



Housing Authority of the City of Alameda

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

701 Atlantic Avenue • Alameda, California 94501-2161

IF YOU WISH TO ADDRESS THE BOARD:

1. Please file a speaker's slip with the Executive Director, and upon recognition by the Chair, approach the rostrum and state your name; speakers are limited to 5 minutes per item.
2. If you need special assistance to participate in the meetings of the City of Alameda Housing Authority Board of Commissioners, please contact (510) 747-4325 (TTY/TRS: 711) or ymondo@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, May 15, 2019 –

**Closed Session – 6:30 p.m.
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 on Closed Session



3. Closed Session – 6:30 p.m. – Adjournment to Closed Session to Consider:
 - 3-A. Closed Session pursuant to Government Code Section 54956.8, Conference with Real Property Negotiators. Property: Assessor’s Parcel Numbers 74-430-1-1; Authority Negotiators: Vanessa Cooper and Kathleen Mertz; Negotiating Parties: Sam Koka and Michelle Koka, respectively; Under Negotiation: Price and Terms of Payment
 - 3-B. Closed Session pursuant to Government Code Section 54956.8, Conference with Real Property Negotiators. Property: Assessor’s Parcel Numbers 70-184-15; Authority Negotiators: Vanessa Cooper and Kathleen Mertz; Negotiating Parties: David Garfinkle Trust and Diana Garfinkle Trust, respectively; Under Negotiation: Price and Terms of Payment
4. Adjournment of Closed Session
5. RECONVENE REGULAR MEETING – 7:00 p.m.
6. Announcement of Action Taken in Closed Session, if any.
7. Public Comment (Non-Agenda)
8. CONSENT CALENDAR
 - Consent Calendar items are considered routine and will be approved or accepted by one motion unless a request for removal for discussion or explanation is received from the Board of Commissioners or a member of the public.
 - 8-A. Approve Minutes of the Board of Commissioners Meeting held April 17, 2019 – **Page 1**
 - 8-B. Accept the Monthly Overview Report for Operations/H.R./I.T. – **Page 6**
 - 8-C. Accept the Monthly Overview Report for the Housing Programs Department – **Page 9**
 - 8-D. Approve Five Year Grant Agreement with the Boys and Girls Club of Alameda Effective July 1, 2019 through June 30, 2024 with a Total Not to Exceed Amount of \$130,000 (\$20,000 for the First Year, \$25,000 per Year for the Subsequent Two Years and \$30,000 per Year for the Final Two Years) – **Page 11**
 - 8-E. Accept the Clarification Memo for the Previously Approved Payment Standard Decrease for the Section 8 Housing Choice Voucher program, and Payment Standard increase for Project Based Vouchers to the HCV Payment Standard effective June 2, 2019 – **Page 13**
 - 8-F. Accept the Monthly Overview Report for the Rent Stabilization Program – **Page 15**
 - 8-G. Accept the Monthly Overview Report for Property Operations – **Page 16**
 - 8-H. Accept Update on the Independence Plaza 504/ADA Upgrade – **Page 21**
 - 8-I. Accept the Monthly Overview Report for Housing & Community Development – **Page 23**
 - 8-J. Accept the Monthly Development Report for Everett Commons – **Page 25**
 - 8-K. Accept the Monthly Development Report for Rosefield Village – **Page 27**
 - 8-L. Accept the Monthly Development Report for North Housing – **Page 29**
 - 8-M. Accept the Budget Variance Report for February 28, 2019 – **Page 35**
 - 8-N. Accept the Quarterly Investment Report for Period Ending March 31, 2019 – **Page 48**



9. AGENDA

9-A. Accept Memo Regarding the Reconciliation of AAHC Property Purchase – **Page 52**

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

11. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

12. ADJOURNMENT

* * *

Note

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



DRAFT MINUTES

**REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA
HELD WEDNESDAY April 17, 2019**

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

PLEDGE OF ALLEGIANCE

1. ROLL CALL - Board of Commissioners

Present: Commission Chair Tamaoki, Commission Vice Chair McCahan (via phone),
Commissioner Hadid, Commissioner Kay, Commissioner Kurrasch, and
Commissioner Rickard

Absent: Commissioner Weinberg

2. Public Comment (Non-Agenda)

None

3. CONSENT CALENDAR

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

Items accepted or adopted are indicated by an asterisk.

Commissioner Kurrasch commented on consent item 3-Q stating appreciation such a comprehensive audit report.

Commission Chair Tamaoki commented on item 3-A, and asked that the language in the last paragraph of item 9 on page 8 be changed from “Chair Tamaoki confirmed that utilizing SB 35 does not change or relax any of the environmental requirements...” to “Chair Tamaoki confirmed that utilizing SB 35 does not change or relax any of the environmental contamination requirements.” Chair Tamaoki also commented that it is exciting that an architect has been selected for North Housing and complimented Commissioner Rickard for assisting in the selection process. Commissioner Rickard commented that it was nice to get so many applications for the project and is pleased with the selection and believes that AHA is moving forward with a great firm.



Chair Tamaoki commented on the final audit report stating that staff did a fantastic job given that there was staff turnover, vacant positions, and a new auditor.

Commissioner Kurrasch moved to accept the motion and Commissioner Kay seconded the motion; all were in favor:

Yes: 5 Commissioner Chair Tamaoki, Commissioner Hadid, Commissioner Kay, Commissioner Kurrasch, and Commissioner Rickard

Yes, via Phone: 1 Commission Vice Chair McCahan

Absent: 1 Commissioner Weinberg

- *3-A. Approve Minutes of the Board of Commissioners Meeting held March 20, 2019
- *3-B. Accept the Monthly Overview Report for Operations/H.R./I.T.
- *3-C. Accept the Monthly Overview Report for the Housing Programs Department
- *3-D. Accept the Monthly Overview Report for the Rent Stabilization Program
- *3-E. Accept the Monthly Overview Report for Property Operations
- *3-F. Accept Update on the Independence Plaza 504/ADA Upgrade
- *3-G. Accept a Memorandum on the Housing Authority of the City of Alameda’s Mechanisms for Communication and Outreach Efforts
- *3-H. Accept the Monthly Overview Report for Housing & Community Development
- *3-I. Accept the Monthly Development Report for Everett Commons
- *3-J. Accept the Monthly Development Report for Rosefield Village
- *3-K. Accept the Monthly Development Report for North Housing
- *3-L. Informational Memo: Staff Recommends HKIT Architects to ICD Board for North Housing Permanent Supportive Housing Design Services
- *3-M. Authorize the Executive Director to Negotiate the Renewal of the Services Agreement between the City of Alameda and the Housing Authority to Provide City Housing Services and Policing Services
- *3-N. Accept the Revised Housing Authority of the City of Alameda Procurement Policy
- *3-O. Accept Report on Housing Authority Records Disposition
- *3-P. Accept an Update of the Housing Authority Two-Year Work Plan for Fiscal Years July 1, 2017 to June 30, 2019
- *3-Q. Accept the Final Audit Report for Fiscal Year Ending June 30, 2018

4. AGENDA

- 4-A. Resolution Approving the Desire and the Submission of a Letter of Interest to Obtain MTW Designation Under the Second Cohort of the MTW Expansion, That the Housing Authority of the City of Alameda Will Comply With the Requirements of the Program, and Expressing Willingness to Evaluate Test Rent #1, Test Rent #2, and/or Test Rent #3

Ms. Vanessa Copper, Executive Director, commented that this agenda item is being brought before the Board as AHA has looked into the Moving To Work (MTW) options in



the past. Moving To Work allows the Housing Authority to waive certain non-fundamental administrative regulations. Other Housing Authorities have been able to exercise experimental approaches such as flat rents, getting rid of certain allowances, or tenants getting fixed allowances.

AHA submitted a letter to HUD about eighteen months ago expressing interest in a MTW designation. The process has been on haitus with HUD, but the opportunity has now been opened again for submissions. Through this process, AHA can test one type of rent reform. In theory AHA is eligible, but in practice AHA needs 1,000+ vouchers after the exclusion of special programs. The AHA program meets the first threshold and the second threshold of the process, but not the third threshold. There is language in the announcement that says HUD may adjust the full selection criteria to account for the number of eligible Letter of Interest Packages received which would allow AHA to qualify. At this point, staff is just proposing that a letter of interest be submitted in case HUD changes the criteria.

Commissioner Kurrasch commented that it is exciting that AHA has the opportunity to apply and that this is something staff should pursue. Ms. Cooper clarified that even if AHA is selected, staff will still need to come back before the Board for approval on an MTW contract. HUD requires a Board resolution to show that there is general support of moving in this direction.

Chair Tamaoki asked if submitting the letter has any financial obligation or commits AHA to accept moving to an MTW designation and Ms. Cooper confirmed that it does not.

Commissioner Kay asked if this would affect individual landlords and Ms. Cooper explained that all MTW indicatives have to be reversible. Commissioner Hadid asked if this is a request for a study and Ms. Cooper explained that it is just an expression of interest and AHA may or may not be selected. Commissioner Hadid then asked who would be impacted the most and Ms. Cooper explained that by the time we remove special groups, AHA is left with about 400 eligible households and generally, the MTW applies to working families. Commissioner Kurrasch stated that this is just the beginning of the process which may take several years, and Ms. Cooper explained that this process will happen several times and even if AHA is not selected the first time, at least interest has been expressed and AHA can be part of the conversation.

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

- Yes: 5 Commissioner Chair Tamaoki, Commissioner Hadid, Commissioner Kay, Commissioner Kurrasch, and Commissioner Rickard
- Yes, via Phone: 1 Commission Vice Chair McCahan
- Absent: 1 Commissioner Weinberg



4-B. Approve Revised Payment Standard Decrease for the Section 8 Housing Choice Voucher Program and Payment Standard Increase for Project Based Vouchers Effective June 2, 2019

Ms. Cooper explained that when AHA went through shortfall, AHA had two payment standards; one for the private market and a lower payment standard for PBV. The Fair Market Rent is the result of a numbers crunching exercise by HUD and is done yearly. HUD released the 2019 payment standards in October 2018 and proposed an almost 10% cut in the Fair Market Rents. Housing Authorities were given the option to protest the new FMRs and AHA was part a protest submitted by the Oakland Housing Authority on behalf of Alameda County and Contra Costa County PHAs.

In addition, a FMR study was completed and the results from the study came back with slightly higher numbers than proposed by HUD, but there is still a decrease as rents seem to not be at the 2015 peak of the last study.

Housing Authorities are allowed to set Payment Standards between 90-110% and based off the results from the FMR study, AHA's current HCV Payment Standards are set above 110% of the new FMR and will need to come down. However, the PBV Payment Standards can be increased so both Payment Standards will be the same. This will be implemented over time, but for the private market tenants, it will likely mean that the tenant picks up the cost difference. Oakland PHA, with the help of Barbara Lee's office, is putting forward another challenge to try to get a higher payment standard.

Chair Tamaoki commented on the last sentence of the paragraph regarding the Financial Impact and asked if through this process AHA risks falling below the 95% of utilized vouchers and thus loses the High Performance Standard. Ms. Cooper explained that not being at 95% alone would not have AHA fail the high performer, but that this category provides additional points, which help if other categories do not. To address this risk, AHA will be releasing vouchers and with this release, people from the 2015 waitlist have an opportunity to receive a voucher.

Commissioner Hadid commented on the lowering of HCV and additional money owed by the tenant and asked if this is for everyone or just private landlord properties. Ms. Cooper explained that the payment standards apply to all landlords. However, the AHA charges a rent lower than the Payment Standard so tenants will not be impacted.

Chair Tamaoki asked if the dates listed at the top of page 163 were correct because the charts say 2016 and 2017 and Ms. Cooper explained that those dates reflect when the Payment Standards first came into effect and these standards have not been changed since those dates.

Commissioner Kay asked if the vouchers being issued are new vouchers or if someone already on the program can apply for a HCV. Ms. Cooper explained that these will be new vouchers issued to people on the 2015 HCV waitlist and that if a participant already has a PBV, they can contact their worker and request for a HCV. There are criteria that the participant must meet such as being in their unit for 12 months, be in good standing



with the Section 8 program, and give a 30-day notice, but they are able to request the change.

Commissioner Rickard moved to accept the motion and Commissioner Kurrasch seconded the motion; all were in favor:

Yes: 5 Commissioner Chair Tamaoki, Commissioner Hadid, Commissioner Kay, Commissioner Kurrasch, and Commissioner Rickard

Yes, via Phone: 1 Commission Vice Chair McCahan

Absent: 1 Commissioner Weinberg

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

None

6. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

None


7. ADJOURNMENT

There being no further business, Chair Tamaoki adjourned the meeting at 7:33 p.m.

Vanessa M. Cooper
Executive Director/Secretary

Kenji Tamaoki, Chair
Board of Commissioners





**Housing
Authority of the City of Alameda**

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

To: Honorable Chair and Members of the Board of Commissioners

From: Janet Basta, Director of Human Resources and Operations

Date: May 15, 2019

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

BACKGROUND

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

Human Resources and Operations

A summary of unfilled positions that are on the Schedule of Authorized positions is presented below. Positions are listed by department, and information about current and recent recruitments is included, including any positions on the current Schedule of Authorized Positions that Management is electing not to fill or that have been outsourced.

<u>Department</u>	<u>Position</u>	<u>Number of Vacant Positions</u>	<u>Recruitment Status</u>	<u>Other Updates</u>
Administration	Deputy Executive Director	1 FTE	Position reposted by AHA	
	Management Analyst	1 FTE	In interview process; outside recruiter utilized	
Finance	Director of Finance	1 FTE	Position reposted by AHA	
	Accounting Specialist	2 FTE	Both filled	New hires to start in May

Housing Programs	Housing Assistant	1 FTE	In application review and initial interview process	Position open due to announced retirement
Property Operations	Housing Specialist II	1 FTE	Position in interview process	
	Maintenance Supervisor	1 FTE	Begin recruitment in May; use outside recruiter	
	Resident Manager (Parrott Village and Gardens)	1 FTE	In application review and interview process	Low response to recruitment
	Resident Manager (Eagle)	.25 FTE	Outsourced to John Stewart beginning February 2019	Position will not be filled internally
Housing and Community Development	Asset Manager	1 FTE	Ongoing recruitment being conducted with outside recruiter; in final interview process	
Rent Stabilization Program	Program Specialist	1 FTE	Reposted position	Low response to first recruitment

Summary: Total FTE's approved for FY 2019: 56.63
Number of vacancies: 11.25 (including two already filled)
Number of active recruitments: 9.0

Two staff have announced pending retirements in late May and early June; these upcoming vacancies are included in the vacancies figure above. Recruiting for those positions is underway so that positions do not remain vacant and ideally, training of new staff can begin prior to the retirements.

Office space continues to be a concern as positions are filled. Dedicated workspaces are beginning to fill up as new employees are hired, and it will be necessary to work on reconfiguring or rebuilding some spaces in the finance department and potentially the maintenance office/garage area in order to have suitable work areas for all positions.



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 3 of 3

Beginning in early January, AHA offered a pilot flex arrival program to office-based non-exempt employees. This program allowed for some variation in arrival time between 8:00 am and 8:30 am, and provided employees with the option to adjust their lunch break or departure time if they were delayed in arriving to the office. Feedback on the program was positive; staff appreciated the flexibility and not having to use paid time off if they were delayed in their commute, especially during the rainy season, and there were minimal issues from a timekeeping or payroll reporting perspective. Supervisors did not report any issues needing to be addressed, with the exception of communicating expectations for early morning (i.e. 8:00 am) meetings so that other staff members are not impacted. Management plans to continue to offer this program.

Information Technology/Administration

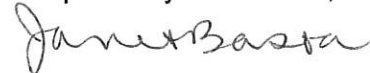
Minor changes were made to the online employment application form to fix workflow changes to the processing of the form to allow for streamlining and back-up during vacations. With the number of recruitments in process, it is hoped these changes will ease delays in the processing of applications. Staff is also working on an internal travel and training request form to allow staff to easily request training and eventually reimbursement for travel.

A consultant was selected to start work in May on evaluating the set-up in Yardi for best practices in finance, property operations, and streamlining of the Housing Choice Voucher program. This consultant will also review system controls, permissions, and role assignments.

RECOMMENDATION

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


Respectfully submitted,



Janet Basta
Director of Human Resources and Operations

JCB/TMSC





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Authority of the City of Alameda**

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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Lynette Jordan, Director of Housing Programs
Date: May 15, 2019
RE: Accept the Monthly Overview Report for the Housing Programs Department

BACKGROUND

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

Funding Update

AHA received \$2,602,393.00 from HUD for the month of April to cover Housing Assistance Payments (HAP) disbursements of \$2,509,631.00 to landlords. For the month of May HUD has sent notification that AHA will received \$2,474,053.00 in funding to meet our May HAP payments. AHA will continue to project future HAP expenses by utilizing the two-year tool and make recommendations to the Executive Director based on our findings.

HPD STATISTICS

Statistics	February	March	April
Annual Re-examinations Processed	Due: 116 Completed:114	Due: 124 Completed:116	Due: 140 Completed:128
Rent Increases	Due: 28 Completed:28	Due: 84 Completed:84	Due:112 Completed:106
Interim Re-examinations Processed	Due:69 Completed: 52	Due: 103 Completed: 89	Due: 64 Completed: 40
HQS Private Landlord Inspections Conducted Pass rate %	Private LL: 48 100%	Private LL: 17 Pass Rate:59%	Private LL: 28 Pass Rate: 50 % PBV Stargell: 9 Pass Rate: 100%



HQS in AHA Owned units Pass rate	Zero AHA	Zero AHA Units	Zero AHA Units
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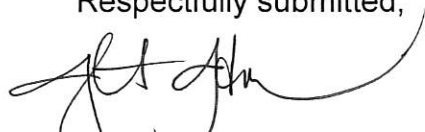
VOUCHER ISSUANCE AND LEASE UP DATA

Statistics	February	March	April
Section 8 Continued Movers seeking housing	9	10	8
Port-in voucher holders seeking housing	6	6	5
Voucher holders ported out and seeking elsewhere	5	5	4
Total voucher holders seeking housing	21	21	17
Non-Port Leased	HCV-6 PBV -0	HCV-2 PBV -2	HCV- 1 PBV - 0
Port Move-In Leased	1	1	0
Total vouchers leased up in month in Alameda	4	1	1
New Vouchers Issued	0	0	0
New VASH Issued	0	0	0

RECOMMENDATION


Accept the monthly overview report for the Housing Programs Department.

Respectfully submitted,



Lynette Jordan
Director of Housing Programs





**Housing
Authority of the City of Alameda**

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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Lynette Jordan, Director of Housing Programs

Date: May 15, 2019

RE: Approve Five Year Grant Agreement with the Boys and Girls Club of Alameda Effective July 1, 2019 through June 30, 2024 with a Total Not to Exceed Amount of \$130,000 (\$20,000 for the First Year, \$25,000 per Year for the Subsequent Two Years and \$30,000 per Year for the Final Two Years)

BACKGROUND

In 2017 the Board of Commissioners authorized a three (3) year Grant Agreement for \$25,000 annually in the budget for the Boys and Girls Club to continue providing one-year memberships to the youth living at AHA property owned or subsidized housing. In prior years, the Housing Authority has provided similar levels of support. Children and youth who are residents at either Housing Authority (AHA) complexes or those who participate in the Section 8 Housing Choice Voucher Program benefit from the programs offered.

Currently, about 80 children living within AHA owned properties are active Boys and Girls Club members, and the goal is to seek full participation from every qualified child. The Boys and Girls Club facility is located at 1900 3rd Street, across from the Esperanza Plaza property. Except for the children at Esperanza, who can walk to the facility, those from AHA sites are constrained by the lack of transportation. For this reason, the Board has previously directed staff to explore ways to increase access to the programs.

DISCUSSION

In 2016, the Boys and Girls Club asked if the Housing Authority could assist with funding to purchase a 12 to 15 passenger van. Staff requested a grant in the amount of up to \$25,000 to the Boys and Girls Club to help purchase a van. Upon approval, AHA awarded the Boys & Girls Club \$25,000 and a written Grant Agreement was executed to ensure that the transportation services were made available to the AHA sites for a specified period of time.

Staff is requesting approval of a five year grant agreement with the Boys and Girls Club of Alameda effective July 1, 2019 through June 30, 2024 with a total not to exceed amount of \$130,000 (\$20,000 for the first year, \$25,000 per year for the subsequent two years and \$30,000 per year for the final 2 years).

FISCAL IMPACT



If approved, a Housing Authority grant in the amount of up to \$130,000 will be made from Housing Authority Property Management funds to support this project.

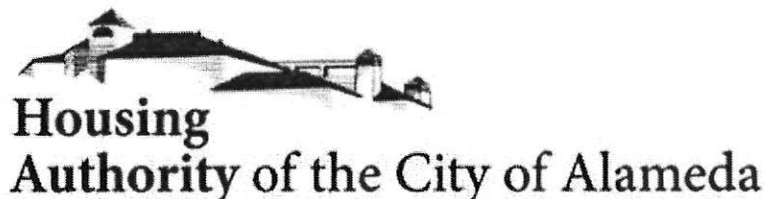
RECOMMENDATION

Approve five year grant agreement with the Boys and Girls Club of Alameda effective July 1, 2019 through June 30, 2024 with a total not to exceed amount of \$130,000 (\$20,000 for the first year, \$25,000 per year for the subsequent two years and \$30,000 per year for the final 2 years)

Respectfully submitted,



Lynette Jordan
Director of Housing Programs



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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Lynette Jordan, Director of Housing Programs

Date: May 15, 2019

Re: Accept the Clarification Memo for the Previously Approved Payment Standard Decrease for the Section 8 Housing Choice Voucher program, and Payment Standard increase for Project Based Vouchers to the HCV Payment Standard effective June 2, 2019

BACKGROUND

HUD is required to annually review and publish Fair Market Rents (FMRs). Under the new regulations, HUD's proposed FMRs are published in the Federal Register, with an effective date of 30 days after the date of publication and Housing Authorities have 3 months to revise the payment standard. A payment standard is the maximum amount of subsidy that AHA can pay to an owner on behalf of a voucher holder.

Fair Market Rents (FMRs) are primarily used to determine payment standard amounts for the Housing Choice Voucher program, to determine initial renewal rents for some expiring project-based Section 8 contracts, to determine initial rents for housing assistance payment (HAP) contracts in the Moderate Rehabilitation Single Room Occupancy program (Mod Rehab), and to serve as a rent ceiling in the HOME rental assistance program. The U.S. Department of Housing and Urban Development (HUD) annually estimates FMRs for Office of Management and Budget (OMB) defined metropolitan areas, some HUD defined subdivisions of OMB metropolitan areas and each nonmetropolitan county. HUD requires Housing Authorities to set Payment Standards between 90% and 110% of the FMR.

DISCUSSION

In April staff brought a Payment Standard memo to the Board for approval to reduce the HCV Payment Standards in accordance with the drop in the recently published FMR's. Staff included a chart of the proposed HCV and PBV payments standards, however the chart did not list the proposed Payment Standard for five (5) bedroom units. Therefore this memo is to ensure the Board has a clear understanding that staff intends to raise the Project Based Voucher (PBV) Payment Standards for all bedroom sizes to the current HCV at the same time, including the five bedroom. For the Housing Choice Voucher

Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 2 of 2

payment standards, the five bedroom is within the allowable range (107%), so staff is proposing to leave it the same.

In the past, AHA has had two separate payment standards for HCV and PBV, but staff decided to return to the one payment standard for both programs. However, AHA staff does reserve the right to return to separate payment standards in the future should the need arise.

Below is a chart of the new HCV & PBV Payment Standards.

UNIT SIZE	PROPOSED
STUDIO	\$1549
1 BEDROOM	\$1876
2 BEDROOM	\$2338
3 BEDROOM	\$3217
4 BEDROOM	\$3824
5 BEDROOM	\$4397

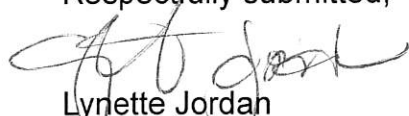
FINANCIAL IMPACT

No additional impact.

RECOMMENDATION

Accept the clarification memo for the previously approved Payment Standard Decrease for the Section 8 Housing Choice Voucher program, and Payment Standard increase for Project Based Vouchers to the HCV Payment Standard effective June 2, 2019.

Respectfully submitted,



Lynette Jordan
Director of Housing Program





Housing Authority of the City of Alameda

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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Jennifer Kauffman, Management Analyst

Date: May 15, 2019

Re: Accept the March Monthly Overview Report for the Rent Stabilization Program

DATA

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

	January	February	March
Rent increase submissions	30	5	36
Termination of tenancy submissions	6	7	6
Capital Improvement Plan submissions	0	0	0
Number of RRAC meetings	1	2	1
Number of cases reviewed by RRAC each month	4	4	2

RECOMMENDATION

Accept the Monthly March Overview Report for the Rent Stabilization Program.

Respectfully submitted,

Jennifer Kauffman
Management Analyst
Rent Stabilization Program





Housing Authority of the City of Alameda

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To: Honorable Chair and Members of the Board of Commissioners

From: Lisa Caldwell, Director of Property Operations

Date: May 15, 2019

Re: Accept the Monthly Overview Report for Property Operations

BACKGROUND

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

DISCUSSION

VACANCY – April

Lease up coordination between the Property Management Department and the Housing Programs Department is ongoing in order to fill vacancies as soon as possible. Three applicants are processed at a time for each vacancy in order to fill vacancies as quickly as possible.

Property	Unit #	Vacancies End of April	Notice to Vacate Pending	Lease Pending	Rate
Anne B. Diamant Plaza	65	0	0	0	0%
China Clipper Plaza	26	3	0	0	12%
Esperanza	120	2	2	2	2%
Independence Plaza	186	15	3	3	8%
Parrot Village	50	3	0	1	6%
Combined Smaller Sites *	41	4	0	4	10%
Total	488	27	5	10	6%

*Lincoln House (4), Lincoln/Willow (5), Parrot Gardens (8), Senior Condos (7), Sherman Street (9), Stanford House (4), Paru Street (1) and Mulberry Townhomes (3).

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

At the end of April, there were fifteen (15) vacant units at Independence Plaza; these units are included in the vacancy numbers listed above. The first phase of this unit rehabilitation was completed the second week of December and six (6) units were released for lease up and all of those units have been leased. One (1) of the current vacant units is in the



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 2 of 5

second phase of the ADA rehabilitation, which were released, for leasing on March 7, 2019. A further seven (7) units are expected to be released the end of May. Of these 2 have been preleased.

To ensure all vacancies are filled promptly staff is actively assisting transfers for senior disabled tenants in other properties and is outreaching to the waitlist applicants. This is a waitlist for residents up to 80% AMI. Per the prior Board action, the rents for new tenants at Independence Plaza will be \$1,308 (1 bedroom) and \$1,569 (two bedroom). Existing Independence Plaza tenants can transfer into the ADA units at their current rents if the bedroom count stays the same.

Staff has identified upcoming and current vacant units in the AHA portfolio to be offered to current qualified Rosefield Village tenants in order to assist in providing housing within Alameda. Currently AHA has four (4) vacancies throughout the portfolio that have been offered to Rosefield Village tenants with moves in May.

RENT COLLECTIONS – April

All properties had a collection rate of 98% or higher with the exception of Independence Plaza. The collection rate was below of 98% for Independence Plaza due to the fifteen (15) vacancies due to the rehabilitation of twenty (20) units.

GPR - Budget vs. Collected

Property	ABD	China Clipper	ESP	IP	Parrot Village	*All Other Sites	Total
				Tenant Rent Only			
Budgeted GPR	\$87,406	\$35,096	\$289,988	\$145,222	\$128,668	\$59,980	\$746,360
Collected	\$90,786	\$37,022	\$300,735	\$130,153	\$130,183	\$59,205	\$748,084
Collection Rate	104%	105%	104%	90%	101%	99%	100%

*Lincoln House (4), Lincoln/Willow (5), Parrot Gardens (8), Senior Condos (7), Sherman Street (9), Stanford House (4), Paru Street (1) and Mulberry Townhomes (3).

Property Management staff continues to work with Attorney Bill Ford on terminations of tenancy for non-payment of rent. Non-payers are sent monthly to Mr. Ford mid-month, in order to assist with collecting payment on their debts in full and/or entering into a signed payment plan. All households subject to termination are referred to our social services provider, LifeSTEPS, for assistance including budgeting and obtaining rental assistance. Where tenant households are also Section 8 Housing Choice Voucher (HCV) holders, the



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 3 of 5

Section 8 staff have also conducted mandatory in person case management conferences to remind participants of their obligations under the HCV Program.

In April, there were three (3) households with pre-trial conferences; two (2) households entered into stipulated agreements and one (1) household went to trial and is pending eviction in the coming month.

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

VACANCY – April

Property	Unit #	Vacancies End of April	Rate
Rosefield Village	53	22	42%
Eagle Village	36	2	3%
Littlejohn Commons	31	0	0%
Everett Commons	20	0	0%

At the end of April, twenty two (22) units at Rosefield were permanently offline due to the upcoming reconstruction and rehabilitation of the property. One of these units will be used as a manager's unit. As vacancies become available at other AHA owned sites, residents currently at Rosefield are offered these vacant units, where eligible, in order to accommodate as many current residents that want to remain housed in Alameda. The Relocation Plan and General Information and Non Displacement Notice (GIN) has been issued for the remaining tenants describing the need to move prior to the rehabilitation.

RENT COLLECTION –March

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

GPR - Budget vs. Collected

Property	Rosefield	Littlejohn Commons	Eagle Village	Everett Commons	Total
Budgeted GPR	\$82,137	\$47,737	\$77,380	\$39,357	\$246,611
Collected	\$55,730	\$47,037	\$78,915	\$39,327	\$221,045
Collection Rate	68%	99%	102%	100%	90%



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 4 of 5

RENT INCREASES

Rent increases for 2019 continue to go out monthly. On January 1, 2019, the Project Based Voucher PBV payment standard for all properties (with the exception of Independence Plaza) was put in place for all 2019 rent increases. The increase should not affect the tenant's portion unless the household is residing in an unassisted unit (which often is a result of being over income for assistance) or are over housed (i.e. have an extra bedroom outside of their approved voucher size). All those who are over housed and have a tenant based voucher and have already or will be offered an opportunity to move to the correct sized unit when available, provided they are in good standing with AHA. The rent increase notices are provided 60 days prior to the effective date of the increase.

The John Stewart Company issued rent increase notices for Rosefield Village and Eagle Village. These increases used the Housing Choice Voucher (HCV) payment standard and are effective June 1, 2019. The increase should not affect the tenant's portion unless the household is residing in an unassisted unit (which often is a result of being over income for assistance) or are over housed (i.e. have an extra bedroom outside of their approved voucher size).

Income verification by CGI will take place for Independence Plaza, for all HOME units, and all unsubsidized units starting in May 2019. The Low Income Housing Tax Credit Calculation will be used when determining rent increases as is the practice for the past three years.

The John Stewart Company (JSCO) has completed the income certifications for Rosefield Village for all existing tenants. This will assist with the relocation of tenants ahead of the new construction project.

MAINTENANCE

The initial HQS inspections for FY 2018-2019 have been completed for all AHA managed sites with the exception of Independence Plaza. All AHA managed HQS inspections with the exception of Independence Plaza have passed the annual HQS inspection. Preventive maintenance for Independence Plaza took place in April. HQS inspections for Independence Plaza have begun.

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

Maintenance staff continues to prioritize the turnover of vacant units to address one (1) and two (2) bedroom units first in order to accommodate the relocation of tenants at Rosefield Village.



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 5 of 5

The work order report below shows the work orders completed calendar year to date.

Work Order by Month - 2019

Property	Unit Size	April 2019	March 2019	February 2019	January 2019	Total
AHA OFFICE	N/A	9	12	11	18	50
ANNE B. DIAMENT	65	13	14	12	19	58
CHIN CLIPPER PLAZA	26	12	9	6	24	51
ESPERANZA	120	30	51	72	115	268
INDEPENDENCE PLAZA	186	186	65	58	45	354
LINCOLN HOUSE	4	4	2	3	1	10
LINCOLN WILLOW	5	1	3	3	4	11
PARROT GARDENS	8	0	2	6	2	10
PARROT VILLAGE	50	27	28	22	22	99
SENIOR CONDOS	7	0	4	1	2	7
SHERMAN STREET	9	4	5	6	3	18
STANFORD HOUSE	4	1	0	0	1	2
DETACHED HOMES	4	0	0	1	0	1
Total	488	287	195	201	256	939

CAPITAL PROJECTS

See separate Independence Plaza 504/ADA Upgrade Update memo.

FINANCIAL IMPACT

Report only, no financial impact.

RECOMMENDATION

Accept the monthly overview report for Property Operations.

Respectfully submitted,

Lisa Caldwell
Director of Property Operations

VMC/all





Housing Authority of the City of Alameda

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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Mike Billington, Project Manager

Date: May 15, 2019

Re: Accept Update on the Independence Plaza 504/ADA Upgrade

BACKGROUND

In March 2017, staff received direction to proceed with efforts to renovate 20 units, common area entrances, parking and various paths of travel at Independence Plaza (IP) and the main Housing Authority office. The underlying purpose of the project was to improve resident quality of life and support accessibility to the community and tenants.

After the standard RFP process, YHLA Architects was selected as the project architect. YHLA studied the property, the units and the community layout and consulted with staff on scope, unit selection and community programs. To streamline the project and reduce costs, units were selected for renovation by vertical stacks. Stacks were chosen so that the renovated units were dispersed throughout the community. Units were also chosen by size – the ratio of renovated one to two bedroom units matched the overall ratio of one to two bedroom units at Independence Plaza.

Upon completion of the project manual, a permit was secured in April 2018. The project was then put out to bid in May 2018. Two bids were received and reviewed. Fine Line Construction was awarded the project.

In June 2018 the Board authorized the Executive Director to negotiate final terms and execute a construction contract with a project budget not to exceed \$3.5 million for accessibility upgrades to 20 units and various common area Improvements throughout Independence Plaza.

DISCUSSION

Construction began in October 2018. Phase one (1), which included six (6) units, was completed in early December 2018. Phase two (2), which included seven (7) units concluded in early March 2019. And phase three (3), which includes the last seven (7) units began in March and is scheduled to conclude in late May 2019.



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 2 of 2

Staff is presently working to complete the parking lot and sidewalk site work, as well as the final components of phase 3. The entire project is projected to be completed by early June 2019. As of this report construction is approximately 90% complete.

FINANCIAL REVIEW

To date the project has yielded twenty-six (26) change orders for a total of \$307,500, which accounts for approximately 141% of the construction contingency. The revised contract cost as of today is \$2,607,422. Six pay applications have been processed for a total expenditure of \$1,777,062.

Below, for your review, is the Budget and Cost Summary. Please note that Support Services, such as relocation costs, were substantially less than budgeted, while Construction Administration required additional funding, primarily due to the need for additional architectural, engineering, legal and consulting services.

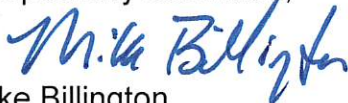
Budget & Cost Summary as of 5/2/2019

Description	Budgeted	Anticipated Actual
Pre-Construction and C.A.	\$89,572.92	\$128,944.80
Support Services	\$336,954.00	\$87,140.00
Construction	\$2,605,000.00	\$2,607,422.38
Total Project Costs	\$3,031,526.92	\$2,823,507.18
Board Approved Project Budget	\$3,500,000.00	

RECOMMENDATION


Accept update on the Independence Plaza 504/ADA Upgrade.

Respectfully submitted,



Mike Billington
Project Manager





**Housing
Authority of the City of Alameda**

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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Kathleen Mertz, Director of Housing and Community Development

Date: May 15, 2019

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

BACKGROUND

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

DISCUSSION

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

On April 12, 2019, HUD announced CDBG Allocations for the FY 2019-20 Action Plan period. The City will receive \$1,122,143 in CDBG Entitlement funds. In addition, as a member of the Alameda County HOME Partnership Investment Program (HOME) Consortium, the City expects to receive \$221,998 in FY 2019-20 HOME Program funds. Staff will present the draft Action Plan and proposed activities for FY 2019-20 to City Council on May 7, 2019. The public comment period for the County will commence on May 11 and complete on June 10, 2019 in time for the June 14, 2019 due date.

Inclusionary and Below Market Rate (BMR) Programs

Staff continues to work on the Down Payment Assistance loan amendments and the assignment of the paper equity notes for the 32 BMR units with the City Attorney's office.

Island City Development

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

Affordable Housing Project Pipeline

Everett Commons – A separate report on the project is attached.

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

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



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 2 of 2

Staff continues to evaluate potential real estate development and acquisition opportunities throughout Alameda as they become available.

Asset Management

Staff is working on lender and investor reporting, as well as finalizing the 2018 audits for the two partnerships (Sherman and Buena Vista LP and Everett and Eagle LP). Staff is also working with the Alameda County Assessor on welfare tax exemptions for various properties. Recruitment is open for the Asset Manager position.

RECOMMENDATION

Accept the monthly overview report for Housing & Community Development.

Respectfully submitted,



Kathleen Mertz
Director of Housing and Community Development





Housing Authority of the City of Alameda

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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Richard Yoshida, Project Manager
Date: May 15, 2019
Re: Accept the Monthly Development Report for Everett Commons

BACKGROUND

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

The Everett Commons project includes the new construction of 20 units located at 2437 Eagle Ave. ICD is the developer. Construction funds were secured at the loan closing on June 29, 2017. Construction of the project started on July 7, 2017. The project received a Temporary Certificate of Occupancy on December 17, 2018 and was fully leased by December 31, 2018. A Grand Opening Celebration was held on March 26, 2019.

Bedroom Size	1	2	3	4	Total
# Units	4	11	5		20

Total Development Budget: \$18.8 Million

Financing Sources: Low-Income Housing Tax Credits, HOME funds, AHA Loan, bank loan, Alameda County A1 Bonds, Project Based Vouchers

DISCUSSION

Construction is complete and all contractor costs have been paid. The auditor is preparing the final cost certification. The Alameda County Board of Supervisors approved the County A1 Bond contract (\$1 million) on March 7, 2019. This loan will replace the AHA bridge loan that was executed at construction loan closing. Staff is reviewing the financials from the property management company during the first three months of stabilization. Once the lender and investor are satisfied with the performance, the project will convert to permanent financing. Permanent loan close is projected for the end of May.



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 2

FINANCIAL IMPACT

The overall budget disbursements are summarized below. The "\$ Disbursed" column includes the current draw amount. The cost certification process is ongoing with the auditor. Although the hard cost contingency was not fully utilized, there were soft cost overruns related to architecture/engineering, construction management, permit fees, financing fees, and legal fees. Any line item cost overruns will be either absorbed by other line items in the Board approved master development budget or will come back to the board for approval once the draft cost certification is complete.

	\$ Budget	\$ Disbursed	% Disbursed	\$ Balance
Land	2,234,900	2,215,833	99%	19,067
Hard Costs	12,134,079	12,074,456	99%	59,623
Soft Costs	4,440,826	2,650,765	60%	1,790,061
Total	18,809,805	16,941,054	90%	1,868,751

RECOMMENDATION

Accept the Monthly Development Report for Everett Commons.

Respectfully submitted,



Richard Yoshida
Project Manager





Housing Authority of the City of Alameda

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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Tony Weng, Senior Project Manager
Date: May 15, 2019
Re: Accept the Monthly Development Report for Rosefield Village

BACKGROUND

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

The Rosefield Village project includes new construction of 78 units and renovation of 14 units, totaling 92 units located on the 700 block of Buena Vista Ave. ICD is the developer. The overall project scope includes both rehabilitation of existing structures and construction of a new building in the middle of the site. In addition to the 78 units, the new central building includes onsite laundry, property management offices, social service coordination offices, a community room, and central courtyard with play structures. Twelve existing units, in five buildings, on the east and west sides of the new building will be renovated, and one house will be converted into a duplex. The property will serve households ranging from 20%-80% of the Area Median Income.

As of October 2018, the Board approved a construction/permanent loan of \$7 million of AHA funds to support the project. In September 2018, AHA was awarded \$1.67 million of A1 County Bond funds from the City Base Allocation. In November, the Alameda Unified School District amended their allocation to \$6.6 million of pass through funds to the project. In February 2019, AHA was awarded \$6.42 million of A1 County Bonds funds from Regional Pool Allocation.

DISCUSSION

As of April 30, 2019, Paragon Partners finalized the Relocation Plan and sent the Notice of Eligibility and Conditional Entitlement Letter to all existing households residing at Rosefield, which defines a household's relocation benefits. Property Management staff have prioritized AHA vacancies not subject to a wait list for Rosefield transferees and offers are actively being made to tenants for these units. Paragon Partners is also working with tenants to find housing in the private market. An update on the relocation status is below:



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 2 of 2

Month	Total Units	Vacant Units	Currently Occupied	Approved to Move
April 30, 2019	53	18	35	5

In addition to the relocation planning work, the design team is moving onto the Construction Document Phase for the new building and will incorporate staff comments in the next milestone at 50% Construction Document Phase. Staff continues to work with the architects to define the renovation scope of work, including converting the large 4-bedroom house at the corner of Constitution and Eagle into a duplex.

Staff is waiting for the California Department of Housing and Community Development to issue a Notice of Funding Availability (NOFA) for the new Multifamily Housing Program (MHP). Staff will be submitting a 4% tax credit and bond application after the MHP awards. The overall financing goal is to secure funding in 2019 and start construction in early 2020.

FINANCIAL IMPACT

The Board has previously authorized a \$1 million loan to Island City Development for pre-development expenses. Predevelopment costs incurred include application fees, professional services for reports and studies, plus architecture and engineering fees.

The chart below summarizes expenses through April 2019.

Rosefield Village

Pre-development Loan from AHA	\$	1,000,000
Usage through April 2019	\$	712,016
Balance	\$	287,984

The Board has committed \$7 million in AHA loan funds for construction and/or permanent financing.

RECOMMENDATION

Accept the Monthly Development Report for Rosefield Village.

Respectfully submitted,



Tony Weng
Senior Project Manager





Housing Authority of the City of Alameda

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

701 Atlantic Avenue • Alameda, California 94501-2161

54To: Honorable Chair and Members of the Board of Commissioners
From: Danielle Thoe, Management Analyst
Date: May 15, 2019
Re: Accept the Monthly Development Report for North Housing

BACKGROUND

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

In October 2018, the Board of Commissioners approved additional funding for the project, bringing the total pre-development and demolition budget to \$3.7 million. This is memorialized as a predevelopment loan to ICD for the project.

As the master planning process for North Housing began, staff led a number of community engagement initiatives. Documentation of that process can be found at www.northhousing.org and additional information about the North Housing Project can be found in previous Board reports.

DISCUSSION

Staff and the consultant team are still on track for submission of the Development Plan Application by the end of May 2019. A Planning Board hearing will follow later in Summer 2019.

Staff has drafted a letter agreement to be signed with Habitat for Humanity (Habitat) regarding shared access and maintenance of the Paseo, which serves as a boundary between properties. (See Attachment 1) Staff will submit this letter agreement to the City as an attachment to AHA's Development Plan to show both parties' commitment to coordinating development along this border. Discussions regarding the North-South



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 2 of 2

street property boundary are still in progress. After finalizing both boundary interactions, staff will execute a Memorandum of Understanding (MOU) fully detailing all deal points between AHA and Habitat.

Conveyance of the land from the Navy to the City to AHA is imminent. The deed is at the Navy for signature before passing along to City and AHA.

Staff have submitted a conditional use permit application to the City to obtain permission to erect a fence around the four blocks of property to secure the site as quickly as possible upon transfer.

At its April 30, 2019 meeting, the Island City Development (ICD) Board of Directors authorized the President to negotiate a contract for design services with HKIT Architects. Staff is working with HKIT to finalize that contract agreement. A design kick-off meeting between HKIT's team, AHA staff, and APC and Building Futures is expected in mid-May.

FINANCIAL IMPACT

In total, the Board authorized a predevelopment loan in the amount of \$3,700,000 for costs associated with master planning, demolition, and predevelopment work for the first 90 units of permanent supportive housing.

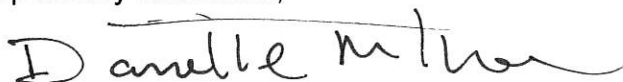
North Housing

Pre-development Loan from AHA	\$ 3,700,000
Usage through March 2019	\$ 293,270
Balance	\$ 3,406,730

RECOMMENDATION

Accept the Monthly Development Report for North Housing.

Respectfully submitted,



Danielle Thoe
Management Analyst

Attachment

- Attachment 1: DRAFT Habitat Letter Agreement 5.6.2019 BOC



Attachment 1: DRAFT Habitat Letter Agreement 5.6.2019 BOC

Housing Authority of the City of Alameda

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

701 Atlantic Avenue • Alameda, California 94501-2161

May 6, 2019

Kevin Elliott
 Vice President of Housing Development
 Habitat for Humanity East Bay/Silicon Valley
 2619 Broadway
 Oakland, CA 94612

RE: Letter Agreement on North/South Property Boundary at North Housing Property, Alameda

Dear Kevin,

The purpose of this Letter Agreement is for the Housing Authority of the City of Alameda and Habitat for Humanity East Bay/Silicon Valley (Party or collectively Parties) to confirm the mutual understanding of the shared North/South property boundary between the two properties located at North Housing in Alameda, including a paseo conceptual plan with sufficient emergency vehicle access (EVA) to both properties.

Both The Housing Authority of the City of Alameda (AHA) and Habitat for Humanity East Bay/Silicon Valley (Habitat) will be providing EVA access along their shared east-west property line for fire department access to the buildings proposed to be sited along the boundary. In efforts to utilize this EVA requirement to develop a green space and community asset, the Parties will jointly develop and maintain a paseo with land and maintenance contributed equally by both Parties. A conceptual site plan and section are attached as Exhibit A and made a part of this agreement. To this end, both Parties agree to the following:

Land Use

- The paseo will be a total of 24 feet wide and with linear borders of Bette St. to the east and the future North-South street to the west.
- The Parties will each contribute 12 feet from the property line for the width of the each parcel to the paseo. A public access easement will be recorded against these 12' to run with the land in perpetuity.
- The first 10 feet of back from the property line will be reinforced and drivable based on the requirements of the Alameda Fire Department, and any other City department requirements.
- The next 2 feet (the area 10' – 12' back from the property line) will be a landscape strip.
- Neither Party will site the main façade of their buildings closer than 17 feet from the property line.
- Porches and patios are not included in the main façade and may be built as close as 15 feet to the property line.



May 6, 2019

- Short fences to delineate private space may be built as close as 12 feet from the property line. Such fences are not to exceed 42" in height and should allow gates to provide resident access to the paseo directly.
- Both parties will execute and record a mutual easement for access to and across the paseo.

Construction

- The construction timing and schedule for the paseo is dependent upon either/both Party's development and financing timelines.
- Whichever Party first requires build-out of the paseo for EVA access, assumed to coincide with development of a building(s) along the border which it straddles, will take the lead on contracting for construction of the paseo.
- Wage rates for project construction build-out will be based upon agreement by both parties. If no agreement, wages will be paid in accordance with state prevailing wage. Volunteer labor does not trigger this requirement but will be utilized in compliance with any funding source.
- The non-lead Party will reimburse lead Party for half of the cost to permit and build the paseo, including any clearance or environmental fees associated with the construction. Prior to any work commencing or expectation of reimbursement, a mutually-agreeable price/cost shall be determined. Design fees will be borne by the respective Party for the parcel that is improved.

Maintenance

- Each Party will contribute equally to its share of the maintenance expenses once the paseo is completed and through the maximum affordability period for either site, as applicable.
- This will be completed under one maintenance contract, for which the other Party reimburses half of the monthly expenses within 30 days of invoicing.
- Insurance will be maintained by both parties at all times after construction starts.
- The commitment to maintenance of the paseo will remain with any transfer of the property or of its operating responsibilities to any future owner. In the event that an HOA is formed, this will be written into the HOA bylaws at formation of the HOA.

Prior to submission to any review or permitting authority, any changes to either organization's plans that materially change the paseo space, as agreed to here, must be approved as an amendment to this letter agreement.

This agreement may be modified or incorporated into a future agreement with written consent from both parties. Further coordination between the Parties regarding the East/West border is ongoing and access by Habitat (EVA or full road access) to the North South road on the AHA parcel will require a separate agreement to include financial reimbursement from Habitat to AHA. Ultimately, a Memorandum of Understanding (MOU) will be executed by both Parties to memorialize shared borders, land use, access, and ongoing maintenance obligations.

Sincerely,



May 6, 2019

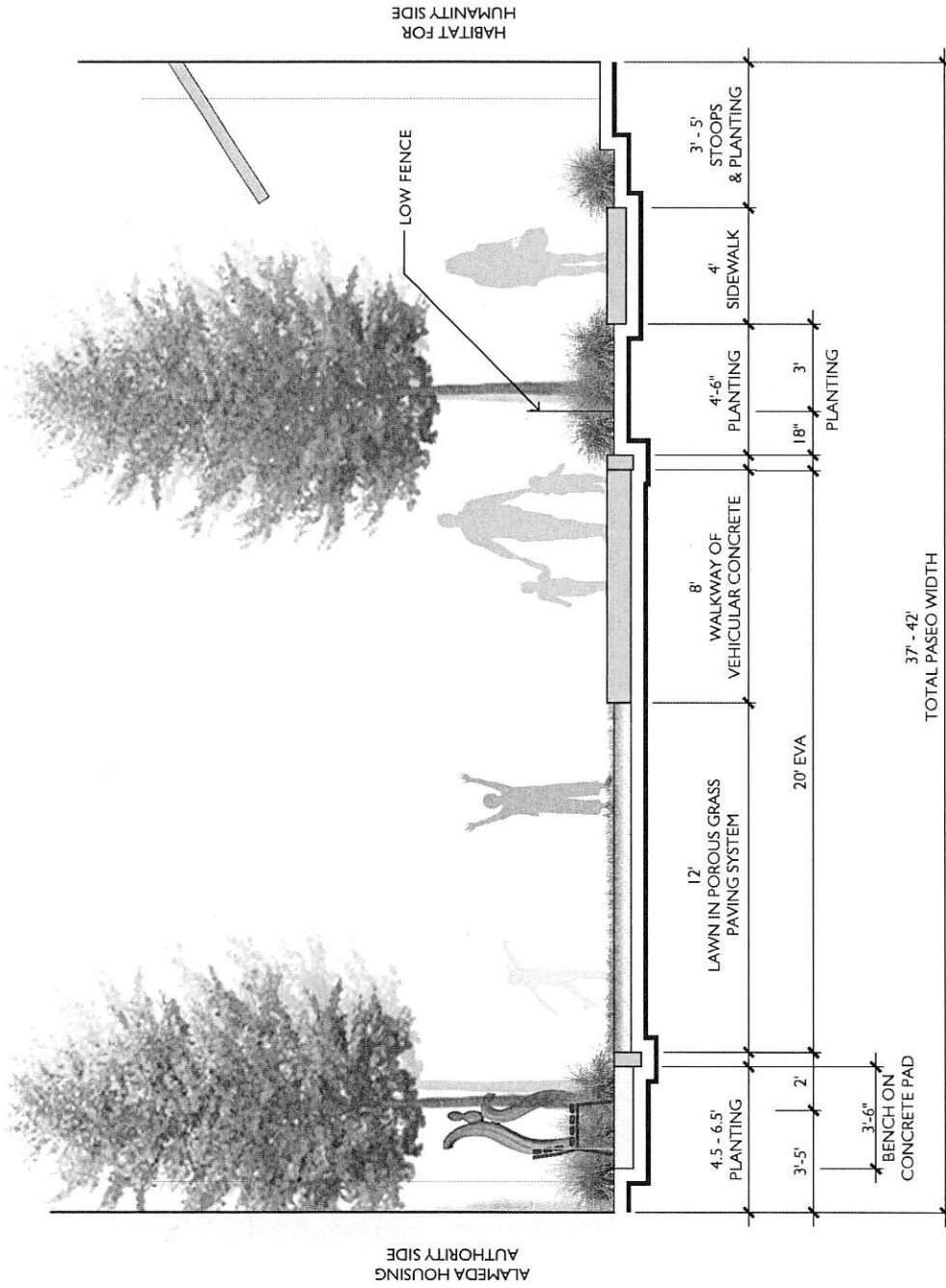
Vanessa M. Cooper
Executive Director

Enclosure

Signature of Agreement:

Janice Jensen
President & CEO
Habitat for Humanity East Bay/Silicon Valley

DRAFT



PASEO CROSS-SECTION
APRIL 2019

NORTH HOUSING
ALAMEDA, CALIFORNIA

GATES
ASSOCIATES

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Date: May 15, 2019

Re: Accept the Budget Variance Report for February 28, 2019

BACKGROUND

On June 20, 2018 the Board of Commissioners approved a one-year operating budget for all programs covering the fiscal year July 1, 2018 through June 30, 2019. A one-year budget was approved in order to harmonize the two-year budget cycle with the City of Alameda budget cycle. A one-year budget would set the AHA up for a new two-year budget to be presented for the period starting July 1, 2019 and ending June 30, 2021. Since fee income from the Memoranda of Understanding with the City of Alameda constitutes a key portion of the AHA budget, this harmonization will allow for better planning and fewer mid-cycle changes.

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

This high-level, Budget Variance Report covers preliminary unaudited financial operating results compared to the 2018-19 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

Overview

Year-to-date variances are as follows: revenue is under budget by \$527,913 (2%), operating expenses are under budget by \$1,269,207 (4%), and net income (before depreciation) is over budget by \$1,762,365 (60%). Rosefield income expenses are not incorporated but will be included at year-end – this property is managed by a third party and reports in income and occupancy are provided in the Property Operations report.



Operations Budget - Revenue

Rental income (Total Tenant Revenue) of \$8,809,083 is predominantly made up of Housing Assistance Payments (HAP) received for AHA units, the subsidy for Independence Plaza, and tenant rent received. HAP and tenant rent are slightly under budget for the year to date, but when accounting for a 5% budgeted vacancy loss for the period, the difference is only about \$1000 against budget. The lower income is due in part to the number of vacancies at Independence Plaza during the 504/ADA rehabilitation, vacancies held vacant elsewhere in the portfolio to relocate tenants from Rosefield and some reduced HAP income due to abatements of units which have now been fixed. Occupancy is expected to improve over the coming months.

Other Income is \$1,481,938 (6% or \$90k) less than the year-to-date budgeted revenue. This includes the developer fee from Littlejohn Commons. Construction has been completed and the developer fee will be retained at 90% by ICD (this amount was double counted in the ICD and AHA budgets but since the overall impact can be covered by AHA, a revised budget for 2018-19 will not be submitted). Additionally, professional service revenue which includes the Rent Program and HCD MOUs is under budget mainly due to the Rent Stabilization Program understaffing and a delay in receipt of funds from the City for both programs. The Rent Stabilization Program still has one vacant position which is currently in the recruitment process.

Administrative Fee income in HPD is over the year-to-date budget by \$55,017 (5 %). The factors that affect how much Administrative Fee AHA receives are the proration percentage and the number of units leased. HUD provided an increase of 4% in the proration factor from 76% to 80% which accounts for this higher number. For the past several years, Administrative Fees from HUD have not fully funded the Housing Programs Department, and the Section 8 program has been subsidized for by income from AHA properties.

Expenses

Net profit from operations (before depreciation) is \$3,226,740. This is \$1,761,848 (120%) under budget.

Total expenses are lower than the year-to-date budget by \$2,289,761 (8%). This is mainly due to the lower salary and benefit expenses, which are approximately 24% under budget. There are currently 9 vacancies which accounts for approximately 16% of the total budgeted FTEs. Temporary expenses are on budget due to additional staff to assist with vacancies and a number of long term staff absences.

Maintenance contracts are 33% below budget but are expected to increase in March - June as the larger properties under go HQS inspections and preventive maintenance. That said, as AHA has outsourced two properties to The John



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 3 of 4

Stewart Company, the maintenance team are doing more of the maintenance work themselves, and staff expect to see a reduction in maintenance contract expense over the next year or so unless highly technical work is needed.

Housing Assistance Payments (HAP) Pass-through

The Housing Assistance Payments (HAP) pass-through includes all the Housing Choice Voucher/Section 8, Shelter Plus, and Bessie Coleman (SRO) programs. Year-to-date HAP revenue is \$443,493 (2%) below the budget for Section 8 and slightly below for Shelter Plus and SRO as well. After a 12-month period of issuing no vouchers due to shortfall, staff are issuing regular and FUP vouchers. HAP payments to property owners are \$291,809 (1.4%) less than the year-to-date budget. 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.

In terms of pass through to AHA, Section 8, Finance, and Property Operations staff meet monthly to ensure that payments to AHA for AHA owned properties are made accurately and on time. Staff is increasing contract rents at the sites, except Independence Plaza, to the new payment standards over 2019.

Statement of Net Position

The Housing Authority has adequate cash resources for operations.

OTHER ISSUES IMPACTING FINANCE DEPARTMENT

Two Accounting Specialist positions have been filled and the new Controller has been on board since March 2019. The new Accounting Specialists are due to start later this month. The Finance Director position is in recruitment as hiring remains a challenge due to the tight job market in this field. A full-time salaried CPA level temporary staff person is currently assisting in accounting. Nan McKay and Associates also continues to provide consulting and training services including HUD's monthly Voucher Management System (VMS) report and the annual Financial Data Schedule (FDS). The final FDS was filed on time in March 2019 and is currently with HUD for review.

HUD performed a five-year review of the program in August 2018. Staff received a written report and have issued a corrective action plan to HUD. The report has been shared with the Board Chair and is available on request.

The draft ICD 2018 audit is in process and is expected to go, with the tax return, to the ICD Board in in early October or November 2019. Staff are working with Nan McKay on some reconciliation issues for AHA and the ICD financials at this time.

The Executive Director will bring a second presentation on the unfunded pension liabilities to the Board in June 2019, along with proposals for prepayment. The



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 4 of 4

analytical work is being led by our consultants, the Nicolay Consulting Group. The Executive Director is also working on the 2019-20 budget and will bring a draft before the Board in June for approval.

RECOMMENDATION

Accept the Budget Variance Report for February 28, 2019.

Respectfully submitted,



Vanessa Cooper
Executive Director

Attachments:

- Year to Date Financials Budget to Actual
- Balance Sheet



Budget Comparison (with PTD)

Period = Jul 2018-Feb 2019

Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
6999990 INCOME								
7000000 REVENUE								
7020000 TENANT REVENUE								
7020110 Vacancy Loss	0.00	-68,781.55	68,781.55	100.00	0.00	-550,252.40	550,252.40	100.00
7020130 Write Off	0.00	-8,151.03	8,151.03	100.00	0.00	-65,208.24	65,208.24	100.00
7030000 Tenant Rental Revenue	271,828.86	337,528.42	-65,699.56	-19.46	2,567,035.86	2,700,227.36	-133,191.50	-4.93
7030030 Maintenance Charges	22.00	1,191.67	-1,169.67	-98.15	7,617.08	9,533.36	-1,916.28	-20.10
7030040 Late Charges	133.00	0.00	133.00	N/A	3,593.00	0.00	3,593.00	N/A
7030050 Miscellaneous Other Charges	2,725.00	0.00	2,725.00	N/A	36,636.95	0.00	36,636.95	N/A
7030060 Tax Increment Payments from the City of Alan	144,445.42	144,445.42	0.00	0.00	1,161,382.75	1,155,563.36	5,819.39	0.50
7030100 Tenant HAP Subsidy	542,825.00	593,117.22	-50,292.22	-8.48	4,290,042.74	4,744,937.76	-454,895.02	-9.59
7030110 Vacancy Loss	0.00	-398.17	398.17	100.00	-68,644.00	-3,185.36	-65,458.64	-2,054.98
7030300 Commercial Rents	2,552.00	2,325.89	226.11	9.72	11,419.00	18,607.12	-7,188.12	-38.63
7050000 TOTAL TENANT REVENUE	964,531.28	1,001,277.87	-36,746.59	-3.67	8,009,083.38	8,010,222.96	-1,139.58	-0.01
7060000 FEDERAL GRANTS								
7060060 Shelter Plus Care Revenue	29,303.82	31,215.25	-1,911.43	-6.12	229,193.13	249,722.00	-20,528.87	-8.22
7069000 TOTAL FEDERAL GRANTS	29,303.82	31,215.25	-1,911.43	-6.12	229,193.13	249,722.00	-20,528.87	-8.22
7100000 OTHER INCOME								
7110010 Investment Income - Unrestricted	0.00	633.73	-633.73	-100.00	122,257.07	5,069.84	117,187.23	2,311.46
7110011 Interest Income	26,285.04	5,569.13	20,715.91	371.98	193,019.30	44,553.04	148,466.26	333.23
7110013 Coupon/Interest/Dividend Income	0.00	40.92	-40.92	-100.00	-23.23	327.36	-350.59	-107.10
7110020 Interest on Equip. Reserve	0.00	0.00	0.00	N/A	15,634.51	0.00	15,634.51	N/A
7110050 Investment Income- Restricted	0.00	0.00	0.00	N/A	-676.93	0.00	-676.93	N/A
7110060 Interest - Replacement Reserve	0.00	0.00	0.00	N/A	16,781.83	0.00	16,781.83	N/A
7110070 Other - Income	8,294.64	0.00	8,294.64	N/A	290,195.04	0.00	290,195.04	N/A
7110075 Laundry Commission	1,678.99	2,555.58	-876.59	-34.30	16,629.57	20,444.64	-3,815.07	-18.66
7110082 Land Fee/Ground Lease	446.99	894.00	-447.01	-50.00	6,999.18	7,152.00	-152.82	-2.14
7110090 Other Miscellaneous Revenue	-250,000.00	32,500.00	-282,500.00	-869.23	18,200.00	260,000.00	-241,800.00	-93.00
7110092 Professional Service Revenue	107,238.49	153,280.75	-46,042.26	-30.04	798,709.29	1,226,246.00	-427,536.71	-34.87
7150030 Miscellaneous Other Revenue	642.18	0.00	642.18	N/A	1,373.54	0.00	1,373.54	N/A
7150070 Administrative Fee	321.93	1,094.00	-772.07	-70.57	2,838.50	8,752.00	-5,913.50	-67.57
7159000 TOTAL OTHER INCOME	-105,091.74	196,568.11	-301,659.85	-153.46	1,481,937.67	1,572,544.88	-90,607.21	-5.76
8000000 HUD GRANT								
8010000 HUD Operating Grants	2,508,977.00	2,540,153.16	-31,176.16	-1.23	19,877,731.41	20,321,225.28	-443,493.87	-2.18
8020000 Administrative Fees from HUD	162,444.00	135,141.68	27,302.32	20.20	1,136,150.00	1,081,133.44	55,016.56	5.09
8020110 PORT-In Administrative Fees	2,646.33	0.00	2,646.33	N/A	19,811.10	0.00	19,811.10	N/A
8030000 Administrative Fees Paid (PORT-Outs)	6,023.06	0.00	-6,023.06	N/A	46,970.80	0.00	46,970.80	N/A
8100120 TOTAL HUD GRANT	2,668,044.27	2,675,294.84	-7,250.57	-0.27	20,986,721.71	21,402,358.72	-415,637.01	-1.94
8990000 TOTAL REVENUE	3,556,787.63	3,904,356.07	-347,568.44	-8.90	30,706,935.89	31,234,848.56	-527,912.67	-1.69
9000000 EXPENSES								
9000900 OPERATING EXPENSES								
9100000 ADMINISTRATIVE								
9110010 Administrative Salaries	269,360.76	368,605.64	-99,244.88	-26.92	2,192,759.08	2,948,845.12	-756,086.04	-25.64
9110020 Temporary Help - Administrative	21,193.81	21,553.08	-359.27	-1.67	171,393.08	172,424.64	-1,031.56	-0.60
9120000 Auditing Fees	0.00	3,949.90	-3,949.90	-100.00	26,600.00	31,599.20	-4,999.20	-15.82
9130000 Outside Management Fees	0.00	3,378.67	-3,378.67	-100.00	10,062.00	27,029.36	-16,967.36	-62.77
9150010 Admin Employee Benefits - Medical/Dental	56,165.08	71,377.67	-15,212.59	-21.31	437,689.79	571,021.36	-133,331.57	-23.35
9150020 Admin Employee Benefits - PERS/PARS	21,993.06	31,589.36	-9,596.30	-30.38	190,386.82	252,714.88	-62,328.06	-24.66

Budget Comparison (with PTD)

Period = Jul 2018-Feb 2019

Book = Actual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
9150030	3,881.34	5,378.65	1,497.31	27.84	32,957.42	43,029.20	10,071.78	23.41
9150040	2,252.02	1,439.17	-812.85	-56.48	13,892.16	10,749.76	-3,142.40	-29.23
9150050	0.00	0.00	0.00	N/A	0.88	0.00	-0.88	N/A
9150060	2,007.28	2,492.24	484.96	19.46	16,962.74	19,937.92	2,975.18	14.92
9150090	3,456.22	1,977.77	-1,478.45	-74.75	17,840.64	15,822.16	-2,018.48	-12.76
9160010	4,191.92	6,395.33	2,203.41	34.45	29,720.88	51,162.64	21,441.76	41.91
9160030	564.00	0.00	-564.00	N/A	2,867.15	0.00	-2,867.15	N/A
9160040	254.01	4,620.70	4,366.69	94.50	8,956.37	36,965.60	28,009.23	75.77
9160050	3,527.14	5,251.55	1,724.41	32.84	36,096.46	42,012.40	5,915.94	14.08
9160060	46.54	2,673.11	2,626.57	98.26	17,458.16	21,384.88	3,926.72	18.36
9160080	0.00	0.00	0.00	N/A	319.59	0.00	-319.59	N/A
9160090	0.00	0.00	0.00	N/A	12,146.98	0.00	-12,146.98	N/A
9160100	7,523.99	2,542.00	-4,981.99	-195.99	38,837.75	20,336.00	-18,501.75	-90.98
9160110	49,147.03	18,902.01	-30,245.02	-160.01	172,191.56	151,216.08	-20,975.48	-13.87
9160111	354.04	671.51	317.47	47.28	4,768.64	5,372.08	603.44	11.23
9160112	0.00	0.00	0.00	N/A	1,889.00	0.00	-1,889.00	N/A
9160113	5,397.93	10,184.33	4,786.40	47.00	33,693.61	81,474.64	47,781.03	58.65
9160114	0.00	0.00	0.00	N/A	6.06	0.00	-6.06	N/A
9160115	0.00	0.00	0.00	N/A	2,542.00	0.00	-2,542.00	N/A
9160120	4,874.81	13,522.24	8,647.43	63.95	51,262.14	108,177.92	56,915.78	52.61
9160130	375.00	1,058.67	683.67	64.58	17,862.00	8,469.36	-9,392.64	-110.90
9160131	0.00	0.00	0.00	N/A	300.08	0.00	-300.08	N/A
9160140	0.00	0.00	0.00	N/A	-354.95	0.00	354.95	N/A
9160160	0.00	0.00	0.00	N/A	8,000.00	0.00	-8,000.00	N/A
9160170	11,376.99	27,154.32	15,777.33	58.10	183,815.73	217,234.56	33,418.83	15.38
9160180	10,661.96	12,579.89	1,917.93	15.25	77,424.36	100,639.12	23,214.76	23.07
9160190	9,316.52	10,614.12	1,297.60	12.23	56,294.50	84,912.96	28,618.46	33.70
9160210	0.00	0.00	0.00	N/A	864.00	0.00	-864.00	N/A
9160220	31,177.00	8,419.18	-22,757.82	-270.31	72,544.65	67,353.44	-5,191.21	-7.71
9160230	0.00	4,580.08	4,580.08	100.00	44,886.70	36,640.64	-8,246.06	-22.51
9160250	0.00	0.00	0.00	N/A	1,496.89	0.00	-1,496.89	N/A
9160260	1,775.98	1,568.53	-207.45	-13.23	13,079.35	12,548.24	-531.11	-4.23
9160270	886.47	2,051.42	1,164.95	56.79	8,086.51	16,411.36	8,324.85	50.73
9160510	3,370.05	2,535.17	-834.88	-32.93	27,045.35	20,281.36	-6,763.99	-33.35
9169000	525,130.95	647,066.31	121,935.36	18.84	4,034,646.13	5,175,766.88	1,141,120.75	22.05
9200000	9,450.99	17,487.10	8,036.11	45.95	93,813.44	139,896.80	46,083.36	32.94
9210010	17,500.00	17,768.10	268.10	1.51	142,155.56	142,144.80	-10.76	-0.01
9219990	26,950.99	35,255.20	8,304.21	23.55	235,969.00	282,041.60	46,072.60	16.34
9220000	28,407.33	2,818.64	-25,588.69	-907.84	59,532.75	22,549.12	-36,983.63	-164.01
9229000	28,407.33	2,818.64	-25,588.69	-907.84	59,532.75	22,549.12	-36,983.63	-164.01
9230005	68,368.26	4,889.85	-63,478.41	-1,298.17	87,742.88	39,118.80	-48,624.08	-124.30
9230010	1,091.61	1,578.48	486.87	30.84	7,772.05	12,627.84	4,855.79	38.45
9230030	136.19	268.35	132.16	49.25	1,173.30	2,146.80	973.50	45.35
9230040	79.01	17.24	-61.77	-358.29	425.17	137.92	-287.25	-208.27
9230090	93.75	163.55	69.80	42.68	767.08	1,308.40	541.32	41.37

Page 2 of 4

Budget Comparison (with PTD)

Period = Jul 2018-Feb 2019

Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
TOTAL TENANT SERVICES EMPLOYEE BENEFIT	69,768.82	6,917.47	-62,851.35	-908.59	97,880.48	55,339.76	-42,540.72	-76.87
TENANT SERVICES								
9240005								
9240020	32,201.17	27,080.68	-5,120.49	-18.91	177,350.36	216,645.44	39,295.08	18.14
9240030	0.00	0.00	0.00	N/A	1,310.93	0.00	-1,310.93	N/A
9240040	0.00	0.00	0.00	N/A	-123.51	0.00	123.51	N/A
TOTAL TENANT SERVICES	32,201.17	27,080.68	-5,120.49	-18.91	178,537.78	216,645.44	38,107.66	17.59
UTILITIES								
9300000								
9310000	26,014.08	21,551.68	-4,462.40	-20.71	176,302.29	172,413.44	-3,888.85	-2.26
9320000	10,802.04	12,085.07	1,283.03	10.62	86,732.51	96,680.56	9,948.05	10.29
9330000	5,724.09	4,829.16	-894.93	-18.53	43,441.09	38,633.28	-4,807.81	-12.44
9380010	24,941.25	27,366.66	2,425.41	8.86	183,912.08	218,933.28	35,021.20	16.00
9380020	38,887.68	42,690.00	3,802.32	8.91	266,836.80	341,520.00	74,683.20	21.87
TOTAL UTILITIES	106,369.14	108,522.57	2,153.43	1.98	757,224.77	868,180.56	110,955.79	12.78
MAINTENANCE								
9399000								
9400000								
9410010	43,971.24	60,069.57	16,098.33	26.80	363,186.46	480,556.56	117,370.10	24.42
9419000	43,971.24	60,069.57	16,098.33	26.80	363,186.46	480,556.56	117,370.10	24.42
TOTAL MAINTENANCE SALARIES								
9420005								
9420010	3,647.02	20,812.49	17,165.47	82.48	40,954.48	166,499.92	125,545.44	75.40
9420020	0.00	0.00	0.00	N/A	4,602.60	0.00	-4,602.60	N/A
9420030	0.00	0.00	0.00	N/A	1,142.92	0.00	-1,142.92	N/A
TOTAL MAINTENANCE MATERIALS	3,647.02	20,812.49	17,165.47	82.48	46,700.00	166,499.92	119,799.92	71.95
MAINTENANCE CONTRACTS								
9429005								
9429015	0.00	24,909.60	24,909.60	100.00	16,247.92	199,276.80	183,028.88	91.85
9429040	10,225.00	2,668.07	-7,556.93	-283.24	27,825.00	21,344.56	-6,480.44	-30.36
9429060	885.00	6,213.95	5,328.95	85.76	46,548.24	49,711.60	3,163.36	6.36
9429100	350.00	13,059.73	12,709.73	97.32	70,144.20	104,477.84	34,333.64	32.86
9430010	1,825.00	2,182.08	357.08	16.36	18,671.83	17,456.64	-1,215.19	-6.96
9430020	1,865.53	2,534.33	668.80	26.39	22,357.95	20,274.64	-2,083.31	-10.28
9430030	1,730.00	11,999.01	10,269.01	85.58	70,706.22	95,992.08	25,285.86	26.34
9430040	0.00	3,225.24	3,225.24	100.00	2,448.39	25,801.92	23,353.53	90.51
9430060	3,781.24	3,240.50	-540.74	-16.69	24,844.04	25,924.00	1,079.96	4.17
9430070	13,390.00	4,171.51	-9,218.49	-220.99	14,190.00	33,372.08	19,182.08	57.48
9430080	1,654.36	1,979.36	325.00	16.42	5,960.66	15,834.88	9,874.22	62.36
9430100	12,231.08	4,920.17	-7,310.91	-148.59	57,178.63	39,361.36	-17,817.27	-45.27
9430110	0.00	459.88	459.88	100.00	34,615.00	3,679.04	-30,935.96	-840.87
9430120	0.00	1,313.20	1,313.20	100.00	7,702.00	10,505.60	2,803.60	26.69
9430130	925.00	687.35	-237.65	-34.57	9,877.60	5,498.80	-4,378.80	-79.63
9430140	1,502.28	4,573.13	3,070.85	67.15	7,262.28	36,585.04	29,322.76	80.15
9430150	59.55	468.63	409.08	87.29	5,979.52	3,749.04	-2,230.48	-59.49
TOTAL MAINTENANCE CONTRACTS	56,016.00	9,715.74	-46,300.26	-476.55	84,024.00	77,725.92	-6,298.08	-8.10
TOTAL MAINTENANCE	106,440.04	98,321.48	-8,118.56	-8.26	526,583.48	786,571.84	259,988.36	33.05
MAINTENANCE EMPLOYEE BENEFITS								
9450005								
9450010	9,144.78	16,624.67	7,479.89	44.99	88,347.76	132,997.36	44,649.60	33.57
9450020	4,079.15	7,097.90	3,018.75	42.53	34,063.93	56,783.20	22,719.27	40.01
9450030	633.62	866.66	233.04	26.89	4,907.65	6,933.28	2,025.63	29.22
9450040	367.63	48.01	-319.62	-665.74	2,181.75	384.08	-1,797.67	-468.05
9450050	393.53	517.18	123.65	23.91	2,804.57	4,137.44	1,332.87	32.21

Budget Comparison (with PTD)

Period = Jul 2018-Feb 2019

Book = Accrual

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
9450070	0.00	352.58	352.58	100.00	1,578.39	2,820.64	1,242.25	44.04
9450091	2,763.74	2,534.23	-229.51	-9.06	18,832.03	20,273.84	1,441.81	7.11
9459000	17,382.45	28,041.23	10,658.78	38.01	152,716.08	224,329.84	71,613.76	31.92
9499000	171,440.75	207,244.77	35,804.02	17.28	1,089,186.02	1,657,958.16	568,772.14	34.31
9500000								
9500000	88,677.00	93,927.25	5,250.25	5.59	722,381.04	751,418.00	29,036.96	3.86
9500100	0.00	0.00	0.00	N/A	471.58	0.00	-471.58	N/A
9500150	5,118.98	0.00	-5,118.98	N/A	42,330.03	0.00	-42,330.03	N/A
9500160	0.00	0.00	0.00	N/A	275,608.78	0.00	-275,608.78	N/A
9500200	3,368.25	6,939.33	3,571.08	51.46	27,737.13	55,514.64	27,777.51	50.04
9610020	8,203.71	9,712.35	1,508.64	15.53	78,648.61	77,698.80	-949.81	-1.22
9610030	2,427.23	1,247.41	-1,179.82	-94.58	8,274.47	9,979.28	1,704.81	17.08
9610040	791.17	0.00	-791.17	N/A	3,955.85	0.00	-3,955.85	N/A
9610060	0.00	0.00	0.00	N/A	874.31	0.00	-874.31	N/A
9620010	108,586.34	111,826.34	3,240.00	2.90	1,160,281.80	894,610.72	-265,671.08	-29.70
9698000	1,068,855.49	1,146,731.98	77,876.49	6.79	7,613,258.73	9,173,092.24	1,559,833.51	17.00
9699000								
9700000	14,675.00	0.00	-14,675.00	N/A	124,004.00	0.00	-124,004.00	N/A
9700570	-72,907.00	0.00	72,907.00	N/A	-563,435.00	0.00	563,435.00	N/A
9700800	-58,232.00	0.00	58,232.00	N/A	-439,431.00	0.00	439,431.00	N/A
9700900	0.00	8,333.33	8,333.33	100.00	3,002.64	66,666.64	63,664.00	95.50
9710090								
9713001	0.00	8,333.33	8,333.33	100.00	3,002.64	66,666.64	63,664.00	95.50
9719000								
9730001	2,609,430.90	2,566,274.74	-43,156.16	-1.68	20,238,388.90	20,530,197.92	291,809.02	1.42
9730010	6,260.00	0.00	-6,260.00	N/A	45,164.00	0.00	-45,164.00	N/A
9730020	2,872.00	0.00	-2,872.00	N/A	19,813.00	0.00	-19,813.00	N/A
9730070	2,618,562.90	2,566,274.74	-52,288.16	-2.04	20,303,365.90	20,530,197.92	226,832.02	1.10
9739000					3,226,739.62	1,464,891.76	1,761,847.86	120.27
Net Income before depreciation								
Total Expenses before other expenses					27,480,196.27	29,769,956.80	2,289,760.53	7.69
OTHER EXPENSES								
9739500	129,253.27	0.00	-129,253.27	N/A	1,021,070.45	0.00	-1,021,070.45	N/A
9740000	0.00	0.00	0.00	N/A	-3,067.29	0.00	3,067.29	N/A
9760000	0.00	0.00	0.00	N/A	2,550.00	0.00	-2,550.00	N/A
9765000	129,253.27	0.00	-129,253.27	N/A	1,020,553.16	0.00	-1,020,553.16	N/A
9859999	3,758,439.66	3,721,340.05	-37,099.61	-1.00	28,500,749.43	29,769,956.80	1,269,207.37	4.26
9996000								
9998000	-201,652.03	183,016.02	-384,668.05	-210.18	2,206,186.46	1,464,891.76	741,294.70	50.60
Salaries and Benefits					3,610,085.99	4,762,243.36	-1,152,157.37	-24.19358447

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Balance Sheet

Period = Feb 2019

Book = Accrual

Current Balance

1000000	ASSETS	
1100000	CURRENT ASSETS	
1101000	CASH	
1110010	Cash - Unrestricted	3,627,362.86
1110011	Cash-Unrestricted-Saving/Money Market	35.10
1110012	Cash - Reserve for Building	78,450.83
1110014	Cash - Reserve for Equipment	2,152.00
1110018	Cash - Operating Checking with 3rd Party	809,678.64
1110019	Petty Cash with 3rd Party	-4,500.19
1110020	Cash - Petty cash	250.00
1110021	Cash - Benefit Account	75,280.40
1110030	Cash - FSS	130,827.64
1110040	Cash - Replacement Reserve Bldg	126,415.00
1130010	Cash - Restricted Other	-113,476.00
1130030	Cash - Restricted Sec Dep	76,025.00
1140000	Cash - Tenant Security Deposits	495,975.25
1140050	Cash - Tenant Security Deposits with 3rd Party	39,440.00
1199000	TOTAL CASH	5,343,916.53
1200000	ACCOUNTS RECEIVABLE	
1210000	Accounts Receivable - PHA	10,726.58
1240010	Accounts Receivable - Government	-524,030.47
1240020	Accounts Receivable - PNC Mortgage	-2,746.58
1240050	HAP Rent Receivable	10,073.74
1250010	Accounts Receivable - Other	308,887.11
1250050	Accounts Receivable - 3rd Party Management	21,089.00
1255000	Subsidy Suspense Receivable	-34,646.84
1260000	Accounts Receivable - Tenant	365,754.86
1260050	Accounts Receivable - Tenant Rent with 3rd Party	4,681.89
1261000	Allowance for Doubtful Accounts -Dwelling Rent	-61,830.05
1280000	Fraud Recovery	25,793.43
1281000	Allowance for Doubtful Accounts - Fraud	-25,068.23
1290000	Accrued Interest Receivable	49,410.48
1299000	TOTAL ACCOUNTS RECEIVABLE	148,094.92
1300000	INVESTMENTS AND OTHER CURRENT NOTES	
1310000	Investments(LAIF)- Unrestricted	7,212,444.16
1320010	Investments - Other	200.00
1320020	Investments(LAIF) (Restricted) - FSS Escrow	55,115.35
1320030	Investments(LAIF)- Building Reserve	1,341,222.91
1320040	Investments(LAIF) - Equipment Reserve	263,939.07
1320201	Investment Reserved for IP-LAIF	421,677.93
1350010	Investment(LAIF)-Restricted (Jack Capon Villa Trust)	27.16
1350020	Investment-OPEB (Restricted)	-1,148.51

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Balance Sheet

Period = Feb 2019

Book = Accrual

		Current Balance
1350031	Investments - CAMP	12,722,970.58
1350100	Mortgage Receivable	12,264,382.41
1350103	Mortgage Receivable-Jack Capon L. P.	142,677.92
1350106	Loan Receivable - ICD	15,210,000.00
1350109	Loan Receivable - Section 8	650,000.00
1360000	TOTAL INVESTEMENTS AND OTHER CURRENT NOTES	<u>50,283,508.98</u>
1400000	PREPAID EXPENSES	
1420010	Prepaid Insurance - Property	13,401.26
1420020	Prepaid Insurance - Liability	63,688.75
1420040	Prepaid Insurance - Worker Comp	13,632.96
1420050	Prepaid - Other	58,518.69
1420051	Prepaid Rent	14,400.00
1420070	Escrow Deposits - Property	-20,397.83
1420075	Escrow Dep. PNC Hedge Res.	53,116.59
1430000	Inventories	9,810.30
1430010	Replacement Reserve-NorthMarq Loan	462,689.01
1430020	Reserve for Replacement NorthMarq	<u>496,757.64</u>
1440099	TOTAL PREPAID EXPENSES	1,165,617.37
1440105	INTERPROGRAM	
1440110	Interprogram (Due From)	-2,043,862.38
1440111	Interprogram Due From Sherman St FACSA	13,073.00
1440112	Interprogram Due From Lincoln St FACSA	6,713.00
1440410	Interprogram Due From Sucessor Housing Agency	300,000.00
1440411	Interprogram Due from Detached Home	-420,428.51
1440440	Interprogram Due from HCD-Development	20,188.71
1440452	Interprogram Due From Stargell Commons	-391,942.76
1440453	Interprogram Due From Island City Development - 4530	354.48
1440601	Interprogram Due From ABD	-22,495.73
1440602	Interprogram Due From Rosefield Village - 4537	218.80
1440603	Interprogram Due From Parrot Gardens	15.11
1440604	Interprogram Due From Stanford House	4.67
1440605	Interprogram Due From Lincoln/Willow	15.12
1440606	Interprogram Due From Senior Condos	18.23
1440607	Interprogram Due From China Clipper	407.65
1440608	Interprogram Due From Regent Street Land	1,530.11
1440609	Interprogram Due From Santa Clara Land	60.19
1440610	Interprogram Due From Eagle Village	264.80
1440613	Interprogram Due From Shinsei Gardens	2,580.11
1440710	Interprogram Due From Section 8 Vouchers	451,104.46
1440730	Interprogram Due from PBV	15,605.00
1440740	Interprogram Due from HCV	62,362.42
1440770	Interprogram Due from FUP	1,106.00

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Balance Sheet

Period = Feb 2019

Book = Accrual

	Current Balance
1440780	Interprogram Due From F.S.S. 1,277.27
1440781	Interprogram Due From New FSS Grant 57,384.80
1440810	Interprogram Due From Independence Plaza 610.59
1440899	TOTAL INTERPROGRAM -1,943,834.86
1500000	TOTAL CURRENT ASSETS 54,997,302.94
1590000	LONG TERM ASSETS
1600000	FIXED ASSETS
1609999	LAND AND BUILDINGS
1610000	Land 22,022,053.63
1620030	Buildings 31,462,552.95
1620031	Buildings Improvements 1,971,759.76
1629000	TOTAL LAND AND BUILDINGS 55,456,366.34
1630040	Furniture and Equipment - Dwelling 355,074.81
1630041	Furniture and Equipment - Other 40,078.60
1650000	Leasehold Improvements 12,579,021.49
1660030	Accumulated Depreciation -27,834,953.72
1660060	Accumulated Depreciation - 3rd Party -532.61
1699000	TOTAL FIXED ASSETS 40,595,054.91
1800000	DEFERRED OUTFLOW
1800200	Deferred Outflow of Resources 3,371,148.05
1890000	TOTAL DEFERRED OUTFLOW 3,371,148.05
1900000	CONSTRUCTION IN PROGRESS
1900100	CIP - On Site Improvement -381.10
1900290	CIP - Organization - Legal -8,970.50
1900410	CIP - Environmental Testing & Reports 13,800.00
1900420	CIP - Permit & Fees (plan'g,build'g,public work,school dist) 3,671.35
1900430	CIP - Utilities Fees 607.60
1919999	TOTAL CONSTRUCTION IN PROGRESS 8,727.35
1929999	TOTAL LONG TERM ASSETS 43,974,930.31
1999999	TOTAL ASSETS 98,972,233.25
3000000	LIABILITIES AND EQUITY
3005000	LIABILITIES
3100000	CURRENT LIABILITIES
3100500	ACCOUNTS PAYABLE
3120010	Accounts Payable<= 90 Days 649,918.58
3120011	Accounts Payable -CALPERS (employee portion) -103.07
3120012	Accounts Payable-Health Insurance (employee portion) 2,273.28
3120014	Accounts Payable-Garnishment (employee portion) -128.50
3120015	Accounts Payable-Vision Insurance (employee portion) 138.87
3120016	Accounts Payable-Life Insurance (employee portion) -9.20
3120018	Accounts Payable-PARS retirement (employee portion) 70.13
3120019	Accounts Payable-Flexible Spending Account(employee portion) -3,131.86

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Balance Sheet

Period = Feb 2019

Book = Accrual

	Current Balance
3120021 Employees Cobra	290.45
3120022 Accounts Payable-PERS 1959 Surv(Employee Portion)	40.92
3120023 Accounts Payable-FSA Transit Plan	1,656.96
3120024 Accounts Payable FSS	123,088.51
3120026 Accounts Payable FSS Interest	2.50
3120029 Accounts Payable - 3rd Party Management Company	6,237.22
3120030 Accrued Wage/Payroll Taxes Payable	1,391.46
3120040 Accrued Compensated Absences - Current Portion	122,336.31
3120045 Accrued Vacation Payable - 3rd Party Management	2,548.21
3120050 Accrued Contingency Liability	-2,421.30
3120070 Accrued Payables	13,874.06
3120075 Accrued Accounts Payable - 3rd Party Management	37,809.00
3330020 Account Payable - HUD	7,863.80
3330100 Tenants- Rents Payable	9,900.00
3339000 TOTAL ACCOUNT PAYABLE	973,646.33
3400000 SECURITY DEPOSITS HELD	
3410010 Tenant Security Deposits	438,665.42
3410015 Tenant Security Deposits - held with 3rd Party Management	37,190.00
3410020 Tenant Security Deposits - Pets	1,375.00
3410030 Tenant Security Deposits - Gate Opener	50.00
3410040 Tenant Security Deposits - Satellite Dish/Antenna	1,700.00
3410060 Tenant Security Deposits - Pooled Interest	63,760.13
3410999 Security Deposit Refund	9,938.73
3419000 TOTAL SECURITY DEPOSITS HELD	552,679.28
3419900 OTHER LIABILITIES	
3420000 Prepay Tenant Rent	98,885.53
3421000 Prepay Tenant Rent - 3rd Party Management	12,189.50
3425000 Unearned Revenue	-294,710.75
3426000 Prepaid Ground Lease Rent	3,410,000.00
3430000 Current Portion of Long Term Debt - Capital Projects	-661,558.99
3449000 TOTAL OTHER LIABILITIES	2,564,805.29
3470000 INTERPROGRAM	
3470050 Interprogram (Due to)	1,138,913.64
3470110 Interprogram Due To General Fund	-1,163,663.63
3470601 Interprogram Due To Anne B Diament Plaza	21,429.00
3470710 Interprogram Due To Section 8 Vouchers	104,256.35
3471000 Due To/Due From Suspense Account	-468,650.79
3480000 TOTAL INTERPROGRAM	-367,715.43
3499000 TOTAL CURRENT LIABILITIES	3,723,415.47
3500000 NON-CURRENT LIABILITIES	
3510100 Mortgage Loan Payable	37,058,378.25
3510103 Mortgage Loan Payable- Alameda County	26,250.00


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Balance Sheet

Period = Feb 2019

Book = Accrual

		Current Balance
3510130	Interest Payable - City of Alameda Loan	999,245.26
3510140	Home Fund Loan #1	219,453.70
3510150	Housing Community Dev. Loan	916,399.98
3510157	Loan Payable - Esperanza	650,000.00
3510158	Loan Payable - CDBG	400,000.00
3510160	Home Fund Loan #2	282,700.00
3540000	Accrued Compensated Absences - Noncurrent	92,558.74
3570000	OPEB Liability	633,772.04
3580000	Pension Liability	1,424,714.09
3599000	TOTAL NON-CURRENT LIABILITIES	<u>42,703,472.06</u>
3999000	TOTAL LIABILITIES	46,426,887.53
4000000	Equity/Net Assets	
4000001	EQUITY	
4000100	DEFERRED INFLOW	
4001000	Deferred Inflow of Resources	1,167,555.18
4900000	TOTAL DEFERRED INFLOW	<u>1,167,555.18</u>
4999999	CONTRIBUTED CAPITAL	
5010000	Net Investment in Capital Assets	8,944,339.25
5090000	Unrestricted	20,030,727.75
5120000	Unrestricted	21,799,751.65
5120010	Net Restricted Assets	602,971.89
5950000	TOTAL CONTRIBUTED CAPITAL	<u>51,377,790.54</u>
5999900	TOTAL EQUITY	<u>52,545,345.72</u>
6000000	TOTAL LIABILITIES AND EQUITY	98,972,233.25



**Housing
Authority of the City of Alameda**

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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners
From: Janet Lee, Controller
Date: May 15, 2019
Re: Accept the Quarterly Investment Report for Period Ending March 31, 2019

BACKGROUND

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

DISCUSSION

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

As of March 31, 2019, AHA held \$11,601,412 (48% of investment funds) in **LAIF**. These funds are on demand and can be used for immediate needs. The prior quarter balance was \$12,551,183. Interest is posted quarterly to the account by LAIF.

As of March 31, 2019, AHA held \$12,751,155 (52% of investment funds) in **CAMP**. These funds are on demand and can also be used for immediate needs. The prior quarter balance was \$12,669,072. Interest is posted monthly to the account by CAMP.

Balances as of March 31, 2019:

LAIF:	\$11,601,412
CAMP:	\$12,751,155
Total Investment	\$24,352,567

Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 2 of 2

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

CAMP January to March 2019 interest income	82,083
LAIF October to December 2018 interest income	76,229
LAIF transfer to General Fund for Independence Plaza 504 work	(1,026,000)
Total	\$ (867,688)

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

RECOMMENDATION

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

Respectfully submitted,



Janet Lee
Controller

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

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

www.treasurer.ca.gov/pmia-laif/laif.asp
April 09, 2019

ALAMEDA HOUSING AUTHORITY

EXECUTIVE DIRECTOR
701 ATLANTIC AVENUE
ALAMEDA, CA 94501

PMIA Average Monthly Yields

Account Number:

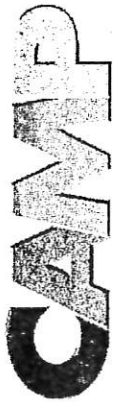


Tran Type Definitions

March 2019 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	11,601,412.12
Total Withdrawal:	0.00	Ending Balance:	11,601,412.12



Account Statement

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

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

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					
03/29/19	04/01/19	Accrual Income Div Reinvestment - Distributions	1.00	28,184.31	12,722,970.57
Closing Balance					12,751,154.88

	Month of March	Fiscal YTD July-March	Closing Balance
Opening Balance	12,722,970.57	10,597,978.08	12,751,154.88
Purchases	28,184.31	2,153,176.80	12,725,698.08
Redemptions (Excl. Checks)	0.00	0.00	2.61%
Check Disbursements	0.00	0.00	

Closing Balance	12,751,154.88	12,751,154.88
Cash Dividends and Income	28,184.31	216,176.80



Housing Authority of the City of Alameda

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

To: Honorable Chair and Members of the Board of Commissioners

From: Kathleen Mertz, Director of Housing and Community Development

Date: May 15, 2019

Re: Accept Memo Regarding the Reconciliation of AAHC Property Purchases

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. Staff and legal counsel filed formation documents with the California Secretary of State for Alameda Affordable Housing Corporation (AAHC) on November 1, 2017. AAHC received a determination of tax exempt status from the Internal Revenue Services. The Board of Commissioners are also seated as the Board of Directors of AAHC. For audit purposes, these two entities are designated as blended components and their financials are presented as combined. In February 2018, the Board passed Resolution 961 authorizing the transfer of four properties (Anne B. Diament, China Clipper Plaza, Lincoln-Willow Apartments, and Stanford House) to AAHC, including soft financing for the as-is value of the improvements and the capitalization of replacement reserves for these properties in the amount of \$1,000 per unit. The transfer was completed on May 1, 2018.

DISCUSSION

This memo was prepared in an effort to reconcile and memorialize all of the various details of this transaction as it relates to the two parties, AHA and AAHC. Additional transaction details are identified in the February 21, 2018 board report and authorizing resolution. For all four of the properties mentioned above, the following details apply:

1. AHA retain ownership of the land through a Ground Lease.
2. AAHC owns only the building improvements, per the appraisal. AHA financed the acquisition of the improvements through a residual receipts seller note.

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



Honorable Chair and
Members of the Board of Commissioners

May 15, 2019
Page 2 of 2

3. The improvements valuation included as-is condition, but shared assets (e.g., vehicles) and AHA equipment (e.g., computers) were not transferred to AAHC.
4. AAHC has applied for a welfare tax exemption because it will be subject to property taxes for the possessory interest of the improvements value.
5. Existing tenant leases were assigned to AAHC.
6. Tenant security deposits were transferred to AAHC, per state law.
7. AAHC has its own bank accounts for operations and reserves.
8. \$1,000 per unit in Replacement Reserves were transferred to AAHC (\$100,000 total for the four properties combined)

Property	Replacement Reserves
China Clipper Plaza	\$26,000
Anne B Diament	\$65,000
Lincoln-Willow	\$5,000
Stanford House	\$4,000
TOTAL	\$100,000

9. AHA capitalized 3 months of operating costs for AAHC to be sure that it could pay its bills at initial transfer while rent checks were collected by AAHC. These start-up funds will be paid back in full by June 30, 2019 (Anne B. Diament \$162,469, China Clipper Plaza \$79,241, Lincoln Willow \$11,090, and Stanford House \$12,857).
10. AHA paid all costs, title and escrow fees, at the time of transfer. The costs associated with all four properties totaled \$23,220. A delinquent tax payment from 1997 was paid for Lincoln Willow (\$7,742) and a refund request is being processed with the Alameda County tax collector because it was a hold over that should have been paid by the seller at the time AHA acquired the property. A settlement statement was issued by the title company to memorialize each transaction.
11. Property and General Liability Insurance is covered under the AHA's existing policy, per detailed discussions with the carrier (HARRP). Directors and Officers coverage for AAHC is also covered under the existing AHA policy. AAHC does not have a separate policy.
12. AAHC executed a Property and Asset Management Agreement with AHA to manage the properties.
13. AAHC has no staff so employment benefits and liabilities remain with AHA.
14. AAHC passes Resolution 2017-01 establishing the use of AHA's policies and procedures where none exist for AAHC.


FINANCIAL IMPACT

None.

RECOMMENDATION

Accept memo regarding the reconciliation of AAHC property purchases.

Respectfully submitted,



Kathleen Mertz
Director of Housing and Community Development

