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 (TDD: 510 522-8467) or dconnors@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 21, 2018 – Regular Meeting - 7:00 p.m.

LOCATION Independence Plaza, 703 Atlantic Avenue, Alameda, CA

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

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

PLEDGE OF ALLEGIANCE

1. **ROLL CALL** - Board of Commissioners

2. Public Comment (Non-Agenda)

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

3-A. Approve Minutes of the Board of Commissioners Meeting held January 17, 2018 – Page 4
3-B. Accept the Monthly Overview Report Administration/I.T./H.R. – Page 8
3-C. Accept the Monthly Overview Report Housing & Community Development – Page 10
3-D. Accept the Monthly Overview Report Housing Programs Department – Page 18
3-E. Accept the Monthly Overview Report Rent & Community Programs – Page 23
3-F. Accept the Monthly Overview Report Property Operations – Page 24
3-H. Accept the Monthly Development Report for Everett Commons – Page 30
3-I. Accept the Budget Variance Report – Page 32
3-J. Accept the Quarterly Police Report – Page 35
3-K. Amendment to Executive Director Employment Agreement – Page 40
3-L. Approve Standardized Loan Fee Schedule – Page 42
3-M. Select Property Name for the New Construction Development at 1301 Buena Vista – Page 44
3-N. Authorize the Executive Director to Negotiate and Approve an Extension of the Term for the Contract Between the Alameda Housing Authority and 1) Goldfarb & Lipman LLP in the Amount of Fifty Thousand Dollars and Zero cents ($50,000.00) up to a Total Not to Exceed Amount of Five Hundred and Twenty-Five Thousand Dollars and Zero Cents ($525,000.00) Through December 31, 2018 and 2) Liebert Cassidy Whitmore in the Amount of Fifty Thousand Dollars and Zero Cents ($50,000.00) up to a Total Not to exceed Amount of Three Hundred and Ninety Five Thousand Dollars and Zero Cents ($395,000.00) Through December 31, 2018 – Page 46
3-O. Approve Out-of-State Travel – Page 52
3-P. Resiliency Planning – Page 53
3-Q. Succession Planning – Page 56

4. AGENDA

4-A. North Housing Project Update and Approval to Execute a MOU and Administer a CDBG Grant on Behalf of the City of Alameda; Authorize Executive Director to Execute Related Documents – Page 62
4-B. Accept Report and Provide Direction to Staff Related to Real Estate Development and Project Management – Page 65
4-C. Adopt Resolution Authorizing the Real Property Transfer of Four Housing Authority Owned Properties (China Clipper, Anne B. Diament, Lincoln-Willow, and Stanford House) to Alameda Affordable Housing Corporation and Authorize Executive Director to Execute Related Documents – Page 69

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

6. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)
7. **ADJOURNMENT**

    * * *

**Note**

- If you need special assistance to participate in the meetings of the Housing Authority of the City of Alameda Board of Commissioners, please contact 510-747-4325 (TDD: 510-522-8467) or dconnors@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.
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA
HELD WEDNESDAY January 17, 2018

The Board of Commissioners meeting was called to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE

1. ROLL CALL

Present: Commissioner Kurrasch, Vice Chair McCahan, Commissioner Allen,
Commissioner Kay, Commissioner Weinberg, Chair Tamaoki

Absent: Commissioner Rickard

2. Public Comment (Non-Agenda)

Richard Neveln said he was disturbed when he arrived on last Sunday to find three
police cars in the front of 703 Atlantic Avenue. He asked the officers what was going on
and one said that he was looking for a specific apartment number. Mr. Neveln told the
officer that apartment was located in building 711 and showed the officer the location on
the map. There was no answer at the door and the officer could not get in that
apartment. Mr. Neveln stated that the Resident Manager and the Assistant Resident
Manager were not readily available and it would take Maintenance staff 45 minutes to
arrive. Before the officer broke in the apartment, the Assistant Resident Manager
arrived and let the officer in. Mr. Neveln said that he is recommending that some type
of high security lock box be available and be placed on each building to allow faster
entry for response teams. Mr. Neveln also recommended that a rotating staff person be
assigned to be the point person when emergency situations arrive.

Ms. Cooper noted that Independence Plaza (703 Atlantic) is independent living. She
said that AHA is not funded or licensed to provide assisted living. AHA does provide pull
hurts and two managers on site. The law does not require these managers to be on
site all of the time. The Director of Property Operations did receive a call from the
officers and she was on it right away and was able to have the Assistant Resident
Manager respond. Ms. Cooper said that she would review why the key in the box did not
get the officers all the way through the building. The officers use this key sometimes two
or three times per day and to her knowledge this is the first time that the key did not
work. Ms. Cooper said that she is happy with the outcome in that the tenant was provided the assistance they needed and is fine.

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.

Vice Chair McCahan commented that he was happy to see China Clipper come in under budget by 25%. He also was pleased to see that we had 24 new move ins.

Commissioner Kurrasch moved to accept the Consent Calendar and Vice Chair McCahan seconded. The motion carried unanimously. Items accepted or adopted are indicated by an asterisk.

*3-A. Approve Minutes of the Board of Commissioners Meeting held December 20, 2017–Page 4
*3-B. Accept the Monthly Overview Report Administration/I.T./H.R.– Page 9
*3-C. Accept the Monthly Overview Report Housing & Community Development – Page 11
*3-D. Accept the Monthly Overview Report Housing Programs Department – Page 15
*3-E. Accept the Monthly Overview Report Rent & Community Programs – Page 18
*3-F. Accept the Monthly Overview Report Property Operations –Page 20
*3-G. Accept the Monthly Development Report for Del Monte Senior Housing – Page 25
*3-H. Accept the Monthly Development Report for 2437 Eagle Avenue – Page 27
*3-I. Approve Deed Reconveyance and Loan Forgiveness for Intra-property Loans by June 30, 2018 and Authorize Executive Director to Execute Related Documents – Page 29
*3-J. Accept the Budget Variance Report – Page 31
*3-K. Accept the Annual Review of Investment Policy – Page 38

4. AGENDA

4-A. North Housing Project Update and Project Costs to Date; Approve the Use of Up to $750,000 to pay for Initial Demolition Costs at the North Housing Site; Authorize Executive Director to Negotiate Documents related to Easements, Demolition and Infrastructure Improvements – Page 49

Ms. Cooper said that there was good news at the City Council Meeting last night and thanked everyone for coming in support. There was strong endorsement from the City regarding affordable housing and strong commitment to the AHA.

Ms. Cooper talked about the final stages with the City and Carmel and getting the Memorandum of Understanding finalized. Ms. Cooper said the number one priority, along with the City, is getting the road go through straight and getting the road in early. There was a lot of State and County money passed for affordable housing. The sooner we get the land and have roads, the sooner we can start accessing these funds. Ms. Cooper said that there are a number of other technical issues that the City
and Carmel are still working out and some that Carmel and the Housing Authority will need to work out.

Ms. Cooper said that the memo provides up-to-date information on the project but the specific request we have for the Board tonight is to approve the use of up to $750,000 to pay for initial demolition costs at the site. This would relate to two or three buildings that the Housing Authority would need to remove in order for the roads to go in. Ms. Cooper said that it is a good faith signal on behalf of the Board to Carmel to say that we would like those roads early. The recommendation is that money would be put in a controlled account subject to an agreement. Ms. Cooper talked about the timeline of deposit and release of these funds. Ms. Cooper asked for some leeway in negotiating the actual terms.

Ms. Cooper answered questions from the Board. There was discussion about what could be under the slab. There was discussion about the water system/structure and talk about storm water and sewage.

Commissioner Kurrasch congratulated staff on all of the hard work that has been done on this project and Chair Tamaoki seconded.

Chair Tamaoki asked about the standards that we need to follow in terms of mediation and how hazardous waste is handled. He asked if Carmel is subject to anything different than what we are subject to. Ms. Cooper said that the MOU is not done yet, but she doesn’t believe any private developer gets any special treatment in terms of remediation and demolition. There was discussion about the infrastructure and number of units.

Chair Tamaoki said that he would like to have a date when things are wrapped up and this would come back to the Board. Ms. Cooper talked about the bids. Ms. Cooper said that she would be able to report back at the March meeting with a closer amount and be able to give more details at that time.

Mr. Neveln said that he hopes this demolition project is not a straight “smash and bash” and hauled off for a high volume of solid waste to a disposal site as a component for resource recovery for the local urban ore groups. He said that a lot of the wood, pipe, and wire, are used for training new people as buildings are being deconstructed. It probably would put the AHA in a favorable position politically to show that they are working and encouraging the training of people who are close to unemployable through a deconstruction project. He would like to move in some way to have some notable resource recovery and deconstruction as part of this. Ms. Cooper spoke on how these items are identified prior to deconstruction and how this is handled.

Commissioner Kurrasch moved to accept the staff recommendation on page four and Commissioner Allen seconded. The motion carried unanimously.

5. **ORAL COMMUNICATIONS, Non-Agenda (Public Comment)**
6. **COMMISSIONER COMMUNICATIONS. (Communications from the Commissioners)**

Commissioner Kurrasch thanked staff for the tour of Buena Vista today. He thinks the design is very good. Commissioner Allen thanked staff for all of their hard work.

Vice Chair McCahan announced that this Saturday, Estuary Park will open and invited all to come out.

7. **ADJOURNMENT**

There being no further business, Chair Tamaoki adjourned the meeting at 7:35 p.m.

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Kenji Tamaoki, Chair

Vanessa M. Cooper
Executive Director/Secretary
To: Honorable Chair and
   Members of the Board of Commissioners

From: Janet Basta
   Director of Human Resources and Operations

Date: February 21, 2018

Re: Monthly Overview Report to the Board: Operations, HR, and IT

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

Recruiting continues for multiple positions, including the Deputy Executive Director and
Controller positions, both of which are being managed by external consultants. AHA
management expects to review Deputy ED applications in mid/late February, with first
interviews tentatively scheduled for March 7. Participation from external interviewers,
including AHA Board of Commission members, will be solicited for the first and/or second
round of interviews. Initial interviews are being conducted with Controller candidates as
candidates apply.

The Senior Accounting Technician position was reposted in January, and applications are
under review. Recruiting for this position may be extended and/or a decision made to utilize
a temporary agency for staffing should the process not yield a successful candidate. An offer
has been extended for the Resident Manager II position at Esperanza Plaza, and a part-time
Resident Manager position for Eagle Village and a Resident Manager position for China
Clipper were posted in January.

Two staff, Janet Basta and Kara Korbel, attended the NoCal/Nevada NAHRO conference in
late January. At the conference, AHA received two awards from HUD: a SEMAP High
Performer Award and a Good Samaritan Award for the inspection work agency staff
volunteered to do following the fires in Sonoma and Napa counties.

Proposals that were submitted in response to the RFP for a strategic planning consultant were
reviewed, interviews conducted, and a firm to conduct strategic planning was selected. It is
anticipated that this process will begin in March.
Honorable Chair and
Members of the Board of Commissioners

Information Technology/Administration

Regular meetings with Yardi staff continue to roll out Rent Café and the Yardi Affordable module. It is anticipated that both systems will be online before the end of this fiscal year. Once the Affordable module is implemented, Property Management Department staff will perform their work in the Affordable module and Housing Program Department staff will continue to perform their work in PHA, allowing for a division of the Yardi system.

A Junk Add-On was deployed to all staff to assist with identifying phishing and other malicious e-mails. Staff can, with a few mouse clicks, report to MicroSoft these e-mails. The vendor is now quarantining e-mails it identifies as spam, so these two systems should help staff efficiently manage e-mails.

The Senior Management Analyst reconfigured the Yardi system to allow for printing of the IRS Form 1099 from the Yardi system for vendors covering the 2017 calendar year by each legal entity. Paper forms were then printed and sent to all vendors while the electronic forms were uploaded to the IRS' FIRE system, meeting the Agency's 1099 requirements for 2017.

RECOMMENDATION

For information only.

Respectfully submitted,

[Virgil Image]

Janet Basta
Director of Human Resources and Operations

JCB/TMSC
To: Honorable Chair and
Members of the Board of Commissioners

From: Victoria Johnson
Director of Housing and Community Development

Date: February 21, 2018

Re: Update to the Board of Commissioners – Housing and Community Development

BACKGROUND

This memo provides an overview of departmental activities in the prior month.

DISCUSSION

Capital Projects
The attached table (Attachment 1) summarizes Housing Authority capital project work recently completed, currently underway and those planned to begin within the coming quarter.

Staff also administers three programs on behalf of the City including Major and Minor Home Repair Grants & Loans, the Substantial Rehabilitation Program and the City Capital Projects. All are CDBG funded. Staff is now assisting one homeowner facilitate a Minor Home Repair Grant and Home Repair Loan, completing the 738 Eagle substantial rehab (shown on the CIP schedule) and working with City staff to develop a repair scope for the repair at the City-owned property on San Diego Rd.

Inclusionary and Below Market Rate Programs
Hello Housing has concluded its annual monitoring of the City’s 134 inclusionary/BMR housing units. 81% of the households surveyed provided a satisfactory response; 14% were partial responders; and 11% were non-responders. Of the seven households that did not respond in 2017, there are two that did not respond in 2016 as well. These households have been referred to the City Attorney’s office. Three households were found to have transferred their homes into a trust. Staff sent letters to non-compliant households to notify them that they have two weeks to comply and will then work with the City Attorney’s office to pursue further action.
Honorable Chair and
Members of the Board of Commissioners

February 21, 2018
Page 2 of 5

Staff has begun issuing denial or approval decision letters to prospective buyers of the three units that are for sale at Mulberry (2100 Clement).

**Community Development Block Grant (CDBG)**
The CDBG program is funding improvements at the Midway Shelter including replacement of the bathroom trailer. Building Futures is working with Bonnewit Development Services who is currently preparing an RFQ for a general contractor and awaiting authorization from the Navy to use a portion of the Navy’s land for crane egress and for crane storage. Once the new trailer has been manufactured, the project is expected to be completed in one week and total project cost is budgeted not to exceed $350,000.

The auditor for the City of Alameda conducted its single audit of the CDBG Program during the month January. Staff responded to the auditor’s requests and provided supporting documentation.

The County conducted its monitoring of Alameda’s HOME assisted units in January.

**Pre-development Loans**
The Housing Authority has made separate pre-development loans to Island City Development on behalf of two development projects: North Housing and Rosefield. A $250,000 working capital loan to ICD was also made in 2017. Reporting on loan balances is shown below or is included in a separate report.

<table>
<thead>
<tr>
<th>Rosefield Village</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-development Loan from AHA</td>
<td>$ 1,000,000</td>
</tr>
<tr>
<td>Usage through January 2018</td>
<td>$ 179,994</td>
</tr>
<tr>
<td>Balance</td>
<td>$ 820,006</td>
</tr>
</tbody>
</table>

Pre-development costs to date include geotechnical, survey and appraisal services, engineering and architectural services, and financial and application consultants.

<table>
<thead>
<tr>
<th>North Housing</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-development Loan from AHA</td>
<td>$ 300,000</td>
</tr>
<tr>
<td>Usage through January 2018</td>
<td>$ 46,237</td>
</tr>
<tr>
<td>Balance</td>
<td>$ 253,763</td>
</tr>
</tbody>
</table>

Pre-development costs to date include appraisal services and the project planning consultant.

**Pipeline**
*Everett Commons Apartments* – Construction is on schedule and a separate report on the project is attached. The project architect (Anne Phillips Architecture) has requested an additional change order to complete the construction administration (CA) services. The original contact amount was approved at $550,000 (design and CA) and the current contact amount including approved change orders is $695,000. The contract
has been assigned to the tax-credit partnership and is now managed by ICD. The project has a very tight budget and staff is uncertain if funds are available for additional change orders. The consultant has asked to schedule a meeting that includes legal representation for both parties. Staff expects to meet and discuss the contract matter in the near future and will return to the Board of Commissioners and the Board of ICD with further detail and a proposed resolution.

**Del Monte Senior** – Construction is on schedule and a separate report on the project is attached.

**North Housing** – The adhoc committee that includes two Board members met on January 24th to discuss the status of the MOU and related matters. A separate report on the project is attached.

**Rosefield Village** – Staff is currently working with Dahlin Architects to prepare the Design Review drawings that will be submitted for Planning Board consideration in April or May. The site plan considered in September showed 60 new units, and at that meeting the Planning Board requested and approved a plan with 80 new units. Most of the additional units will be placed within a fourth-story. The current draft of the site plan is attached (Attachment 2). This plan aligns with Board direction provided during the two design meetings and the September 2017 Planning Board approval.

Staff worked with the consultant Real Estate Development Services (REDS) to submit an application to Alameda County for A-1 bond funds from the City ‘base allocation’. The application was submitted on January 2, 2018. However, in January the County issued a revised funding application schedule and requested more information. An updated application will be submitted in April 2018. The County bond funds will also require approval by City Council. Another separate application for regional A-1 bond funds will be submitted later in the year once the County schedule is announced. REDS is also working to assist with the preparation of an application for Affordable Housing Program funds that are awarded through the Federal Home Loan Bank.

Staff continues to work with Community Economics to confirm the feasibility of submitting a 9% application on July 1, 2018. In 2017, long-awaited legislation was approved that allows Housing Authorities to expand their project-based voucher programs. Project-based vouchers are now the primary tool used by affordable housing developers to subsidize units for very-low income households. However, the new legislation did not provide any new funding, and AHA - like most Bay Area housing authorities, is not financially able to commit any new project-based vouchers. The only exception is VASH vouchers which may be awarded together with new funding. Without vouchers, a 9% application may not be competitive in State scoring, but staff will continue to work to secure any other funds (such as AHP) that can increase competitiveness and improve project feasibility.

It is nonetheless important for the design process to move forward, as design approvals will improve the ‘readiness’ scoring in the applicantons. Staff will return to the Board with updated projections and to authorize the next round of funding applications.
Asset Management
Staff continues to work on refinance scenarios, per the Ad Hoc Committee schedule of activities. Fourth quarter bank and investor reporting is complete for the period ending December 31. Staff is providing audit and tax return support for the entities with a fiscal year ending December 31, Island City Development and the limited partnerships.

Alameda Affordable Housing Corporation (AAHC) received the 501(c)3 tax exemption from the IRS in record time. Staff is working with legal counsel on the property transfer to the nonprofit, per the separate board report.

Staff continues to oversee lease up coordination of 1301 Buena Vista Avenue with The John Stewart Company (JSC) and other AHA staff. They are doing interviews and income certifications for applicants. The first move-ins are expected to begin in May.

Staff is investigating a possible property acquisition through the tax delinquent sale process with the County Tax Assessor. A “Chapter 8” purchase of tax delinquent properties is a means to converting properties to public use, such as low-income housing. The property is a single family Victorian that may be a candidate for a conversion to a duplex. Renovations would be needed if the building is purchased; staff is collecting information on the process of sale and the condition of the property.

Other Activities
Staff continues to work on multi-modal transportation opportunities for residents. In late January staff met with AC Transit’s EasyPass team to understand requirements for providing transit passes to residents. The two projects under construction, 1301 Buena Vista and Everett Commons will provide transit passes to residents and staff is gathering information to understand feasibility of providing EasyPasses to residents of additional properties and possibly to staff.

Staff has completed the Homelessness Report in coordination with the City’s Community Development Department. The Report is on the SSHRB agenda for input at its February meeting and on track to be presented to City Council in May.

In December 2017 the Board approved the AHA college student intern program to continue for a fourth year. Staff proposed to hire up to four short-term interns at a total cost of approximately $25,000. In January, staff was contacted by the Non-Profit Housing Association of Northern California (NPH) and asked to participate in a year-long affordable housing internship program that will be coordinated by that organization. The program goal is to develop a cohort of twelve upper-division college students who are interested in the affordable housing industry and provide experience that will expand their skills. NPH is particularly seeking to recruit students from diverse demographic backgrounds. The interns will work part-time at various Bay Area housing agencies from June 2018 through June 2019. The interns will also meet with one another monthly at the NPH offices and will participate in a two-day training at UC Davis in July.
Honorable Chair and Members of the Board of Commissioners

February 21, 2018

Staff believes that participating in the NPH program will be beneficial for the student as well as the agency and the industry, and has expressed willingness to host one of the interns. The initial recruitment will be conducted by NPH, and AHA staff will conduct final interviews. The revised intern staffing plan is to hire one year-long intern and one short-term or summer intern. The annual cost will be increased from $25,000 as reported in December to $35,000. Current vacancies in the departments leave unexpended funds available to meet the cost of the intern program.

RECOMMENDATION
For information only.

Respectfully submitted,

Victoria Johnson
Director of Housing and Community Development

Attachments
### Attachment 1 - FY 2017-18 Capital Projects Update

#### Per CIP Schedule

<table>
<thead>
<tr>
<th>CIP Phase</th>
<th>Project No.</th>
<th>Property</th>
<th>Description</th>
<th>Original Contract or Budget Amount</th>
<th>Approved Change Orders</th>
<th>Current Contract Amount</th>
<th>% Complete</th>
<th>Original Substantial Completion</th>
<th>Expected or Actual Substantial Completion</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1A</td>
<td>HA2017.1</td>
<td>AHA</td>
<td>AHA ADA Door Installation</td>
<td>$1,772,920</td>
<td>1</td>
<td>$1,772,920</td>
<td>100</td>
<td>1/2018</td>
<td>2/2018</td>
<td>Change Order due to electrical code requirement</td>
</tr>
<tr>
<td>1A</td>
<td>HA2017.2</td>
<td>IP</td>
<td>IP 504 Upgrades</td>
<td>$2,000,000</td>
<td>0</td>
<td>$2,000,000</td>
<td>4</td>
<td>10/2019</td>
<td>10/2019</td>
<td>Currently in bid phase.</td>
</tr>
<tr>
<td>1B</td>
<td>HA2017.3</td>
<td>RV</td>
<td>Roof Repair/Tree Removal</td>
<td>$11,783</td>
<td>0</td>
<td>$11,783</td>
<td>100</td>
<td>4/2017</td>
<td>4/2017</td>
<td>Storm repair</td>
</tr>
<tr>
<td>1B</td>
<td>HA2017.4</td>
<td>CC</td>
<td>CC Pool FRR</td>
<td>$623,368</td>
<td>1</td>
<td>$623,368</td>
<td>100</td>
<td>12/2017</td>
<td>2/2018</td>
<td>Change Order to add perimeter fence.</td>
</tr>
<tr>
<td>1C</td>
<td>HA2017.5</td>
<td>CC</td>
<td>Soft Story Assessment</td>
<td>$19,850</td>
<td>0</td>
<td>$19,850</td>
<td>100</td>
<td>7/2017</td>
<td>7/2017</td>
<td>Assessment complete; no imminent risk but should proceed with other work</td>
</tr>
<tr>
<td>2A</td>
<td>HA2017.6</td>
<td>AHA, ERP</td>
<td>Roof Assessments</td>
<td>$33,000</td>
<td>0</td>
<td>$33,000</td>
<td>3</td>
<td>3/2018</td>
<td>3/2018</td>
<td>Inspections underway; work will be added to 18-19 CIP</td>
</tr>
</tbody>
</table>

#### Additional Projects

<table>
<thead>
<tr>
<th>Project No.</th>
<th>Property</th>
<th>Description</th>
<th>Original Contract Amount</th>
<th>Approved Change Orders</th>
<th>Current Contract Amount</th>
<th>% Complete</th>
<th>Original Substantial Completion</th>
<th>Current Substantial Completion</th>
<th>Notes</th>
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<tr>
<td>HA2016.1</td>
<td>RV</td>
<td>738 Eagle Sub Abatement</td>
<td>$618,614.28</td>
<td>9</td>
<td>$728,958.30</td>
<td>95</td>
<td>5/2017</td>
<td>2/2018</td>
<td>Unforeseen conditions (abatement, structural, underground pipe)</td>
</tr>
<tr>
<td>HA2016.2</td>
<td>EV</td>
<td>Sub-Meter Install</td>
<td>$22,381.89</td>
<td>0</td>
<td>$22,381.89</td>
<td>100</td>
<td>4/2017</td>
<td>4/2017</td>
<td>Expect to implement after IT system test.</td>
</tr>
<tr>
<td>HA2016.3</td>
<td>ESP</td>
<td>Groundwater Investigation</td>
<td>$8,799.80</td>
<td>0</td>
<td>$8,799.80</td>
<td>100</td>
<td>5/2017</td>
<td>5/2017</td>
<td>Identified and repaired longstanding leak</td>
</tr>
<tr>
<td>HA2016.11</td>
<td>AHA</td>
<td>Main Office Emergency Generator and Switch Panel</td>
<td>Budget $65,000</td>
<td>0</td>
<td>Pending</td>
<td>0</td>
<td>12/2017</td>
<td>3/2017</td>
<td>Contract pending; estimate 6 weeks to complete</td>
</tr>
<tr>
<td>HA2016.13</td>
<td>AHA</td>
<td>Office Door Window Installations</td>
<td>Budget $10,000</td>
<td>0</td>
<td>Pending</td>
<td>0</td>
<td>3/1/2017</td>
<td>3/1/2017</td>
<td>Working with Operations Director</td>
</tr>
</tbody>
</table>
Development Summary Notes:
Site Area: 1.95 AC
Total units: 86 DU
Gross Density: 44.10 DU/AC
Building Height: 4-Story Walk-Up Apartments (Proposed Building)

Existing Unit Mix:
Existing Units: 46
1-Bedroom: 28 DU
2-Bedroom: 17 DU
4-Bedroom: 1 DU
Total Unit Count: 46 DU
Note: All units on all floors to be accessible/adaptable per CBC 11A. 5% of units to comply with CBC 11B mobility requirements and 2% to comply with CBC 11B visual/hearing requirements.

Proposed Unit Mix:
Proposed Units: 80
1-Bedroom: 40 DU
2-Bedroom: 18 DU
3-Bedroom: 22 DU
Existing Units: 6
2-Bedroom: 4 DU
1-Bedroom: 2 DU
Total Unit Count: 86 DU

Amenities

Parking Provided:
Existing Parking: 42 spaces
Proposed Parking: 69 Spaces (@ 0.80 spaces/unit)
(24 Compact Spaces = 34.7%)
Bike Lockers (Long Term): +/- 86 Bikes (High Density Stack Format)
Short term bike storage will be accommodated by 10 racks located on site.
ROSEFIELD VILLAGE - DEVELOPMENT PLAN
Housing Authority of the City of Alameda

Proposed Unit Square Footages:
(Gross/Net)
1-Bedroom: +/- 500/450
2-Bedroom: +/- 760/700
3-Bedroom: +/- 980/900

Proposed Unit Mix:
Proposed Units: 80
1-Bedroom: 40 DU
2-Bedroom: 18 DU
(Includes Manager's Unit)
3-Bedroom: 22 DU
Existing Units: 6
1-Bedroom: 2 DU
2-Bedroom: 4 DU
Total Unit Count: 86 DU
To: Honorable Chair and Members of the Board of Commissioners

From: Lynette Jordan
Director of Housing Programs

Date: February 21, 2018

Re: Monthly Overview Report to the Board Housing Programs

BACKGROUND

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

HUD Field Office Staff Visit
On Wednesday, January 17, 2018, HUD Field Office Director, Gerard Windt; Division Director, Jose Gomez; and Portfolio Specialist, Carol Joseph came to AHA office for an onsite visit.

Prior to HUD’s visit on January 16, 2018 our field office notified AHA that we had been placed on their risk list (shortfall). This meant HUD is projecting a CY 2018 shortfall. There was much discussion around shortfall, and what it would mean to our Agency moving forward into the new CY2018. HUD explained that AHA would be assigned a shortfall team that would be reaching out to AHA staff to begin the process of reviewing internal measures for managing our HAP.

HUD staff was pleased to learn that many of the HAP cost savings efforts AHA will be asked to do under the shortfall designation, have already been implemented or considered. Prior to the HUD office visit AHA staff had already begun initiating HAP cost savings measures by right sizing PBV units to ensure tenants were in their correct unit sizes. In November 2017 AHA discontinued issuing vouchers to new movers from the HCV waitlist. Also, in November 2017 AHA notified PHA’s we would begin billing for all port-in vouchers to our jurisdiction. When the FMR were released in October of 2017, AHA made no changes to HCV payment standards, and only raised 3 and 4 bedroom PBV payment standards because the fell below the 90 percent minimum threshold.

Most recently, AHA made the decision to stop PBV to HCV voucher conversions until it was able to issue vouchers again. Each of AHA’s HAP cost savings efforts were well planned, and AHA staff gave tenants as much information and support through these changes as possible.
HUD was able to assure AHA staff that funding commitments for (25) PBV units at 1301 Del Monte scheduled to come on board in May 2018, and (12) units at Everett & Eagle will be honored. The funds for the five VASH vouchers at Eagle/Everett will automatically receive additional funds from VASH funding.

AHA’s first conference meeting with the shortfall team will be on February 28, 2018 to discuss next steps and AHA will give updates moving forward. The HUD office visit meeting was held at IP, followed by a tour of nine PHA properties. AHA staff ended the tour at the new construction site at 1301 Del Monte Ave. Several board members joined staff on the tour of Del Monte, which was very impressive. The overall meeting was very informative for staff and HUD representatives.

HOUSING PROGRAMS FUNDING MANAGING SHORTFALL

After AHA received calendar year (CY) 2018 Housing Choice Voucher (HCV) renewal funding notification, and meeting with HUD field office staff, it was, projected that AHA will be over $3 million in shortfall. Based on this data the Executive Director applied for set-aside funding. Set-aside funds are funds given to PHA to help them meet their HAP expenses. AHA was approved for an additional $277,000 payment to cover HAP expenses through February.

March projections show AHA will need additional funds to meet HAP expenses, and that information was submitted to HUD for review. HUD is still operating under a Continuing Resolution (CR) and no definite budget decision has been determined. Staff is actively working with HUD staff to navigate this shortfall funding status.

TRIENNIAL RECERTS

In response to HUD’s recently published interim final rule in the Federal Register implementing the Fixing America’s Surface Transportation Act (Fast Act) authorizing triennial reexams for some assisted families with fixed income. AHA has determined that 446 households or 34% percent of AHA families have 100% fixed income. The triennial reexamination process will allow AHA to establish a baseline year for these families in 2018 by performing a complete reexamination of the families’ income and assets. In 2019, staff will be able to complete reexaminations for our 100% fixed income families through self-certification process.

This will result in a reduced annual workload for staff, as well as an administrative cost savings. AHA will continue to monitor administrative cost savings as we move forward with triennial reexamination process and make any staffing adjustments as needed.

RENTCAFE

Rentcafe is Yardi’s online recertification portal that will allow AHA staff to process annual recertifications on line. In early 2017 staff began working with the Yardi implementation team and had hoped to have the process completed and begin launching the new online platform at the end of 2017. However, due to several technical difficulties, Yardi was forced to take Rentcafe out of the implementation stage and placed the program back
into production. After researching the issues and reformatting the Rentcafe portal, Yardi has re-launched the online recertification program and AHA staff are actively working to redesign the portal.

Staff is hoping to complete the portal design in February and begin training AHA staff on the new portal process in March. Shortly thereafter staff will launch the new portal with a test group of participants by property type. This small launch will allow staff the opportunity to train tenants on the new process and assist them with the new on-line format. Rentcafe is another cost savings that will allow AHA to meet the ongoing challenge of finding efficiencies within the HPD department.

Section 8 Management Assessment Program (SEMAP) High Performer Award
HUD has a program to assess the management ability of housing authorities known as SEMAP. Housing authorities that achieve a score of 90 or higher are deemed "High Performers." A score of 61 to 89 results in a "Standard Performer" designation. Those with a score of 60 and less are considered "Troubled." HUD looks at 14 indicators (e.g., managing the waiting list, conducting housing quality inspections, calculating income, and the lease-up rate). For fiscal year ending 2017, the Housing Authority was designated a High Performer with a score of 96 percent. The AHA achieved 130 points of the 135-point possible in the 13 required SEMAP indicators.

AHA HCV staff received their High Performer award at the recent NAHRO conference in Napa, California. 2018 SEMAP audit is currently being 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.

FSS AWARD Notification
On December 18, 2017, AHA received notification from HUD, announcing funding recipients for Family Self-Sufficiency Program. AHA was selected to receive $61,124 of funding to continue to support the staffing for the FSS program whereby families work to achieve self-sufficiency. On January 17, 2018 the funds became available and AHA accepted the FSS grant funds for 2018.

Currently, there are 30 participants in the program and staff is continuing to outreach to grow the program. These grant funds are for use of staffing costs for the program, a minimum of 25 clients must be served under the grant, but staff’s goal is to grow the program to 35 participants.
**HPD Department Statistics**

<table>
<thead>
<tr>
<th>Statistics</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Re-examinations Processed</td>
<td>97</td>
<td>102</td>
<td>Due: 113</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Completed: 105</td>
</tr>
<tr>
<td>Rent Increases</td>
<td>58</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>Interim Re-examinations Processed</td>
<td>21</td>
<td>43</td>
<td>32</td>
</tr>
<tr>
<td>HQS Inspections Conducted</td>
<td>23</td>
<td>34</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>39% pass rate</td>
<td>47% pass rate</td>
<td>66%</td>
</tr>
<tr>
<td>HQS in AHA Owned</td>
<td>57-Parrot Village 42% pass rate</td>
<td>No AHA</td>
<td>45-Sherman, CC, Lincoln Willow, Sr, Condo, Stanford 66% pass rate</td>
</tr>
</tbody>
</table>

**Voucher issuance and lease up data**

<table>
<thead>
<tr>
<th>Statistics</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 8 Continued Movers seeking housing</td>
<td>12</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td>Port-in seeking housing</td>
<td>4</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Voucher holders ported out and seeking elsewhere</td>
<td>0</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Total voucher holders seeking housing</td>
<td>16</td>
<td>18</td>
<td>12</td>
</tr>
<tr>
<td>Non-Port Leased</td>
<td>8</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Port Move-In Leased Up</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total vouchers leased up in month</td>
<td>12</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>New Vouchers Issued</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Honorable Chair and Members of the Board of Commissioners

- Please note AHS is no longer issuing vouchers, or processing PBV to HCV conversions.

**RECOMMENDATION**

For information only.

Respectfully submitted,

[Signature]

Lynette Jordan
Director of Housing Programs
To: Honorable Chair and Members of the Board of Commissioners

From: Jennifer Kauffman, Management Analyst

Date: February 21, 2018

Re: Monthly Overview Report to the Board – Rent & Community Programs

BACKGROUND

The monthly reports for the Rent Stabilization Program are available at www.alamedarentprogram.org.

The following submissions were filed with our office for review:

<table>
<thead>
<tr>
<th>Submission Type</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent Increases</td>
<td>21</td>
<td>9</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Rent Increases Reviewed by the RRAC</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Terminations of Tenancy</td>
<td>12</td>
<td>11</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Capital Improvement Plans</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

For outcomes of submissions reviewed, please see the full report available on the website.

RECOMMENDATION

For information only.

Respectfully submitted,

Jennifer Kauffman
Management Analyst, Rent and Community Programs
To:  Honorable Chair and 
     Members of the Board of Commissioners 

From:  Lisa Caldwell, Director of Property Operations 

Date:  February 21, 2018 

Re:  Monthly Overview Report to the Board for Property Operations 

BACKGROUND 

This memo provides a high-level overview of the property operations activities in the prior month. 

DISCUSSION 

VACANCY – January 

Lease up coordination between the Property Management and Housing Programs departments continues in order to fill vacancies as soon as possible. Applicants from waitlists have been outreached or are in process for all vacant units. Three applicants are processed at a time for each vacancy. 

<table>
<thead>
<tr>
<th>Property</th>
<th>Unit #</th>
<th>Vacancies end of January</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anne B. Diament Plaza</td>
<td>65</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td>China Clipper Plaza</td>
<td>26</td>
<td>2</td>
<td>8%</td>
</tr>
<tr>
<td>Eagle Village</td>
<td>36</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td>Esperanza</td>
<td>120</td>
<td>2</td>
<td>2%</td>
</tr>
<tr>
<td>Independence Plaza</td>
<td>186</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Parrot Village</td>
<td>50</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Rosefield Village</td>
<td>52</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Combined Smaller Sites *</td>
<td>38</td>
<td>3</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>575</strong></td>
<td><strong>9</strong></td>
<td><strong>2%</strong></td>
</tr>
</tbody>
</table>

*Lincoln House (4), Lincoln/Willow (5), Parrot Gardens (8), Senior Condos (7), Sherman Street (9), Stanford House (4), Paru Street (1) and Mulberry Townhomes (2).
The total unit count above includes the six (6) manager units located at Anne B. Diament Plaza, Esperanza, Parrot Village, Independence Plaza, China Clipper and Eagle Village.

In January, there were five (5) units at Rosefield that were permanently offline due to the upcoming rehabilitation of the property. As vacancies come up at other AHA owned sites, residents at Rosefield will be offered these units, where eligible, in order to accommodate as many current residents that want to remain housed in Alameda.

Effective November 1, 2017 all upcoming vacant units at Independence Plaza will not be filled in order to accommodate upcoming ADA capital improvements to 20 units. At the end of January there was one (1) vacant unit at Independence Plaza taken offline, this unit is not included in the vacancy numbers and rate listed above.

At the end of December, AHA purchased its first two units of four Below Market Rate (BMR) units at the Mulberry townhome community. These two units have been added to the vacancy chart above under combined smaller sites.

RENT COLLECTIONS – January

Most rents for January were collected. Legal proceedings will be started on the households who did not pay if agreements cannot be reached for the past due payments. No legal actions were taken in the prior month.

All properties had a collection rate of 95% or above in January with the exception of Eagle Village that had one vacant unit at the beginning of January. The managers unit that was taken offline in September 2017 was included in the budget numbers and is also a reason Eagle Village has a collection rate below 95%.

GPR - Budget vs. Collected

<table>
<thead>
<tr>
<th>Property</th>
<th>ABD</th>
<th>China Clipper</th>
<th>Eagle Village</th>
<th>ESP</th>
<th>IP</th>
<th>Parrot Village</th>
<th>*All Other Sites</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeted GPR</td>
<td>80,193</td>
<td>33,246</td>
<td>72,022</td>
<td>280,153</td>
<td>134,390</td>
<td>123,076</td>
<td>50,310</td>
<td>773,390</td>
</tr>
<tr>
<td>Collected</td>
<td>80,500</td>
<td>32,457</td>
<td>65,892</td>
<td>283,764</td>
<td>136,860</td>
<td>126,697</td>
<td>48,583</td>
<td>774,753</td>
</tr>
<tr>
<td>Collection Rate</td>
<td>100%</td>
<td>98%</td>
<td>91%</td>
<td>101%</td>
<td>102%</td>
<td>103%</td>
<td>97%</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Lincoln House (4), Lincoln/Willow (5), Parrot Gardens (8), Senior Condos (7), Sherman Street (9), Stanford House (4) and Paru Street (1)
Below are the collection rates for Rosefield Village for the month of December. The financial information for Rosefield will be behind AHA managed properties by one month due to the transferring of property management to The John Stewart Company.

For the month of December, the collection rate was above 95%. As mentioned above there are currently five (5) units offline at Rosefield.

<table>
<thead>
<tr>
<th>GPR - Budget vs. Collected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rosefield</td>
</tr>
<tr>
<td>Budgeted GPR</td>
</tr>
<tr>
<td>Collected</td>
</tr>
<tr>
<td>Collection Rate</td>
</tr>
</tbody>
</table>

Rent increase notices for 2018 have started to go out. The rent increase notices are provided 60 days prior to the effective date. The first round of increases were mailed out at the end of January with an effective date of April 1, 2018. Rent increase notices will continue to be mailed out monthly going forward. Many of the increases are to the contract rent for voucher holders and should not affect the tenant’s portion. The exception will be to the households that are over housed and paying for an extra bedroom outside of the voucher size. Rent increases are within the 5% range and remain below the payment standard.

All qualifying residents at Independence Plaza were issued rent increase notices at the end of November with an effective date of February 1, 2018.

RESIDENT SERVICES

The below chart outlines the number of hours and services provide by LifeSTEPS for the month of January for all AHA sites.

<table>
<thead>
<tr>
<th>Service</th>
<th>Participants</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Case Management</td>
<td>371</td>
<td>230</td>
</tr>
<tr>
<td>Education Classes</td>
<td>75</td>
<td>10.75</td>
</tr>
<tr>
<td>Community Building Enrichment Activities</td>
<td>108</td>
<td>27.5</td>
</tr>
<tr>
<td>Additional Services &amp; Education</td>
<td>214</td>
<td>26.5</td>
</tr>
</tbody>
</table>

The Reading Room at Esperanza is generally open weekly for children’s reading and other activities. Alameda Family Services continues to provide services at Esperanza for families, seniors and the homeless. After school services are provided 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. In January, food
distribution for Esperanza was a huge success. This is a trial basis that will go three to four months and be reevaluated.

The following total households were served in January.

<table>
<thead>
<tr>
<th>Property</th>
<th>No of units</th>
<th>Households Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anne B Diamant</td>
<td>65</td>
<td>70</td>
</tr>
<tr>
<td>Independence Plaza</td>
<td>186</td>
<td>86</td>
</tr>
<tr>
<td>Esperanza</td>
<td>120</td>
<td>59</td>
</tr>
</tbody>
</table>

MAINTENANCE

Annual HQS inspections for 2017-2018 have been completed at Eagle Village, Anne B. Diamant, Parrot Village, Parrot Gardens, the scattered sites and China Clipper. Staff is working on corrections for units that did not pass and required follow up.

Preventive maintenance has started at Esperanza.

Upcoming capital improvement work at Independence Plaza includes ADA upgrades to 20 units and will take place over the upcoming year. The first tenant meeting for the units impacted took place in December and staff will report back with updates as the project moves forward.

Due to the change of staff in December regarding the maintenance specialist, closing out work orders is behind. Staff is working on inputting and closing out work orders. Reports regarding average time completed and year to date completed work orders will be reported in March for the months of December, January and February.

FINANCIAL IMPACT

Report only, no financial impact.

RECOMMENDATION

For information only.

Respectfully submitted,

Lisa Caldwell
Director of Property Operations

VMC/all
Housing Authority of the City of Alameda

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Prepared by: Tobi Liebermann
Housing and Community Development Sr. Project Manager

Date: February 21, 2018

Re: Sherman & Buena Vista LP Project Update

BACKGROUND
The Community Development Department provides monthly reports on projects under construction where AHA is acting as developer and provides performance guarantees.

The Sherman & Buena Vista LP (Del Monte Senior) project (Project) includes the new construction of 31 units located at 1301 Buena Vista Ave. Construction funds were secured at the financial closing on December 14, 2016 and BBVA Compass is serving as construction lender. Brown Construction is the General Contractor.

<table>
<thead>
<tr>
<th>Bedroom Size</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td># Units</td>
<td>30</td>
<td>1</td>
<td></td>
<td></td>
<td>31</td>
</tr>
</tbody>
</table>

Gross Floor Area = 28,466 Square Feet (includes common areas)

DISCUSSION
Construction of the Project started on December 27, 2016. The current percent complete as of the end of January billing is 88%. To date, a total of 50 days of time extensions have been approved. The site work that is to be performed by Tim Lewis has been delayed by permitting issues, and staff is continuing to monitor this closely. Current construction activities include interior finishing and ongoing site work. The construction contract totals $11,148,028. The development budget includes a 5% hard cost construction contingency in the amount of $557,401. There are three owner approved prime contract change orders (PCCO) at this time. Approved PCCOs now total $162,059 including both added costs and credits. Owner contingency funds are held separately from the contract and as change orders are approved, the original
construction contract value will increase accordingly as shown in the table below.

<table>
<thead>
<tr>
<th>Contingency Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Budget</td>
</tr>
<tr>
<td>Construction Contract</td>
</tr>
<tr>
<td>Construction Contingency</td>
</tr>
<tr>
<td>Soft Cost Contingency</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General Construction Contract Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Total Value of Work Completed Retention Withheld Payments to Date Balance to Finish</td>
</tr>
<tr>
<td>11,310,087</td>
</tr>
</tbody>
</table>

FINANCIAL IMPACT
A pre-development loan from AHA to ICD in the amount of $1M was made on behalf of the Project and was repaid. The current construction draw schedule is shown below. The land line item is shown as disbursed but is a deferred payment. The $ Disbursed includes the current draw amount.

<table>
<thead>
<tr>
<th>$ Budget</th>
<th>$ Disbursed</th>
<th>% Disbursed</th>
<th>$ Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>3,435,000</td>
<td>3,435,000</td>
<td>100%</td>
</tr>
<tr>
<td>Hard Costs</td>
<td>11,705,429</td>
<td>8,914,967</td>
<td>76%</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>4,059,874</td>
<td>2,465,502</td>
<td>61%</td>
</tr>
<tr>
<td>Total</td>
<td>19,200,303</td>
<td>14,815,469</td>
<td>77%</td>
</tr>
</tbody>
</table>

Respectfully submitted,

Vanessa M. Cooper
Executive Director

VMC:tl
To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper Executive Director

Prepared by: Tobi Liebermann Housing and Community Development Sr. Project Manager

Date: February 21, 2018

Re: Everett Commons (Everett and Eagle LP Project) Update

BACKGROUND

The Community Development Department provides monthly reports on projects under construction where AHA is acting as developer and provides performance guarantees.

The Everett Commons project (Project) includes the new construction of 20 units located at 2437 Eagle Ave. Construction funds were secured at the financial closing on June 29, 2017 and JPMorgan Chase is serving as construction lender. J.H. Fitzmaurice, Inc. is the General Contractor.

<table>
<thead>
<tr>
<th>Bedroom Size</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td># Units</td>
<td>4</td>
<td>11</td>
<td>5</td>
<td></td>
<td>20</td>
</tr>
</tbody>
</table>

Gross Floor Area = 26,167 Square Feet (includes common areas)

DISCUSSION

Construction of the Project started on July 7, 2017. The current percent complete as of the end of January billing is approximately 28%. Current GC activities include framing and stair and balcony construction.

The construction contract totals $11,556,266 including six approved prime contract change orders for a total of $131,340. The development budget includes a 5% hard cost construction contingency in the amount of $577,813. Owner contingency funds are held
separately from the contract and as change orders are approved, the original construction contract value will increase accordingly as shown in the table below.

<table>
<thead>
<tr>
<th>Contingency Utilization</th>
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<td>3,071,931</td>
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Staff has submitted the 10% test to TCAC.

FINANCIAL IMPACT
A pre-development loan from AHA to ICD in the amount of $1M was made on behalf of the Project and was paid back in August. The current construction draw schedule is shown below. The $ Disbursed includes the current draw amount.

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<td>Soft Costs</td>
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<td>Total</td>
<td>14,928,921</td>
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Respectfully submitted,

Vanessa M. Cooper
Executive Director

VMC:tl
To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: February 21, 2018

RE: Budget Variance Report for December 31, 2017

BACKGROUND
On May 18, 2016 the Board of Commissioners approved a two-year operating budget for all programs covering the fiscal years July 1, 2016 through June 30, 2018. A revision was approved by the Board of Commissioners for 2016-17 at the May 2017 meeting for 2017-18. This high-level, year-end Budget Variance Report covers preliminary unaudited financial operating results compared to the revised 2017-18 budget. Although the year-end financial data is accrued, the month-to-month financials are on a cash basis. The numbers are subject to change based on the final audit report.

DISCUSSION

Revenue

Overall, total revenue income is higher than the year-to-date budget by $2,630,776 (13%).

The net rental income (total tenant revenue) is $175,835 (3%) higher than budget due to low vacancy rates in the very tight housing market in the Bay Area, especially for low-income tenants and Housing Choice Voucher (HCV) holders. See the Property Operations overview for details on vacancies and rent collection.

Agency-wide, other income is $2,068,845 (209%) more than the year-to-date budgeted revenue. This is mainly due to other miscellaneous revenue which includes $2,000,000 for in lieu fee for Alameda landing from TriPointe. Additionally, a payment of $240,000 for developer fee from Sherman and Buena Vista LP and income from the Playa Del Alameda refinancing of $286,124 of which $43,015 was posted to interest income.
Honorable Chair and
Members of the Board of Commissioners

February 21, 2018

Administrative Fee income in the HCV Program is less than the year-to-date budget by $21,007. This is mainly due to a lesser disbursement by HUD of the Administrative Fee revenue compared with our budgeted revenue that included a projected higher proration than actual. Proposed reductions in Administrative fee for 2018 (as low as a 70% proration) will need to be considered when the Board approves the 2018-19 budget revision in June. Administrative Fees from HUD have for many years now not fully funded the Housing Programs Department and the Section 8 program has been subsidized by income from the Property Management Department. It will be important to review options for reducing these costs, which may include freezing hires in the HPD department, accelerating streamlining options such as triennial recertifications and transferring staff to open positions that come available in other departments. Closing the front door to the public every Friday as opposed to every other Friday could facilitate, over time a reduction in staff costs since fewer receptionist staff would be needed.

Expenses

Agency-wide total operating expenses are lower than the year-to-date budget by $1,348,277 (21%). This is mainly due to the lower salary and benefit expenses and maintenance expense savings. Please note the use of temporary staff or contractors to fill permanently budgeted positions. There are currently a number of budgeted but unfilled positions.

Net income from operations (before depreciation) is $3,977,672. This is $3,276,501 (361%) over budget.

HOUSING ASSISTANCE PAYMENTS (HAP) PASS-THROUGH

The Housing Assistance Payments (HAP) Pass-through budget includes all the Housing Choice Voucher/Section 8, Shelter Plus and Bessie Coleman (SRO) programs. The year-to-date HAP revenue is $478,193 (4%) above the budget due to the use of reserves. The HAP payments to landlords are $858,580 (6%) more than the year-to-date budget. The budget was based on the 2016 Budget Authority which was cut by HUD to 97.1% proration in 2017. See HPD memo for more on HAP proration proposals for 2018.

HUD established a project reserve, whereby AHA can draw additional HAP funds if our HAP costs exceed any month’s HAP budget authority. This HUD-held HAP reserve began with a balance of $3.6 million dollars at the start of the calendar year. To make HAP payments, over $3 million was drawn from reserves and the current projection for 2017 year-end HUD held reserves is $816,314. These funds have now been exhausted. Staff is working closely with HUD to monitor the HAP revenue and expenditure, and the federal budget process to ensure a sufficient cash flow for the program.
OTHER ISSUES IMPACTING FINANCE DEPARTMENT

A new Finance Director, Joyce Boyd, CPA started on January 29, 2018. Nan McKay and Associates continues to provide on-site consulting and training services full-time. Other positions have been filled with temporary staff and recruitment is ongoing for positions currently vacant. At the same a process of documenting desk instructions for Finance staff has also been put in place to assist with the handover.

The 2016-17 AHA audit is almost complete. The audit report will be presented in March 2018. The ICD 2017 audit is also in progress.

Staff issued an RFP for auditors earlier this summer. HUD requires that the audit contract be rebid every 5 years. Five firms submitted, and interviews took place on November 23. Commissioner Kurrasch served on the panel along with staff in and the Board will make the final selection in March or April 2018.

RECOMMENDATION
For information only.

Respectfully submitted,

Vanessa M. Cooper
Executive Director

VC

Attachments: 1. Budget Variance Report
To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Prepared by: Kathleen Fraser, Management Analyst

Date: February 21, 2018

Re: Quarterly Police Report

BACKGROUND

The Housing Authority budget for the current fiscal year (FY2017-18) provides for community policing services at Housing Authority properties. This report on these services covers the second (2nd) quarter of the fiscal year (FY2017-18), from October 1st, 2017 to December 31st, 2017. The attached data sheets in Exhibit A contain detailed quarterly reports from the Alameda Police Department (APD) and are labeled as “4th Quarter 2017”; the APD reports quarterly based on the calendar year. The APD compiles detailed crime reports and arrests at Housing Authority properties and provides statistical comparisons to monthly police activity in the City of Alameda. These reports are forwarded monthly to the Housing Authority.

DISCUSSION

Attached as Exhibit A are detailed reports of the recorded types of police activity at Housing Authority properties. In addition, a table and chart showing the number of crime reports and arrests made during October 1st, 2017 to December 31st, 2017, by property, is also provided. These reports indicate that the number of crime reports written on Housing Authority properties made up 1.6% in this quarter of the total number of crime reports written city-wide and 0.8% of the arrests, respectively. The population of Housing Authority properties in relation to the City of Alameda as a whole is about 1.7 percent; therefore, the level of police report activity during this period is consistent with what would be expected for a population of this size, but the number of actual arrests are significantly less.
Honorable Chair and
Members of the Board of Commissioners

February 21, 2018

Exhibit B provides a line chart for visual analysis of the comparison of APD recorded crime reports at Housing Authority properties with the City of Alameda and may indicate potential trends. For ease of comparison, the number of reports written on Housing Authority properties has been multiplied by 50 so that they can be compared with the entire population of the City of Alameda. The line chart demonstrates that police activity on Housing Authority properties during the October to December 2017 period was less than police activity reported in the whole of the City of Alameda and a slight trend towards a decrease in crime activity at Housing Authority properties in comparison to the two previous quarters.

In addition to meeting weekly with the Director of Property Operations, Lisa Caldwell, to determine household lease noncompliance and enforcement, the two assigned officers attend scheduled Resident Meetings at Housing Authority properties to answer questions, provide safety tips and mingle with residents. In October, 2017, while attending a Resident Meeting at Parrot Village they also handed out stickers to the children.

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

FINANCIAL IMPACT

The services provided are a budgeted item and this reporting is part of the Services Agreement.

RECOMMENDATION

This report is provided for information only.

Respectfully submitted,

Vanessa M. Cooper
Executive Director

VMC/KF

Attachments:
A. Police Reports and Arrests Charts for 4th Quarter of 2017
B. Police Activity Comparison over a Two-year Period

cc: Officer Alyssa Schlitt
### AHA Reports 4th Quarter 2016

| City   | % Total | % County | % Zone 1 | % Zone 2 | % Zone 3 | % Zone 4 | % Zone 5 | % Zone 6 | % Zone 7 | % Zone 8 | % Zone 9 | % Zone 10 | % Other | % Other | % Other | % Other | % Other | % Other | % Other | % Other | % Other | % Other |
|--------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| #OAP   | 1405    |          |          |          |          |          |          |          |          |          |          |           |         |         |         |         |         |         |         |         |         |         |
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|        | 6       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0          |         |         |         |         |         |         |         |         |         |         |
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|        | Total   | %        | %        | %        | %        | %        | %        | %        | %        | %        | %        | %           |         |         |         |         |         |         |         |         |         |         |         |

### Exhibit A

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### AHA ARRESTS 4TH QUARTER 2017

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  - EAGLE: 0
  - INDEP: 1
  - C.C.: 0
  - PARROT: 0
  - DIAMENT: 0
  - TOTAL: 3

- **NOV**:
  - ESPER: 0
  - ROSE: 2
  - EAGLE: 0
  - INDEP: 0
  - C.C.: 0
  - PARROT: 0
  - DIAMENT: 0
  - TOTAL: 2

- **DEC**:
  - ESPER: 0
  - ROSE: 0
  - EAGLE: 0
  - INDEP: 0
  - C.C.: 0
  - PARROT: 0
  - DIAMENT: 0
  - TOTAL: 1

- **TOTAL**: 4

---

38 of 75
HOUSING AUTHORITY OF THE CITY OF ALAMEDA
POLICE ACTIVITY
ON HOUSING AUTHORITY PROPERTIES
COMPARED WITH THE CITY AS A WHOLE

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

management analyst (Reports/Property Management/Police Reports/Quarterly Trend Chart)
2/13/2018
To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper Executive Director

Prepared by: Janet Basta Director of Human Resources and Operations

Date: February 21, 2018

Re: Amendment to Executive Director Employment Agreement

BACKGROUND

On August 26, 2014, The Board of Commissions approved an employment contract with Vanessa Cooper, and authorized the Chair to sign the contract, which was done with an effective date of September 28, 2014. The Agreement set forth the terms of employment between Vanessa Cooper and the Board of Commissioners of the Housing Authority, including the salary and benefits package. The Agreement has been in place with no changes since it was executed, and has been automatically extended in accordance with the provisions in the Agreement. The Executive Director received salary increases in 2015 and 2016, and annual COLA increases in accordance with the Agreement. Ms. Cooper's employment contract runs for a year from September 28th of each year, and is automatically extended for an additional year, unless otherwise terminated pursuant to the contract's terms.

DISCUSSION

Ms. Cooper has received annual performance evaluations from the Board, most recently in September 2017 following a 360 degree review process, and annual performance goals have been set each year. In the summer of 2017, AHA Management contracted with Koff and Associates, the human resources consulting firm utilized for the general compensation surveys that have been done for AHA positions, to conduct a survey of executive compensation. That survey showed that, similar to other positions at AHA, the Executive Director salary is above other comparable agencies, but the benefits package is below what other agencies provide, which puts the Housing Authority in a less competitive position compared to other agencies.
Honorable Chair and Members of the Board of Commissioners

February 21, 2018

An increase to salary is not being recommended at this time (i.e., retroactive to September 2017). A recommendation to add annual administrative leave as an included benefits in the Agreement is being made, however. Eight of the ten agencies in the comparator agencies provide administrative leave to the Executive Director, and administrative (aka management) leave is a common benefit provided to public agency exempt employees, who are not eligible to receive overtime compensation or compensatory time off, in recognition of the fact that they may be required to periodically or routinely work long or irregular hours to fulfill the responsibilities of their positions and to attend various meetings and functions that occur outside the normal work day.

It is proposed that the Agreement be amended as follows:

4.2.9. Administrative Leave. Cooper shall receive 75 hours of administrative leave annually, to be granted on the anniversary date of September 28. No more than 150 hours of such administrative leave may be accumulated at any one time. Administrative leave may only be compensated by being allowed time off, with the following exception: Cooper may be provided with the opportunity to convert a maximum of 37.5 hours of her Administrative Leave hours balance for a cash payment one time annually prior to August 1 and upon written request to the Director of Human Resources and Operations. Such cash payment will be paid at Cooper’s salary rate at the time of conversion. Any administrative leave balance remaining at separation from Housing Authority employment shall be cashed out at Cooper’s salary rate at the effective date of separation from Authority employment.

For this year only, administrative leave, will be granted in full upon approval of this amendment by the Board of Commissioners, should this recommended amendment be adopted. In subsequent years, administrative leave will be granted on September 28 as described above.

FINANCIAL IMPACT

The value of 75 hours of Administrative Leave is approximately $9147.00, based on the Executive Director’s current salary. Cash payment under the proposed amendment would be limited to one-half this amount, or $4573.50 for the current fiscal year.

RECOMMENDATION

To amend the Employment Agreement of the Executive Director to add section 4.2.9 Administrative Leave.

Respectfully submitted,

Janet Basta
Director of Human Resources and Operations

JCB
To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper Executive Director

Prepared by: Kathleen Mertz, Asset Manager

Date: February 21, 2018

Re: Approve Standard Loan Fee Schedule

DISCUSSION
The Housing Authority has participated in multiple developments as a lender. It is common in the lending industry to publish lending rates, fees, and terms so that the borrower has knowledge of the lender's expectations about the loan. Staff proposes to create and adopt a standard Loan Fee Schedule at this time. Staff does not propose a standard interest rate and term sheet because of market variation. Each deal should be negotiated based on the transaction specific details and market factors at the time of the loan.

When preparing this Loan Fee Schedule, staff reviewed existing loan documents and researched other affordable housing lenders (such as CalHFA, City of Oakland, Low Income Investment Fund, Hello Housing, and Local Initiatives Support Corporation). The proposed Loan Fee Schedule is in line with standard industry practices.

FISCAL IMPACT
None. The fees are anticipated to cover staff time for the particular loan activity.

RECOMMENDATION
Approve standard loan fee schedule.

Respectfully submitted,

Vanessa M. Cooper Executive Director

Exhibit A: Loan Fee Schedule
THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Loan Fee Schedule

<table>
<thead>
<tr>
<th>Fee</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Fee</td>
<td>0.5%-1.5% of Loan depending on size, but not less than $1,500</td>
</tr>
<tr>
<td>Monitoring Fee</td>
<td>$50/unit/yr</td>
</tr>
<tr>
<td>Reconveyance Fee</td>
<td>$300</td>
</tr>
<tr>
<td>Subordination Fee</td>
<td>$750</td>
</tr>
<tr>
<td>Modification Fee</td>
<td>$750</td>
</tr>
<tr>
<td>Assignment/Assumption Fee</td>
<td>$250</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>Billed at actual cost</td>
</tr>
<tr>
<td>Title and Escrow Fees</td>
<td>Billed at actual cost</td>
</tr>
<tr>
<td>Title Report or other 3rd Party Reports</td>
<td>Billed at actual cost</td>
</tr>
</tbody>
</table>
To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Prepared by: Danielle Thoe
Housing and Community Development Analyst

Date: February 21, 2018

Re: Select Property Name for the New Construction Development at 1301
Buena Vista

BACKGROUND

The Housing Authority currently has under construction a housing development at 1301 Buena Vista Ave. The project will provide 30 units of senior housing plus manager’s unit.

DISCUSSION

Staff previously brought the naming of this development before the Board of Commissioners in November 2017. At that time, the Board indicated favor for "Del Monte Commons" and "Encinal Commons" but both of these choices now seem unsuitable. The Del Monte name is trademarked and still in use by the Del Monte Company, and Encinal Terminal is very similar to and may be confused with the nearby Encinal development that has not been approved to proceed by the City Council.

Additional research has been conducted related to the 1301 Buena Vista Ave. site and staff recommends “Unity Commons” as the name for the new development. "Unity Commons" reflects the namesake of Littlejohn Park across the street from the development. Elector Littlejohn was an African American community leader who advocated for low-income families, civil rights, and seniors in Alameda. Her family has hosted an annual “Unity Potluck Picnic” each fall in the park to remember Elector Littlejohn. The name Unity takes a cue from the family and important work of this Alamedan as well as stands with the recent community movements and assertions of
Alameda as an inclusive place, such as the Alameda Stands United Against Hate campaign.

City Council meeting minutes from 1975 also indicate that Elector Littlejohn was the first tenant member of the Housing Authority Board of Commissioners. Mrs. Littlejohn was an active advocate for African American rights and equal treatment and an involved member of Housing Opportunities Provided Equally (HOPE), the organization from which today's Renewed Hope advocacy organization takes its name. For her role in HOPE and particularly her advocacy around the closing and displacement that took place at Estuary Public Housing (formerly at the site of North Housing) staff recommends to keep Mrs. Littlejohn’s name in mind for the naming of future developments at North Housing.

RECOMMENDATION

This report is for information only. Staff will proceed with Unity Commons unless otherwise directed by the Board.

Respectfully submitted,

Vanessa M. Cooper
Executive Director

VMC:dt
To: Honorable Chair and 
    Members of the Board of Commissioners

From: Vanessa M. Cooper 
      Executive Director

Prepared by: Janet Basta 
              Director of Human Resources and Operations

Date: February 21, 2018

Re: Authorize the Executive Director to negotiate and approve an extension of 
    the term for the contract between the Alameda Housing Authority and 1) 
    Goldfarb & Lipman LLP in the amount of Fifty Thousand Dollars and Zero 
    cents ($50,000.00) up to a total not to exceed amount of Five Hundred and 
    Twenty-Five Thousand dollars and zero cents ($525,000.00) through 
    December 31, 2018 and 2) Liebert Cassidy Whitmore in the amount of Fifty 
    Thousand Dollars and Zero cents ($50,000.00) up to a total not to exceed 
    amount of Three Hundred and Ninety Five Thousand dollars and zero cents 
    ($395,000.00) through December 31, 2018.

BACKGROUND

AHA is in the process of reviewing its procurement contracts as part of its process improvement plan. As a result, staff will be bringing to the Board a number of contracts that need either money or time extension or both over the coming months. Staff is focusing on the most pressing contracts first.

Contracts in excess of $250,000 are to be approved to the Board. Since the maximum contract period under our procurement procedures is 5 years, and it is almost five years since the AHA separated from the City of Alameda a number of contracts are coming up for review and renewal, and are the focus of new procurement efforts for these services. Expiring Consultant Agreements include contracts for legal services, currently provided by Goldfarb & Lipman LLP (general counsel) and Liebert Cassidy Whitmore (employment matters).
DISCUSSION

In April 2017, amendments to these two contracts were brought to the Board for review, and both amendments were approved for execution as follows:

1. The Goldfarb and Lipman Consultant Agreement was approved for an extension of the optional two year term to April 17, 2018 for a total not to exceed amount of $475,000.00.

2. The Liebert Cassidy Whitmore Consultant Agreement was approved for an extension through June 13, 2018 including a total not to exceed amount of $345,000.00.

Preparation of the RFP’s for a competitive bidding process for these services is underway, but due to internal capacity, has not been completed yet and it is unlikely that the process could be completed prior to the first contract expiration in April 2018. Additionally, both firms are providing consultation on several ongoing legal matters, and it would not be advisable to change representation at this time. Therefore, AHA management is requesting an extension of the Agreements with these two firms to run through the current calendar year, until December 31, 2018. This timeframe will allow for a more thorough RFP process, and a more efficient use of legal resources as these firms would be able to proceed with ongoing matters, as well as allow for some flexibility in management of these two contracts as it is sometimes difficult to accurately predict the timing and amount of legal services needed in a particular time period.

To date, a total of $429,094.10 has been spent on the Goldfarb & Lipman contract, which is within the total of $475,000.00 approved prior under Amendment No. 2 and No. 3 to the Consultant Agreement (through April 17 2018).

To date, a total of $261,715.47 has been spent on the Liebert Cassidy Whitmore contract, which is within the total of $345,000.00 approved under Amendment No. 1 to the Consultant Agreement (through June 13 2018).

FINANCIAL IMPACT

Funding for these contracts has been approved, and is budgeted for in the amount of $151,775.00 (not including the Rent Program) for FY 2017-18. Total legal expenditures for FY 2017-18 are currently at $157,830.00, including a limited number of Rent program expenditures, which is over budget for this line item, as expenditures early in the fiscal year were greater than anticipated. The current request will potentially increase FY 2018 expenditures by up to $100,000.00, though it is anticipated that total expenditures will remain within the original limits in the current fiscal year. The additional legal costs through December 2018 will be accounted for in the upcoming FY 2019 budget.
RECOMMENDATION

Authorize the Executive Director to negotiate and approve an extension of amount and term for the contract between the Alameda Housing Authority and Goldfarb Lipman LLP in the amount of $50,000.00 for the time period of April 17, 2018 – December 31, 2018 up to a total not to exceed amount of Five Hundred and Twenty-Five Thousand dollars and zero cents ($525,000.00) through December 31, 2018. Authorize the Executive Director to negotiate and approve an extension of amount and term for the contract between the Alameda Housing Authority and Liebert Cassidy Whitmore in the amount of $50,000.00 for the time period of June 14, 2018 – December 31, 2018 up to a total not to exceed amount of Three Hundred and Ninety-Five Thousand dollars and zero cents ($395,000.00) through December 31, 2018.

Respectfully submitted,

Vanessa M. Cooper
Executive Director

VMC/JCB

Exhibits:

Exhibit #1: Contract Amendment #4 for Goldfarb & Lipman LLP
Exhibit #2: Contract Amendment #2 for Liebert Cassidy Whitmore
AMENDMENT NO. 4 TO CONSULTANT AGREEMENT

This Amendment of a Consultant Agreement by and between the Housing Authority of the City of Alameda, public body, corporate and politic (hereinafter "AHA") and Goldfarb & Lipman LLP, a California Limited Liability Partnership, whose address is 1300 Clay Street, 11th Floor, Oakland, CA 94612 (hereinafter "Consultant"), made with reference to the following:

RECITALS

A. On April 18, 2013, a Consultant Agreement was entered into by and between AHA and Consultant.
B. On October 15, 2014, Amendment No. 1 to Consultant Agreement was executed.
C. On November 19, 2014, Amendment No. 2 to Consultant Agreement was executed.
D. On April 19, 2017, Amendment No. 3 to Consultant Agreement was executed.
E. The effective date of this Amendment shall be February 21, 2018.
F. The Original Consultant Agreement limited the Compensation to Consultant to not exceed one hundred fifty thousand and zero cents ($150,000.00) for the initial three year term of the contract.
G. Amendment No. 1, executed on October 14, 2014 allowed for an additional twenty-five thousand dollars and zero cents ($25,000.00) to be added to the contract limit for the initial term.
H. Amendment No. 2, executed on November 19, 2014 allowed for an increase of one hundred fifty thousand dollars and zero cents ($150,000.00) to a total of three hundred twenty-five thousand dollars and zero cents ($325,000.00) for the initial three years, and possible contract extensions for up to two years to not exceed one hundred fifty thousand dollars and zero cents ($150,000.00).
I. Amendment No. 3, executed on April 19, 2017 allowed for an additional one hundred fifty thousand dollars and zero cents ($150,000.00), and a total not to exceed amount of four hundred seventy-five thousand dollars and zero cents ($475,000.00).
J. The original expiration date of the contract was April 17, 2016, but allowed for up to two one-year extensions.
K. Amendment No. 3 extended the Agreement for the optional two year term to April 17, 2018.
L. All conditions of the Consultant Agreement will remain the same except as amended below.

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

The contract shall be extended to June 30, 2018.
The Compensation to Consultant will include an additional fifty thousand dollars and zero cents ($50,000.00), and the total not to exceed amount will be five hundred twenty-five thousand dollars and zero cents ($525,000.00).

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

Goldfarb & Lipman LLP

Jennifer K. Bell
Partner

Housing Authority of the City of Alameda

Vanessa M. Cooper
Executive Director
AMENDMENT NO. 2 TO CONSULTANT AGREEMENT

This Amendment of a Consultant Agreement by and between the Housing Authority of the City of Alameda, public body, corporate and politic (hereinafter "AHA") and Liebert Cassidy Whitmore, a Professional Corporation, whose address is 6033 W. Century Boulevard, 5th floor, Los Angeles, CA 90045 (hereinafter “Consultant”), made with reference to the following:

RECITALS

A. On June 14, 2013, a Consultant Agreement was entered into by and between AHA and Consultant. The Original Consultant Agreement did not specify a limit to compensation to Consultant or term of the contract.

B. On April 19, 2017, Amendment No. 1 extended the Consultant Agreement to June 13, 2018, and the compensation to Consultant to include a not to exceed amount of three hundred forty-five thousand dollars and zero cents ($345,000.00).

C. The effective date of this Amendment shall be February 21, 2018.

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

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

The contract shall be extended to December 31, 2018.

The Compensation to Consultant will include a not to exceed amount of three hundred ninety-five thousand dollars and zero cents ($395,000.00).

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

Liebert Cassidy Whitmore
Managing Partner

Housing Authority of the City of Alameda
Vanessa M. Cooper
Executive Director
To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper Executive Director

Date: February 21, 2018

Re: Approve Out-of-State Travel for Staff

BACKGROUND

It has been Housing Authority practice that out-of-state travel be approved by the Board of Commissioners.

DISCUSSION

It is proposed that one staff person attend each of the following trainings.

HCV Financial Management - March 6-8, 2018 - Seattle Washington
HCV Financial Accounting and Reporting - April 17-19, 2018 – Tampa, Florida
Neighborhood Works Training Institute – May 7-11, 2018 – Kansas City, Missouri

There are sufficient funds in the training budget for out-of-state training. Other cost to the Housing Authority include air and per diem.

FISCAL IMPACT

Air travel costs will be approximately $1,100. No change in the budget for travel and training is required.

RECOMMENDATION

Approve out-of-state travel for staff to attend the above trainings.

Respectfully submitted,

Vanessa M. Cooper Executive Director

VMC:dc
To: Honorable Chair and Members of the Board of Commissioners

From: Lisa Caldwell, Director of Property Operations

Date: February 21, 2018

Re: AHA Resiliency Planning

BACKGROUND

In May 2017, AHA formed a resiliency committee to create plans and procedures for the emergency planning needs of the agency and its managed properties. The committee consisted of one board member, Commissioner John McMahan and four AHA staff members - the Director of Property Operations, Maintenance Supervisor, Senior Management Analyst and a Resident Manager. Meetings were held monthly with discussions including emergency preparedness for the sites, office staff and information technology.

DISCUSSION

AHA's goal is to be as prepared as possible to assist employees and residents in the case of an emergency. AHA residents depend on their housing. In the case of an emergency, AHA needs to quickly be up and running. Staff wants to make AHA's residents aware of available emergency resources. AHA is committed to making its buildings as resilient as possible and to prepare staff to handle emergencies ensuring resident safety. AHA has created plans to maintain business continuity during an emergency event.

For the AHA office and managed properties the following measure were discussed:

- Commissioner McCahan provided emergency preparedness training for AH staff
- Annual fire drills are conducted at Independence Plaza, Anne B. Diament and China Clipper, which are currently the only sites with building-wide fire alarm systems.
- Evacuation area signs were installed at Independence Plaza aligned with each building.
- Emergency preparedness binders were created with detail of each of AHA managed properties such as maps of the property, emergency markers for fire panels, electrical breakers, fire alarms, know box, gas shut offs and water heaters, contracts and emergency vendors, directories for police and LifeSTEPS and floor plans.
• Emergency Preparedness Boxes were created and delivered to sites with offices and resident managers. These boxes contain emergency equipment and supplies and are designed to get the manager through a three-day emergency.
• Annual safety preparedness month is required through our contract with LifeSTEPS and is usually September of each year. LifeSTEPS uses the month to hold classes on being prepared for disasters such as earthquakes and fires.
• Friends and Family events were held at our senior sites, Independence Plaza and Anne B. Diament where Captain Sharon Oliver attended and provided a presentation. Updated Emergency contact forms for the tenants were also collected at these events.
• An emergency procedure card has been created for AHA staff outlining directions for exempt, non-exempt staff, maintenance staff and all staff that live in Alameda. The card also outlines the emergency management team and chain of command. It lists the AHA managed sites that will serve as emergency operations centers for staff and the City’s Emergency Operations Center (EOC), which two AHA staff will report to if needed.
• Small generators have been purchased for Independence plaza and Anne B. Diament to be used to keep the office up and running if needed.
• Informed staff of their obligations as public employees to serve as disaster workers
• Review and discussed IT concerns for the Agency such as access to phone and computer systems. This area would have minimal impact since most of our systems are web or cloud-based and can be accessed from different locations. The IT department upgraded our backup systems, which now has the entire agency files backed up to the cloud. Satellite internet has also been set up to serve as back up if needed.
• Attended City of Alameda Disaster Council meetings.
• Provided AHA cellphones to all supervisors.

The next steps regarding AHA resiliency planning include the below:
• Tie AHA plan, where relevant, into the City of Alameda’s emergency planning.
• Test systems put in place – including drills and table top simulations.
• Unitize Town hall meetings in June to communicate to residents, have a representative from the City come, and speak about Alameda’s disaster plan.
• Purchase radios.
• Continue to participate in The City of Alameda Disaster Council meetings.
• Create evacuation signs for the back of doors at all sites (like in hotels).
• Incorporate the Resident Councils- Shadowing and Radio Show.
• CERT Trainings.
• Create a presentation for landlords for workshops.
• AHA Emergency management team will start meeting quarterly. Train all members.

Emergency and disaster planning involves coordination, which is why AHA is committed to working with the City of Alameda and taking part in disaster council meetings. Participating and making the connections with the other agencies/partners in Alameda is key.
Honorable Chair and Members of the Board of Commissioners

FINANCIAL IMPACT

Report only, limited financial impact including purchasing of equipment

RECOMMENDATION

For information only.

Respectfully submitted,

[Signature]

Lisa Caldwell
Director of Property Operations

VMC/all
To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Prepared by: Janet Basta
Director of Human Resources and Operations

Date: February 21, 2018

Re: Succession Planning

BACKGROUND

In September, 2017, a presentation was provided to the Board of Commissioners at the Board retreat that presented an overview of AHA staffing, key data on turnover and projected retirements, challenges to hiring and retention in the current job market, and some preliminary discussion of succession planning.

This memo provides a review and update of that information, along with proposed plans for staffing, retention, and succession planning strategies.

DISCUSSION

AHA management is continuing to track turnover and retirement rates. The following is updated data through December 2017; note that AHA temporary employees are not included in this data:

- Turnover 2015: 7 of 61 employees left employment
  - 2 were retirements, 1 involuntary (during probationary period), 1 death
- Turnover 2016: 9 of 61 employees left employment
  - 4 were retirements, 3 involuntary (one during probationary period), 3 left for other employment offers
- Turnover 2017: 14 of 64 employees left employment
  - 5 were retirements, 5 left for other employment offers
  - 1 staff was rehired
  - 16 have 20 or more years at AHA
Honorable Chair and Members of the Board of Commissioners

- 7 have 10-19 years at AHA
- 4 have 5-9 years at AHA

Additionally, AHA has a number of employees who are eligible to retire in upcoming years:
- 14 staff have retired since Independence in 2012 (through December 2017)
- 16 additional staff are eligible to retire by June 30, 2018 (i.e., they are over 55 and have at least 5 years of service credit)
- At least 4 additional staff will be eligible to retire by June 30, 2023
- Over half of the Directors are projected to be eligible to retire now or in the next 6 years
- Many new hires come from other CalPERS or reciprocal agencies so are already vested and able to retire with fewer years of service with AHA

In looking at why staff have made the decision to leave AHA, feedback from exit interviews shows that staff have chosen to leave for a variety of reasons including:
- Planned retirements
- Opportunities for higher level positions (increased responsibility and/or pay)
- Greater work/life balance (e.g. flexibility in schedules)
- A shorter commute or ability to telecommute
- Enhanced benefits package (e.g. management leave)
- Plus some issues with burnout/high work volume, and challenges with complying with the number of regulations/procedures required of work and/or high performance expectations

Additionally, while these factors have not been cited by employees who have left, it is anticipated that future turnover may occur due to employees looking for enhanced retirement benefits, including participation in social security and higher post-employment retiree health benefits, as well as relocation to geographical areas with lower housing costs/reduced commutes.

AHA management knows that a number of staff will retire in the upcoming years, and there will be a certain level of non-retirement turnover. The two primary issues become how to retain staff so they do not leave AHA after a short period of employment or for reasons within the control of the Agency, and how to plan and prepare for the inevitable turnover that will occur due to retirements and general turnover, i.e., succession planning.

Retention Strategies

As many longer term employees retire, AHA is beginning to deal with the reality that employees that join AHA (or other public agencies) are not likely to be lifelong employees of AHA; the duration of service is more likely 2-4 years among entering employees, particularly millennials, who, in surveys, say that promotional opportunities/career advancement plus increased levels of feedback are important to the job satisfaction. Additionally, across all employees, there is an increase in demand for flexibility and training as employees manage their own careers. AHA must, however, take steps to retain the well-trained workforce it has developed, particularly since trained staff are highly desirable to other nearby Housing Authorities who are experiencing similar recruiting and retention issues as AHA.
The financial cost of turnover is high. Estimates vary, but are in the range of 20% or more of annual salary for mid-range, non-exempt positions; 50-75% of annual salary for exempt, salaried positions; and up to 150-200% of annual salary for top level executive positions, considering the cost of hiring, the cost of onboarding and training (the new employee and any temporary staff utilized to fill the gap), the cost of learning and development while the staff person is in the position, and the cost of time with an unfilled role. Additionally, staff who remain may be overburdened as it is frequently necessary to ask remaining staff to step in to fill the gaps on a temporary basis during recruitment, especially at the senior management level.

Retention strategies start with tracking turnover rates and continuing to conduct exit interviews of staff who leave to determine what influenced their decision to leave, particularly when it was not due to retirement. Additional strategies include:

<table>
<thead>
<tr>
<th>ISSUE</th>
<th>STRATEGIES TO ADDRESS</th>
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<tbody>
<tr>
<td>Training and Development</td>
<td>• Develop and document Standard Operating Procedures for various departments; this assists with successful onboarding/training of new employees and, should an employee leave, provides a reference for temporary employees who bridge the gap and for training of new hires</td>
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<td></td>
<td>• Focus efforts on cross training and &quot;up&quot; training to allow for coverage in absences, more institutional knowledge, and exposure to a wider variety of work processes, expanding the experiences and job skills of employees</td>
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<td></td>
<td>• Provide training and development opportunities across all levels of employees; AHA provides a variety of training courses that result in recognized certifications (e.g. HQS, HCV), funding for specific technical and program trainings, and offers a tuition reimbursement program for staff pursuing degrees or certificate programs.</td>
</tr>
<tr>
<td>Opportunities for Growth and Advancement</td>
<td>• Make internal promotional opportunities available throughout levels of agency; this has been a focus in the past year, with one Housing Specialist II promoted to a Management Analyst, three Housing Specialist I's promoted to HS level II, one Housing Assistant promoted to a Housing Specialist I, and the Facilities Project Specialist promoted to the Maintenance Specialist. The training strategies above, particularly certification programs, help to ensure a pool of internal candidates to consider as promotional opportunities become available. The nature of smaller agencies, such as AHA, is that promotional opportunities can be limited, particularly in periods when turnover is low, but working towards development of a pool of potential internal candidates can aide with retention.</td>
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<td></td>
<td>• Develop clear SMART goals and manage against them to ensure that clear performance expectations are communicated to all staff.</td>
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<tr>
<td><strong>Compensation (Salary and Benefits)</strong></td>
<td>• Continue to provide an excellent salary and benefits package, which is important both for recruiting of well qualified candidates and retention of staff. Prior compensation studies have shown that AHA salary levels are competitive in the market, but benefits, particularly the lack of participation in social security, and, for management employees, the lack of management leave, are areas where the AHA benefits package lags behind other public employers. AHA management plans to complete a full compensation study within the next year to identify specific areas that merit addressing.</td>
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<td><strong>Quality of Supervision and Management</strong></td>
<td>• Ongoing development of a strong Management-level team, including training for mid-level supervisors who serve as the primary contact with line staff</td>
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<td><strong>Job Satisfaction</strong></td>
<td>• Require regular management check-in’s with staff regarding job satisfaction, including workload and ability to maintain work/life balance. Currently, the HR Director meets with new employees at approximately 3 months of employment, supervisors meet biweekly with all staff, and the ED meets approximately annually with all staff on an individual basis. Strong supervisor/employee relationships and open channels of communication can often identify issues early on when they can be addressed successfully. • Explore opportunities for employee recognition programs, and plan opportunities for department/agency team building and informal celebrations.</td>
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<td><strong>Work and Schedule Flexibility</strong></td>
<td>• Offer flexibility in work schedules where possible. • Telecommuting is an often-requested work option due to the increasing long commutes many employee face in the Bay Area. As a public-facing agency, it is challenging to offer extensive telecommuting options, as management cover is required for non-exempt staff, the majority of whom hold positions that are not suitable for telecommuting. The agency has begun to offer some limited telecommuting options to Director-level employees in the past months, and has expanded this on an adhoc basis to other exempt staff for this year, assuming management/supervisor coverage can be maintained without unduly burdening those supervisors who remain in the office. • Additionally, exempt employees have been offered an “early start” program for those that want to begin work prior to 8:00 and are in positions that this is appropriate for; this has been piloted on a limited basis and has proven to be successful. Non-exempt employees may be offered some daily flexibility in work hours, with the ability to adjust work hours to account for morning traffic and unforeseen delays in getting too work on time. AHA</td>
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</table>
management does not plan, however, to expand management cover beyond the current 8:00 am to 5:00 pm hours; management cover is already thin at times, particularly with the need to provide supervision to the limited number of non-exempt staff working on closed Fridays, and the agency cannot unduly burden management staff without running the risk of creating issues with their job satisfaction. It will be challenging to provide additional flexibility or scheduling options unless all staff are on the same flex schedule.

When a staff person leaves, there will always be a transition period, and, of course, some positions are more difficult to fill than others. Many of the retention strategies identified earlier in this memo also serve as succession planning strategies, particularly for line staff positions. These strategies, including training and development of current staff, cross training, and documentation of Standard Operating Procedures, are critical for the agency to be able to access internal resources when unexpected departures occur, have qualified internal applicants available for some positions, and to streamline and increase the quality of onboarding and training.

Additional strategies that can aid with recruiting quickly include:

- Keep job descriptions up to date so recruitment materials can be generated quickly.
- Maintain a modern-looking, applicant-friendly employment section of the website, and make the application process straightforward and not overly burdensome.
- Consider establishing an employee referral program with a financial incentive for successful referrals.
- Encourage staff, especially management and exempt staff, to develop professional networks within the housing industry.
- Establish business relationships with temporary agencies who understand our business and can assist with temporary staff or temp to hire arrangements.

Considering that at least half of the Director level staff are, or will soon be, eligible for retirement, it is important to look specifically at what the Agency might do to plan for and manage these transitions. The chart below shows the current status of each department relative to succession strategies, including ensuring that Standard Operating Procedures are in place, one or more consultants has been identified to consult with/provide guidance to each department, and whether or not a second level of management is in place. As with staff positions in general, cross training and broad based training across functional lines for Directors (ex, offering attendance at “Nuts and Bolts” training, HCV Executive Management certification course), and encouraging Directors and department staff to establish strong professional networks will aid in filling positions as they come open and ensuring the work goes on in the meantime with a smooth transition to the new Director. Across all positions, the addition of a Deputy Executive Director will help to fill in any management gaps as well.
<table>
<thead>
<tr>
<th>Team</th>
<th>Director in Place</th>
<th>SOPs</th>
<th>Consultant</th>
<th>2nd Level of Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCD</td>
<td>Yes; 3.75 years tenure</td>
<td>In Progress</td>
<td>Various in Place</td>
<td>No, but skilled exempt staff</td>
</tr>
<tr>
<td>HPD</td>
<td>Yes; 2.25 years tenure</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Property Operations</td>
<td>Yes; 1.25 years tenure</td>
<td>In Progress</td>
<td>Yes</td>
<td>Maintenance Supervisor in place, Property Management Supervisor position open</td>
</tr>
<tr>
<td>Finance</td>
<td>Yes; new</td>
<td>Yes</td>
<td>Yes</td>
<td>No, but in process of recruiting for Controller</td>
</tr>
<tr>
<td>HR/Admin</td>
<td>Yes; 2.5 years tenure</td>
<td>Yes/In Progress</td>
<td>Various</td>
<td>No, not budgeted or needed for small agency. Several Management Analysts in place</td>
</tr>
<tr>
<td>Rent</td>
<td>No – in Recruitment</td>
<td>Yes/In Draft</td>
<td>No, but continuity with City staff</td>
<td>No, but strong Management Analyst</td>
</tr>
<tr>
<td>Executive</td>
<td>Yes; 3.25 years tenure</td>
<td>N/A</td>
<td>Various, but could not do full role</td>
<td>No, but in process of recruiting for Deputy Executive Director</td>
</tr>
</tbody>
</table>

Specific to the Executive Director, it is important to be prepared for turnover, even though this may not occur in the immediate future, as other unanticipated events, such as a leave of absence, a time consuming unplanned agency crisis or event, or turnover at the Director level could arise that could otherwise take away from the day to day Executive Director functions. Hiring of a Deputy Executive Director is one short-term step the Agency is taking to have succession strategies in place. Additional strategies include training other Directors to run Board meetings, establishing relationships with executive recruiters that can be available upon short notice, and continuing to have a strong relationship with the agency’s General counsel, who could provide guidance in the event of a vacancy.

**FINANCIAL IMPACT**

There is no immediate financial impact to this information. The financial impact of any planned strategies will be incorporated into the AHA budget.

**RECOMMENDATION**

For Information only.

Respectfully submitted,

Vanessa M. Cooper  
Executive Director  
VMC/JCB
To: Honorable Chair and Members of the Board of Commissioners  

From: Vanessa Cooper, Executive Director  

Prepared By: Victoria Johnson, Director of Housing and Community Development  

Date: February 21, 2018  

Re: North Housing Project Update and Approval to Execute a MOU and Administer a CDBG Grant on Behalf of the City of Alameda; Authorize Executive Director to Execute Related Documents  

BACKGROUND  

In 2012, the Navy approved the transfer of 13 acres of land from the Navy to the Housing Authority at the former Coast Guard housing site known as North Housing. The approved ‘public benefit conveyance’ is based on the proposal submitted by AHA, Alameda Point Collaborative (APC) and Building Futures with Women and Children (BFWC) to develop 90 units of permanent supportive housing. Habitat for Humanity applied separately to HUD and the Navy to receive a two-acre parcel that is also a part of the North Housing area. The approval for that transfer is pending.  

The Navy is ready to sell the 14-acre adjacent parcel of land to Carmel Partners. On August 15, 2017, the Housing Authority received a written offer from Carmel with an expiration date of September 30, 2017. On October 30, another written offer letter was received with an expiration date of November 30, 2017. In prior closed session meetings, the Board gave direction to the Executive Director to evaluate and consider offers, but no further Board action has been taken. The APC and BFWC Boards also gave direction to consider the offer. As of February 2018, AHA has not received another offer. Before the Board can take action that authorizes a real estate transaction, the specific price and terms of the sale must be publicly noticed in compliance with Brown Act procedures.  

On January 16, the City Council approved by second reading the removal of the G-overlay zoning and the removal of the 435-unit cap, and authorized the City Manager to negotiate and execute a MOU with Carmel Partners that outlines the responsibilities related to infrastructure. Housing Authority staff submitted written comments on the draft MOU throughout the month of January. The City has not yet circulated the final form of the MOU. The Housing Authority and Habitat are not parties to the MOU, but are identified as third party
beneficiaries and the terms of the MOU have direct impact on future improvements made at the adjacent sites.

Staff continues to work with outside counsel to prepare for the transfer of the land from the Navy to City and then to the Housing Authority, but the Navy is not focused on this work until the Carmel sale is completed.

DISCUSSION

The MOU will require that Carmel construct road extensions at Singleton and Moseley and install certain utility upgrades sufficient to support 435 housing units. Six buildings on the site will be demolished in order to build the roads. Three buildings lie in the path of Mosley and three lie in the path of Singleton. All three Singleton buildings fall within the boundaries of the AHA parcel and AHA is responsible for the full cost of demolition of these three buildings. In January, the Board approved the use of up to $750,000 to pay for demolition costs. Since AHA does not yet own the property, the demolition work may be performed by Carmel and AHA will reimburse costs after the land has been conveyed. If Carmel does not do so, AHA may manage the demolition work. Once the final MOU is circulated, AHA will meet with Carmel and clarify this responsibility.

Staff is working with the environmental consultant to prepare the environmental specifications that would be part of the demolition bid package. Whether or not Carmel obtains permission from the Navy and demolishes the first six buildings, AHA will use these reports to ensure that any demolition work performed by others meets all environmental standards.

The three buildings that lie in the path of Mosley fall partially within the right-of-way and partially within the proposed Habitat parcel. The estimated cost to demolish these three buildings and to obtain environmental clearances is $750,000. The City has CDBG funds to pay for the work, and a Council item will be considered on March 20, 2018 to reprogram $500,000 in the current fiscal year. The remaining $250,000 (or the exact amount needed as determined by the public bid process) will be considered for approval in May 2018 as part of the FY18-19 CDBG Action Plan. The funds that are available this year must be drawn down prior to April 30 in order to meet compliance deadlines for the CDBG grant. To draw the funds, the City must enter into a contract by that date.

Staff has consulted with the City Attorney to define the process by which the 17-18 CDBG funds can be drawn down. It is proposed for the Housing Authority – in its role as Administrator of the CDBG program – to execute a MOU with the City for the demolition of the three Mosley buildings and to administer the CDBG grant. This will allow the CDBG grant funds to be drawn and placed into an AHA controlled (escrow) account until needed to pay for the demolition. As described above, it is possible that Carmel may manage the demolition contract or that AHA may do so.

FISCAL IMPACT

All non-staff costs associated with the MOU and the CDBG grant will be paid by the grant funds. This will include professional services, environmental or other consultants, permits
and actual demolition costs. AHA staff is already working to prepare for the demolition of the three Singleton buildings, and the additional staff time to prepare for the Mosley buildings will be modest.

With respect to the overall North Housing project, in the prior fiscal year CDBG funds of approximately $150,000 were approved to pay for surveys, environmental assessments and related costs. Costs paid from CDBG total to approximately $65,000 and are not included below. The Board has previously authorized a $300,000 loan to ICD be used to pay for planning, engineering and other related services.

<table>
<thead>
<tr>
<th>North Housing</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-development Loan from AHA</td>
<td>$300,000</td>
</tr>
<tr>
<td>Usage through January 2018</td>
<td>$46,237</td>
</tr>
<tr>
<td>Balance</td>
<td>$253,763</td>
</tr>
</tbody>
</table>

RECOMMENDATION

Authorize the Executive Director to execute a MOU and administer a CDBG grant on behalf the City of Alameda and to execute related documents.

Respectfully submitted,

Vanessa M. Cooper
Executive Director
To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Prepared by: Victoria Johnson, Director HCD

Date: February 21, 2018

Re: Accept Report and Provide Direction to Staff Related to Real Estate Development and Project Management

BACKGROUND

Historically, the Housing Authority has functioned as a real estate developer by constructing and purchasing rental housing units throughout the City of Alameda. The earliest units were built in 1941, and the purchase, construction, sale and demolition of units continued for over 60 years.

Beginning in 2003, AHA began to participate in tax credit development serving as the land owner/lessor at the Breakers at Bayport project. The AHA now serves as a land owner, lender, special limited partner, and/or co-general partner at Breakers, Shinsei Gardens, Park Alameda, Jack Capon, and Stargell Commons. At each of these tax-credit properties, the project was developed by a local non-profit. During the development phase, AHA participation was mandatory in order to comply with the City’s Measure A zoning restrictions, but was limited to certain consent and approval rights. At Stargell Commons, staff participation was expanded to include work during the funding application process and staff was able to negotiate the payment of $500,000 in developer fee to AHA. At each property except Breakers, AHA has a right to purchase the property or “buy out” the limited partner at the end of the 15-year tax credit period.

In 2014, AHA formed Island City Development (ICD) and in 2016, ICD secured two tax-credit allocations that enabled AHA to self-develop the Sherman and Buena Vista and Everett & Eagle projects.

DISCUSSION

AHA has developed properties under several different business structures or models. The attached table includes a summary of six alternate development models that may be utilized to build new housing.
Each model has certain advantages and disadvantages, and depending on the circumstances of a given project, one or the other will be a better fit. In all real estate development, the basic risk/reward paradigm applies; when AHA assumes the most risk, it has the opportunity to earn the most fees and receive a larger share of net cash flow.

There are also different financial costs and impacts that should be considered when comparing the models. These include cash needed to fund development, potential fees earned from development, financial guarantees required to secure financing, cash needed to subsidize operation, cash flow from loaned funds, and cash flow from property operations.

With respect to legal authority and decision-making (described in the table as creative control), this relates to a wide array of development factors. These may include (but are not limited to) project size and unit mix, population served, site planning, building design, funding sources (and corresponding restrictions), schedule adjustments, partner negotiations, and buyout and exit strategy.

Staff is interested to hear Board comments related to the alternate models, and seeks general direction related to future development activities.

FISCAL IMPACT

This information is presented for discussion purposes and there is no financial impact.

RECOMMENDATION

This report is for discussion only.

Respectfully submitted,

Vanessa M. Cooper
Executive Director

Attachment: Alternate Development Models
### Exhibit A: Alternate Development Models

<table>
<thead>
<tr>
<th>AHA ROLE</th>
<th>DESCRIPTION</th>
<th>EXAMPLES</th>
<th>PROS and CONS</th>
<th>STAFF TIME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-develop with AHA staff</td>
<td>AHA or ICD function as applicant, developer, guarantor, GP, and project manager</td>
<td>Del Monte, Everett Commons</td>
<td>Full creative control; earn all fee; adapt to changes quickly; enhance Agency profile; full developer fee earned</td>
<td>Highest</td>
</tr>
<tr>
<td>Self-develop with AHA staff plus project management consultants</td>
<td>Same as above; consultant may be named as contact on project documents</td>
<td>Rosefield redevelopment as currently managed</td>
<td>Same as above and consultant expertise may enhance outcome; most consultant fees and legal costs can be added to project cost; full developer fee earned</td>
<td>High</td>
</tr>
<tr>
<td>AHA as Land Owner/Lender only, development by 3rd party non-profit</td>
<td>AHA owns and leases land to non-profit or LP; lends funds as Housing Successor or with owned reserves</td>
<td>Breakers, Shinsei Gardens, Park Alameda, Jack Capon; Stargell Commons</td>
<td>AHA assumes little risk for the project; loan revenue stream; useful option if competing projects in pipeline to balance workflow</td>
<td>High at first then Low</td>
</tr>
<tr>
<td>Approach</td>
<td>Development Methodology</td>
<td>Location</td>
<td>Notes</td>
<td>Risk Level</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
<td>---------------------------------</td>
<td>-------------------------------------------------------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Co-develop with &quot;Fee Developer&quot; (for profit or non-profit)</td>
<td>Defined development services provided for a fixed or percentage fee</td>
<td>Independence Plaza</td>
<td>AHA has main creative control; Fee Developer expert in field and provides new ideas and strategies; fees are paid during development; no impact on cash flow AHA assumes guarantee risk; Fee Developer typically charges handsome fee</td>
<td>High</td>
</tr>
<tr>
<td>Co-develop with shared authority; shared risk and reward</td>
<td>Competitively select co-developer with specific skills and experience</td>
<td>Co-developer can be private or non-profit partner willing to share pre-development costs and provide financial guarantees</td>
<td>Collaborative model; opportunity to access experience and expertise; broadens community partnerships; risk is shared; can reduce project cost if public funds are not used throughout and prevailing wage not required at all phases Fees and cash flow shared; requires long lead time and extensive negotiation as each deal is unique; requires insight into long term goals and exit strategy</td>
<td>High at first, then Moderate</td>
</tr>
<tr>
<td>Turnkey with market rate developer</td>
<td>Privately developed units are sold to AHA to fulfill inclusionary requirement; no LIHTC requirements or LIHTC is brought in after construction</td>
<td>Mulberry Condos; proposed for Catellus next phase (est. 15 units)</td>
<td>Per unit lowest cost; no risk during development; low risk during operation; no need to provide guarantees No control over design, unit type, timeline; no developer fee earned</td>
<td>Low</td>
</tr>
</tbody>
</table>
To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper Executive Director

Prepared by: Kathleen Mertz, Asset Manager

Date: February 21, 2018

Re: Adopt Resolution Authorizing the Real Property Transfer of Four Housing Authority Owned Properties (China Clipper, Anne B. Diament, Lincoln-Willow, and Stanford House) to Alameda Affordable Housing Corporation and Authorize Executive Director to Execute Related Documents

BACKGROUND

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. The HUD guidance for Project-Based Voucher Housing Assistance Payment contracts (PBV HAP) state that a separate legal entity (non-AHA) must own any property that benefits from a PBV HAP. Staff is working to transfer the properties prior to the contract renewal date on May 1, 2018. The specific properties that have an expiring HAP contract are China Clipper Plaza, Anne B. Diament, Lincoln-Willow, and Stanford House (the Properties). Staff and legal counsel filed formation documents with the California Secretary of State for Alameda Affordable Housing Corporation (AAHC) on November 1, 2107. The AAHC had the first meeting of the Board of Directors on November 15, 2017. Staff and legal counsel filed Form 1023 with the Internal Revenue Service and received a 501(c)3 determination of federal tax exempt status for AAHC. Finally, staff put together a working group to implement the many steps required to successfully transfer the Properties by April 1, 2018, prior to the May 1st renewal deadline.

DISCUSSION

The successful transfer of the four Properties from the Housing Authority to AAHC includes three sets of activities: Transfer Transaction, Budget, and Property Management.
Transfer Transaction
The Properties are currently owned by the Housing Authority. To meet HUD’s PBV HAP contract requirements, AAHC needs to become the owner of the Properties. Because the Housing Authority wants assurance that the Properties will be affordable housing in perpetuity, there is a benefit to maintaining long term ownership of the land. The Housing Authority can transfer the improvements to AAHC through a grant deed and retain ownership of the land through a ground lease structure. This is the same structure the Housing Authority has implemented at the Low-Income Housing Tax Credit limited partnership developments like Shinsei Gardens, Everett Commons, and Jack Capon Villa. The annual Ground Lease payment will be $1. After the 75 year term of the ground lease, the improvements will revert back to AHA.

In addition to the Ground Lease, the improvements (i.e. the buildings) will be conveyed to AAHC for their as-is value, as substantiated by an appraisal. The Housing Authority will provide soft financing in the form of a Seller Promissory Note, secured with a Deed of Trust, for each Property. These loans 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 less disruptive to the Housing Authority’s operating budget. Currently, any cash flow from the Properties 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. The real property improvements will be transferred off of the balance sheet, but this will be offset by the promissory notes that are added, so the net balance sheet impact is minimal. In the future, if any of the Properties were to undergo a major renovation with new financing, the Housing Authority could retain the seller note and subordinate to new financing, or forgive the note. A table summarizing the seller note for each Property is shown below.

<table>
<thead>
<tr>
<th>Property</th>
<th>Address</th>
<th>Improvements Value/Seller Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>China Clipper Plaza</td>
<td>460 Buena Vista Ave</td>
<td>$3,400,000</td>
</tr>
<tr>
<td>Anne B Diament</td>
<td>920 Park St</td>
<td>$8,130,000</td>
</tr>
<tr>
<td>Lincoln-Willow</td>
<td>2101-03 Lincoln Ave and 1602 Willow St</td>
<td>$735,000</td>
</tr>
<tr>
<td>Stanford House</td>
<td>1917 Stanford St</td>
<td>$860,000</td>
</tr>
</tbody>
</table>

In addition to the ground lease and seller financing, the Housing Authority will record an Affordable Housing Agreement, the form of which was approved by the Board on October 18, 2017, to provide additional assurance of the Properties’ 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. As with the seller loan described above, the Board can choose to maintain or forgive this affordability restriction should the Properties undergo a major renovation with new financing partners in the future.

Two of the four Properties have existing deed restrictions with the City of Alameda and one Property has an existing deed restriction with Alameda County. China Clipper has a HOME Deed of Trust and Regulatory Agreement, plus a CDBG Deed of Trust. Anne B. Diament has a CDBG Deed of Trust. In conjunction with this approval process, staff has
requested City administrative review of this transfer and consent to the Assignment and Assumption Agreements. Staff is paying off the $13,720 balance of the County loan.

Budget
Currently, these Properties are a part of the 2017-2019 two-year budget cycle and the Cost Allocation Plan. Although properties not managed by a Housing Authority typically function on a fee-based budget with a true costs, staff does not propose this budget model at this time. Rather, the AAHC budget for these Properties will follow the same Cost Allocation Plan methodology for the balance of fiscal year 2017-2018, and the following fiscal year 2018-2019. Staff intends to develop an operating fee schedule and property level budget as part of the 2019-2020 budget cycle. This budget plan will be written into the property 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.

Currently, the Housing Authority maintains a replacement reserve for each of these Properties, invested with either CAMP or LAIF. As part of the transfer, $100,000 in total replacement reserve funds will be transferred to AAHC from AHA's LAIF replacement reserve account for each Property. If the Property's replacement reserve allocation is insufficient, the balance will be paid from the either the General Fund Reserves or Developer Fee income. The property details are shown below.

<table>
<thead>
<tr>
<th>Property</th>
<th>Replacement Reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>China Clipper Plaza</td>
<td>$26,000</td>
</tr>
<tr>
<td>Anne B Diament</td>
<td>$65,000</td>
</tr>
<tr>
<td>Lincoln-Willow</td>
<td>$5,000</td>
</tr>
<tr>
<td>Stanford House</td>
<td>$4,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

Additionally, AAHC will open new bank accounts for each Property's regular operating checking account and to hold Security Deposits. The Housing Authority will no longer be the owner of these funds for the Properties. AAHC will also have a general fund account for any organizational expenses not paid by the cost allocation plan. AHA will capitalize this account at $1,000 as part of the overall formation process.

Property Management
The Housing Authority will continue to be the property manager for these Properties. However, the Housing Authority will function like a third-party management company for AAHC. Staff have developed a Property and Asset Management Agreement to document the roles and responsibilities of the management agent. As property manager, the Housing Authority will continue to provide accounting, leasing, maintenance, capital needs, and asset management support for the affairs of AAHC.

FISCAL IMPACT
There are no additional costs associated with the transfer that weren't previously discussed in the October 18, 2017 report to the board. The two main costs are legal fees
Honorable Chair and Members of the Board of Commissioners

and staff time, plus recording and title fees. Staff estimated the formation costs would be $40,000, but those costs were closer to $10,000, including the initial $1,000 capitalization cost, so there is sufficient budget authority to complete these transfers from the prior approval. These costs will be paid from the general fund.

Prior to property transfer, AHA will pay off the County loan of $13,720 from the general fund account.

RECOMMENDATION

Adopt Resolution authorizing the real property transfer of four Housing Authority owned properties (China Clipper, Anne B. Diament, Lincoln-Willow, and Stanford House) to Alameda Affordable Housing Corporation and authorize Executive Director to execute related documents.

Respectfully submitted,

[Signature]

Vanessa M. Cooper
Executive Director

Attachment: Authorizing Resolution
WHEREAS, the Housing Authority of the City of Alameda (the "Housing Authority") is the owner of that certain real property known as 1) Anne B. Diament, located at 920 Park Street, 2) China Clipper Plaza, located at 460 Buena Vista Avenue, 3) Stanford House, located at 1917 Stanford Street, and 4) Lincoln-Willow Apartments, located at 2101-2103 Lincoln Avenue, in the City of Alameda (the "Property" or collectively "Properties");

WHEREAS, 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 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 remain property manager at the Properties through a Property and Asset Management Agreement;

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

WHEREAS, staff have contracted for property appraisals of each of the Properties to gain an understanding of the as-is value of each Property’s land and improvements;

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interests of the Housing Authority to assist in the acquisition of the Properties by providing a seller note for the improvements at each Property, secured by a recorded Deed of Trust at each Property, to be paid from the cash flow of each Property;

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interest of the Housing Authority to record an Affordable Housing Agreement against each Property at the time of sale to AAHC to restrict occupancy to low-income households, the form of which was approved at the October 18, 2017 meeting;
WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interest of the Housing Authority and the Properties to capitalize a AAHC held replacement reserve for each Property, at $1,000 per unit, at the time of acquisition by AAHC;

WHEREAS, the Board of Commissioners of the Housing Authority deems it to be in the best interests 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 Properties, including, but not limited to the ground lease, all grant deeds and any other document required to transfer the leasehold interest in the Properties and the fee interest in the Improvements to AAHC, the Housing Authority seller loan documents and deed of trust, the Housing Authority Affordable Housing Agreement, the HAP assignment and contract renewal, and any similar or related agreements for housing subsidies, assignment of regulatory agreements, assignments of rents, leases, income and profits, and property management agreements, 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 is 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 Properties and to complete all activities contemplated by this Resolution.

BE IT FURTHER RESOLVED, that the Board hereby approves soft financing for the improvements in the form of Seller Note and Deed of Trust for each Property based on the as-is value of the improvements, as substantiated by an appraisal;

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or the Finance Director to capitalize an AAHC held replacement reserve account for the Properties at $1,000 per unit, totaling $100,000;

BE IT FURTHER RESOLVED, that the Board hereby authorizes (a) the Executive Director, (b) the Director of Housing and Community Development, or (c) any designee of the foregoing, acting alone, to 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, the Director of Housing and Community Development, any designee of the foregoing 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 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 Properties or the transfer to AAHC described herein are hereby ratified and approved.

*****

ATTEST:

Vanessa M. Cooper
Executive Director/Secretary

Kenji Tamaoki, Chair
Board of Commissioners

Adopted:

____________________________
Date