSION**

#### **VACANCY – November**

Lease up coordination between the Property Operations and Housing Programs departments continues in order to fill vacancies as soon as possible. Applicants from waitlists have been outreached or are in process for applicable vacant units. When possible, three applicants are processed for each vacancy. Vacancies that do not have a waitlist are posted in the AHA lobby as well as our website. The table below provides eleven (11) vacancies at the end of November. Staff had five (5) move-ins that took place throughout December.

<b>Property</b>	<b>Unit #</b>	<b>Vacancies End of November</b>	<b>Notice to Vacate Pending</b>	<b>Lease Pending</b>	<b>Rate</b>
Anne B. Diament Plaza	65	1	1	1	2%
China Clipper Plaza	26	0	0	0	0%
Esperanza	120	4	1	1	3%
Independence Plaza	186	6	0	3	3%
Parrot Village	50	0	0	0	0%
Scattered Sites*	42	0	0	0	0%
<b>Total</b>	<b>489</b>	<b>11</b>	<b>2</b>	<b>5</b>	<b>2%</b>

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



Honorable Chair and  
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### VACANCY – December

The table below provides nine (9) vacancies at the end of December. Progress is taking place in filling these vacancies. Staff is diligently working on securing more move-ins to take place throughout January.

Property	Unit #	Vacancies End of December	Notice to Vacate Pending	Lease Pending	Rate
Anne B. Diament Plaza	65	1	0	0	2%
China Clipper Plaza	26	0	0	0	0%
Esperanza	120	3	2	1	3%
Independence Plaza	186	6	2	0	3%
Parrot Village	50	0	0	0	0%
Scattered Sites*	42	0	0	0	0%
<b>Total</b>	<b>489</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>2%</b>

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

The total unit count in the tables above includes the five (5) manager units located at Anne B. Diament Plaza, Esperanza, Parrot Village, Independence Plaza, and China Clipper.

There are currently four (4) units offline due to extensive repairs. These units are not included in the vacancy numbers listed above and are outlined below:

Property	Number of units	Offline due to:
*Sherman Street	3	All three (3) units have a connected plumbing issue underground. See Capital Improvement attachment for dates.
*Lincoln House	1	Kitchen fire which has caused the entire kitchen and parts of roof to be replaced. See Capital Improvement attachment for dates.

\*Properties included in the scattered sites.

### RENT COLLECTIONS – November

China Clipper's 92% collection rate is a result of HAP adjustments made for a recent move out. A HAP payment was received for a tenant that moved out and was taken back.

Esperanza's 97% collection rate is a result of four (4) vacant units in the month of November. Applicants for the vacant units are in process.



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IP's 108% collection rate is a result of approximately \$10,000 of collected November rents is for previous months' rents posted to November. In addition, there is higher rent collections due to higher than budgeted Section 8 subsidized units.

Parrot Village's 97% collection rate is a result one (1) tenant rent outstanding which staff is working with the legal and the tenant to collect.

The Scattered Sites' 85% collection rate is a result of the offline units, mentioned in the above table. There are four (4) units currently offline due to extensive repairs needed. All four (4) of these units are in the process of being contracted out to have the repairs completed.

GPR - Budget vs. Collected

Property	ABD	China Clipper	ESP	IP	Parrot Village	*Scattered Sites	Total
Budgeted GPR	\$92,123	\$44,629	\$322,534	\$249,732	\$143,590	\$86,507	<b>\$939,115</b>
Collected	\$95,313	\$41,269	\$313,524	\$270,471	\$139,309	\$73,830	<b>\$933,717</b>
Collection Rate	103%	92%	97%	108%	97%	85%	<b>99%</b>

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

Property Management staff continues to work with Attorney Bill Ford on terminations of tenancy for non-payment of rent. Non-payers are sent monthly to Mr. Ford mid-month, in order to assist with collecting payment on their debts in full and/or entering into a signed payment plan. At the end of December, there were four (4) cases actively being managed through the Attorney. All households subject to termination are referred to our social services provider, LifeSTEPS, for assistance including budgeting and obtaining rental assistance. Where tenant households are also Section 8 Housing Choice Voucher (HCV) holders, the Section 8 staff have also conducted mandatory in person case management conferences to remind participants of their obligations under the HCV Program.

As has been discussed before AHA's senior tenants are struggling to live independently and there is no assisted living available to them as low income residents. During this period staff have identified 5 households who are out of the unit for more than 30 days, at the hospital or rehabilitation center. Under the Section 8 program, the tenant can only be out of the unit for 180 day without losing their Section 8 voucher. If the unit is a PBV unit then AHA loses the remaining contract years on that unit. As a result it will be necessary to terminate the tenants. Tenants will be provided with legal aid information and will be able to complete a reasonable accommodation. Staff and social workers will



Honorable Chair and  
Members of the Board of Commissioners

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work with these households and their families to ascertain whether they can reasonably be expected to return in the 180 days.

### RENT COLLECTION – December

Rent collection for the month of December will be provided in the February Board memo along with January, as the financials for the properties where not closed out and available in time for this memo preparation.

### SOCIAL SERVICES

The below chart outlines the number of hours and services provided by LifeSTEPS for the month of November for all AHA managed sites.

<b>Service</b>	<b>Participants</b>	<b>Hours</b>
Individual Case Management	281	138
Education Classes	126	17
Community Building Enrichment Activities	77	24
Additional Services & Education	208	23

Alameda Family Services continues to provide services at Esperanza for families, seniors and the homeless. After school services are provided by the Boys & Girls Club of Alameda. In partnership with AHA, the Alameda Food Bank provides services twice a month to both Anne B. Diament and Independence Plaza. The Alameda Food Bank provides food distribution for Esperanza once a month.

The following total households were served by the Alameda Food Bank in November.

<b>Property</b>	<b>No of units</b>	<b>Households Served</b>
Anne B. Diament	65	28
Independence Plaza	186	78
Esperanza	120	42

### RENT INCREASES

Rent increases for 2020 have started to go out. The increase should not affect the tenant's portion unless the household is residing in an unassisted unit (which often is a result of being over income for assistance) or are over housed (i.e. have an extra bedroom outside of their approved voucher size). All those who are over housed and have a tenant based voucher, have already or will be offered an opportunity to move to the correct sized unit when available, provided they are in good standing with AHA. The rent increase notices are provided 60 days prior to the effective date of the increase.

### MAINTENANCE

Staff is currently working on FY2019-20 HQS preventive maintenance at Esperanza. Preventive maintenance is done to ensure units pass HQS within 30 days of the initial



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annual inspections. The annual HQS inspections for Esperanza will begin January 13, 2020. The maintenance staff has also been preparing vacant units for leasing, handling daily routine maintenance requests, and performing emergency work orders as needed.

The report below shows the work orders completed calendar year to date and excludes JSCO's work orders.

#### Work Order Month

Property	Units	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Total
AHA Office	N/A	16	24	17	9	17	9	17	16	9	12	11	17	174
Anne B. Diament	65	35	19	23	13	9	73	21	14	13	14	12	19	265
China Clipper Plaza	26	4	20	30	14	1	6	10	7	12	9	5	22	140
Detached Homes	5	2	2	2	0	0	4	3	0	1	0	1	0	15
Esperanza	120	130	73	67	34	18	36	32	35	30	51	71	109	686
Independence Plaza	186	82	71	61	50	41	68	42	131	186	64	57	44	897
Lincoln House	4	0	3	1	0	0	0	2	2	4	2	3	1	18
Lincoln Willow Apts	5	2	2	4	5	3	2	1	1	1	3	3	4	31
North Housing Land	N/A	1	2	1	0	0	0	0	0	0	0	0	0	4
Parrot Gardens	8	1	3	5	9	1	2	0	1	0	2	6	2	32
Parrot Village	50	13	25	42	39	48	15	14	17	27	27	22	20	309
Senior Condos	7	3	6	3	8	1	1	2	0	0	3	1	2	30
Sherman Street	9	2	4	9	9	2	4	5	0	4	5	6	2	52
Stanford House(affsta)	4	4	1	1	5	1	4	2	0	1	0	0	1	20
<b>Total</b>	<b>489</b>	<b>295</b>	<b>255</b>	<b>266</b>	<b>195</b>	<b>142</b>	<b>224</b>	<b>151</b>	<b>224</b>	<b>288</b>	<b>192</b>	<b>198</b>	<b>243</b>	<b>2,673</b>

#### CAPITAL PROJECTS

The attached table (Attachment 1) summarizes Housing Authority budgeted FY2019-20 capital projects currently underway.



**THIRD PARTY MANAGED SITES – The John Stewart Company (JSCO)****VACANCY – November**

<b>Property</b>	<b>Unit #</b>	<b>Vacancies End of November</b>	<b>Rate</b>
Rosefield Village	53	40	75%
Eagle Village	36	1	3%
Littlejohn Commons	31	0	0%
Everett Commons	20	0	0%

At the end of November, forty (40) units at Rosefield were permanently offline due to the upcoming reconstruction and rehabilitation of the property.

At the end of November there was one (1) vacant unit at Eagle Village. This unit has been offered to another AHA tenant as a transfer. This unit is projected to be leased by the end of January.

**VACANCY – December**

<b>Property</b>	<b>Unit #</b>	<b>Vacancies End of December</b>	<b>Rate</b>
Rosefield Village	53	42	79%
Eagle Village	36	1	3%
Littlejohn Commons	31	0	0%
Everett Commons	20	0	0%

At the end of December, forty two (42) units at Rosefield were permanently offline due to the upcoming reconstruction and rehabilitation of the property. Just 11 tenants remain on site. As vacancies become available at other AHA owned sites, residents currently at Rosefield may be offered these vacant units, where eligible, in order to accommodate as many current residents who want to remain housed in Alameda. The Relocation Plan and General Information and Non Displacement Notice (GIN) has been issued for the remaining tenants describing the need to move prior to the rehabilitation. Ninety (90) day notices were issued to residents on October 16, 2019 informing them of the January 14, 2020 move date.

At the end of December there was one (1) vacant unit at Eagle Village. AHA and JSCO staff are working together to lease up the unit.

**RENT COLLECTION –November**

The financial reporting for properties managed by The John Stewart Company (JSCO) is one month behind AHA managed sites due to JSCO providing financial packets in the middle of each month for the prior month.



Honorable Chair and  
Members of the Board of Commissioners

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Property	Rosefield	Littlejohn Commons	Eagle Village	Everett Commons	Total
Budgeted GPR	\$63,318	\$48,485	\$91,408	\$39,357	\$242,568
Collected	\$32,194	\$49,825	\$87,444	\$39,322	\$208,785
Collection Rate	51%	103%	96%	100%	86%

**FINANCIAL IMPACT**

The Board should expect to see increased legal and social services costs in the property budgets as we address the social services needs of the tenants.

**RECOMMENDATION**

Accept the monthly overview report for Property Operations.

Respectfully submitted,

Lisa Caldwell  
Director of Property Operations

VMC/all

**ATTACHMENT:**

1. FY 2019-20 Capital Projects Update



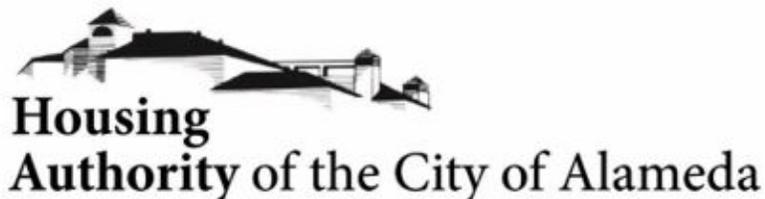
Attachment 1

FY 2019-20 Capital Projects Update

Property	Project	Original Contract or Budget Amount	Approved Change Orders	Current or Revised Budget Amount	Original Substantial Completion	Expected or Actual Substantial Completion	Status
Independence Plaza	ADA Doors	160,000	0	68,000	8/2/2019	11/15/2019	Complete
Independence Plaza	Sprinkler Inspectons/Repairs	14,995	0	14,995	10/15/2019	10/15/2019	Complete
Anne B Diamond & Independence Plaza	Balcony Assessment	200,000	0	200,000	11/1/2019	12/15/2019	Inspections complete, reports forthcoming.
Sherman Street	Roofing	145,000	0	145,000	10/18/2019	10/18/2019	Complete
Sheman Street	Plumbing	25,000	0	80,000	11/1/2019	6/30/2020	Currently executing contractor agreements. Construction scheduled to begin in late January.
Esperanza	Sidewalks, Decks & Misc Site Work (lender required)	100,000	-	100,000	1/31/2020	1/31/2020	Staff currently soliciting estimates to complete work.
Lincoln House	Fire Damage	101,000	-	101,000	11/26/2019	1/31/2020	Staff currently reviewing contractor bid submissions.
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

FY 2018-19 Capital Projects Update

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	11/1/2019	Moved to 2019/20 CIP schedule - see above
Independence Plaza	ADA Upgrade Project	3,500,000	35	2,875,152	8/2/2019	7/3/2019	Base project complete. ADA doors rolled into 2019/20 CIP schedule - see above
Sheman Street	Roofing, Paving & Drainage	200,000	0	200,000	10/18/2019	10/18/2019	Roofing bids secured, construction moved to 2019/20 CIP schedule - see above



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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Kathleen Mertz, Director of Housing and Community Development

Date: January 15, 2020

Re: Accept the Monthly Overview Report for Housing & Community Development

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## **BACKGROUND**

This memo provides an overview of the Housing and Community Development departmental activities for the prior two months.

## **DISCUSSION**

### **Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME)**

Staff presented to the Social Service Human Relations Board (SSHRB) on November 21, 2019. Based on feedback from the community, SSHRB identified the following priority needs: affordable housing, fair housing, food security, homeless shelters and services, mental health, safety/crime prevention and transportation. Staff will present SSHRB's Needs Statement to City Council at the January 7, 2020 Public Hearing.

Staff has begun to assess the likelihood of passing HUD's annual timeliness test in May. Based on the anticipated progress of the City's largest CDBG allocations – Public Services, Economic Development, Cross Alameda Trail, and Substantial Rehabilitation – the City is on track to pass the timeliness test, pending continued progress on projects.

The Alameda County Housing & Community Development (HCD) plans to issue the final Analysis of Impediments to Fair Housing Choice (AI) in January. HCD staff has provided the schedule for the preparation and submission of the FY 2020-25 Consolidated Plan.

Staff has prepared the Contract for HOME funds between Island City Development and the City of Alameda for the purposes of redeveloping the Rosefield Village site with combined allocations of FY 18-19 and 19-20 HOME funds for a total of \$391,683.40.

### **Inclusionary Housing and Below Market Rate (BMR) Programs**

Hello Housing has completed the annual owner occupancy monitoring of the 139 homeowners who participate in the Below Market Rate (BMR), Down Payment Assistance (DPA) and/or Community Land Trust (CLT) Programs. Hello Housing anticipates that the final report will be complete by the first week of January.



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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### 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. The loan balance and project details are discussed in the attached project specific reports. A regular ICD Board meeting was held on November 8, 2019. The agenda packet is posted on the Housing Authority's website and was emailed to the Board. ICD is scheduled to have a special meeting on January 15, 2019.

### Affordable Housing Project Pipeline

*Rosefield Village* – A separate report on the project is attached.

*North Housing* – A separate report on the project is attached.

*Alameda Landing* – Staff is working with Pulte Homes on terms for AHA to build their inclusionary housing units. These terms will return to the Board for review and approval.

*Feasibility Studies* – Staff is working on the feasibility studies of two potential projects that were discussed in closed session. Once complete, staff will report back to the Board.

Staff continues to evaluate potential real estate development and acquisition opportunities throughout Alameda as they become available. The development pipeline is expected to be discussed at the April Board Retreat.

### Asset Management

Staff attended the NeighborWorks Training Institute in Portland, OR December 9<sup>th</sup>-13<sup>th</sup>. This training is part of the Asset Management certificate program. Staff is completing the fourth quarter lender reporting and working closely with the finance department on the 2019 AHA audit. Staff is involved in the process and reviewing the third Party Property Management RFP submission for the property management transition taking place in March 2020. Staff is now managing the transfer of Housing Authority properties to Alameda Affordable Housing Corporation (AAHC), previously approved by the Board in November 2019. A separate approval memo is included on this month's agenda.

Staff will accompany the Alameda County Welfare Exemption Department Appraiser for field inspections for all properties waiting for the final property exemptions, including Anne Diamant, China Clipper, Stanford House, Lincoln Willow, Littlejohn Commons, and Everett Commons. Once the exemptions are finalized, the County will process the remaining property tax refunds for these properties. Moving forward, staff will file annual paperwork with the County to maintain the welfare exemption.

### RECOMMENDATION

Accept the Monthly Overview Report for Housing & Community Development.

Respectfully submitted,



Kathleen Mertz  
Director of Housing and Community 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: Tony Weng, Senior Project Manager  
 Date: January 15, 2020  
 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 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**

In collaboration with Paragon Partners, Property Management staff continues to offer AHA vacancies, not subject to a waitlist, for Rosefield transferees. Paragon Partners is also working with tenants to find housing in the private market. The 30-Day Notice to Vacate was issued on December 13, 2019. An update on the relocation status through December 31, 2019 is below:

Total Units	Vacant Units	Moves Completed	Currently Occupied	Remaining Units to Permanently Relocate	Remaining Units to Temporarily Relocate
53	42	24	11	5	6



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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The design team is working on the second set of plan check submittals to incorporate owner and plan check comments, and expect to resubmit for building permit by the end of January 2020.

Staff submitted a joint funding application to the California Tax Credit Allocation Committee (CTCAC) and California Debt Limit Allocation Committee (CDLAC) on November 15, 2019 for an allocation of 4 percent Low-Income Housing Tax Credits (LIHTC) and new State Tax Credits, and Tax-Exempt Bonds. CTCAC and CDLAC will recommend projects for an allocation on January 15, 2020 and February 12, 2020 respectively. Rosefield has been added to the TCAC agenda for a preliminary reservation of funding.

**FINANCIAL IMPACT**

As of October 2018, the Board approved a construction/permanent loan of \$7 million of AHA funds to support the project with the expectation that some or all of this will be replaced with other sources when awarded.

The Board has previously authorized a \$2 million loan to Island City Development for pre-development expenses. Predevelopment costs incurred include application fees, professional services for reports and studies, plus architecture and engineering fees.

The chart below summarizes expenses through December 2019.

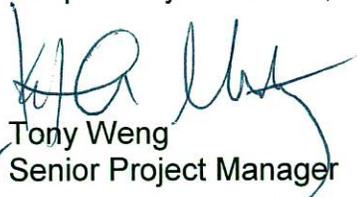
Rosefield Village

Pre-development Loan from AHA	\$	2,000,000
Usage through December 2019	\$	1,816,506
Balance	\$	183,494

**RECOMMENDATION**

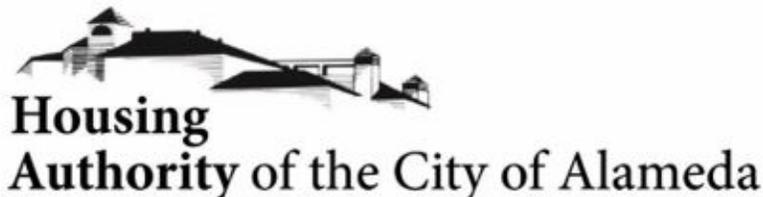
Accept the Monthly Development Report for Rosefield Village.

Respectfully submitted,



Tony Weng  
Senior Project Manager





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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners  
 From: Danielle Thoe, Management Analyst  
 Date: January 15, 2020  
 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](http://www.northhousing.org).

### **DISCUSSION**

Site security at North Housing continues to progress forward while providing unique challenges and utilizing staff time. The plumbing contractor has capped water lines to each building. Boarding the building windows and doors has moved forward but with some delays due to rainy weather and site inaccessibility. The remaining work is expected to be complete by the end of January, weather permitting. The final fencing sections along the new Singleton extension will be completed when the ground is adequately dry to drive fence posts. Carmel Partners' site work to construct road extensions of Singleton Ave. and Mosley Ave. has been slowed by rain over the last month. The latest update is that Carmel expects completion in February, weather permitting.

The North Housing Soil and Groundwater Management Plan (SMP) is now finalized and approved by all regulators. The Environmental Assessment (EA) for North Housing is in progress and staff anticipates a final draft document from the consultant in mid-January.



Honorable Chair and  
Members of the Board of Commissioners

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This document will then be submitted to HUD for review and go through a required public notice process before being finalized. Both the SMP and EA have to be fully approved and finalized before demolition work can commence.

Review of the RFP for a Project Manager for demolition of the buildings is complete. During this month's ICD Board meeting staff are requesting permission to move forward with finalizing a contract with Carmel Partners for this work. The ICD Board report is attached. Once the ICD Board authorizes the Demolition Project Manager award, and the EA draft is complete, the demolition Project Manager will formally bid the demolition subcontracts, per the CDBG requirements.

Staff hosted two meetings with the Partners, APC and Building Futures, in December. On December 3<sup>rd</sup> the Partners met with Urban Design Associates (UDA) to review the site plan and requirements of a Development Plan Application to the City. The Partners came to an agreement of the details to be included in an application to the City and staff and UDA have updated the Development Plan Application package accordingly. The package is currently undergoing final review by the Partners and staff anticipates submission to the City by the end of January. On December 11<sup>th</sup> staff hosted the Partners and the BOC North Housing Adhoc committee for a discussion regarding the North Housing decision making process and potential updates to the MOU between the three agencies. Staff from each of the Partners have taken on further work and research about these areas and will regroup in late January to discuss the next steps. Any updates to the MOU will return to the Board for review and approval. In December, the Executive Directors of AHA and Building futures had a positive meeting with the County to discuss North Housing homeless housing including providing an Alameda preference, "step up" housing options for existing formerly homeless Alameda residents resident at the base and regarding services dollars available from the County for the homeless.

**FINANCIAL IMPACT**

In total, the Board authorized a predevelopment loan of \$3,700,000 for costs associated with master planning, carrying costs, demolition, and pre-development work for the first 90 units of permanent supportive housing. \$700,000 of the predevelopment loan has been disbursed to ICD and the balance is being held in AHA's reserve account.

The chart below summarizes expenses through December 2019.

<u>North Housing</u>	
Pre-development Loan from AHA	\$ 3,700,000
Usage through December 2019	\$ 384,865
Balance	<u>\$ 3,315,135</u>
 North Housing Carrying Costs	 \$ 109,152



Honorable Chair and  
Members of the Board of Commissioners

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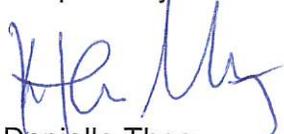
Staff are tracking the 1) carrying costs, 2) 12 acre site pre-development costs, and 3) first building pre-development costs separately. The two predevelopment categories and future demolition costs are being paid from the loan. The above referenced carrying costs for the existing site, including security, insurance, eviction processing, door and window boarding, and landscape maintenance have been separated out from the predevelopment funds and are currently being paid by general operating income. The ongoing carrying costs of security and landscaping are anticipated to cost \$186,000 annually. This costs was inadvertently not included in the 2019-20 budget but sufficient funds are available to cover this cost. Staff will continue to report on the ongoing carrying costs in this memo and in the budget variance report moving forward.

Additionally, estimated demolition costs have increased since the October 2018 Board approved budget. Details are discussed in the attached ICD Board Report. Once the Demolition Project Manager formally bids the subcontracts and final costs are known, staff may have to return to the Board for additional funds for demolition not currently authorized.

**RECOMMENDATION**

Accept the Monthly Development Report for North Housing.

Respectfully submitted,



Danielle Thoe  
Management Analyst



Attachment A: January 15, 2020 ICD North Housing Board Report



## ISLAND CITY DEVELOPMENT

## ITEM 4A

To: Board of Directors  
Island City Development

From: Danielle Thoe  
Management Analyst

Date: January 15, 2019

Re: Authorize the President to Award and Execute a Contract for Demolition  
Management Services to Carmel Partners

---

BACKGROUND

The North Housing Project is a redevelopment of 12 acres of the former Coast Guard Housing at the former Naval Air Station Alameda (NAS Alameda). The Housing Authority and partners, Building Futures and Alameda Point Collaborative first submitted a Notice of Interest (NOI) for the property in March 2008, known as the homeless accommodation parcel, and the property was conveyed to the Housing Authority on May 30, 2019.

In early 2017 the Navy held an auction for the adjacent parcel, known as the “public sale parcel,” which was won by Carmel Partners. Rather than redevelop that parcel, Carmel Partners has renovated the existing housing stock. Once the public auction was complete, the Navy began working on the homeless accommodation parcel. As transfer of the site became imminent AHA began to undertake predevelopment work through ICD. ICD’s role is to carry out real estate development activities on behalf of the Housing Authority.

During 2018-19, five community meetings were held and extensive work went into developing a master site plan for the Housing Authority’s site which was approved by the Housing Authority’s Board of Commissioners on August 21, 2019. Detailed reports about project milestones are detailed in AHA Board of Commissioner’s monthly agendas beginning in September 2017. Additional project information can be found at [www.northhousing.org](http://www.northhousing.org).

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DISCUSSION

In order to redevelop the North Housing site, the existing abandoned buildings must be demolished in accordance with all environmental and other regulatory requirements. Staff determined that management of the building demolition can be more efficiently carried out by a professional project management firm with experience in this area.

To that end, AHA and ICD published an RFP for Project Management (PM) of Demolition Services in August 2019. This RFP sought a firm to oversee the entire demolition and abatement project, including procurement of sub-contractors to execute the demolition



and abatement in accordance with CDBG requirements. Staff received one qualified bid for PM services from Carmel Partners and, per procurement procedures, had this bid evaluated by a third-party cost estimator. The bid was generally deemed to be reasonable with the cost evaluator recommending that staff request clarification from the bidder regarding a few areas of their bid which seem high and/or are not traditionally provided by a PM firm. This was completed and staff has confidence that Carmel Partners is a highly qualified firm to take on the management of demolition and abatement at North Housing. Project costs are found to be reasonable through a third-party cost review. Therefore staff recommend moving forward with contracting with Carmel Partners.

General Conditions	\$94,150
Insurance Bonds	\$67,393
Construction Contingency	\$83,912
Fee	\$144,049
<b>Carmel Total Fee (fixed)</b>	<b>\$389,504</b>
Est. Hard Trade Costs	\$2,635,516
<b>EST. TOTAL PROJECT COSTS</b>	<b>\$3,025,020</b>

FINANCIAL IMPACT

The Board has previously accepted a \$3.7 Million loan from AHA for pre-development and demolition expenses. When that loan was approved in October 2018, demolition costs were estimated at \$2.5 Million. As of December 2019, total demolition costs are estimated to be \$3,025,020, per the RFP response. Staff plan to apply for additional CDBG funds to fill the gap. The final hard cost will be determined when Carmel Partners bids for demolition contractors per the CDBG requirements. Staff may return to the AHA Board for additional funds once demolition bidding and a CDBG allocation are complete.

The chart below summarizes expenses through December 2019.

North Housing

Pre-development Loan from AHA	\$	3,700,000
Usage through December 2019	\$	384,865
Balance	\$	3,315,135
North Housing Carrying Costs	\$	109,152

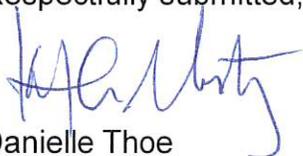
Staff are tracking the 1) carrying costs, 2) 12 acre site pre-development costs, and 3) first building pre-development costs separately. The two predevelopment categories are being paid from the predevelopment loan, along with future demolition costs. The above referenced carrying costs for the existing site, including security, insurance, eviction processing, door and window boarding, and landscape maintenance have been separated out from the predevelopment funds and are currently being paid by the Housing Authority.



RECOMMENDATION

Authorize the President to Award and Execute a Contract for Demolition Management Services to Carmel Partners.

Respectfully submitted,



Danielle Thoe  
Management Analyst

Attachment A: Carmel Partners Updated Bid



COST CODE	ITEM / DESCRIPTION	ORIGINAL BUDGET	SUBCONTRACTOR	NOTES
<b>SITE / LAND DEVELOPMENT</b>		<b>\$ 2,635,516</b>		
<b>DIVISION 2 - SITE WORK</b>		<b>\$ 2,635,516</b>		
2-02080	<b>ABATEMENT</b>		All values are estimates; to be bid to subcontractor	
	<b>BLOCK A:</b>			
	400 Mosley Ave (six-plex) abatement	\$ 53,607		
	2000 Lakehurst Cir (six-plex) abatement	\$ 53,607		
	2002 Lakehurst Cir (four-plex) abatement	\$ 35,737		
	2004 Lakehurst Cir (six-plex) abatement	\$ 53,607		
	<b>BLOCK B:</b>			
	2001 Lakehurst Cir (six-plex) abatement	\$ 53,607		
	2003 Lakehurst Cir (four-plex) abatement	\$ 35,737		
	<b>BLOCK C:</b>			
	501 Mosley Ave (six-plex) abatement	\$ 53,607		
	2001 Mayport Cir (six-plex) abatement	\$ 53,607		
	2002 Mayport Cir (four-plex) abatement	\$ 35,737		
	2003 Mayport Cir (six-plex) abatement	\$ 53,607		
	2004 Mayport Cir (six-plex) abatement	\$ 53,607		
	2005 Mayport Cir (six-plex) abatement	\$ 53,607		
	<b>BLOCK D:</b>			
	2002 Kollman Cir (six-plex) abatement	\$ 53,607		
	2004 Kollman Cir (six-plex) abatement	\$ 53,607		
	2006 Kollman Cir (six-plex) abatement	\$ 53,606		
	2008 Kollman Cir (six-plex) abatement	\$ 53,606		
	Abatement contingency	\$ 40,205		
2-02050	<b>DEMOLITION</b>		All values are estimates; to be bid to subcontractor	
	<b>BLOCK A:</b>			
	400 Mosley Ave (six-plex) demo	\$ 87,717		
	2000 Lakehurst Cir (six-plex) demo	\$ 87,717		
	2002 Lakehurst Cir (four-plex) demo	\$ 58,478		
	2004 Lakehurst Cir (six-plex) demo	\$ 87,717		
	<b>BLOCK B:</b>			
	2001 Lakehurst Cir (six-plex) demo	\$ 87,717		
	2003 Lakehurst Cir (four-plex) demo	\$ 58,478		
	<b>BLOCK C:</b>			
	501 Mosley Ave (six-plex) demo	\$ 87,717		
	2001 Mayport Cir (six-plex) demo	\$ 87,717		
	2002 Mayport Cir (four-plex) demo	\$ 58,478		
	2003 Mayport Cir (six-plex) demo	\$ 87,717		
	2004 Mayport Cir (six-plex) demo	\$ 87,717		
	2005 Mayport Cir (six-plex) demo	\$ 87,717		
	<b>BLOCK D:</b>			
	2002 Kollman Cir (six-plex) demo	\$ 87,716		
	2004 Kollman Cir (six-plex) demo	\$ 87,716		
	2006 Kollman Cir (six-plex) demo	\$ 87,716		
	2008 Kollman Cir (six-plex) demo	\$ 87,716		
Division 1000	<b>GENERAL CONDITIONS / JOB REQUIREMENTS COSTS TO COVER BY SUBCONTRACTORS</b>		All values are estimates; to be bid to subcontractor	
	TEMP ROADS	\$ 10,000		These costs may be carried by demolition subcontractor or another qualified subcontractor.
	FINAL CLEANUP (SUB)	\$ 2,500		
	GENERAL LABOR	\$ 37,500		
	TEMP ELECTRICITY	\$ 2,250		
	TEMP WATER	\$ 900		
	TEMP TOILET / DUST CONTROL	\$ 8,715		
	BARRICADES	\$ 2,000		
	3RD PARTY INSPECTIONS	\$ 13,500		
	STREET CLEANING	\$ 40,000		
	TOOLS & EQUIPMENT	\$ 1,500		
<b>GENERAL CONDITIONS / JOB REQUIREMENTS</b>		<b>\$ 94,150</b>		
<b>DIVISION 1 - GENERAL CONDITIONS / JOB REQUIREMENTS</b>		<b>\$ 94,150</b>		
<i>THE BELOW WILL BE BID TO SUBCONTRACTORS. VALUE IS AN ESTIMATE AND SUBJECT TO INCREASE IF PROVIDED BY SUBS NOT PROJECT MANAGER</i>				
<i>THE BELOW ARE EXPECTED TO BE PROVIDED BY PROJECT MANAGER</i>				
1-10100	PROJECT SUPERVISION	\$ 73,750		
1-10660	LEGAL	\$ 10,000		Contract negotiation third party costs
1-59020	OFFICE SUPPLIES	\$ 450		Project management supplies costs
1-59110	JOB SIGN	\$ 3,000		Site safety, security
1-59210	TRAFFIC CONTROL	\$ 5,000		
1-59230	FIRST AID EQUIPMENT	\$ 150		
1-59240	SAFETY MEETINGS	\$ 1,800		

<b>INSURANCE and BONDS</b>	<b>\$ 67,393</b>		
<b>DIVISION 1 - INSURANCE AND BONDS</b>	<b>\$ 67,393</b>		
1-80100 BONDS	\$ 54,593		
1-80130 BUILDERS RISK INSURANCE			
1-80135 OCIP INSURANCE			
1-80140 ENVIRO / POLLUTION INSURANCE	\$ -		
1-80150 GENERAL LIABILITY INSURANCE	\$ -		
DEMO PERMIT	\$ 12,800		
<b>SUB-TOTAL A,B,C</b>	<b>\$ 2,797,059</b>		
<b>SUB-TOTAL A (Hard Trade Cost)</b>	<b>\$ 2,635,516</b>		
<b>SUB-TOTAL B (Staff / Field Cost)</b>	<b>\$ 94,150</b>		
<b>SUB-TOTAL C (Risk Mgmt.)</b>	<b>\$ 67,393</b>		
<b>RISK MANAGEMENT</b>	<b>\$ -</b>		
<b>CONSTRUCTION CONTINGENCY</b>	<b>\$ 83,912</b>	3% contingency. Unforeseen conditions and added scope will be billed as Change Orders	
<b>TOTAL COST (with Contingency)</b>	<b>\$ 2,880,971</b>		
<b>STATE SALES / BUSINESS TAX</b>			
<b>FEE - 5%</b>	<b>\$ 144,049</b>		
<b>TOTAL PROJECT COSTS</b>	<b>\$ 3,025,020</b>		





# Housing Authority of the City of Alameda

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

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To: Honorable Chair and Members of the Board of Commissioners

From: Lisa Fitts, Management Analyst

Date: January 15, 2020

Re: 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

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## **BACKGROUND**

For the past five years, the Board has approved a summer internship program that provided professional development opportunities to undergraduate and graduate students. The internship has been advertised at local colleges and universities, and many qualified applications have been submitted. Annually, two or three students have been selected for the summer internship. In 2018-19, AHA also participated in a yearlong internship through the Non-Profit Housing Association of Northern California. In the past, the interns have worked on research projects, made presentations to the Board, organized a summer Brown Bag learning program for staff, supported programs at the Reading Room, helped to expand the Family Self-Sufficiency program, and assisted with a range of important tasks for various departments.

In 2017, the Housing Authority received a NAHRO Agency Award of Merit in Housing and Community Development for this summer internship program. Based on this success, and the ongoing need for qualified help, staff requests Board approval to renew the program. All interns have been paid an hourly salary through a temporary staffing service.

## **DISCUSSION**

Staff proposes to continue the Internship Program in 2020 and to engage up to four interns who may work at any point during the year, beginning in spring 2020. Based on student schedules, it is expected that there may be staggered start and end dates. Staff will again advertise the internship opportunities at Bay Area colleges including the College of Alameda, University of California at Berkeley, CSU East Bay and San Francisco State University. Staff proposes that AHA expand the Internship Program to allow interns to start at any time in the 2019 calendar year but not to exceed four interns during that period. Often times, there are projects to work on and qualified candidates available at times other than the summer.



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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The interns will continue to work on research and projects that support the Housing Programs, Property Management, Rent Program, Housing and Community Development and Administrative Departments. Thanks to this variety of professional experience, several of our interns from prior years have gone on to other opportunities in affordable housing, economic development or community service.

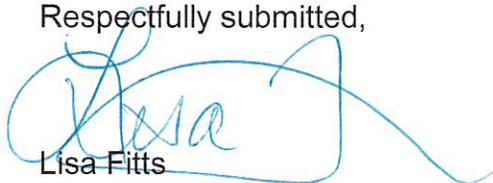
### **FINANCIAL IMPACT**

In 2019, the estimated total cost and budget for interns was \$13,500 for two interns, being paid \$17 an hour through a temporary agency, working 10 weeks for 32 hours per week. For 2020, staff estimates four interns would bring the total program cost to be up to \$60,000 Current staffing vacancies in the departments leave unexpended funds available to meet the cost of the intern program.

### **RECOMMENDATION**

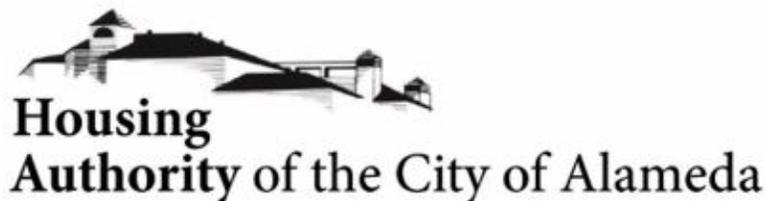
Approve an Internship Program to provide research and analysis support for Housing Authority projects and programs and offer professional development opportunities to undergraduate and graduate students.

Respectfully submitted,



Lisa Fitts  
Management Analyst





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 FAX (510) 522-7848  
 TTY/TRS 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Tonya Schuler-Cummins, Senior Management Analyst

Date: January 15, 2020

RE: Accept the Annual Police Activity Report for FY 2019

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### **BACKGROUND**

The Housing Authority budget for this fiscal year provides for Community Policing services. This report will cover policing services for the previous Fiscal Year (FY2019) from July 1, 2018 to June 30, 2019. Since the Police Department uses the calendar year, the data provided by the Police Officers refer to different quarters than the data for the Housing Authority. For example, for FY2019, the first quarter of the Housing Authority's year covers July 2018 to September 2018, while the police department's reports refer to this period as the 3<sup>rd</sup> quarter of 2018.

### **DISCUSSION**

Attached as *Exhibit A* and *Exhibit B* are the quarterly and fiscal yearly statistics, respectively, provided by the officers and compiled into chart form. The exhibits show the number of reports written and arrests made during each quarter and the entirety of FY2019 by the type of activity, with totals for AHA properties and the city as a whole. In the AHA column, the number indicates the number of reports written or arrests. The percentage indicates the proportion or rate in relation to the city as a whole. These reports indicate that the total number of reports written city wide was 5,046 and the number of city arrests was 1,522. Twelve arrests were made on Housing Authority properties and 43 reports written for Housing Authority properties. The number of reports on Housing AHA properties equate to 0.9 percent of the city wide total of police reports, which compares favorably to AHA properties housing approximately 1.8 percent of the city's population. Total arrests at AHA properties account for only 0.8 percent of the city's total, also significantly below expectations for the population size.

The most criminal activity (arrests) appears to be from Rosefield Village. These arrests involved assault and other and account for 50%, equating to a total of six,



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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of the arrests at AHA properties. Since the last police activity report, the Housing Authority added two, new affordable housing properties, Little John Commons and Everett Commons. With the addition of these properties to AHA's portfolio, the overall level of police activity is considerably less than what would be expected for a population of this size.

*Exhibit C* provides a visualization of the comparison of police activity between AHA properties and the city of Alameda as a whole over the last two years. For ease of comparison, the number of reports written on Housing Authority properties has been multiplied by 50 so that the smaller number can be compared with the much larger numbers for the city as a whole. This chart reveals that police activity on Housing Authority properties tends to be on the decline. April through June of 2019 saw a sharp decline over the last two years in the number of reports written on Housing Authority properties, even though it shows an increase over the other quarters of the FY. Overall, arrests and reports have declined for FY2019. Arrests are down forty percent while reports are down almost 51 percent. Last year Alameda PD took 87 crime reports from AHA properties compared to only 43 reports taken this year. Arrests are down to twelve in FY19 from twenty last year.

*Exhibit D* uses this data to track changes since the program began in FY1994. It is a better indicator of activity on AHA properties as well as the city. The dotted line on the chart represents the number of reports written and arrests made in the city as a whole times 1.8 percent, the percentage of the city that AHA population represents. The solid line shows the number of reports written and arrests made on AHA properties for the 20+ years that this program has been in place. Though there are some fluctuations, primarily in reports written from FY2001 and FY2002, overall activity has decreased for AHA and the city. The number of arrests made on AHA properties had been at a steep decline since a peak of 84 in 2004 until around FY2010, but have leveled out over the last 10 years. The number of reports have shown a similar decline and leveling since a peak of 203 in 2002.

Though overall, crime is low, serious incidents do occur on or near Housing Authority properties. Housing Authority tenants are not immune to the types of crime that occur throughout the city. Staff continues to work diligently to enforce the lease when residents are involved with any type of criminal activity and continues to maintain the working relationship with the Alameda Police Department, while regularly meeting with staff from the Alameda Police Department to address any issues earlier rather than letting a situation grow worse.

Staff will continue to review the statistics regularly to determine if any negative trends are developing and to address any issues as quickly as possible.



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
Page 3 of 3

**RECOMMENDATION**

Accept the Annual Police Activity Report for FY 2019.

Respectfully submitted,



Tonya Schuler-Cummins  
Senior Management Analyst

Exhibits:

- A. Police Crime Reports and Arrests Charts for each Quarter of FY2019
- B. Crime Statistics for FY2019
- C. Police Activity on Housing Authority Properties Compared with the City as a Whole (2-year trend)
- D. Reports Written and Arrests Made on Housing Authority Property Compared with City as a Whole from FY1994 to FY2019

cc: Alameda Police Department



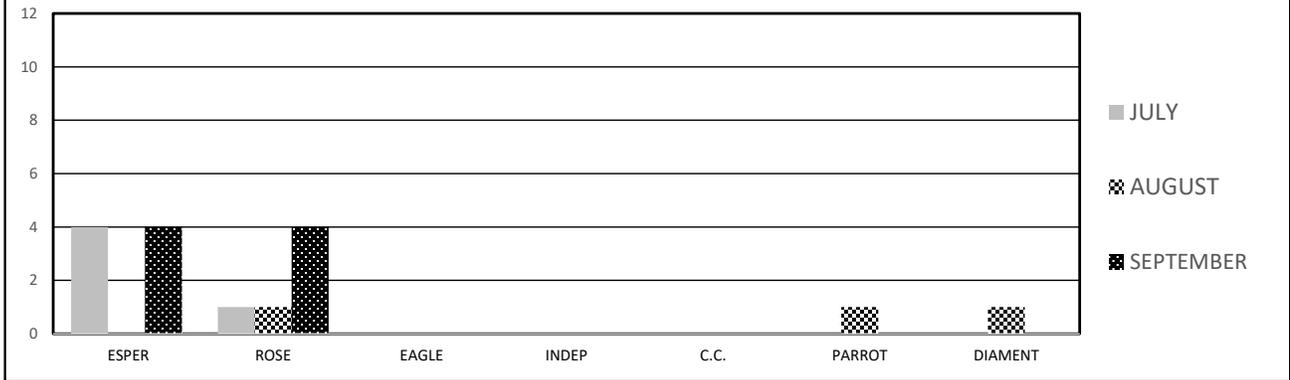
3RD QUARTER 2018

CRIME REPORTS

EXHIBIT A

NO. OF REPORTS	114 ESPER	144 ROSE	145 EAGLE	112 INDEP	124 C.C.	212 PARROT	325 DIAMENT	AHA TOTAL	CITY TOTAL
MURDER	0	0	0	0	0	0	0	0	0
% CITY								0.0%	
RAPE	0	0	0	0	0	0	0	0	3
% CITY								0.0%	
ROBBERY	0	0	0	0	0	0	0	0	17
% CITY								0.0%	
ASSAULT	0	2	0	0	0	0	0	2	115
% CITY								1.7%	
BURG	0	1	0	0	0	0	0	1	54
% CITY								1.9%	
THEFT	1	0	0	0	0	0	1	2	378
% CITY								0.5%	
VEHTHFT	0	0	0	0	0	0	0	0	73
% CITY								0.0%	
NARC	0	2	0	0	0	0	0	2	40
% CITY								5.0%	
INTOX	0	0	0	0	0	0	0	0	36
% CITY								0.0%	
VANDAL	0	0	0	0	0	0	0	0	63
% CITY								0.0%	
OTHER	7	1	0	0	0	1	0	9	332
% CITY								2.7%	
<b>TOTAL</b>	<b>8</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>16</b>	<b>1111</b>
<b>% CITY</b>	<b>0.7%</b>	<b>0.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>1.4%</b>	

AHA REPORTS 3RD QUARTER 2018



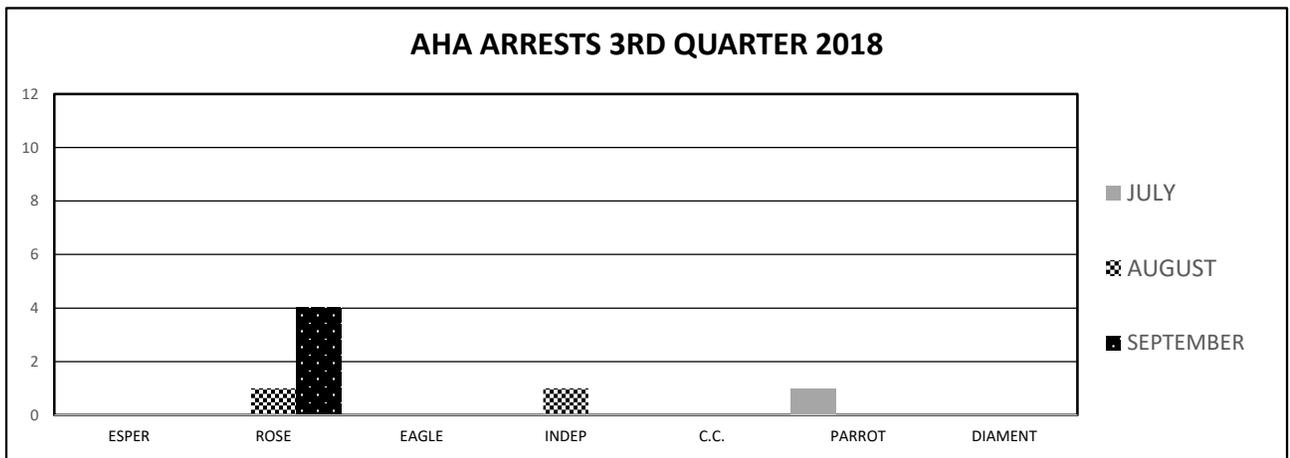
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROT	DIAMENT	TOTAL
<b>JULY</b>	4	1	0	0	0	0	0	5
<b>AUGUST</b>	0	1	0	0	0	1	1	3
<b>SEPTEMBER</b>	4	4	0	0	0	0	0	8
<b>TOTAL</b>	<b>8</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>16</b>

3RD QUARTER 2018

ARRESTS

EXHIBIT A

NO. OF ARRESTS	114 ESPER	144 ROSE	145 EAGLE	112 INDEP	124 C.C.	212 PARROT	325 DIAMENT	AHA TOTAL	CITY TOTAL
MURDER	0	0	0	0	0	0	0	0	2
% CITY								0.0%	
RAPE	0	0	0	0	0	0	0	0	0
% CITY								0.0%	
ROBBERY	0	0	0	0	0	0	0	0	8
% CITY								0.0%	
ASSAULT	0	2	0	0	0	0	0	2	59
% CITY								3.4%	
BURG	0	0	0	0	0	0	0	0	13
% CITY								0.0%	
THEFT	0	0	0	0	0	0	0	0	26
% CITY								0.0%	
VEHTHFT	0	0	0	0	0	0	0	0	4
% CITY								0.0%	
NARC	0	0	0	0	0	0	0	0	54
% CITY								0.0%	
INTOX	0	0	0	0	0	0	0	0	37
% CITY								0.0%	
VANDAL	0	0	0	0	0	0	0	0	5
% CITY								0.0%	
OTHER	0	3	0	1	0	1	0	5	182
% CITY								2.7%	
<b>TOTAL</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>7</b>	<b>390</b>
<b>% CITY</b>	<b>0.0%</b>	<b>1.3%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>1.8%</b>	



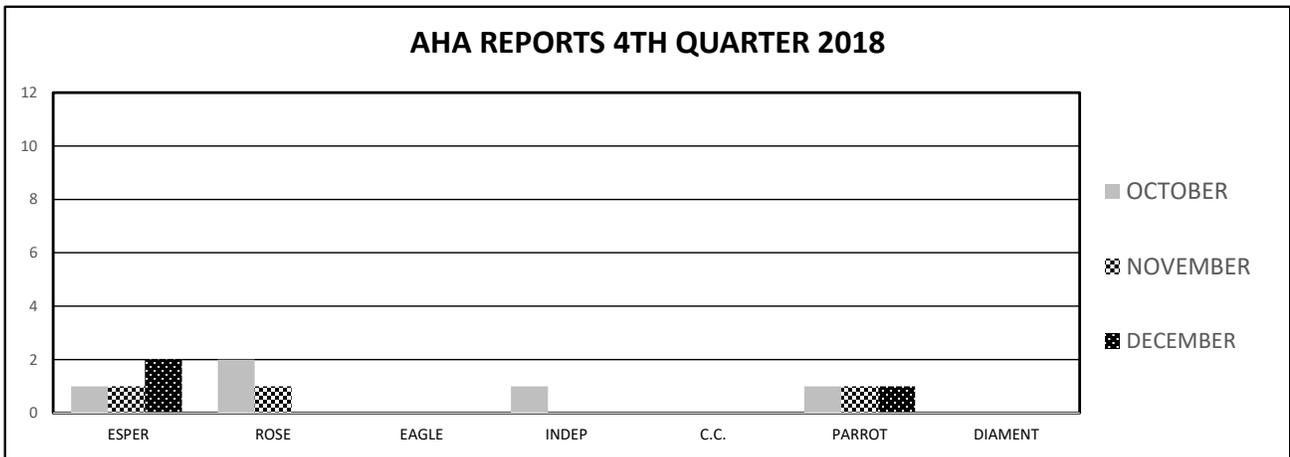
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROT	DIAMENT	TOTAL
<b>JULY</b>	0	0	0	0	0	1	0	1
<b>AUGUST</b>	0	1	0	1	0	0	0	2
<b>SEPTEMBER</b>	0	4	0	0	0	0	0	4
<b>TOTAL</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>7</b>

4TH QUARTER 2018

CRIME REPORTS

EXHIBIT A

NO. OF REPORTS	114 ESPER	144 ROSE	145 EAGLE	112 INDEP	124 C.C.	212 PARROT	325 DIAMENT	AHA TOTAL	CITY TOTAL
MURDER	0	0	0	0	0	0	0	0	0
% CITY								0.0%	
RAPE	0	0	0	0	0	0	0	0	2
% CITY								0.0%	
ROBBERY	0	0	0	0	0	0	0	0	15
% CITY								0.0%	
ASSAULT	1	0	0	0	0	0	0	1	70
% CITY								1.4%	
BURG	0	0	0	0	0	0	0	0	43
% CITY								0.0%	
THEFT	0	0	0	0	0	1	0	1	402
% CITY								0.2%	
VEHHTFT	1	0	0	0	0	0	0	1	75
% CITY								1.3%	
NARC	0	0	0	0	0	0	0	0	62
% CITY								0.0%	
INTOX	0	0	0	0	0	0	0	0	40
% CITY								0.0%	
VANDAL	0	0	0	0	0	0	0	0	92
% CITY								0.0%	
OTHER	1	1	0	0	0	1	0	3	338
% CITY								0.9%	
<b>TOTAL</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>6</b>	<b>1139</b>
<b>% CITY</b>	<b>0.8%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.6%</b>	<b>0.0%</b>	<b>1.7%</b>	



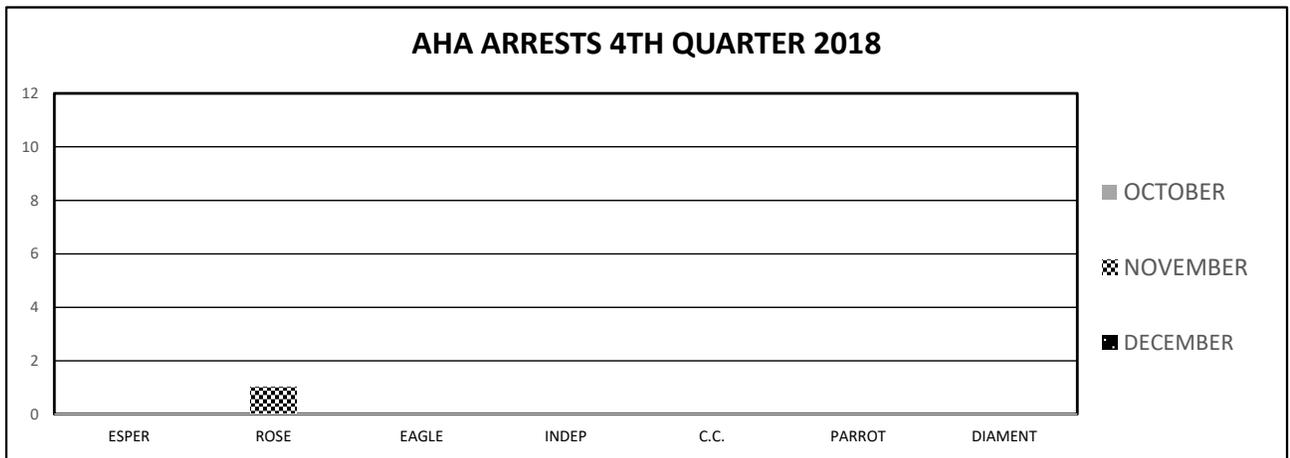
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROT	DIAMENT	TOTAL
<b>OCTOBER</b>	1	2	0	1	0	1	0	5
<b>NOVEMBER</b>	1	1	0	0	0	1	0	3
<b>DECEMBER</b>	2	0	0	0	0	1	0	3
<b>TOTAL</b>	<b>4</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>11</b>

4TH QUARTER 2018

ARRESTS

EXHIBIT A

NO. OF ARRESTS	114 ESPER	144 ROSE	145 EAGLE	112 INDEP	124 C.C.	212 PARROT	325 DIAMENT	AHA TOTAL	CITY TOTAL
MURDER	0	0	0	0	0	0	0	0	1
% CITY								0.0%	
RAPE	0	0	0	0	0	0	0	0	0
% CITY								0.0%	
ROBBERY	0	0	0	0	0	0	0	0	10
% CITY								0.0%	
ASSAULT	0	0	0	0	0	0	0	0	38
% CITY								0.0%	
BURG	0	0	0	0	0	0	0	0	13
% CITY								0.0%	
THEFT	0	0	0	0	0	0	0	0	37
% CITY								0.0%	
VEHHTFT	0	0	0	0	0	0	0	0	2
% CITY								0.0%	
NARC	0	0	0	0	0	0	0	0	68
% CITY								0.0%	
INTOX	0	0	0	0	0	0	0	0	43
% CITY								0.0%	
VANDAL	0	0	0	0	0	0	0	0	5
% CITY								0.0%	
OTHER	0	1	0	0	0	0	0	1	139
% CITY								0.7%	
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>356</b>
<b>% CITY</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.3%</b>	



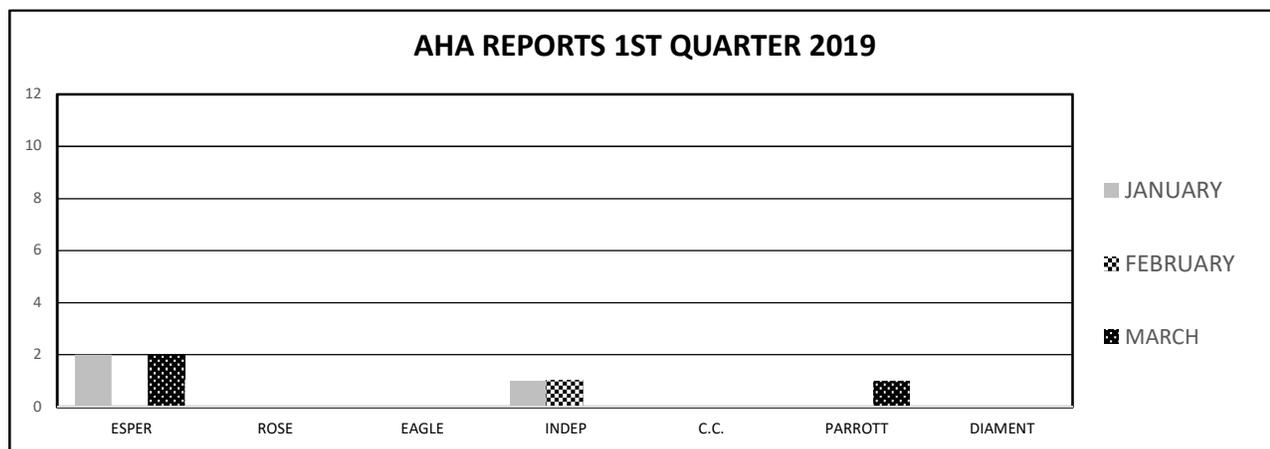
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROT	DIAMENT	TOTAL
<b>OCTOBER</b>	0	0	0	0	0	0	0	0
<b>NOVEMBER</b>	0	1	0	0	0	0	0	1
<b>DECEMBER</b>	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

1ST QUARTER 2019

CRIME REPORTS

EXHIBIT A

RD	114	144	145	112	124	212	325	AHA	CITY
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROTT	DIAMENT	TOTAL	TOTAL
MURDER	0	0	0	0	0	0	0	0	0
% CITY								0.0%	
RAPE	0	0	0	0	0	0	0	0	1
% CITY								0.0%	
ROBBERY	0	0	0	0	0	0	0	0	21
% CITY								0.0%	
ASSAULT	0	0	0	0	0	0	0	0	89
% CITY								0.0%	
BURG	0	0	0	0	0	0	0	0	61
% CITY								0.0%	
THEFT	1	0	0	1	0	0	0	2	461
% CITY								0.4%	
VEHHTFT	0	0	0	0	0	0	0	0	100
% CITY								0.0%	
NARC	0	0	0	0	0	0	0	0	49
% CITY								0.0%	
INTOX	0	0	0	0	0	0	0	0	47
% CITY								0.0%	
VANDAL	0	0	0	0	0	0	0	0	87
% CITY								0.0%	
OTHER	3	0	0	1	0	3	0	7	526
% CITY								1.3%	
<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>9</b>	<b>1442</b>
<b>% CITY</b>	<b>1.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.6%</b>	<b>0.0%</b>	<b>0.9%</b>	<b>0.0%</b>	<b>2.7%</b>	



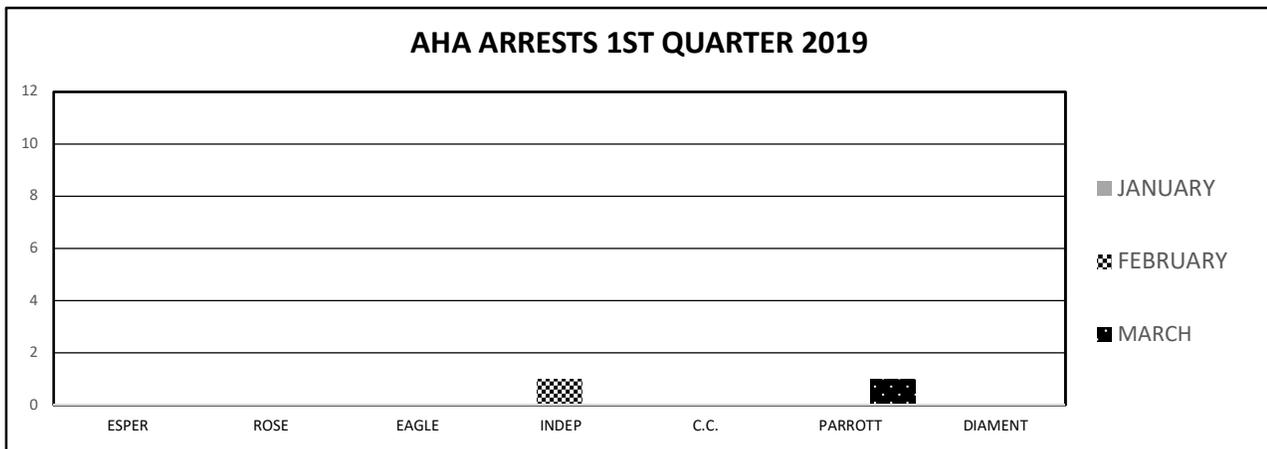
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROTT	DIAMENT	TOTAL
<b>JANUARY</b>	2	0	0	1	0	0	0	3
<b>FEBRUARY</b>	0	0	0	1	0	0	0	1
<b>MARCH</b>	2	0	0	0	0	1	0	3
<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>7</b>

1ST QUARTER 2019

ARRESTS

EXHIBIT A

RD	114	144	145	112	124	212	325	AHA	CITY
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROTT	DIAMENT	TOTAL	TOTAL
MURDER	0	0	0	0	0	0	0	0	0
% CITY								0.0%	
RAPE	0	0	0	0	0	0	0	0	0
% CITY								0.0%	
ROBBERY	0	0	0	0	0	0	0	0	9
% CITY								0.0%	
ASSAULT	0	0	0	0	0	0	0	0	45
% CITY								0.0%	
BURG	0	0	0	0	0	0	0	0	4
% CITY								0.0%	
THEFT	0	0	0	0	0	0	0	0	21
% CITY								0.0%	
VEHHTFT	0	0	0	0	0	0	0	0	9
% CITY								0.0%	
NARC	0	0	0	0	0	0	0	0	50
% CITY								0.0%	
INTOX	0	0	0	0	0	0	0	0	50
% CITY								0.0%	
VANDAL	0	0	0	0	0	0	0	0	6
% CITY								0.0%	
OTHER	0	0	0	1	0	1	0	2	143
% CITY								1.4%	
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>337</b>
<b>% CITY</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.6%</b>	



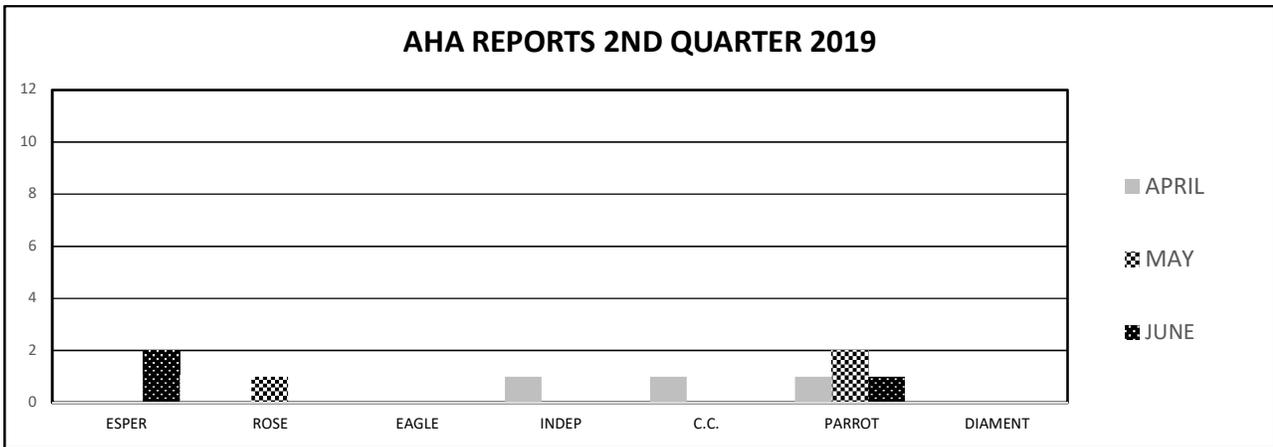
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROTT	DIAMENT	TOTAL
<b>JANUARY</b>	0	0	0	0	0	0	0	0
<b>FEBRUARY</b>	0	0	0	1	0	0	0	1
<b>MARCH</b>	0	0	0	0	0	1	0	1
<b>TOTAL</b>	0	0	0	1	0	1	0	2

2ND QUARTER 2019

CRIME REPORTS

EXHIBIT A

NO. OF REPORTS	114 ESPER	144 ROSE	145 EAGLE	112 INDEP	124 C.C.	212 PARROT	325 DIAMENT	AHA TOTAL	CITY TOTAL
MURDER	0	0	0	0	0	0	0	0	0
% CITY								0.0%	
RAPE	0	0	0	0	0	0	0	0	2
% CITY								0.0%	
ROBBERY	0	0	0	0	0	0	0	0	28
% CITY								0.0%	
ASSAULT	1	1	0	0	0	1	0	3	114
% CITY								2.6%	
BURG	1	0	0	0	0	0	0	1	39
% CITY								2.6%	
THEFT	0	0	0	0	0	0	0	0	497
% CITY								0.0%	
VEHHTFT	0	0	0	0	1	0	0	1	117
% CITY								0.9%	
NARC	0	0	0	0	0	0	0	0	64
% CITY								0.0%	
INTOX	0	0	0	0	0	0	0	0	63
% CITY								0.0%	
VANDAL	1	0	0	0	0	1	0	2	102
% CITY								2.0%	
OTHER	1	0	0	1	0	3	0	5	328
% CITY								1.5%	
<b>TOTAL</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>12</b>	<b>1354</b>
<b>% CITY</b>	<b>0.9%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>1.1%</b>	<b>0.0%</b>	<b>2.7%</b>	



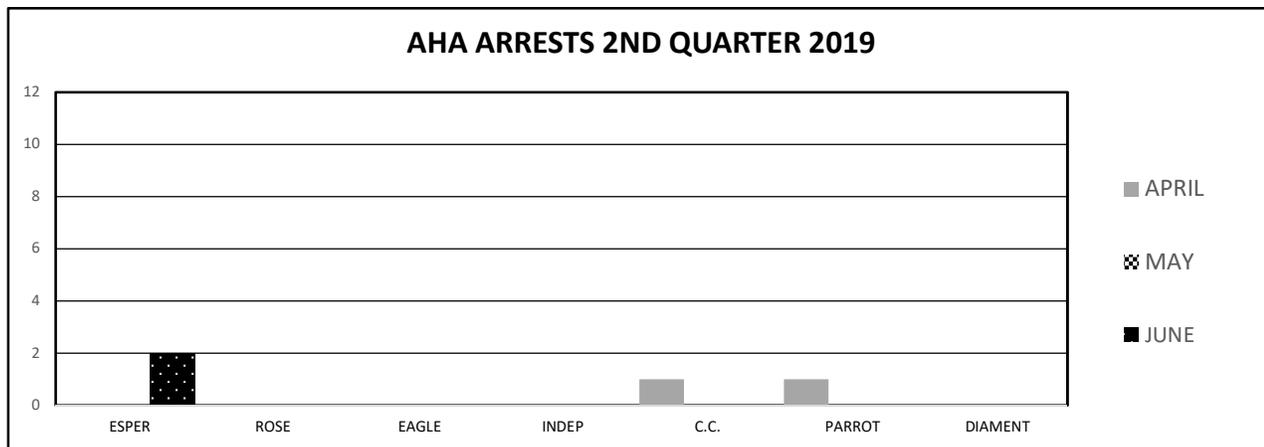
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROT	DIAMENT	TOTAL
<b>APRIL</b>	0	0	0	1	1	1	0	3
<b>MAY</b>	0	1	0	0	0	2	0	3
<b>JUNE</b>	2	0	0	0	0	1	0	3
<b>TOTAL</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>9</b>

2ND QUARTER 2019

ARRESTS

EXHIBIT A

NO. OF ARRESTS	114 ESPER	144 ROSE	145 EAGLE	112 INDEP	124 C.C.	212 PARROT	325 DIAMENT	AHA TOTAL	CITY TOTAL
MURDER	0	0	0	0	0	0	0	0	0
% CITY								0.0%	
RAPE	0	0	0	0	0	0	0	0	2
% CITY								0.0%	
ROBBERY	0	0	0	0	0	0	0	0	9
% CITY								0.0%	
ASSAULT	2	0	0	0	0	0	0	2	73
% CITY								2.7%	
BURG	0	0	0	0	0	0	0	0	9
% CITY								0.0%	
THEFT	0	0	0	0	0	0	0	0	20
% CITY								0.0%	
VEHHTFT	0	0	0	0	0	0	0	0	8
% CITY								0.0%	
NARC	0	0	0	0	0	0	0	0	72
% CITY								0.0%	
INTOX	0	0	0	0	0	0	0	0	65
% CITY								0.0%	
VANDAL	0	0	0	0	0	0	0	0	9
% CITY								0.0%	
OTHER	0	0	0	0	0	0	0	0	172
% CITY								0.0%	
<b>TOTAL</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>439</b>
<b>% CITY</b>	<b>0.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.5%</b>	



	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROT	DIAMENT	TOTAL
<b>APRIL</b>	0	0	0	0	1	1	0	2
<b>MAY</b>	0	0	0	0	0	0	0	0
<b>JUNE</b>	2	0	0	0	0	0	0	2
<b>TOTAL</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>4</b>

## EXHIBIT B

HOUSING AUTHORITY OF THE CITY OF ALAMEDA - CRIME STATISTICS FOR FY2019									
NO. OF REPORTS	ESPER- ANZA	ROSE. VILLAGE	EAGLE VILLAGE	IND. PLAZA	CHINA CLIPPER	PARROT VILLAGE	ANNE B. DIAMENT	AHA TOTAL	CITY TOTAL
MURDER % CITY	0	0	0	0	0	0	0	0 0.0%	0
RAPE % CITY	0	0	0	0	0	0	0	0 0.0%	8
ROBBERY % CITY	0	0	0	0	0	0	0	0 0.0%	81
ASSAULT % CITY	2	3	0	0	0	1	0	6 1.5%	388
BURG % CITY	1	1	0	0	0	0	0	2 1.0%	197
THEFT % CITY	2	0	0	1	0	1	1	5 0.3%	1738
VEHHTFT % CITY	1	0	0	0	1	0	0	2 0.5%	365
NARC % CITY	0	2	0	0	0	0	0	2 0.9%	215
INTOX % CITY	0	0	0	0	0	0	0	0 0.0%	186
VANDAL % CITY	1	0	0	0	0	1	0	2 0.6%	344
OTHER % CITY	12	2	0	2	0	8	0	24 1.6%	1524
<b>TOTAL % CITY</b>	<b>19 0.4%</b>	<b>8 0.2%</b>	<b>0 0.0%</b>	<b>3 0.1%</b>	<b>1 0.0%</b>	<b>11 0.2%</b>	<b>1 0.0%</b>	<b>43 0.9%</b>	<b>5046</b>

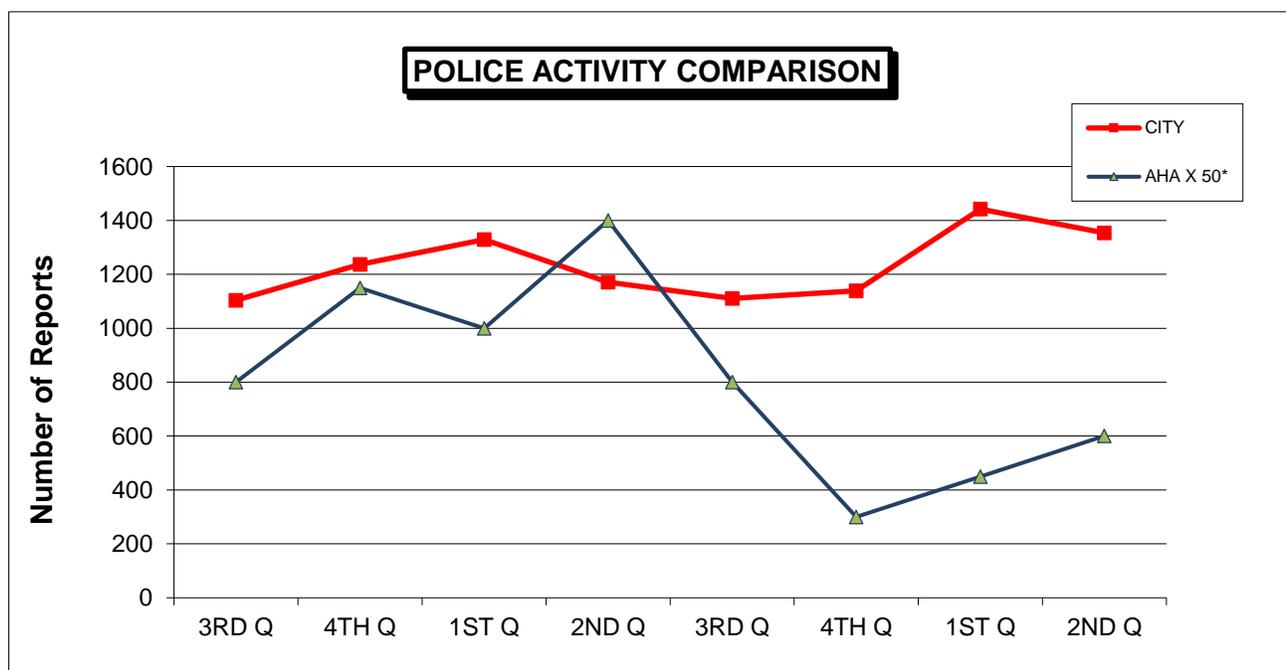
NO. OF ARRESTS	ESPER- ANZA	ROSE. VILLAGE	EAGLE VILLAGE	IND. PLAZA	CHINA CLIPPER	PARROT VILLAGE	ANNE B. DIAMENT	AHA TOTAL	CITY TOTAL
MURDER % CITY	0	0	0	0	0	0	0	0 0.0%	3
RAPE % CITY	0	0	0	0	0	0	0	0 0.0%	2
ROBBERY % CITY	0	0	0	0	0	0	0	0 0.0%	36
ASSAULT % CITY	2	2	0	0	0	0	0	4 1.9%	215
BURG % CITY	0	0	0	0	0	0	0	0 0.0%	39
THEFT % CITY	0	0	0	0	0	0	0	0 0.0%	104
VEHHTFT % CITY	0	0	0	0	0	0	0	0 0.0%	23
NARC % CITY	0	0	0	0	0	0	0	0 0.0%	244
INTOX % CITY	0	0	0	0	0	0	0	0 0.0%	195
VANDAL % CITY	0	0	0	0	0	0	0	0 0.0%	25
OTHER % CITY	0	4	0	2	0	2	0	8 1.3%	636
<b>TOTAL % CITY</b>	<b>2 0.1%</b>	<b>6 0.4%</b>	<b>0 0.0%</b>	<b>2 0.1%</b>	<b>0 0.0%</b>	<b>2 0.1%</b>	<b>0 0.0%</b>	<b>12 0.8%</b>	<b>1522</b>

Exhibit C

HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
 POLICE ACTIVITY  
 ON HOUSING AUTHORITY PROPERTIES  
 COMPARED WITH THE CITY AS A WHOLE

Crime Reports

	3RD Q 2017	4TH Q 2017	1ST Q 2018	2ND Q 2018	3RD Q 2018	4TH Q 2018	1ST Q 2019	2ND Q 2019
CITY	1104	1237	1329	1171	1111	1139	1442	1354
AHA X 50*	800	1150	1000	1400	800	300	450	600
AHA	16	23	20	28	16	6	9	12

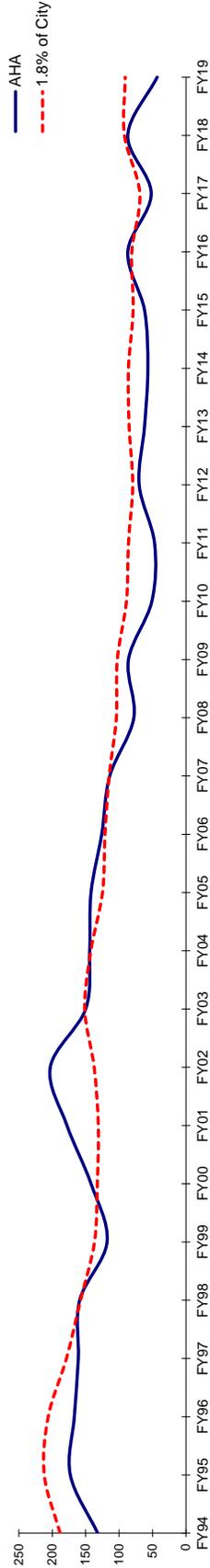


\* Note: Housing Authority numbers are multiplied by 50 to make it possible to compare with the much larger numbers for the City as a whole.

**REPORTS WRITTEN AND ARRESTS MADE  
ON HOUSING AUTHORITY PROPERTY COMPARED WITH CITY AS A WHOLE  
FROM FY1994 TO FY2019  
Exhibit D**

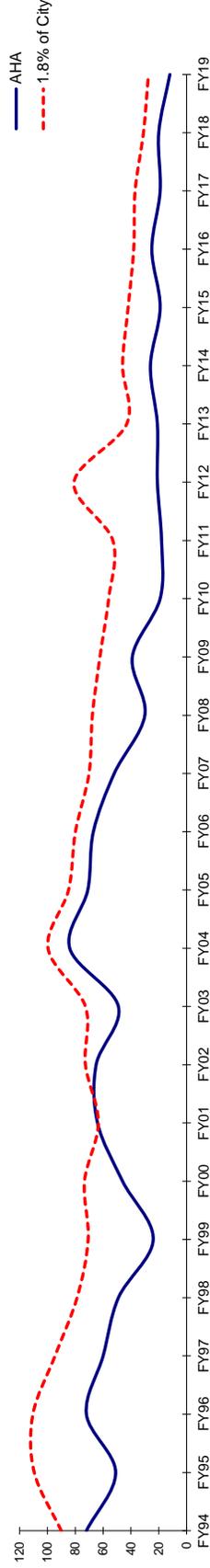
Tenants of AHA properties make up approximately 1.8% of the City's population.

**REPORTS WRITTEN**



	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
1.8% of City	132	173	167	161	159	118	142	178	203	150	144	142	126	114	78	86	51	47	70	62	57	62	87	52	87	43
AHA	188	212	206	179	158	137	133	131	137	151	142	125	121	115	104	103	89	86	80	85	86	79	81	69	92	91

**ARRESTS MADE**



	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
1.8% of City	72	51	72	60	49	24	46	64	65	49	84	71	67	52	30	39	19	18	21	21	26	19	25	19	20	12
AHA	90	109	110	95	79	71	73	63	73	73	100	85	80	70	68	62	56	53	81	43	46	42	38	37	31	27

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Louie So, Director of Finance

Date: January 15, 2020

Re: Accept the Budget Variance Report for November 30, 2019

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### **BACKGROUND**

This high-level, Budget Variance Report covers preliminary unaudited financial operating results compared to the 2019-20 budget for the period and month ending November 30, 2019. Although the year-end financial data is on an accrual basis, the month-to-month financials are on a cash basis. The numbers presented are subject to change based on the adjustments from the final audited financial statement report.

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

It is also important to note: the financial reports include four properties which were transferred to AHA's affiliate, Alameda Affordable Housing Corporation (AAHC) in 2018. These properties are Anne B. Diament, China Clipper Plaza, Stanford House, and Lincoln-Willow Apartments. The AAHC financial statements will also be presented for approval in a separate annual AAHC Board meeting. All members of the Board of Commissioners also serve as the Board of Directors of AAHC.

### **DISCUSSION**

#### Overview

Year-to-date variances are as follows: revenue is under budget by \$912,018 (4.58%), operating expenses are below budget by \$1,479,225 (7.82%), and net income (before depreciation) is higher than budget by \$567,207. Rosefield and Eagle Village income and expenses are now fully incorporated in these financial exhibits on a monthly basis. A third party (The John Stewart Company) manages these properties and income and occupancy figures are provided in the monthly overview report for Property Operations. Please note that \$357,193 of revenue that is under budget represent MOU pass-through reimbursements with a corresponding expense offset. This will be further discussed below.



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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### Operations Budget - Revenue

Year-to-date - Rental income (Total Tenant Revenue) of \$5,020,187 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 under budget by \$457,277 or 8.35%,

Tenant income is over budget by \$191,462. HAP received for AHA properties is lower than budget by \$364,840 (10.97%), while vacancy is slightly above budget by \$35,795. Although HAP received for AHA properties has not achieved budgeted amounts for FY 2020 year to date, the amounts received are on par with the rolling 12-month actuals. The exception to this is Independence Plaza and Stanford House, which showed an uptick in the last several months, offset by a reduction of Rosefield Village (further discussed below).

Lower rental income is expected due to held vacancies at Independence Plaza from ADA rehab work and relocation-related.

Rosefield Village is one significant reason for the loss of income. Lower rental income is also anticipated for the year due to tenant relocations and vacancies from Rosefield for the planned rehabilitation of the property. At this time, less than a third of tenants remain on site at this time. The budget estimated 50% occupancy. Please see below for the Rosefield actual and budget vacancy comparison for fiscal YTD.

Rosefield Village	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Total year to date
Actual Vacancies	43,845	46,601	56,831	60,915	60,915	269,107
Budgeted Vacancies	24,965	24,963	24,963	24,963	24,963	124,817

Occupancy at Independence Plaza is improving although in the winter months new units often become vacant unexpectedly due to illness or death of the tenant. At the end of December, there were seven vacancies. The expectation is that there will be less than five vacancies by the end of January 2020.

Other Income is \$357,193 less than the year-to-date budgeted revenue mostly due to lower professional service revenue received, which includes funding from the Rent Stabilization Program ("RSP") and Housing and Community Development ("HCD") City of Alameda MOUs that are received in arrears and accounted for under "7110092 Professional Service Revenue" in the attached exhibit. Please see below chart for the monthly reimbursements for both the HCD and Rent Stabilization Program.

For HCD, \$100,000 is timing difference, which was subsequently received from Island City Development ("ICD") per the executed Services Agreement between



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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ICD and AHA in December 2019. The period-to-date variance will be lower next month.

For RSP, additional landlord database work has been billed and reimbursement on a monthly basis is expected to be slightly below monthly reimbursement trend, offset by a reduction of one staff due to a resignation, effective December 2019.

Billings	FY 19-20 Budget	Budget - Monthly Basis	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
HCD	1,024,812	85,401	35,836	41,006	40,469	43,095	51,960
RSP	1,110,000	92,500	62,222	75,060	71,202	73,188	90,233

Administrative Fee income from HUD is slightly higher than the year-to-date budget by \$8,636 (1.17%). The factors that affect how much Administrative Fee AHA receives are the proration percentage and the number of units leased. HUD provided an increase of 4% in the proration factor from 76% to 80% that accounts for this higher number. 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.

#### Expenses

Net profit from operations (before depreciation) is \$1,581,324 for the period year-to-date.

Total operating expenses are lower than the year-to-date budget by \$1,479,225 (7.82%). 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.). Total utilities are under budget by \$76,144. Note utilities are billed in arrears and certain utilities are billed on a semi-monthly basis (i.e. water). These fluctuations in utility costs are monitored. HCD, Finance, and Property Operations staff meet monthly to review the financial statements to monitor actuals versus budget amounts.

AHA has outsourced two properties, the aforementioned Eagle Village and Rosefield projects to The John Stewart Company and the AHA maintenance team performs more of the maintenance work in AHA's managed properties rather than using vendors.

#### 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 is \$16,500 (0.13%) higher than budget for Section 8. Note that in November 2019, HAP revenue is lower than monthly budget by



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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\$380,480 as HUD calculated that AHA had sufficient HAP for disbursement period to date.

Shelter Plus Care revenue is paid in arrears and the billing for November activity will be sent in January 2020 to the Alameda County Housing and the Community Development department.

Staff continues to make progress on accounts receivable for port-in billings from other public housing authorities, which is \$168,635 higher than budget.

Staff started issuing regular vouchers, as well as Family Unification Program (FUP), vouchers earlier in the year. HAP payments to property owners are slightly higher than budget by \$177,503 (1.41%). Staff is working closely with HUD to monitor HAP revenue and expenditure, and are monitoring the federal budget process to ensure sufficient cash flow for the program.

Staff is increasing contract rents at the sites, except Independence Plaza.

#### Statement of Net Position

The Housing Authority has adequate cash resources for operations. As of November 30, 2019, AHA and its affiliates has \$8.1 Million in cash, and \$19.9 Million held in LAIF and CAMP. The quarterly Investment Memorandum for the month ended December 31, 2019 will be presented in February 2020's Board of Commissioners meeting.

#### Accounts Receivable Write-offs

Please refer to the Write-off of Uncollectible Accounts Receivable memorandum for further details.

### **OTHER ISSUES IMPACTING FINANCE DEPARTMENT**

#### Staffing

Training continues for the Finance Department. Nan McKay and Associates continues to provide consulting and training services including HUD's monthly Voucher Management System (VMS) report and the annual unaudited and audited Financial Data Schedule (FDS). The FY19 unaudited FDS was successfully submitted to HUD's Real Estate Assessment Center in September 2019 and is pending review. In addition to regular operational finance functions, the team will focus on the issuance of IRS Form 1099 in the month of January 2020 and the transfer of Independence Plaza from AHA to AAHC.

#### Audit and Tax

#### AHA



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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The financial auditor, Citrin Cooperman, began preliminary work for the audited financial statements for the fiscal year ended June 30, 2019 offsite in October 2019. Citrin Cooperman was onsite in early November 2019 to accommodate the HUD financial statement submission deadline of March 2020. During audit fieldwork, the Citrin Cooperman team met with various members of management, staff and a BOC member. Regular communication between the Finance Department and Citrin Cooperman continues, and Citrin Cooperman targets draft audited financial statements in January 2020 for AHA management review.

#### AAHC

Although AHA is exempt from filing a federal tax return, AAHC is required to file a tax return (IRS Form 990 and its California equivalent). A tax return extension was filed in November 2019. The final extended tax returns are due to the Internal Revenue Service and California Franchise Tax Board by May 2020.

#### Island City Development

AHA is working with Holthouse, Carlin & Van Tright LLP for interim audit work of Island City Development and the two low-income housing tax credit project partnerships (Sherman & Buena Vista, L.P. and Everett & Eagle, L.P., the "LPs"). AHA targets the delivery of LPs' draft financial statements and tax returns to the tax credit equity investors by the stipulated due date of February 2020.

#### Unfunded Pension Liabilities

Further discussions on the Unfunded Pension liabilities will be brought to the Board of Commissioners Board Meeting in Q1 2020.

#### Budget

Certain carrying costs for North Housing were not presented in the FY 2020 budget. As such, a budget revision will be brought to the board once the calendar year end activity has been reconciled in January 2020. Please refer to the Monthly Report for North Housing for further details.

#### Banking Activities

The following banking activities occurred in December 2019. No bank accounts were opened or closed in November 2019.



Honorable Chair and  
Members of the Board of Commissioners

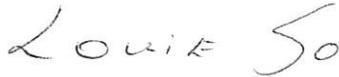
January 15, 2020  
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<u>ENTITY</u>	<u>BANK INSTITUTION</u>	<u>REASON</u>	<u>DATE OPENED</u>
AAHC – Independence Plaza	US Bank	Operating Account for February 2020 transfer for Independence Plaza from AHA to AAHC	12/2019

**RECOMMENDATION**

Accept the Budget Variance Report for November 30, 2019.

Respectfully submitted,



Louie So, CPA  
Director of Finance

Attachments:

1. Balance Sheet – Period July 2019 – November 2019
2. Budget Comparison – Revenue & Expense
3. AHA Revenue & Expense (Actual versus Budget)



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## Balance Sheet

Period = Jul 2019-Nov 2019

Book = Accrual

		Balance
		Current Period
<b>1000000</b>	<b>ASSETS</b>	
<b>1100000</b>	<b>CURRENT ASSETS</b>	
<b>1101000</b>	<b>CASH</b>	
1110010	Cash - Unrestricted	5,281,207.84
1110012	Cash - Reserve for Building	78,450.83
1110013	Cash - Reserve for 3rd Party Managed Buildings	1,129,363.21
1110014	Cash - Reserve for Equipment	2,152.00
1110018	Cash - Operating Checking with 3rd Party	654,969.45
1110019	Petty Cash with 3rd Party	200.00
1110020	Cash - Petty cash	250.00
1110021	Cash - Benefit Account	78,091.87
1110030	Cash - FSS	159,496.04
1110040	Cash - Replacement Reserve Bldg	126,415.00
1130030	Cash - Restricted Sec Dep	76,775.00
1140000	Cash - Tenant Security Deposits	500,240.25
1140050	Cash - Tenant Security Deposits with 3rd Party	46,821.00
1199000	TOTAL CASH	8,134,432.49
<b>1200000</b>	<b>ACCOUNTS RECEIVABLE</b>	
1210000	Accounts Receivable - PHA	0.00
1240010	Accounts Receivable - Government	860,523.81
1240050	HAP Rent Receivable	44,078.49
1240070	Accounts Receivable- HUD	15,432.09
1250010	Accounts Receivable - Other	670,363.23
1250050	Accounts Receivable - 3rd Party Management	26,505.33
1255000	Subsidy Suspense Receivable	-28,160.84
1260000	Accounts Receivable - Tenant	591,217.28
1260050	Accounts Receivable - Tenant Rent with 3rd Party	20,922.87
1261000	Allowance for Doubtful Accounts -Dwelling Rent	-61,830.05
1280000	Fraud Recovery	36,869.40
1281000	Allowance for Doubtful Accounts - Fraud	-36,144.20
1290000	Accrued Interest Receivable	26,955.00
1299000	TOTAL ACCOUNTS RECEIVABLE	2,166,732.41
<b>1300000</b>	<b>INVESTMENTS AND OTHER CURRENT NOTES</b>	
1310000	Investments(LAIF)- Unrestricted	9,610,096.02
1320010	Investments - Other	200.00
1320020	Investments(LAIF) (Restricted) - FSS Escrow	-327.20
1320030	Investments(LAIF)- Building Reserve	1,274,140.13
1320040	Investments(LAIF) - Equipment Reserve	281,416.02
1320201	Investment Reserved for IP-LAIF	427,804.64
1350010	Investment(LAIF)-Restricted (Jack Capon Villa Trust)	1,379.90
1350020	Investment-OPEB (Restricted)	1,173,497.81
1350023	PFM-Accured Interest	-130.02
1350031	Investments - CAMP	8,309,149.41
1350100	Mortgage Receivable	26,188,472.24
1350103	Mortgage Receivable-Jack Capon L. P.	126,285.38

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## Balance Sheet

Period = Jul 2019-Nov 2019

Book = Accrual

		Balance
		Current Period
1350106	Loan Receivable - ICD	15,329,430.00
1350107	Loan Receivable-RCD/Stargell/Tri Pointe	2,000,000.00
1350109	Loan Receivable - Section 8	650,000.00
1360000	TOTAL INVESTEMENTS AND OTHER CURRENT NOTES	65,371,544.35
<b>1400000</b>	<b>PREPAID EXPENSES</b>	
1420010	Prepaid Insurance - Property	31,448.36
1420020	Prepaid Insurance - Liability	22,430.40
1420030	Prepaid Insurance - Auto	2,736.52
1420040	Prepaid Insurance - Worker Comp	12,152.94
1420050	Prepaid - Other	105,801.70
1420051	Prepaid Rent	14,400.00
1420070	Escrow Deposits - Property	81,411.80
1420075	Escrow Dep. PNC Hedge Res.	68,333.80
1430000	Inventories	11,585.92
1430010	Replacement Reserve-NorthMarq Loan	534,034.83
1430020	Reserve for Replacement NorthMarq	521,445.65
1440099	TOTAL PREPAID EXPENSES	1,405,781.92
<b>1440105</b>	<b>INTERPROGRAM</b>	
1440110	Interprogram (Due From)	636,803.65
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
1440451	Interprogram Due From 2437 Eagle Ave - 4532	19,735.40
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
1440740	Interprogram Due from HCV	0.00
1440781	Interprogram Due From New FSS Grant	0.00
1440810	Interprogram Due From Independence Plaza	610.59
1440899	TOTAL INTERPROGRAM	1,104,224.98
1500000	TOTAL CURRENT ASSETS	78,182,586.13
<b>1590000</b>	<b>LONG TERM ASSETS</b>	
<b>1600000</b>	<b>FIXED ASSETS</b>	

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## Balance Sheet

Period = Jul 2019-Nov 2019

Book = Accrual

		Balance
		Current Period
<b>1609999</b>	<b>LAND AND BUILDINGS</b>	
1610000	Land	58,219,778.63
1620030	Buildings	31,599,052.95
1620031	Buildings Improvements	2,146,759.76
1629000	TOTAL LAND AND BUILDINGS	91,965,591.34
1630040	Furniture and Equipment - Dwelling	355,074.81
1630041	Furniture and Equipment - Other	96,032.05
1650000	Leasehold Improvements	14,374,000.02
1660030	Accumulated Depreciation	-29,130,910.92
1660060	Accumulated Depreciation - 3rd Party	-532.61
1699000	TOTAL FIXED ASSETS	77,659,254.69
<b>1800000</b>	<b>DEFERRED OUTFLOW</b>	
1800200	Deferred Outflow of Resources	2,509,532.01
1890000	TOTAL DEFERRED OUTFLOW	2,509,532.01
<b>1900000</b>	<b>CONSTRUCTION IN PROGRESS</b>	
1900100	CIP - On Site Improvement	-381.10
1900230	CIP - Professional Services (Other)	11,928.00
1900290	CIP - Organization - Legal	6,077.50
1900410	CIP - Environmental Testing & Reports	13,800.00
1900420	CIP - Permit & Fees (plan'g,build'g,public work,school dist)	4,085.80
1900430	CIP - Utilities Fees	607.60
1919999	TOTAL CONSTRUCTION IN PROGRESS	36,117.80
1929999	TOTAL LONG TERM ASSETS	80,204,904.50
1999999	TOTAL ASSETS	158,387,490.63
<b>3000000</b>	<b>LIABILITIES AND EQUITY</b>	
<b>3005000</b>	<b>LIABILITIES</b>	
<b>3100000</b>	<b>CURRENT LIABILITIES</b>	
<b>3100500</b>	<b>ACCOUNTS PAYABLE</b>	
3120010	Accounts Payable<= 90 Days	156,613.83
3120011	Accounts Payable -CALPERS (employee portion)	0.08
3120012	Accounts Payable-Health Insurance (employee portion)	24.13
3120014	Accounts Payable-Garnishment (employee portion)	-128.50
3120015	Accounts Payable-Vision Insurance (employee portion)	628.99
3120016	Accounts Payable-Life Insurance (employee portion)	-149.11
3120018	Accounts Payable-PARS retirement (employee portion)	133.76
3120019	Accounts Payable-Flexible Spending Account(employee portion)	5,954.74
3120021	Employees Cobra	112.56
3120022	Accounts Payable-PERS 1959 Surv(Employee Portion)	40.92
3120023	Accounts Payable-FSA Transit Plan	563.36
3120024	Accounts Payable FSS	117,289.07
3120026	Accounts Payable FSS Interest	28.68
3120029	Accounts Payable - 3rd Party Management Company	11,403.39
3120030	Accrued Wage/Payroll Taxes Payable	1,101.95
3120040	Accrued Compensated Absences - Current Portion	138,784.87
3120045	Accrued Vacation Payable - 3rd Party Management	6,469.73

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## Balance Sheet

Period = Jul 2019-Nov 2019

Book = Accrual

		Balance
		Current Period
3120070	Accrued Payables	11,227.70
3120075	Accrued Accounts Payable - 3rd Party Management	126,421.32
3330010	Account Payable - Other Government	0.00
3330020	Account Payable - HUD	0.00
3330100	Tenants- Rents Payable	9,900.00
3339000	TOTAL ACCOUNT PAYABLE	586,421.47
<b>3400000</b>	<b>SECURITY DEPOSITS HELD</b>	
3410010	Tenant Security Deposits	555,615.42
3410015	Tenant Security Deposits - held with 3rd Party Management	47,371.00
3410020	Tenant Security Deposits - Pets	1,225.00
3410030	Tenant Security Deposits - Gate Opener	50.00
3410040	Tenant Security Deposits - Satellite Dish/Antenna	1,700.00
3410060	Tenant Security Deposits - Pooled Interest	63,760.13
3410999	Security Deposit Refund	9,188.73
3419000	TOTAL SECURITY DEPOSITS HELD	678,910.28
<b>3419900</b>	<b>OTHER LIABILITIES</b>	
3420000	Prepay Tenant Rent	94,101.00
3421000	Prepay Tenant Rent - 3rd Party Management	3,795.68
3425000	Unearned Revenue	655,035.17
3426000	Prepaid Ground Lease Rent	3,410,000.00
3430000	Current Portion of Long Term Debt - Capital Projects	423,363.98
3449000	TOTAL OTHER LIABILITIES	4,586,295.83
<b>3470000</b>	<b>INTERPROGRAM</b>	
3470050	Interprogram (Due to)	630,974.15
3470110	Interprogram Due To General Fund	488,219.12
3470601	Interprogram Due To Anne B Diament Plaza	19,786.00
3470710	Interprogram Due To Section 8 Vouchers	0.00
3471000	Due To/Due From Suspense Account	61,069.96
3480000	TOTAL INTERPROGRAM	1,200,049.23
3499000	TOTAL CURRENT LIABILITIES	7,051,676.81
<b>3500000</b>	<b>NON-CURRENT LIABILITIES</b>	
3510100	Mortgage Loan Payable	36,062,106.46
3510103	Mortgage Loan Payable- Alameda County	26,250.00
3510130	Interest Payable - City of Alameda Loan	1,041,779.84
3510140	Home Fund Loan #1	217,924.70
3510150	Housing Community Dev. Loan	916,399.98
3510157	Loan Payable - Esperanza	650,000.00
3510158	Loan Payable - CDBG	575,000.00
3510160	Home Fund Loan #2	282,700.00
3540000	Accrued Compensated Absences - Noncurrent	104,966.97
3570000	OPEB Liability	15,285.00
3580000	Pension Liability	2,127,040.01
3599000	TOTAL NON-CURRENT LIABILITIES	42,019,452.96
3999000	TOTAL LIABILITIES	49,071,129.77
<b>4000000</b>	<b>Equity/Net Assets</b>	

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**Balance Sheet**

Period = Jul 2019-Nov 2019

Book = Accrual

		Balance
		Current Period
<b>4000001</b>	<b>EQUITY</b>	
<b>4000100</b>	<b>DEFERRED INFLOW</b>	
4001000	Deferred Inflow of Resources	2,507,318.98
4900000	TOTAL DEFERRED INFLOW	<u>2,507,318.98</u>
<b>4999999</b>	<b>CONTRIBUTED CAPITAL</b>	
5010000	Net Investment in Capital Assets	8,938,655.40
5080060	Donations	36,197,725.00
5090000	Unrestricted	39,130,024.89
5120000	Unrestricted	21,938,354.06
5120010	Net Restricted Assets	<u>604,282.53</u>
5950000	TOTAL CONTRIBUTED CAPITAL	<u>106,809,041.88</u>
5999900	TOTAL EQUITY	<u>109,316,360.86</u>
6000000	TOTAL LIABILITIES AND EQUITY	<u>158,387,490.63</u>

Budget Comparison (with PTD)

Period = Jul 2019-Nov 2019

Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
<b>699990 INCOME</b>								
<b>700000 REVENUE</b>								
7020000 Tenant Rental Revenue	399,289.77	309,729.00	89,560.77	28.92	1,877,200.49	1,685,738.00	191,462.49	11.36
7030030 Maintenance Charges	831.00	0.00	831.00	N/A	2,858.77	0.00	2,858.77	N/A
7030040 Late Charges	750.00	0.00	750.00	N/A	2,250.00	0.00	2,250.00	N/A
7030050 Miscellaneous Other Charges	0.00	0.00	0.00	N/A	306.00	0.00	306.00	N/A
7030060 Tax Increment Payments from the City of Alameda	93,638.17	144,445.00	-50,806.83	-35.17	468,190.83	722,225.00	-254,034.17	-35.17
7030100 Tenant HAP Subsidy	619,577.80	664,886.00	-45,308.20	-6.81	2,959,599.83	3,324,440.00	-364,840.17	-10.97
7030110 Vacancy Loss	-65,443.00	-53,492.00	-11,951.00	N/A	-303,259.00	-267,464.00	-35,795.00	N/A
7030300 Commercial Rents	2,552.00	2,505.00	47.00	1.88	12,760.00	12,525.00	235.00	1.88
7040000 Other Tenant Revenue	0.00	0.00	0.00	N/A	280.55	0.00	280.55	N/A
<b>7050000 TOTAL TENANT REVENUE</b>	<b>1,051,195.74</b>	<b>1,068,073.00</b>	<b>-16,877.26</b>	<b>-1.58</b>	<b>5,020,187.47</b>	<b>5,477,464.00</b>	<b>-457,276.53</b>	<b>-8.35</b>
<b>7060000 FEDERAL GRANTS</b>								
7060060 Shelter Plus Care Revenue	0.00	37,217.00	-37,217.00	-100.00	151,851.84	186,085.00	-34,233.16	-18.40
7069000 TOTAL FEDERAL GRANTS	0.00	37,217.00	-37,217.00	-100.00	151,851.84	186,085.00	-34,233.16	-18.40
<b>7100000 OTHER INCOME</b>								
7110010 Investment Income - Unrestricted	0.00	11,307.00	-11,307.00	-100.00	62,975.26	56,539.00	6,436.26	11.38
7110011 Interest Income	13,291.39	25,403.00	-12,111.61	-47.68	77,927.08	127,015.00	-49,087.92	-38.65
7110012 PFM-Investment Income	0.00	1,990.00	-1,990.00	-100.00	0.00	9,950.00	-9,950.00	-100.00
7110013 Coupon/Interest/Dividend Income	0.00	3.00	-3.00	-100.00	0.00	15.00	-15.00	-100.00
7110020 Interest on Equip. Reserve	0.00	278.00	-278.00	-100.00	1,056.96	1,394.00	-337.04	-24.18
7110030 Interest Earned on Operating Reserve	0.00	52.00	-52.00	-100.00	0.00	260.00	-260.00	-100.00
7110060 Interest - Replacement Reserve	116.47	4,036.00	-3,919.53	-97.11	7,625.66	20,181.00	-12,555.34	-62.21
7110070 Other - Income	284.56	610.00	-325.44	-53.35	8,912.61	3,050.00	5,862.61	192.22
7110075 Laundry Commission	1,392.45	2,224.00	-831.55	-37.39	9,381.26	11,120.00	-1,738.74	-15.64
7110082 Land Fee/Ground Lease	0.00	447.00	-447.00	-100.00	446.99	2,235.00	-1,788.01	-80.00
7110092 Professional Service Revenue	90,233.04	177,901.00	-87,667.96	-49.28	532,312.40	889,505.00	-357,192.60	-40.16
7150030 Miscellaneous Other Revenue	0.00	0.00	0.00	N/A	626.95	0.00	626.95	N/A
7150050 Miscellaneous Other Income-Maintenance	0.00	0.00	0.00	N/A	35.10	0.00	35.10	N/A
7150070 Administrative Fee	0.00	1,505.00	-1,505.00	-100.00	1,293.44	7,528.00	-6,234.56	-82.82
<b>7159000 TOTAL OTHER INCOME</b>	<b>105,317.91</b>	<b>225,756.00</b>	<b>-120,438.09</b>	<b>-53.35</b>	<b>702,593.71</b>	<b>1,128,792.00</b>	<b>-426,198.29</b>	<b>-37.76</b>
<b>7170000 RESTRICTED INCOME</b>								
7200000 Investment Income - Restricted	0.00	0.00	0.00	N/A	15,138.68	0.00	15,138.68	N/A
7299999 TOTAL RESTRICTED INCOME	0.00	0.00	0.00	N/A	15,138.68	0.00	15,138.68	N/A
<b>8000000 HUD GRANT</b>								
8010000 HUD Operating Grants	2,099,419.00	2,479,899.00	-380,480.00	-15.34	12,415,991.09	12,399,491.00	16,500.09	0.13
8020000 Administrative Fees from HUD	138,507.00	147,162.00	-8,655.00	-5.88	727,176.00	735,812.00	-8,636.00	-1.17
8020110 PORT-In Administrative Fees	1,508.29	0.00	1,508.29	N/A	8,423.85	0.00	8,423.85	N/A
8030000 Administrative Fees Paid (PORT-Outs)	5,570.31	0.00	-5,570.31	N/A	25,736.27	0.00	25,736.27	N/A
8100120 TOTAL HUD GRANT	<b>2,233,863.98</b>	<b>2,627,061.00</b>	<b>-393,197.02</b>	<b>-14.97</b>	<b>13,125,854.67</b>	<b>13,135,303.00</b>	<b>-9,448.33</b>	<b>-0.07</b>
8999000 TOTAL REVENUE	3,390,377.63	3,958,107.00	-567,729.37	-14.34	19,015,626.37	19,927,644.00	-912,017.63	-4.58
<b>9000000 EXPENSES</b>								
<b>9000900 OPERATING EXPENSES</b>								
<b>9100000 ADMINISTRATIVE</b>								
9110010 Administrative Salaries	337,502.18	403,048.00	-65,545.82	-16.26	1,526,364.70	2,015,216.00	-488,851.30	-24.26
9110020 Temporary Help - Administrative	30,437.60	42,899.00	-12,461.40	-29.05	106,536.81	214,496.00	-107,959.19	-50.33
9120000 Auditing Fees	5,500.00	3,870.00	-1,630.00	-42.12	11,500.00	19,350.00	-7,850.00	-40.57
9130000 Outside Management Fees	4,695.50	0.00	-4,695.50	N/A	24,165.00	0.00	24,165.00	N/A
9150010 Admin Employee Benefits - Medical/Dental	55,500.56	106,929.00	-51,428.44	-48.10	278,236.53	534,615.00	-256,378.47	-47.96

**Budget Comparison (with PTD)**  
 Period = Jul 2019-Nov 2019

Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
9150020 Admin Employee Benefits - PERS/PARS	27,411.89	40,834.00	13,422.11	32.87	134,001.97	204,179.00	70,177.03	34.37
9150030 Admin Employee Benefits - FICA	4,829.42	6,459.00	1,629.58	25.23	21,857.54	32,317.00	10,459.46	32.37
9150040 Admin Employee Benefits - SUI	32.80	1,180.00	1,147.20	97.22	1,554.75	5,901.00	4,346.25	73.65
9150060 Admin Employee Benefits - Life/LTD	2,617.65	2,772.00	154.35	5.57	11,635.30	13,856.00	2,220.70	16.03
9150090 Admin Employee Benefit - WC	3,902.10	2,949.00	-953.10	-32.32	18,498.69	14,737.00	-3,761.69	-25.53
9160010 Office Supplies/Equipment	4,932.60	7,650.00	2,717.40	35.52	28,881.96	38,250.00	9,368.04	24.49
9160030 Dues & Subscriptions Publications	0.00	100.00	100.00	100.00	2,086.00	500.00	-1,586.00	-317.20
9160040 Postage	0.00	4,144.00	4,144.00	100.00	579.96	20,720.00	20,140.04	97.20
9160050 Telephone	3,483.57	5,307.00	1,823.43	34.36	25,555.50	26,535.00	979.50	3.69
9160060 Bank Charges and Check Supplies	2,867.10	2,461.00	-406.10	-16.50	13,193.82	12,304.00	-889.82	-7.23
9160090 Forms and Copies/Printing	0.00	425.00	425.00	100.00	13,793.33	2,125.00	-11,668.33	-549.10
9160100 Classified Ads and Public Notices/outreach material	190.00	3,173.00	2,983.00	94.01	6,537.47	15,865.00	9,327.53	58.79
9160110 Legal Expense	35,424.66	22,758.00	-12,666.66	-55.66	97,868.63	113,790.00	15,921.37	13.99
9160111 Payroll charge	671.75	686.00	14.25	2.08	3,484.32	3,436.00	-48.32	-1.41
9160112 Survey/Title Fee	0.00	167.00	167.00	100.00	1,699.00	835.00	-864.00	-103.47
9160113 Office Rent	13,559.97	10,611.00	-2,948.97	-27.79	18,825.12	53,055.00	34,229.88	64.52
9160115 Organization Cost	0.00	0.00	0.00	N/A	20.00	0.00	-20.00	N/A
9160120 Training/Conferences and Travel	17,216.04	13,773.00	-3,443.04	-25.00	30,567.63	68,350.00	37,782.37	55.28
9160130 Membership Dues and Fees	150.00	974.00	824.00	84.60	6,249.60	4,870.00	-1,379.60	-28.33
9160131 Taxes & Government Fees	14,299.47	0.00	-14,299.47	N/A	70,959.39	0.00	-70,959.39	N/A
9160140 Collection Loss	0.00	0.00	0.00	N/A	198.00	0.00	-198.00	N/A
9160170 Contracts - Accounting Services	17,140.74	284.00	-16,856.74	-5,935.47	57,080.94	1,420.00	-55,660.94	-3,919.78
9160170 Contracts - Administrative Services/Consultant	25,417.81	33,085.00	7,667.19	23.17	61,100.78	165,425.00	104,324.22	63.06
9160180 Contracts - Application Service Provider - Yardi	11,136.72	18,752.00	7,615.28	40.61	45,721.88	93,760.00	48,038.12	51.24
9160190 Contracts - Computer/Telephone Maintenance/Email	622.23	18,776.00	18,153.77	96.69	40,125.21	93,880.00	53,754.79	57.26
9160220 Contracts - Human Resource Services	0.00	5,742.00	5,742.00	100.00	52.50	28,711.00	28,658.50	99.82
9160230 Contracts - Housing Inspection Services	11,736.09	4,728.00	-7,008.09	-148.23	33,786.94	23,620.00	-10,166.94	-43.04
9160260 Contracts - Office Machine Lease	2,207.74	1,568.00	-639.74	-40.80	6,847.54	7,840.00	992.46	12.66
9160270 Contracts - Web Hosting/Maintenance/Web Ads	976.69	1,441.00	464.31	32.22	9,204.06	7,205.00	-1,999.06	-27.75
9160290 Contracts - HR Recruitment	4,061.92	11,421.00	7,059.08	63.48	8,655.92	55,605.00	46,949.08	84.43
9160510 Association Dues	0.00	3,500.00	3,500.00	100.00	44,087.76	17,500.00	-26,587.76	-151.93
9169000 TOTAL ADMINISTRATIVE	638,524.80	782,166.00	143,641.20	18.36	2,761,514.55	3,910,268.00	1,148,753.45	29.38
<b>9200000 TENANT/SOCIAL SERVICES/POLICE</b>								
9210010 Tenant Services - Salaries	12,774.73	492.00	-12,282.73	-2,496.49	67,999.87	2,460.00	-65,539.87	-2,664.22
9210030 Police Services	0.00	17,548.00	17,548.00	100.00	17,500.00	87,740.00	70,240.00	80.05
9210100 Tenant/Social Services - Salaries	0.00	16,107.00	16,107.00	100.00	0.00	80,514.00	80,514.00	100.00
9219000 TOTAL TENANT/SOCIAL SERVICES/POLICE	12,774.73	34,147.00	21,372.27	62.59	85,499.87	170,714.00	85,214.13	49.92
<b>9219990 RELOCATION</b>								
9220000 Tenant-Relocation Costs	13,652.16	0.00	-13,652.16	N/A	19,060.29	0.00	-19,060.29	N/A
9229000 TOTAL RELOCATION	13,652.16	0.00	-13,652.16	N/A	19,060.29	0.00	-19,060.29	N/A
<b>9230005 TENANT SERVICES EMPLOYEE BENEFITS AND INSURANCE</b>								
9230010 Tenant Svcs Employee Benefits - Medical/Dental	1,810.81	3,572.00	1,761.19	49.31	11,068.77	17,872.00	6,803.23	38.07
9230020 Tenant Svcs Employee Benefits - PERS/PARS	592.98	1,636.00	1,043.02	63.75	3,238.66	8,166.00	4,927.34	60.34
9230030 Tenant Svcs Employee Benefits - FICA	111.82	726.00	614.18	84.60	615.64	3,619.00	3,003.36	82.99
9230040 Tenant Svcs Employee Benefits - SUI	0.76	162.00	161.24	99.53	50.09	801.00	750.91	93.75
9230080 Tenant Svcs Employee Benefits - Other	441.63	0.00	-441.63	N/A	1,938.43	0.00	-1,938.43	N/A
9230090 Tenant Svcs Employee Benefit - WC	548.08	2,005.00	1,456.92	72.66	3,151.15	10,009.00	6,857.85	68.52
9239000 TOTAL TENANT-SERVICES EMPLOYEE BENEFITS AND INSURANCE	3,506.08	8,101.00	4,594.92	56.72	20,062.74	40,467.00	20,404.26	50.42
<b>9240005 TENANT SERVICES</b>								
9240010 Tenant/Social Services - Supplies	0.00	0.00	0.00	N/A	321.20	0.00	-321.20	N/A

**Budget Comparison (with PTD)**  
 Period = Jul 2019-Nov 2019  
 Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
9240020 Tenant Service Activities - Contracts and O/S Services	35,621.59	25,901.00	-9,720.59	-37.53	76,744.25	128,887.00	52,142.75	40.46
9249000 TOTAL TENANT SERVICES	35,621.59	25,901.00	-9,720.59	-37.53	77,065.45	128,887.00	51,821.55	40.21
<b>930000 UTILITIES</b>								
9310000 Water	9,008.24	22,752.00	13,743.76	60.41	133,355.32	113,760.00	-19,595.32	-17.23
9320000 Electricity	14,646.58	12,017.00	-2,629.58	-21.88	57,635.37	60,085.00	2,449.63	4.08
9330000 Gas	6,742.61	4,484.00	-2,258.61	-50.37	32,192.11	22,438.00	-9,754.11	-43.47
9380010 Sewer	3,635.40	25,703.00	22,067.60	85.86	53,071.76	128,515.00	75,443.24	58.70
9380020 Garbage	9,289.11	39,552.00	30,262.89	76.51	169,521.63	197,122.00	27,600.37	14.00
9399000 TOTAL UTILITIES	43,321.94	104,508.00	61,186.06	58.55	445,776.19	521,920.00	76,143.81	14.59
<b>9399990 MAINTENANCE SALARIES</b>								
9400000 MAINTENANCE SALARIES	54,139.75	59,266.00	5,126.25	8.65	260,392.82	296,328.00	35,935.18	12.13
9410010 Maintenance - Salaries	54,139.75	59,266.00	5,126.25	8.65	260,392.82	296,328.00	35,935.18	12.13
9419000 TOTAL MAINTENANCE SALARIES	54,139.75	59,266.00	5,126.25	8.65	260,392.82	296,328.00	35,935.18	12.13
<b>9420005 MAINTENANCE MATERIALS</b>								
9420010 Maintenance Materials	8,297.61	20,981.00	12,683.39	60.45	39,746.99	105,149.00	65,402.01	62.20
9420020 Vehicle - gasoline	72.00	559.00	487.00	87.12	2,384.12	2,795.00	410.88	14.70
9420030 Janitorial Supplies	0.00	0.00	0.00	N/A	2,020.37	0.00	-2,020.37	N/A
9429000 TOTAL MAINTENANCE MATERIALS	8,369.61	21,540.00	13,170.39	61.14	44,151.48	107,944.00	63,792.52	59.10
<b>9429005 MAINTENANCE CONTRACTS</b>								
9429015 Maintenance Contracts - Unit Turnaround	11,898.31	4,986.00	-6,912.31	-138.63	11,898.31	20,463.00	8,564.69	41.85
9429030 Maintenance Contracts - Tree Trimming	0.00	834.00	834.00	100.00	0.00	4,170.00	4,170.00	100.00
9429040 Maintenance Contracts - Cycle Painting	275.00	0.00	-275.00	N/A	275.00	0.00	-275.00	N/A
9429060 Maintenance Contracts - Floor Covering	14,921.87	6,557.00	-8,364.87	-127.57	46,231.60	32,785.00	-13,446.60	-41.01
9429100 Maintenance Contracts - Services	15,112.48	12,268.00	-2,844.48	-23.19	67,558.39	61,340.00	-6,218.39	-10.14
9430010 Maintenance Contracts - Painting	7,225.00	2,972.00	-4,253.00	-143.10	24,050.00	15,505.00	-8,545.00	-55.11
9430020 Maintenance Contracts - Plumbing	0.00	2,564.00	2,564.00	100.00	1,295.00	12,820.00	11,525.00	89.90
9430030 Maintenance Contracts - Landscape, Pool, Pond Maintenance	11,556.00	11,129.00	-427.00	-3.84	62,113.69	55,645.00	-6,468.69	-11.62
9430040 Maintenance Contracts - HVAC Maintenance	500.00	3,163.00	2,663.00	84.19	1,199.25	15,815.00	14,615.75	92.42
9430050 Maintenance Contracts - Hazardous Substances Testing	3,150.00	0.00	-3,150.00	N/A	9,200.00	0.00	-9,200.00	N/A
9430060 Maintenance Contracts - Elevator Maintenance	3,331.49	3,337.00	5.51	0.17	15,461.26	16,685.00	1,223.74	7.33
9430070 Maintenance Contracts - Extermination	16,290.00	4,247.00	-12,043.00	-283.56	34,390.00	21,235.00	-13,155.00	-61.95
9430080 Maintenance Contracts - Electrical Maintenance	2,795.00	2,032.00	-763.00	-37.55	4,018.68	10,160.00	6,141.32	60.45
9430090 Maintenance Contracts - Security and Nurse Call Systems	0.00	3,487.00	3,487.00	100.00	26,100.72	17,435.00	-8,665.72	-49.70
9430110 Maintenance Contracts - Gutter Cleaning Services	0.00	1,339.00	1,339.00	100.00	0.00	6,695.00	6,695.00	100.00
9430120 Maintenance Contracts - Flooring Replmt/Cleaning Srvc	390.00	0.00	-390.00	N/A	3,605.00	0.00	-3,605.00	N/A
9430130 Maintenance Contracts - Other	2,648.33	4,588.00	1,939.67	42.28	2,873.33	22,940.00	20,066.67	87.47
9430140 Maintenance Contracts - Vehicle Maintenance	624.47	588.00	-36.47	-6.20	16,426.41	3,001.00	-13,425.41	-447.36
9430150 Maintenance Contracts - Janitorial	14,906.00	14,204.00	-702.00	-4.94	46,398.35	71,020.00	24,621.65	34.67
9439000 TOTAL MAINTENANCE CONTRACTS	105,623.95	78,295.00	-27,328.95	-34.91	373,094.99	387,714.00	14,619.01	3.77
<b>9450005 MAINTENANCE EMPLOYEE BENEFITS</b>								
9450010 Maint Employee Benefits - Medical/Dental	12,333.83	19,314.00	6,980.17	36.14	61,436.35	96,570.00	35,133.65	36.38
9450020 Maint Employee Benefits - PERS/PARS	4,888.15	5,881.00	992.85	16.88	24,673.62	29,397.00	4,723.38	16.07
9450030 Maint Employee Benefits - FICA	1,387.18	840.00	-547.18	-65.14	6,871.09	4,200.00	-2,671.09	-63.60
9450040 Maint Employee Benefits - SUI	4.90	215.00	210.10	97.72	255.62	1,065.00	809.38	76.00
9450050 Maint Employee Benefits - Life/LTD	448.93	505.00	56.07	11.10	2,024.88	2,512.00	487.12	19.39
9450070 Maint Employee Benefits - Uniforms/Shoes	112.45	2,013.00	1,900.55	94.41	1,064.94	10,071.00	9,006.06	89.43
9450091 Maint Employee Benefit - WC	3,234.00	2,671.00	-563.00	-21.08	16,165.23	13,364.00	-2,801.23	-20.96
9450000 TOTAL MAINTENANCE EMPLOYEE BENEFITS	22,409.44	31,439.00	9,029.56	28.72	112,491.73	157,179.00	44,687.27	28.43
9499000 TOTAL MAINTENANCE	190,542.75	190,540.00	-2.75	0.00	790,131.02	949,165.00	159,033.98	16.76
<b>9500000 GENERAL EXPENSES</b>								

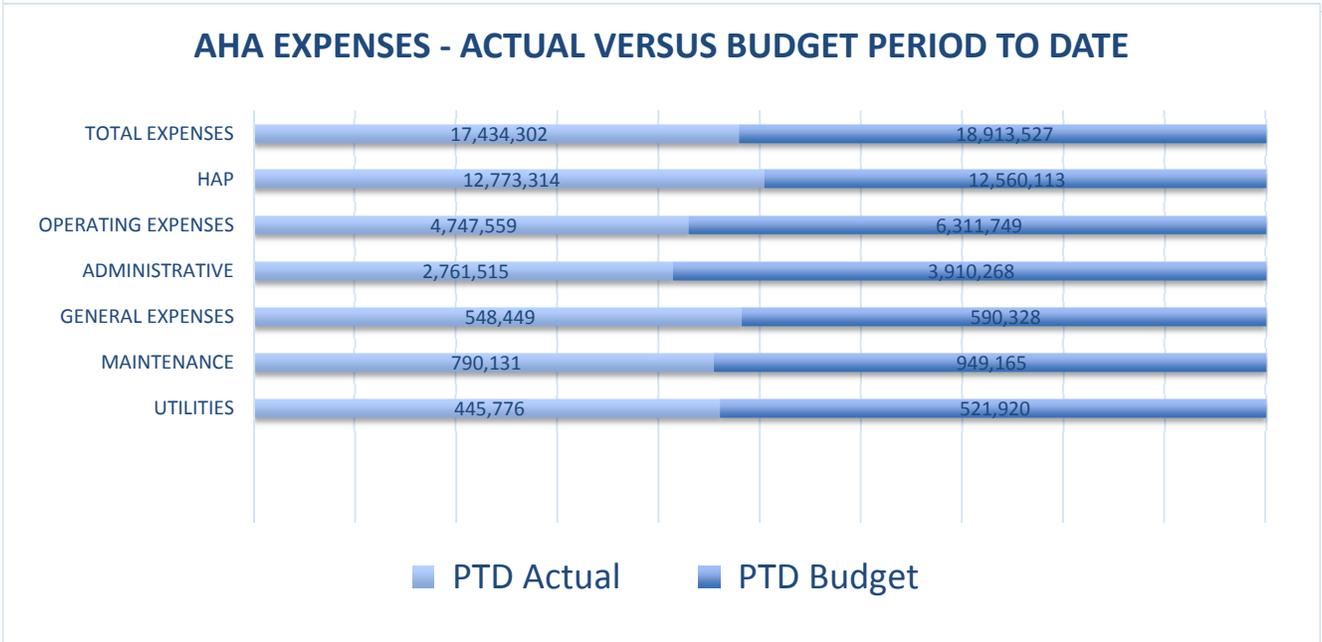
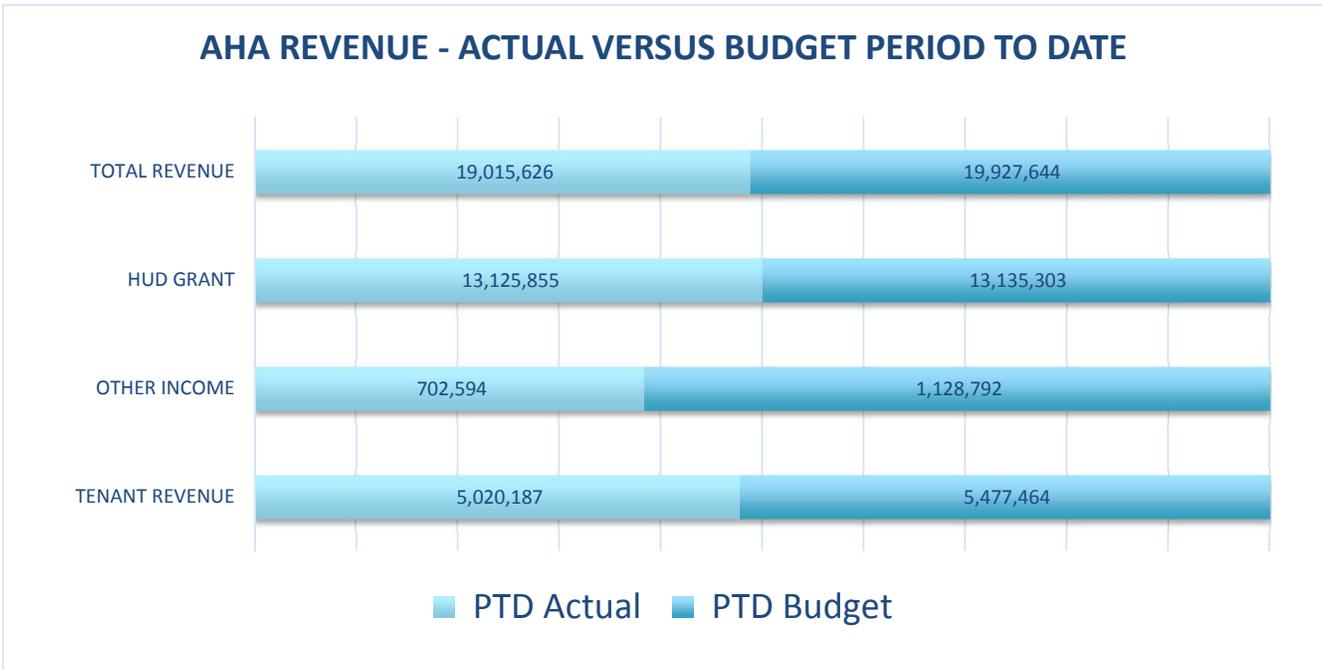
**Budget Comparison (with PTD)**  
 Period = Jul 2019-Nov 2019  
 Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
9500100 Interest Expense	83,797.16	97,807.00	14,009.84	14.32	433,087.41	489,035.00	55,947.59	11.44
9500160 Mortgage Financial Service Charge	6,008.02	0.00	-6,008.02	N/A	26,802.77	0.00	-26,802.77	N/A
9610010 Insurance - Workers Compensation	522.99	0.00	-522.99	N/A	2,670.05	0.00	-2,670.05	N/A
9610020 Insurance - Liability	5,388.05	4,937.00	-451.05	-9.14	26,940.33	24,611.00	-2,329.33	-9.46
9610030 Insurance - Property	8,011.56	12,760.00	4,748.44	37.21	40,203.73	63,627.00	23,423.27	36.81
9610040 Insurance - Vehicle	684.13	1,348.00	663.87	49.25	3,451.70	6,780.00	3,328.30	49.09
9610060 Insurance - Other	1,386.36	1,255.00	-131.36	-10.47	12,694.83	6,275.00	-6,419.83	-102.31
9620010 Other General Expenses	0.00	0.00	0.00	N/A	108.21	0.00	-108.21	N/A
9620020 Casualty Losses	2,490.00	0.00	-2,490.00	N/A	2,490.00	0.00	-2,490.00	N/A
9698000 TOTAL GENERAL EXPENSES	108,288.27	118,107.00	9,818.73	8.31	548,449.03	590,328.00	41,878.97	7.09
9699000 TOTAL OPERATING EXPENSES	1,046,232.32	1,263,470.00	217,237.68	17.19	4,747,559.14	6,311,749.00	1,564,189.86	24.78
<b>970000 MOD REHAB AND SPC EXPENSES</b>								
9700500 Rent to Owners - Shelter Plus Care	0.00	0.00	0.00	N/A	4,380.00	0.00	-4,380.00	N/A
9700570 Rent to Owners - Bessie Coleman	15,300.00	0.00	-15,300.00	N/A	77,684.00	0.00	-77,684.00	N/A
9700800 PORT-In (A/R Billings)	-35,568.00	0.00	35,568.00	N/A	-168,635.00	0.00	168,635.00	N/A
9700900 TOTAL MOD REHAB AND SPC EXPENSES	-20,268.00	0.00	20,268.00	N/A	-86,571.00	0.00	86,571.00	N/A
<b>9710000 EXTRAORDINARY EXPENSES</b>								
9710090 Pre-development Cost	0.00	8,333.00	8,333.00	100.00	0.00	41,665.00	41,665.00	100.00
<b>9713001 HOUSING ASSISTANCE PAYMENTS (VOUCHER)</b>								
9719000 TOTAL EXTRAORDINARY EXPENSES	0.00	8,333.00	8,333.00	100.00	0.00	41,665.00	41,665.00	100.00
<b>9730001 HOUSING ASSISTANCE PAYMENTS (VOUCHER)</b>								
9730010 Housing Assistance Payments - Landlords	2,580,090.00	2,512,022.00	-68,068.00	-2.71	12,737,616.00	12,560,113.00	-177,503.00	-1.41
9730020 Housing Assistance Payments - FSS	7,102.00	0.00	-7,102.00	N/A	26,778.00	0.00	-26,778.00	N/A
9730070 Utility Allowance to Tenants	1,654.00	0.00	-1,654.00	N/A	8,920.00	0.00	-8,920.00	N/A
9739000 TOTAL HOUSING ASSISTANCE PAYMENTS (VOUCHER)	2,588,846.00	2,512,022.00	-76,824.00	-3.06	12,773,314.00	12,560,113.00	-213,201.00	-1.70
<b>TOTAL EXPENSES BEFORE OTHER EXPENSES</b>	3,614,810.32	3,783,825.00	-169,014.68	-4.47	17,434,302.14	18,913,527.00	-1,479,224.86	-7.82
<b>NET INCOME BEFORE OTHER EXPENSES</b>	-224,432.69	174,282.00	-398,714.69	-228.78	1,581,324.23	1,014,117.00	567,207.23	55.93
<b>9739500 OTHER EXPENSES</b>								
9740000 Depreciation Expense	152,555.00	119,997.00	-32,558.00	-27.13	748,932.00	599,985.00	-148,947.00	-24.83
9859999 TOTAL OTHER EXPENSES	152,555.00	119,997.00	-32,558.00	-27.13	748,932.00	599,985.00	-148,947.00	-24.83
9996000 TOTAL EXPENSES	3,767,365.32	3,903,822.00	136,456.68	3.50	18,183,234.14	19,513,512.00	1,330,277.86	6.82
9998000 NET INCOME	-376,987.69	54,285.00	-431,272.69	-794.46	832,392.23	414,132.00	418,260.23	101.00

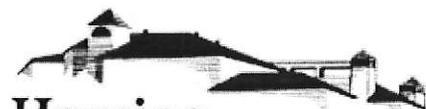
**Budget Comparison (with PTD)**

Period = Jul 2019-Nov 2019

Book = Accrual



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



# Housing Authority of the City of Alameda

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Louie So, Director of Finance

Date: January 15, 2020

RE: Accept the Annual Review of the Investment Policy and Approve Minor Changes

## **BACKGROUND**

In February 1996 the Housing Commission adopted by resolution a revised Investment Policy for the investment of program funds provided by the U. S. Department of Housing and Urban Development (HUD) and to allow for less restrictive investment of non-HUD program funds.

Because of legislation, passed by the Federal and State governments during 1995 and 1996, all government agencies are required to review the investment policy at a public meeting of their officials once each year.

## **DISCUSSION**

California Government Code Section 53646 requires that the Housing Authority Finance Director file an annual investment policy with the Board of Commissioners. It also requires that the Finance Director file a quarterly report with the Board of Commissioners on the status of all investments, including compliance with the adopted investment policy and a certificate that the expenditure requirements for the next six months can be met.

California Government Code Section 53600.3 provides that each person or governing body investing public funds is a Trustee and, therefore, is a fiduciary subject to the Prudent Investor Standard. It further provides that the primary objectives when investing public funds are the safety of principal, preservation of liquidity and the return of an acceptable yield, in that order. The bill also prohibits the use of specific investment vehicles and limits the use of others, including reverse repurchase agreements.

HUD also mandates that housing authorities establish cash management procedures and comply with requirements governing the type of instruments in which they may invest.

The types of investments permitted under the State and Federal legislation are not different from the types of investments currently held by the Housing Authority. Our current



Honorable Chair and Members  
of the Board of Commissioners

January 15, 2020  
Page 2 of 2

investments are with Local Agency Investment Fund (LAIF) and California Asset Management Program (CAMP) as previously approved by the Board. Note that the California Employers' Retiree Benefit Trust (CBERT) is a Section 115 trust dedicated to prefunding Other Post-Employment Benefits and is held by CalPERS.

The attached redline version has been reviewed by AHA's General Counsel. There are only a few minor changes this year.

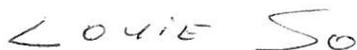
**FISCAL IMPACT**

Does not apply.

**RECOMMENDATION**

Accept the Annual Review of the Investment Policy and approve minor changes .

Respectfully submitted,



Louie So  
Director of Finance

Attachment:

1. 2020 Investment Policy with Redline



## INVESTMENT POLICY

### Updated January ~~2019~~2020

#### SCOPE:

This Investment Policy (the "Policy") applies to all liquid assets of the Housing Authority of the City of Alameda (the "Housing Authority" or the "Authority"). These funds are accounted for in the Consolidated Annual Financial Statements, which includes the Housing Choice Voucher program and SRO Program.

#### PRUDENCE:

The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code 53600.3) and shall be applied in the context of managing an overall portfolio. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, persons acting on behalf of the Housing Authority shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

#### OBJECTIVE:

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities, shall be:

1. **Safety.** Safety of principal is the foremost objective of the investment program. Housing Authority investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
2. **Liquidity.** The investment portfolio will remain sufficiently liquid to enable the Housing Authority to meet all operating requirements which might be reasonably anticipated and shall always have the ability to convert sufficient securities in the portfolio to cash to meet contingency needs. A portion of the portfolio may be placed in money market mutual funds or [fundsLAIFF](#) which offer same-day liquidity for short-term funds.
3. **Return on Investments.** The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio. (California Government Code 53600.5)

## INVESTMENT POLICY

### DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from Section 401(E) of the HUD/PHA Annual Contributions Contract and California Government Code Sections 53601, et seq. Management responsibility for the investment program is hereby delegated to the Executive Director, who shall establish written procedures for the operation of the investment program consistent with this investment policy.

Procedures should include references to safekeeping, Public Securities Administration repurchase agreements, wire transfer agreements, collateral/depository agreements, banking services contracts, as appropriate. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Executive Director.

The Executive Director is responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinate officials. The Executive Director is a trustee and a fiduciary subject to the prudent investor standard. (California Government Code 53600.3)

The Executive Director may delegate day-to-day investment decision making and execution authority to an investment advisor, subject to Board selection and approval of that advisor and written agreement with the advisor. The Authority must be able to revoke the investment advisor's authority at all times and without notice. Eligible investment advisors must be registered with the Securities and Exchange Commission (SEC) under the Investment Advisors Act of 1940. The advisor will follow the Policy and such other written instructions as are provided by the Authority.

### ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust.

Officers and employees involved in the investment process will refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

### AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Executive Director will select financial institutions on the basis of credit worthiness, financial strength, experience and minimal capitalization that are authorized to provide investment services. No public deposit shall be made except in a qualified public depository as established by State laws.

## INVESTMENT POLICY

For brokers/dealers of government securities and other investments, the Executive Director will select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the Executive Director will have received from said firm a signed Certification Form. This form will attest that the individual responsible for the Housing Authority's account with that firm has reviewed the Authority's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the Housing Authority that are appropriate under the terms and conditions of the Investment Policy.

### AUTHORIZED AND SUITABLE INVESTMENTS:

1. The Housing Authority is empowered by HUD Notice PIH 96-33 (reinstated by PIH 2002-13) to invest HUD funds in the following:
  - a. United States Treasury Bills, Notes and Bonds;
  - b. Obligations issued by Agencies or Instrumentalities of the U. S. Government;
  - c. State or Municipal Depository Funds, such as the Local Agency Investment Fund (LAIF) or California Asset Management Program (CAMP) or pooled cash investment funds managed by County treasuries;
  - d. Insured Demand and Savings Deposits, provided that deposits in excess of the insured amounts must be 100 percent collateralized by securities listed in "a" and "b" above;
  - e. Insured Money Market Deposit Accounts, provided that deposits in excess of the insured amount must be 100 percent collateralized by securities listed in "a" and "b" above;
  - f. Insured Super NOW Accounts, provided that deposits in excess of the insured amount must be 100 percent collateralized by securities listed in "a" and "b" above;
  - g. Certificates of Deposit (CDs) issued by federally- or state-chartered banks or associations. Not more than 30 percent of surplus funds can be invested in CDs;
  - h. Repurchase/Reverse Repurchase Agreements of any securities authorized by this Section. Securities purchased under these agreements will be no more than 102 percent of market value; (See special limits in HUD Notice 96-33 and CGC 53601.0.)
  - i. Sweep Accounts that are 100 percent collateralized by securities listed in "a" and "b" above;

**INVESTMENT POLICY**

- j. Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by this Section (i.e., Money Market Mutual Funds) Such Funds must carry the highest rating of at least two (2) national rating agencies. Not more than 20 percent of surplus funds can be invested in Money Market Mutual Funds;
  - k. Funds held under the terms of a Trust Indenture or other contract or agreement, including the HUD/PHA Annual Contributions Contract, may be invested according to the provisions of those indentures or contracts;
  - l. Principal only STRIPS; and
  - m. Any other investment security authorized under the provisions of HUD Notice PIH 96-33.
2. The Housing Authority is empowered by California Government Code (CGC) Sections 5922 and 53601 et seq. to invest non-HUD funds in the following investment instruments authorized for California local agencies under the provisions of California Government Code Sections 5922 and 53601:
- a. Bonds issued by the City of Alameda;
  - b. United States Treasury Bills, Notes and Bonds;
  - c. Registered state warrants or treasury notes or bonds issued by the State of California;
  - d. Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California;
  - e. The California Local Agency Investment Fund (LAIF), California Asset Management Program (CAMP), and other pooled investment funds sponsored by the State of California, County Treasuries, and other local agencies or Joint Powers Authorities;
  - f. Obligations issued by Agencies or Instrumentalities of the U. S. Government;
  - g. Bankers Acceptances with a term not to exceed 180 days. Not more than 40 percent of surplus funds can be invested in Bankers Acceptances and no more than 30 percent of surplus funds can be invested in the bankers acceptances of any single commercial bank;
  - h. Commercial Paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a national recognized statistical rating organization (NRSRO) with a term not to exceed 180 days. Commercial paper cannot exceed 10 percent of total surplus funds, provided, that if the average maturity of all Commercial paper does not exceed 31 days, up to 25 percent of surplus funds can be invested

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## INVESTMENT POLICY

in Prime Commercial paper. Additionally, the Housing Authority may purchase no more than 10 percent of the outstanding commercial paper of any single issuer;

- i. Negotiable Certificates of Deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the California Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Negotiable Certificates of Deposit shall be rated in a rating category of "A" or its equivalent or better by an NRSRO. Not more than 30 percent of surplus funds can be invested in Negotiable Certificates of Deposit;
- j. Repurchase/Reverse Repurchase Agreements of any securities authorized by this Section. Securities purchased under these agreements will be no less than 102 percent of market value. Reverse repos cannot constitute more than 20 percent of AHA's portfolio. Reverse repos are also limited to 92 days unless the minimum spread between the rate on investment and cost of funds is guaranteed in writing. (See special limits in CGC 53601.)
- k. Medium term notes, not to exceed five (5) years of U. S. corporations organized and operating within the United States which are rated in a rating category of "A" or its equivalent or better by an NRSRO. Not more than 30 percent of surplus funds can be invested in medium term notes;
- l. Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by this Section (i.e., Money Market Mutual Funds). Such Funds must carry the highest rating of at least two national rating agencies. Not more than 15 percent of surplus funds can be invested in Money Market Mutual Funds. In addition, no more than 10 percent of AHA's portfolio may be invested in any single mutual fund.
- m. Funds held under the terms of a Trust Indenture or other contract or agreement may be invested according to the provisions of those indentures or agreements;
- n. Collateralized bank deposits with a perfected security interest in accordance with the Uniform Commercial Code (UCC) or applicable federal security regulations;
- o. Any mortgage pass-through security, collateralized mortgage obligation, mortgaged backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable backed bond of a maximum maturity of five (5) years. Securities in this category shall be issued by an issuer rated in a rating category of "A" or its equivalent or better for the issuer's debt as provided by an NRSRO and rated in a rating category of "AA" or its equivalent or better by an NRSRO. No more than 20 percent of surplus funds can be invested in this category of securities; and
- p. United States dollar denominated senior unsecured unsubordinated obligations

## INVESTMENT POLICY

issued or unconditionally guaranteed by the International Bank of Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and no more than 30 percent of surplus funds can be invested in this category of securities.

The Authority will limit investments in any one non-government issuer, except investment pools and money market funds, to no more than 5% regardless of security type.

The Board of Commissioners may, at times, further reduce the selection of types of investment to be used by the Advisor or Executive Director by a formal vote.

Where this Policy specifies a percentage limitation for a particular security type, that percentage is applicable only on the date of purchase. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase of a particular issuer or investment type. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

Credit criteria listed in this Policy refers to the credit rating at the time the security is purchased. The Authority may from time to time be invested in a security whose rating is subsequently downgraded. In the event a rating drops below the minimum allowed by this Policy, the Executive Director will review and recommend an appropriate plan of action to the Board no less frequently than quarterly. If the Authority has an Investment Advisor, the Investment Advisor will notify the Executive Director and recommend a plan of action.

3. Also, see CGC 53601 and Attachment A to HUD Notice 96-33, "HUD Approved Investment Instruments," for a detailed summary of the limitations and special conditions that apply to each of the above listed investment securities. CGC 53601 and Attachment A are attached and included by reference in this Investment Policy.
4. The Housing Authority will not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity.

### COLLATERALIZATION:

1. The percentage of collateralization on repurchase agreements will conform to the amount required under CGC 53601 (i)(2).

### SAFEKEEPING AND CUSTODY:

1. All security transactions entered into by the Housing Authority will be conducted on delivery-versus-payment (DVP) basis.

**INVESTMENT POLICY**

2. All securities purchased or acquired will be delivered to the Board of Commissioner of the Authority by book entry, physical delivery, or by third-party custodial agreement. (CGC 53601)

**DIVERSIFICATION:**

It is the policy of the Housing Authority to diversify its investment portfolio. The Authority will diversify its investments by security type and, within each type, by institution. Assets will be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification strategies will be determined and revised periodically. In establishing specific diversification strategies, the following guidelines will apply:

1. Portfolio maturities will be matched against projected liabilities to avoid an over concentration in a specific series of maturities.
2. Maturities selected will provide for stability and liquidity.
3. Disbursement and payroll dates will be covered by the scheduled maturity of specific investments, marketable U. S. Treasury Bills or Notes or other cash equivalent instruments, such as money market mutual funds.

**MAXIMUM MATURITIES:**

To the extent possible, the Housing Authority will attempt to match its investments with anticipated cash flow requirements. Where there is no anticipated cash flow requirement on an investment, no investment shall be made in any security, which at the time of the investment, has a term remaining to maturity in excess of five years, unless the Board had granted express authority to make that investment no less than three months prior to the investment (CGC 53601).

**INTERNAL CONTROL:**

The Housing Authority shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

**PERFORMANCE STANDARDS:**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

**REPORTING:**

Investment Policy

7

1/15/2020

## INVESTMENT POLICY

The Executive Director shall submit to each member of the Board of Commissioners a quarterly investment report. The report will include:

1. A complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed by third party contractors.
2. The source of the portfolio valuation. In the case of funds invested in the [Local Agency Investment Fund \(LAIF\)](#) and [California Asset Management Program \(CAMP\)](#), FDIC Insured accounts or county investment pools, current statements from those institutions will satisfy the above reporting requirements. The report will also include a certification that:
  - a. All investment actions executed since the last report have been made in full compliance with the Investment Policy; and
  - b. The Housing Authority will meet its expenditure obligations for the next six months. [CGC 53646(b)]
3. The Executive Director will maintain a complete and timely record of all investment transactions.

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To: Honorable Chair and Members of the Board of Commissioners

From: Louie So, Director of Finance

Date: January 15, 2020

Re: Approve Write-off of Uncollectible Accounts Receivable from Former Tenants

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### **BACKGROUND**

Periodically, the Housing Authority writes-off uncollectible HAP, rent and miscellaneous charges from its books. The term write-off indicates a procedure where past due amounts from tenants, who are no longer Section 8 participants with the Housing Authority or occupying dwelling units in a Housing Authority complex, are removed from its books after the usual means of collection have been exhausted. For budget purposes, this write-off appears as an expense. This procedure does not preclude the Housing Authority from continuing to pursue collection through a collection agency. Future collection of amounts previously written-off will reduce future expenses.

### **DISCUSSION**

After review of the HAP repayment agreements, none were found to be uncollectible at the end of the prior fiscal year of 6/30/19. No write-off is being proposed for uncollectible HAP repayment agreements. Furthermore, monies owned by former tenants who are still in AHA's Section 8 Program have not been written off as staff are able to contact them to arrange a payment plan.

This request is to write-off accounts receivable for tenants who have vacated and have outstanding balances due to the Authority. One more notice will be sent to the tenants before the outstanding balance is written off. The total is \$34,552.64, this amount is a combination of rents due of \$25,967.93 and miscellaneous charges of \$8,584.71. Uncollected Tenant Accounts Receivable is a budgeted expense item.

### **BUDGET CONSIDERATION/FINANCIAL IMPACT**

This tenant account write-off will result in an expense to the Housing Authority of \$34,552.64 in the fiscal year ending June 30, 2019 and will be presented in the audited financial statement.

### **RECOMMENDATION**

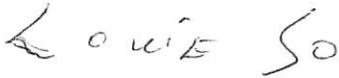


Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
Page 2 of 2

Staff recommends approval to write-off the attached tenant accounts receivable totaling \$34,552.64 after one final notice is sent to the tenant.

Respectfully submitted,



Louie So  
Director of Finance

Attachment:

1. Annual write-offs worksheet for FYE 2019



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**ANNUAL WRITE OFFS - PAST TENANTS**  
**For Fiscal Year End 6/30/19**

Property	Type of Action	Vacate Date	Rent	Misc	Total
Esperanza	Vacated	8/9/2019	32.00	-	32.00
Esperanza	Vacated	5/3/2019	-	8.55	8.55
<b>Total Esperanza</b>			<b>32.00</b>	<b>8.55</b>	<b>40.55</b>
Parrot Village	Vacated	5/10/2018	356.00	7.63	363.63
Parrot Village	Vacated	1/15/2016	-	1,354.97	1,354.97
<b>Total Parrot Village</b>			<b>356.00</b>	<b>1,362.60</b>	<b>1,718.60</b>
Detached Homes	Vacated	12/14/2017	2,796.93	-	2,796.93
<b>Total Detached Homes</b>			<b>2,796.93</b>	<b>-</b>	<b>2,796.93</b>
Lincoln Willows	Deceased	7/10/2018	632.00	-	632.00
<b>Total Lincoln Willows</b>			<b>632.00</b>	<b>-</b>	<b>632.00</b>
Eagle Village	Terminated	11/4/2019	17,035.00	7,213.56	24,248.56
<b>Total Eagle Village</b>			<b>17,035.00</b>	<b>7,213.56</b>	<b>24,248.56</b>
Rosefield Village	Terminated	6/12/2019	5,116.00	-	5,116.00
<b>Total Rosefield Village</b>			<b>5,116.00</b>	<b>-</b>	<b>5,116.00</b>
Grand Total			<b>\$ 25,967.93</b>	<b>\$ 8,584.71</b>	<b>\$ 34,552.64</b>



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To: Honorable Chair and Members of the Board of Commissioners

From: Cynthia Alvarez, Deputy Executive Director

Date: January 15, 2020

Re: Authorize the Executive Director to Negotiate an Increase to the Contract between the Alameda Housing Authority and the Law Office of Bill Ford in the Amount of a Total Not to Exceed \$250,000

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### **BACKGROUND**

In October 2018, the Housing Authority entered into contract with the Law Office of Bill Ford for a period of five (5) years for an amount not to exceed \$100,000. Contracts in excess of \$250,000 are to be approved by the Board. With the increase of legal assistance across our portfolio,

### **DISCUSSION**

The recent increase in the Housing Authority's experience with legal cases has necessitated a greater reliance on legal counsel. A number of cases has required extensive engagement with our counsel as opposing parties have, often times, presented different attorneys at various times. In addition, grievances filed to outside agencies are required to provide a response that is legally accurate and often at short notice. It is important to note that AHA always seeks to reach a stipulated agreement in each case, except in serious situations such as of violence- n order to maintain the tenant's subsidy and housing. However, these types of negotiations take longer and by necessity require more attorney (and staff) time.

The agency has repeatedly sought to safeguard tenant's rights in conjunction with the integrity of the Housing Authority. This has resulted in an increment in legal support during the last twelve (12) months. Through December 2019, the Housing Authority had spent \$81,540.30 on legal fees provided by services rendered by the Law Office of Bill Ford.

In order to continue to effectively engage and safeguard the integrity of the Agency, we need to increase the contract amount to not exceed \$250,000 during the remaining 4 years left in the contract.



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
Page 2 of 2

**FINANCIAL IMPACT**

The individual property budgets currently support this cost. The overall financial impact will be up to \$250,000 over the remaining 4 years left in the current contract.

**RECOMMENDATION**

Authorize the Executive Director to negotiate an Increase to the contract between the Alameda Housing Authority and the Law Office of Bill Ford in the amount Not to Exceed \$250,000

Respectfully submitted,



Cynthia Alvarez  
Deputy Executive Director

Attachment:

1. Amendment to Agreement



**AMENDMENT NUMBER 1 TO AGREEMENT**

This Amendment of the Agreement, entered into this 16 day of January, 2020, by and between the HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body corporate and politic (hereinafter referred to as "AHA") and Law office of Bill Ford. (Sole proprietor) whose address is 711 Grand Avenue, Suite 150, Sand Rafael, CA 94901 (hereinafter referred to as "Contractor") is made with reference to the following:

**RECITALS:**

A. On October 15, 2018, a 5 year agreement was entered into by and between AHA and Contractor (hereinafter "Agreement") for an amount not to exceed \$100,000

B. AHA and Contractor desire to modify the Agreement on the terms and conditions set forth herein.

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

The not to exceed amount for the entire Agreement shall be increased by one and fifty thousand dollar (\$150,000.00) to be amended to two hundred and fifty thousand dollars and zero cents (\$250,000.00).

Except as expressly modified herein, all other terms and covenants set forth in the Agreement shall remain the same and shall be in full force and effect.

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

LAW OFFICE OF BILL FORD

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

\_\_\_\_\_  
Bill Ford  
Contractor

\_\_\_\_\_  
Vanessa Cooper  
Executive Director



# Housing Authority of the City of Alameda

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

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Lisa Caldwell, Director of Property Operations

Date: January 15, 2020

Re: Authorize the Executive Director to Negotiate and Approve a Retroactive Contract Extension of Six (6) Months for the Contract between the Alameda Housing Authority to March 31, 2020 and Tree Sculpture in the Amount of a Total Not to Exceed \$745,000

---

## **BACKGROUND**

Contracts in excess of \$250,000 are to be approved to the Board. Since the maximum contract period under our procurement procedures is five (5) years, and it is almost five (5) years since the AHA separated from the City of Alameda, a number of contracts are coming up for review and renewal. Additionally, procurement efforts are underway in early 2020 to rebid any expiring or overdue contracting needs.

## **DISCUSSION**

The original Request for Proposal (RFP) for landscaping was done in August of 2014 and AHA received seven (7) bids at that time. Tree Sculpture was selected after going through the bid scoring process. The scope of their work includes all supervision, labor, materials, equipment, tools, supplies, and services to maintain all landscape areas, irrigation and drainage systems at twelve (12) AHA properties.

The amount of the initial contract approved by the Board on September 17, 2014 for a contract entered into on October 1, 2014 was \$91,290 for three (3) years, allowing for a 2% increase in prices in year two (2) and a 3% increase in prices in year three (3) at \$110,000 per year (\$330,000 total). In October 2015, a contract change order was processed, which increased the contract by 2% for year two (2). In May 2017, the contract was extended and approved by the Board on April 19, 2017 for two (2) further years, extending the contract through October 2019. The new Not To Exceed amount was \$550,000.

This contract was not renewed or extended in October 2019 at expiration and the five (5) year limit. To date \$670,503 has been spent on this contract.

In order to keep business operations running smoothly this contract is being brought to the Board for extension of both the Not to Exceed (NTE) amount to \$745,000 and to extend duration of the contract to March 31, 2020.



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
Page 2 of 2

Due to the need to maintain the property at North Housing, staff recommends adding North Housing landscaping to the existing contract until the contract can be rebid in early 2020. The approximate additional monthly cost is \$2,860.

AHA is requesting a six (6) month extension retroactive to October 1, 2019 and terminating on March 31, 2020. A Request for Proposals (RFP) for new landscape services will be released in January 2020 and is expected to be brought before the Board at the March meeting.

### **FINANCIAL IMPACT**

The individual property budgets are currently supporting this cost and can support the increase and extension. The general operating funds will carry the costs for North Housing.

### **RECOMMENDATION**

Authorize the Executive Director to Negotiate and Approve a Retroactive Contract Extension of Six (6) Months to March 31, 2020 for the Contract between the Alameda Housing Authority and Tree Sculpture in the Amount of a total Not To Exceed \$745,000.

Respectfully submitted,



Lisa Caldwell  
Director of Property Operations

#### Attachments:

1. Fee Schedule
2. Amendment 3





**Housing  
Authority of the City of Alameda**

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

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**EXHIBIT A**

Fee Schedule  
 Contract for Landscape Services  
 Consultant: Terra Landscape

Monthly Cost of Services

Activity	Scope of Work	Monthly Cost
Existing monthly maintenance activities	See original agreement	\$7,197.31
ADD: North Housing monthly maintenance activities	1. Grounds Maintenance  2. Prune overgrown shrubs, bushes, climbing vines, and ivy plants.  3. Collect all cuttings and green waste and dispose of off-site.  4. Pick-up and remove litter trash, and debris from illegal dumping and dispose of off-site. Use of equipment to move/load may be required. Dump fees included. This is not to include any demolition or construction debris produced by construction or demolition activities.  5. We will deploy a maintenance crew every-other week. The crew will work under direction of our Supervisor and Manager. We will utilize large ride-on mowers to cut back grasses in open areas and weed-eaters for the smaller areas. Our Supervisor and Manager will direct activities and prioritize the scope of work for each service day.  6. Total cost includes all labor, equipment, materials, and off-site green waste recycling and garbage disposal fees.	\$2,860.00
<b>TOTAL MONTHLY COST</b>		<b>\$10,057.31</b>



### **AMENDMENT NUMBER 3 TO AGREEMENT**

This Amendment of the Agreement, entered into this 16 day of January, 2020, by and between the HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body corporate and politic (hereinafter referred to as "AHA") and Tree Sculpture. (a California Corporation) whose address is 463 Roland Way, Oakland CA 94621, (hereinafter referred to as "Contractor") is made with reference to the following:

#### **RECITALS:**

A. On October 1, 2014, a 1 year agreement was entered into by and between AHA and Contractor (hereinafter "Agreement") .

B. On October 1, 2015, An Amendment to this agreement (from here on, "Amendment Number 1") was modified to incorporate one (1) additional year of service.

C. On May 1, 2017, An Amendment to this agreement (from here on, "Amendment Number 2") added three (2) additional years of service. One year being retroactive to October 1, 2016.

D. Amendment Number 2 erroneously noted that the agreement shall terminate on October 31, 2018. Three years from October 1, 2016 is October 1, 2019.

E. AHA and Contractor desire to modify the Agreement on the terms and conditions set forth herein.

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

1. Housing Authority and Contractor agree the termination date of Amendment Number 2 should be October 1, 2019.

2. Housing Authority and Contractor agree that this amendment is retroactive to October 1, 2019.

3. The agreement is further modified to include a termination date of March 31, 2020.

4. The not to exceed amount for the entire Agreement shall be increased by one hundred forty thousand and zero cents (\$195,000) to be amended to seven hundred fourth five thousand and zero cents (\$745,000.00).

5. The updated scope of work is documented in Attachment A. The change of note is to include new property acquired by the Housing Authority known as "North Housing" and previously bid by Contractor.

6. Except as expressly modified herein, all other terms and covenants set forth in the Agreement shall remain the same and shall be in full force and effect.

SIGNATURES ON FOLLOWING PAGE

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

Tree Sculpture

HOUSING AUTHORITY OF THE CITY  
OF ALAMEDA

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Cassidy Lundin  
Vice President

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Vanessa Cooper  
Executive Director



# Housing Authority of the City of Alameda

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

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Janet Basta, Director of Human Resources and Operations

Date: January 15, 2020

Re: Approve an Increase to the Consultant Services Agreement with Howroyd-Wright Employment Agency, Inc

---

## **BACKGROUND**

In February 2019, following an RFP process, consultant services agreements were executed with two agencies to provide temporary employment services. Howroyd-Wright Employment Agency, Inc. (aka Apple One) was awarded a contract in the amount of \$175,000, and 22<sup>nd</sup> Century Technologies, Inc. was awarded a contract in the amount of \$60,000. Both contracts were made for a three year period, ending January 31, 2020, with an option to extend for two years.

## **DISCUSSION**

Due to higher than anticipated temporary staffing needs, both contracts were close to their not to exceed limit by mid-December, 2019. AHA's use of temporary staffing increased in the past year due to several long term leaves of absence, turnover of staff, and additional administrative and programmatic support needs not able to be fulfilled by existing staff. The summer interns are also payrolled through temporary agencies. The consultant services agreement with 22<sup>nd</sup> Century Technologies was increased to one hundred sixty thousand dollars (\$160,000) in December. Management desires to increase the contract with Howroyd-Wright to three hundred thousand dollars (\$300,000), which is above the limit the Executive Director is authorized to approve. Approval for the increased contract amount is therefore being requested.

## **FISCAL IMPACT**

Temporary staff salaries were included in the budget at \$514,800.00 for the current fiscal year; this figure includes temporary staff hired through temporary agencies as well as any temporary staff hired directly by AHA. Increasing the contract amounts for both agencies will put total combined contract amounts at a level that is less than was budgeted for the current fiscal year, while allowing for some dollars to increase either one or both contracts if needed.



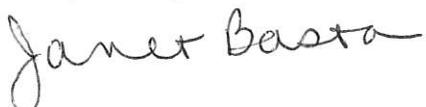
Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
Page 2 of 2

**RECOMMENDATION**

That the Board approve an increase to the Consultant Services Agreement with Howroyd-Wright Employment Agency, Inc.

Respectfully submitted,



Janet Basta  
Director of Human Resources and Operations

JCB

Attachments:

Exhibit 1: Amendment #1 to Howroyd-Wright Employment Agency, Inc. Consultant Services Agreement



AMENDMENT NO. 1 TO CONSULTANT AGREEMENT

This Amendment of a Consultant Agreement by and between the Housing Authority of the City of Alameda, public body, corporate and politic (hereinafter "AHA") and Howroyd-Wright Employment Agency, Inc. dba Apple One Employment Services (a California corporation, partnership, sole proprietor, individual, joint venture) whose address is 16371 Beach Blvd, Suite 240, Huntington Beach, CA 92647, (hereinafter referred to as Consultant), is made with reference to the following:

RECITALS

A. On February 1, 2019, a Consultant Agreement was entered into by and between AHA and Consultant.

B. The effective date of this Amendment shall be January 16, 2020.

C. The Original Consultant Agreement limited the Compensation to Consultant to not exceed one hundred seventy five thousand and zero cents (\$175,000.00) for the initial three year term of the contract.

D. The original expiration date of the contract was January 31, 2022, but allowed for up to two 1-year extensions.

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

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

The Compensation to Consultant will include an additional one hundred twenty five thousand dollars and zero cents (\$125,000.00), so the not to exceed amount will be modified to three hundred thousand dollars and zero cents (\$300,000.00).

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

Howroyd-Wright Employment Agency, Inc. Housing Authority of the City of Alameda

\_\_\_\_\_  
Carlton G. Bryant  
Executive Vice President

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

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Date: January 15, 2020

Re: Accept an Update on the Alameda City Council Referral from October 15, 2019 and Approve the Establishment of a Short Term Ad Hoc Board/Staff Committee to Review Termination and Eviction Procedures

---

### **BACKGROUND**

On October 15, 2019, the City Council discussed a referral made by Council Members Oddie and Vella to “Consider Directing Staff to Present Options to the Council on Increasing Accountability of, and Addressing Potential Conflict of Interest Issues at, the Alameda Housing Authority.”

This memo is intended to provide a brief overview of the activity on the key proposals since the meeting.

#### **Stakeholder Meeting:**

City staff, AHA staff, and Commissioner Tamaoki are due to meet with ARC on Monday January 13, 2020. An initial meeting with City staff was also held in December 2019.

#### **City-Wide Task Force on Housing Issues Relating to Older Adults**

City involvement has been put on hold pending direction from the City Manager. AHA’s ongoing experience with a growing aging population and higher acuity needs across our portfolio is that housing stability and retention is at a critical level and not sustainable by a single agency. AHA staff are keen to move this forward given the current issues with hoarding, housekeeping, and declining capacities and tenants being out of their units at hospital/longer term care. In the meantime, given the number of tenants facing such challenges, both within the AHA portfolio and among privately-housed Section 8 tenants, staff are proceeding ahead with some of the consequential work needed to assist current AHA tenants and participants. Coordination on these issues with the City’s Police Department, Fire Department, and Code Enforcement Department continues, where applicable.

#### **Offer for the City to Provide Financial Incentives to Facilitate Lease Up of Section 8 Units**

AHA staff has asked to meet with the City Manager and City staff on this issue.



### Code Enforcement Issues

AHA staff has asked to meet with the City Manager and staff on this issue. This particularly concerns the Alameda Rent Program.

### Evictions and Terminations/Hearings

AHA is advertising for additional hearing officers to expand its pool and is in the process of contracting with our special counsel for hearing officer services. The Board approved this contract in 2018.

Staff proposes that the Board establish a short term (2-3 month maximum) ad hoc committee to review the evictions and termination processes. For the most part, the processes are determinate by State law or HUD regulation. The ad hoc committee comprised of Board and staff members would review the processes and bring back any recommendation on a policy change to the Board.

### Legal Advocates Meeting

Starting in January 2020, AHA will hold quarterly informational meetings with the local non-profits that provide free legal and advocacy services to tenants in Alameda, and ARC will be invited. This regular meeting will offer an opportunity to discuss new policies and agency processes and will not address any individual cases. Any changes to AHA's existing policies would need to come back to the Board for review and approval.

### Information Packet

Staff is preparing a set of handouts for Commissioners and Council Members, so that they can direct AHA tenants and Section 8 participants to the proper channels when approached with concerns or questions. The packet will include information on whom to contact for services and complaints; the release of information form; details of available social services; a flow chart of the appeals processes; and information on translation, Reasonable Accommodations (under ADA), and free legal services.

### **DISCUSSION**

This item is due to go back to Alameda City Council on February 18, 2020. AHA staff will return to the Board in February 2020 with an update. In the meantime, AHA staff continues to update its processes and procedures and to provide training and direction to staff.

It is important to note that any policy suggestions made by an informal stakeholder group would need to be reviewed by General Counsel, approved by HUD (where it impacts a HUD-required process or HUD-funded payment) and would need to be discussed and approved by the Board of Commissioners in a public meeting. Where the proposed change(s) require a Significant Amendment to AHA's Administrative Plan, a HUD-accepted document, and/or Five Year Plan, a HUD-approved document, a public posting and hearing process would also be needed. Diversion of staff time to research and



respond to major policy suggestions may impact the agency's ability to adequately meet its existing goals due to impact on limited resources.

**FINANCIAL IMPACT**

Significant General Counsel and staff time has been spent, especially by the Executive Director and Deputy Executive Director, to prepare for the October 15, 2019 City Council meeting and to respond to various questions from the City since this issue was first raised by City staff in August 2019. Other projects of strategic importance for AHA have been deferred during this time.

It is not yet clear how much staff time will be required for AHA to participate in and respond to the informal stakeholder group. If necessary, the Executive Director will return with a staffing and budget plan for the work in 2020, including increasing General Counsel Services and a revised work plan for the year.

**RECOMMENDATION**

Accept an update on the Alameda City Council Referral from October 15, 2019 and approve the establishment of a short term ad hoc Board/Staff committee to review termination and eviction procedures.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director



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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Date: January 15, 2020

Re: Accept an Update on a Letter Received from HUD Regarding  
Administrative Fees for the Section 8 Housing Choice Voucher Program

---

### **BACKGROUND**

On December 13, 2019, AHA received a letter from HUD headquarters about the financial stability of the Alameda Housing Authority (AHA). A copy of the letter has been attached. This letter was a standard form sent to a number of Housing Authority agencies about an issue regarding a negative Administrative Fee account for the Section 8 Housing Choice Voucher Program. The Administrative Fee account for AHA is negative and has been negative for many years. AHA had discussed and resolved the account issue with the San Francisco HUD Field Office, and the San Francisco HUD Field Office called AHA's Executive Director prior to letter being sent explaining that negative Administrative Fee letters were going to be distributed. HUD San Francisco is aware that the Board of Commissioners, as it has done for many years, approves the AHA budget each year and that the Board expressly provides an annual subsidy from non-federal funds to the Section 8 Housing Choice Voucher (HCV) Program to cover the shortfall in Administrative Fees provided by HUD.

### **DISCUSSION**

In its calculation HUD does not take into account all agency reserves when assessing financial health of the agency. The AHA's position is much better than other agencies because there are non-federal funds to cover these additional Administrative costs. AHA has over \$20 million in non-HUD reserves and the agency generates sufficient nonfederal fee income annually to ensure that the AHA can subsidize the HCV Program.

For decades now, HUD has failed to provide adequate Administrative Fees to Housing Authorities. For example, this year's budgeted Administrative Fee deficit is \$1.4M which will be filled by non-federal funds at the AHA. Currently HUD pays just 79 percent of their own estimate for administrative costs.

At the same time, the Alameda housing market and HUD's budget restrictions on subsidy paid to landlords do not allow AHA to claim the full Administrative Fee available.



Through the program, AHA is eligible to lease a maximum of 1,885 units; however, the tight housing market and high rents mean AHA is only able to lease around 1,470 units to remain within its HAP budget. The Administrative Fee is paid per unit leased on the first day of the month, so the under leasing of the Section 8 Program is only exacerbating the Administrative Fee deficit because without units leased, less money is given to AHA for administration.

On the expense side, AHA has taken significant efforts to ensure that costs are controlled, has implemented a wide range of cost savings recommended by HUD, and has introduced technological upgrades and automations (such as online recertifications) to maximize program efficiencies. Finally the realization on the balance sheet of the pension liabilities and the repayment of CalPERS Liability increases the Administrative Fee account deficit.

In an effort to lower administrative costs, AHA has cut the number of staff in the Section 8 Department significantly over the past 5 years, but Bay Area staffing costs due to the tight employment market and need for specialized staff to do the complex eligibility work needed by the program, make these costs hard to reduce. Staffing (salary, benefits, and CalPERS), which represents the vast majority of the administrative costs, cannot be reduced further without jeopardizing the integrity of the Section 8 Program compliance, which in turn, would put the overall funding of the program at risk and would mean reduced services to the low-income families we serve in Alameda. Full implementation of cost saving measures including online recertification will be necessary since staffing and benefit costs will only increase, while compliance and auditing requirement remain or become more stringent.

### **FINANCIAL IMPACT**

Staff will continue to monitor administrative costs for the Section 8 Program and will seek Board approval each year of the subsidy from AHA revenue needed to cover the administrative costs of running the program. The alternative would be to take hundreds of low-income Alameda families off the Section 8 Program, which would create a downward spiral, as that would lower the Administrative Fees further and could cause loss of housing for the families concerned.

### **RECOMMENDATION**

Accept an update on a letter received from HUD regarding Administrative Fees for the Section 8 Housing Choice Voucher Program.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

Attachment:

1. December 13, 2019 Letter from HUD





U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

DEC 13 2019

2019 DEC 20 PM 3:41  
HOUSING AUTHORITY  
OF THE CITY OF ALAMEDA

Ms. Vanessa Cooper  
Executive Director  
City of Alameda Housing Authority  
701 Atlantic Avenue  
Alameda, CA 94501

Dear Ms. Cooper:

The Office of Public and Indian Housing (PIH) has reviewed the Financial Data Schedule for all public housing agencies to assess financial health. PIH conducted an analysis of the City of Alameda Housing Authority's (CA062) fiscal year 2018 approved audited Financial Data Schedule submission received under the Uniform Financial Reporting Standards. The analysis shows that your Housing Choice Voucher (HCV) administrative fee reserve does not have sufficient funds to address expected and/or unexpected expenses.

This financial determination was based on the following indicator:

- HCV Administrative Fee Reserve is negative after adjusting for long-term pension and post-employment benefit obligations.

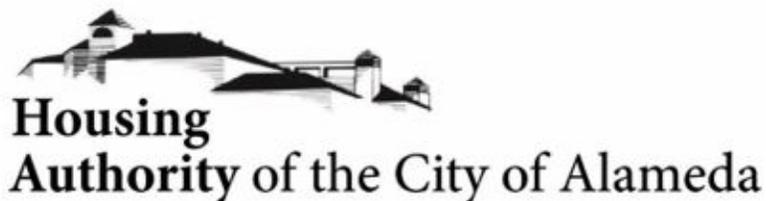
PIH is bringing this financial analysis to your attention for you to develop strategies and take actions to restore the financial health of your agency's HCV administrative fee reserve. The Department recognizes you may currently have strategies and activities in place, and your field office will contact you to discuss your current plan and additional activities you may consider.

If you have any questions or need additional guidance about improving the financial status of your HCV administrative fee reserve, please contact Gerard Windt, Public Housing Director in HUD's San Francisco field office, at 415-489-6444 or [Gerard.Windt@hud.gov](mailto:Gerard.Windt@hud.gov).

Sincerely,

Felicia R. Gaither  
Deputy Assistant Secretary  
Office of Field Operations

cc: Mr. Art Kurrasch  
Board Chair  
City of Alameda Housing Authority  
701 Atlantic Avenue  
Alameda, CA 94501



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

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Lynette Jordan, Director of Housing Programs

Date: January 15, 2020

RE: Approve an Amendment to the Housing Authority of the City of Alameda (AHA) Section 8 Administrative Plan, Chapter 11, Requirements for Families to Report Increases in Family Income Between Annual Reexaminations to Change the Amount at Which a Full Interim Will Occur from \$5,000 to \$10,000

---

### **BACKGROUND**

The Administrative Plan for the Housing Choice Voucher Program (HCVP) for the Housing Authority of the City of Alameda (AHA) establishes the policies and procedures whereby the AHA will administer HCVP tenant-based and project-based rental assistance programs under contract to HUD and in accordance with applicable statutes, HUD regulations, and state and local law.

### **DISCUSSION**

The change proposed can be found in the attachment but is spelled out below for ease of reading. The current amount, which triggers recalculation, is \$5,000. Participants must continue to report all changes regardless of the amount. The bold number below is the only proposed change to the section.

*The AHA also will conduct an interim reexamination if the tenant reports an annual increase in gross income of **\$10,000** or more. If the result is an increase in the tenant's portion of the rent, the increase will be effective on the first day of the second month following the month in which the change occurred.*

*In all other cases, the AHA will note the information in the tenant file, but will not conduct an interim reexamination*

This amendment to the Administrative Plan of the Housing Authority of the City of Alameda (AHA) Section 8 Administrative Plan revises Chapter 11 to increase the threshold AHA uses to determine whether to conduct a full recalculation of income due to an increase in income between annual recertifications, from \$5,000 to \$10,000.



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
Page 2 of 2

HUD requires PHA's to process interim adjustments when a participant reports a decrease in income, however, HUD allows AHA to adopt policies prescribing when and under what conditions the family must report changes in family income or expenses [24 CFR 982.516(c)]. HUD regulations give the AHA the freedom to determine the circumstances under which families will be required to report changes affecting income and whether these reported changes will result in a change to the family's portion of the rent. Some local PHAs choose not to do interim adjustments at all. The AHA has chosen to require reporting of all income changes, but to process only those above \$10,000. The reporting of all income makes it easier for the family to remember the obligation.

Increasing the recalculation requirement from \$5,000 to \$10,000 will reduce the amount of interim adjustments staff must complete throughout the year and relieve the administrative burden of processing interim adjustments, while still maintaining responsible use by AHA of federal funds and discouraging fraud. Of the 1,010 interim adjustments staff processed in 2019, 488 were increases in tenant income. The remaining interims were for other reasons such as increase in income or a change in family composition. It is also important to note that the Section 8 program runs a deficit on the operating costs, which is subsidized by non-federal programs. This change will assist with managing operational costs while still catching significant income changes in subsidized households. This revision will update the reporting requirements as outlined in AHA's Administrative Plan and will be effective upon Board approval.

### **FINANCIAL IMPACT**

This Amendment to the HCVP Administrative Plan will not have an immediate significant financial impact.

### **RECOMMENDATION**

Approve an amendment to the Housing Authority of the City of Alameda (AHA) Section 8 Administrative Plan, Chapter 11, requirements for families to report increases in family income between annual reexaminations to change the amount at which a full interim will occur from \$5,000 to \$10,000.

Respectfully submitted,



Lynette Jordan  
Director of Housing Programs

Attachments:

1. AHA Housing Choice Voucher Program Administrative Plan Amendment 2020-01



## Chapter 11

### REEXAMINATIONS

#### INTRODUCTION

The AHA is required to reexamine each family's income and composition at least annually, and to adjust the family's level of assistance accordingly. Interim reexaminations are also needed in certain situations. This chapter discusses both annual and interim reexaminations, and the recalculation of family share and subsidy that occurs as a result. HUD regulations and AHA policies concerning reexaminations are presented in three parts:

Part I: Annual Reexaminations. This part discusses the process for conducting annual reexaminations.

Part II: Interim Reexaminations. This part details the requirements for families to report changes in family income and composition between annual reexaminations.

Part III: Recalculating Family Share and Subsidy Amount. This part discusses the recalculation of family share and subsidy amounts based on the results of annual and interim reexaminations.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this plan, apply to both annual and interim reexaminations.

#### **PART II: INTERIM REEXAMINATIONS [24 CFR 982.516]**

##### **11-II.A. OVERVIEW**

Family circumstances may change throughout the period between annual reexaminations. HUD and AHA policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances the AHA must process interim reexaminations to reflect those changes. HUD regulations also permit the AHA to conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted [HCV GB, p. 12-10].

In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition changes. The AHA must complete the interim reexamination within a reasonable time after the family's request.

This part includes HUD and AHA policies describing what changes families are required to report, what changes families may choose to report, and how the AHA will process both AHA- and family-initiated interim reexaminations.

### **11-II.B. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION**

The AHA must adopt policies prescribing when and under what conditions the family must report changes in family composition. However, due to family obligations under the program, the AHA has limited discretion in this area.

The AHA will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

#### **New Family Members Not Requiring Approval**

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require AHA approval. However, the family is required to promptly notify the AHA of the addition [24 CFR 982.551(h)(2)].

The family must inform the AHA of the birth, adoption or court-awarded custody of a child within 14 calendar days.

#### **New Family and Household Members Requiring Approval**

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request AHA approval to add a new family member [24 CFR 982.551(h)(2)] or other household member (live-in aide or foster child) [24 CFR 982.551(h)(4)].

When any new family member is added, the AHA must conduct a reexamination to determine any new income or deductions associated with the additional family member, and to make appropriate adjustments in the family share of the rent and the HAP payment [24 CFR 982.516(e)].

If a change in family size causes a violation of Housing Quality Standards (HQS) space standards (see Chapter 8), the AHA must issue the family a new voucher, and the family and AHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the AHA must terminate the HAP contract in accordance with its terms [24 CFR 982.403].

Families must request AHA approval to add a new family member, live-in aide, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 14 consecutive days, or 30 cumulative days, within a 12-month period, and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by the AHA prior to the individual moving in the unit.

The AHA will not approve the addition of a new family or household member unless the individual meets the AHA's eligibility criteria (see Chapter 3).

The AHA will not approve the addition of a foster child or foster adult if it will cause a violation of HQS space standards.

If the AHA determines an individual meets the AHA's eligibility criteria as defined in Chapter 3, the AHA will provide written approval to the family. If the approval of a new family member or live-in aide will cause overcrowding according to HQS standards, the approval letter will explain that the family will be issued another voucher and will be required to move.

If the AHA determines that an individual does not meet the AHA's eligibility criteria as defined in Chapter 3, the AHA will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

The AHA will make its determination within 14 calendar days of receiving all information required to verify the individual's eligibility.

#### **Departure of a Family or Household Member**

Families must promptly notify the AHA if any family member no longer lives in the unit [24 CFR 982.551(h)(3)]. Because household members are considered when determining the family unit (voucher) size [24 CFR 982.402], the AHA also needs to know when any live-in aide, foster child, or foster adult ceases to reside in the unit.

If a household member ceases to reside in the unit, the family must inform the AHA within 14 calendar days. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.

If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must inform the AHA within 14 calendar days.

#### **11-II.C. CHANGES AFFECTING INCOME OR EXPENSES**

Interim reexaminations can be scheduled either because the AHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. When a family reports a change, the AHA may take different actions depending on whether the family reported the change voluntarily, or because it was required to do so. The AHA will process interims within 45 days of receiving all required information and documentation.

##### **AHA-Initiated Interim Reexaminations**

AHA-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by the AHA. They are not scheduled because of changes reported by the family.

The AHA will conduct interim reexaminations in each of the following instances:

For families receiving the Earned Income Disallowance (EID), the AHA will conduct an interim reexamination at the start and conclusion of the second 12-month exclusion period (50 percent phase-in period).

If the family has reported zero income, the AHA will conduct an interim reexamination every 3 months as long as the family continues to report that they have no income.

If at the time of the annual reexamination, tenant-provided documents were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, the AHA will conduct an interim reexamination.

The AHA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

##### **Family-Initiated Interim Reexaminations**

The AHA must adopt policies prescribing when and under what conditions the family must report changes in family income or expenses [24 CFR 982.516(c)]. In addition, HUD regulations require that the family be permitted to obtain an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)].

**Required Reporting**

HUD regulations give the AHA the freedom to determine the circumstances under which families will be required to report changes affecting income.

Families are required to report all increases in income, including new employment, within 14 calendar days of the date the change takes effect.

The AHA will conduct interim reexaminations for families that qualify for the earned income disallowance (EID), and only when the EID family's share of rent will change as a result of the increase. The AHA also will conduct an interim reexamination if the tenant reports an annual increase in gross income of **\$105,000** or more. If the result is an increase in the tenant's portion of the rent, the increase will be effective on the first day of the second month following the month in which the change occurred.

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In all other cases, the AHA will note the information in the tenant file, but will not conduct an interim reexamination.

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Janet Basta, Director of Human Resources and Operations

Date: January 15, 2020

Re: Adopt the Resolution to Adopt Revisions to the Vacation Leave, On-Call and Emergency Call Compensation, and Breastfeeding-Friendly Workplace Policies of the Housing Authority's Employee Policies and Procedures Handbook

---

## **BACKGROUND**

The Housing Authority became an autonomous agency in 2012 and adopted new personnel policies that replaced the City's Employee Handbook and the ACEA and MCEA Memorandums of Understanding. In drafting the 2012 Personnel Policies, staff sought guidance from a variety of sources and perspectives. Sample personnel policies from the Housing Authority Risk Retention Pool (HARRP) provided a starting place. Subsequently, Liebert Cassidy Whitmore completed a thorough review of the AHA Personnel Policies to certify legal compliance at both the state and federal levels on November 4, 2014. Various changes have triggered legal or policy changes since then and have been approved by the Board. The Employee Handbook was most recently revised and approved on December 21, 2016.

## **DISCUSSION**

Revisions to three policies are being brought to the Board for consideration this month. All proposed revisions have been reviewed by Liebert Cassidy Whitmore. The first revision is to the Vacation Leave policy. The revision includes a change to the waiting period for new employees to use accrued vacation leave from the current six months from the date of hire to three months from the date of hire. This change is being requested to allow new employees access to small amounts of accrued paid leave to use during pre-planned vacations or for short absences that arise after hire, rather than time off requests being denied or necessitating the use of unpaid time off for this time away from work. Additionally, the policy language clarifies that approved vacation leaves are subject to the employee having adequate leave available at the time away from work. Management believes these changes will provide new employees some additional flexibility while encouraging all employees to monitor and manage their leave balances in accordance with their plans for time off.

The second change is to the On-Call and Emergency Call Compensation policy. Currently, only maintenance personnel that live within 30 miles of Alameda are eligible to perform on-call service. The proposed change would increase the mileage limit to 40 miles. This will allow



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
Page 2 of 2

additional maintenance personnel to share in the on-call rotation while still ensuring that emergency calls can be responded to in a reasonable amount of time, particularly since emergency calls typically do not come in during commute or other high-volume traffic times.

The third set of changes is to the Breastfeeding-Friendly Policy. New legislation was passed effective January 1, 2020, that requires employers to provide additional lactation accommodations, including clarification of notification and request procedures, as well as requirements for break times and the physical space provided to breastfeeding employees. The proposed modifications to the current policy will bring it into compliance with the new regulations.

### **FINANCIAL IMPACT**

There is no significant financial impact of the implementation of the revised policies.

### **RECOMMENDATION**

Adopt the Resolution to amend the Housing Authority's revised Employee Policies and Procedures Handbook, last revised December 21, 2016, effective January 8, 2017, to include the revised Vacation, On-Call and Emergency Call Compensation, and Breastfeeding-Friendly Workplace Policies effective January 16, 2020.

Respectfully submitted,



Janet Basta  
Director of Human Resources and Operations

JCB/VMC

Attachments:

1. Draft: Part Five: Paid Time Off: Vacation Leave, Part Eight: Compensation and Salary Administration: On-Call and Emergency Call Compensation, and Part Ten: Work Practices and Environment: Breastfeeding-Friendly Workplace policies
2. Resolution to Adopt Revised Vacation, On-Call and Emergency Call Compensation, and Breastfeeding-Friendly Workplace Policies



**Proposed Employee Handbook Revisions eff. January 16, 2020**

**Part Five: Paid Time Off**

**Vacation Leave**

The Housing Authority provides paid vacation time to regular full-time employees and part-time employees so that they may take time off to relax, recuperate and recharge.

**Accrual**

Vacation leave is earned by eligible full-time regular employees in accordance with years of service. Vacation credit is accrued to each eligible employee beginning with the first day of regular employment up to a maximum yearly accrual according to the following schedule:

MAXIMUM VACATION ACCRUAL					
Years of Service	Paid Days of Vacation	Years of Service	Paid Days of Vacation	Years of Service	Paid Days of Vacation
1 through 4	10	12	18.5	19	22
5	15	13	19	20	22.5
6	15.5	14	19.5	21	23
7	16	15	20	22	23.5
8	16.5	16	20.5	23	24
9	17	17	21	24	24.5
10	17.5	18	21.5	25 or more	25
11	18				

The Executive Director may grant an increase in the annual maximum accrual up to a total of 20 working days of vacation with pay upon employment to recognize previous applicable experience. The employee shall continue to earn an additional 0.5 working days of vacation per year for every year completed up to the maximum accrual of 25 days.

Regular part-time employees will accrue a pro-rata leave balance based upon actual hours worked. No other classification of employees earns paid vacation time.

Employees on Leave without Pay status do not earn vacation leave. Employees who are on paid leave will continue to earn vacation leave, though the amount earned will be prorated based on the number of hours the employee is being paid by AHA from the employee’s accrued leave.

No employee may have an accrued vacation bank of more than 250 hours at any time. Once the employee hits the cap, no additional vacation will accrue until the employee takes sufficient vacation to bring his/her vacation bank below the cap. Any accrued unused vacation time will be rolled over into the following year, up to the cap.

**Scheduling**

For newly hired probationary employees, no accrued vacation time can be taken until ~~threesix~~ three months after the first day of employment.

All vacation time must be requested and approved in advance through the electronic timekeeping system and according to the guidelines below:

<u>Amount of Vacation Leave Requested</u>	<u>Advance Notice Required</u>
2 days or less	2 business days
3 or 4 days	5 business days
5 days or more	10 business days

The only exceptions to the above will be when time off is required for unforeseen or emergency circumstances. Due to the impact of unplanned time off on Agency operations, supervisors may require documentation of the need for unforeseen or emergency leaves, particularly when this occurs frequently or an employee has a pattern of poor attendance.

All approvals for vacation leave requests are subject to the availability of adequate leave at the time of leave usage. Employees are not generally entitled to time off without pay unless authorized by law, Housing Authority policy, or by authorization of the Executive Director. Accordingly, employees who do not have adequate vacation leave available for their approved time off may be required to modify the request to conform with the employee's available balance of vacation leave or cancel their requests. Employees are encouraged to plan ahead and monitor their leave balances to ensure they have enough paid leave to cover any planned time off.

Vacation leave will be scheduled at times mutually convenient to the Housing Authority and employee. Employees are encouraged to submit their requests as early as possible; requests for vacation leave will be considered up to 12 months in advance and are generally handled on a first come, first served basis. However, to facilitate scheduling during periods when it is anticipated that multiple employees may request time off (e.g., 4<sup>th</sup> of July or December holiday periods), AHA may, at its sole discretion, notify employees of a designated timeframe that requests for these times must be submitted for consideration. In the case of conflicting requests, the supervisor will talk with the employees to try to work out a mutually-agreeable arrangement. If that cannot be done, priority for leave will be based on seniority. Department Directors may establish separate guidelines for the number of employees and types of positions that can be on vacation concurrently to ensure adequate coverage of their department's work functions.

Requests to cancel vacation leave of five days or more must be submitted no less than three business days in advance of the date that the leave was to commence, and must be approved by the employee's supervisor. The supervisor and/or the Agency reserve the right to require an employee to use requested vacation leave, particularly in cases where other staffing arrangements have been made to cover the employee's time off.

#### **Sick Leave During a Scheduled Vacation Period**

An employee who is ill or injured while on vacation may be able to use accumulated paid sick leave, if any, instead of paid vacation upon presentation of satisfactory medical documentation to his/her supervisor.

#### **Payment**

The Housing Authority does not make any advance payments of vacation time (i.e., employees will not be paid for vacation time before it is accrued). AHA strongly recommends that employees arrange for direct deposit of his/her pay checks so that vacation pay that is requested in advance through the timekeeping system can be automatically paid and deposited. No responsibility can be taken by AHA for live checks provided to an employee.

### **Vacation Pay-Out**

The Housing Authority encourages employees to use their accrued vacation time. Employees may, however, request to receive a vacation pay-out for some of their accrued and unused vacation in lieu of taking paid time off work. Vacation pay-out is limited to 60 hours in any calendar year under this policy, and employees who request a vacation pay-out are required to have 80 hours of vacation leave remaining after the pay-out. The Executive Director shall determine the time(s) that vacation pay-out is offered. Additional criteria include:

- Vacation pay-out is available to full-time regular employees who have completed their probationary period; no other employees are eligible to participate in this program.
- Employees who wish to sell vacation leave must have used a minimum of 60 hours of vacation leave in the prior 15 months.
- Vacation pay-out requests must be in one hour increments.
- An employee may request a vacation pay-out no more than one time per calendar year, even in the event that the Executive Director offers an opportunity for vacation pay-out more than one time in the year.
- Vacation pay-out is a final transaction, i.e., vacation leave may not be reinstated once it has been paid out to the employee.

### **Vacation Pay at Termination**

Upon termination of employment, employees will be paid for any accrued and unused vacation- at his or her rate of pay at the time of separation, and will be paid on the next regular pay date.

## **Part Eight: Compensation and Salary Administration**

### **On-Call and Emergency Call Compensation**

Maintenance personnel who live within ~~30~~40 miles of Alameda may be required to perform rotating weeks of on-call service. A non-exempt employee will be compensated for one and one-half hours of straight time pay for each day of on-call service, even if that employee is not actually called into service. On-call service is assigned at the discretion of AHA and may be eliminated, suspended, or reassigned at any time. Hours compensated for on-call service are not considered hours worked for purposes of calculating overtime.

A non-exempt regular employee on call who is called back to work will be compensated for time worked at the usual overtime rate of pay for the employee's position for a minimum of two hours of work, irrespective of the number of hours worked during the work week. This provision also applies to other maintenance and non-maintenance employees who may be called back to work in the event of an

emergency. This provision does not apply to instances in which the employee is called to report less than two hours before her/his regular starting time and is working from the time she/he reports through his/her regular starting time. Emergencies that require an employee to work past the normal end of his/her shift will be considered hours worked for purposes of calculating overtime, and are also not subject to on-call/call-in provisions.

For more information about on-call and emergency call procedures, maintenance personnel may refer to the Maintenance On-Call Procedures document.

## **Part Ten: Work Practices and Environment**

### **Breastfeeding-Friendly Workplace**

The Housing Authority encourages employees and management to have a positive, accepting attitude toward working women and breastfeeding. AHA promotes and supports breastfeeding and the expression of breast milk by employees who are breastfeeding their babies.

It shall be the policy of the Housing Authority to provide:

- Information about breastfeeding support prior to an employee's leave for pregnancy disability or related condition, [including providing a copy of this policy when an employee inquires about or requests parental leave.](#)
- Reasonable amount of break time to express milk or breastfeed. In the event that an employee requires additional break time, other than the scheduled rest or meal periods, additional unpaid time off will be provided for this purpose. Supervisors are encouraged to consider flexible break times, schedules, or other reasonable accommodation to meet employees' needs.
- A designated room within the AHA office, which shall be furnished with an electrical outlet, comfortable seating, a table, ~~and~~ appropriate signage, [and be free from intrusion](#) to ensure privacy [while the employee is expressing milk.](#)
- [Access to a sink with running water and a refrigerator for storing milk.](#)

All other employees should avoid interrupting an employee during an authorized break under this policy, except to announce an emergency or other urgent circumstance.

[Employees have the right to request lactation accommodation, and should make their request, preferably in writing, to the Director of Human Resources and Operations. A form for making a lactation accommodation request is available from Human Resources. Human Resources will respond to the request, and will provide a written response to the employee and shall notify the employee if AHA cannot provide break time or a compliant location. Employees have the right to file a complaint with the Labor Commissioner for any violation of Labor Code sections 1030, et seq., which governs lactation accommodations.](#)

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

*Resolution No.*\_\_\_\_\_

ADOPT REVISED VACATION, ON-CALL AND EMERGENCY CALL COMPENSATION,  
AND BREASTFEEDING-FRIENDLY WORKPLACE POLICIES

**WHEREAS**, the Housing Authority Board of Commissioners adopted the AHA Personnel Policies April 12, 2012; and

**WHEREAS**, the Housing Authority Risk Retention Pool (HARRP) provided a model for the personnel policies; and

**WHEREAS**, Liebert Cassidy Whitmore completed a thorough review of the AHA Personnel Policies and certified legal compliance at both the state and federal levels on November 4, 2014; and

**WHEREAS**, Liebert Cassidy Whitmore completed a thorough review of the proposed revisions to the AHA Personnel Policies dated December 21, 2016 and has certified legal compliance of the policies at the state and federal levels; and

**WHEREAS**, The Board of Commissioners of the Housing Authority of the City of Alameda adopted the revised Employee Policies and Procedures Handbook re. December 21, 2016, effective January 8, 2017;

**NOW THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the City of Alameda hereby approves and adopts the revised Part Five: Paid Time Off: Vacation Leave, Part Eight: Compensation and Salary Administration: On-Call and Emergency Call Compensation, and Part Ten: Work Practices and Environment: Breastfeeding-Friendly Workplace policies effective January 16, 2020 for inclusion in the Employee Policies and Procedures Handbook revised December 21, 2016, effective January 8, 2017.

ATTEST:

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

\_\_\_\_\_  
Arthur Kurrasch, Chair  
Board of Commissioners

Adopted: \_\_\_\_\_



**Housing  
Authority of the City of Alameda**

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Janet Basta, Director of Human Resources and Operations

Date: January 15, 2020

Re: Adopt the Resolution to Adopt a Corrected Pay Schedule

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**BACKGROUND**

In November, the Board reviewed the compensation study conducted by Ralph Anderson and the corresponding pay schedule, and adopted the pay schedule as presented.

**DISCUSSION**

Subsequent to the adoption of the pay schedule, it was observed that, due to an administrative error, one cell on the pay schedule (the effective date of the salary range for the Management Analyst position) was not updated to November 24, 2019, as other positions in the same range were. A corrected pay schedule is therefore being presented to the Board in January for review and adoption, so that a correct document is approved and on file.

This is an administrative change only; no change to salary levels is proposed.

**FISCAL IMPACT**

There is no fiscal impact to this correction.

**RECOMMENDATION**

That the Board adopt the resolution to adopt a corrected pay schedule.

Respectfully submitted,



Janet Basta  
 Director of Human Resources and Operations

JCB

Attachments:

Exhibit 1: Pay Schedule for FY 2019-2020 reflecting correction to one effective date

Exhibit 2: Resolution



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA  
PAY SCHEDULE FY 2019-2020 eff. 11/24/2019, corrected 1/15/2020 (based on 3.2% COLA)**

Position Title	Salary Range	Effective Date	MONTHLY SALARY				
			Step 1	Step 2	Step 3	Step 4	Step 5
Housing Assistant	8	7/1/2019	\$ 4,406	\$ 4,627	\$ 4,858	\$ 5,101	\$ 5,355
Program Assistant	12	7/1/2019	\$ 4,858	\$ 5,101	\$ 5,355	\$ 5,624	\$ 5,905
Housing Specialist I	14	7/1/2019	\$ 5,101	\$ 5,355	\$ 5,624	\$ 5,905	\$ 6,200
Maintenance Technician I****	14	7/1/2019	\$ 5,101	\$ 5,355	\$ 5,624	\$ 5,905	\$ 6,200
Accounting Specialist	15	7/1/2019	\$ 5,229	\$ 5,490	\$ 5,764	\$ 6,052	\$ 6,355
Housing Specialist II	18	7/1/2019	\$ 5,624	\$ 5,905	\$ 6,200	\$ 6,509	\$ 6,836
Rent Stabilization Program Specialist	18	7/1/2019	\$ 5,624	\$ 5,905	\$ 6,200	\$ 6,509	\$ 6,836
Maintenance Specialist	18	7/1/2019	\$ 5,624	\$ 5,905	\$ 6,200	\$ 6,509	\$ 6,836
Maintenance Technician II****	20	7/1/2019	\$ 5,905	\$ 6,200	\$ 6,509	\$ 6,836	\$ 7,177
Executive Assistant	22	7/1/2019	\$ 6,200	\$ 6,509	\$ 6,836	\$ 7,177	\$ 7,537
Housing Specialist III	24	7/1/2019	\$ 6,509	\$ 6,836	\$ 7,177	\$ 7,537	\$ 7,913
Accounting Officer	28	7/1/2019	\$ 7,177	\$ 7,537	\$ 7,913	\$ 8,309	\$ 8,724
Property Management Supervisor	33	11/24/2019	\$ 8,111	\$ 8,516	\$ 8,942	\$ 9,389	\$ 9,859
Housing Programs Supervisor	33	11/24/2019	\$ 8,111	\$ 8,516	\$ 8,942	\$ 9,389	\$ 9,859
Maintenance (aka Facilities) Supervisor	33	11/24/2019	\$ 8,111	\$ 8,516	\$ 8,942	\$ 9,389	\$ 9,859
Management Analyst	33	11/24/2019	\$ 8,111	\$ 8,516	\$ 8,942	\$ 9,389	\$ 9,859
Project Manager	35	11/24/2019	\$ 8,516	\$ 8,942	\$ 9,389	\$ 9,859	\$ 10,352
Asset Manager	35	11/24/2019	\$ 8,516	\$ 8,942	\$ 9,389	\$ 9,859	\$ 10,352
Controller	42	11/24/2019	\$ 10,099	\$ 10,604	\$ 11,134	\$ 11,691	\$ 12,276
Communications Manager	42	11/24/2019	\$ 10,099	\$ 10,604	\$ 11,134	\$ 11,691	\$ 12,276
Risk Manager	42	11/24/2019	\$ 10,099	\$ 10,604	\$ 11,134	\$ 11,691	\$ 12,276
Senior Project Manager	42	11/24/2019	\$ 10,099	\$ 10,604	\$ 11,134	\$ 11,691	\$ 12,276
Senior Management Analyst	42	11/24/2019	\$ 10,099	\$ 10,604	\$ 11,134	\$ 11,691	\$ 12,276
Director of Housing Programs	50	7/1/2019	\$ 12,276	\$ 12,890	\$ 13,534	\$ 14,211	\$ 14,921
Director of Property Operations	50	7/1/2019	\$ 12,276	\$ 12,890	\$ 13,534	\$ 14,211	\$ 14,921
Director of Rent Stabilization	50	7/1/2019	\$ 12,276	\$ 12,890	\$ 13,534	\$ 14,211	\$ 14,921
Director of HR and Operations	54	7/1/2019	\$ 13,534	\$ 14,211	\$ 14,921	\$ 15,667	\$ 16,450
Director of Housing and Community Development	54	7/1/2019	\$ 13,534	\$ 14,211	\$ 14,921	\$ 15,667	\$ 16,450
Director of Finance	56	7/1/2019	\$ 14,211	\$ 14,921	\$ 15,667	\$ 16,450	\$ 17,273
Deputy Executive Director	60	7/1/2019	\$ 15,667	\$ 16,450	\$ 17,273	\$ 18,137	\$ 19,043
Executive Director**	N/A	7/1/2019	\$ 22,313	\$ 23,428			
Resident Manager I*** ****	N/A	7/1/2019	\$ 28.99/hour				
Resident Manager * **** ****	N/A	7/1/2019	\$ 13.93/hour	\$ 18.58/hour			
Assistant Resident Manager****	N/A	7/1/2019	\$ 13.93/hour				

\*Two rates are applicable depending on assigned duties

\*\*Salary authorized by Board of Commissioners per Employment Agreement

\*\*\*Resident and Resident Custodian staff are paid a flat hourly rate; no range is applied

\*\*\*\*Indicates classification with 40 hour work week; other positions are based on 37-1/2 hour work week

*Resolution No.* \_\_\_\_\_

ADOPT THE REVISED PAY SCHEDULE FOR FISCAL YEAR 2019-2020

**WHEREAS**, the Housing Authority of the City of Alameda conducts periodic compensation studies to ensure a competitive compensation (salary and benefits) package; and

**WHEREAS**, the Housing Authority of the City of Alameda conducted a 2019 compensation study of exempt positions which resulted in recommended revisions to wage ranges assigned to positions; and

**WHEREAS**, the pay schedule adopted effective November 24, 2019, contained one incorrect effective date;

**NOW, THEREFORE, BE IT RESOLVED**, that effective January 15, 2020, the Housing Authority will adopt the revised Pay Schedule for Fiscal Year 2019-2020.

ATTEST:

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

\_\_\_\_\_  
Arthur Kurrasch, Chair  
Board of Commissioners

Adopted: \_\_\_\_\_



# Housing Authority of the City of Alameda

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Cynthia Alvarez, Deputy Executive Director

Date: January 15, 2020

Re: Authorize the Executive Director to negotiate and enter into a Third Party Property Management Services Contract Between the Housing Authority and John Stewart Company for up to \$280,000 per year for a total Not To Exceed Amount of \$1,400,000 for Three Years, Plus Up to Two One-Year Renewals

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## **BACKGROUND**

Staff issued a Request for Proposals (RFP) to assess third party property management to oversee a portion of the AHA portfolio. Among the various factors, the RFP asked for costs, skill set, technical capabilities, and demonstrated successful past experience with property management. The proposal asked respondents to provide staffing and costs for each property in the Housing Authority's portfolio. Four properties: Eagle Village, Everett Commons, Littlejohn Commons, and Rosefield Village currently have third party management contracts that will expire by June 30, 2020.

Further, per the Housing Authority's procurement policy, any contract greater than \$250,000 or any firm whose cumulative contracts are greater than \$250,000 must receive Board approval.

## **DISCUSSION**

The Housing Authority issued a Request for Proposals (RFP) for third party property management services on October 30, 2019. The sole respondent was John Stewart Company, who currently provides services for Eagle Village, Everett Commons, Littlejohn Commons, and Rosefield Village, and for four of AHA's five joint venture tax credit properties in Alameda. A panel reviewed the sole respondent's proposal and agreed the vendor met the requirements of the RFP.

In order to assess the sole proposal, a cost study was carried out by an independent consultant. The consultant surveyed other agencies' fees paid to property management firms for similar work and their research determined the fees presented by John Stewart Company were comparable and reasonable.



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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John Stewart Company has over 40 years of experience in property management. They employ over 1,400 staff and manage nearly 34,000 units of housing. They have experience managing a wide range of property sizes, from very small to larger developments.

The proposal provided staffing and pricing for each of the properties in the Housing Authority's portfolio. The Housing Authority does not anticipate transferring its largest properties, including Independence Plaza, Esperanza Plaza, and Anne B. Diament or its smaller property China Clipper to third party management immediately. As previously discussed with the Board, AHA intends to transfer properties to third party management effective March 1, 2020, and would renew the existing contracts with John Stewart Company for continued management. The total annual cost for properties currently under third party management, plus the addition of the Scattered Sites, Parrot Gardens and Parrot Village, the management fee contract amount would be \$253,795 per year. However, if the entirety of the portfolio were transferred, John Stewart Company has proposed management fees of \$562,302 per year.

Housing Authority staff manages the third party property management company, which currently provides management services at Eagle Village, Rosefield Village, Littlejohn Commons and Everett Commons. AHA staff would continue this oversight with the transfer of additional properties to third party management.

### **FINANCIAL IMPACT**

The property management fee would not exceed \$253,795 per year for the first three (3) years. The Housing Authority anticipates that, over time and through attrition, there will be savings to staffing and benefit costs. Further because the new management fee is a 3% fee based on rent collected, the fee acts as incentive to keep units leased up and turned quickly.

### **RECOMMENDATION**

Authorize the Executive Director to negotiate and enter into a Third Party Property Management Services Contract between the Housing Authority and John Stewart Company for up to \$280,000 per year for a total Not To Exceed amount of \$1,400,000 for three years, plus up to two one-year renewals.

Respectfully submitted,



Cynthia Alvarez  
Deputy Executive Director

Attachment:

1. Sample Property Management Agreement



## PROPERTY MANAGEMENT AGREEMENT

THIS AGREEMENT is made effective \_\_\_\_\_, by and \_\_\_\_\_. (Owner), and \_\_\_\_\_, a licensed property management provider (Agent).

### RECITALS

WHEREAS, Owner is the owner of certain residential improved real property commonly known as \_\_\_\_\_ consisting of \_\_\_\_\_ units located at \_\_\_\_\_, Alameda, CA 94501 (Property); and

WHEREAS, Owner desires to obtain the services of Agent for the purpose of managing and operating the Property, and Agent desires to provide such services; and

WHEREAS, Agent holds a real estate brokerage license through an authorized officer as required by the laws of the State of California and represents itself as having experience in managing affordable housing projects within California; and

WHEREAS, the Owner requires Agent to meet THE OVERALL GOALS for this property as follows:

- To provide a desirable, well maintained, habitable, and affordable place to live for a racially and ethnically integrated resident population, without regard to race, religion, sex, color, family status, disability status, national origin, marital status, ancestry, gender identity or sexual orientation;
- To house eligible and responsible residents and maximize occupancy and rent collection efforts;
- To provide effective and timely services for the residents;
- To meet the financial objectives of the Owner as described in the original underwriting projections;
- To ensure regular, effective communication between management staff and residents;
- To implement regulatory requirements and operation consistent with law;
- To maintain the physical housing resource for the projected useful life; and

WHEREAS, the Owner requires that the Agent meet THE PERFORMANCE GOALS for this property as follows:

- A vacancy rate no higher than 2% (defined as vacancy loss in dollars as a percentage of gross potential rent for the period measured);
- A collection rate no less than 99% (defined as total (resident and subsidy) cash collected as a percentage of total rent billed);
- Operation of the Property within the approved annual operating budget, as enhanced by targeted and judicious use of the operating reserve with the approval of the Owner and lenders or investors as required through approval of the annual for each year. The proposed use of the operating reserve for any year shall not exceed the combined fund balance as of prior year end (December 31) divided by the number of years remaining in the tax credit partnership period ending December 31, 2032, unless otherwise approved by Owner;

- Average days vacant not to exceed 15 calendar days for non-project based voucher units; For project based vouchers, an approved candidate must be submitted to the Housing Authority for approval no later than 15 calendar days after the referrals are sent by the Housing Authority.

### AGREEMENT

NOW, THEREFORE, in consideration of the promises and covenants herein contained and other good and valuable consideration, the receipt of which is hereby acknowledged, Owner and Agent agree as follows:

1. Appointment of Agent. Owner hereby appoints Agent and Agent hereby accepts appointment on the terms and conditions set forth in this Agreement and its attachments, as Owner's exclusive agent to manage, operate, supervise, and lease the Property and, except as expressly stated otherwise in this Agreement, to perform those actions necessary to fulfill Owner's obligations to any government agencies with authority over the Property, as well as Owner's obligations under any partnership agreement or other contract, copies of which Owner has provided to Agent.
2. Term. This Agreement shall be in effect for two (2) years commencing June 1, 2017. This agreement may be renewed for two additional one-year terms subject to the approval of both parties.
3. Compensation. Owner's compensation to Agent for Agent's services hereunder shall be as provided in Exhibit A attached hereto and incorporated herein by this reference (Fee). The Agent may transfer Agent's Fee from the Operating Account (described in Section 7) on the first day of the month following the month in which Agent's services were performed. Agent's fee is considered an operating expense of the Property. In the event of commencement or termination of this Agreement other than on the first or last day of a month, respectively, Agent's Fee shall be prorated to the effective date of such commencement or termination, based upon a thirty (30) day month.
4. Expenses of Owner. Except as expressly stated otherwise in this Agreement, all contractual obligations that Agent incurs to third parties in the course of managing the Property pursuant to this Agreement, which are included in the Owner-approved Annual Budget, shall be obligations of Owner (Owner Obligations) and Agent is authorized to pay Owner Obligations up to the maximum amount provided for in the Owner-approved Annual budget for that expense category from Owner's Operating Account (described in Section 7) without Owner's further approval unless specifically required elsewhere in this Agreement.
5. Duties and Responsibilities
  - a. General Responsibilities of Agent. Subject to the provisions of this Agreement, Agent is hereby authorized to manage, operate and lease the Property in accordance with the Owner-approved Management Plan, applicable regulatory agreements, and with standards of practice of professional managers of similar properties in the County of Alameda. In addition, Agent will provide other customary property management services required for the ordinary and usual business and affairs of the Property

consistent with the management, operation, leasing, and maintenance of similar properties in the County. For the purpose of this Agreement, "similar properties" means properties or projects serving generally the same population of residents and operating pursuant to substantially the same or comparable income restrictions, programs or subsidies. If Owner requests Agent to perform services beyond the requirements of this Agreement, Agent must, prior to performing the service, provide Owner with immediate, written notice that the Agent believes that the request constitutes an additional service. Agent understands that such notice is critical to the Owner's decision to have the Agent perform the service, and if Agent fails to provide such notice, Agent will have deemed to have waived any request for additional compensation for same, which shall be negotiated by the parties based on the fees provided for in this Agreement.

b. Agent's Specific Duties and Responsibilities. In addition to the duties below, the agent shall follow Owner's scheduled reporting (Exhibit D).

i. Collection of Monies. Agent shall use reasonable and lawful efforts and means to collect the rents and other charges due from tenants, and all other charges, and revenues, and, when deemed economically appropriate by Agent and approved by Owner, to institute legal proceedings on behalf of Owner for collection in connection with the operation of the Property. Owner authorizes Agent to request, demand, collect, and receive funds for collection thereof in accordance with all applicable laws, regulations, ordinances or administrative grievance procedures and for the lawful dispossession of tenants, guests, and other persons from Property. Amounts expended by Agent for use of non-employee consultants or experts, including attorneys, in the performance of these duties are the responsibility of Owner and shall be paid by Agent and expensed to the Property's Operating Account.

- a) The Agent will perform monthly Tenant Rental Assistance Certification System (TRACS) processing where applicable, and process monthly vouchers where applicable.
- b) The Agent will refer former tenant past-due accounts to a collection agency within 60 days.

ii. Books, Records, and Documentation

- a) Agent shall maintain either at its principal office or on the Property, to be decided at Agent's sole discretion (Agent's Principal Office), complete and separate books, records, reports, and documents relating to the management and operation of the Property, including without limitation all contracts, original leases, amendments, extensions and agreements relating to contracts and leases, annual contributions contracts, files, correspondence with tenants and prospective tenants, computations of rental adjustments, maintenance and preventive maintenance programs, schedules and logs, tenant finish and construction records, inventories of personal property and equipment, correspondence with vendors, job descriptions, correspondence with federal, state, county, municipal authorities and governing agencies, brochures, and accounts held or maintained by Agent (all such books, records, and documents being referred to herein as "Books, Records, and Documents").
- b) Unless otherwise instructed by Owner, in writing, books and records of

account shall be prepared in conformity with generally accepted accounting principles consistently applied, and HUD Handbook 4370.2. Except as approved in writing by Owner, all accounting functions shall be performed by Agent's personnel whose compensation is payable solely by Agent without reimbursement by Owner.

- c) Owner shall have the right to examine, audit and take originals and copies of all Books, Records and Documents at Agent's Principal Office at reasonable times and with prior reasonable notice.
- d) Upon request, Agent shall make all Books, Records and Documents available for examination, audit, inspection and copying by duly authorized representatives of any public housing agency or authority with regulatory power and/or jurisdiction over the Property to the extent required by federal or state law.
- e) Agent shall provide to Owner, on a monthly and quarterly basis, financial and management information relating to the Property - including without limitation: profit and loss statements, balance sheet, general ledger, trial balance report, rent rolls, cash reconciliation statements, accounts payable reports, tenant delinquency and vacancy reports, and reports as to the status of the Security Deposit Account and Construction Account, if any, unless otherwise agreed in writing. This financial information should be provided by the 15th day of the month following the last day of the reporting period. Agent shall also, at the request of Owner, furnish such further reports in a manner sufficient to respond to Owner's requirements.

iii. Annual Audit. At the end of each fiscal year of the Property and up to the date of termination, Agent shall arrange and coordinate an annual audit of the books and records of the Property made by a firm of certified public accountants approved by Owner. Agent shall prepare or cause the auditor to prepare for Owner's execution all forms, reports, and returns required by any federal, state, county, or municipal authority relating to the Property, including any supplemental schedules required by lenders and partners. Property Audit will include a report of internal controls or compliance reports required by government contract or loan requirements. Agent's third party cost of the audit is a cost of the Owner and Agent shall pay for the audit expense from the Property's Operating Account. Agent is authorized to make requests for information from attorneys performing services on behalf of Owner for the Property as required by any accountant for the audit of the books and records of the Property. In so doing, neither Owner nor Agent intends to waive the attorney-client privilege with respect to any information which is furnished to or from such attorneys. Any response by any attorneys to such requests for information should not be construed in any way to constitute a waiver of the protection of the attorney work-product privilege with respect to any files involving the Property, Owner or Agent.

iv. Repairs and Maintenance. Agent will use due professional care to maintain the condition of the Property in the condition prescribed by Owner, including but not limited to: (i) regularly inspect the Property, (ii) take ordinary, prudent precautions against fire, vandalism, burglary and trespass on the Property, (iii) arrange to make all necessary repairs. Agent shall make no expenditures in excess of \$5,000.00 or the maximum amount set forth in any limited partnership or regulatory agreement,

whichever is less, for repairs, without the prior written consent of Owner, unless (i) the Owner has approved the expenditure for such repair in the Owner-approved Annual Budget, or (ii) such repairs are emergency repairs to the Property immediately necessary for the preservation or safety of the Property, the safety of persons, or which are required to avoid suspension of necessary services to the Property (Emergency).

Preventive Maintenance Plan. Agent will supply and implement an annual preventive maintenance plan for the Property.

v. Capital Assets.

- a) Agent shall make no expenditures in excess of \$5,000.00 for alterations, capital improvements, renovations or replacements of furniture, fixtures or equipment, unless such expenditure is contained in the Annual Budget, without the prior written approval of Owner. The Owner-approved Annual Budget shall constitute Agent's authorization to make the budgeted expenditure without Owner's further provided that a) the amount of the expenditure is within 15 percent (15%) or 10,000.00 of the originally approved amount, whichever is less.
- b) Other than replacements, Agent shall make no disposition of fixed assets (as determined in accordance with Owner's Chart of Accounts) with an original value in excess of \$10,000.00 without the prior written approval of Owner.

vi. Service Contracts and Equipment Leases. Agent is authorized to make and enter into all service contracts and equipment leases as are required in the ordinary course of business for the operation, maintenance, and service of the Property, and to pay the same when due, in accordance with the Owner-approved Annual Budget. Agent must obtain the Owner's prior written consent before entering into any service contract or equipment lease for the account of Owner when (i) the service contract or equipment lease is not in the Owner-approved Annual Budget; (ii) the term of the contract or lease exceeds one (1) year; or (iii) the contract or lease is not cancelable without cause or cost on thirty (30) days' notice unless such contract or lease is necessary to avoid immediate property damage or personal injury as a result of an Emergency. Notwithstanding the foregoing, Agent shall attempt to contact and secure prior approval of Owner in the event any such Emergency expenditure is likely to exceed \$10,000.00.

vii. Supplies and Inventory.

- a) Agent is authorized, on behalf of Owner, to purchase such supplies and expendable items as are necessary to operate the Property and when included in the Owner-approved Annual Budget. When taking bids or issuing purchase orders, Agent shall use commercially available reasonable and prudent efforts to secure for Owner's benefit any discounts, commissions, or rebates obtainable in connection with such purchases. All such discounts, commissions or rebates shall inure to the benefit of the property and Owner. In no event may a commission or rebate inure to the benefit of Agent, its officers, employees or subcontractors, or to other properties that Agent may be managing.

- b) Agent shall conduct a physical inventory of the fixed assets, personal property, materials, and equipment used in connection with the Property at the commencement and termination of the Agreement and, if requested by Owner, at the end of each fiscal year.

viii. Insurance

- a) Owner shall place and keep in force usual and customary insurance against direct physical loss or damage to the property, as well as commercial general liability coverage at reasonable limits. All insurance shall be in conformity with the requirements of any mortgages of the property. The cost is an Owner Obligation to be paid by Agent from the Operating Account.
- b) Agent shall obtain and keep in Insurance coverages as listed in Exhibit B.
- c) Agent shall not knowingly permit the use of the Property for any purpose which might void any policy of insurance relating to the Property, increase the premium otherwise payable or render any loss there under uncollectible.
- d) Agent is authorized to settle on Owner's behalf any and all claims against property insurers not in excess of \$5,000, which includes authority for the execution of proof of loss, the adjustment of losses, signing of receipts, and the collection of money. If the claim is greater than \$5,000, Agent shall act only with the prior written approval of Owner.
- e) Agent shall cause to be placed and kept in force workers' compensation insurance up to the statutory limit and employer's liability of at least \$1,000,000 and Agent shall furnish Owner certificates evidencing coverage upon request by Owner. The pro-rata share of Agent's workers' compensation insurance expenses associated with employees of Agent employed for the direct benefit of Owner or the Property is an Owner Obligation and Agent is authorized to transfer such costs from the Property's Operating Account. All other Agent employees shall be covered at the expense of Agent.
- f) Agent will furnish a fidelity bond in an amount which is at least equal to the sum of the gross potential income for two months and the amount of the security deposits, which will protect the Owner and Agent against misappropriation of Property funds by employees of the Agent who are employed for the direct benefit of the Owner and Property. The premium cost for this fidelity bond will be an Owner Obligation. Agent will furnish a fidelity bond for all other Agent staff at Agent's expense.

ix. Debt Service, Taxes and Assessments

- a) Agent shall process and pay debt service, taxes, impositions, or assessments relating to the ownership or operation of the Property, including, without limitation, improvement assessments, real estate taxes, personal property taxes, taxes on income or rents, or any charges similar to or in lieu of any of the foregoing, from the Operating Account.
- b) Agent shall verify bills for real estate, personal property or other taxes, improvement assessments, and other similar charges which are or may become liens against the Property or which may be levied on the basis of ownership or operation of the Property.

- c) Upon request of Owner, Agent shall annually make a review of and submit a report on, all real estate, personal property and other taxes and all assessments affecting the Property.
  - d) Upon request of Owner, Agent shall timely file all personal property and property tax returns after review of such returns by Owner.
- x. Cooperation and Collaboration
- a) Agent shall be required to cooperate and collaborate with independent social services providers and other community support agencies that will be engaged by Owner under separate contract.
  - b) Agent shall cooperate with law enforcement including community policing activities or events that may take place at the property.
  - c) Regional managers and site management staff will be expected to participate (in person or by phone) in in monthly coordination meetings with Owner.
- xi. Compliance with Legal Requirements
- a) Agent shall use reasonable means to become aware of, and shall take such actions as Agent deems prudent and necessary to comply with any laws, regulations orders, plans or requirements affecting the use or operation of the Property by any federal, state, county, or municipal agency or authority, including but not limited to compliance with and participation in administrative grievance procedures, provided that if the cost of compliance in any instance exceeds \$10,000.00, Agent shall not expend funds for compliance without Owner's prior written consent unless such expenditure is in the Owner-approved Annual Budget, or the cost must be incurred to avoid immediate property damage or personal injury as a result of an Emergency.
  - b) Owner shall provide Agent with all information necessary for Agent to be fully informed as to the nature and extent of all programs applicable to the Property, including, but not limited to, providing copies of regulatory agreements, management plan, tenant selection criteria, restrictive covenants or other instruments, whether or not recorded, against the Property which contain operating covenants or restrictions.
  - c) Agent shall promptly, within 24 hours, notify Owner in writing of all such orders, notices, plans or requirements requiring expenditure of funds not included within the Owner-approved Annual Budget. Agent, however, shall not take any action as long as Owner is contesting, or has affirmed its intention to contest and promptly institutes proceedings contesting any law, order, plan or requirement.
  - d) Agent shall prepare, execute, and, after obtaining the written approval of Owner, file any customary and standard reports and documents required by an applicable governmental or funding authority.
  - e) Agent covenants and agrees to obtain and maintain all licenses and permits necessary for the conduct of its business as Agent of the Property. Licenses and permits specific to the Property are an Owner Obligation payable from the Property's Operating Account.
  - f) Agent's expense for use of third party consultants or experts, including attorneys, required for the performance of Agent's duties that are included

in the Owner-approved Annual Budget shall be paid by Agent from the Property's Operating Account to the extent permitted by HUD Handbook 4370.2 subject to this Agreement's requirements for Owner prior approval of the expenditure through the annual budget, or Emergency conditions as defined herein.

xii. Initiation of Legal Proceedings and Defense of Claims. Agent will attempt to secure each tenant's full compliance with the terms of his/her lease. The Agent may lawfully terminate any tenancy when, in the Agent's judgment, sufficient cause (including but not limited to nonpayment of rent) for such termination occurs under the terms of the tenant's lease. The Agent is authorized to consult with and retain legal counsel of its choosing for such legal actions as Agent reasonably believes to be necessary, including, but not limited to bringing actions for eviction and executing notices to vacate and judicial pleading incident to such actions. Such actions may be brought in the name of Agent as agent for Owner. Agent further is authorized to consult and retain legal counsel for the prosecution of such claims relating to the enforcement of Owner's rights under lease agreements. Owner will reimburse Agent for reasonable attorney's fees and costs related to Agent's prosecution of such litigation from the Property's Operating Account. Agent will inform Owner of legal proceedings as part of its routine monthly and quarterly reporting.

xiii. Energy Conservation. Agent shall operate the Property in an environmentally sustainable and energy efficient manner and shall use prudent and customary means to use and control utilities at the Property in a manner to minimize total costs and satisfy Owner's obligations to tenants.

xiv. Advertising. Agent shall advertise the Property for rent at such times and by use of such media as it deems necessary in compliance with applicable laws and regulations subject to the Owner-approved Annual Budget or Owner's prior written approval. Agent will provide and implement a Fair Housing Marketing Plan for the Property.

xv. Employment of Personnel

a) Agent will hire (or contract with), train, supervise, direct the work of, pay and discharge all personnel necessary for operation of the Property. Such personnel shall in every instance be employees or contractors of Agent and not of Owner. Owner shall have no right to supervise or direct such employees. Consistent with HUD Handbook 4370.2, all costs associated with the employment of personnel necessary for the on-site operation of the Property, including, but not limited to, salaries, wages, other compensation and fringe benefits (including without limitation social security, taxes, worker's compensation insurance, unemployment insurance and the like), will be an Owner Obligation payable from the Operating Account. Agent will not discriminate against any employee or applicant for employment in violation of any applicable law. This contract incorporates by reference all equal opportunity requirements in employment, contracting and operating the Property, and any affirmative action obligations as required by applicable regulations. The terms "employees" or "personnel" shall be deemed to mean and include

employment of a casual, temporary, or part-time nature.

- b) The direct cost of salaries, wages, other compensation, and benefits (including without limitation social security, taxes, worker's compensation insurance, payroll processing, postage and the like), of all on-site, field, or maintenance employees of Agent working on or with respect to the Property shall be Owner Obligations payable from the Operating Account only to the extent that the individual's time is devoted directly to the Property, as evidenced by payroll and time sheets documented by Agent. Reimbursements shall include travel, meals, training, and other expenses incurred for these employees as they specifically relate to the Property.
- c) The salaries, wages, other compensation, benefits, travel, meals and other expenses of the following persons working on or in respect to the Property are non-reimbursable expenses of the Agent:
  - A. Executive Personnel of Agent charged with general administration of Agent's performance of this Agreement.
  - B. A Regional Manager or Property Supervisor for the Property, based in the Central Office, who shall be experienced in the administration and operation of an asset of the size, character, and quality of the Property and who shall devote such time as is necessary to the on-site supervision of the Property to permit its operation on a basis comparable to other such properties, unless such individuals are performing as on-site personnel in front-line duties in which case the fees and costs associated with the time spent performing such duties shall be reimbursable by Owner from the operating income of the Property.
  - C. At occupied properties currently managed and maintained by AHA employees, Agent shall be required to maintain the current AHA management and maintenance staff for a transition period of approximately six months.
  - D. Record-keeping Personnel (off-site).

xvi. Leasing. Agent shall make diligent efforts to secure and/or retain tenants for the Property consistent with the character and status of the Property as outlined in the established Tenant Selection Criteria (Exhibit C). Agent shall make diligent efforts to assure that all leases and leasing practices conform to all laws, ordinances, regulations, and Housing Assistance Payment Contracts applicable to the Property. Prior to the execution of a new lease by a tenant, Agent shall in good faith conduct such investigations of the financial responsibility, general reputation and, when part of the Tenant Selection Criteria, the criminal background, of the prospective tenant as are ordinarily and customarily performed by the managers of similar properties in the location of the Property. The expense for such investigations shall be an Owner Obligation payable from the Property's Operating Account.

c. General Responsibilities of Owner. In addition to the specific obligations set forth elsewhere in this Agreement, Owner will cooperate with Agent in the fulfillment of Agent's obligations under this Agreement including, but not limited to, promptly providing all approvals, information and funding reasonably necessary for Agent's management of the Property in accordance with Agent's obligations in this Agreement, and timely submitting information to appropriate regulatory agencies when requested by Agent.

Further, Owner shall not require Agent to act in a manner that would violate any applicable laws, regulations or program requirements and requiring such conduct so is an express violation of this Agreement by the Owner.

6. Expenses of Agent. Consistent with HUD Handbook 4370.2, Agent will pay all salaries, wages and other compensation and fringe benefits of all personnel described in Paragraph 5(b)(xv) of this Agreement as an expense of Agent without reimbursement by Owner. Agent shall pay other expenses that are expressly payable by Agent or not an Owner Obligation reimbursable hereunder. Agent shall also pay (without reimbursement from Owner) any costs of providing corporate office facilities and supplies for such off-site corporate personnel and other expenses incurred by Agent which are not incurred in the performance of duties and obligations required by this Agreement.

7. Bank Accounts.

a. Establishment of Accounts. If not already done so by Owner, Agent shall establish the following FDIC-insured bank accounts (as designated by Owner) in Agent's name For Benefit Of (FBO) the Owner in banks or other institutions approved or selected by Owner:

i. An "**Operating Account**," which Agent shall use for the deposit of all funds from the operation of the Property, including any amounts paid by a public housing agency or authority, unless Owner agrees in writing that the Operating Account shall not be used for such purpose. At Owner's request, the Operating Account will also be used for reserves for taxes and insurance (impound). The Operating Account shall also be a centralized disbursement account, the funds of which shall be used to pay the normal and reasonable expenses incident to the operation and maintenance of the Property pursuant to this Agreement and as requested by Owner, including without limitation, payment of Agent's compensation provided for hereunder. The Operating Account can also be used to pay insurance premiums, ad valorem taxes on real and personal property, and debt service relating to the Property if requested by Owner pursuant to this Agreement. The Operating Account can also be used for disbursements of excess cash to Owner, if applicable. All interest earned on the Operating Account becomes available operating funds that Agent may expend on Owner-approved expenses.

ii. A "**Replacement Reserve Account**", which funds are subject to the provisions of, and restricted to those uses described in, the mortgage documents or other applicable Regulatory Agreements; disbursements are subject to Owner's prior written approval, except in the event of Emergency repairs.

iii. An "**Operating Reserve Account**", which funds are restricted to uses approved in the Annual Budget only when funds in the Operating Account are insufficient for that purpose.

iv. A "**Security Deposit Account**," which may be an interest bearing account if required by applicable law, in an account approved by Owner for the retention of security deposits delivered in connection with leases of any portion of the Property.

v. The Operating Account and Security Deposit Account are to be established solely for the Property, and shall contain no funds other than money collected from, or intended for use in connection with operation of the Property, and Agent shall not commingle any of its own funds with the funds of Owner. All funds of Owner deposited in these two accounts are the property of Owner held in trust for Owner by Agent. If agreed in writing, these two accounts shall be subject to the control of both Agent and Owner, either of whom may draw checks thereon.

vi. Agent may also maintain a petty cash fund from money in the Operating Account and make payments therefrom in a manner consistent with the usual course of dealing with such funds in the property management business. Such petty cash fund shall be subject to the same rules and restrictions set forth above as are applicable to the bank accounts.

b. Funds Provided By Owner. If the funds collected by Agent from operation of the Property, including subsidy payments, are not sufficient to pay the expenses incurred and authorized to be paid in operation of the Property and to make all reimbursements to Agent pursuant hereto, Agent shall submit to Owner a statement showing such shortfall and identifying the bills and charges requiring payment, and Owner shall immediately advance funds sufficient to pay same to the Agent.

## 8. Annual Budgets

a. Submission of Budgets. At the commencement of this Agreement, and thereafter, if again requested by Owner, at least 90 days prior to the beginning of each fiscal year, Agent shall prepare and submit to Owner for Owner's approval a proposed Annual Budget that includes (a) the estimated income and expenses of the Property and (b) the estimated capital expenditures for the Property for the next fiscal year or other operating period as may be agreed by the parties in such a form so as to comply with any and all regulatory agreements and applicable state and federal regulations. The proposed budget will be made assuming accrual basis accounting or such basis as prescribed, in writing, by Owner or applicable regulatory agreements or regulations. Agent will provide an explanation for the numbers used in such budget.

b. Submission of Other Reports. Owner may request Agent to prepare the following additional reports when submitting such proposed budgets: rental rate recommendations with analysis if appropriate and all repair, maintenance, renovation and replacement expenditures (together with estimated costs for each item) anticipated to be made in the upcoming operating period; a payroll analysis including a salary or wage description for every on-site employee, including any fringe benefits reimbursable hereunder, of Agent whose compensation is reimbursable hereunder.

c. Approval of Annual Budget. Owner will make objection to the proposed annual budget within sixty (60) days after Owner's receipt. In the absence of Owner's objection as provided herein, Owner will be deemed to have approved the Annual Budget and Agent will operate and incur expenses only as provided within the Annual Budget until notified otherwise by Owner in writing (or as provided elsewhere herein regarding Emergencies). To the extent reasonable, Agent shall eliminate or revise any item or amount in the Annual Budget which is disapproved by Owner to the extent necessary

to obtain Owner's approval.

d. Compliance with Budgets. Once approved by Owner, the Agent shall use the Annual Budget as a guide for the actual operation of the Property. Except as specifically permitted by other provisions of this Agreement, Agent is not authorized to make any expenditure for the maintenance and operation of the Property which would result in either (A) a particular budget category being exceeded by more than fifteen percent (15%), or (B) the amount of total budgeted expenditures being exceeded by more than ten (10%), without in each case obtaining the prior written approval of Owner. Agent must explain Budget variances in excess of 5% in financial reports.

9. Early Termination. Notwithstanding the provisions of Paragraph 2 above to the contrary, this Agreement and the obligations of the parties hereunder shall cease, upon the occurrence of any of the following:

a. If Owner fails to comply, after Agent's notice and an opportunity to cure, with any rule, order, determination, ordinance or law of any federal, state, county, municipal authority, or governing agency, Agent may terminate this Agreement upon ten (10) days written notice to Owner unless Owner is in good faith contesting it.

b. If either party defaults in the performance of any of its obligations hereunder and such default continues for thirty (30) days after written notice to the defaulting party specifying such default, the party not in default may terminate this Agreement upon ten (10) days written notice to the defaulting party. Notwithstanding the above, if a cure has commenced but not able to be completed within 30 days and the defaulting party is diligently pursuing the cure within the 30 day period, then the party not in default shall not affect the termination.

c. Owner or Agent may terminate this Agreement for convenience upon ninety (90) days written notice to the other. It is understood that the respective rights and obligations of the parties shall continue to be governed by this Agreement until the effective date of such termination.

Notwithstanding any of the time period set forth above, for properties receiving any form of subsidy or subject to any state or federal agreements, Owner and Agent hereby agree to give sufficient notice to the other to allow Owner and Agent to comply with all regulatory notice requirements.

10. Duties Upon Termination. Upon termination of this Agreement for any reason:

a. Agent shall have no further right to act on behalf of Owner or to disburse any of Owner's funds;

b. On the last day of the month following the termination date, Agent will deliver to Owner all Books, Records, and Documents (as herein defined) maintained by it pursuant to this Agreement and do all that is reasonably necessary to facilitate the orderly transition of management of the Property;

c. Agent shall render to Owner an accounting of all funds of Owner held by Agent

relating to the Property and shall immediately cause such funds to be paid to Owner; and

d. Agent shall perform all reporting and accounting functions hereunder for the period from the date of the last report or accounting to the date of termination.

11. Environmental Conditions. Owner represents and warrants to Agent that to the best of Owner's knowledge, without any duty of investigation or inquiry, that Owner is not aware of any toxic or hazardous substances in the soil or groundwater on the Property that exceed federal, state or local action levels.
12. Relationship. It is understood and agreed that all contracts and obligations entered into by Agent with respect to the Property in accordance with the Annual Budget, or as otherwise provided for herein, and consistent with this Agreement, shall be Owner Obligations. Agent and Owner shall not be construed as joint ventures or partners, and neither shall have the power to bind or obligate the other party except as set forth in this Agreement. Agent understands and agrees that the relationship with Owner is that of independent contractor working on behalf of Owner and that it will not represent to anyone that its relationship to Owner is other than that of independent contractor.  
  
Notwithstanding the foregoing, Agent acknowledges and understands that its relationship with Owner is that of a fiduciary and as such owes Owner the duties inherent in said relationship.
13. Assignment. This agreement shall not be assigned by Agent without the prior written approval of Owner which approval may be withheld in Owner's sole and absolute discretion.
14. Benefits and Obligations. Subject to the provision of Paragraph 13 above, the covenants and agreements herein contained shall inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, executors, successors, and assigns.
15. Management Certification. To the extent that the hiring of Agent under the terms of this Agreement is subject to certification by HUD: (1) Owner and Agent agree to cooperate in obtaining any and all management certifications required by HUD, and (2) Owner and Agent agree that should any conflict exist between this Agreement and HUD's rights and requirements, HUD's rights and requirements will prevail.
16. Limitation of Liability. Except in connection with a party's indemnification obligations with respect to third parties, neither party shall be liable to the other for any indirect, incidental, consequential, special, punitive or exemplary damages arising from its performance of this Agreement, including but not limited to lost revenue, lost profits or lost business opportunity.

17. Notices. All notices provided for in this Agreement shall be in writing and served by registered or certified mail, postage prepaid, at the following addresses until such time as written notice of a change of address is given to the other party:

TO OWNER: 701 Atlantic Avenue, Alameda, CA 94501

TO AGENT: \_\_\_\_\_

18. Confidentiality.

a. Intent. The nature of the services Agent will provide pursuant to this Agreement may involve Owner's disclosure to Agent of detailed information about Owner's tenants, including information that may be protected from public disclosure by confidentiality laws. Agent understands that, in order for the Owner to fully utilize Agent's services, Owner staff members providing information to Agent must feel confident that such information will be handled properly.

b. Release of Information. Owner will only release tenant information to a third party (beyond Agent and AHA) upon tenant's written release of such information to Agent. Agent may not disclose such information to any third party without the specific, written consent of the tenant.

c. Court Orders. In the event that Agent receives a subpoena, court order, or other legal document requiring release of information or documents, or is informed that such an order is forthcoming, Agent will immediately provide notice to the Owner's Project Manager in order to permit the Owner to seek a protective order or other similar order if appropriate.

d. Breach. Any breach by Agent of the requirements of this Section shall constitute a material breach of this Letter of Intent. The Owner shall ensure that any person assigned to perform services pursuant to this Agreement, or any employee allowed by Agent to have access to any information related to performance of services under this Agreement, is aware of and abides by the provisions of this Section.

19. Entire Agreement. This Agreement, its Exhibits and any signed addenda, represent the entire agreement between the parties with respect to the subject matter hereof. No alteration, modification, or interpretation of this Agreement shall be binding unless in writing and signed by both parties.

20. Severability. If any provision of this Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to any person or circumstance, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

21. Mediation and Arbitration. If a dispute arises out of or relates to this contract and if said dispute cannot be settled through direct discussions, the parties agree to first endeavor to settle the dispute in an amicable manner by mediation. If that fails, the matter may be

decided by binding arbitration with the consent of both parties. The mediation and arbitration shall be conducted by a mutually agreed upon mediator/arbitrator. If the parties cannot agree to a mediator/arbitrator, the parties will ask JAMS (formerly known as the Judicial Arbitration and Mediation Service ([www.jamsadr.com](http://www.jamsadr.com))) to appoint a neutral mediator or arbitrator as appropriate.

22. Applicable Law. This agreement shall be construed and enforced in accordance with the laws of the State of California. Venue shall take place in the County of Alameda, State of California.

23. Agent. The term "Agent" as used in this Agreement shall include any corporate subsidiaries or affiliates of Agent who perform service, in, on or about the Property in connection with this Agreement.

24. Attorney's Fees. If any dispute, litigation or arbitration between the parties arises out of this Agreement, the losing party in such dispute, litigation or arbitration shall pay to the prevailing party all costs of such dispute, including without limitation, reasonable attorneys' fees.

25. Non-Waiver. No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided in this Agreement.

26. Headings. All headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

OWNER

AGENT

By:

By: \_\_\_\_\_

By:

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**  
**FEEES FOR PROPERTY MANAGEMENT AND CONSULTING SERVICES**

Name of Firm:

Properties Covered by this Proposed Schedule:

Consulting Services during Development (fee for senior-level management agent representative to assist with community engagement and advise the owner regarding design choices, furnishings and fixtures; services to be authorized in writing in advance):

Marketing and Lease-Up (per occupied unit fee with a qualified tenant and completed file, including software set up, advertising, waitlist outreach, staffing, management and submission to and approval of files by investor):

Comprehensive Property Management Services will be provided for a Fee of:

Agent's Expenses payable from the Property's Operating Account will be as follows:

<b>Type of Expense</b>	<b>Details</b>
Accounting & Bookkeeping	
Project Specific Personnel	
Workers Compensation	
Medical/Dental/Vision/Other Health Benefits	
Payroll Processing Cost	
Software License Fee	
Staff Training	
Email Administration	

The Owner has set the following standards for maximum allowable fees and expense reimbursements:

- Cellphone expenses: \$30/month, one employee only
- Mileage expenses: \$30/month per FTE
- Resident event expenses: \$50/month for properties under 100 units and \$100/month for properties of 100 units or more
- Uniform allowance: \$400/year per FTE
- Miscellaneous expenses: \$1,000/year

Any exceptions to the above maximum standard fees and expense reimbursements, and any other fees or reimbursements to the Agent, must be specified in this Fee Schedule in order to be treated as an allowable expense for the duration of this contract. Once the agreement is signed, no further exceptions will be allowed.

OWNER

AGENT

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

SAMPLE

**EXHIBIT B**  
INSURANCE REQUIREMENTS

Indemnity

- a. Owner to Agent: Owner shall indemnify and hold harmless the Agent from any claim, liability, loss, injury or damage caused by a physical condition of the Property and any pre-existing conditions at the Project (including but not limited to mold and mildew) as of the starting date of this Agreement, excepting only claim, liability, loss, injury or damage attributable, in whole or in part, to the Agent's willful or negligent acts or omissions. The Owner shall reimburse the Agent for all costs, reasonable attorneys' fees, expenses and liabilities incurred with respect to the matters for which the Owner is obligated to indemnify and hold harmless the Agent under this Agreement.
- b. Agent to Owner and Housing Authority of the City of Alameda (AHA): Agent shall indemnify and defend Owner and AHA against and hold Owner and AHA harmless from any and all claims, actions, losses, costs, damages, liabilities and expenses, including, without limitation, reasonable attorneys' fees, arising directly or indirectly out of (i) any material default by Agent under the provisions of this Agreement including but not limited to Agent's negligent performance of its professional duties, (ii) any gross negligence or willful misconduct of Agent, or any of its officers, partners, directors, agents, or employees in connection with this Agreement or Agent's services or work hereunder, whether within or beyond the scope of its duties or authority hereunder, or (iii) any claims for personal injuries to Agent's employees incurred during the course of their employ.

Insurance

Without limiting the Management Agent indemnification of the Owner, Management Agent shall provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverage and provisions:

A. Evidence of Coverage

Prior to commencement of this Agreement, Management Agent shall provide a Certificate of Insurance certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, a certified copy of the policy or policies shall be provided by the Management Agent upon request.

This verification of coverage shall be sent to the requesting the Owner department unless otherwise directed. The Management Agent shall not be able to proceed with the work under the Agreement until it has obtained all insurance

required and such insurance has been approved by the Owner. This approval of insurance shall neither relieve nor decrease the liability of the Management Agent.

B. Qualifying Insurers

All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- V, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the Owner Insurance Manager.

C. Notice of Cancellation

All coverage as required herein shall not be canceled or changed so as to no longer meet the specified the Owner's insurance requirements without 30 days' prior written notice of such cancellation or change being delivered to the Owner or their designated agent.

D. Insurance Required

1. Commercial General Liability Insurance for bodily injury (including death) and property damage which provides limits as follows:
  - a. Each occurrence - \$1,000,000
  - b. General aggregate - \$2,000,000
  - c. Personal Injury - \$1,000,000
2. General liability coverage shall include:
  - a. Premises and Operations
  - b. Personal Injury liability
  - c. Severability of interest
3. Umbrella Coverage \$1,000,000 (totaling \$2,000,000/\$5,000,000 occurrence/aggregate)

General liability coverage shall include the following endorsement. a copy of which shall be provided to the Owner:

4. Automobile Liability Insurance

For bodily injury (including death) and property damage which provides total limits of not less than one million dollars (\$1,000,000) per occurrence applicable to hired vehicles and non-owned vehicles.

5. Crime Coverage/ Third Party Fidelity Bond or Commercial Dishonesty Bond

Commercial Dishonesty Bond Insurance in the amount of \$1,000,000 including coverage for theft or loss of Client property.

6. Workers' Compensation and Employer's Liability Insurance

- a. Statutory California Workers' Compensation coverage including broad form all-states coverage.
- b. Employer's Liability coverage for not less than one million dollars (\$1,000,000) per occurrence.

7. Professional Errors and Omissions Liability Insurance

- a. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per occurrence/aggregate.
- b. If coverage contains a deductible or self-retention, it shall not be greater than \$100,000 per claim.
- c. Coverage as required herein shall be maintained for a minimum of two years following termination or completion of this Agreement.

8. Claims Made Coverage

- a. If coverage is written on a claim made basis, the Certificate of Insurance shall clearly state so. In addition to coverage requirements above, such policy shall provide that:
- b. Policy retroactive date coincides with or precedes the Management Agent's start of work (including subsequent policies purchased as renewals or replacements).
- c. Policy allows for reporting of circumstances or incidents that might give rise to future claims.

E. Special Provisions

The following provisions shall apply to this Agreement:

- 1. The foregoing requirements as to the types and limits of insurance coverage to

be maintained by the Management Agent and any approval of said insurance by the Owner or its insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Management Agent pursuant to this Agreement, including but not limited to the provisions concerning indemnification.

2. The Owner acknowledges that some insurance requirements contained in this Agreement may be fulfilled by self-insurance on the part of the Management Agent. However, this shall not in any way limit liabilities assumed by the Management Agent under this Agreement. Any self-insurance shall be approved in writing by the Owner upon satisfactory evidence of financial capacity. The Management Agent's obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance programs or self-insurance retentions.
  3. Should any of the work under this Agreement be sublet, the Management Agent shall require each of its subcontractors of any tier to carry the aforementioned coverages, or the Management Agent may insure subcontractor under its own policies.
  4. The Owner reserves the right to withhold payments to the Management Agent in the event of material noncompliance with the insurance requirements outlined above.
- F. Fidelity Bonds (Required only if Contactor/Consultant will be receiving advanced funds or payments)

Before receiving compensation under this Agreement, the Management Agent will furnish the Owner with evidence that all officials, employees, and agents handling or having access to the Owned funds received or disbursed under this Agreement, or authorized to sign or countersign checks, are covered by fidelity bond in an amount of \$150,000 with naming the Owner as "Loss Payee". If such bond is canceled or reduced, the Management Agent will notify the Owner immediately, and the Owner may withhold further payment to Management Agent until proper coverage has been obtained. Failure to give such notice may be cause for termination of this Agreement, at the option of the Owner. Management Agent need not obtain a fidelity bond if the funds to be received consist solely of remittances made by the Owner to Management Agent in payment of Management Agent's invoices approved for payment by appropriate the Owner's management.

## EXHIBIT C

### TENANT SELECTION CRITERIA (SAMPLE)

#### 1. Credit and Unlawful Detainer Action Reports:

- A credit and an Unlawful Detainer Action report will be requested on all adults listed on the application.
- A hard copy of the report will be requested and kept with the application on file. A copy of the credit and Unlawful Detainer Action report will be made available to the applicant upon request.
- The lack of credit history will not be a basis for denial.
- The Credit report will be obtained through National Tenant Network, tenant screening. An unsatisfactory credit history will disqualify an applicant from renting an apartment at Everett and Eagle Family Housing. An unsatisfactory credit history is one that reflects past or current bad debts, late payments, unpaid bills, liens, judgments or bankruptcies (within the last 7 years). If an applicant is rejected for poor credit history, the applicant will be given the name, address and telephone number of the credit reporting agency that provided the credit information, as required by the FCRA.

Selection criteria are as follows:

When scoring credit, the Tenant Screening model will take into consideration several variables to determine an applicant's willingness and ability to pay their rent. The Tenant Screening model has been specifically developed to assess credit worthiness of applicants. Below are examples of the variables Tenant Screening will take into consideration. A combination of all the variables will determine the Tenant Screening score.

Income to Rent Ratio - measures the ability to handle rent payments (set per property)

Income to Payment Ratio - measures the ability to handle indebtedness and ability to pay average monthly bills

Number of Recent Credit Inquires - measures desire for new credit & potential over extension of credit

Average Age of Trade Lines - measures performance since establishment of credit

Revolving Debt to Limit - measures the ability to absorb cash flow difficulties

Percent of Bankcard Trades Relation to Total Trades - measures applicants' previous credit behavior

Total Trade Lines - measures responsible use of credit

Percent Never Delinquent - indicator of negative credit performance

Bureau Scores - measures general credit risk

Number of Major Derogatory Items - flags serious credit issues

Accept: If no negative credit, application will be approved if all other program eligibility requirements are met.

Deny: Applicants with poor and/or "deny" credit ratings will be determined to be ineligible.

However, applicants may be admitted if there are mitigating circumstances regarding the poor credit history and approval to accept an applicant with this rating is given by the Director

of Property Management and/or the Regional Property Manager. For example an exception may be considered if the applicant is attending Credit Counseling and has verification of Credit Counseling participation.

Applicants who are denied will be mailed a Rental Application Determination letter. Applicants may appeal the rejection, in writing, within seven (14) days of the date on the notice mailed to the applicant. The written request must be mailed to:

The Unlawful Detainer Action Report will be processed through National Tenant Network's Tenant Screening. Applicants will be disqualified if they have been evicted from any prior residence.

2. **Criminal Background Check:** A criminal background check will be conducted on all adults in the household through National Tenant Network (NTN). NTN looks at criminal activity for the last 7 years. Anyone who has a felony conviction, or other criminal activity, to include drug related activity, if the applicant has completed drug rehabilitation and can provide verification of completion of rehabilitation from a professional agency. NTN also performs a National Sex Offender, Terrorist, and Most Wanted search with every criminal state processed. Applicants will be disqualified if they have any of these categories on record.

The following standards have been established for prohibiting tenancy due to drug and/or criminal activity as follows:

- Any Household member who has been evicted from federally assisted housing for drug-related criminal activity, unless that person has successfully completed an approved, supervised drug rehabilitation program or the circumstances leading to the eviction no longer exist (household member has moved out).
- Any Household in which any member is currently engaged in illegal use of drugs of for which the owner has reasonable cause to believe that a member's illegal use of pattern of illegal use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other tenants.
- Any Household member's conduct that from abuse or pattern of abuse of alcohol, interferes with the health, safety, and right to peaceful enjoyment by other tenants.
- Registered sex offenders will be denied tenancy (even if more than 7 years ago).
- Any violent activity or other criminal activity that threatens the health, safety, and right to peaceful enjoyment of the property by other tenants or the health and safety of the owner, employee, contractors, subcontractors, or agents of the owner.

3. **Landlord References:** All references provided by the applicant will be verified in writing. If attempt to collect it in writing is unsuccessful, telephone verifications may be substituted, but only after a thorough attempt to collect it in writing has been completed. Five (5) years of residential history is required and all residential history will be verified. Unfavorable landlord references will be basis for denial of tenancy.

4. **Initial and Continued Income Certification:** Eligibility to reside at Everett and Eagle Family Housing is based on information that applicant has provided to Management regarding household income and assets. Employment and/or other sources of income,

including non-earned income must be verified by a third party to ensure the applicant meets income requirement. Once a household is accepted for tenancy the household will be required to recertify their income and assets at least once each year prior to their anniversary date of move-in. If tenant fails to comply with program requirements a notice of termination of tenancy will be issued to the tenant.

5. Unit Inspections: Once a household is accepted for tenancy, an inspection of the dwelling unit will be conducted at move-in and annually thereafter. Additional unit inspections may be required. All inspection dates will be notified in advance, with at least a 24 hour notice.

SAMPLE

**EXHIBIT D  
REPORTING**

<b>WEEKLY</b>	<b>NOTES</b>
Vacancy	Detailed notes of all vacancies over 15 days must be included
Accounts Receivable	To be submitted in the 2 <sup>nd</sup> and 4 <sup>th</sup> week of the month
Lease up and recertification	
<b>MONTHLY</b>	
Summary Cover	Summary of operating deposits/disbursements. A/P, DSCR for month
Summary of Cash, Reserves, Escrow Accounts	
Check Register Listing/Check Summary	Total amount matches disbursement of summary cover
Open Status Report/Ages Payables	Shows invoices open at the end of the month
Monthly Comparative Balance Sheet, Current and Prior	
Monthly Income	Current month and YTD
Vacancy Expense	Vacancy loss in dollars, plus # of days vacant if it was still vacant at end of the month
Monthly Unit Activity, Move In/Move Out/Transfer	
Budget Variance Report	
Tenant A/R Aging	Tenant accounts receivable for 30, 60, 90, 120
Bank Statements	
Trail Balance	
Insurance Claims	
<b>QUARTLERY</b>	
PSR	TCAC form
Financial package for quarter	
Investor/Lender Financial package	Per closing documents
Risk Analysis	
Write Offs	

\*This may be updated at Placed in Service



# Housing Authority of the City of Alameda

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

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Kathleen Mertz, Director of Housing and Community Development

Date: January 15, 2020

Re: Provide Direction to Staff for Transfer of Properties With a Fannie Mae Loan to Alameda Affordable Housing Corporation

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## **BACKGROUND**

The Housing Authority is the contract administrator for the Section 8 program in the City of Alameda, which includes Housing Assistance Payment (HAP) contracts for both the Housing Choice Voucher (HCV) and Project Based Voucher (PBV) programs. Additionally, AHA owns real property which is assisted by the HCV and PBV programs.

In 2017, the U.S. Department of Housing and Urban Development (HUD) published PIH Notice 2017-21 that clarifies HAP contract requirements for Public Housing Authority-owned units. Attachment A, Section 5, of the Notice states: "Because the HAP contract administrator and the owner cannot be the same legal entity (i.e., the PHA acting as contract administrator cannot execute a contract with itself as the owner of the PBV or HCV units), the PHA must establish a separate legal entity to serve as the owner."

On October 18, 2017, the Board of Commissioners authorized the Executive Director to create a new, wholly controlled, nonprofit entity that will serve as owner of certain Housing Authority properties in order to comply with HUD's contracting requirements. This entity is Alameda Affordable Housing Corporation (AAHC). The governing Board of AAHC is the Board of Commissioners of the Housing Authority, as defined in the Bylaws. On November 20, 2019, the Board authorized staff to prepare documents to transfer all of the Housing Authority owned properties to AAHC. The details of the specific transactions must come back to the Board for approval.

## **DISCUSSION**

In preparation of Independence Plaza for this transaction, staff engaged the Fannie Mae loan servicer, Northmarq Capital, and General Counsel, to chart a path forward for the approval process. Staff presented the structure previously approved by the Board, which includes the following:



Honorable Chair and  
Members of the Board of Commissioners

January 15, 2020  
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Independence Plaza is currently owned by the Housing Authority and received a new award of 25 PBVs. To meet HUD's PBV HAP contract requirements, AAHC needs to become the owner of the property. The Housing Authority intended to convey the improvements to AAHC through a Grant Deed and retain ownership of the land through a ground lease structure. The Ground Lease would have a 75 year term, an annual payment of \$1, and the land would revert back to the Housing Authority at the end of the term. The improvements (i.e. the buildings) would be conveyed to AAHC for their as-is value, as substantiated by an appraisal. The Housing Authority would provide seller financing in the form of a Seller Promissory Note, secured with a Deed of Trust. The loan would be at 0% interest rate, 30 year term, and paid from residual cash flow. In addition to the ground lease and seller financing, the Housing Authority would record an Affordable Housing Agreement to provide additional assurance of the property's continued use as low-income housing. New household eligibility would be restricted to 80% of the Area Median Income for the term of 20 years.

Staff and General Counsel spoke directly with Northmarq Capital and Fannie Mae counsel about this ground lease structure in early January 2020 and Fannie Mae will not approve the ground lease for Independence Plaza (or any other property with a closed Fannie Mae loan – which are Esperanza, Parrot Village and Eagle Village.). Together with Independence Plaza, these four properties with a Fannie Mae loan comprise 392 of the Housing Authority's 629 owned units. Independence Plaza is currently coming to the Board for direction because the property was awarded 25 new PBVs on December 17, 2019. To keep this award, the Housing Authority must enter into contract by March 1, 2020. The transfer structure for Esperanza, Parrot Village and Eagle Village has a similar challenge with the Fannie Mae loan, but they are scheduled to transfer July 1, 2020 and will come back to the Board at a later date. Therefore, staff is only seeking direction from the Board for Independence Plaza at this time.

Fannie Mae's position to decline approval of the ground lease structure is due to IRS rules regarding Mortgage Back Securities. The existing closed loan at Independence Plaza was placed into a fixed investor trust and the leasehold structure creates a significant modification that creates a taxable event for the investment pool because of the change in collateral. Although they will not approve the ground lease structure, there are a couple of other options available to the Housing Authority that would allow preservation of the 25 PBVs for the very low income seniors living at Independence Plaza.

Option One is to transfer both the land and improvements to AAHC. The transaction is virtually the same, but the land is transferred with the improvements. The subordinate seller debt and affordability covenant remain in the transaction. This option could include a reversion clause that permits the ground lease structure upon mortgage maturity in July 2026. AAHC is wholly controlled by the Housing Authority, (the AAHC Board is the AHA Board). The Housing Authority would have to change the organizational documents of the AAHC board to lose full control of the property with a full transfer instead of a ground lease transfer.



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Members of the Board of Commissioners

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Option Two is to pay off the Fannie Mae loan of \$4,425,689 with a \$511,867 prepayment fee. Along with legal, transaction and interest fees, this amounts to approximately \$4,960,000. After payoff, the Housing Authority can transfer the property with the ground lease structure because the lender will no longer be involved.

Option Three is to refinance the existing debt with a new six (6) year loan to maintain the same maturity date with the operating subsidy expiration. The finance amount is approximately equal to the pay off amount because the prepayment penalty still applies. Along with the refinance, the Housing Authority can transfer the property with a ground lease structure because it would be a new loan origination. The ground lease prohibition is for closed loans not new loans. The refinance process will take longer than six weeks to complete and therefore the PBV may be at risk if a new PBV HAP contract is not executed by March 1, 2020.

Option Four is to explore a master lease structure with AAHC as the master lessee. This structure may require HUD approval to execute a PBV contract with a master lessee rather than the property owner. Additionally, this would need further review by Fannie Mae legal counsel, which may or may not approve the structure.

As mentioned above, General Counsel is involved with the negotiations involving the lenders and regulators, along with all of the transaction details.

### **FINANCIAL IMPACT**

In any of these scenarios, the expenses related to the transfer transaction would be paid from cash flow and reserves of Independence Plaza.

### **RECOMMENDATION**

Provide Direction to Staff for Transfer of Properties With a Fannie Mae Loan to Alameda Affordable Housing Corporation.

Respectfully submitted,



Kathleen Mertz  
Director of Housing and Community Development

