



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

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 vmondo@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, February 19, 2020 –

Closed Session – 6:15 p.m.

Regular Meeting – 7:00 p.m.

Closed Session Continued – 7:01 p.m. (Additional Time If Needed)

**AAHC Meeting – 7:02 p.m. (MEETING TO FOLLOW DIRECTLY
AFTER REGULAR MEETING OR CLOSED SESSION)**

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. Closed Session – 6:15 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 74-1366-9; Authority Negotiators: Vanessa Cooper and Kathleen Mertz; Negotiating Parties: Pulte Group; Under Negotiation: Price and Terms of Payment.
 4. Adjournment of Closed Session
5. RECONVENE REGULAR MEETING – 7:00 p.m.
6. Announcement of Action Taken in Closed Session, if any.
7. Public Comment (Non-Agenda)
8. CONSENT CALENDAR
 - Consent Calendar items are considered routine and will be approved or accepted by one motion unless a request for removal for discussion or explanation is received from the Board of Commissioners or a member of the public.
 - 8-A. Approve Minutes of the Board of Commissioners Meeting held January 15, 2020 – **Page 1**
 - 8-B. Accept the Monthly Overview Report for Operations, H.R., and I.T., Approve a Contract Extension of Nine Months for the Office Supplies Contract, and Approve the Ongoing Use of Yardi and Laserfiche Subject to Available Budget – **Page 8**
 - 8-C. Accept the Monthly Overview Report for the Housing Programs Department – **Page 12**
 - 8-D. Accept the Monthly Overview Report for the Rent Program – **Page 16**
 - 8-E. Accept the Monthly Overview Report for Property Operations – **Page 18**
 - 8-F. Accept the Monthly Overview Report for Housing & Community Development – **Page 25**
 - 8-G. Accept the Monthly Development Report for Rosefield Village – **Page 47**
 - 8-H. Accept the Monthly Development Report for North Housing – **Page 49**
 - 8-I. Approve Purchase of Defaulted or Resale BMR Homeownership Units, Authorize Executive Director, or designee, to Negotiate Price and Terms up to the Affordable Sales Price Plus Related Legal Costs and Fees, and Approve Assignment of the Purchase Rights to Alameda Affordable Housing Corporation – **Page 52**
 - 8-J. Accept the Finance and Budget Variance Report for December 31, 2019 – **Page 54**
 - 8-K. Accept the Quarterly Investment Report for Period Ending December 31, 2019 – **Page 71**
 - 8-L. Accept an update on the City Council Referral from October 15, 2019 – **Page 76**



9. AGENDA

9-A. Provide Feedback on the Real Estate Development Business Plan – **Page 78**

9-B. Adopt Authorizing Resolution for the Real Property Transfer of Independence Plaza to Alameda Affordable Housing Corporation and Authorize Executive Director, or Designee, to Negotiate and Execute Related Documents – **Page 94**

9-C. Approve Resolution to Allow for the Use of Employment Development Department Services – **Page 102**

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

11. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

12. CONTINUATION OF CLOSED SESSION – IF NEEDED

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

14. 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. 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.



DRAFT MINUTES

**REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA
HELD WEDNESDAY JANUARY 15, 2020**

The Board of Commissioners Meeting began at 7:01 p.m.

PLEDGE OF ALLEGIANCE

1. ROLL CALL - Board of Commissioners

Present: Chair Kurrasch, Vice Chair Tamaoki, Commissioner Grob, Commissioner Kay, and Commissioner Rickard (who arrived after the Roll Call was taken)

Absent: Commissioner Hadid and Commissioner Weinberg

2. Public Comment (Non-Agenda)

A member of the public asked why the two AHA tenant representative Commissioners were not identified on the AHA website. Commissioner Chair Kurrasch explained this is intentional because the two members are viewed as simply members of the Board, rather than members with a different Commissioner status. Chair Kurrasch stated that one of the tenant Commissioners is a senior and that one of the tenant Commissioners is present at today's meeting.

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.

Items accepted or adopted are indicated by an asterisk.

Commission Chair Kurrasch raised a question with item 3-C "Accept the Monthly Overview Report for the Housing Programs Department" asking about the fluctuation of HQS pass rates and Ms. Vanessa Cooper, Executive Director, explained that staff has seen a change in HQS pass rates both in the private market and AHA units, and have put a system in place to obtain better inspections.

Commission Vice Chair Tamaoki clarified what he meant during the discussion on item 3-A "Approve Minutes of the Board of Commissioners Meeting held November 20, 2019"



and asked that the wording for item 9-B on page 4 be changed from “Vice Chair Tamaoki and Commissioner Weinberg expressed that they are inclined to self-develop the property...” to “Vice Chair Tamaoki and Commissioner Weinberg discussed whether AHA should develop the property...”

Vice Chair Tamaoki directed attention to page 14, and praised the Family Self Sufficiency program.

Vice Chair Tamaoki commented on page 18 of the Alameda Rent Program update and commented on the high level of service the programs staff is able to provide, even through all of the changes to the program, and it was agreed that further discussion of the Alameda Rent Program extension would come before the Board next month.

Vice Chair Tamaoki commented on the first sentence of the last paragraph of page 23, and spoke about how he had identified AHA’s pension and finances as an important topic for his time on the Board, and now he sees a goal of addressing the issues of the aging senior population, especially once independent living is no longer a possibility.

Vice Chair Tamaoki commented on the Rosefield update on page 32. Ms. Kathleen Mertz, Director of Housing and Community Development, announced that AHA was awarded the tax credit funding today and will be on the California Debt Limit Allocation Committee (CDLAC) agenda for next month for bond financing.

Vice Chair Tamaoki commented on the bad debt discussed on page 85, and asked for further explanation around Eagle Village and the referenced \$17,000. Ms. Cooper explained that specific households cannot be discussed, but commented on the criteria and reasons that would lead to a termination.

Vice Chair Tamaoki commented on page 92 regarding retroactive contract extensions. Ms. Cooper explained that one of the reasons for the overage was that various departments were working and charging expenses to the same contract. Staff is in the process of putting a new process in to address this issue.

Commissioner Rickard asked about Island City Development demolition costs associated with North Housing and Ms. Mertz explained that staff conducted a pre-demolition walk with four potential bidders, but only one bid was received. Ms. Mertz explained the history of the previous cost estimation as compared to the bid that was received and that a third party was hired to perform a cost analysis to validate the cost. Commissioner Rickard confirmed that the work is being performed under ICD, and Ms. Cooper explained that ICD is only approving the project management costs, and then the project will go out to bid per the CDBG regulations.

Commissioner Rickard asked if the scheduled meeting with Alameda Renters’ Coalition (ARC) took place on Monday and Ms. Cooper confirmed it occurred. Vice Chair Tamaoki, who attended the meeting, gave a brief overview explaining that he thought that the meeting would be about aging tenants unable to live independently, but after reading an agenda produced by ARC, it appeared the issues raised by the advocate group was more about the oversight of AHA, for example one of the requests was having an audit



conducted on the procedures AHA uses to track tenant complaints and Reasonable Accommodation Requests. The advocates raised issues of customer service and Reasonable Accommodations not being handled in a timely manner according to the tenant. Ms. Cooper commented that there will be a follow-up meeting in late February. Ms. Cooper confirmed that staff will continue to update the Board monthly and discussed the need to work with the City to establish on a senior task force and to working with code enforcement where necessary.

Commissioner Kay recused herself from voting on Item 3-A: “Approve Minutes of the Board of Commissioners Meeting held November 20, 2019” since she did not attend the meeting.

Commissioner Rickard moved to accept the motion with one change to item 3-A and Vice Chair Tamaoki seconded the motion. All were in favor with one abstention on Item 3-A:

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

- *3-A. Approve Minutes of the Board of Commissioners Meeting held November 20, 2019
- *3-B. Accept the Monthly Overview Report for Operations/H.R./I.T.
- *3-C. Accept the Monthly Overview Report for the Housing Programs Department
- *3-D. Accept the Monthly Overview Report for the Alameda Rent Program
- *3-E. Accept the Monthly Overview Report for Property Operations
- *3-F. Accept the Monthly Overview Report for Housing & Community Development
- *3-G. Accept the Monthly Development Report for Rosefield Village
- *3-H. Accept the Monthly Development Report for North Housing
- *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
- *3-J. Accept the Annual Police Activity Report for FY 2019
- *3-K. Accept the Budget Variance report for November 30, 2019
- *3-L. Accept the Annual Review of the Investment Policy and Approve Minor Changes
- *3-M. Approve Write-off of Uncollectible Accounts Receivable from Former Tenants
- *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
- *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
- *3-P. Approve an Increase to the Consultant Services Agreement with Howroyd-Wright Employment Agency, Inc.
- *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



- *3-R. Accept an Update on a Letter Received from HUD Regarding Administrative Fees for the Section 8 Housing Choice Voucher Program

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

Ms. Cooper explained that this is a small, optional change to the Administrative Plan and explained the change and the tenant and AHA impact of this change.

Commissioner Kay expressed concern with some of the Administrative Plan’s language and Ms. Cooper explained that this wording comes from HUD. A dialogue ensued, regarding the language of the Administrative Plan.

Vice Chair Tamaoki asked why some Housing Authorities choose not to do interim recertification and what happens if tenant income drops. A discussion ensued.

Commissioner Rickard expressed support of this recommendation and asked how often recertifications are performed and Ms. Cooper explained recertifications are done every year.

Commissioner Grob moved to accept the motion and Commissioner Rickard seconded the motion. The motion passed unanimously:

Yes: 5 Chair Kurrasch, Vice Chair Tamaoki, Commissioner Grob, Commissioner Kay, and Commissioner Rickard

Absent: 2 Commissioner Hadid and Commissioner Weinberg

- 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

Ms. Janet Basta, Director of HR and Operations, explained that staff is before the Board with minor changes to the Employee Policies and Procedures Handbook. Staff will come back with additional revisions in the future. Ms. Basta explained the various changes.

Commissioner Kay asked about overtime pay for the on-call employees. Ms. Basta responded.

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



Yes: 5 Chair Kurrasch, Vice Chair Tamaoki, Commissioner Grob, Commissioner Kay, and Commissioner Rickard

Absent: 2 Commissioner Hadid and Commissioner Weinberg

4-C. Adopt the Resolution to Adopt a Corrected Pay Schedule

Ms. Basta explained that one cell was missed when revising the last Pay Schedule, so it has been updated and is now back before the Board for approval. Ms. Basta clarified that there is no financial impact with this change.

Commissioner Grob 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: 5 Chair Kurrasch, Vice Chair Tamaoki, Commissioner Grob, Commissioner Kay, and Commissioner Rickard

Absent: 2 Commissioner Hadid and Commissioner Weinberg

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

Ms. Alvarez commented that as previously discussed, an RFP was posted for Third Party Property Management Services. Ms. Alvarez explained the process and the cost study which was performed to determine if the one firm that responded submitted a reasonable proposal. Ms. Cooper commented that staff would meet with the vendor further to discuss the contract.

Vice Chair Tamaoki asked if the \$1.4 Million was for the first 3 years and Ms. Alvarez explained that this amount is for 5 years. Vice Chair Tamaoki asked if since this contract is for a percentage of rent, if AHA's rents increase, will there be enough of a cushion to cover the increase and Ms. Alvarez confirmed that they would and explained that the fees for Rosefield Village will be decreasing because additional units within the complex will be vacant.

Vice Chair Tamaoki moved to accept the motion and Commissioner Grob seconded the motion.

Commissioner Rickard commented that the contract should be clear that the \$1.4 Million is for 5 years and Ms. Cooper commented that staff could add a "not to exceed amount of \$1.4 Million over 5 years" and then put in brackets "three years, plus two onetime extensions."

Chair Kurrasch called for a vote, all were in favor and the motion passed unanimously:



Yes: 5 Chair Kurrasch, Vice Chair Tamaoki, Commissioner Grob, Commissioner Kay, and Commissioner Rickard

Absent: 2 Commissioner Hadid and Commissioner Weinberg

4-E. Provide Direction to Staff for Transfer of Properties with a Fannie Mae Loan to Alameda Affordable Housing Corporation

Ms. Kathleen Mertz, Director of Housing and Community Development, commented that four properties have already transferred from AHA to Alameda Affordable Housing Corporation (AAHC) and the Board approved the transfer of the remaining AHA portfolio. Ms. Mertz explained that four of AHA’s properties have a Fannie Mae Loan. Since Independence Plaza has a closed, sold loan, Fannie Mae is unwilling to change the terms of the security that collateralizes the loan and will not approve the ground lease structure. Ms. Mertz then explained the four options before the Board and potential risks.

Vice Chair Tamaoki commented that among the four options, Option #2 or Option #3 do not make sense and explained the thought process behind why they are not the best options. Vice Chair Tamaoki then explained why Option #4 seems unnecessarily complicated, and why Option #1 seems to be a comfortable way to move forward.

Commissioner Grob agreed that Option #1 seems like a logical choice, and asked what risks or concerns are associated with selecting Option #1. Ms. Mertz explained that the entity AAHC was only created to hold the title of the properties to address the HAP contracts and the governing Board of AAHC is the Housing Authority Board so control is completely in the hands of the Board. Ms. Mertz continued that as an AHA staff member, there does not appear to be risk in this option. Ms. Jennifer Bell, Attorney at Goldfarb & Lipman LLC, confirmed and commented that Independence Plaza only has six more years, after which AHA could revert to a ground lease structure. Ms. Cooper also commented on Option #1 and explained the reasoning behind the transfer of the AHA portfolio to AAHC.

Ms. Mertz added that there are four Fannie Mae loans, so Esperanza Plaza, Parrot Village, and Eagle Village will have the same issue now faced with the Independence Plaza transfer and explained that staff will come back with the other properties once AHA is ready to make the transfer.

Vice Chair Tamaoki asked for information on the Section 8 contract which is coming to Independence Plaza and Ms. Mertz explained the voucher award, the RFP which was issued, and the process.

A vote was not taken as this was not an actionable item, but clear direction was given to staff to pursue Option #1 and it was asked that additional information be provided in the February Board packet.



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

None.

6. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

Happy New Year!

7. ADJOURNMENT

There being no additional Closed Session or further business, Chair Kurrasch adjourned the meeting at 8:05 p.m.

Vanessa M. Cooper
Executive Director/Secretary

Arthur Kurrasch, Chair
Board of Commissioners





Housing Authority of the City of Alameda

PHONE (510) 747-4300
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TTY/TRS 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Janet Basta, Director of Human Resources and Operations

Date: February 19, 2020

Re: Accept the Monthly Overview Report for Operations, H.R., and I.T., Approve a Contract Extension of Nine Months for the Office Supplies Contract, and Approve the Ongoing Use of Yardi and Laserfiche Subject to Available Budget

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. Recruiting efforts continued over the last month, though were slowed somewhat due to holidays, and staff and candidate availability.

<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 early 2020	
	Communications Manager	1 FTE	Position posted, interviews to start in February	
	Risk Manager	1 FTE	Contracting with outside firm to conduct recruitment	



Finance		0 FTE		Department is fully staffed
Housing Programs	Housing Specialist II	2 FTE	In interview process; one open due to an internal promotion, one new position approved by Board	One position that was open due to turnover has been filled
Property Operations	Facilities Supervisor	1 FTE	In late stages of interview process	
	Assistant Resident Managers: IP and China Clipper	.25 FTE	Initial postings not successful; will repost more broadly in 2020	
Housing and Community Development		0 FTE		Department is fully staffed
Rent Stabilization Program	Rent Program Specialist	1 FTE	Offer made but declined; continue recruitment	

Summary: Total FTE's approved for FY 2020: 58.50
 Number of vacancies: 7.25
 Number of active recruitments: 6.00

In addition to posting for regular vacant positions, a posting for one or more Hearing Officers was placed on the AHA website. Interviews will be conducted as applications are received with a goal of increasing the number of individuals that can serve as Hearing Officers in addition to AHA staff.

Several staff attended the NAHRO 2020 NorCal/Nevada Chapter Conference in late January. AHA received a SEMAP High Performer award from HUD representatives at the conference, which was accepted by staff from the Housing Programs Department. Two management staff also attended the Liebert Cassidy Whitmore Annual Public Sector



Employment Law Conference. Additionally, multiple staff attended Reasonable Accommodation and Section 504 webinars offered on site.

Significant work on procurement and contracts will be conducted in the upcoming months, as a number of contracts are reaching their expiration dates in 2020. This month's memo includes a request to authorize an extension of the Blaisdell's contract for office supplies for nine months, through March 2020. The contract (and subsequent extensions) was for a total of 5 years and a total not to exceed amount of \$420,000. Total expenditures are well under the contract amount, and were just under \$200,000 at the end of January so no change to the contract amount is needed. Annual expenses were approved by the Board each year as part of the budget process. The contract expired on June 30, 2019, however, and staff was not able to conduct an RFP process at that time to execute a new contract. An RFP for Office Supplies is currently posted, and staff expect to be able to award a new contract beginning in April 2020. AHA is requesting a nine (9) month extension retroactive to July 1, 2019 and terminating on March 31, 2020.

Information Technology/Administration

On January 3, 2020, a letter was received that a new Portfolio Management Specialist, Program Assistant, and Financial Analyst were assigned to the AHA in the San Francisco HUD Field Office. On February 12, 2020, Gerard Windt, Director of the Office of Public Housing for the San Francisco Field Office along with the new Portfolio Management Specialist and Financial Analyst were able to attend a meeting with management staff and the Board Chair from the AHA. The meeting at Littlejohn Commons covered a wide range of topics including the program and financial performance of the Agency. It was an opportunity for Field Office Staff and AHA Staff to meet while comparing data and ideas.

In 2017, a memo was brought to the Board of Commissioners explaining the reasoning to stay with Yardi and Laserfiche as software solutions. This reasoning has not changed and both companies are under service contracts on the software systems. The cost of migrating to a new software system and the staff time lost to training and learning a new system remove any small savings between software solutions. Both solutions have been included in the annual budget for the agency. This memo includes an ongoing approval to continue to budget for Yardi and Laserfiche subject to funding availability.

The IT service tickets for the month of December 2019 have been routine in nature. The average response time for tickets this month was about 9.22 hours. Two tickets were not marked as responded correctly, so if the 190 and 130 hours are removed from the overall response hours, the average becomes 0.58 hours. Techordia did respond timely to these two requests.



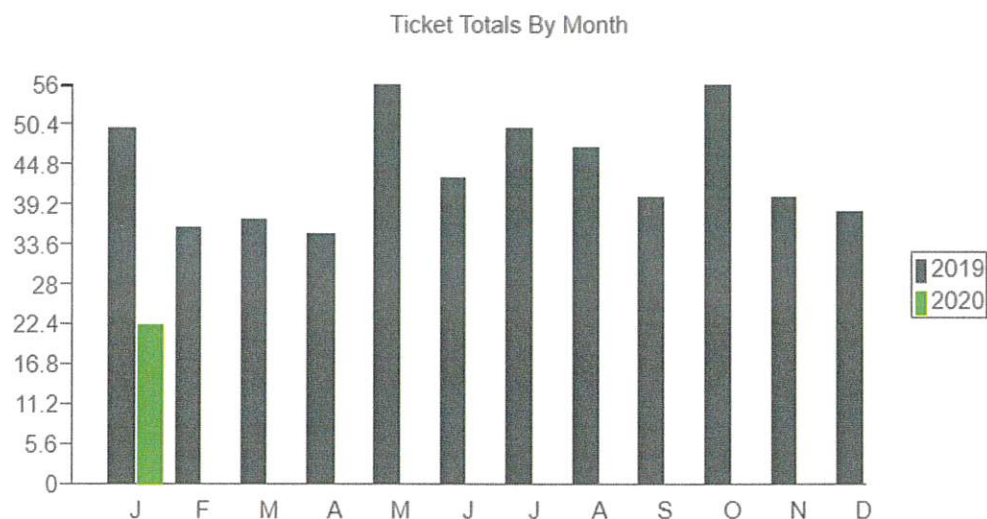
Honorable Chair and
Members of the Board of Commissioners

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Techordia Service Ticket Requests - December
2019

Type of Service Request	Number of Tickets
Access rights	6
Hardware	3
Software	19
On Boarding / Off Boarding	4
On Site Visits	5
Cyber Security	
TOTAL:	37

As of 1/28/2020, there have been 22 tickets this year and, at that time, there were 11 open tickets. Below is a chart of tickets for year 2019 versus 2020.



RECOMMENDATION

Accept the Monthly Overview Report for Operations, H.R., and I.T., Approve a Contract Extension of Nine Months for the Office Supplies Contract, and Approve the Ongoing Use of Yardi and Laserfiche Subject to Available Budget.

Respectfully submitted,

Janet Basta

Janet Basta
Director of Human Resources and Operations

JCB/TMSC



701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Lynette Jordan, Director of Housing Programs
Date: February 19, 2020
RE: Accept the Monthly Overview Report for the Housing Programs Department

BACKGROUND

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

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 December projected that AHA will have \$957,000 in HAP reserves with a utilization rate of 98.4% of 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, but this amount of lease-up currently is just slightly above that threshold, and must still be confirmed with HUD's calculations.

AHA has a HUD Site Visit scheduled for February 12, 2020 to meet with our new HUD representatives to discuss AHA current and future Financial Assessment.

Section 8 Management Assessment Program (SEMAP) High Performer Award

The U.S. Department of Housing and Urban Development (HUD) has instituted the Section 8 Management Assessment Program (SEMAP) to measure housing authorities' performance in key program areas, (e.g., managing the waiting list, conducting housing quality inspections, calculating income, and maintaining lease-up rates)

HUD measures all housing authorities according to the following system:

90 % or higher	High Performer
61 % to 89 %	Standard Performer
60 % or lower	Troubled Performer



For the past three years, AHA has achieved High Performer status by achieving an average score of 96%.

2016-2017	2017-2018	2018-2019
96 % High Performer	93 % High Performer	100 % High Performer

AHA staff received their High Performer award for 2019 at the recent NAHRO conference in Napa, California on January 28, 2020. SEMAP audits are performed on a quarterly basis and any errors found are used as training guides to ensure staff is processing their work in accordance with SEMAP reviews and HUD regulations. With this consistent training and feedback, AHA staff is very hopeful our High Performer status will continue

Online Recertification

The Online Recertification portal launched on September 1, 2019 to all program participants with recertification's effective January 1, 2020, (prior rollout of online recertification was a pilot for certain properties to test the online portal). In the month of January staff completed 121 on-line recertifications out of a total 128 for the month. The exceptions are if a Reasonable Accommodation was approved. 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. In December and January training sessions were held at Independence Plaza.

AHA continues to offer monthly training sessions for participants seeking assistance with the new system and individual assistance is available upon request in the office.

Upcoming Scheduled Training Sessions:

Each training day has two classes: 9:00 a.m. – 10:30 a.m. or 2:00 p.m. – 3:30 p.m.

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

- February 13, 2020
- March 17, 2020
- April 8, 2020

Project Based Voucher (PBV) Owners Workshop

A PBV owner workshop was held January 22, 2020 at 703 Atlantic Ave. Representative's from 4 of our 5 PBV partners attended. The PBV owner workshop is an opportunity to review the PBV program rules, and regulations. It is also an opportunity to meet new program staff and to answer questions regarding the current year changes in HUD regulations, and learn the status of new projects coming on line in the near future.



Honorable Chair and
Members of the Board of Commissioners

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The workshop included speakers from Vector Control, AHA Housing and Community Development and AHA Rent Program.

The topics presented at this year's workshop were:

- PBV and AHA staff roles
- New Legislation: Lead Safe Home Rule
- Housing Quality Standards /Uniformed Physical Conditions Standards Inspections: Timeline, Deadlines and Extensions
- Participant /Resident: Annual Certifications, Lease Violations

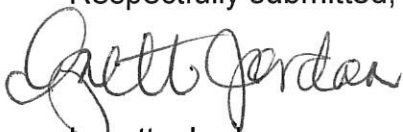
HPD STATISTICS- See attached HPD Performance Report

Note: Total voucher seeking 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

Attachment:

Attachment 1 – Housing Programs Department Performance



Attachment 1 - Housing Programs Department Performance Report
 Month of JANUARY 2020

Item	January	February	March	April	May	June	July	August	September	October	November	December	YTD
HAP spent for month	\$2,653,885												\$ 2,653,885.00
Vouchers under lease at start of month	1487												n/a
Vouchers issued during the month	0												0
New units leased in private market	4												4
New units leased in affordable market	0												0
Seeking vouchers	23												23
Port outs leased	0												0
Port ins leased	2												2
Annuals completed	121												121
Interims completed	43												43
Rent Increases completed	45												45
Inspections conducted	157												157
Inspections passed first time	80												80
Hearings requested	10												10
Hearings held	1												1
End of Participation *	3												3

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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Greg Kats, Rent Program Director

Date: February 19, 2020

Re: Accept the Monthly Overview for the Rent Program

DATA

The monthly reports for the Rent Program are available at www.alamedarentprogram.org. For outcomes of submissions reviewed, please see the full report available online.

	November	December	January
Rent increase submissions*	4	9	4
Termination of tenancy submissions	2	3	5
Buyout agreement submissions	1	2	0
Capital Improvement Plan submissions	0	0	0
Number of rent adjustment hearings requested	1	2	2
Number of hearings held resulting in a rent adjustment**	0	0	0
Number of staff mediations held	0	1	0

**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.*

Honorable Chair and
Members of the Board of Commissioners

February 19, 2020
Page 2 of 2

MONTHLY UPDATE

Rent Program 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 3250 in September 2019. Rent Program staff is hosting ongoing monthly informational workshops to provide updates regarding changes to the termination of tenancy and rent increase processes. Staff is also working with the City Attorney's Office (CAO) on developing regulations for the new ordinance. It is expected that this will include regulations that impact the Section 8 program. This work is currently in progress with the CAO.

The online registration process for City of Alameda rental properties has been begun. In late January, the Rent Program distributed introductory letters, via mail and email, providing owners/property managers with a unique APN and PIN combination to access the online system. This mailer also included a comprehensive System User Guide and contact information for Rent Program staff, in case the user requires personalized assistance with the registration process. Rent Program staff has been offering registration workshops for owners and property managers twice a week, and will continue to do so throughout February and beyond, if needed. These workshops are offered to provide information about, and assist with, the rental unit registration process. Staff has also been scheduling one-on-one appointments with owners and property managers, upon request, to assist them with the registration process.

The service agreement between the City of Alameda and the Rent Program expires on June 30, 2020. AHA has received written confirmation from the City Manager, presented as an attachment in the prior Board packet, 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 new service agreement is currently in the process of being drafted and will incorporate the significant changes to the program that have been implemented over the past 6 months. However, the overall budget and staffing impacts for the agency are unlikely to be significant. A memo for discussion regarding the contract extension will be provided at the March Board meeting. The revised agreement will come to the Board for approval in the coming few months.

RECOMMENDATION

Accept the Monthly Overview for the Rent Program.

Respectfully submitted,



For: Greg Kats
Rent Program Director





Housing Authority of the City of Alameda

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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Lisa Caldwell, Director of Property Operations

Date: February 19, 2020

Re: Accept the Monthly Overview Report for Property Operations

BACKGROUND

This memo provides a high-level overview of the Property Operations Department's activities for the month of January 2020.

DISCUSSION

The attached table (Attachment 1) summarizes property performance of all sites AHA owned and managed, affiliate owned, and managed by The John Stewart Company (JSCO).

VACANCY

The attached table (Attachment 1) provides sixty five (65) vacancies out of the six hundred and twenty-nine (629) units for all properties AHA owned and managed, affiliate owned, and third party managed by The John Stewart Company (JSCO) at the end of January. Progress is taking place in filling the remaining vacancies, which are not currently under rehab. Staff is diligently working on securing additional move-ins to take place throughout February.

Lease up coordination between AHA Property Management, JSCO and AHA Housing Programs 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 on the AHA website.

RENT COLLECTIONS

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

An explanation for properties with a collection rate below 98% or over 100% is provided below.



Independence Plaza's 134.2% collection rate is a result of under budgeting the tenant rental revenue. The budgeted gross potential rent should have been \$166,413 instead of \$93,638, which would provide a collection rate of 88.9%. The 88.9% collection rate is a result of six (6) vacant units in January, which is an estimated income loss of \$8,109. The HAP subsidy income was also over budgeted by \$5,000, which also caused the actual collection rate to be under for the month of January. These budgeting issues will be corrected in the upcoming budget for 2020-21.

Esperanza's 93.7% collection rate is a result of four (4) vacant units, which is an estimated income loss of \$10,896 in the month of January. One (1) of the vacant units was leased at the end of January and one (1) moved in at the beginning of February. There is still a discrepancy that may be due to over budgeting in tenant rental revenue. Staff will provide a update in the March report.

China Clipper's 86.6% collection rate is a result of budgeting for more HAP subsidy than actually received, which is a difference of \$8,602. Rent increases are due to go out that will bring the contract rents to the current payment standard, which will produce more HAP subsidy income in the upcoming months.

The Scattered Sites' 79.9% collection rate is a result of the offline units. There are four (4) units currently offline due to extensive repairs, which is an estimated income loss of \$7386 each month. . A fifth unit is currently being used for temporary accommodation which means approximately \$884 less income per month for that unit than was projected.

Parrot Village and Parrot Garden's 95.8% collection rate is a result of one (1) outstanding tenant rent, which is an estimated income loss of \$3346 and income loss from one unit as well as the timing of rent increases projected for future months.

Littlejohn Commons' 96.6% collection rate is a result of one (1) vacant unit, which is an estimated income loss of \$1988 in the month of January.

Rosefield Village's 19.3% collection rate is the result of forty six (46) vacant units out of a total fifty three (53). These units are permanently offline due to the upcoming reconstruction and rehabilitation of the property.

Eagle Village's 95.2% collection rate is a result of one (1) vacant unit. This unit has been offered and accepted by another AHA tenant as a transfer. This unit is projected to be leased by the end of February.

RENT INCREASES

Rent increases for 2020 have started to go out. The increase should not affect the tenant's rent portion unless the household is residing in an unassisted unit (which often is a unit with no PBV or HCV subsidy tied to it , or is a result of being over income and losing assistance) or are over housed (i.e. have an extra bedroom outside of their approved voucher size). All households 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 sixty (60) days prior to the effective date of the rent increase.

Notices for Project Based Voucher (PBV) tenants at Esperanza went out at the end of January with an effective date of April 1, 2020.

ADDITIONAL UPDATES

As previously discussed, as AHA's senior tenants continue to age in place, there are growing challenges to their ability to live independently and are further impacted as assisted living is rarely available to them due to the high costs associated with assisting living. During the current period, staff have identified three (3) households who have been out of their unit due to being at the hospital or a rehabilitation center for more than thirty (30) days. Under the Section 8 Program, the tenant can be out of their unit for a maximum 180 days, without losing their Section 8 voucher. Further if it is a PBV unit, then AHA permanently loses the years remaining on the PBV contract for that unit. As a result, it may be necessary to terminate the tenant's tenancy for that particular unit. As part of commitment and standard operating procedure, tenants will be provided with legal aid information and will be able to complete a Reasonable Accommodation form if needed. Staff and social workers will work with these households and their families to ascertain whether they can reasonably be expected to return to their unit within the 180 day window.

As previously discussed, hoarding is one of the challenges we are seeing among some of our tenants. We continue to work with them and refer them to LifeSTEPS. Pest control issues have become more of an issue in recent months. Specifically, in the last few months, we had a property significantly impacted by multiple units with bed bugs. Staff has been working with numerous pest control companies over multiple months to address this particular issue. In general, our process is that, once a pest issue is identified by either the tenant, a staff member, or through a third party inspection, we immediately engage pest treatment. In many cases, bed bugs can be a result of hoarding or poor housekeeping in one unit which spreads to others.

Once a pest issue is identified staff a treatment plan is identified, the relocation of tenants is addressed if needed. Staff also works with LifeSTEPS to hold tenant meetings to go over the process of treatment and prevention methods. Follow up treatments are conducted, and additional unit inspections are performed to ensure successful treatment and removal of any infestations. It is very important that pest issues are reported immediately. Property Operations staff has learned that many tenants do not report issues in fear of embarrassment and/or do not want to be held financially responsible for the treatments. Staff also work with Vector Control and or Code Enforcement where necessary. Our goal is to educate the tenants on the importance of reporting pest issues at the first sign of a problem. AHA carries the cost of the first round of treatments but if the issues continues after treatment provided by AHA household(s) that continue to need additional treatments due to re-infestation will be charged the pest control fees. Further if the tenant refuses treatment and does not



engage on mitigating sources of infestation, termination notices may be issued. Throughout the process, staff may also reach out to Adult Protective Services and social workers to seek additional assistance for the tenant.

SOCIAL SERVICES

The chart below outlines the number of hours and services provided by LifeSTEPS for the month of December for all AHA owned and managed, affiliate owned, and managed by The John Stewart Company (JSCO) sites.

Service	Participants	Hours
Individual Case Management	345	195
Education Classes	220	30
Community Building Enrichment Activities	101	33
Additional Services & Education	263	31

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 December:

Property	No of units	Households Served
Anne B. Diament	65	58
Independence Plaza	186	84
Esperanza	120	44

MAINTENANCE

Staff is currently working on follow up repairs from the annual HQS inspection at Esperanza. The first time pass rate for Esperanza was 51% which included a combination of owner and tenant related failed items. Tenant fails include items such as housekeeping issues, clutter/hoarding, and blocking the windows and entry ways.

The maintenance staff has also been preparing vacant units for leasing, handling daily routine maintenance requests, and performing emergency work orders as needed.

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

CAPITAL PROJECTS

The attached table (Attachment 2) summarizes Housing Authority budgeted Fiscal Year 2019-2020 capital projects currently underway.



FINANCIAL IMPACT

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

RECOMMENDATION

Accept the monthly overview report for Property Operations.

Respectfully submitted,



Lisa Caldwell
Director of Property Operations

VMC/all

ATTACHMENT:

1. Property Performance for the month of January
2. FY 2019-20 Capital Projects Update



ATTACHMENT 1

Month of January 2020

Property Name	Owned by	Managed by	Total units	Senior or Family	Manager units	Budgeted Gross Potential Rent	Tenant Rent Collected	Subsidy collected	Total Rent Collected	% collected
Independence Plaza	AHA	AHA	186	Senior	1	\$ 110,279.00	\$ 136,475.42	\$ 11,515.00	\$ 147,990.42	134.2%
Anne B Diamant	AHHC	AHA	65	Senior	1	\$ 94,972.00	\$ 23,509.00	\$ 70,048.00	\$ 93,557.00	98.5%
Esperanza	AHA	AHA	120	Family	1	\$ 330,004.00	\$ 67,740.35	\$ 241,450.00	\$ 309,190.35	93.7%
China Clipper	AHHC	AHA	26	Family	1	\$ 44,629.00	\$ 12,755.07	\$ 25,873.00	\$ 38,628.07	86.6%
Scattered Sites	AHA	AHA	34	Family	0	\$ 72,512.00	\$ 13,371.00	\$ 44,557.00	\$ 57,928.00	79.9%
Parrot Village and Gardens	AHA	AHA	58	Family	1	\$ 159,162.00	\$ 33,274.00	\$ 119,282.00	\$ 152,556.00	95.8%
Littlejohn Commons	ICD	JSCO	31	Senior	1	\$ 51,246.00	\$ 12,065.00	\$ 37,701.00	\$ 49,766.00	97.1%
Everett Commons	ICD	JSCO	20	Family	1	\$ 44,297.00	\$ 11,510.00	\$ 31,968.00	\$ 43,478.00	98.2%
Rosefield Village	AHA	JSCO	53	Family	1	\$ 95,405.00	\$ 4,567.00	\$ 13,806.00	\$ 18,373.00	19.3%
Eagle Village	AHA	JSCO	36	Family	1	\$ 91,972.00	\$ 20,602.00	\$ 65,030.00	\$ 85,632.00	93.1%
TOTAL			629		9	\$ 1,094,478.00	\$ 335,868.84	\$ 661,230.00	\$ 997,098.84	91.1%

Property Name	Owned by	Vacant units at month end	Vacancy rate %	Units offline for rehab	Vacancy rate excluding offline units	Move ins scheduled in next month	Anticipated move outs next month	Maintenance requests completed	Evictions pending with legal
Independence Plaza	AHA	6	3.2%	0	3.2%	3	0	106	
Anne B Diamant	AHHC	4	6.3%	0	6.3%	2	0	20	
Esperanza	AHA	3	2.5%	0	2.5%	1	1	127	
China Clipper	AHHC	0	0.0%	0	0.0%	0	1	6	
Scattered Sites	AHA	4	11.8%	4	0.0%	0	0	18	
Parrot Village and Gardens	AHA	0	0.0%	0	0.0%	0	0	37	
Littlejohn Commons	ICD	1	3.3%	0	3.3%	1	0	5	
Everett Commons	ICD	0	0.0%	0	0.0%	0	0	4	
Rosefield Village	AHA	46	88.5%	46	0.0%	0	0	12	
Eagle Village	AHA	1	2.9%	0	2.9%	1	0	34	
TOTAL		65	10.3%	50	2.4%	8	2	369	2

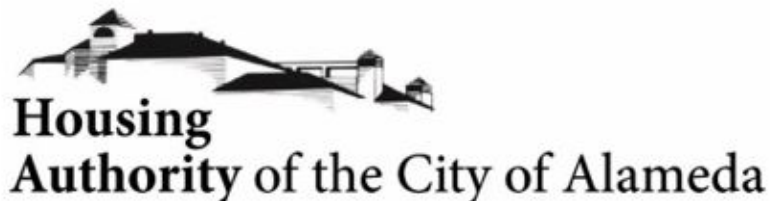
Attachment 2

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	Base scope work complete; staff currently reviewing site conditions to address additional plumbing items.
Esperanza	Sidewalks, Decks & Misc Site Work (lender required)	100,000	-	86,500	1/31/2020	3/31/2020	Estimates secured. Staff reviewing proposals & negotiating costs.
Lincoln House	Fire Damage	101,000	-	101,000	11/26/2019	4/15/2020	Staff coordinating with contractors to ensure procurement compliance.
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
Sherman 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

To: Honorable Chair and Members of the Board of Commissioners

From: Kathleen Mertz, Director of Housing and Community Development

Date: February 19, 2020

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

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 has posted the final Analysis of Impediments to Fair Housing Choice (AI) on the Housing Authority web site. Staff continue to work on the Five Year Strategic Plan and the Annual Action Plan, collectively referred to as the FY 2020-25 Consolidated Plan. The CDBG and HOME Notice of Funding Availability and Request for Proposals was released on January 15, 2020, and a pre-proposal workshop held on January 21, 2020. The deadline for applications is February 13, 2020. The NOFA materials can be found at http://www.alamedahsg.org/working_with_us/funding_opportunities.

HUD issued its final on-site monitoring letter for the CDBG 2019 monitoring visit. There were no findings or concerns as a result of HUD's review.

Inclusionary Housing and Below Market Rate (BMR) Programs

With the closing of 2101 Eagle Avenue, City Ventures Homebuilding, LLC satisfied its obligation to build seven (7) below market homes at 2100 Clement Avenue, formerly known as the Alameda Collection Project. Staff has prepared and the City Attorney's Office has approved the Full Release of the Affordable Housing Agreement for 2100 Clement Avenue, now known as Mulberry Townhomes.

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. ICD had a special meeting on January 15, 2019.

Staff worked with General Counsel to develop an ICD Procurement Policy. Because the predevelopment real estate activities are not typically funded with federal funds and ICD enters into contracts for the various professional consultants, General Counsel has advised creating a separate policy for ICD on procurement. The ICD Board has approved the use of AHA policies and procedures where none exist for ICD, but procurement and contracting authority were called out by General Authority as good policies to develop specifically for ICD. While it mirrors the limits for the Housing Authority, the ICD Board approved ICD specific purchasing authority on November 8, 2019. With the approval of an ICD Procurement Policy, the two Policies work together to clarify the contracting activities of ICD for the real estate activity. This has been included on the ICD Agenda for February 19, 2020. The ICD Board Report and Policy are attached for reference.

AHA is in the process of doing a comprehensive review of the Procurement Policy and Procedures, which will come to the Board in March 2020. In the event those changes affect the ICD Procurement Policy, staff will return to the ICD Board with updates.

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 continues to work 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 – The feasibility studies of two potential projects that were discussed in closed session is on hold temporarily. 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. A presentation about a Real Estate Development Business Plan is included in this month's board agenda in a separate report.

Asset Management

Staff remains to work closely with the finance department on the 2019 AHA audit. Staff is currently managing the transfer of Housing Authority properties to Alameda Affordable Housing Corporation (AAHC). A separate resolution memo is included on this month's agenda. Staff completed the field inspection at Independence Plaza with lender, Northmarq (loan servicer for the FNMA loan).

Staff is renewing the Alameda County Welfare Exemption Department renewal process for all properties with final property exemptions, including Anne Diament, China Clipper, Stanford House, Lincoln Willow, Littlejohn Commons, and Everett Commons.

Other Activities

As a part of the summer intern programs this past year, one of the interns put together a template to report on our housing achievements. This report was finalized in the fall and we are presenting it to the Board. Please see attached Housing Achievements Report.

RECOMMENDATION

Accept the Monthly Overview Report for Housing & Community Development.

Respectfully submitted,



Kathleen Mertz
Director of Housing and Community Development

Attachment:

1. 2018 Housing Achievements Report
2. ICD Board Report and Procurement Policy



2018 HOUSING ACHIEVEMENTS



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II. ACHIEVEMENTS

Looking Back at 2018

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III. STRATEGIC PLAN

Looking Forward to 2021

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IV. BUDGET

Sources and Expenses

SPOTLIGHT: EVERETT COMMONS

Affordable Housing for Families and Veterans



The project is located one block off Park Street on a parcel acquired from the Alameda Unified School District in 2014. Previously, the site had been used for several decades as Island High School, a continuation high school operated in modular school buildings. The original school building on the site was Everett School, which opened in 1891.

Everett Commons has 20 apartments: four one-bedroom units, 11 two-bedroom units and five three-bedroom units including one manager's unit. The apartments are a mix of flats and two-story townhomes. Of these, several are accessible to persons with disabilities; three are fully accessible and meet the seven principles of universal design. The units feature: wide paths of travel, lever hardware, accessible bath and kitchen, large bedroom size, wiring for audio and visual doorbells and accessible closets. Onsite property management and social services coordination is available to families throughout the year.

UNIT MIX

Bedrooms	#	sf
1	4	590
2	11	890-1160
3	5	1170-1350



PROGRAM AREAS

On August 6, 1940, the Alameda City Council passed a resolution establishing the city's need for low-income housing and a housing authority to administer such programs. Since that time, the **Housing Authority of the City of Alameda** has provided housing assistance to thousands of low-income households through our Housing Choice Voucher and Project-Based Voucher (also collectively known as Section 8) programs and by developing and managing rental properties.

We work with landlords, housing developers, and various nonprofit and governmental agencies to provide housing and related support services to as many eligible families as possible. AHA also provides community development services under contract to the City of Alameda for their CDBG, HOME, and other housing programs. We currently assist approximately 4,000 individuals with housing and are actively working to grow the number of units available in Alameda so that even more low-income individuals and families can be served.

MISSION

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

PROGRAM AREAS

A H A

- Administration
- Finance
- Human Relations

Section 8

- 1,500 participants
- Accepts Housing Choice Vouchers (HCV) and Project-Based Vouchers (PBV)

Property Management

- 620 units
- 170 partnerships

Housing Development

- New developments and redevelopment
- Pipeline projects:
 - Rosefield Village
 - North Housing

City Housing Programs

- CDBG- and HOME-funded projects
- Inclusionary Housing
- Rent Stabilization Program

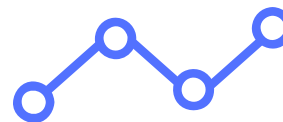
2018

ACHIEVEMENTS



Achieve Organizational Excellence

- Established HCV Management Roundtable
- Continued online on-demand staff training
- Eight internal promotions



Maximize Use of Housing Choice Voucher Allocation

- Section 8 Management Assessment Program (SEMAP) High Performer status for the last 4 years
- Strategic use of HUD 2-year forecasting tool to monitor leasing efforts & funding

SPOTLIGHT: INDEPENDENCE PLAZA

Affordable Housing for
Low-Income Seniors

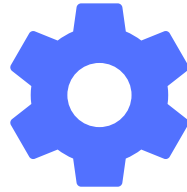
Independence Plaza was completed in 1990 and includes 186 senior apartments, including one manager's unit. It is restricted to low- and moderate-income seniors

In 2018, we **renovated 20 units, common area entrances, parking, and various paths of travel** at Independence Plaza. The underlying purpose of the project was to improve resident quality and support the opportunity to age in place for our senior residents.



- Intercom system upgrade
 - ADA-accessible doors, fobs, and paddles
- ADA-accessible bathrooms
 - Lavatory, toilet, grab bars
- ADA-accessible kitchens
 - Appliances, cabinets, work surfaces
- Non-slip flooring

ACHIEVEMENTS



Improve Quality of Life of Residents

Capital improvements

- Improve safety, accessibility, energy, water efficiency

Social services support

- Farmers' Market @ Independence Plaza, Anne B. Diament, Esperanza
- 20 units rehab for ADA @ Independence Plaza

3rd Party interpretation & translation services for Limited English Proficiency (LEP) individuals



Improve Environmental Impact

Pilot program for free transit passes at 10 properties under contract with City and AC Transit

Participation in city-wide recycling & compost programs

Participation in green building certification programs



Maintain & Improve Data Integrity and Collection

Annual recertification for HCV holders completed online

Cyber Awareness training for all staff



Expand Housing Choice

The Inclusionary Housing Program yielded 37 units that were either rented or sold to eligible households

Awarded 5 New VASH Vouchers

Provided \$500 incentive to private landlords who participate in Section 8

ACHIEVEMENTS



Expand Housing Choice

51

senior & family affordable
housing units completed



92

affordable family housing
units in development
pipeline



12

acres of future
redevelopment on Navy
land



15,000

rental units served by
Rent Program

STRATEGIC PLAN

1

**AHA Works with
Community Partners to
Optimize Affordable
Housing and Services for
the Alameda Community**

2

**AHA Uses
its Resources
Efficiently**



3

**AHA Retains
and Recruits
Excellent Staff**

4

**AHA is Financially
Prepared for Future
Challenges**

HOUSING INITIATIVES

Affordable Housing

- Increase availability of affordable rental housing for extremely low (30% AMI), very-low (50% AMI), and low (80% AMI), income households.
- Preserve existing affordable rental and ownership for households at or below 80% of the area median income (AMI).
- Reduce housing discrimination.

Homelessness

- Increase housing opportunities for homeless and extremely low-income households.
- Deliver support services to promote stability and independence.
- Measure success and report outcomes.

Other Special Needs

- Increase the availability of service-enriched housing for persons with special needs.
- Meet or exceed HUD minimum mandates for fully ADA accessible units in new housing developments.



SPOTLIGHT:

LITTLEJOHN COMMONS

Affordable Housing for Low-Income Seniors

Littlejohn Commons is a new construction, universal design property located adjacent to the historic Del Monte Warehouse. The property includes 30 senior apartments, plus one manager's unit, in a three-story building. The building wraps around a central courtyard and community garden.

This transit-oriented rental property includes on-site property management and resident services, car and bicycle parking, common laundry, security cameras, and green building design and construction techniques. Additionally, it is located within one block of the new Jean Sweeney Open Space Park and four blocks from the Mastick Senior Center, making it an excellent location for Alameda's newest senior community.

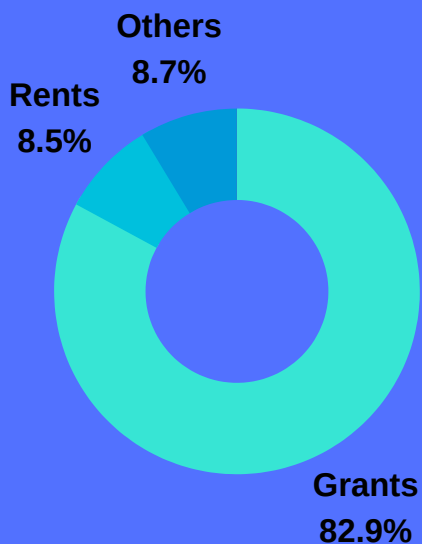


UNIT MIX

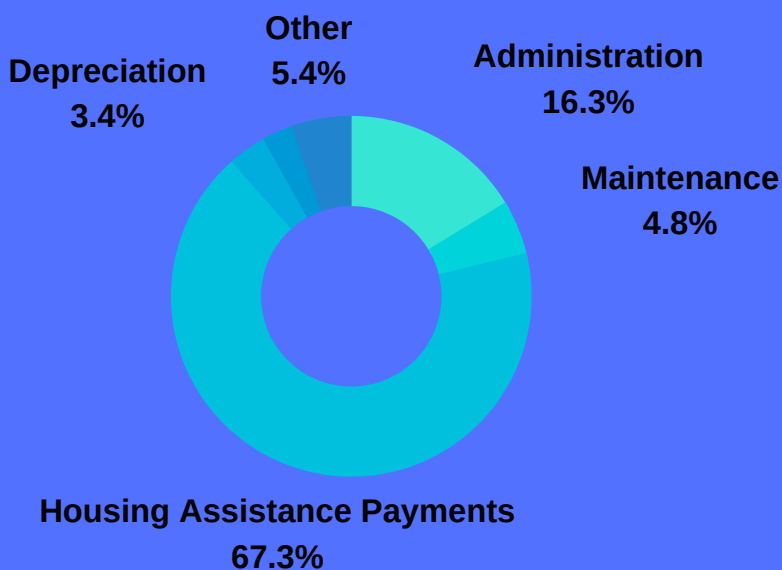
Bedrooms	#	sf
1	30	580-750
2	1	880

BUDGET

Sources of Revenue



Annual Expenses



Additional Remarks

Data represented here is from the **Housing Authority of the City of Alameda 2018 fiscal year audit**, available on the Housing Authority website.

The primary sources of **revenue** for 2018 were governmental grants including Housing Choice Voucher Program (Section 8) Housing Assistance Payment (HAP) and rents collected from the Authority's owned units.

The major program **expenditure**, as reflected in the Combined Statement of Revenues, Expenses, and Changes in Net Position, was for Housing Assistance Payments. The increased proportion of Housing Assistance Payments compared to FY 2017 is due to additional funds provided by the United States Department of Housing and Urban Development ("HUD") to meet new Project Based Vouchers at two new properties and to address a shortfall in HAP as rents for existing vouchers increased over the year.





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701 Atlantic Avenue
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ISLAND CITY DEVELOPMENT**ITEM 4A**

To: Board of Directors, Island City Development

From: Kathleen Mertz, Director of Housing and Community Development

Date: February 19, 2020

Re: Adopt the Procurement Policy for Island City Development

BACKGROUND

Island City Development (ICD) was established to support the real estate development and housing production efforts of the Housing Authority of the City of Alameda (AHA). To that end, ICD has a Consulting Services Agreement with AHA for the use of staff and resources to carry out the real estate activities because ICD does not have employees. Additionally, ICD relies on AHA policies and procedures to implement its programs where an ICD Board adopted policy does not exist. ICD has not yet adopted a Procurement Policy.

DISCUSSION

As part of the real estate activities carried out by ICD, staff engage consultants to perform a variety of reports and studies for upcoming projects. In general, for contracts not paid for using federal funds, ICD is not required to follow federal purchasing and contracting rules. However, ICD is required to assure that ICD purchasing actions comply with all applicable federal, state, local laws and any other applicable funding programs assisting the real estate project. The attached ICD Procurement Policy establishes guidelines to ensure that ICD's purchasing and contracting functions are competitive, flexible, and efficient, and that ICD maintains prudent internal controls. The Procurement Policy is separate from the ICD Purchase Authority Policy, adopted November 8, 2019. The Procurement Policy was developed in coordination with, and reviewed by, General Counsel.

FINANCIAL IMPACT

None.

RECOMMENDATION

Adopt the Procurement Policy for Island City Development.

Respectfully submitted,



Kathleen Mertz
Director of Housing and Community Development

Attachment: ICD Procurement Policy



ISLAND CITY DEVELOPMENT PROCUREMENT POLICY

All procurements made by ISLAND CITY DEVELOPMENT (ICD) will be made in accordance with the procurement standards detailed below.

Procurement transactions will maximize open and free competition while ensuring the financial stability of ICD. ICD shall not engage in procurement practices that may be considered arbitrary or restrictive.

I. GENERAL

ICD will:

- Provide a procurement system of quality and integrity;
- Make all feasible efforts to ensure that small and minority-owned businesses, women's business enterprises, and disabled veteran businesses are used when possible;
- Provide for the fair and equitable treatment of persons or firms involved in ICD procurements;
- Ensure that supplies and services (including construction) are procured efficiently, effectively, and at the most favorable prices available to ICD;
- Promote competition in contracting; and
- Assure that ICD purchasing actions are in compliance with all applicable federal, state, local laws, and any other applicable funding programs assisting a particular project or activity.

II. METHODS FOR PROCUREMENT

Procurements shall be made using one of the following methods: (a) small purchase procedures, (b) competitive negotiations, and (c) non-competitive negotiation.

A. Small Purchases

1. Micro purchases. For purchases up to \$2,000 a minimum of only one quote is required provided that the quote is considered reasonable. The reasonableness may be determined based on catalog price, market research, experience or past purchase. To the greatest extent feasible and to promote competition, requests for quotes for small purchases should be distributed among qualified sources. Quotation for small purchases could be obtained by fax, email, or mailed correspondence.

2. Small purchase dollar limits. Purchases of supplies, equipment, and services that cost between \$2,001 and \$100,000 require written estimates. ICD will solicit written responses from at least three vendors and, if no such responses are available, a statement explaining the procurement will be prepared and filed.

B. Competitive Negotiations

ICD will use competitive negotiations when the supplies, equipment, or services have a budget exceeding \$100,000.

1. Request for Proposal

A Request for Proposal (RFP) will be prepared and posted on ICD's and/or the Housing Authority's website. It may also be emailed to at least three (3) potential vendors. The RFP will describe services needed and identify the factors to be considered in the evaluation of proposals. Requests for proposals will always include cost as one of the evaluation criteria for selection.

Award must be made to the vendor whose written proposal is determined by the ICD to be the most advantageous to ICD. Evaluations must be based on the factors set forth in the Request for Proposal and an evaluation of each response must be prepared. The review committee, approved by the President or their designee, may contact the firms regarding their proposals for the purpose of clarification and record in writing the nature of the clarification. If it is determined that no acceptable proposal has been submitted, the received proposals may be rejected and the RFP may be cancelled and reissued. New proposals may be solicited on the same or revised terms or the procurement may be abandoned.

2. Request for Qualifications

For the procurement of certain professional services a Request for Qualifications (RFQ) may be used. RFQs are handled in a similar method to RFPs with the exception that cost is not a factor in the initial evaluation. An RFQ will be prepared and posted on the Housing Authority's website. It may also be emailed to at least three (3) potential vendors. The RFQ will describe services needed and identify the factors to be considered in the evaluation of proposals. The review committee, approved by the President or their designee, will evaluate the responses and rank them by comparative qualifications. The highest scoring person or firm will be contacted to negotiate cost. If the President, or their designee, is unable to negotiate a satisfactory cost arrangement, the second highest scoring person or firm will be invited to negotiate. The President, or their designee, will maintain a written record of all such negotiations.

3. General Contractor Selection for Contracts over \$500,000

ICD will use an RFQ to select General Contractors to provide pre- construction and general contracting services for construction projects with a budget exceeding \$500,000.

The General Contractor competitive selection process will take place in two phases:

Phase I:

A review panel approved by the President, or their designee, will evaluate all submissions of qualifications based on scoring criteria that will be included in the RFQ. Scoring will take into account the General Contractor's experience and the experience of individual staff assigned to the Project. After verification of scoring a "short list" will be announced naming three or fewer applicants who will proceed to Phase II of the selection process. References can be checked to help inform the selection of firms for the short list.

Phase II:

Short-listed General Contractors will be interviewed by the selection panel. Short-listed General Contractors will be provided with the interview questions and interview scoring criteria prior to the interviews. Short-listed General Contractors will also be required to submit for evaluation a proposed fee including general condition costs, overhead and profit, and documentation supporting their experience with plan review and cost estimating.

The selected General Contractor will be the highest scoring applicant from Phase I and II combined, based on qualifications submitted, reference calls, and interviews. This General Contractor will be selected to join the design/construction team, provide pre-construction services, and conditionally enter into a negotiated construction contract.

C. Noncompetitive Negotiations

Noncompetitive negotiations may be used for procurements when competitive negotiations are not feasible. ICD may purchase goods and services through non-competitive negotiations when it is determined in writing by the President, or their designee, that competitive negotiation or bidding is not feasible and that:

1. An emergency exists that threatens the health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the ICD, as may arise by reason of a flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate need for supplies, services, or construction such that the need cannot be met through any other procurement methods, and the emergency procurement shall be limited to those supplies or services necessary to meet the emergency, or
2. The product or service can be obtained only from one source, or
3. The contract is for the purchase of perishable items purchased on a weekly or more frequent basis, or
4. Only one satisfactory proposal is received through RFP or RFQ.
5. The President or their designee determines it is in the best business interest of ICD and/or its residents.

Procurement by noncompetitive negotiation requires the strictest attention to the

observation of impartiality toward all suppliers. The President must approve all procurements by non-competitive negotiation when only one supplier is involved or only one bid or response to an RFP/RFQ is received.

ICD may negotiate a contract with a vendor who has been competitively selected through a Housing Authority procurement process, or another competitive procurement process, without having to undergo a duplicate competitive selection process.

III. CONTRACTS

ICD shall require assurance that, before entering into a contract, the price is reasonable. A comparison with other offers shall generally be sufficient determination of the reasonableness of price and no further analysis is required. If a reasonable number of quotes are not obtained to establish reasonableness through price competition, the President or their designee shall document price reasonableness through other means, such as prior purchases of this nature, catalog prices, the personal knowledge at the time of purchase, comparison to the budget, or any other reasonable basis.

Generally, all procurements in excess of \$2,000 will be memorialized and supported by a written contract. Where it is not feasible, inapplicable, or is impractical to prepare a contract, a written finding to this effect will be prepared and some form of documentation regarding the transaction will also be prepared.

All contracts will contain language that allows ICD the opportunity to cancel any contract for convenience or for cause. . Said cause shall include (but not be limited to) demonstrated lack of ability to perform the work specified, unwillingness to complete the work in a timely fashion, cancellation of liability insurance or worker's compensation, failure to pay suppliers or workers, unsafe working conditions caused by the contractor, failure to comply with federal, state, or local wage laws (where applicable), failure to keep accurate and timely records of the job, or failure to make those records available to ICD's associate or partner (on request) or any other documented matter which could cause a hardship for the ICD if a claim should arise or the work not be completed on schedule at the specified cost.

The President is authorized to approve contract modifications (i.e., change orders, addendums) not to exceed the cumulative authorization limit. A contract modification that raises the cumulative total of the procurement to an amount exceeding the President's authorization limit, requires approval by the Board of Directors.

See ICD's Purchase Authority Policy for details about approval limits to enter into contracts.

ICD purchasing and contracting will comply with local, state and federal regulations applicable to recipients of Section 8 Project-based Voucher assistance, and any

other applicable funding programs assisting a particular project or activity.

IV. DOCUMENTATION

All source documents supporting any given transaction and outreach activities (receipts, purchase orders, invoices, RFP/RFQ data and bid materials) will be retained and filed in an appropriate manner. At a minimum, source document data must be sufficient to establish the basis for selection, basis for cost, (including the issue of reasonableness of cost), rationale for method of procurement and selection of contract type, and basis for payment.

V. LOCALLY OWNED, MINORITY-OWNED, FEMALE-OWNED AND SMALL BUSINESSES

Efforts will be taken to identify and solicit participation of locally owned, minority-owned, female-owned and small businesses; however, it will not be the determining evaluating criteria when selecting a vendor to provide services or materials.

VI. CODE OF CONDUCT

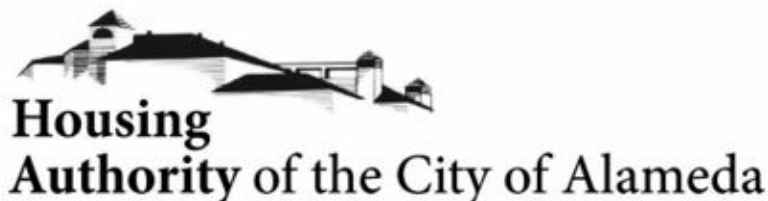
No ICD director, officer, consultant, or designated agent of ICD will take part or have an interest in the award of any procurement transaction if a conflict of interest, real or apparent, exists. A conflict of interest occurs when the official, employee or designated agent of ICD, partners of such individuals, immediate family members, or an organization which employs or intends to employ any of the above has a financial or other interest in any of the competing firms. ICD directors and officers are subject to a conflict of interest policy.

No ICD director, officer, consultant or designated agent of ICD may acquire a financial interest in or benefit in any way from any activity which uses any portion of ICD funding, nor shall they have any interest in any contract, subcontract or agreement for themselves or any family members.

VII. APPEALS AND REMEDIES

Vendors wishing to contest the selection process or results will have five (5) business days from the date of notice of the final selection to submit written complaints to the President. Thereafter, The President has 10 business days to respond in writing to the complaint.

Adopted by the Board of Directors on February 19, 2020.



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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
 From: Kathleen Mertz, Director of Housing and Community Development
 Date: February 19, 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 expired on January 14, 2020 and all households living in units to be demolished have found permanent alternate housing except one. Following that, AHA provided an additional 90-day extension of permanent relocation benefits for all households, which expires April 22, 2020. AHA continues to work with Paragon to find alternate permanent housing. An update on the relocation status through January 31, 2020 is below:

Total Units	Vacant Units	Moves Completed	Currently Occupied	Remaining Units to Permanently Relocate	Remaining Units to Temporarily Relocate
53	46	28	7	1	5 +1 manager



Honorable Chair and
Members of the Board of Commissioners

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The design team submitted responses to the City's plan check comments. Staff and the team are working to put together the Request of Proposals for General Contracting services to be released in late February. Construction is expected to start in June 2020.

Rosefield received a conditional preliminary reservation of Low-Income Housing Tax Credits from the California Tax Credit Allocation Committee on January 15, 2020 and is on the agenda to receive a tax-exempt bond allocation on February 12, 2020. The Request for Proposals for Debt and Equity was released on January 29, 2020.

FINANCIAL IMPACT

As of October 2018, the Board approved a construction/permanent loan of up to \$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. Now that a funding award is in place, staff will be reviewing all costs need to get to the construction loan closing in June 2020 and may come back to the Board with a predevelopment loan request in March.

The chart below summarizes expenses through January 2020.

Rosefield Village

Pre-development Loan from AHA	\$ 2,000,000
Usage through January 2020	\$ 1,884,254
Balance	\$ 115,746

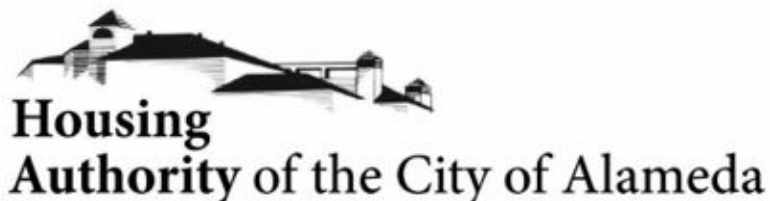
RECOMMENDATION

Accept the Monthly Development Report for Rosefield Village.

Respectfully submitted,

Kathleen Mertz
Director of Housing and Community Development





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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
 From: Danielle Thoe, Management Analyst
 Date: February 19, 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.

DISCUSSION

Site security at North Housing has progressed. All squatters have moved off the site and security has shifted focus to the occasional trespasser or individual using the site as a cut-through. The boarding of all windows and doors is complete. The contractor will complete boarding of utility closets by the end of February. Fencing of the entire site has been completed and additional access gates have been installed. Staff have installed locks on all gates to secure the site. Carmel Partners anticipates completion of Singleton Ave. by the end of February and Mosley Ave. to follow in March.

The ICD Board approved at its January 2020 meeting for staff to move forward with a contract with Carmel Partners to manage the building demolition. Staff drafted a contract for that agreement which is under review by AHA's legal counsel. As noted in the January ICD Board report, due to the increase in demolition costs since demolition funds were



approved in October 2018, staff may return to the AHA Board May or June to request additional funding for demolition once Carmel's bid for subcontractors has concluded.

Staff hosted a January coordination meeting with Partners, APC and Building Futures. Through the meeting and subsequent review by staff and board members from each organization, all three have signed off on the Development Plan Application to be submitted to the City. Staff scheduled final review meetings with City Planning Department staff and anticipate that the Development Plan Application will be submitted by the end of February. Staff anticipate the project will go before the Planning Board in late April or early May. The Partners continue to discuss amendments and updates to the original MOU based on changes to the overall project and housing climate since the original document was signed.

One recent City policy update affects the process under which staff plan to submit the North Housing Development. Government Code 65913.4 (known as SB 35) provides for the streamlined, ministerial approval of projects compliant with all objective standards, including objective design standards. In an effort to identify these standards, the City developed an "Objective Design Review Standards" document, which was adopted by the Planning Board at its February 10, 2020 meeting. Staff submitted comments to the City and spoke at the meeting regarding concerns over the document. Included was a legal opinion from North Housing's land use legal counsel pointing out areas of the document which add additional cost and/or uncertainty to the development of affordable housing, and other areas which may not be compliant with state law. One main provision of the City standards requires new developments to reflect the pre-1942 character of surrounding buildings. As there are no pre-1942 buildings nearby to North Housing, staff and legal counsel do not believe it will impact the North Housing project. Staff will continue to work with City staff to further understand the standards, with an eye towards future AHA development throughout the City.

Staff continues to look for funding sources for both the infrastructure and first development project at North Housing. Staff have submitted a response to Alameda County's Request for Interest (RFI) for its state Homeless Housing, Assistance, and Prevention (HHAP) Program funds. This response communicates to the County what programs could be potentially funded and a formal RFP for funding will follow. Staff have also submitted a HOME funding application to the City of Alameda.

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.



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 chart below summarizes expenses through January 2020.

North Housing

Pre-development Loan from AHA	\$	3,700,000
Usage through January 2020	\$	421,607
Balance	\$	3,278,393

North Housing Carrying Costs \$ 168,112

RECOMMENDATION

Accept the Monthly Development Report for North Housing.

Respectfully submitted,



Danielle Thoe
Management Analyst



701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Kathleen Mertz, Director of Housing and Community Development

Date: February 19, 2020

Re: Approve Purchase of Defaulted or Resale BMR Homeownership Units, Authorize Executive Director, or designee, to Negotiate Price and Terms up to the Affordable Sales Price Plus Related Legal Costs and Fees, and Approve Assignment of the Purchase Rights to Alameda Affordable Housing Corporation

BACKGROUND

Under the City's Inclusionary Housing Ordinance, market rate developers are required to build affordable homes (for rental or homeownership) and to encumber those units with an affordability covenant. When the Housing Authority received the Housing Assets from the City upon dissolution of the redevelopment agency in 2012, it also assumed responsibility for monitoring and enforcing affordability covenants on housing developed pursuant to the Ordinance. Additionally, under the affordability covenant, the Housing Authority also assumed the option to purchase the property following a notice of default.

In November 2016, the Board approved the purchase of a Below Market Rate (BMR) home in Marina Cove after the lender filed a Notice of Default with the existing moderate-income homeowner. At that same meeting, the Board authorized the Executive Director to proceed with the repurchase of any BMR unit that is in Default or for Sale, up to the maximum affordable housing sales price. However, this approval was conditioned to sunset after two years.

DISCUSSION

Another BMR unit has had a Notice of Default issued, and while it appears the homeowner may be able to cure, the Housing Authority sent a letter of intent to exercise the option. However, prior Board approval to proceed further with the repurchase has expired so staff is returning for approval to purchase defaulted or resale BMR homeownership units.

This approval request is only related to defaulted or resale units which have been issued a Notice of Default from the lender. The goal is to not let the unit go through foreclosure and have the affordability covenant jeopardized by the foreclosure. When a Notice of Default is issued, there is a sense of urgency to issue a letter to exercise the option and put a plan in place to negotiate price and terms. This approval, predicated upon prior



Honorable Chair and
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Board support for this protocol, would allow the Executive Director, or designee, to proceed with urgency. The Executive Director would inform the Board of any intent to exercise the option purchase no later than the Board meeting following sending the letter so that the Board is informed of a potential purchase.

Additionally, staff seeks Board approval to assign the right to purchase the BMR units to Alameda Affordable Housing Corporation (AAHC). This aligns with the intent to have AAHC serve as title holding corporation for AHA properties so that AHA maintains compliance with HUD guidance on all Housing Assistance Payment (HAP) contracts. See prior the real property transfer authorization Board report from February 21, 2018 for more details on this HUD guidance. Like all prior property transfers to AAHC, AHA would make a seller loan and record an affordability covenant, subject to City approval under the Inclusionary Housing affordability covenant. The exact transaction details would return to the Board for an Authorizing Resolution once the final price and terms have been negotiated.

FINANCIAL IMPACT

The total purchase price is capped at the Affordable Sales price for the BMR unit, depending upon if it is designated a Very-Low, Low, or Moderate Income homeownership unit. Additional legal fees, title policy, recording costs, and escrow fees depend upon the size of the seller loan and the complexity of the transaction. As discussed above, the details of the transaction would come back for Board approval prior to purchase execution.

Acquisition funds for defaulted or resale BMR units would come from AHA unrestricted reserves, or other sources as available.

RECOMMENDATION

Approve Purchase of Defaulted or Resale BMR Homeownership Units, Authorize Executive Director, or designee, to Negotiate Price and Terms up to the Affordable Sales Price Plus Related Legal Costs and Fees, and Approve Assignment of the Purchase Rights to Alameda Affordable Housing Corporation

Respectfully submitted,



Kathleen Mertz
Director of Housing and Community Development



701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Louie So, Director of Finance

Date: February 19, 2020

Re: Accept the Finance and Budget Variance Report for December 31, 2019

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 December 31, 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. Pension and OPEB (Other Post Employment benefits) FY 2019 audit adjustments are not in the 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.

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 \$986,353 (4.13%), operating expenses are below budget by \$1,221,254 (5.38%), and net income (before depreciation) is higher than budget by \$234,901. Rosefield and Eagle Village income and expenses are 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 \$382,285 of revenue that is under budget represents MOU pass-through reimbursements with a corresponding expense offset. This will be further discussed below.



Operations Budget - Revenue

Year-to-date - Rental income (Total Tenant Revenue) of \$6,078,313 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 \$467,224 or 7.14%,

The total of Tenant rental income and the Tax Increment Payment is under budget \$35,267. HAP received for AHA properties is lower than budget by \$385,467 (9.66%), while vacancy is above budget by \$54,180. 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, with the exception of Rosefield.

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

Rosefield Village is one significant reason for the loss of income. Lower rental income is anticipated for the year due to tenant relocations and vacancies from the planned rehabilitation of the property. At this time, less than a third of tenants remain on site. The budget estimated 50% occupancy. However, YTD actual vacancy loss at this property is \$186,422 lower than budget. 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	Dec-19	Total year to date
Actual Vacancies	43,845	46,601	56,831	60,915	60,915	67,095	336,202
Budgeted Vacancies	24,965	24,963	24,963	24,963	24,963	24,963	149,780

Occupancy at Independence Plaza is improving though ongoing vacancies continue to occur due, mostly to illness or the passing away of the tenant. At the end of December, there were six vacancies. The expectation is that there will be less than five vacancies by the end of February 2020.

Other Income is \$481,571 less than year-to-date budgeted 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 was paid from Island City Development ("ICD") per the executed Services Agreement between ICD and AHA in December 2019. Billed, and listed below is a total of \$141,731 of which \$41,731 is outstanding from the City of Alameda.



Honorable Chair and
Members of the Board of Commissioners

February 19, 2020
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For RSP, additional landlord database work has been billed and reimbursed on a monthly basis. It is anticipated that the 2020 monthly reimbursements will be below trend due to a staff resignation, effective December 2019. The amount of \$106,245, listed below was billed and is outstanding from the City of Alameda.

Billings	FY 19-20 Budget	Budget - Monthly Basis	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
HCD	1,024,812	85,401	35,836	41,006	40,469	43,095	51,960	141,731
RSP	1,110,000	92,500	62,222	75,060	71,202	73,188	90,233	106,245*

Administrative Fee income from HUD is slightly lower than the year-to-date budget by \$17,291 (1.96%). 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 \$1,392,722 for the period year-to-date (higher than budget by \$234,901).

Total operating expenses are lower than the year-to-date budget by \$1,221,254 (5.38%). 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.).

Police Services is under budget by \$35,288, as only services through August 2019 was billed through December 2019. This is a timing difference, and an additional \$52,500 paid in January 2020 for calendar year Q4 activity. Furthermore, in January 2020, additional expenses of \$22,907 were incurred for security coverage for staff vacancies.

HCD, Finance, and Property Operations staff meet monthly to review the financial statements to monitor actuals versus budget amounts.

Total Utilities are lower than budget by \$99,996, which is attributed to a classification of sewer charges to "9160131 Tax & Government Fees" as City of Alameda charges for actuals of \$85,338. When accounting for that adjustment, Total Utilities are under budget by \$14,658, which is due mainly to electricity and garbage paid in arrears.

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.



Honorable Chair and
Members of the Board of Commissioners

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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 \$73,036 (0.49%) higher than budget.

Shelter Plus Care revenue is paid in arrears by the Alameda County Housing and the Community Development department. The total amount outstanding is \$71,756 for November and December activity. When this amount is received from the County, actual will be on par with December YTD budget.

Staff continues to make progress on \$202,396 in accounts receivable for port-in billings from other public housing authorities. Port-In billing collections was not budgeted in the FY 2019 budget process.

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 \$316,146 (2.10%). Staff is working closely with HUD to monitor HAP revenue and expenditure, as well as the federal budget process to ensure sufficient cash flow for the program.

Staff is increasing contract rents at the sites, with the exception of Independence Plaza.

Statement of Net Position

The Housing Authority has adequate cash resources for operations. As of December 31, 2019, AHA, AAHC and its affiliates have \$7.7 Million in cash, and \$19.4 Million held in LAIF and CAMP. The quarterly Investment Memorandum for the month ended December 31, 2019 is presented separately.

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 issued IRS Form 1099 in the month of January 2020 and is working on the preparation of the transfer of Independence Plaza from AHA to AAHC in Calendar Q1 2020.

Audit and Tax



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AHA

The financial auditor, Citrin Cooperman, began preliminary work for the audited financial statements for the fiscal year ended June 30, 2019 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.

Citrin Cooperman are nearing completion of the draft audited financial statements and these will be presented in the March 2020 Board of Commissioners meeting.

The final FY 2019 FDS submission is due to HUD's Real Estate Assessment Center by March 2020.

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. Citrin Cooperman has been engaged to complete these tax returns.

Island City Development

AHA is working with Holthouse, Carlin & Van Tright LLP for 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 draft financial statements and tax returns of the LPs to the tax credit equity investors by the stipulated due date of February 2020.

Additionally, various LLC affiliates have tax filing requirements throughout the year, including the tax extension deadline of March 15, 2020. These LLC affiliates have minimal activity.

Unfunded Pension Liabilities

Further discussions on the Unfunded Pension liabilities will be brought to the Board of Commissioners Board Meeting in Q2 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.



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Additionally, updates to certain revised property budgets will be presented to the Board of Commissioners for approval.

Banking Activities

The following bank accounts were closed in the month of February. This will reduce both, bank fee costs to AHA and its affiliates and the work managing these bank accounts.

<u>ENTITY</u>	<u>BANK INSTITUTION</u>	<u>REASON</u>	<u>DATE CLOSED</u>
Rosefield Village	US Bank	No activity. Operating activity consolidated with Citibank Operating Account.	February 2020
Anne B Diament Operating Acct	US Bank	No activity. Existing Operating Activity in Alameda Affordable Housing Corporation Account	February 2020
Island City Development MMKT	US Bank	No activity. Consolidated with Island City Development Operating Account.	February 2020

RECOMMENDATION

Accept the Budget Variance Report for July 1, 2019 through December 31, 2019.

Respectfully submitted,



Louie So, CPA
Director of Finance

Attachments:

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



Balance Sheet

Period = Jul 2019-Dec 2019

Book = Accrual

		Balance
		Current Period
1000000	ASSETS	
1100000	CURRENT ASSETS	
1101000	CASH	
1110010	Cash - Unrestricted	4,811,077.53
1110012	Cash - Reserve for Building	78,450.83
1110013	Cash - Reserve for 3rd Party Managed Buildings	1,123,471.94
1110014	Cash - Reserve for Equipment	2,152.00
1110018	Cash - Operating Checking with 3rd Party	726,090.40
1110019	Petty Cash with 3rd Party	200.00
1110020	Cash - Petty cash	250.00
1110021	Cash - Benefit Account	91,027.31
1110030	Cash - FSS	166,950.03
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	44,960.00
1199000	TOTAL CASH	7,748,060.29
1200000	ACCOUNTS RECEIVABLE	
1210000	Accounts Receivable - PHA	0.00
1240010	Accounts Receivable - Government	797,049.94
1240050	HAP Rent Receivable	53,775.88
1250010	Accounts Receivable - Other	670,129.68
1250050	Accounts Receivable - 3rd Party Management	29,860.33
1255000	Subsidy Suspense Receivable	-28,160.84
1260000	Accounts Receivable - Tenant	477,597.80
1260050	Accounts Receivable - Tenant Rent with 3rd Party	20,456.87
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	1,986,559.81
1300000	INVESTMENTS AND OTHER CURRENT NOTES	
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
1350023	PFM-Accured Interest	-130.02
1350031	Investments - CAMP	8,321,855.64
1350100	Mortgage Receivable	26,184,324.24

Balance Sheet

Period = Jul 2019-Dec 2019

Book = Accrual

		Balance
		Current Period
1350103	Mortgage Receivable-Jack Capon L. P.	124,425.83
1350105	Loan Receivable-Security Deposit Loan	92,569.00
1350106	Loan Receivable - ICD	15,329,430.00
1350107	Loan Receivable-RCD/Stargell/Tri Pointe	2,000,000.00
1350109	Loan Receivable - Section 8	1,790,000.00
1360000	TOTAL INVESTEMENTS AND OTHER CURRENT NOTES	65,437,314.22
1400000	PREPAID EXPENSES	
1420010	Prepaid Insurance - Property	24,011.04
1420020	Prepaid Insurance - Liability	17,042.35
1420030	Prepaid Insurance - Auto	2,052.39
1420040	Prepaid Insurance - Worker Comp	29,624.95
1420050	Prepaid - Other	90,115.87
1420051	Prepaid Rent	14,400.00
1420070	Escrow Deposits - Property	84,521.20
1420075	Escrow Dep. PNC Hedge Res.	69,545.89
1430000	Inventories	11,585.92
1430010	Replacement Reserve-NorthMarq Loan	542,432.83
1430020	Reserve for Replacement NorthMarq	524,128.98
1440099	TOTAL PREPAID EXPENSES	1,409,461.42
1440105	INTERPROGRAM	
1440110	Interprogram (Due From)	108,723.69
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

Balance Sheet

Period = Jul 2019-Dec 2019

Book = Accrual

		Balance
		Current Period
1440810	Interprogram Due From Independence Plaza	610.59
1440899	TOTAL INTERPROGRAM	576,145.02
1500000	TOTAL CURRENT ASSETS	77,157,410.74
1590000	LONG TERM ASSETS	
1600000	FIXED ASSETS	
1609999	LAND AND BUILDINGS	
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	14,374,974.52
1660030	Accumulated Depreciation	-29,130,910.92
1660060	Accumulated Depreciation - 3rd Party	-532.61
1699000	TOTAL FIXED ASSETS	77,660,229.19
1800000	DEFERRED OUTFLOW	
1800200	Deferred Outflow of Resources	2,484,436.69
1890000	TOTAL DEFERRED OUTFLOW	2,484,436.69
1900000	CONSTRUCTION IN PROGRESS	
1900100	CIP - On Site Improvement	-381.10
1900210	CIP - Architectural & Engineering Fees	195.00
1900230	CIP - Professional Services (Other)	17,208.00
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	41,592.80
1929999	TOTAL LONG TERM ASSETS	80,186,258.68
1999999	TOTAL ASSETS	157,343,669.42
3000000	LIABILITIES AND EQUITY	
3005000	LIABILITIES	
3100000	CURRENT LIABILITIES	
3100500	ACCOUNTS PAYABLE	
3120010	Accounts Payable<= 90 Days	238,618.91
3120011	Accounts Payable -CALPERS (employee portion)	271.04
3120012	Accounts Payable-Health Insurance (employee portion)	24.13
3120014	Accounts Payable-Garnishment (employee portion)	-128.50
3120015	Accounts Payable-Vision Insurance (employee portion)	861.53
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)	11,614.95

Balance Sheet

Period = Jul 2019-Dec 2019

Book = Accrual

		Balance
		Current Period
3120021	Employees Cobra	136.90
3120022	Accounts Payable-PERS 1959 Surv(Employee Portion)	40.92
3120023	Accounts Payable-FSA Transit Plan	1,296.80
3120024	Accounts Payable FSS	78,659.34
3120026	Accounts Payable FSS Interest	20.67
3120029	Accounts Payable - 3rd Party Management Company	21,374.52
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
3120070	Accrued Payables	10,965.34
3120075	Accrued Accounts Payable - 3rd Party Management	123,992.32
3330010	Account Payable - Other Government	0.00
3330020	Account Payable - HUD	0.00
3330100	Tenants- Rents Payable	9,900.00
3339000	TOTAL ACCOUNT PAYABLE	643,990.07
3400000	SECURITY DEPOSITS HELD	
3410010	Tenant Security Deposits	553,321.42
3410015	Tenant Security Deposits - held with 3rd Party Management	42,075.00
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	671,320.28
3419900	OTHER LIABILITIES	
3420000	Prepay Tenant Rent	92,039.01
3421000	Prepay Tenant Rent - 3rd Party Management	2,308.68
3425000	Unearned Revenue	561,397.00
3426000	Prepaid Ground Lease Rent	3,410,000.00
3430000	Current Portion of Long Term Debt - Capital Projects	336,068.87
3449000	TOTAL OTHER LIABILITIES	4,401,813.56
3470000	INTERPROGRAM	
3470050	Interprogram (Due to)	72,571.28
3470110	Interprogram Due To General Fund	488,219.12
3470601	Interprogram Due To Anne B Diamant Plaza	19,786.00
3470710	Interprogram Due To Section 8 Vouchers	0.00
3471000	Due To/Due From Suspense Account	-38,797.06
3480000	TOTAL INTERPROGRAM	541,779.34
3499000	TOTAL CURRENT LIABILITIES	6,258,903.25
3500000	NON-CURRENT LIABILITIES	
3510100	Mortgage Loan Payable	36,062,106.46
3510103	Mortgage Loan Payable- Alameda County	0.00

Balance Sheet

Period = Jul 2019-Dec 2019

Book = Accrual

		Balance
		Current Period
3510130	Interest Payable - City of Alameda Loan	1,046,536.34
3510140	Home Fund Loan #1	217,924.70
3510150	Housing Community Dev. Loan	916,399.98
3510157	Loan Payable - Esperanza	1,790,000.00
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	13,058.39
3580000	Pension Liability	2,105,769.61
3599000	TOTAL NON-CURRENT LIABILITIES	<u>43,114,462.45</u>
3999000	TOTAL LIABILITIES	49,373,365.70
4000000	Equity/Net Assets	
4000001	EQUITY	
4000100	DEFERRED INFLOW	
4001000	Deferred Inflow of Resources	2,482,245.79
4900000	TOTAL DEFERRED INFLOW	<u>2,482,245.79</u>
4999999	CONTRIBUTED CAPITAL	
5010000	Net Investment in Capital Assets	8,938,655.40
5080060	Donations	36,197,725.00
5090000	Unrestricted	37,809,040.94
5120000	Unrestricted	21,938,354.06
5120010	Net Restricted Assets	604,282.53
5950000	TOTAL CONTRIBUTED CAPITAL	<u>105,488,057.93</u>
5999900	TOTAL EQUITY	<u>107,970,303.72</u>
6000000	TOTAL LIABILITIES AND EQUITY	157,343,669.42

Budget Comparison (with PTD)

Period = Jul 2019-Dec 2019

Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
699990 INCOME								
700000 REVENUE								
702000 TENANT REVENUE								
703000 Tenant Rental Revenue	387,839.71	309,729.00	78,110.71	25.22	2,265,040.20	1,995,467.00	269,573.20	13.51
703030 Maintenance Charges	751.79	0.00	751.79	N/A	3,610.56	0.00	3,610.56	N/A
703040 Late Charges	950.00	0.00	950.00	N/A	3,200.00	0.00	3,200.00	N/A
703050 Miscellaneous Other Charges	0.00	0.00	0.00	N/A	306.00	0.00	306.00	N/A
703060 Tax Increment Payments from the City of Alameda	93,638.17	144,445.00	-50,806.83	-35.17	561,829.00	866,670.00	-304,841.00	-35.17
703010 Tenant HAP Subsidy	644,259.39	664,886.00	-20,626.61	-3.10	3,603,859.22	3,989,326.00	-385,466.78	-9.66
703010 Vacancy Loss	-71,877.00	-53,492.00	-18,385.00	N/A	-375,136.00	-320,956.00	-54,180.00	N/A
703030 Commercial Rents	2,563.00	2,505.00	58.00	2.32	15,323.00	15,030.00	293.00	1.95
704000 Other Tenant Revenue	0.00	0.00	0.00	N/A	280.55	0.00	280.55	N/A
705000 TOTAL TENANT REVENUE	1,058,125.06	1,068,073.00	-9,947.94	-0.93	6,078,312.53	6,545,537.00	-467,224.47	-7.14
706000 FEDERAL GRANTS								
706060 Shelter Plus Care Revenue	0.00	37,217.00	-37,217.00	-100.00	151,851.84	223,302.00	-71,450.16	-32.00
706900 TOTAL FEDERAL GRANTS	0.00	37,217.00	-37,217.00	-100.00	151,851.84	223,302.00	-71,450.16	-32.00
710000 OTHER INCOME								
7110010 Investment Income - Unrestricted	0.00	11,307.00	-11,307.00	-100.00	62,975.26	67,846.00	-4,870.74	-7.18
7110011 Interest Income	13,233.15	25,403.00	-12,169.85	-47.91	91,160.23	152,418.00	-61,257.77	-40.19
7110012 PFM-Investment Income	0.00	1,990.00	-1,990.00	-100.00	0.00	11,940.00	-11,940.00	-100.00
7110020 Interest on Equip. Reserve	0.00	278.00	-278.00	-100.00	1,056.96	1,672.00	-615.04	-36.78
7110030 Interest Earned on Operating Reserve	0.00	52.00	-52.00	-100.00	0.00	312.00	-312.00	-100.00
7110060 Interest - Replacement Reserve	0.00	4,036.00	-4,036.00	-100.00	7,625.66	24,217.00	-16,591.34	-68.51
7110070 Other - Income	307.48	610.00	-302.52	-49.59	9,245.09	3,660.00	5,585.09	152.60
7110075 Laundry Commission	2,441.64	2,224.00	217.64	9.79	11,822.90	13,344.00	-1,521.10	-11.40
7110082 Land Fee/Ground Lease	446.99	447.00	-0.01	0.00	893.98	2,682.00	-1,788.02	-66.67
7110092 Professional Service Revenue	100,000.00	177,901.00	-77,901.00	-43.79	685,121.19	1,067,406.00	-382,284.81	-35.81
7150030 Miscellaneous Other Revenue	1,102.38	0.00	1,102.38	N/A	1,729.51	0.00	1,729.51	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	9,033.00	-7,739.56	-85.68
7159000 TOTAL OTHER INCOME	117,531.64	225,753.00	-108,221.36	-47.94	872,959.32	1,354,530.00	-481,570.68	-35.55
800000 HUD GRANT								
8010000 HUD Operating Grants	2,521,307.00	2,474,805.00	46,502.00	1.88	14,921,866.00	14,848,830.00	73,036.00	0.49
8020000 Administrative Fees from HUD	138,507.00	147,162.00	-8,655.00	-5.88	865,683.00	882,974.00	-17,291.00	-1.96
8020110 PORT-In Administrative Fees	1,408.93	0.00	1,408.93	N/A	9,832.78	0.00	9,832.78	N/A
8030000 Administrative Fees Paid (PORT-Outs)	5,949.77	0.00	-5,949.77	N/A	31,686.04	0.00	-31,686.04	N/A
8100120 TOTAL HUD GRANT	2,655,273.16	2,621,967.00	33,306.16	1.27	15,765,695.74	15,731,804.00	33,891.74	0.22
8999000 TOTAL REVENUE	3,830,929.86	3,953,010.00	-122,080.14	-3.09	22,868,819.43	23,855,173.00	-986,353.57	-4.13
9000000 EXPENSES								
9000900 OPERATING EXPENSES								
9100000 ADMINISTRATIVE								
9110010 Administrative Salaries	357,922.61	403,048.00	-45,125.39	-11.20	2,030,517.90	2,418,264.00	-387,746.10	-16.03
9110020 Temporary Help - Administrative	20,259.93	42,899.00	-22,639.07	-52.77	126,796.74	257,395.00	-130,598.26	-50.74

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Budget Comparison (with PTD)

Period = Jul 2019-Dec 2019

Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
9120000 Auditing Fees	6,700.00	3,870.00	-2,830.00	-73.13	18,200.00	23,220.00	5,020.00	21.62
9130000 Outside Management Fees	4,640.50	0.00	-4,640.50	N/A	28,805.50	0.00	-28,805.50	N/A
9150010 Admin Employee Benefits - Medical/Dental	55,491.13	106,929.00	51,437.87	48.10	329,446.14	641,544.00	312,097.86	48.65
9150020 Admin Employee Benefits - PERS/PARS	40,736.98	40,834.00	97.02	0.24	173,324.44	245,013.00	71,688.56	29.26
9150030 Admin Employee Benefits - FICA	7,544.14	6,459.00	-1,085.14	-16.84	29,131.90	38,776.00	9,644.10	24.87
9150040 Admin Employee Benefits - SUI	1,048.21	1,180.00	131.79	11.17	1,745.45	7,081.00	5,335.55	75.35
9150060 Admin Employee Benefits - Life/LTD	2,572.07	2,772.00	199.93	7.21	14,037.64	16,628.00	2,590.36	15.58
9150090 Admin Employee Benefit - WC	6,117.28	2,949.00	-3,168.28	-107.44	24,495.48	17,686.00	-6,809.48	-38.50
9160010 Office Supplies/Equipment	7,526.70	7,650.00	123.30	1.61	36,408.66	45,900.00	9,491.34	20.68
9160030 Dues & Subscriptions Publications	0.00	100.00	100.00	100.00	2,086.00	600.00	-1,486.00	-247.67
9160040 Postage	594.93	4,144.00	3,549.07	85.64	1,174.89	24,864.00	23,689.11	95.27
9160050 Telephone	6,963.50	5,307.00	-1,656.50	-31.21	32,519.00	31,842.00	-677.00	-2.13
9160060 Bank Charges and Check Supplies	2,838.29	2,461.00	-377.29	-15.33	15,884.06	14,765.00	-1,119.06	-7.58
9160090 Forms and Copies/Printing	2,455.58	425.00	-2,030.58	-477.74	16,248.71	2,550.00	-13,698.71	-537.20
9160100 Classified Ads and Public Notices/outreach material	1,267.96	3,173.00	1,905.04	60.04	7,805.43	19,038.00	11,232.57	59.00
9160110 Legal Expense	25,219.12	22,758.00	-2,461.12	-10.81	123,087.75	136,548.00	13,460.25	9.86
9160111 Payroll charge	1,419.48	686.00	-733.48	-106.92	4,903.80	4,122.00	-781.80	-18.97
9160112 Survey/Title Fee	-45.34	167.00	212.34	127.15	1,653.66	1,002.00	-651.66	-65.04
9160113 Office Rent	6,211.90	10,611.00	4,399.10	41.46	25,037.02	63,666.00	38,628.98	60.67
9160114 Administrative Support	918.72	0.00	-918.72	N/A	918.72	0.00	-918.72	N/A
9160115 Organization Cost	0.00	0.00	0.00	N/A	20.00	0.00	-20.00	N/A
9160120 Training/Conferences and Travel	6,086.83	13,773.00	7,686.17	55.81	36,654.46	82,123.00	45,468.54	55.37
9160130 Membership Dues and Fees	5,166.41	974.00	-4,192.41	-430.43	11,416.01	5,844.00	-5,572.01	-95.35
9160131 Taxes & Government Fees	14,378.56	0.00	-14,378.56	N/A	85,337.95	0.00	-85,337.95	N/A
9160140 Collection Loss	0.00	0.00	0.00	N/A	198.00	0.00	-198.00	N/A
9160160 Contracts - Accounting Services	14,623.58	284.00	-14,339.58	-5,049.15	71,704.52	1,704.00	-70,000.52	-4,108.01
9160170 Contracts - Administrative Services/Consultant	59,548.67	33,085.00	-26,463.67	-79.99	120,649.45	198,510.00	77,860.55	39.22
9160180 Contracts - Application Service Provider - Yardi	11,286.94	18,752.00	7,465.06	39.81	57,008.82	112,512.00	55,503.18	49.33
9160190 Contracts - Computer/Telephone Maintenance/Email	16,953.11	18,776.00	1,822.89	9.71	57,078.32	112,656.00	55,577.68	49.33
9160210 Contracts - Housing Program Services	628.00	0.00	-628.00	N/A	628.00	0.00	-628.00	N/A
9160220 Contracts - Human Resource Services	180.00	5,742.00	5,562.00	96.87	232.50	34,453.00	34,220.50	99.33
9160230 Contracts - Housing Inspection Services	13,386.25	4,728.00	-8,658.25	-183.13	47,173.19	28,348.00	-18,825.19	-66.41
9160260 Contracts - Office Machine Lease	1,684.81	1,568.00	-116.81	-7.45	8,532.35	9,408.00	875.65	9.31
9160270 Contracts - Web Hosting/Maintenance/Web Ads	775.13	1,441.00	665.87	46.21	9,979.19	8,646.00	-1,333.19	-15.42
9160290 Contracts - HR Recruitment	341.00	11,121.00	10,780.00	96.93	8,996.92	66,726.00	57,729.08	86.52
9160510 Association Dues	1,500.00	3,500.00	2,000.00	57.14	45,587.76	21,000.00	-24,587.76	-117.08
9169000 TOTAL ADMINISTRATIVE	704,942.78	782,166.00	77,223.22	9.87	3,605,426.33	4,692,434.00	1,087,007.67	23.17
9200000 TENANT/SOCIAL SERVICES/POLICE								
9210010 Tenant Services - Salaries	23,732.72	492.00	-23,240.72	-4,723.72	91,732.59	2,952.00	-88,780.59	-3,007.47
9210030 Police Services	52,500.00	17,548.00	-34,952.00	-199.18	70,000.00	105,288.00	35,288.00	33.52
9210100 Tenant/Social Services - Salaries	0.00	16,107.00	16,107.00	100.00	0.00	96,621.00	96,621.00	100.00
9219000 TOTAL TENANT/SOCIAL SERVICES/POLICE	76,232.72	34,147.00	-42,085.72	-123.25	161,732.59	204,861.00	43,128.41	21.05
9219990 RELOCATION								

Budget Comparison (with PTD)

Period = Jul 2019-Dec 2019

Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
9220000	2,781.72	0.00	-2,781.72	N/A	21,842.01	0.00	-21,842.01	N/A
9229000	2,781.72	0.00	-2,781.72	N/A	21,842.01	0.00	-21,842.01	N/A
9230005								
9230010	1,810.81	3,572.00	1,761.19	49.31	12,879.58	21,444.00	8,564.42	39.94
9230020	1,199.67	1,636.00	436.33	26.67	4,438.33	9,802.00	5,363.67	54.72
9230030	231.95	726.00	494.05	68.05	847.59	4,345.00	3,497.41	80.49
9230040	34.46	162.00	127.54	78.73	84.55	963.00	878.45	91.22
9230080	441.63	0.00	-441.63	N/A	2,380.06	0.00	-2,380.06	N/A
9230090	1,132.47	2,005.00	872.53	43.52	4,283.62	12,014.00	7,730.38	64.34
9239000	4,850.99	8,101.00	3,250.01	40.12	24,913.73	48,568.00	23,654.27	48.70
TENANT SERVICES								
9240005	0.00	0.00	0.00	N/A	321.20	0.00	-321.20	N/A
9240010	0.00	0.00	0.00	N/A	112,059.84	154,788.00	42,728.16	27.60
9240020	35,621.59	25,901.00	-9,720.59	-37.53	112,381.04	154,788.00	42,406.96	27.40
9300000								
UTILITIES								
9310000	31,316.40	22,752.00	-8,564.40	-37.64	164,671.72	136,512.00	-28,159.72	-20.63
9320000	3,105.00	12,017.00	8,912.00	74.16	60,740.37	72,102.00	11,361.63	15.76
9330000	6,725.30	4,484.00	-2,241.30	-49.98	38,917.41	26,922.00	-11,995.41	-44.56
9380010	11,770.52	25,703.00	13,932.48	54.21	64,842.28	154,218.00	89,375.72	57.95
9380020	27,738.96	39,552.00	11,813.04	29.87	197,260.59	236,674.00	39,413.41	16.65
9399000	80,656.18	104,508.00	23,851.82	22.82	526,432.37	626,428.00	99,995.63	15.96
9399990								
MAINTENANCE								
MAINTENANCE SALARIES								
9400000	82,524.81	59,266.00	-23,258.81	-39.24	342,917.63	355,594.00	12,676.37	3.56
9410010	82,524.81	59,266.00	-23,258.81	-39.24	342,917.63	355,594.00	12,676.37	3.56
9420005								
MAINTENANCE MATERIALS								
9420010	18,905.24	20,981.00	2,075.76	9.89	58,652.23	126,130.00	67,477.77	53.50
9420020	2,357.53	559.00	-1,798.53	-321.74	4,741.65	3,354.00	-1,387.65	-41.37
9420030	16.77	0.00	-16.77	N/A	2,037.14	0.00	-2,037.14	N/A
9429000	21,279.54	21,540.00	260.46	1.21	65,431.02	129,484.00	64,052.98	49.47
9429005								
MAINTENANCE CONTRACTS								
9429015	2,304.26	4,986.00	2,681.74	53.79	14,202.57	25,449.00	11,246.43	44.19
9429030	0.00	834.00	834.00	100.00	0.00	5,004.00	5,004.00	100.00
9429040	0.00	0.00	0.00	N/A	275.00	0.00	-275.00	N/A
9429060	4,011.52	6,557.00	2,545.48	38.82	50,243.12	39,342.00	-10,901.12	-27.71
9429100	8,537.79	12,268.00	3,730.21	30.41	76,096.18	73,608.00	-2,488.18	-3.38
9430010	4,375.00	2,972.00	-1,403.00	-47.21	28,425.00	18,477.00	-9,948.00	-53.84
9430020	8,268.00	2,564.00	-5,704.00	-222.46	9,563.00	15,384.00	5,821.00	37.84
9430030	16,351.31	11,129.00	-5,222.31	-46.93	78,465.00	66,774.00	-11,691.00	-17.51
9430040	1,082.00	3,163.00	2,081.00	65.79	2,281.25	18,978.00	16,696.75	87.98
9430050	450.00	0.00	-450.00	N/A	9,650.00	0.00	-9,650.00	N/A
9430060	4,172.48	3,337.00	-835.48	-25.04	19,633.74	20,022.00	388.26	1.94
9430070	1,925.00	4,247.00	2,322.00	54.67	36,315.00	25,482.00	-10,833.00	-42.51

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Budget Comparison (with PTD)

Period = Jul 2019-Dec 2019

Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
9430080	0.00	2,032.00	2,032.00	100.00	4,018.68	12,192.00	8,173.32	67.04
9430090	14,381.89	3,487.00	-10,894.89	-312.44	40,482.61	20,922.00	-19,560.61	-93.49
9430110	0.00	1,339.00	1,339.00	100.00	0.00	8,034.00	8,034.00	100.00
9430120	370.00	0.00	-370.00	N/A	3,975.00	0.00	-3,975.00	N/A
9430130	2,048.00	4,588.00	2,540.00	55.36	4,921.33	27,528.00	22,606.67	82.12
9430140	243.52	588.00	344.48	58.58	16,669.93	3,589.00	-13,080.93	-364.47
9430150	29,812.00	14,204.00	-15,608.00	-109.88	76,210.35	85,224.00	9,013.65	10.58
9439000	98,332.77	78,295.00	-20,037.77	-25.59	471,427.76	466,009.00	-5,418.76	-1.16
9450005 MAINTENANCE EMPLOYEE BENEFITS								
9450010	12,333.83	19,314.00	6,980.17	36.14	73,770.18	115,884.00	42,113.82	36.34
9450020	7,428.35	5,881.00	-1,547.35	-26.31	32,101.97	35,278.00	3,176.03	9.00
9450030	2,700.50	840.00	-1,860.50	-221.49	9,571.59	5,040.00	-4,531.59	-89.91
9450040	164.13	215.00	50.87	23.66	419.75	1,280.00	860.25	67.21
9450050	401.63	505.00	103.37	20.47	2,426.51	3,017.00	590.49	19.57
9450070	332.45	2,013.00	1,680.55	83.48	1,397.39	12,084.00	10,686.61	88.44
9450091	4,991.56	2,671.00	-2,320.56	-86.88	21,156.79	16,035.00	-5,121.79	-31.94
9459000	28,352.45	31,439.00	3,086.55	9.82	140,844.18	188,618.00	47,773.82	25.33
9499000	230,489.57	190,540.00	-39,949.57	-20.97	1,020,620.59	1,139,705.00	119,084.41	10.45
9500000 GENERAL EXPENSES								
9500100	85,218.47	97,807.00	12,588.53	12.87	518,305.89	586,842.00	68,536.11	11.68
9500160	22,976.94	0.00	-22,976.94	N/A	49,779.71	0.00	-49,779.71	N/A
9610010	713.87	0.00	-713.87	N/A	3,383.92	0.00	-3,383.92	N/A
9610020	5,388.05	4,937.00	-451.05	-9.14	32,328.38	29,548.00	-2,780.38	-9.41
9610030	7,401.56	12,760.00	5,358.44	41.99	47,605.29	76,387.00	28,781.71	37.68
9610040	684.13	1,348.00	663.87	49.25	4,135.83	8,128.00	3,992.17	49.12
9610060	1,386.36	1,255.00	-131.36	-10.47	14,081.19	7,530.00	-6,551.19	-87.00
9620010	4,000.00	0.00	-4,000.00	N/A	4,000.00	0.00	-4,000.00	N/A
9620020	0.00	0.00	0.00	N/A	2,490.00	0.00	-2,490.00	N/A
9690000	127,769.38	118,107.00	-9,662.38	-8.18	676,110.21	708,435.00	32,324.79	4.56
9699000	1,263,344.93	1,263,470.00	125.07	0.01	6,149,458.87	7,575,219.00	1,425,760.13	18.82
9700000 MOD REHAB AND SPC EXPENSES								
9700500	0.00	0.00	0.00	N/A	4,380.00	0.00	-4,380.00	N/A
9700570	16,045.00	0.00	-16,045.00	N/A	93,729.00	0.00	-93,729.00	N/A
9700800	-33,761.00	0.00	33,761.00	N/A	-202,396.00	0.00	202,396.00	N/A
9700900	-17,716.00	0.00	17,716.00	N/A	-104,287.00	0.00	104,287.00	N/A
9710000 EXTRAORDINARY EXPENSES								
9710090	0.00	8,333.00	8,333.00	100.00	0.00	49,998.00	49,998.00	100.00
9713001 HOUSING ASSISTANCE PAYMENTS (VOUCHER)								
9719000	0.00	8,333.00	8,333.00	100.00	0.00	49,998.00	49,998.00	100.00
9730001 HOUSING ASSISTANCE PAYMENTS (VOUCHER)								
9730010	2,650,665.00	2,512,022.00	-138,643.00	-5.52	15,388,281.00	15,072,135.00	-316,146.00	-2.10
9730020	5,345.00	0.00	-5,345.00	N/A	32,123.00	0.00	-32,123.00	N/A
9730070	1,602.00	0.00	-1,602.00	N/A	10,522.00	0.00	-10,522.00	N/A

Budget Comparison (with PTD)

Period = Jul 2019-Dec 2019

Book = Accrual

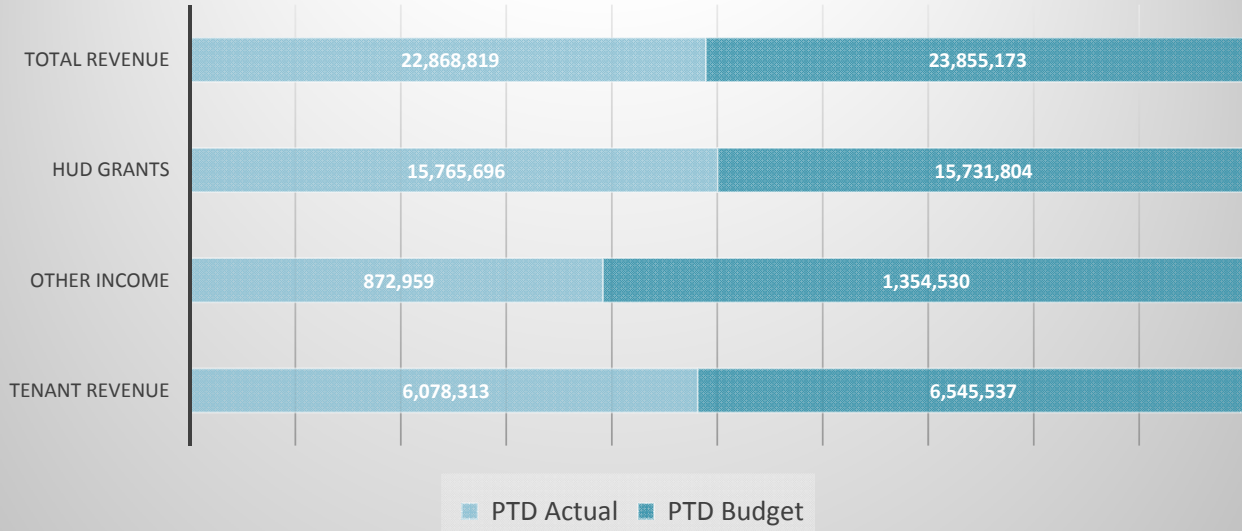
	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
9739000 TOTAL HOUSING ASSISTANCE PAYMENTS (VOUCHER)	2,657,612.00	2,512,022.00	-145,590.00	-5.80	15,430,926.00	15,072,135.00	-358,791.00	-2.38
TOTAL EXPENSES BEFORE OTHER EXPENSES	3,903,240.93	3,783,825.00	119,415.93	3.16	21,476,097.87	22,697,352.00	-1,221,254.13	-5.38
NET INCOME BEFORE OTHER EXPENSES	-72,311.07	169,185.00	-241,496.07	-142.74	1,392,721.56	1,157,821.00	234,900.56	20.29
9739500 OTHER EXPENSES	148,500.00	119,997.00	-28,503.00	-0.24	897,432.00	719,982.00	-177,450.00	-0.25
9740000 Depreciation Expense	148,500.00	119,997.00	-28,503.00	-0.24	897,432.00	719,982.00	-177,450.00	-0.25
9859999 TOTAL OTHER EXPENSES	4,051,740.93	3,903,822.00	-147,918.93	-0.04	22,373,529.87	23,417,334.00	1,043,804.13	0.04
9996000 TOTAL EXPENSES	-220,811.07	49,188.00	-269,999.07	-5.49	495,289.56	437,839.00	57,450.56	0.13
9998000 NET INCOME								

Budget Comparison (with PTD)

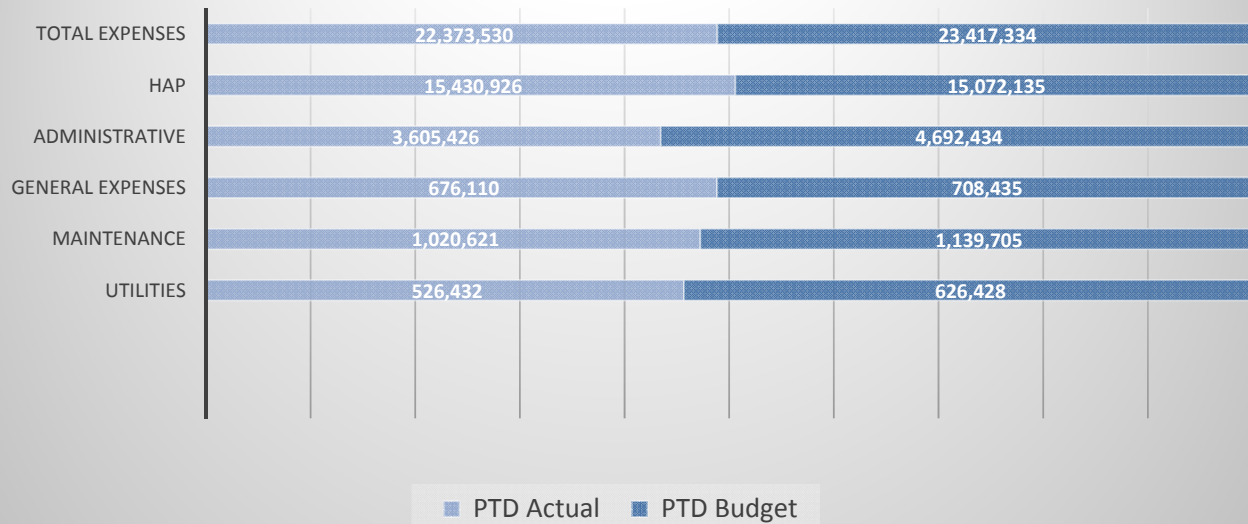
Period = Jul 2019-Dec 2019

Book = Accrual

AHA REVENUE - ACTUAL VERSUS BUDGET (PTD)



AHA EXPENSES - ACTUAL VERSUS BUDGET (PTD)



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



Housing Authority of the City of Alameda

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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Janet Lee, Controller
Date: February 19, 2020
Re: Accept the Quarterly Investment Report for Period Ending December 31, 2019

BACKGROUND

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

DISCUSSION

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

As of December 31, 2019, AHA held \$11,624,040 (50% of investment funds) in **LAIF** (Local Agency Investment Fund). These funds are on demand and can be used for immediate needs. The prior quarter balance was \$11,552,712. Interest is posted quarterly to the account by LAIF.

As of December 31, 2019, AHA held \$11,415,177 (50% of investment funds) in **CAMP** (California Asset Management Program). These funds are on demand and can also be used for immediate needs. The prior quarter balance was \$11,759,142. Interest is posted monthly to the account by CAMP.

Note that \$3.4MM of the amount held in CAMP is allocated to AHA's affiliate, Island City Development.

Balances as of December 31, 2019:

LAIF:	\$11,624,040
CAMP:	\$11,415,177
Total Investment	\$23,039,217



Honorable Chair and
Members of the Board of Commissioners

February 19, 2020
Page 2 of 2

The key changes in the balance for the period ending December 31, 2019 are:

CAMP October to December 2019 interest income	56,035
LAIF April to June 2019 interest income, received in October	71,328
CAMP withdrawal for North Housing predevelopment costs	(400,000)
Total	\$ (272,637)

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

RECOMMENDATION

It is recommended that the Board of Commissioners accept the Quarterly Investment Report for period ending December 31, 2019.

Respectfully submitted,



Janet Lee
Controller

Attachments: LAIF report for the quarter ending December 31, 2019
CAMP report for the quarter ending December 31, 2019



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

January 02, 2020 January 02, 2020

LAIF Home
PMIA Average Monthly Yields

ALAMEDA HOUSING AUTHORITY

EXECUTIVE DIRECTOR
701 ATLANTIC AVENUE
ALAMEDA, CA 94501

Tran Type Definitions

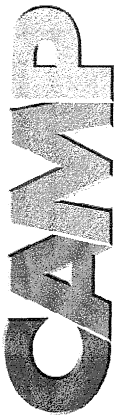
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Account Number:

December 2019 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	11,624,040.14
Total Withdrawal:	0.00	Ending Balance:	11,624,040.14

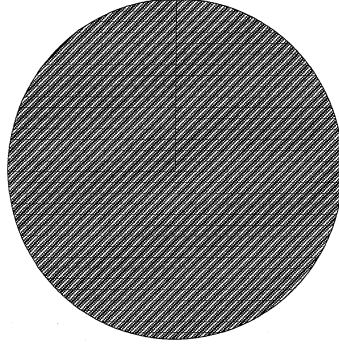


Account Statement - Transaction Summary

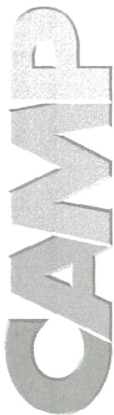
For the Month Ending **December 31, 2019**

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

CAMP Pool		Asset Summary	
		December 31, 2019	November 30, 2019
Opening Market Value	11,397,747.92	11,415,177.19	11,397,747.92
Purchases	17,429.27		
Redemptions	0.00		
Unsettled Trades	0.00		
Change in Value	0.00		
Closing Market Value	\$11,415,177.19	\$11,415,177.19	\$11,397,747.92
Cash Dividends and Income	17,429.27		



CAMP Pool
100.00%



Account Statement

For the Month Ending December 31, 2019

Housing Authority of the City of Alameda (AHA) - Housing Authority of the City of Alameda (AHA) 7 6044-001

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					11,397,747.92
12/31/19	01/02/20	Accrual Income Div Reinvestment - Distributions	1.00	17,429.27	11,415,177.19
Closing Balance					11,415,177.19

	Month of December	Fiscal YTD July-December	
Opening Balance	11,397,747.92	11,691,007.30	Closing Balance
Purchases	17,429.27	124,169.89	Average Monthly Balance
Redemptions (Excl. Checks)	0.00	(400,000.00)	Monthly Distribution Yield
Check Disbursements	0.00	0.00	1.80%
Closing Balance	11,415,177.19	11,415,177.19	
Cash Dividends and Income	17,429.27	124,169.89	

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Date: February 19, 2020

Re: Accept an update on the City Council Referral from October 15, 2019

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 that remain outstanding.

City-wide task force on housing issues relating to older adults

AHA staff are keen to move this forward given the current issues with hoarding and housekeeping observed in both affordable housing and private market rentals. Staff has expressed ongoing concerns for the well being of individuals, as well as impact to the wider community when more wide ranging resources and services are not available to those who have increasing acuity needs. Staff will hold an afternoon information session in April to discuss these issues and will invite community partners, including the City to attend and to offer ways to collaborate and assist in the coordination of these issues with AHA.

Meeting with the Alameda Renters Coalition (ARC)

City staff, AHA staff, and Commissioner Tamaoki met with ARC representatives on January 13. A follow up meeting has been set for February 24, 2020. At the request of the Vice Chair, ARC provided a summary of the issues they wished to discuss in the next meeting and staff is working on responses. ARC recently agreed to use SEEDs as a facilitator. This may push out the timeline for the next meeting/s.

Offer from 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.



Honorable Chair and
Members of the Board of Commissioners

February 19, 2020
Page 2 of 2

Code Enforcement issues

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

Information packet

Staff is preparing a set of handouts for Commissioners and Council Members in order to assist and 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. Staff's objective is to continue to clarify roles and responsibilities within the agency's various departments and their provision of services and information.

DISCUSSION

Staff will continue to provide updates to the Board monthly.

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. Any additional costs, if significant would also need Board approval. 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.

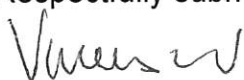
FINANCIAL IMPACT

It is not yet clear how much staff time will continue to be required for AHA to participate in and respond to the informal stakeholder group, but 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

Respectfully submitted,



Vanessa M. Cooper
Executive Director





Housing Authority of the City of Alameda

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

To: Honorable Chair and Members of the Board of Commissioners
From: Kathleen Mertz, Director of Housing and Community Development
Date: February 19, 2020
Re: Provide Feedback on the Real Estate Development Business Plan

BACKGROUND

In October 2019, the Board asked staff to work through a business plan for the real estate development activities of the Housing Authority, both through the Housing and Community Development Department and Island City Development.

DISCUSSION

The attached presentation includes the core areas of the real estate development (RED) business plan for feedback from the Board.

FINANCIAL IMPACT

None.

RECOMMENDATION

Provide Feedback on the Draft Real Estate Business Plan.

Respectfully submitted,

Kathleen Mertz
Director of Housing and Community Development

Attachment: RED Business Plan Presentation



Real Estate Development Business Plan

Housing Authority Board of Commissioners Meeting
February 19, 2020

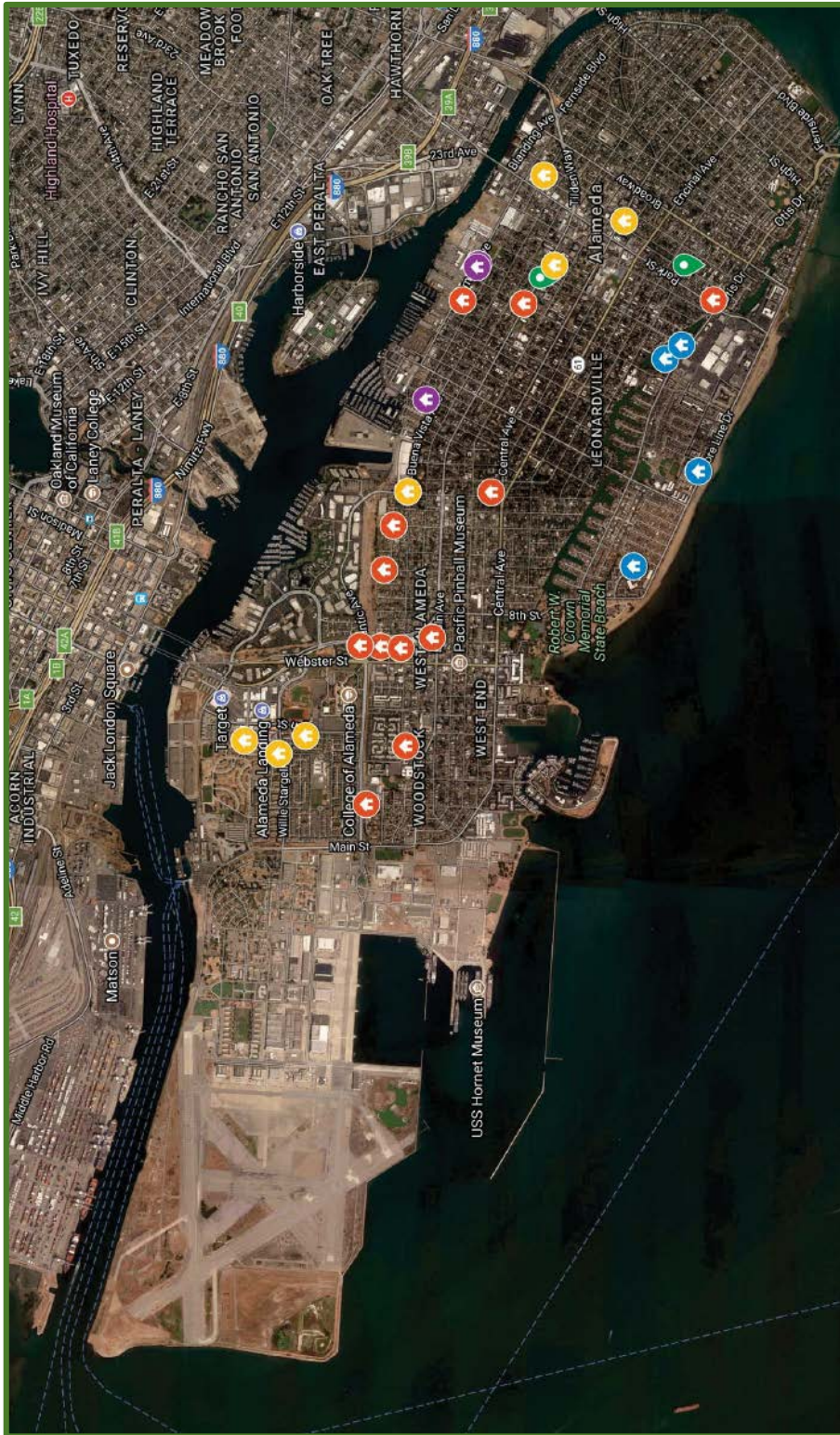
Existing Portfolio in Alameda

Owned Properties

- 629 units
 - 14 Multifamily Apartment Complexes
 - Anne B Diamant
 - China Clipper Plaza
 - Eagle Village
 - Esperanza
 - Everett Commons
 - Independence Plaza
 - Lincoln House
 - Lincoln-Willow Apartments
 - Littlejohn Commons
 - Parrot Village
 - Parrot Gardens
 - Rosefield Village
 - Sherman Street Apartments
 - Stanford House
 - 7 Condominiums
 - 5 Townhomes
 - 2 Land for Small Home HOAs
- No traditional “Public Housing” properties

LIHTC Partnership Properties

- 210 units
 - Breakers at Bayport
 - Jack Capon Villa
 - Park Alameda
 - Shinsei Gardens
 - Stargell Commons
- Development Partners include:
 - Resources for Community Development
 - Satellite Affordable Housing Associates



HCD Accomplishments 2014-2019

Properties Developed or Acquired

- Stargell Commons
- Littlejohn Commons
- Everett Commons
- Mulberry Acquisitions (4)
- Paru St. Acquisition
- North Housing Land
- Haight St. Purchase and Sale Agreement
- Feasibility Studies
 - Alameda Landing
 - Park Street
 - Webster Street
- Rosefield Village Financing Plan

Island City Development

- RED Project Management
- Developer/Sponsor/Managing GP

Alameda Affordable Housing Corp.

- Acquisition of AHA Portfolio

Asset Management

- Ad hoc Board Committee
- Real Estate Owned Schedule
- Cliff Schedule
- 10 year Capital Needs Schedule
- Quarterly Reporting Schedule
- Independence Plaza Operating Analysis

AUSD MOU

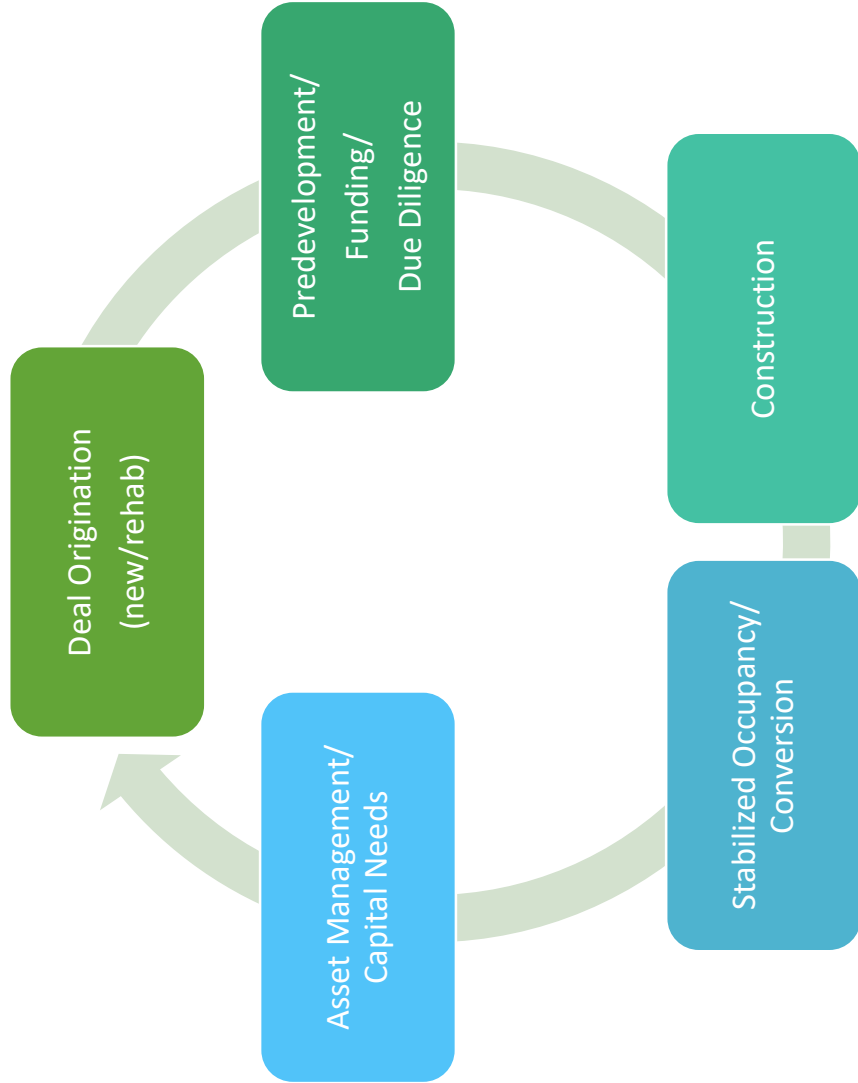
Housing Successor Assets

Estimated AHA Resources for RED

	Unrestricted	Restricted
Replacement/Investment Reserves (properties)	\$21,645,000	
Bank Held Reserves (ESP, IP, PV, EV)		\$1,060,000
Housing Successor Assets		\$1,390,000
Rosefield Predevelopment Loan Repayment	\$2,000,000	
Total	\$23,645,000	\$2,450,000
Future Contribution to Unfunded Pension Liability*	\$1,000,000	
Future Operating (approx. 3m AHA operating budget)*	\$3,800,000	
Rosefield Obligation	\$7,000,000	
AAHC Property Reserves (\$1,000/unit)	\$629,000	
Total	\$12,429,000	
Balance for Capital Needs/Revolving Predevelopment Loans	\$13,216,000	

*Subject to future Board approval of an updated 2020 reserves policy and pension liability. This does not include HAP Reserve; HAP is \$2.5M per month.

RED Lifecycle



RED Business Plan – Overview

Staff is seeking direction on the following matters:

- Pipeline and Staff Capacity
- Development Models
- Ongoing relationship between ICD and AHA

Housing Development Pipeline

- **Rehabilitation**
 - China Clipper
 - Independence Plaza
 - Eagle Village and Parrot Village
 - Various older properties as needed
- **Acquisitions**
 - Tax Defaulted Property
 - BMR Units
 - TBD

10 Year Capital Improvements Schedule was approved in May 2018. It estimated over \$17 M of capital work plus major renovations based on a Capital Needs Assessment of the multifamily properties. These costs will increase over time and may be underestimated.

- **Redevelopment**
 - Rosefield Village
 - Parrot Gardens
- **New Construction**
 - Rosefield Village (partial)
 - North Housing
 - Alameda Landing

AHA is always interested in new opportunities to acquire existing multifamily buildings, build or acquire the inclusionary units of a market rate developer, and/or redevelop vacant and underutilized lots

Board Approved 10 Year Capital Needs Schedule

2019-2020	Property	Project Description	Strategy			\$ Source			Earned Fee & Equity
			CIP	Renov	Property	Property	Reserves		
2019	Independence Plaza	ADA Project (final costs only)	160,000			160,000			
2019-2020	Anne B Diamant/Independence Plaza	Balcony Assessments and Repairs	200,000				200,000		
2019-2020	Sherman Street	Roof and Piping	170,000				170,000		
2019-2020	Esperanza	Sidewalks, Decks, and misc site work (lender required)	100,000				100,000		
2019-2020	Lincoln House	Fire damage (insurance proceeds expected)	101,000				101,000		
2019-2020	Haight Avenue	Renovation Project (pending acquisition)		500,000			500,000		
2019-2020	Rosefield Village	Redevelopment Project		60,000,000	53,000,000		7,000,000		2,000,000
2019-2024	North Housing	Demo/New Construction	3,000,000				3,000,000		
2020-2021	Property	Project Description	CIP	Renov	Property	\$ Source	Reserves	Earned Fee & Equity	
2020-21	All Properties	Private Sewer Lateral Compliance	540,000				540,000		
2020-21	Eagle Village	Paint	100,000				100,000		
2020-23	China Clipper Plaza	Renovation Project		12,000,000	10,000,000	2,000,000		1,000,000	
2020-2021	Esperanza	Furnaces, Breakers	750,000				750,000		
2020-2026	Independence Plaza	Envelope, Heaters, Elevators	3,000,000		3,000,000		-		
2022-2025	Property	Project Description	CIP	Renov	Property	\$ Source	Reserves	Earned Fee & Equity	
2022-24	Parrot Village	Renovation Project		18,000,000	18,000,000			2,200,000	
2022-2026	Independence Plaza	Envelope, Heaters, Elevators	3,000,000		3,000,000				
2023	Parrot Gardens	Relocation and Renovation Project		2,000,000			2,000,000		
2024-26	Eagle Village	Renovation Project		14,000,000	14,000,000			1,000,000	
2024	Esperanza	Sewer lines, plumbing, concrete	1,000,000				1,000,000		
2025	Lincoln-Willow Apt	Roof and Paint	300,000				300,000		
2026+	Property	Project Description	CIP	Renov	Property	\$ Source	Reserves	Earned Fee & Equity	
2026	Stanford House	Roof and Paint	300,000				300,000		
2026	Independence Plaza	Refinance Only						5,000,000	
2026-2028	Parrot Gardens	New Construction		15,000,000	8,000,000	7,000,000		1,000,000	
2027-2029	Anne B. Diamant	Renovation Project		20,000,000	20,000,000			1,700,000	
2028	Esperanza	Roof and Paint	1,000,000				1,000,000		
2029	Lincoln House	Roof and Paint	300,000				300,000		

Staffing Capacity

- Executive Director
 - Strategy
 - CTCAC LIHTC authorized developer
- HCD Director
 - Deal Originations
 - Technical support
 - Staffing redundancy
 - Asset Management Oversight
- Senior Project Manager
 - Rosefield Village
- Project Manager
 - Littlejohn/Everett 8609 wrap up
 - Project Accounting
- Management Analyst (part time for RED)
 - North Housing
- Program Assistant (part time for RED)
- Asset Manager (part time for RED)

Weakness

Small Team and Large Pipeline

Strength

In-house Control and Talent

Opportunity

Existing Portfolio and Alameda Relationships

Threat

Funding Programs and Project Costs

RED Models (Previously presented to the Board)

1. Self Develop
 - Littlejohn Commons and Everett Commons
2. Self Develop with AHA staff plus project management consultants
 - None to date
3. AHA as Land Owner/Lender only; Develop by a 3rd party nonprofit
 - Stargell Commons, Shinsei Gardens, Breakers at Bayport, and Jack Capon Villa
4. Co-Develop/contract with “fee developer” (for profit or nonprofit)
 - Independence Plaza
5. Co-Develop with shared authority; shared risk and reward
 - None to date
6. Turnkey with market rate developer
 - Mulberry Townhomes

AHA-ICD Current RED Relationship

Housing Authority – HCD Department

- RED Policy
- Staffing
 - Director, PMs, MAs, PA, AM
- Feasibility Studies
- Predevelopment Loans to ICD

Island City Development

- Services Agreement with AHA for staffing/resources
- Policy Implementation
- ICD applies for funding
- ICD procures services/construction contracts
- Managing General Partner in LIHTC ownership



HCD/ICD Operations 2016-2019

	HCD 2016-2019	ICD 2016-2019	COMBINED	Est Annual Costs
Operating Income				
Professional Service Revenue*	\$ 437,063	\$ 1,507,500	\$ 1,944,563	\$ 486,141
Interest	\$ 219,075		\$ 219,075	\$ 54,769
Other Income	\$ 1,252		\$ 1,252	\$ 313
Other Management Fees	\$	\$ 8,333	\$ 8,333	\$ 2,083
Total Income	\$ 657,390	\$ 1,515,833	\$ 2,173,223	\$ 543,306
Expenses				
Salaries/Benefits (net City contract)	\$ 1,919,787		\$ 1,919,787	\$ 479,947
Legal Expense	\$ 50,733	\$ 64	\$ 50,797	\$ 12,699
Audit Fees	\$ 23,504	\$ 86,445	\$ 109,949	\$ 27,487
Organizational Cost	\$ 1,640	\$ 4,764	\$ 6,404	\$ 1,601
Misc Admin and Contracts	\$ 218,100	\$ 25,800	\$ 243,900	\$ 60,975
AHA Professional Services Contract	\$ -	\$ 400,000	\$ 400,000	\$ 100,000
Maintenance and Utilities	\$ 355		\$ 355	\$ 89
Insurance	\$ 5,392	\$ 1,100	\$ 6,492	\$ 1,623
Pre-development Cost	\$ 13,238	\$ 26,123	\$ 39,361	\$ 9,840
AUSD Fee	\$ 72,500		\$ 72,500	
Prior Period Adjustment	\$ 96,663		\$ 96,663	
Total Expenses	\$ 2,401,912	\$ 544,296	\$ 2,946,208	\$ 694,261
Net	\$ (1,744,522)	\$ 971,537	\$ (772,985)	

*\$2,000,000 from Stargell is held in reserves

HCD/ICD Future Income

	2020	2021	2022	2023	2024	2025
Rosefield Village - Dev Fee	\$ 500,000	\$ 200,000	\$ 1,200,000	\$ 100,000		
Rosefield Village - Deferred Fee			\$ 500,000	\$ 170,000	\$ 130,000	\$ 140,000
North Housing PSH* - Dev Fee			\$ 100,000	\$ 50,000	\$ 500,000	
China Clipper - Dev Fee				\$ 250,000		\$ 500,000
Littlejohn Partnership Mng Fee	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Everett Partnership Mng Fee	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
	\$ 530,000	\$ 230,000	\$ 1,830,000	\$ 600,000	\$ 660,000	\$ 670,000
ICD Cash Balance	1,000,000	\$ 801,026	\$ 265,603	\$ 1,291,909	\$ 1,048,030	\$ 821,958
Annual ICD/HCD Budget (+5%)	\$ 728,974	\$765,423	\$803,694	\$843,879	\$886,073	\$930,376
Estimated Net Income	\$ 801,026	\$ 265,603	\$ 1,291,909	\$ 1,048,030	\$ 821,958	\$ 561,581
*Estimate based on split with Partners						

Future income is estimated only. The exact timing is dependent upon the specific real estate transaction, funding programs, etc. Additionally, the fees are noted in the HCD budget but all of the agency departments are involved at some level in the execution of a real estate deal.

Future Options for ICD-AHA Relationship

1. ICD as pass-through entity for AHA RED
 - Nominal fee for AHA services (\$100,000)
 - AHA provides guarantees, risk mitigation, balance sheet for lending relationships, etc.
 - AHA provides predevelopment loans
 - Developer fee to ICD, and then gives majority to AHA
 - Asset Management Fees to ICD and then to AHA

2. ICD Pays for HCD RED
 - ICD pays AHA for department costs not allocated to properties
 - AHA provides guarantees, risk mitigation, etc.
 - AHA provides predevelopment loans
 - Developer fee to ICD, and then gives minority to AHA
 - Asset Management Fees to ICD and then to AHA

3. ICD Provides Full RED Services
 - ICD pays AHA for full department costs
 - ICD provides guarantees, risk mitigation, etc.
 - AHA and/or ICD provides predevelopment loans
 - Developer fee to ICD
 - Asset Management Fees to ICD



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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Candace Latigue, Asset Manager

Date: February 19, 2020

Re: Adopt Authorizing Resolution for the Real Property Transfer of Independence Plaza to Alameda Affordable Housing Corporation and Authorize Executive Director, or Designee, to Negotiate and Execute Related Documents

BACKGROUND

The Housing Authority (AHA) 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 each of the Housing Authority owned properties to AAHC. The details of the specific transactions must come back to the Board for approval.

In December 2019, AHA has received preliminary approval to execute a Project Based Voucher contract at Independence Plaza. AHA applied for these PBVs as part of the financial self-sufficiency plan discussed by the Board in May 2018. Please refer to the May 2018 Board Meeting Agenda and Minutes for further details about this discussion. AHA cannot execute this contract under the current ownership because AHA would be signing on both sides of the HAP contract. AHA does not want to forfeit this valuable



subsidy that furthers the mission of the Housing Authority and protects the 25 very low income senior residents who will benefit from this subsidy safety net. To receive this Project Based Voucher award, this transfer to AAHC must occur within approximately two months of the award, per AHA's Administrative Plan. Therefore, staff moved this transfer forward to March 1, 2020.

DISCUSSION

The successful transfer of the Property from the Housing Authority to AAHC includes various cross departmental coordination across a number of months, as well as three specific sets of activities: Transfer Transaction, Budget, and Property Management.

Transfer Transaction

Independence Plaza, real property located at 703 Atlantic Avenue, in the City of Alameda (the "Property") is currently owned by the Housing Authority. To meet HUD's PBV HAP contract requirements, AAHC needs to become the owner of the Property. Based on Board direction from the January 15, 2020 meeting, the Housing Authority will convey the Property to AAHC through a grant deed. A reversion clause permitting a ground lease structure upon loan maturity in July 2026 will be added to the transaction via an Option Agreement. The Property will be conveyed to AAHC, via Grant Deed, for its as-is value of thirty-four million dollars (\$34,000,000), as substantiated by an appraisal. The Housing Authority will provide seller financing in the form of a Seller Promissory Note, secured with a Deed of Trust. This loan will be at 0% interest rate, 30 year term, and paid from residual cash flow. This structure is more desirable than a donation because it is least disruptive to the Housing Authority's operating budget. Currently, any cash flow from the Property comes to the Housing Authority as the owner. Under the new structure the cash flow will come to AHA in the form of soft loan payments.

In addition to the seller financing, the Housing Authority will record an Affordable Housing Agreement to provide additional assurance of the Property's continued use as low-income housing. New household eligibility will be restricted to 80% of the Area Median Income for the term of 20 years.

Independence Plaza currently has existing debt with Fannie Mae, which is serviced by Northmarq Capital. Therefore, this transaction requires consent from the lender and assignment of the existing loan documents. Fannie Mae approved the transaction and staff is working through the rest of the transaction documents. Additionally, the Successor Agency of the Community Improvement Commission has consented to the transfer at the Alameda City Council meeting on January 21, 2020. Staff and legal counsel are finalizing the assignment of the Affordable Housing Agreement with the City's Attorney's Office.



Budget

Currently, Independence Plaza is part of the Housing Authority's 2019-2020 budget cycle and the Cost Allocation Plan. The AAHC budget for the Property will follow the same Cost Allocation Plan methodology for the balance of fiscal year 2019-2020. This budget plan will be written into the Property and Asset Management Agreement between the Housing Authority and AAHC. In addition to the budget, any residual cash flow will come back to the Housing Authority through AAHC's obligations under the Seller Loan discussed above and subject to approval by the lender.

Currently, the Housing Authority maintains a replacement reserve for the Property, invested with either CAMP or LAIF. As part of the transfer, \$186,000 replacement reserve funds will be transferred to AAHC from AHA's LAIF replacement reserve account.

Additionally, AAHC will open a new bank account for the regular operating checking account. Security Deposits will be transferred to the existing AAHC Security Deposit account established with the 2018 transfer. The Housing Authority will no longer be the trustee of these funds for the Property.

To cover the first three months of operations while the new rents and subsidy payments are transferred to AAHC, AHA will provide an operating short-term cash line of credit for the Property of \$210,000 until regular operations under AAHC accounting are stabilized. This is the same protocol used for the 2018 transfers and any operating cash was fully refunded to AHA within the first year of operations.

Property Management

The Housing Authority will continue to be the property manager for Independence Plaza. However, the Housing Authority will function like a third-party management company for AAHC. As property manager, the Housing Authority will continue to provide accounting, leasing, maintenance, capital needs, and asset management support for the affairs of AAHC. Staff developed a Property and Asset Management Agreement to document the roles and responsibilities of the management agent, which was previously approved by the Alameda Affordable Housing Corporation (AAHC) Board on February 21, 2018 and Independence Plaza will be added to this agreement through an amendment.

FINANCIAL IMPACT

The seller note will be added to the AHA balance sheet, along with the corresponding loan obligations on AAHC's balance sheet. The net balance sheet impact will be eliminated on the audited financial statement. The Housing Authority will pay all expenses related to this real property transfer from the Property's operating funds. See below chart of current known expenses.



Honorable Chair and
Members of the Board of Commissioners

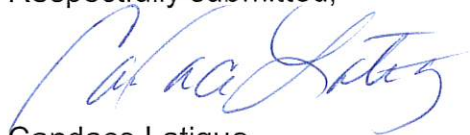
February 19, 2020
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EXPENSE	AMOUNT	NOTES
Review Fee (Non-Refundable)	\$ 3,000	Lender fee
Legal Fee Deposit	\$ 15,000	Lender fee
Transfer Approval Fee	\$ 45,000	Lender fee- 1% of unpaid principal balance as of the anticipated effective date
Goldfarb & Lipman	\$5,000	Legal Counsel
Appraisal	\$4,200	
Replacement Reserves	\$186,000	
Operating Funds	\$210,000	Three months
Escrow & Title fees	\$15,000	Title & Closing

RECOMMENDATION

Adopt Authorizing Resolution for the Real Property Transfer of Independence Plaza to Alameda Affordable Housing Corporation and Authorize Executive Director, or Designee, to Negotiate and Execute Related Documents.

Respectfully submitted,



Candace Latigue
Asset Manager

Attachment: Authorizing Resolution



HOUSING AUTHORITY OF THE CITY OF ALAMEDA

*Resolution No.*_____

REAL PROPERTY TRANSFER

(Independence Plaza)

WHEREAS, the Housing Authority of the City of Alameda (the "Housing Authority") is the owner of that certain real property known as Independence Plaza, located at 703 Atlantic Avenue, in the City of Alameda (the "Property");

WHEREAS, the Board of Commissioners of the Housing Authority authorized staff to create a new nonprofit entity, Alameda Affordable Housing Corporation (the "AAHC"), at the October 18, 2017 meeting, with the goal of having AAHC own Housing Authority properties with Housing Choice Vouchers and Project-Based Vouchers so that the Housing Authority is not both the property owner and the contract administrator for the Housing Assistance Payments contracts (the "HAP Contracts");

WHEREAS, the Board of Commissioners of the Housing Authority deems it in the best interest of the Housing Authority to convey the Property to AAHC, thereby still maintaining the required separation between owner and contract administrator for the HAP Contracts;

WHEREAS, the Board of Commissioners of the Housing Authority deems it in the best interest of the Housing Authority to remain property manager at the Property, through a Property and Asset Management Agreement;

WHEREAS, staff contracted for an "as-is" property appraisal of the Property, which was valued at thirty-four million dollars (\$34,000,000);

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interest of the Housing Authority to assist in the acquisition of the Property by providing seller carryback financing for the sale in the amount thirty-four million dollars (\$34,000,000), secured by a recorded Deed of Trust, to be paid from no more than seventy-five percent (75%) of the cash flow of the Property;

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interest of the Housing Authority to include an Option Agreement with a reversion clause permitting a ground lease structure upon Fannie Mae loan maturity on July 1, 2026;

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interest of the Housing Authority to provide an unsecured short-term

operating cash line of credit in the amount up to two hundred ten thousand dollars (\$210,000) until regular operations under AAHC accounting are stabilized.

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interest of the Housing Authority and the Property to record a 20 year Affordable Housing Agreement against the Property at the time of acquisition by AAHC to restrict occupancy to low-income households (80% of the Area Median Income) at affordable rents.

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interest of the Housing Authority and the Property for the Housing Authority to fund an AAHC held replacement reserve, at \$1,000 per unit, at the time of acquisition, and for avoidance of doubt, such AAHC held replacement reserve is separate and apart from the Lender-held replacement reserve under the existing Fannie Mae loan;

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interest of the Housing Authority and the Property for the Housing Authority to assign the existing Housing Choice Vouchers (HCV) and Housing Assistance Payments (HAP) contracts to AAHC.

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interest of the Housing Authority and the Property to assign the Community Improvement Commission's Affordable Housing Agreement to AAHC, which such Affordable Housing Agreement is also being collaterally assigned to Lender as additional collateral to the loan, which is being consented to by the Successor Agency to the Community Improvement Commission;

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interest of the Housing Authority to execute and deliver, and to perform its obligations under, any and all documents or agreements necessary or advisable in furtherance of AAHC's acquisition of the Property, including, but not limited to the grant deed and any other document required to transfer the Property to AAHC, the Housing Authority seller loan documents and deed of trust, the Housing Authority Affordable Housing Agreement, the HAP assignment and contract, and any similar or related agreements for housing subsidies, assignment of regulatory agreements and loan documents, assignments of rents, leases, income and profits, and property management agreements and amendments, with the advice counsel, deemed to be consistent with the resolutions contained herein (collectively, the "Property Transfer Documents").

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves and authorizes the Housing Authority to enter into the Property Transfer Documents and such other agreements, certificates, contracts, documents, and instruments deemed necessary to assist in the transfer of the Property and to complete all activities contemplated by this Resolution.

BE IT FURTHER RESOLVED, that the Board hereby approves the seller carry back financing in the form of Seller Note and Deed of Trust for the Property based on the as-is value of thirty-four million dollars (\$34,000,000), as substantiated by an appraisal;

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or her designee to record a 20 year Affordable Agreement against the Property at the time of sale to AAHC;

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or her designee to capitalize an AAHC held replacement reserve account for the Property at \$1,000 per unit, totaling \$186,000;

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or her designee to assign the existing Housing Choice Vouchers (HCV) and Housing Assistance Payments (HAP) contracts to AAHC.

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or her designee to assign the Community Improvement Commission's Affordable Housing Agreement to AAHC;

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or her designee to execute the Option Agreement with a reversion clause permitting a ground lease structure upon loan maturity in July 2026;

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or her designee to provide an operating short-term cash line of credit in the amount of two hundred ten thousand dollars (\$210,000) to ensure operating costs are met through the transition; and

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or her designee, acting alone, to negotiate, accept and execute the Property Transfer Documents subject to any minor conforming, technical or clarifying changes approved by the Executive Director, or her designee, and Housing Authority counsel. The Executive Director, or her designee, and the Secretary of the Housing Authority are hereby further authorized and directed to take such further actions and execute and record such documents as are necessary to negotiate, accept and execute the Property Transfer Documents.

BE IT FURTHER RESOLVED, that all actions previously taken by the Housing Authority, or its employees, officers and agents in connection with the Property or the transfer to AAHC described herein are hereby ratified and approved.

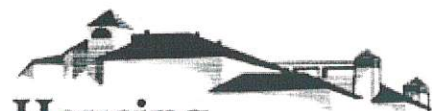
ATTEST:

Vanessa M. Cooper
Executive Director/Secretary

Arthur Kurrasch, Chair
Board of Commissioners

Adopted:

Date



Housing Authority of the City of Alameda

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

To: Honorable Chair and Members of the Board of Commissioners

From: Lynette Jordan, Director of Housing Programs

Date: February 19, 2020

RE: Approve Resolution to Allow for the Use of Employment Development
Department Services

BACKGROUND

The Housing Authority has contracted with the State of California Employment Development Department (EDD) for many years. EDD provides wage, claim and employer address data upon request. This information is necessary to determine the applicant eligibility and the continued eligibility for participants for housing assistance.

DISCUSSION

The current contract with EDD will expire on June 30, 2020. EDD has offered a new three-year contract to continue the same level of service. A copy of the contract is attached as Exhibit A. The State of California requires that the contract be approved by resolution of the governing board. A copy of the proposed resolution is attached as Exhibit B.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The cost for this service is included in the budget for the next fiscal year.

RECOMMENDATION

Approve Resolution to Allow for the Use of Employment Development Department Services.

Respectfully submitted,

Lynette Jordan
Director of Housing Programs

Attachment:

- Attachment 1: Contract
- Attachment 2: Resolution



Attachment 1
REQUEST FOR CONTRACT RENEWAL

To:

Information Security Office
Employment Development Department
P.O. Box 826880, MIC 33
Sacramento, CA 94280-0001

RENEWAL OF CONTRACT NO. M8105879 EDD CUSTOMER CODE: E00137

AGENCY: Housing Authority of the City of Alameda

- 1. Contract Renewal
 We do not plan on renewing the contract. (Do not complete the remaining items.)
 We do plan on renewing the contract. Please initiate the contract. (Complete the remainder of this form.)
- 2. Contract Updates: **Please note: address changes, designated contact persons, purpose, volume and media type.**
 No changes necessary Note changes made on the enclosed copy of the current contract
- 3. Our anticipated number of social security numbers (SSN) per quarter is: _____
- 4. Type of Media: Paper (DE 8720 process) SFT SFTP (State Agency only)
- 5. Review of current information needs (*select desired information types. Explain how your organization plans to use each selected information type. Use a separate sheet if additional space is required*):
 Current Wage and Claim Abstract (DE 507)

Archive Wage and Claim Information Over 2 years old, up to 7 years old

Employer Address (DE 4989)

EDD Client Address

Unemployment Insurance Claim History (Current)

Unemployment Insurance Claim History (Archive) 2 to 4 years Over 4 years old

Disability Insurance Claim History (Current)

Disability Insurance Claim History (Archive) 2 to 4 years Over 4 years old

Signature

Vanessa Cooper

Print Name

Executive Director

Title

Area Code/Telephone Number

Area Code Fax Number

Date

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Resolution No. _____

APPROVING A CONTRACT WITH THE STATE OF CALIFORNIA
EMPLOYMENT DEVELOPMENT DEPARTMENT AND
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE
CONTRACT

WHEREAS, the United States Department of Housing and Urban Development requires housing authorities to utilize third party verifications to determine and document eligibility for federal housing assistance; and

WHEREAS, the Housing Authority has previously contracted with the State of California Employment Development Department, hereafter referred to as EDD for these services; and

WHEREAS, EDD will continue to produce and provide the Housing Authority with wage, claim and employer data necessary to verify client income and eligibility upon renewal of its contract.

NOW, THEREFORE. BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the City of Alameda hereby approves the draft contract with EDD for the three-year period starting July 1, 2020, and authorizes the Executive Director to execute the final contract upon receipt.

ATTEST:

Vanessa M. Cooper
Secretary/Executive Director

Arthur Kurrasch, Chair
Board of Commissioners

Adopted: _____