



Housing Authority of the City of Alameda

PHONE (510) 747-4300
FAX (510) 522-7848
TDD (510) 522-8467

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 (TDD: 510 522-8467) or dconnors@alamedahsg.org. Notification 48 hours prior to the meeting will enable the City of Alameda Housing Authority Board of Commissioners to make reasonable arrangements to ensure accessibility.

AGENDA

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

DATE & TIME

Wednesday June 20, 2018 –

Regular Meeting - 7:00 p.m. (AAHC MEETING TO FOLLOW DIRECTLY AFTERWARDS)

LOCATION

Independence Plaza, 703 Atlantic Avenue, Alameda, CA

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

Public Participation

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

PLEDGE OF ALLEGIANCE

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



3. CONSENT CALENDAR

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

- 3-A. Approve Minutes of the Board of Commissioners Meeting held May 16, 2018 – Page 1
- 3-B. Accept the Monthly Overview Report Operations/H.R./I.T.– Page 5
- 3-C. Accept the Monthly Overview Report Housing & Community Development – Page 7
- 3-D. Accept the Monthly Overview Report Housing Programs Department – Page 10
- 3-E. Accept the Monthly Overview Report Rent & Community Programs – Page 13
- 3-F. Accept the Monthly Overview Report Property Operations –Page 14
- 3-G. Accept the Monthly Development Report - Littlejohn Commons (Sherman & Buena Vista LP) Project Update; Approve Supplement to the Agreement for the Development of Affordable Housing – Page 19
- 3-H. Accept the Monthly Development Report for Everett Commons – Page 25
- 3-I. Accept the Monthly Development Report for North Housing Project – Page 27
- 3-K. Accept the Budget Variance Report for April 2018 – Page 29
- 3-L. Accept Report on Resident Councils at AHA Owned Sites – Page 37
- 3-M. Accept the Two-Year Plan for Fiscal Years – Page 39
- 3-N. Authorize the Executive Director to negotiate and approve an extension of the term for the contract between the Alameda Housing Authority and Goldfarb & Lipman LLP through September 30, 2018– Page 45

4. AGENDA

- 4-A. Adopt the Resolution to Approve the Housing Authority’s One Year Budget for Fiscal Year July 1, 2018 to June 30, 2019 and the Revised Schedule of Authorized positions– Page 49
- 4-B. Authorize the Executive Director to Negotiate Final Terms and Execute a Construction Contract with a Project Budget of Up to \$3.5mm for Accessibility Upgrades to 20 units and Various Common Area Improvements at Independence Plaza. – Page 71

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

6. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

7. ADJOURNMENT (OPEN AAHC MEETING DIRECTLY AFTERWARDS)

* * *

Note

- If you need special assistance to participate in the meetings of the Housing Authority of the City of Alameda Board of Commissioners, please contact 510-747-4325 (TDD: 510-522-8467) or dconnors@alamedahsg.org. Notification 48 hours prior to the meeting will enable the Housing Authority of the City of Alameda Board of Commissioners to make reasonable arrangements to ensure accessibility.



- Documents related to this agenda are available for public inspection and copying at the Office of the Housing Authority, 701 Atlantic Avenue, during normal business hours.
- Know Your RIGHTS Under The Ralph M. Brown Act: Government's duty is to serve the public, reaching its decisions in full view of the public. The Board of Commissioners exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people's review. In order to assist the Housing Authority's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the Housing Authority accommodate these individuals.





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DRAFT MINUTES

REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA HELD WEDNESDAY May 16, 2018

The Board of Commissioners meeting was called to order at 7:00 p.m. (The presentation on the Below Market Program was held at 5.30pm but a quorum was not present and no actions were taken.)

PLEDGE OF ALLEGIANCE

1. ROLL CALL -

Present: Commissioners Chair Tamaoki, Kay, Rickard, and Vice Chair McCahan

Absent: Commissioners Weinberg, Kurrasch, Allen

2. Public Comment on Closed Session

None

3. Closed Session – 6:30 p.m. – Adjournment to Closed Session to Consider

3-A. Conference with Real Property Negotiator – (Gov. Code Sec. 54956.8)
Agency Negotiators: Vanessa Cooper, Executive Director, Housing Authority of the
City of Alameda and Catalyst Housing Group

Parcel Numbers: 074-1285-080
074-1285-081

4. Adjournment of Closed Session

5. CONVENE REGULAR MEETING – 7:00 p.m.

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



Chair Tamaoki reported that the Board appointed Executive Director Vanessa Cooper and HR Director Janet Basta as the agency negotiators, as well as giving direction to the staff.

7. Public Comment (Non-Agenda)

Chair Tamaoki introduced Dr Alan Sweet, President of the Residents' Council at Independence Plaza. Dr. Sweet gave a presentation of activities, programs, and services they offer for the senior residents. Commissioner Kay asked if this was something that could be extended to other AHA properties. Ms. Cooper said that Lisa Caldwell, Director of Property Operations, would look into it.

Richard Neveln gave a handout on low frequency fire alarms and expressed his concerns with the ADA standard fire alarms. Ms. Cooper explained to Mr. Neveln these changes would first need to be discussed with the City to adhere to their codes and then with AHA's insurance company. Ms. Cooper then stated if it is the law to have these low frequency alarms installed that AHA would comply and that the matter could be looked into at the next upcoming housing conference.

8. CONSENT CALENDAR

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

Items accepted or adopted are indicated by an asterisk.

Commissioner Kay asked how often HPD has to interview participants indicating zero income along with verifying their records to insure no income in item 8-D. Lynette Jordan, Director of Housing Program, advised that HUD requires that every 90 days staff interview participants reporting zero income and if so make referrals to help the families get income.

Vice Chair McCahan asked what the potential opening date would be for the Everett Project on item 8-H. Ms. Cooper stated the target date would be November 30th to get either a temporary occupancy permit or ideally a permanent occupancy permit, and the goal being to get everyone moved in by December 31st. Ms. Cooper then gave the number of units and a breakdown of the type of unit.

Vice Chair McCahan commented that AHA is leading by example and upgrading the community in a positive way.

Commissioner Kay questioned the work order emergencies and of those that have met the criteria how many are emergencies in a course of a month on item 8-F. Ms. Caldwell stated ten in about a month. She further explained that she receives emails showing the afterhours emergency line phone contacts and that there are not too many that have to be dealt with. They are usually plumbing issues that are tended to



that night or the next morning. Ms. Cooper then gave clarification on the data in the report.

Commissioner Rickard questioned why the City was putting more money into the Sherman Project on item 8-G. Ms. Cooper explained there is a delay and elaborated on the different combinations of events.

Commissioner Kay moved to accept the consent calendar, and Commissioner McCahan seconded. Motion passed unanimously.

- *8-A. Approve Minutes of the Board of Commissioners Meeting held April 18, 2018 and April 28, 2018 – Page 4 and 8
- *8-B. Accept the Monthly Overview Report Administration/I.T./H.R.– Page 10
- *8-C. Accept the Monthly Overview Report Housing & Community Development – Page 12
- *8-D. Accept the Monthly Overview Report Housing Programs Department – Page 15
- *8-E. Accept the Monthly Overview Report Rent Stabilization Program – Page 18
- *8-F. Accept the Monthly Overview Report Property Operations –Page 19
- *8-G. Sherman & Buena Vista LP (Littlejohn Commons) Project Update; Approve Amendment to the Agreement for the Development of Affordable Housing– Page 23
- *8-H. Accept the Monthly Development Report for Everett and Eagle LP Project – Everett Commons – Page 29
- *8-I. Accept the Monthly Development Report for North Housing – Page 31
- *8-J. Accept the Quarterly Investment Report – Page 33
- *8-K. Accept the Budget Variance Report for March 2018 – Page 38

9. AGENDA

- 9-A. Accept Asset Management Report on the Proposed 10 Year Capital Improvements Schedule and Reserves Analysis – Page 46

Ms. Cooper invited Kathleen Mertz, Asset Manager to give an overview of the Improvement Schedule and Reserves Analysis Report. Ms. Mertz gave a breakdown of the properties, renovations and current standings, operational costs, and projects that will take place within the next 10 years. There was more discussion on this topic. Ms. Cooper gave clarification for new development, development fees and staffing cost. Commissioner McCahan moved to accept the report and Commissioner Kay seconded. The motion passed unanimously.

- 9-B. Accept Report on the Independence Plaza Rent Structure Change to Plan for Mortgage Maturity, Capital Improvements, and Financial Self-Sufficiency and Provide Feedback to Staff– Page 52

Ms. Mertz, Asset Manager gave an overview of the Rent Structure Report. Ms. Mertz explained the proposed rent structure that will allow AHA to maintain financial stability in the upcoming years and how to move forward and present equitable and



transparent rent increases that are fair and reasonable for different income levels of tenants. There was more discussion on this topic. Ms. Cooper made a recommendation to visit this again to go over the finances, what move in rents should be and how well the plan is working. Commissioner McCahan moved to accept the recommendation and Commissioner Rickard seconded. The motion passed unanimously.

9-C. Appoint Nominating Committee for Board Officers – Page 58

Annually the Board nominates an Adhoc Committee. The Board motioned to appoint Vanessa Cooper, Executive Director to identify the members of the Adhoc Committee, and to nominate officers for the annual term starting July 2018. Commissioner McCahan motioned to accept and Commissioner Rickard seconded. Motion passed unanimously.

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

None

11. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

Commissioner Rickard complimented the staff on their good work. The Board spoke s on how Shinsei Gardens and Anne B. Diament are changing the perception of Affordable housing.

12. ADJOURNMENT OF REGULAR MEETING

There being no further business, Chair Tamaoki adjourned the meeting at 9:22 p.m.

Kenji Tamaoki, Chair

Vanessa M. Cooper
Executive Director/Secretary





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To: Honorable Chair and
Members of the Board of Commissioners

From: Janet Basta
Director of Human Resources and Operations

Date: June 20, 2018

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

BACKGROUND

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

Human Resources and Operations

A new Senior Accounting Technician began work on May 29; the finance department is now at the planned staffing level, though one position remains budgeted and unfilled. Workloads will be assessed over the coming months prior to any further recruitment. An offer has been extended for the Executive Assistant position, and it is anticipated that the new Executive Assistant will be in place by early July. The Property Management Supervisor position is in the final stages of recruitment. Once that position is filled, the Property Operations department will be fully staffed at the planned positions for this fiscal year.

New recruitments include a Program Assistant for the Rent Stabilization Program, and a new Director of Housing and Community Development. For the latter position, the position is posted internally only on an interim basis as it is anticipated that it will take several months to fill the position on a regular (permanent) basis. The services of an outside recruiter who specializes in real estate have been secured to conduct this recruitment.

On the evening of June 14, AHA co-hosted a panel presentation with the League of Women Voters entitled "How Will New State Housing Laws Affect Alameda?" at the Ruth Rameau Community Room. Four panelists, including development staff from the City of Alameda, presented information on what the pending and approved state legislation could mean for Alameda.

Information Technology/Administration

With the May 1, 2018 launch of Yardi Affordable, staff continued to debug the processes during May, but four properties have been moved over to Affordable. New user groups were created to control differing permissions.

Honorable Chair and
Members of the Board of Commissioners

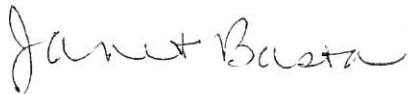
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The IT Governance Committee continues to meet and approve changes to the IT structure. The newest change that will be launched ties staff e-mail log-ins to their computer log-ins. This allows the domain controllers to be used to control e-mail access and passwords, and it allows staff to have one less password to remember.

RECOMMENDATION

For information only.

Respectfully submitted,



Janet Basta
Director of Human Resources and Operations

JCB/TMSC



Housing Authority of the City of Alameda

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To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa Cooper
Executive Director

Date: June 20, 2018

Re: Monthly Overview Report – Housing and Community Development

BACKGROUND

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

Capital Projects

Please see Property Management Overview Report.

Community Development Block Grant (CDBG) and HOME Program

June 30, 2018 is the end of the current CDBG program year. Staff is working with all current year grantees to submit final draw requests in order to close out the current fiscal year and to facilitate the preparation of the year-end financials.

At the same time, July 1, 2018 is the start of the next program year for CDBG and HOME funds. Staff has begun requesting documents from next year's grantees in order to develop contracts, begin conducting the necessary environmental reviews and ensure compliance with HUD procurement requirements so that the social service agencies will be prepared to offer services on July 1.

Inclusionary and Below Market Rate Programs

All three of the BMR units that are for sale at Mulberry (2100 Clement) are under contract. Two of the units are scheduled to close in mid-June. Staff has prepared and is currently routing loan documents for signature in anticipation of a mid-June closing.

Pre-development Loans

The Housing Authority has made separate pre-development loans to Island City Development on behalf of two development projects: North Housing and Rosefield. A

\$250,000 working capital loan to ICD was also made in 2017. Reporting on loan balances is shown below.

Rosefield Village

Pre-development Loan from AHA	\$	1,000,000
Usage through May 2018	\$	342,967
Balance	\$	657,033

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

North Housing

Pre-development Loan from AHA	\$	300,000
Usage through May 2018	\$	82,288
Balance	\$	217,712

Pre-development costs to date include legal, environmental, survey, and appraisal services.

Project Pipeline

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

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

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

Rosefield Village – Staff is working with Dahlin Architects to prepare the Design Review application to be submitted in June and considered by the Planning Board on July 9th. With respect to design, the City's recent direction to include the existing land and buildings in order to achieve the desired density makes it necessary to revise the site plan and add some services. Staff is working with Dahlin to revise the design contract and will bring this to the Board in June. Staff is procuring other consultants including green building consultant, joint trench services, and a pre-development construction manager to assist with design review. Staff also submitted the application for a commitment of \$1.67m in Alameda County Bond Funds on April 19, 2018.

Asset Management

Staff continues to oversee lease up coordination of 1301 Buena Vista Avenue with The John Stewart Company (JSC) and other AHA staff. The first move-ins are expected in July. Staff completed the welfare tax exemption applications for the two Limited Partnership properties and the four properties now owned by Alameda Affordable Housing Corporation (AAHC). Staff prepared board reports for Island City Development (ICD) and AAHC. Staff continues to provide audit support for ICD, and budget preparation support for the Housing Authority.



Other Activities

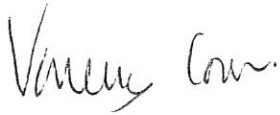
Staff prepares to manage the new year-long intern through the Non-Profit Housing Association of Northern California's (NPH) Bay Area Housing Internship Program. This NPH program is in its first year and the Housing Authority is one of 13 local organizations to be selected to host historically underrepresented students in the field of affordable housing development.

Staff submitted a formal written request to join the Alameda Transportation Management Association (TMA) in order to access transit benefits for Housing Authority properties and residents. This request specifically includes Anne B. Diament and Everett Commons, with Littlejohn Commons automatically becoming a member of the TMA through the Tim Lewis Communities Development Agreement. The City has set aside \$12,000 in Measure B/BB funds in 2018-19 for transit passes for low-income seniors or disabled individuals living in Housing Authority properties. These funds are anticipated to pay for passes at Anne B. Diament and Everett Commons.

RECOMMENDATION

For information only.

Respectfully submitted,



Vanessa Cooper
Executive Director





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To: Honorable Chair and
Members of the Board of Commissioners

From: Lynette Jordan
Director of Housing Programs

Date: June 20, 2018

Re: Monthly Overview Report to the Board Housing Programs

BACKGROUND

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

Shortfall Update

AHA met with the HUD shortfall team on May 24, 2018 to monitor spending, discuss our efforts to collect on debts owed to the Agency from participants, and review additional funding assistance. The 2-year tool was updated to reflect the number of current movers and unleased Project Based Vouchers (PBV). Staff reported twelve terminations from the program in May due in large part to the effectiveness of the demand letter mailed out to program participants. Housing Assistance Payment (HAP) disbursements for May through July were provided. With these terminations and having received an additional \$95,600 in HAP for May, AHA should not require additional HAP assistance for June.

During the meeting the recently released Public and Indian Housing (PIH) Notice 2018-09 issued May 21, 2018 was reviewed. PIH 2018-09 outlines the process in which PHA can apply for additional set-aside funds for Project Based Vouchers (PBV) projects currently under contract but not yet leased up. To be eligible for funding under this PBV category, a PHA must show that vouchers were withheld from use during the CY 2017 to be available to meet a PBV commitment for newly constructed or rehabilitated housing. AHA will submit the requested data for the 25 vouchers at Littlejohn Commons and 5 vouchers at Everett Commons slated to come on line in July and December 2018.

New Hire Interviews

In the month of May, staff held interviews for program participants who were identified by Employment Development Department on the Federal New Hire Report, as having new employment that was never disclosed to AHA. Staff addressed the unreported income with participants during the interview process. These efforts have resulted in

164 pending interim adjustments staff will process over the coming months with repayment agreements drafted and warning letters issued for any participant who failed to report timely. By correcting these accounts, AHA can save HAP expenditure will which assist with exiting Shortfall more quickly.

HPD STATISTICS

Statistics	March	April	May
Annual Re-examinations Processed	Due: 108 Completed 105	Due: 133 Completed: 123	Due: 116 Completed: 113
Rent Increases Processed	72	28	84
Interim Re-examinations Processed	32	14	29
HQS Inspections Conducted	38	55	55
Pass rate %	66%	75%	62%
HQS in AHA Owned units	0 AHA	Independence Plaza 178 75%	0 AHA

Voucher issuance and lease up data

Statistics	Mar	April	May
Section 8 Continued Movers seeking housing	11	12	10
Port-in seeking housing	7	7	4
Voucher holders ported out and seeking elsewhere	6	7	7
Total voucher holders seeking housing	24	26	21
Non-Port Leased	1	6	4
Port- in Move-In Leased Up	2	2	2
Total vouchers leased up in month in Alameda	3	8	6
New Vouchers Issued	0	3	0

RECOMMENDATION

Honorable Chair and
Members of the Board of Commissioners

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For information only.

Respectfully submitted,



Lynette Jordan
Director of Housing Programs

VC/all



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To: Honorable Chair and
Members of the Board of Commissioners

From: Jennifer Kauffman, Management Analyst

Date: June 7, 2018

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

BACKGROUND

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

The following submissions were filed with our office for review:

<u>Submission Type</u>	Jan	Feb	Mar	Apr	May
Rent Increases	14	17	14	11	13
Rent Increases Reviewed by the RRAC	1	1	1	1	1
Terminations of Tenancy	11	10	10	7	16
Capital Improvement Plans	0	0	0	0	0

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

RECOMMENDATION

For information only.

Respectfully submitted,

Jennifer Kauffman
Management Analyst, Rent and Community Programs



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To: Honorable Chair and
Members of the Board of Commissioners

From: Lisa Caldwell, Director of Property Operations

Date: June 20, 2018

Re: Monthly Overview Report to the Board for Property Operations

BACKGROUND

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

DISCUSSION

VACANCY – May

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

Property	Unit #	Vacancies end of May	Rate
Anne B. Diament Plaza	65	0	0%
China Clipper Plaza	26	0	0%
Eagle Village	36	1	2%
Esperanza	120	0	0%
Independence Plaza	186	6	3%
Parrot Village	50	2	4%
Combined Smaller Sites *	40	1	3%
Total	529	10	2%

*Lincoln House (4), Lincoln/Willow (5), Parrot Gardens (8), Senior Condos (7), Sherman Street (9), Stanford House (4), Paru Street (1) and Mulberry Townhomes (2).

The total unit count above includes the six (6) manager units located at Anne B. Diament Plaza, Esperanza, Parrot Village, Independence Plaza, China Clipper and Eagle Village.

Effective November 1, 2017 all upcoming vacant units at Independence Plaza will not be filled in order to accommodate upcoming ADA capital improvements to 20 units. At the

end of May there was six (6) vacant unit at Independence Plaza and these units are included in the vacancy numbers and rate listed above. Two units will be used temporarily by CGI for the upcoming annual income recertification process.

Rosefield Village is not included above as The John Stewart Company (JSCO) is handling the leasing of vacant units. In May, there were six (6) units at Rosefield that were permanently offline due to the upcoming rehabilitation of the property. As vacancies come up at other AHA owned sites, residents at Rosefield will be offered these units, where eligible, in order to accommodate as many current residents that want to remain housed in Alameda.

RENT COLLECTIONS – May

Most rents for May were collected. Legal proceedings will be started on the households who did not pay if agreements cannot be reached for the past due payments. No legal actions were taken in the prior month, although one stipulation for a payment plan for non-payment of rent was filed with the court.

All properties had a collection rate of 95% or above in May with the exception of Parrot Village due to the fact that there were two vacant units for the month of May. Both units required modernization and took longer to turn over due to the ordering of cabinets and counter tops.

GPR - Budget vs. Collected

Property	ABD	China Clipper	Eagle Village	ESP	IP	Parrot Village	*All Other Sites	Total
					Tenant Rent Only			
Budgeted GPR	80,190	33,246	72,022	280,153	134,390	123,076	56,242	779,319
Collected	88,132	33,960	68,755	289,142	137,380	111,418	55,595	784,382
Collection Rate	110%	102%	95%	103%	102%	91%	99%	101%

*Lincoln House (4), Lincoln/Willow (5), Parrot Gardens (8), Senior Condos (7), Sherman Street (9), Stanford House (4), Paru Street (1) and Mulberry Townhomes (2).

Below are the collection rates for Rosefield Village for the month of April. The financials reporting for Rosefield is one month behind AHA managed sites due to JSCO providing financial packets the middle of the each month for the prior month.

For the month of April, the collection rate was above 95%. As mentioned above there are currently six (6) units offline at Rosefield.

GPR - Budget vs. Collected

Rosefield	April
Budgeted GPR	79,531
Collected	87,617
Collection Rate	110%

Rent increase notices for 2018 are issued monthly. The rent increase notices are provided 60 days prior to the effective date. Rent increase notices have and will continue to be mailed out monthly. Many of the increases are to the contract rent for voucher holders and should not affect the tenant's portion. The exception will be to the households that are over housed and paying for an extra bedroom outside of the voucher size. Rent increases are still below the current payment standards as they were last year. Rent increases at Independence Plaza for 2018 were issued and effective February 1, 2018. Staff will be providing plenty of advance notice to Independence Plaza starting in September of 2018 for rent increases effective February 2019.

MAINTENANCE

Annual HQS inspections for FY2017-2018 have been completed for all AHA managed sites. Staff is working on corrections for units that did not pass and required follow up at Independence plaza which was the last property to have HQS inspections. All other inspections at all other sites passed for this fiscal year. The inspection process for FY2018-2019 will start in the fall.

The work order report below shows the work orders completed through May.

Work Order Summary by Month

Property Name	Units	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
AHA OFFICE	N/A	9	5	8	15	16								53
SHERMAN STREET	9	16	6	6	4	1								33
LINCOLN HOUSE	4	1	4	1	2	4								12
ESPERANZA	120	113	130	104	55	46								448
PARROT VILLAGE	50	42	26	36	25	21								150
Detached Homes	3	4		2	1	2								9
ANNE B DIAMENT PLAZA	65	26	16	16	15	15								88
PARROT GARDENS	8	3	4	4	1	1								13
STANFORD HOUSE	4	7	2	1	1	1								12
LINCOLN/WILLOW	5	9	3	3	5	1								21
SENIOR CONDOS	7	9		5	1	2								17
CHINA CLIPPER PLAZA	26	14	5	4	12	11								46
EAGLE VILLAGE	42	11	11	10	15	8								55
INDEPENDENCE PLAZA	186	57	56	161	135	66								475
Total	529	321	268	361	287	195								1,432

CAPITAL PROJECTS

Upcoming capital improvement work at Independence Plaza includes ADA upgrades to 20 units and will take place over the upcoming year. The first tenant meeting for the units impacted took place in December and tenants were briefed again at their March resident council meeting. Staff is currently working on meeting with households in the 1st two phases (6 units) to schedule one time permanent moves within the property and to arrange offsite or temporary relocation as necessary. Residents will be able to access

Honorable Chair and
Members of the Board of Commissioners

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LifeSTEPS and a personal organizer to prepare for the moves. Construction is scheduled to start at the end of July.

The attached table (Attachment 1) summarizes Housing Authority capital project work recently completed, currently underway and those planned to begin within the coming period. For the immediate future the capital projects work and staffing has been transferred to report to the Director of Property Operations.

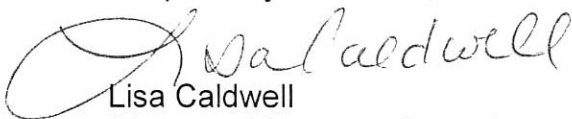
FINANCIAL IMPACT

Report only, no financial impact.

RECOMMENDATION

For information only.

Respectfully submitted,



Lisa Caldwell
Director of Property Operations

VMC/all

ATTACHMENT 1 – FY 2017-18 Capital Projects Update

Attachment 1 - FY 2017-18 Capital Projects Update

CIP Phase	Project No.	Property	Description	Original Contract or Budget Amount	Approved Change Orders	Current or Revised Budget Amount	% Complete	Original Substantial Completion	Expected or Actual Substantial Completion	Notes
1A	HA2017.1	AHA	AHA ADA Door Installation	13,279	1	18,514	100	1/2018	3/2018	Complete
1A	HA2017.2	IP	IP 504 Upgrades	2,000,000	0	3,252,000	4	6/2018	6/2019	Pending Board approval
1B	HA2017.3	RV	Roof Repair/Tree Removal	11,783	0	11,783	100	4/2017	4/2017	Complete
1B	HA2017.4	CC	CC Pool Fill	52,136	0	52,136	100	12/2017	2/2018	Complete
1C	HA2017.5	CC	Soft Story Assessment	19,850	0	19,850	100	7/2017	7/2017	Assessment complete; no imminent risk but rehab will include reinforcement
2A	HA2017.6	Portfolio	Roof Assessments	33,000	0	33,000	20	4/2018	7/2018	Inspections underway; roof work will be added to 18-19 CIP
2A	HA2017.8	AHA	Office Building roof Installation	40,000	0	40,000	0	6/2018	10/2018	Pending final report to define scope of work
2A	HA2017.7	ABD	Roof Repairs	120,000	0	120,000	0	6/2018	12/2018	Inspection report gives life up to 5 years, will be combined with major rehab project

Per CIP Schedule

Project No.	Property	Description	Original Contract or Budget Amount	Approved Change Orders	Current or Revised Budget Amount	% Complete	Original Substantial Completion	Current Substantial Completion	Notes
HA2016.1	RV	738 Eagle Sub Rehab	618,614	9	752,192	100	5/2017	3/2018	Complete, units leased
HA2016.2	EV	Sub-Meter Install	22,382	0	22,382	100	4/2017	4/2017	Installation complete, expect to implement after IT system test
HA2016.3	ESP	Groundwater Investigation	8,800	0	8,800	100	5/2017	5/2017	Complete
HA2017.11	AHA	Main Office Emergency Generator and Switch Panel	65,000	0	41,617	50	12/2017	3/2107	Complete
HA2017.12	ABD, ESP, IP	Install Transfer Switches	23,500	0	23,500	0	6/2018	7/2018	Scope defined, securing estimates

Additional Projects



Housing Authority of the City of Alameda

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To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

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

Date: June 20, 2018

Re: Monthly Development Report - Littlejohn Commons (Sherman & Buena Vista LP) Project Update; Approve Supplement to the Agreement for the Development of Affordable Housing

BACKGROUND

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

The Littlejohn Commons project includes the new construction of 31 units located at 1301 Buena Vista Ave. Construction funds were secured at the financial closing on December 14, 2016 and BBVA Compass is serving as construction lender. Brown Construction is the General Contractor.

Bedroom Size	1	2	3	4	Total
# Units	30	1			31

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

DISCUSSION

Construction of the Project started on December 27, 2016. The current percent complete as of the end of April billing is 98.85%. To date, a total of 186 days of time extensions have been approved up to July 30th 2018. The site infrastructure work that is to be performed by Tim Lewis has been delayed but is now nearly completed. Current construction activities include common area interior finishing and ongoing site landscaping work. The construction contract totals \$11,148,028. The development budget includes a 5% hard cost construction contingency in the amount of \$557,401.

There are seven owner approved prime contract change orders (PCCO) at this time. Approved PCCOs now total \$517,702 including both added costs and credits. Owner contingency funds are held separately from the contract and as change orders are approved, the original construction contract value will increase accordingly as shown in the table below.

Contingency Utilization				
	Original Budget	Current Revisions	Previous Revisions	Current Budget
Construction Contract	11,148,028	35,698	482,005	11,665,731
Construction Contingency	557,401	-35,698	-482,005	39,698
Soft Cost Contingency	143,686	-31,964	-102,376	9,346

General Construction Contract Utilization				
Contract Total	Value of Work Completed	Retention Withheld	Payments to Date	Balance to Finish
11,665,731	11,531,592	576,580	10,955,012	710,718

The completion of the project has been delayed by approximately two months due to late delivery of the site improvements by Tim Lewis. The total cost of the delay has not yet been calculated, but it will be approximately \$300,000. Tim Lewis also incurred certain environmental clean-up costs of approximately \$100,000 before the project began construction. Staff has identified City funds that can be used to meet most or all of these additional costs. In order to utilize the funds, the parties have agreed to supplement the Agreement for the Development of Affordable Housing with a Supplement Agreement to the ADAH (Exhibit A). This Supplement will modify the Agreement that was originally approved by the Board in December 2015 and that spelled out the obligations of the Housing Authority and Tim Lewis with respect to project development.

Also related to the delay, there was a partial retention release bringing the retention to 5%. This was requested by Brown construction and approved by Compass Bank.

FINANCIAL IMPACT

The proposed Amendment to the Agreement for the Development of Affordable Housing will document the use of available City funds for project related costs. Any out-of-pocket expenses such as legal fees to amend the Agreement will be reimbursed through the original development budget or the new/additional funds.

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

	\$ Budget	\$ Disbursed	% Disbursed	\$ Balance
Land	3,435,000	3,435,000	100%	-
Hard Costs	11,705,429	10,955,012	94%	750,417
Soft Costs	4,059,874	2,672,415	66%	1,387,459
Total	19,200,303	17,062,427	89%	2,137,876

Respectfully submitted,



Tobi Liebermann
Senior Project Manager

Exhibit A: First Amendment to Agreement for the Development of Affordable Housing

VMC:tl

**SUPPLEMENT TO
AGREEMENT FOR DEVELOPMENT OF AFFORDABLE HOUSING
(Del Monte)**

This Supplement to Agreement for Development of Affordable Housing (Del Monte) (this “**Supplement**”) dated July __, 2018, is entered into between the HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body, corporate and politic (the “**Housing Authority**”), and TL PARTNERS I, L.P., a California limited partnership (“**Developer**”).

RECITALS

A. The Housing Authority and Developer are parties to that certain Agreement for Development of Affordable Housing (Del Monte) made as of November 3, 2015 (the “**Agreement**”). Capitalized terms not defined herein shall have the meanings given to them in the Agreement. The Housing Authority, Developer and Sherman and Buena Vista LP are also parties to that certain Estoppel for Power of Termination and Agreement for Development of Affordable Housing made as of December 1, 2016 and recorded in the Official Records of Alameda County on December 15, 2016 as document number 2016328377 (the “**Estoppel**”).

B. The Housing Authority and Developer desire to confirm certain financing arrangements with respect to the Agreement in accordance with the terms and conditions of this Supplement.

NOW THEREFORE, the parties acknowledge and agree as follows:

1. City of Alameda Sources of Financing. The Housing Authority and Developer hereby acknowledge that the City of Alameda may have funds (the “**City Funds**”) available to reimburse or finance the Housing Authority and Developer for certain costs and expenses relating to the performance by the Housing Authority and the Developer under the Agreement, including costs incurred by Developer relating to subdivision infrastructure improvements and costs incurred by the Housing Authority in connection with the development of the Affordable Project. The Housing Authority and Developer agree that, to the extent City Funds are available to each party and the uses therefor, the Housing Authority and Developer shall seek to apply the City Funds in the following priority:

- (a) [Developer/The Housing Authority], [\$_____] for [use of funds].
- (b) [Developer/The Housing Authority], [\$_____] for [use of funds].
- (c) [Developer/The Housing Authority], [\$_____] for [use of funds].

2. Affirmation of the Agreement and Estoppel. This Supplement is intended to implement the terms of the Agreement, and shall not serve as a modification or amendment to the Agreement or Estoppel or the obligations of the parties thereunder. All of the terms and conditions of the Agreement and Estoppel shall remain in full force and effect.

3. Counterparts. This Supplement may be signed by different parties hereto in counterparts with the same effect as if the signatures to each counterpart were upon a single

instrument. All counterparts shall be deemed an original of this Supplement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Housing Authority and Developer have caused this Supplement to be executed as of the date first above written.

HOUSING AUTHORITY:

Housing Authority of the City of Alameda,
a public body corporate and politic

By: _____
Vanessa M. Cooper
Executive Director

DEVELOPER:

TL Partners I, L.P.,
a California limited partnership

By: TL Management, Inc., a California corporation,
Its: General Partner

By: _____
J. Timothy Lewis, President



Housing Authority of the City of Alameda

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To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

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

Date: June 20, 2018

Re: Monthly Development Report - Everett Commons

BACKGROUND

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

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

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

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

DISCUSSION

Construction of the Project started on July 7, 2017. The current percent complete as of the end of May billing is approximately 56%. Current GC activities include sheetrock roofing, siding, rough plumbing, mechanical, electrical and stair and balcony construction.

The construction contract totals \$11,810,639 including 10 approved prime contract change orders for a total of \$254,373. The development budget includes a 5% hard cost

construction contingency in the amount of \$577,813. Owner contingency funds are held separately from the contract and as change orders are approved, the original construction contract value will increase accordingly as shown in the table below.

Contingency Utilization				
	Original Budget	Current Revisions	Previous Revisions	Current Budget
Construction Contract	11,556,266	12,323	242,049	11,810,639
Construction Contingency	577,813	-12,323	-242,049	323,441
Soft Cost Contingency	148,371	-21,162	-123,184	4,025

General Construction Contract Utilization				
Contract Total	Value of Work Completed	Retention Withheld	Payments to Date	Balance to Finish
11,810,639	6,568,801	656,880	5,911,921	5,898,718

Staff has submitted the 10% test to TCAC.

FINANCIAL IMPACT

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

	\$ Budget	\$ Disbursed	% Disbursed	\$ Balance
Land	34,900	15,833	45%	19,067
Hard Costs	12,134,079	5,911,921	49%	6,222,158
Soft Costs	2,759,942	2,224,573	81%	535,369
Total	14,928,921	8,152,327	55%	6,776,594

Respectfully submitted,



Tobias Liebermann
Senior Project Manager
VMC:tl



Housing Authority of the City of Alameda

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To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Prepared
By: Danielle Thoe, Management Analyst

Date: June 20, 2018

Re: North Housing Project Update

BACKGROUND

In 2012, the Navy approved the transfer of 13 acres of land from the Navy to the Housing Authority at the former Coast Guard housing site known as North Housing. The approved 'public benefit conveyance' is based on the proposal submitted by AHA, Alameda Point Collaborative (APC) and Building Futures with Women and Children (BFWC) to develop 90 units of permanent supportive housing. Habitat for Humanity has applied separately to HUD and the Navy to receive a two-acre parcel that is also a part of the North Housing area. The Navy has not confirmed the schedule to convey the site to AHA, but its staff expects the transfer to occur within the next six months.

The Navy will sell the 14-acre adjacent parcel of land to Carmel Partners. Carmel expects to close the transaction by June 2018.

The City has negotiated a MOU with Carmel partners to define Carmel's obligations with respect to infrastructure improvements. The final MOU was signed on March 30, 2018.

DISCUSSION

On June 5, 2018, the City of Alameda City Council approved the final reading of the resolution for transfer of the North Housing site to the Housing Authority. According to Carmel Partners and City staff, Carmel has a goal closing date of June 29th for its sale with the Navy. The approval also adjusted the boundary of the proposed North Housing site to allow Carmel to retain the building at 2005 Mayport Circle. In the original survey map, this building was shown as split between the AHA and Carmel parcels. The boundary adjustment will reduce the size of the AHA parcel by 11,000 square feet. In return, AHA is no longer obligated to fund or to demolish the three buildings that fall within the Singleton right-of-way.

Honorable Chair and
Members of the Board of Commissioners

June 20, 2018
Page 2 of 2

As Carmel is responsible for construction of extensions of Mosley and Singleton, staff has met worked with Carmel Partners' and City's attorney to finalize bid documents for the demolition. This work will be paid for with CDBG funds, and AHA staff will administer the grant funds. Carmel will demolish the Singleton buildings while the site is owned by the Navy. Staff expects the demolition bid documents to be finalized by the end of June.

Staff has scheduled monthly meetings with the development partners Alameda Point Collaborative and Building Futures to continue planning for the redevelopment of the overall 12 acre site. Simultaneously, staff has engaged City Planning staff to understand the community and development planning requirements and timeline of a large site like North Housing. Staff are in the midst of a series of meetings with City to understand the order of processes in which the partners will need to engage to obtain development approvals at North Housing.

FISCAL IMPACT

In the prior fiscal year CDBG funds of approximately \$150,000 were approved to pay for surveys, environmental assessments and related costs. Incurred costs to CDBG total to approximately \$85,000 and are not included below. The Board has previously authorized a \$300,000 loan to ICD be used to pay for planning, engineering and other related services.

North Housing

Pre-development Loan from AHA	\$	300,000
Expensed through May 2018	\$	51,807
Capitalized through May 2018	\$	30,481
Balance	\$	217,712

RECOMMENDATION

This report is for information only.

Respectfully submitted,



Danielle Thoe,
Management Analyst



**Housing
Authority of the City of Alameda**

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To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: June 13, 2018

RE: Budget Variance Report for April 30, 2018

BACKGROUND

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

DISCUSSION

Overview

The financial reports are separated between the AHA programs and the properties. Year-to-date variances are as follows: revenue is over budget by \$3,404,222 (10%), operating expenses are under budget by \$2,149,008 (19%), and net income from operations (before depreciation) is over budget by \$4,209,594 (415%). See explanations below.

Housing Program Department (HPD), Housing & Community Development (HCD), and Rent Program

Revenue

Total revenue is higher than the year-to-date budget by \$3,004,974 (12%).

Other income is \$1,935,733 (124%) more than the year-to-date budgeted revenue. This is mainly due to other miscellaneous revenue, which includes \$2,000,000 for in lieu fee for Alameda Landing from TriPointe. Professional service revenue is under budget \$151,824 (10%) and includes developer fees, the Rent Program, and HCD grants. Developer fees are over budget due to receipt of \$240,000 from

Honorable Chair and
Members of the Board of Commissioners

May 3, 2018
Page 2 of 3

Sherman and Buena Vista LP, \$100,000 from Stargell Commons and \$100,000 from Island Community Development (ICD) to pay for real estate development staff costs. The Rent Program is under budget \$456,369 mainly due to understaffing. A new Rent Program Director started in May 2018. HCD grants are under budget \$135,433 because actual staff salaries and benefits are less than the budgeted salary rate and benefit percentage.

Administrative Fee income in the HPD is under the year-to-date budget by \$17,151 (1%). The factors that affect how much Administrative fee we receive are the proration percentage and the number of units leased. Administrative Fees from HUD have for many years now not fully funded the Housing Programs Department and the Section 8 program has been subsidized by income from the Property Management Department. It will be important to review options for reducing these costs, which may include freezing hires in the HPD department, accelerating streamlining options such triennial recertification and transferring staff to open positions that come available in other departments. Closing the front door to the public every Friday as opposed to every other Friday could facilitate, over time a reduction in staff costs since fewer receptionist staff would be needed.

Expenses

Total operating expenses are lower than the year-to-date budget by \$1,365,746 (31%). This is mainly due to the lower salary and benefit expenses savings. Please note the use of temporary staff or contractors to fill permanently budgeted positions. There are currently a small number of budgeted but unfilled positions. Liability insurance is under budget \$174,943 (95%). The budgeted number overestimated the actual costs because it anticipated an earlier transfer of North Housing.

Net income from operations (before depreciation) is \$1,397,866. This is \$3,027,085 (186%) over budget.

Properties

Revenue

Total revenue is higher than the year-to-date budget by \$399,248 (4%).

The net rental income (total tenant revenue) is \$238,551 (3%) higher than budget due to low vacancy rates in the very tight housing market in the Bay Area, especially for low-income tenants and Housing Choice Voucher (HCV) holders. See the Property Operations overview for details on vacancies and rent collection.

Expenses

Total operating expenses are lower than the year-to-date budget by \$783,262 (12%). This is mainly due to the lower salary and benefit expenses and maintenance expense savings. Please note the use of temporary staff or contractors to fill permanently budgeted positions. There are currently a number of budgeted but unfilled positions, which have been filled in April 2018. Please also note that maintenance expenses tend to increase in the second half of the year as staff complete preventative maintenance and work orders from inspections.

Honorable Chair and
Members of the Board of Commissioners

May 3, 2018
Page 3 of 3

Net income from operations (before depreciation) is \$3,826,226. This is \$1,182,509 (45%) over budget.

Housing Assistance Payments (HAP) Pass-through

The Housing Assistance Payments (HAP) pass-through budget includes all the Housing Choice Voucher/Section 8, Shelter Plus and Bessie Coleman (SRO) programs. Year-to-date HAP revenue is \$1,200,536 (5%) above the budget. HAP payments to landlords are \$1,663,169 (7%) more than the year-to-date budget, however this includes \$330K of port-in HAP payments to landlords that will be reimbursed by other Housing Authorities. With AHA now in shortfall, HUD provided \$799K in additional budget authority and of that paid \$572K to the Housing Authority through April 2018. Staff is working closely with HUD to monitor the HAP revenue and expenditure, and the federal budget process to ensure a sufficient cash flow for the program.

OTHER ISSUES IMPACTING FINANCE DEPARTMENT

Over the next year additional reporting will be developed that includes balance sheet reports and additional budget to actual reports.


A Senior Accounting Technician, Maria Quintana, started in accounting at the end of May 2018. One approved position is still vacant in accounting. The Finance Director, Joyce Boyd CPA, is scheduled to attend the Public Housing Authority Conference in June 2018. Nan McKay and Associates continues to provide consulting and training services.

The ICD 12/31/17 audit is also in progress.

RECOMMENDATION

For information only.

Respectfully submitted,



Vanessa M. Cooper
Executive Director

JEB

ALAMEDA HOUSING AUTHORITY
HOUSING PROGRAM DEPARTMENT, HOUSING & COMMUNITY DEVELOPMENT, AND RENT PROGRAM
BUDGET COMPARISON
For the Ten Months Ended April 30, 2018

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
REVENUE								
TOTAL TENANT REVENUE	-	-	-	N/A	31	-	31	N/A
FEDERAL GRANTS								
Shelter Plus Care Revenue	23,577	31,215	(7,638)	(24)	241,257	312,150	(70,893)	(23)
TOTAL FEDERAL GRANTS	23,577	31,215	(7,638)	(24)	241,257	312,150	(70,893)	(23)
OTHER INCOME								
Investment Income - Unrestricted	-	-	-	N/A	15,725	-	15,725	N/A
Interest Income	788	41	747	1,822	51,221	410	50,811	12,393
Interest on Equip. Reserve	-	-	-	N/A	371	-	371	N/A
Mortgage Interest Income	-	-	-	N/A	264	-	264	N/A
Interest - Replacement Reserve	-	-	-	N/A	3,162	-	3,162	N/A
Other - Income	-	-	-	N/A	7	-	7	N/A
Other Miscellaneous Revenue	-	-	-	N/A	2,000,530	-	2,000,530	N/A
Professional Service Revenue	201,091	155,555	45,536	29	1,403,726	1,555,550	(151,824)	(10)
Fraud Recovery	-	-	-	N/A	12	-	12	N/A
Miscellaneous Other Revenue	135	-	135	N/A	135	-	135	N/A
Gain/Loss on Sale of Fixed Assets	3,704	-	3,704	N/A	8,474	-	8,474	N/A
Administrative Fee	673	1,094	(421)	(38)	19,006	10,940	8,066	74
TOTAL OTHER INCOME	206,390	156,690	49,700	32	3,502,633	1,566,900	1,935,733	124
HUD GRANT								
HUD Operating Grants	2,438,049	2,255,207	182,842	8	23,752,606	22,552,070	1,200,536	5
Administrative Fees from HUD	128,633	131,294	(2,661)	(2)	1,295,789	1,312,940	(17,151)	(1)
PORT-In Administrative Fees	-	-	-	N/A	10,209	-	10,209	N/A
Administrative Fees Paid (PORT-Outs)	5,662	-	(5,662)	N/A	53,491	-	(53,491)	N/A
TOTAL HUD GRANT	2,561,020	2,386,501	174,520	7	25,005,113	23,865,010	1,140,103	5
TOTAL REVENUE	2,790,988	2,574,406	216,582	8	28,749,034	25,744,060	3,004,974	12
EXPENSES								
ADMINISTRATIVE								
Administrative Salaries	272,544	238,611	(33,933)	(14)	1,987,917	2,386,065	398,148	19
Temporary Help - Administrative	4,356	6,849	2,493	36	46,609	68,454	21,845	32
Auditing Fees	-	919	919	100	4,024	9,109	5,085	56
Admin Employee Benefits - Medical/Dental	35,355	64,706	29,351	45	349,017	647,006	297,989	46
Admin Employee Benefits - PERS/PARS	15,030	20,431	5,401	26	151,043	204,211	53,168	26
Admin Employee Benefits - FICA	3,909	3,440	(469)	(14)	27,609	34,391	6,782	20
Admin Employee Benefits - SUI	619	855	236	28	13,404	8,487	(4,917)	(58)
Admin Employee Benefits - Life/LTD	1,472	1,576	104	7	13,111	15,670	2,559	16
Admin Employee Benefit - WC	1,221	1,743	522	30	9,009	17,430	8,421	48
Office Supplies/Equipment	2,073	3,633	1,560	43	27,471	36,294	8,823	24
Dues & Subscriptions Publications	81	346	265	77	575	3,424	2,849	83
Postage	1,228	3,602	2,374	66	4,198	36,011	31,813	88
Telephone	2,003	1,192	(811)	(68)	13,743	11,857	(1,886)	(16)
Bank Charges and Check Supplies	204	1,187	983	83	2,116	11,852	9,736	82
Forms and Copies/Printing	6,438	-	(6,438)	N/A	7,974	-	(7,974)	N/A
Classified Ads and Public Notices/outreach material	876	1,784	908	51	22,604	17,777	(4,827)	(27)
Legal Expense	14,407	6,869	(7,538)	(110)	89,066	68,618	(20,448)	(30)
Payroll charge	579	197	(382)	(194)	3,828	1,916	(1,912)	(100)
Survey/Title Fee	-	-	-	N/A	3,450	-	(3,450)	N/A
Office Rent	5,102	12,516	7,414	59	5,102	125,160	120,058	96
Organization Cost	(1,372)	-	1,372	N/A	(1,352)	-	1,352	N/A
Training/Conferences and Travel	5,107	8,246	3,139	38	42,827	82,442	39,615	48
Membership Dues and Fees	-	-	-	N/A	3,085	-	(3,085)	N/A
Contracts - Administrative Services/Consultant	1,154	20,853	19,699	94	62,850	208,449	145,599	70
Contracts - Application Service Provider - Yardl	3,168	6,491	3,323	51	28,105	64,847	36,742	57
Contracts - Computer/Telephone Maintenance/Email	8,168	9,768	1,600	16	33,167	97,671	64,504	66
Contracts - Housing Program Services	2,245	-	(2,245)	N/A	3,651	-	(3,651)	N/A
Contracts - Human Resource Services	2,471	2,132	(339)	(16)	34,023	21,293	(12,730)	(60)
Contracts - Housing Inspection Services	10,607	3,415	(7,192)	(211)	41,300	34,096	(7,204)	(21)
Contracts - Office Machine Maintenance	-	829	829	100	-	8,227	8,227	100
Contracts - Office Machine Lease	808	-	(808)	N/A	6,012	-	(6,012)	N/A
Contracts - Web Hosting/Maintenance/Web Ads	227	925	698	75	2,595	9,232	6,637	72
TOTAL ADMINISTRATIVE	400,082	423,115	23,033	5	3,038,133	4,229,989	1,191,856	28
TOTAL TENANT SERVICES EE BENEFITS AND INSUR	261	-	(261)	N/A	1,304	-	(1,304)	N/A
TOTAL TENANT SERVICES	53	99	46	46	1,005	990	(15)	(2)

ALAMEDA HOUSING AUTHORITY
HOUSING PROGRAM DEPARTMENT, HOUSING & COMMUNITY DEVELOPMENT, AND RENT PROGRAM
BUDGET COMPARISON
For the Ten Months Ended April 30, 2018

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
TOTAL UTILITIES	893	1,248	355	28	6,494	12,309	5,815	47
TOTAL MAINTENANCE	2,282	2,396	114	5	15,996	23,526	7,530	32
GENERAL EXPENSES								
Mortgage Financial Service Charge	-	-	-	N/A	2,285	-	(2,285)	N/A
Insurance - Liability	-	18,409	18,409	100	9,057	184,000	174,943	95
Insurance - Property	-	-	-	N/A	403	-	(403)	N/A
Insurance - Vehicle	-	371	371	100	-	3,665	3,665	100
Insurance - Other	-	-	-	N/A	1,708	-	(1,708)	N/A
Other General Expenses	-	-	-	N/A	12,348	-	(12,348)	N/A
TOTAL GENERAL EXPENSES	-	18,790	18,790	100	25,801	187,665	161,864	86
TOTAL OPERATING EXPENSES	403,571	445,638	42,067	9	3,088,733	4,454,479	1,365,746	31
MOD REHAB AND SPC EXPENSES								
Rent to Owners - Bessie Coleman	15,393	15,305	(88)	(1)	148,410	153,050	4,640	3
PORT-In (A/R Billings)	(51,939)	-	51,939	N/A	(330,212)	-	330,212	N/A
TOTAL MOD REHAB AND SPC EXPENSES	(36,546)	15,305	51,851	339	(181,802)	153,050	334,852	219
EXTRAORDINARY EXPENSES								
Pre-development Cost	(16,786)	8,333	25,119	301	11,878	83,330	71,452	86
TOTAL EXTRAORDINARY EXPENSES	(16,786)	8,333	25,119	301	11,878	83,330	71,452	90
HOUSING ASSISTANCE PAYMENTS (VOUCHER)								
Housing Assistance Payments - Landlords	2,464,676	2,268,242	(196,434)	(9)	24,345,589	22,682,420	(1,663,169)	(7)
Housing Assistance Payments - FSS	-	-	-	N/A	59,277	-	(59,277)	N/A
Utility Allowance to Tenants	2,256	-	(2,256)	N/A	27,493	-	(27,493)	N/A
TOTAL HOUSING ASSISTANCE PAYMENTS (VOUCHEI	2,466,932	2,268,242	(198,690)	(9)	24,432,359	22,682,420	(1,749,939)	(8)
TOTAL EXPENSES	2,817,171	2,737,518	(79,653)	(3)	27,351,168	27,373,279	22,111	0
NET INCOME FROM OPERATIONS	(26,183)	(163,112)	136,929	84	1,397,866	(1,629,219)	3,027,085	186
Depreciation Expense	7,489	-	(7,489)	N/A	84,454	-	(84,454)	N/A
NET INCOME AFTER DEPRECIATION	(33,672)	(163,112)	129,440	79	1,313,412	(1,629,219)	2,942,631	181

**ALAMEDA HOUSING AUTHORITY
PROPERTIES
BUDGET COMPARISON
For the Ten Months Ended April 30, 2018**

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
REVENUE								
TENANT REVENUE								
Vacancy Loss	-	(38,748)	38,748	100	-	(387,485)	387,485	100
Rent Free Unit	-	(9,536)	9,536	100	-	(95,360)	95,360	100
Write Off	-	(7,339)	7,339	100	-	(73,396)	73,396	100
Tenant Rental Revenue	296,009	290,808	5,201	2	2,969,956	2,908,080	61,876	2
Maintenance Charges	93	1,094	(1,001)	(92)	6,875	10,946	(4,071)	(37)
Late Charges	10	-	10	N/A	950	-	950	N/A
Tax Increment Payments from the City of Alameda	146,368	170,281	(23,913)	(14)	1,585,471	1,702,810	(117,339)	(7)
Tenant HAP Subsidy	478,123	508,080	(29,957)	(6)	4,872,040	5,080,800	(208,760)	(4)
Rent Free Unit	-	5,190	(5,190)	(100)	-	51,900	(51,900)	(100)
Commercial Rents	2,537	2,326	211	9	24,813	23,260	1,553	7
TOTAL TENANT REVENUE	923,140	922,156	984	0	9,460,106	9,221,555	238,551	3
OTHER INCOME								
Investment Income - Unrestricted	-	-	-	N/A	77,696	-	77,696	N/A
Interest Income	14,345	5,869	8,476	144	116,897	58,710	58,187	99
Interest on Equip. Reserve	-	-	-	N/A	2,433	-	2,433	N/A
Mortgage Interest Income	968	-	968	N/A	9,777	-	9,777	N/A
Interest - Replacement Reserve	-	-	-	N/A	10,713	-	10,713	N/A
Other - Income	10	-	10	N/A	2,335	-	2,335	N/A
Laundry Commission	-	2,155	(2,155)	(100)	17,176	21,551	(4,375)	(20)
Other Income from Other Programs	723	-	723	N/A	3,931	-	3,931	N/A
TOTAL OTHER INCOME	16,046	8,024	8,022	100	240,958	80,261	160,697	200
TOTAL REVENUE	939,186	930,180	9,006	1	9,701,064	9,301,816	399,248	4
EXPENSES								
ADMINISTRATIVE								
Administrative Salaries	118,884	97,314	(21,570)	(22)	741,315	964,657	223,342	23
Temporary Help - Administrative	26,377	8,625	(17,752)	(206)	152,476	85,588	(66,888)	(78)
Auditing Fees	-	2,120	2,120	100	29,943	21,207	(8,736)	(41)
Admin Employee Benefits - Medical/Dental	18,465	24,241	5,776	24	150,854	241,142	90,288	37
Admin Employee Benefits - PERS/PARS	6,779	8,238	1,459	18	59,970	81,677	21,707	27
Admin Employee Benefits - FICA	1,705	1,403	(302)	(22)	10,752	13,927	3,175	23
Admin Employee Benefits - SUI	270	293	23	8	4,768	2,935	(1,833)	(62)
Admin Employee Benefits - Life/LTD	694	609	(85)	(14)	5,440	6,054	614	10
Admin Employee Benefit - WC	826	601	(225)	(37)	5,071	5,964	893	15
Employer Benefit Contribution - WC	-	7	7	100	-	70	70	100
Office Supplies/Equipment	2,643	2,109	(534)	(25)	20,388	20,921	533	3
Dues & Subscriptions Publications	125	714	589	83	921	7,109	6,188	87
Postage	2,772	1,659	(1,113)	(67)	9,168	16,481	7,313	44
Telephone	3,477	2,360	(1,117)	(47)	28,109	23,565	(4,544)	(19)
Bank Charges and Check Supplies	1,579	1,393	(186)	(13)	15,112	13,834	(1,278)	(9)
Forms and Copies/Printing	-	-	-	N/A	622	-	(622)	N/A
Classified Ads and Public Notices/outreach material	340	340	(0)	(0)	7,279	3,398	(3,881)	(114)
Legal Expense	47,565	11,549	(36,016)	(312)	185,466	114,826	(70,640)	(62)
Payroll charge	430	388	(42)	(11)	2,673	3,888	1,215	31
Survey/Title Fee	-	-	-	N/A	18,100	-	(18,100)	N/A
Training/Conferences and Travel	3,149	5,110	1,961	38	31,992	50,235	18,243	36
Membership Dues and Fees	-	-	-	N/A	7,270	-	(7,270)	N/A
Taxes & Government Fees	(999)	-	999	N/A	14,607	-	(14,607)	N/A
Collection Loss	(59)	-	59	N/A	(990)	-	990	N/A
Contracts - Administrative Services/Consultant	23,013	7,140	(15,873)	(222)	187,251	71,068	(116,183)	(163)
Contracts - Application Service Provider - Yardi	7,152	5,560	(1,592)	(29)	63,984	55,052	(8,932)	(16)
Contracts - Computer/Telephone Maintenance	17,439	3,792	(13,647)	(360)	74,979	37,596	(37,383)	(99)
Contracts - Housing Program Services	-	-	-	N/A	1,147	-	(1,147)	N/A
Contracts - Human Resource Services	5,579	1,467	(4,112)	(280)	98,124	14,536	(83,588)	(575)
Contracts - Housing Inspection Services	6,044	993	(5,051)	(509)	17,452	9,852	(7,600)	(77)
Contracts - Office Machine Maintenance	-	672	672	100	-	6,751	6,751	100
Contracts - Office Machine Lease	1,824	-	(1,824)	N/A	13,571	-	(13,571)	N/A
Contracts - Web Hosting/Maintenance/Web Ads	863	1,040	177	17	9,993	10,324	331	3
Association Dues	3,091	2,438	(653)	(27)	27,176	24,380	(2,796)	(11)
TOTAL ADMINISTRATIVE	300,025	192,175	(107,850)	(56)	1,994,985	1,907,037	(87,948)	(5)
TENANT/SOCIAL SERVICES/POLICE								
Tenant Services - Salaries	18,833	18,435	(398)	(2)	111,169	183,359	72,190	39
Police Services	16,223	16,225	3	0	162,225	161,458	(767)	(0)
TOTAL TENANT/SOCIAL SERVICES/POLICE	35,056	34,660	(396)	(1)	273,394	344,817	71,423	21

**ALAMEDA HOUSING AUTHORITY
PROPERTIES
BUDGET COMPARISON
For the Ten Months Ended April 30, 2018**

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
RELOCATION								
Tenant-Relocation Costs	-	643	643	100	-	6,431	6,431	100
TOTAL RELOCATION	-	643	643	100	-	6,431	6,431	100
TENANT SERVICES EE BENEFITS AND INSUR								
Tenant Svcs Employee Benefits - Medical/Dental	2,532	-	(2,532)	N/A	29,938	-	(29,938)	N/A
Tenant Svcs Employee Benefits - PERS/PARS	1,147	-	(1,147)	N/A	9,669	-	(9,669)	N/A
Tenant Svcs Employee Benefits - FICA	270	-	(270)	N/A	1,594	-	(1,594)	N/A
Tenant Svcs Employee Benefits - SUI	60	-	(60)	N/A	661	-	(661)	N/A
Tenant Svcs Employee Benefits - Other	-	7,554	7,554	100	294	75,545	75,251	100
Tenant Svcs Employee Benefit - WC	365	-	(365)	N/A	10,801	-	(10,801)	N/A
TOTAL TENANT SERVICES EE BENEFITS AND INSI	4,374	7,554	3,180	42	52,956	75,545	22,589	30
TENANT SERVICES								
Tenant/Social Svcs - Supplies	-	-	-	N/A	330	-	(330)	N/A
Tenant Service Activities - Contracts and O/S Services	18,399	23,631	5,232	22	191,255	234,364	43,109	18
Tenant/Social Services - Resident Participation	-	-	-	N/A	219	-	(219)	N/A
TOTAL TENANT SERVICES	18,399	23,631	5,232	22	191,803	234,364	42,561	18
UTILITIES								
Water	24,982	19,176	(5,806)	(30)	200,361	190,953	(9,408)	(5)
Electricity	7,112	10,216	3,104	30	97,492	102,089	4,597	5
Gas	6,685	3,699	(2,986)	(81)	59,302	36,996	(22,306)	(60)
Sewer	22,799	24,455	1,656	7	209,125	242,658	33,533	14
Garbage	33,239	37,630	4,391	12	294,709	374,882	80,173	21
TOTAL UTILITIES	94,818	95,176	358	0	860,990	947,578	86,588	9
MAINTENANCE								
MAINTENANCE SALARIES								
Maintenance - Salaries	63,946	59,555	(4,391)	(7)	506,265	591,938	85,673	14
Facilities - Salaries	-	16,465	16,465	100	-	164,650	164,650	100
Maintenance - Temporary Help	-	-	-	N/A	320	-	(320)	N/A
TOTAL MAINTENANCE SALARIES	63,946	76,020	12,074	16	506,585	756,588	250,003	33
MAINTENANCE MATERIALS								
Maintenance Materials	19,596	18,845	(751)	(4)	90,605	186,671	96,066	51
Vehicle - gasoline	-	-	-	N/A	4,632	-	(4,632)	N/A
TOTAL MAINTENANCE MATERIALS	19,596	18,845	(751)	(4)	95,237	186,671	91,434	49
MAINTENANCE CONTRACTS								
Maintenance Contracts - Unit Turnaround	555	23,113	22,558	98	74,046	231,151	157,105	68
Maintenance Contracts - Tree Trimming	-	-	-	N/A	4,410	-	(4,410)	N/A
Maintenance Contracts - Cycle Painting	-	2,536	2,536	100	8,825	25,371	16,546	65
Maintenance Contracts - Floor Covering	4,816	5,766	950	16	79,881	57,671	(22,210)	(39)
Maintenance Contracts - Services	25,220	12,567	(12,653)	(101)	105,417	125,584	20,167	16
Maintenance Contracts - Painting	7,575	1,420	(6,155)	(433)	36,525	14,151	(22,374)	(158)
Maintenance Contracts - Plumbing	2,035	2,405	370	15	27,207	24,062	(3,145)	(13)
Maintenance Contracts - Landscape, Pool, Pond Mainteni:	375	10,415	10,040	96	70,187	104,152	33,965	33
Maintenance Contracts - HVAC Maintenance	5,674	2,308	(3,366)	(146)	16,675	23,066	6,391	28
Maintenance Contracts - Hazardous Substances Testing	-	-	-	N/A	650	-	(650)	N/A
Maintenance Contracts - Elevator Maintenance	7,478	3,071	(4,407)	(144)	26,328	30,729	4,401	14
Maintenance Contracts - Extermination	1,400	3,766	2,366	63	19,555	37,663	18,108	48
Maintenance Contracts - Electrical Maintenance	-	1,860	1,860	100	12,039	18,616	6,577	35
Maintenance Contracts - Security and Nurse Call System:	4,679	2,089	(2,590)	(124)	18,449	20,859	2,410	12
Maintenance Contracts - Gutter Cleaning Services	-	849	849	100	6,855	8,501	1,647	19
Maintenance Contracts - Flooring Replmt/Cleaning Srvc	2,122	661	(1,461)	(221)	3,937	6,612	2,675	40
Maintenance Contracts - Other	13,249	550	(12,699)	(2,309)	15,100	4,672	(10,428)	(223)
Maintenance Contracts - Vehicle Maintenance	823	397	(426)	(107)	3,979	3,960	(19)	(0)
Maintenance Contracts - Janitorial	12,203	2,777	(9,426)	(339)	64,758	27,697	(37,061)	(134)
TOTAL MAINTENANCE CONTRACTS	88,204	76,550	(11,654)	(15)	594,822	764,517	169,695	22
MAINTENANCE EMPLOYEE BENEFITS								
Maint Employee Benefits - Medical/Dental	11,401	25,124	13,723	55	117,670	249,427	131,757	53
Maint Employee Benefits - PERS/PARS	3,664	7,161	3,497	49	42,458	71,073	28,615	40
Maint Employee Benefits - FICA	917	1,146	229	20	7,164	11,378	4,214	37
Maint Employee Benefits - SUI	128	296	168	57	3,277	2,937	(340)	(12)
Maint Employee Benefits - Life/LTD	372	563	191	34	3,738	5,604	1,866	33

ALAMEDA HOUSING AUTHORITY
 PROPERTIES
 BUDGET COMPARISON
 For the Ten Months Ended April 30, 2018

	MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
Maint Employee Benefits - Uniforms/Shoes	78	-	(78)	N/A	2,094	-	(2,094)	N/A
Maint Employee Benefit - WC	1,887	2,478	591	24	14,965	24,644	9,679	39
TOTAL MAINTENANCE EMPLOYEE BENEFITS	18,448	36,768	18,320	50	191,367	365,063	173,696	48
TOTAL MAINTENANCE	190,194	208,183	17,989	9	1,388,010	2,072,839	684,829	33
GENERAL EXPENSES								
Interest Expense	94,029	93,925	(104)	(0)	924,856	939,270	14,414	2
Mortgage Financial Service Charge	5,468	-	(5,468)	N/A	58,196	-	(58,196)	N/A
Insurance - Liability	334	3,884	3,550	91	43,840	38,860	(4,980)	(13)
Insurance - Property	3,350	8,314	4,964	60	73,063	83,149	10,086	12
Insurance - Vehicle	-	820	820	100	8,895	8,209	(686)	(8)
Insurance - Other	-	-	-	N/A	3,848	-	(3,848)	N/A
TOTAL GENERAL EXPENSES	103,181	106,943	3,762	4	1,112,699	1,069,488	(43,211)	(4)
TOTAL EXPENSES	746,046	668,965	(77,081)	(12)	5,874,837	6,658,099	783,262	12
NET INCOME FROM OPERATIONS	193,140	261,215	(68,075)	(26)	3,826,226	2,643,717	1,182,509	45
Depreciation Expense	116,146	-	(116,146)	N/A	1,169,693	-	(1,169,693)	N/A
NET INCOME AFTER DEPRECIATION	76,994	261,215	(184,221)	(71)	2,656,533	2,643,717	12,816	0



Housing Authority of the City of Alameda

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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and
Members of the Board of Commissioners

From: Lisa Caldwell, Director of Property Operations

Date: June 20, 2018

Re: Resident Councils at AHA Owned Sites

BACKGROUND

At the May 2018 Board meeting Dr. Allen Sweet gave a presentation regarding the resident council at Independence Plaza. The resident council was created for both educational and social purposes. Dr. Sweet went over the formation of the resident council, which includes their bylaws as well as the activities provided which are open to all residents at Independence Plaza. The resident council is completely run by the tenants at Independence Plaza and paid for by the tenants through events and activities which tickets are sold or donations.

DISCUSSION

AHA finds the meetings and activities provided to the residents at Independence Plaza through the resident council to be beneficial in bringing the community together. The resident council is provided priority access to the community room and property management staff attend the meetings at least once a year. While both parties value the autonomy of the resident council, it is also important to ensure that all residents have access to council events. For FY 2018-19 AHA will be providing funds to help subsidize social and educational events for those who cannot afford to pay for a community event. AHA will provide up to \$10 per unit per year for the reimbursement of reasonable social and educational event costs for any AHA owned and managed property with an organized resident council. Properties that have organized resident councils and receive AHA funding will be required to make a presentation to the BOC once a year to receive funding the events must be available to all residents at the property.

Residents at other sites that are interested in setting up a resident council will be put in contact with our social services provider, LifeSTEPS for assistance with formation of a resident council.

Honorable Chair and
Members of the Board of Commissioners

February 21, 2018
Page 2 of 2

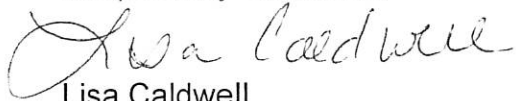
FINANCIAL IMPACT

The financial impact would be the individual property budgets paying \$10 per unit based on each property size. The maximum amount of reimbursement for FY2018-19 would be \$5760. The annual cost for Independence Plaza would be \$1850. This amount has been included in the FY2018-19 budget.

RECOMMENDATION

For information only.

Respectfully submitted,



Lisa Caldwell
Director of Property Operations

VMC/all



**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: Vanessa M. Cooper, Executive Director

Date: June 20, 2018

RE: Discussion of Housing Authority Two-Year Work Plan for Fiscal Years July 1, 2017 to June 30, 2019

BACKGROUND

Staff has presented a Two-Year Work Plan for the past several years and has provided regular semi-annual updates at Board of Commissioners meetings.

DISCUSSION

The Two-Year Work Plan for the period from July 1, 2017 to June 30, 2019 is attached, along with an update in the final column. It is an ambitious work plan for the next two years based on foreseeable activities.

The Board will be kept informed of all significant changes to this plan. The Two-Year Work Plan will be reviewed again after the Strategic Planning process is completed in late 2018, and the tasks here will be aligned with AHA's Strategic Goals.

RECOMMENDATION

This report is for information and discussion purposes only.

Respectfully submitted,

Vanessa M. Cooper
Executive Director

VMC:dc

Attachments:

Attachment A: Two-Year Work Plan July 1, 2017 to June 30, 2019

Dept.	Task	Deadline	June 2018 update	New deadline	Strategic Plan Goal
All	Update and maintain written procedures for all departments	ongoing	Ongoing		
All	Rebid all contracts that expire during the period as needed	ongoing	Ongoing		
All	Purge storage areas and organize paper documents every 12 months	ongoing	Annual. Scheduled for Sept		
All	Develop Quality Control measures for all departments	Q2 2019	Not due yet; some departments have started		
Exec	Manage Board activities including recruitment, onboarding and ongoing compliance and training	ongoing	Ongoing		
Exec	Participate in regional efforts to expand MTW; seek flexibility options as needed for AHA through waivers where possible.	ongoing	Ongoing		
Exec	Advocate for housing policies locally and at the state and federal level that expand housing options in Alameda for low income families	ongoing	Ongoing		
Exec	Hire, onboard and train Finance Director	Q1 2018	Finance Director started Jan 18		
Exec	Hire, onboard and train Deputy Executive Director	Q1 2018	Not complete	Q4 2018	
Exec	Train Rent Program Director	Q1 2018	Rent Director started Q2 2018		
Exec	Provide board memo updating Succession Plan	Q1 2018	Complete		
Exec	Complete Lead MOU with County Health dept.	Q2 2018	Discussions in progress		
Exec	Review options for streamlined cost allocation and propose a revised Cost Allocation Plan method for 2018-19	Q2 2018	Postponed to 2019-20 budget	Q2 2019	
Exec	Develop AFFH plan for AHA and City in coordination with other Alameda County entities	Q3 2018	On hold pending HUD		
Exec	Complete RFP process for auditors	Q4 2017	Completed Q2 2018		
Exec	Conduct Vision and Strategic Planning Process	Q4 2018	In process		
Exec	Develop measures for Strategic Plan and Vision; implement measurement systems	Q4 2018	In process		

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Fin	Complete audit process and final FADS submission each year by March 30	ongoing	Complete for 16-17		
Fin	Implement Yardi budget module for 2018-19 budget and reporting.	Q1 2018	Postponed to 2019-20 budget	Q2 2019	
Fin	Hire staff, train and develop cohesive team	Q2 2018	Team is newly hired		
Fin	Provide financial stability information for Strategic Plan	Q2 2018	Not due yet		
Fin	Present a memo to the Board re prefunding of GASB 68 (unfunded pension liabilities)	Q2 2018	Postponed	Q4 2018	
Fin	Complete and implement recommendations of Nan McKay review of Finance Department	Q4 2018	In process		
Fin.	Complete revision of chart of accounts	Q1 2018	Complete		
HCD	Manage CIPs in accordance with the approved budgets and capital needs	Ongoing	2018-2019 Projects approved by Board in May		
HCD	North Housing Site: Complete environmental assessment; update site survey; gain site control; complete demolition.	Q1 2019	Pending Navy Timeline; active project		
HCD	Rosefield: Complete planning process, provide financial options	Q2 2018	Site Plan approval 9/17; Design Approval in process		
HCD	Establish Asset Management Policy including cliff schedule, rehabilitation plan and review of reserves	Q2 2018	Completed		
HCD	Complete creation of non-profit instrumentality; transfer properties to new entity	Q2 2018	Completed		
HCD	Present a memo to the Board outlining a range of options for use of third parties for development work	Q2 2018	Completed		
HCD	BMR: Present annual report to Board; summarize updates & revisions to homeownership programs.	Q2 2018	Completed		
HCD	Review and renew City Service Agreement; include assessment of pension liabilities for City funded positions	Q2 2019	Agreement Renewed		
HCD	Review and implement ADA requirements for office buildings and 10 units of accessible features at Independence Plaza	Q3 2018	Project in bid phase for 20 units and site		
HCD	Identify and implement green initiatives: change out 100% of toilets to low-flow; expand water sub-metering to additional properties where feasible or with sub rehab	Q3 2018	Development Projects highly efficient, other upgrades planned with each capital project		
HCD	Present updated Development/Acquisition Plan to Board annually	Q3 2018; Q3 2019	To do		

HCD	Eagle & Everett site: Complete development, lease up and stabilization. Convert to Perm financing.	Q3 2019	On schedule		
HCD	Independence Plaza: Present a memo to Board on an income, rehab and refinancing plan to meet 2026 deadline	Q3 2019	Completed		
HCD	Del Monte site: Complete development, lease up and stabilization. Convert to Perm financing.	Q4 2018	On schedule with 3-month delay caused by master development		
HCD	China Clipper: Present analysis of tax credit rehabilitation	Q4 2018	Initial feasibility analysis completed		
HPD	Manage section 8 funding to maximize leasing and to avoid shortfall where possible	ongoing	Ongoing		
HPD	Determine ways to reduce Section 8 administrative costs to meet admin fee income	ongoing	In process		
HPD	Complete review of FSS Program; determine future funding	Q1 2018	In progress		
HPD	Close out Quaid report recommendations in HPD	Q1 2018	In progress		
HPD	Ensure timely and complete Annual Plan submission to HUD each year	Q1 2018; Q1 2019	Completed for 18-19		
HPD	Implement Yardi Rent Cafe for annual submission and management of applications	Q2 2018	Postponed	Q1 2019	
HPD	PBV: execute PBV renewals with new non-profit	Q3 2018	Complete for 4 sites		
HPD	Implement VASH PBV program; implement VASH HCV program if selected	Q3 2018	In process		
HPD	Develop paperless procedures for all aspects of HPD processing.	Q3 2018	Ongoing		
HPD	Evaluate online landlord portal	Q3 2018	Not due		
HPD	Attain SEMAP High Performer status each year	Q3 2018; Q3 2019	Not due		
HR & Ops	Hire for vacant positions as necessary and as they arise; plan for retirements	ongoing	ongoing		
HR & Ops	Provide targeted training for staff (including supervision, IT skills and customer service)	ongoing	customer service training completed		
HR & Ops	Update Agency/Administrative Procedures for Staff	ongoing	ongoing		
HR & Ops	Research employee recognition programs	Q1 2019	Not due yet		

HR & Ops	Review and implement changes to the performance evaluation tool. Train staff.	Q4 2018	Not due yet		
HR & Ops	Run annual intern program	Q2 and ongoing	Interns start June 18		
HR & Ops	Rebid vision, dental, and ancillary HR benefits	Q3 2018	Not due yet		
HR & Ops	Review and implement an HRIS system	Q4 2018	Delayed, pending payroll system decisions	Q2 2019	
HR & Ops	Align staff schedules	Q4 2018	Ongoing		
HR & Ops	Complete off-boarding system.	Q4 2018	IT off boarding processes done		
Prop. Ops	Ongoing management of JSCO at Rosefield, Eagle, and DelMonte new developments	ongoing	Ongoing		
Prop. Ops	Manage social services partnerships to minimize terminations and maximize resident well being	ongoing	Ongoing		
Prop. Ops	Complete Emergency Planning; present plan to Board and staff, including physical properties, IT systems and resident safety.	Q1 2018	First portion completed. Next phase is testing. Servers upgraded Q2/2018		
Prop. Ops	Develop reporting mechanism for JSCO managed sites	Q1 2018	In progress; PM reporting in board packet.		
Prop. Ops	Implement new lease and house rules at all sites	Q1 2019	Not due yet		
Prop. Ops	Update all forms for Property Operations, including application process	Q1 2019	Not due yet		
Prop. Ops	Implement check scanning at ABD and Esperanza	Q2 2018	Started May 2018		
Prop. Ops	Implement Yardi affordable for PM dept.	Q2 2018	Started April 2018		
Prop. Ops	Conduct a review of property operations (including maintenance) cost/income analysis and compare with third party management options.	Q3 2018	Not due yet; may be delayed		
Prop. Ops	Hire and train two supervisors	Q4 2017	One hired Q4 2017; other in progress		
Rent Prog.	Manage Rent Program in accordance with services agreement with city.	ongoing	Ongoing		
Rent Prog.	Train new staff to complete key activities	Q1 2018	Three new hires since June 2017		

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Rent Prog.	Establish new office location and related policies/procedures	Q1 2018	Office opened, policies being updated		
Rent Prog.	Research, procure and implement database for Rent Program	Q2 2018	In progress		
Rent Prog.	Expand outreach service: update all materials to reflect 3148 only	Q2 2018	Outreach plan is under development. All materials updated Q2 2018		
Rent Prog.	Conduct a review of Rent Program as an ongoing business for AHA	Q4 2018	Start after Annual Plan		
Rent Prog.	Conduct customer satisfaction survey	Q4 2018	Not due yet.		



Housing Authority of the City of Alameda

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To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Prepared by: Janet Basta
Director of Human Resources and Operations

Date: June 20, 2018

Re: Authorize the Executive Director to negotiate and approve an extension of
the term for the contract between the Alameda Housing Authority and
Goldfarb & Lipman LLP through September 30, 2018

BACKGROUND

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

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

DISCUSSION

In February 2018, an amendment to this contract was brought to the Board for review, and the amendment was approved for execution, allowing for an additional \$50,000.00 and a total not to exceed amount of \$525,000.000 through June 30, 2018. The contract is in the process of a competitive bidding process, and interviews with proposing firms are scheduled for July. One board member will sit on the panel. Due to the timing of the interviews, it is anticipated that the process will be completed in time for the August or September board meeting, and an extension of the current agreement is, therefore, being requested.

To date, a total of \$478,767.24 has been spent on the Goldfarb & Lipman contract, which is within the total not to exceed amount of Five Hundred and Twenty-Five Thousand dollars and zero cents (\$525,000.00) approved prior under Amendments No. 2, No. 3, and No. 4 to the Consultant Agreement (through June 30 2018); no change to the amount of the contract is requested at this time.

It is noted that, due to an administrative oversight, the memo to the Board listed an extension of this contract until December 31, 2018 (the same date as the Liebert Cassidy Whitmore contract extension that was completed at the same time). The amendment that was executed with Goldfarb, however, correctly identified an extension date through June 30, 2018. This memo and amendment seek to extend the current amendment through September 30, 2018.

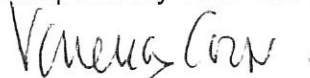
FINANCIAL IMPACT

Funding for this contract is included for in the upcoming fiscal year 2019 budget for legal expenses.

RECOMMENDATION

Authorize the Executive Director to negotiate and approve an extension of the term for the contract between the Alameda Housing Authority and Goldfarb Lipman LLP for the time period of July 1, 2018 – September 30, 2018.

Respectfully submitted,



Vanessa Cooper
Executive Director

VMC/JCB

Exhibits:

Exhibit #1: Contract Amendment #5 for Goldfarb & Lipman LLP

AMENDMENT NO. 5 TO CONSULTANT AGREEMENT

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

RECITALS

A. On April 18, 2013, a Consultant Agreement was entered into by and between AHA and Consultant.

B. On October 15, 2014, Amendment No. 1 to Consultant Agreement was executed.

C. On November 19, 2014, Amendment No. 2 to Consultant Agreement was executed.

D. On April 19, 2017, Amendment No. 3 to Consultant Agreement was executed.

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

F. The Original Consultant Agreement limited the Compensation to Consultant to not exceed one hundred fifty thousand and zero cents (\$150,000.00) for the initial three year term of the contract.

G. Amendment No. 1, executed on October 14, 2014 allowed for an additional twenty-five thousand dollars and zero cents (\$25,000.00) to be added to the contract limit for the initial term.

H. Amendment No. 2, executed on November 19, 2014 allowed for an increase of one hundred fifty thousand dollars and zero cents (\$150,000.00) to a total of three hundred twenty-five thousand dollars and zero cents (\$325,000.00) for the initial three years, and possible contract extensions for up to two years to not exceed one hundred fifty thousand dollars and zero cents (\$150,000.00).

I. Amendment No. 3, executed on April 19, 2017 allowed for an additional one hundred fifty thousand dollars and zero cents (\$150,000.00), and a total not to exceed amount of four hundred seventy-five thousand dollars and zero cents (\$475,000.00).

J. The original expiration date of the contract was April 17, 2016, but allowed for up to two one-year extensions.

K. Amendment No. 3 extended the Agreement for the optional two year term to April 17, 2018.

L. Amendment No. 4, executed on February 21, 2018, extended the Agreement to June 30, 2018 and allowed for an additional fifty thousand dollars and zero cents (\$50,000.00), and the total not to exceed amount of five hundred twenty-five thousand dollars and zero cents (\$525,000.00).

M. All conditions of the Consultant Agreement will remain the same except as amended below. The Compensation to Consultant will remain at a total not to exceed amount of five hundred twenty-five thousand dollars and zero cents (\$525,000.00).

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

The contract shall be extended to September 30, 2018.

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

Goldfarb & Lipman LLP

Housing Authority of the City of Alameda

Jennifer K. Bell
Partner

Vanessa M. Cooper
Executive Director



Housing Authority of the City of Alameda

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To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper, Executive Director

Submitted by: Joyce E Boyd, Director of Finance

Date: June 20, 2018

RE: Adopt the Resolution to Approve the Housing Authority's One-Year Budget for Fiscal Year July 1, 2018 to June 30, 2019 and the Revised Schedule of Authorized Positions

BACKGROUND

The Housing Authority adopts its annual budget in the last quarter of each fiscal year. AHA has also adopted the practice of preparing a two-year budget. The AHA is currently ending the budget for the two-year period starting July 1, 2016 and ending June 30, 2018.

For 2018-19, staff is proposing a one-year budget in order to harmonize the 2-year budget cycle with the City of Alameda's budget cycle and the AHA. A one-year budget would set the AHA up for a new 2-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's budget, staff expects that this harmonization will allow for better planning and fewer mid-cycle changes.

It is also important to note, for year-on-year comparison purposes, the budget below includes four properties that have transferred ownership to Alameda Affordable Housing Corporation (AAHC). These properties are Anne B Diament, China Clipper Plaza, Stanford House and Lincoln-Willow Apartments. The AAHC budget will be presented for approval in a separate AAHC Board meeting immediately following the AHA meeting on June 20, 2018, but it is included here for ease of comparisons. All members of the Board of Commissioners also serve as the Board of Directors for AAHC.

A: OVERVIEW

Key highlights for this one-year budget include:

- The high level budget shows only a minor change year on year from, including an overall 1% increase in net operating income.
- An increase of 10% in Housing Assistance Payments received and spent, based on the current shortfall and new Project Based Vouchers
-

- In terms of personnel costs, full staffing is assumed per the attached schedule of authorized positions. A 3% cost of living increase and a 5% increase in benefit costs have been included. These will be brought to the Board for approval in August 2018.
- Revised rental income to reflect a 5% increase in average contract rent for 2018, which translates to a 3% increase in rental income as increases are implemented throughout the year.
- Receipt of the donated land at North Housing estimated to be \$15mn is not included as income.
- Actuals for 2017-18 included an unbudgeted one time income of Tri-Pointe Homes is obligated to make a payment of \$2 million to AHA to satisfy the City's inclusionary housing.

Attachment A shows the proposed budget for fiscal year July 1, 2018 to June 30, 2019, as well as 2017-18 estimated actuals. It is important to note the following year-on-year comparison of these two fiscal years.

	FY 17-18	FY 18-19	Change	
	Budget	Budget	\$	%
Operating Income	15,603,775	16,051,618	447,843	3%
Operating Expenses	14,114,952	14,549,037	434,085	3%
Net Operating Income	1,488,823	1,502,581	13,758	1%
HAP income	27,402,565	30,130,914	2,728,349	10%
HAP Expenses	27,402,565	30,130,914	2,728,349	10%
Net HAP	-	-	-	
Less: Depreciation	1,552,833	1,552,833	-	0%
Operating Income After Depreciation	(64,010)	(50,252)	13,758	-21%
Cash Adjustments	426,238	1,347,282	921,044	216%
Operating Cash before CIP	362,228	1,297,030	934,802	258%
Reserve Funds Withdrawal	3,868,000	1,715,000	(2,153,000)	-56%
Operating Funds (IP Reserve)	-	1,300,000	1,300,000	
Capital Improvement Projects	(3,868,000)	(4,015,000)	(147,000)	4%
Capital Improvement Projects	-	(1,000,000)	(1,000,000)	
OPERATING INCOME CASH	362,228	297,030	(65,198)	-18%

As in prior years, the 2018-19 budget provides budget schedules in 3 key areas:

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Members of the Board of Commissioners

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- Section 8 Housing Assistance Payments (HAP pass-through)
- Operating income and Expenses
- Capital Improvement Projects (CIP)

B: SECTION 8 HOUSING ASSISTANCE PAYMENTS (“HAP pass-through”)

Attachment B shows the Section 8 Housing Choice Voucher Program (and related programs) Housing Assistance Payment (HAP) subsidy that is paid to landlords on behalf of Section 8 participants. These are government “pass-through” funds and must be kept separate from all other Housing Authority funds.

Income: AHA anticipates receiving \$30,130,914 in funding for Housing Assistance Payments (HAP), which compares with \$29,100,668 in expected actual expenditures for the prior year, in the form of payments to landlords. This includes HAP payments and rental assistance received from HUD or the County under the following programs:

- Tenant and Project-Based Housing Choice vouchers (including Family Unification Program (FUP), Non-Elderly Disabled (NED) and Veteran Affairs Supportive Housing (VASH)) (HUD program)
- Shelter Plus Care (County program)
- Mod-Rehab Program (HUD Program)

Expenses: HAP expense to participating landlords is expected to be \$30,130,914 in FY 2018-19 compared with an expected actual expenditure of \$29,100,668 in FY 2017-18. HAP is AHA’s largest single expense item and is generally offset dollar-for-dollar by HAP subsidy received.

It is important to note that Budget Authority for HAP is provided by HUD on a calendar year basis. The current year’s federal budget was approved in March 2018 and provided for 100% renewal of the prior year’s expenditure to allow for a Budget Approval of \$29,139,389 for 2018.

As previously reported to the Board, despite this 100% proration, AHA is subject to HUD’s shortfall provisions and restrictions. HAP expenditure in calendar year 2018 is expected to be \$1,210,470 greater than the Budget Authority due to increasing rents charged by landlords and two new Project-based Voucher contracts coming on-line at Littlejohn Commons (25 units in July 2018) and Everett Commons (17 total units, including 5 VASH in December 2018). HUD is expected to fully fund this shortfall, which will, in turn, increase Budget Authority for 2019. Thus a shortfall is not shown here. Staff is working diligently on fraud recovery and additional income reviews for participants with a goal to exit shortfall status by January 2019.

In 2014 HUD moved the cash reserves from all Housing Authorities into a HUD-held account. These HUD-held HAP reserves can be used anytime AHA’s Budget Authority from HUD is insufficient to meet AHA’s HAP needs, as long as AHA does not exceed its baseline number of units in any calendar year. AHA’s baseline number of units is 22,140

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(or 1,845 x 12 months). The FY 2018-19 budget assumes leasing of 17,916 units in the year (or 1,493 per month), which compares with 17,847 unit months leased (or 1,487 per month) for FY2017-18. As of the end of April 2018, AHA had zero in its HUD-held HAP reserve.

If the Section 8 HAP funding for 2019 is renewed at anything less than 100% for calendar year 2019, AHA will continue in shortfall status. During shortfall, AHA must cease any Project-Based Voucher conversion to Housing Choice Voucher, cease all new voucher issuance, and, if absolutely necessary, cut existing residents from the program. A further concern is that AHA has not increased its payment standards for tenant-based vouchers since October 2, 2016. As a result, the maximum contract rent is slowly eroding relative to the market as market rents increase. However, any increase in payment standards would further increase the gap between Budget Authority and HAP payments, so these will most likely not be approved during shortfall unless required under regulation. Staff will continue to monitor the situation and inform the Board in its monthly reports.

C: OPERATING BUDGET

Attachment C provides a detailed breakdown of the operating budget including day-to-day operating income and expenses for all areas of the agency's activity. The operating budget includes the income and expenses for rental housing and commercial use properties, Housing Programs Department administration, the Successor Agency Housing Assets, the Rent Stabilization Program as well as CDBG, HOME, BMR and other City programs that are reimbursed with City funds. The operating budget does not include HAP pass-through to private landlords, however, it does include current income for units where AHA is the owner/landlord.

OPERATING INCOME

Total operating income for FY 2018-19 is \$1,502,581, which compares to a budgeted \$1,488,823 for FY 2017-18.

Rental income includes:

- **Rent payments from tenants and HAP payments from HUD** in all AHA-owned properties. This is budgeted at \$11,167,748. This results from a projected increase of 5% to all contract rents (HAP received plus tenant portion for properties with PBV or HCV). These increases are applied at different times throughout the budgeted year, bringing the total to an average increase of 3% in total rental income. For HCV- or PBV-assisted units, the tenant portion may vary through the year since the tenant portion in many units is dependent on the household income. In 2019, AHA will review whether it can move to the full Payment Standard for all assistance-funded units (PBV and HCV). This would significantly increase the rental income received by AHA, without negatively impacting the voucher holders, because the tenant portion of rent is dependent on household income as long as the contract rent and utility allowance is below the Payment Standard. The difference would be paid by HUD in the form of HAP.

- **Tax Increment Funding (also known as CIC)** for Independence Plaza estimated to be \$1,733,345 for FY 2018-19. This includes approximately \$1mn for accessibility upgrades for 20 units that are expected to be rehabbed over the coming 18 months. The CIC funding is available until 2026, but may be depleted before that time if the property has major capital needs or an increase in operating cost. (See also capital needs for Independence Plaza under the capital budget.)
- **Commercial lease income** from Alameda Family Services Head Start childcare center and the parking lease at Esperanza.

The operating budget utilizes the Gross Potential Rent (GPR) method, which assumes all units are leased at the current contract rent every night of the year. A 4% vacancy loss has been assumed. A 0.75% write-off allowance has also been assumed. Uncollected rent is written off once a year for past tenants. Accounts that owe over \$500 may be sent to collections, when a household moves out and does not settle its account or establish a payment plan, after two written demand requests.

Grant Income: This income is received through the Family Self Sufficiency (FSS) program and can only be used to support that program. The grant operates on a calendar year and the grant amount for 2018 is \$61,124. For FY 2018-19, staff has budgeted 12 months of new grant income based on the 2018 funding. (There was no grant in 2017, hence the partial year budget for 2017-18.) If the grant is not forthcoming for 2019, staff will review with the Board whether to continue with the FSS program.

Administrative Fee Income: The Administrative Fee is paid by HUD and can only be used by AHA to cover the cost of administration for the Housing Choice Voucher program (and all of the special programs funded under this ACC). The Administrative Fee is included at a proration of 76.0% for the full fiscal year. It should be noted that HUD has proposed to change the method for calculating the fee that could negatively impact the budget in the future. In the event of major changes to Administrative Fee and/or HAP with the new budget in the fall, staff will return to the Board for a budget adjustment if necessary.

Staff has used a base number of 1485 units leased units for the coming year (which is the current rate of leased units plus the new PBV properties). This assumes that AHA can continue to offer rents at or close to 100% FMR and there is no significant loss of units. Any changes in market rents could negatively impact this assumption.

Based on this, total Administrative Fees are expected to be \$1,576,572. This is an increase of \$46,153 from the \$1,588,675 budgeted in FY 2017-18. This anticipated year-over-year increase is due to an increase of 3% in the rate per unit month paid by HUD. Staff has restarted the \$500 landlord lease-up incentive for moving transferring voucher holders in order to maximize the use of our reserves and maintain the supply of affordable housing in Alameda. AHA cannot issue new vouchers at this time to increase the number

of leased vouchers due to the shortfall, so the next best option is to keep families in Alameda and housed.

Other Income: Other income includes maintenance fees and late fees, laundry commission, reimbursement billing from the City of Alameda for managing the CDBG, HOME and Rent Stabilization programs, land trust rents for Regent Street and Santa Clara Avenue properties, Island City Development annual Services Agreement fee, and interest income. Few changes are expected in these areas. Interest income is expected to remain low as interest rates continue to maintain historic lows.

Onetime income: In FY 2018-2019 developer fee is expected to be received by ICD for the Littlejohn Commons project (\$520,000). A conservative but majority portion (75%) of these fees is budgeted to be transferred from Island City Development to AHA, per the Joint Development Agreement in this budget year.

Sometime in the next 18 months, AHA expects to receive a donation of 13-acres of land at North Housing. The approximate value of the land is \$15 million. However, this is not included in this budget because of the uncertainty as to when the land will be conveyed from the US Navy.

OPERATING EXPENSES:

Total operating expenses for FY 2018-19 is \$14,549,037, which is 3% higher than the FY 2017-18 budget.

Personnel expenses: The Schedule of Authorized Positions is shown in Attachment E of the proposed budget. Personnel costs are \$7,700,223 and form 53% of the budget. Changes made to this schedule since the prior budget, which reflect a change from 59.2 FTE to 56.63 FTE, include:

- The removal of 1 Custodian in Maintenance. Since the retirement of our long-time Custodian, the work is now being done by a contractor.
- The removal of 1 vacant Housing Specialist position in the Housing Program Department. This position was only budgeted for a brief period in FY2017-18. Staff will come back to the Board during the year if it is possible to eliminate any further positions that become vacant.
- Consolidation of a number of partial FTEs in the Property Operations Department in order to allow for the addition of a Housing Specialist II. This position is planned to be filled through an internal transfer.
- The current Housing Specialist I (2 positions) and Maintenance Tech I (3 positions) in the budget are shown on the schedule as I/II and budgeted for at level I/II. Harmonizing these positions will help allocate work across available staff, while allowing flexibility to hire at either level dependent upon skill level and assigned duties.

- In the Housing and Community Development Department, the vacant Facilities Project Specialist position has been changed to a Program Assistant for consistency across departments.
- In the Finance Department, the title of the hourly accounting staff has been changed from Senior Accounting Technician to Accounting Specialist to harmonize titles within and between departments. The Accounting Technician position has been removed from the schedule, as this position was not included in the schedule beginning with the August 2017 Schedule of Authorized Positions.
- In the Property Operations Department, it is proposed that the Resident Manager I position have a salary range, as opposed to a fixed amount, so that slightly different salaries can be paid to staff who are taking on additional property management tasks. The current proposed range is \$11.03-\$15.00 per hour; a final proposal for the range will be included in the Pay Schedule that will be brought to the Board in August 2018.
- This budget for 2018-19 also includes the following positions which are currently vacant and not yet at the employment offer stage: Deputy Executive Director, Director of Housing and Community Development, Rent Stabilization Specialist, HCD Program Assistant, Rent Program Assistant, and Management Analyst. New hires are anticipated to be filled in the coming months for the following positions, which are also currently vacant: Property Management Supervisor and Executive Assistant.

The budget includes a proposed cost of living adjustment (COLA) of up to 3%. The final amount (which may exceed 3%) will be calculated in August or September of each year according to the CPI for the San Francisco area as reported by the Bureau of Labor Statistics and proposed to the Board. The COLA, if approved, will be applied retroactively to July 1, in accordance with policies contained in AHA's Employee Policies and Procedures Handbook.

AHA provides a maximum flat rate payment for medical and one for dental/vision insurance. This contribution is approved each year by the Board in August, and goes into effect in January of each year, as premium amounts change on a calendar (rather than fiscal) year. Last year the maximum AHA contribution beginning January 1, 2018, was equivalent to the 2018 Kaiser "employee plus two or more" premium cost of \$2,027.64 per employee per month plus comparable coverage for dental insurance at a cost of \$234.06 per employee per month. The budget also assumes all employees take the medical allowance at the level of the employee plus two or more dependents. Staff has assumed a 5% increase in benefit costs over the 2018 rates. Although the Board is approving the budget for these additional funds at this time, the final employer contribution for FY2019 will be brought to the Board for approval in August 2018, along with the COLA request, after 2019 premiums are released by CalPERS. It is possible that, due to changes in the Affordable Health Care Act, and with implementation of additional provisions in 2019, there may be higher premium increases than have been seen in prior years.

AHA last conducted a salary review in 2016, and a small number of changes were made to positions in 2017. The results indicated that AHA positions are generally within 5 percent of the median salary for the comparator agencies (5 percent represents an acceptable industry margin of error) with almost all positions falling above the median. On salary alone, AHA generally paid at or above the median market salary at that time.

The 2016 review of the benefits package, that AHA offers, showed that the package is slightly below market for certain positions, especially senior management positions. The benefit differential is due primarily to:

- Lack of social security contributions made by AHA
- Employer-paid member contributions (EPMC) to CalPERS
- CalPERS pension is 2 percent at 55 while others may be 2.7 percent at 55
- Other agencies provide management leave allowances to senior management positions in addition to vacation leave.

No additional changes to salary, beyond the COLA are proposed here. However, a full class and compensation study is being recommended as part of the 3-year strategic plan. Compensation studies for specific vacant roles and/or a review of benefits for management positions may be conducted during the year, if necessary.

Since 2016 staff has been offered a vacation payout at least once a year. The amounts paid out in prior years were less than \$10,000 and therefore it has not been separately budgeted in FY2018-19. Management intends to offer this opportunity at least annually going forward.

Non-personnel expenses: These expenses include costs such as telephone and computer expenses, recruitment, temporary employees, audit and supplies. Total non-personnel expenses for FY 18-19 is \$6,848,813, which is \$167,841 (3 %) higher than FY 17-18 budget.

Legal expenses: These costs include terminations of tenancy, personnel matters and legal advice on claims against the agency. Legal expenses for FY18-19 is \$266,824, which is 27,792 (12%) higher than the FY 17-18 budget.

Training and conferences: These expenses are expected to increase (against prior budget) by 6%, in part due to the filling of vacancies, especially at the management and independent contributor levels, and as an investment in agency-wide training. Best practices for staff training require regularly scheduled professional and housing re-certification training to address changing regulations, and we will focus some additional agency time and resources on general staff and supervisor training needs. The budget also includes \$4,410 for Board training and conferences.

Tenant Services: The salaries for Resident Managers and Assistant Resident Managers are included in this line item. Their benefits also show here, in-line with the approach adopted for administrative salaries. During the 2016-18 budget period, the Board

approved upgrading the Resident Manager position at both Independence Plaza and Esperanza to reflect the size of the properties and the scope of duties of staff at these properties, however the total salary and benefits amount has gone down due to lower staffing costs at Rosefield Village and hiring of staff below budget at other sites.

Tenant activities include a \$20,000 scholarship fund for the Alameda Boys and Girls Club for children and youth who live in Housing Authority complexes or whose families are in a program operated by the Housing Programs Department. The budget also includes two full-time social workers through the LifeSTEPS social services provider.

Utilities: The amounts budgeted for utilities are based on actual utility expenditures in the current fiscal year or a projected 3% rate increase.

Facilities & Maintenance: Maintenance expenditures include salaries and benefits for maintenance employees, maintenance materials and maintenance contract costs. These costs are expected to decrease 1% due to decreases in maintenance staffing costs offset by increases in maintenance contract costs. There are no new positions expected in Maintenance at this time. The projected cost of maintenance materials is based on current usage and an approximate 3% expected vendor price increase. Maintenance contract costs include unit turnover cost, landscaping, floor covering, plumbing and painting. The new use of contracted janitorial services at Esperanza, ABD and Independence Plaza is also included here.

General: This line item includes the cost of community policing and auto/property/ liability insurance. The cost for community policing will stay the same at \$210,000 for FY 2018-19 under the Memorandum of Understanding with the City. All costs will be met by the rental properties. The cost of property and liability insurance is 4% higher due to a small rate increase from our pooled risk carrier.

Predevelopment Costs are expenses associated with a project under consideration for development (building or extensive rehabilitation) prior to the formal approval process for a development and the needed funding. Predevelopment costs for projects that have been green-lighted to move forward are paid by Island City Development (ICD), which was formed to manage real estate development on behalf of AHA. Feasibility studies may be conducted by AHA prior to ICD involvement. AHA Predevelopment Costs that are not covered by ICD are budgeted to be \$100,000 in FY2018-19.

D: CAPITAL IMPROVEMENT PROJECT (CIP) BUDGET

Attachment D shows the one-year capital budget. These items were provided for review by the Board in May 2018. The proposed Capital Projects budget for FY 2018-19 includes major repair projects at five properties. The estimated total cost of these projects is approximately \$4 million.

The identified projects include capital work that is proposed to be contracted in the next fiscal year. Work will be done according to urgency and availability of funds and staff

capacity. Once approved in this budget, these projects will be funded from the following sources and where possible, in this order:

- CDBG/HOME or other third party or grant funding
- Replacement reserves held by lenders/bond holders, subject to their approval
- Reserves held by AHA
- Cash flow from the specific property.

OPERATING BUDGET BY PROGRAM

Property Management: Attachment C shows the operating budgets for each cluster of properties. "AHA- Owned" is all properties except the AAHC properties and Independence Plaza. It should be noted that one AHA-owned property, Rosefield Village, transferred to third party management with the John Stewart Company (JSCO) on July 1, 2017 in order to facilitate the rehabilitation or demolition and rebuild of the site. However, both the income and expense of this property will remain on the AHA books until the property is refinanced with low-income housing tax credits and ownership is transferred to a limited partnership. Four properties (Anne B Diament, China Clipper Plaza, Stanford House and Lincoln-Willow Apartments) transferred ownership to AAHC on May 1, 2018. Although these properties are included below for comparison purposes, the AAHC Board will separately approve the AAHC budget. Central costs are allocated using the same Cost Allocation Plan to all properties under AHA and AAHC ownership.

	AAHC Owned Properties	AHA Owned Properties	Independence Plaza	Total
Net Rental Income	1,679,260	7,315,414	3,125,768	12,120,442
Operating Expenses	1,308,070	5,311,337	1,928,752	8,548,159
Net Operating income	371,189	2,004,077	1,197,016	3,572,283
Less: Debt Service & Reserves	-	476,295	644,256	1,120,551
Project Surplus Cash	371,189	1,527,782	552,760	2,451,731
Less: CIP Needs (18-19 Operating)	-	-	1,000,000	1,000,000
	371,189	1,527,782	(447,240)	1,451,731

Housing Programs Dept. (HPD) The Housing Programs Department has budgeted a loss of \$1,253,175 for FY 2018-19, and the projected actual loss for FY 2017-18 is expected to be closer to \$700K due to reduced central operating costs and reduced

staffing costs. While this loss is not new, the loss has increased due to increases in direct and indirect staffing costs, a decrease in vouchers leased (which affects the Administrative Fee formula), and to a change in the allocation of staff for HPD in the Cost Allocation Plan.

In the past three years, significant efficiency improvements have been made in this department. For example, staff implemented biennial inspections, staff now use handheld technology in the inspection process that has reduced duplicative entry by staff and eliminated the need for staff to retype written notes by other staff members, and a policy change to increase the threshold for an interim re-exam. This threshold mandates at what level a participant's income increases an interim re-exam is required, so by increasing the threshold, this has reduced staff time spent processing household changes. Further administrative savings have now received approval from HUD, including triennial recertification for fixed income families. The Quadel report from 2015 indicated that the department was overstaffed and AHA has reduced overall staffing in the department from 17 to 13. A recent informal poll of the other California Housing Authorities also shows that staff caseloads are smaller than the average caseload. In order to realize financial savings made by efficiencies, and to stem this annual loss, it will be important in the coming year to address further staffing cost issues in this department. Options include reducing headcount through attrition and/or transfer of Housing Specialists to other departments, while increasing caseloads to be in line to other Housing Authorities. Specialist positions in other departments will be advertised internally only, at first, and mandatory transfers may be made, as necessary, in accordance with AHA's personnel policies.

Housing and Community Development (HCD): The City Housing Programs include CDBG, HOME, BMR Homeownership, and other related housing initiatives. The City Council approves a separate budget for each of these programs as described below. Approximately half of the HCD Department staff salaries and benefits are paid by City programs on a reimbursement basis. The City two-year budget for FY 2017-19 was approved on June 6, 2017.

In FY 2018-19, the City will receive \$1,127,434 in CDBG grant funds. The funds will be used to fund city-wide social service programs (limited by statute to 15% of the total grant amount), to provide fair housing and tenant counseling services, to perform capital improvement projects such as water main replacement and accessibility improvements, to make repairs and improvements to rental and owner-occupied housing units, and to pay for administrative costs (limited to 20% of the total grant amount).

In FY 2018-19, the City will receive approximately \$244,691 in HOME funds as a loan. The funds are awarded through an Agreement with Alameda County and must be committed within one year of the award. Up to \$13,980 of the total HOME funds may be used for administrative costs.

The City also maintains two affordable housing funds that are restricted for eligible housing-related purposes. The income is derived from repayment of prior down payment-assistance loans and the in-lieu or linkage fees paid by developers to meet the requirements of the City's Inclusionary Housing Ordinance. In FY 2018-19, sufficient funds have been budgeted to pay for staffing and professional consultants to support affordable housing services and development projects. This includes consultant services to manage the below-market rate (BMR) homeownership program.

In FY 2018-19 two new construction projects will be completed (Littlejohn Commons and Everett Commons). The funding for these projects has been approved and budgeted in prior cycles. The transfer of the 13-acre North Housing parcel is expected to occur in the coming year. CDBG funds have previously been approved in the City budget to pay for costs related to environmental work and clearance at this site. Transaction-related legal costs and consulting costs will be paid through a predevelopment loan to Island City Development, the developer for the project, which was previously approved by the Board. Work to achieve redevelopment of the Rosefield Village project will continue in FY 2018-19. A predevelopment loan to ICD was previously approved by the Board and project costs are paid from this loan.

Housing Successor Agency and Housing Assets: In 2012, after the dissolution of redevelopment in the state of California, the City of Alameda became the Successor Agency to the Community Improvement Commission (CIC) and authorized the assumption by the AHA of the rights, powers, assets, liabilities, duties and obligations associated with the housing activities of the CIC. Additionally, the City entered into an agreement with AHA to fund costs associated with the transferred housing activities. In fiscal year 2015-16, AHA recognized \$17,492,110 of the housing assets identified on the Recognized Obligation Payment Schedule (ROPS) as revenue. The expenses associated with the Successor Agency Housing Assets for FY 2018-19 are as follows:

Salary, Benefits and Administrative	\$ 205,612
Development-related expenses	\$ 0

Total Successor Agency Budget	\$ 205,612

Salary and benefit costs are limited by State law to \$200,000 annually for Successor Agency Housing Assets administration. All Successor Agency Housing Assets funds (cash from the 2012 assumption and program income) are segregated in the Low and Moderate Income Housing Asset Fund. The fund balance projected as of June 2018 is \$700K.

Rent Program: In FY 2018-19, the Rent Stabilization Program will receive up to \$1,107,369 to administer the Rent Review, Rent Stabilization and Limitations on Evictions Ordinance for the City. The budget assumes the COLA change in benefits allocation to match the agency-wide costs and full staffing. With the exception of the administrative overhead costs, the program is a reimbursement-only program. It is important to note that the \$101,526 deficit in this program is driven primarily by central office costs, including

the vacant Deputy Executive Director position. The actual deficit, if any, is expected to be significantly lower.

DISCUSSION OF ACCOUNTING ISSUES

Cost Allocation Plan: The Cost Allocation Plan (CAP) (available on request) is completed at least once a year and allocates costs based on metrics. The metrics range from the number of hours worked on a project to the number of bedrooms in a complex to the amount of expenses paid for an item the prior year. The metrics are mostly pulled from the Agency’s database, Yardi, or from verifiable data (such as the number of units in a specific complex). The CAP explains the logic behind the distribution of different costs including legal costs, audit costs, travel and training, and salaries and benefits. Staff calculates a salary distribution for every position in the Agency based on the position’s primary duties and functions. Some positions are allocated to only one department while others are allocated across numerous departments.

The CAP contains the following major changes:

- Creating an indirect cost center for some programs/properties
- Salary Allocations – every year the duties of each employee are reviewed along with the allocation of those duties
- Updated Positions – eliminated positions were removed and new positions were added
- New Cost Center for the new acquisitions was added (BMR units)

Previously the Finance Department underwent a review by Nan McKay & Associates. One recommendation was to replace the CAP with a Cost Pool Plan or other method to capture direct and indirect costs at each property. Staff is currently reviewing a realignment of property costs to an asset management fee-based model to improve tracking of direct and indirect costs to the properties and to better position properties for refinancing using affordable housing industry best practices. This option is similar to the Cost Pool Plan recommended by Nan McKay & Associates in 2017. Any new proposed model would come back to the Board for review and approval prior to implementation. However, due to the amount of work needed and the impact on the budgeting process, this is not expected to be implemented before the 2019-21 budget.

Cash Adjustments: This section (shown on Attachment A) is intended to adjust the operating budget prepared on a GAAP basis to actual cash outflows. First, depreciation is added back to the operating income since it is a paper transaction that does not involve cash. Next, a portion of the in-lieu fees received in FY 17-18 and Housing Successor funds are transfers into operating cash. Then, since the principal portion of mortgage payments are not recorded in the operating budget as an expense (because principal payments are not an expense, but a reduction in debt) they are therefore a reduction to the GAAP based operating income. Replacement reserves deposits are also not an operating expense, so they are subtracted from operating income as well.

Honorable Chair and
Members of the Board of Commissioners

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Capital Improvement Projects (CIP) CIP are not an expense item, so this is also a reduction to available cash. The source of cash for the CIP is cash generated from operations and reserves.

Depreciation: Depreciation is an accounting method to recognize the cost of buildings and equipment over time. Per the Capitalization Policy, which was effective July 1, 2016, AHA uses the straight-line method of depreciation. When an asset is purchased, a cash expense is incurred. Depreciation is not a cash expense but an accrual expense to financially match the expense with the period of usage.

Other: Certain items are not budget items but will impact available cash in FY 2017-18.

- **Jack Capon Villa:** AHA expects to receive approximately \$19,000 principal payment from Jack Capon Villa for the loan it made to the limited partnership.
- **Mulberry Townhomes:** In February 2016, the Board approved the purchase of four of the 52 units to be built at a new development at 2100 Clement; the cost to acquire the four townhomes will be approximately \$840,000, to be paid from reserves. Two of the four have been purchased. The other two will be purchased by December 2018. These four Below Market Rate (BMR) units will be rented or sold to income-eligible households.

Payments to CalPERS for GASB 68 for outstanding liabilities: As a local government agency, AHA has to maintain its books by standards set by the Government Accounting Standards Board (GASB). Each year the GASB sets guidelines for accounting practices and identifies them by number. Starting in FY16, AHA has had to operate by GASB rule 68, which is commonly known as GASB-68. This rule, GASB-68, requires all government agencies (States, Counties, Cities and Special Purpose Local Governments) to report pension liabilities up front, which have historically been reported on a pay as you go basis by all government entities. Since AHA is a member of the CalPERS retirement system, AHA is required to report each year on any unfunded pension liability. Please note that this budget does not include further GASB-68 or OPEB contributions beyond the \$1mm already made in 2016 for GASB 68 retirement costs and the payment of \$981,940 made in June 2017 to open the AHA's CBERT account for OPEB. A discussion of additional recommendations for top up payments to CalPERS for retirement will be brought to the Board for approval by December 2018.

FISCAL IMPACT

The operating budget for FY 2018-19 reflects an operating surplus of \$1,502,581 and a net cash surplus of \$297,030 due to a net of \$1,000,000 in operating cash used for CIP projects totaling \$4,015,000, and cash adjustments of \$1,347,282. AHA unrestricted operating reserves as of May 31, 2018 were \$23 million.

RECOMMENDATION

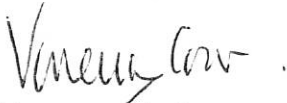
Honorable Chair and
Members of the Board of Commissioners

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The Executive Director and staff recommend the Board of Commissioners of the Housing Authority of the City of Alameda approve the Housing Authority's Budget for Fiscal Year 2018-19 including approval of:

- i. Housing Assistance Payment (HAP) Budget and related expenditure of HUD-held HAP reserves (Attachment B)
- ii. Operating Income and Expenses (Attachment C)
- iii. Capital Improvement Project (CIP) Budget and related use of property and agency reserves and surplus operating cash from Fiscal Years 2017-18 to cover these expenses (Attachment D)
- iv. Revised Schedule of Authorized Positions to be effective July 1, 2018 (Attachment E)
- v. Transfer by the Executive Director of up to \$1,253,175 in each budget year, as needed, from AHA property reserves to cover losses in the Section 8/Housing Programs operating budget. (Attachment C)

Respectfully submitted,



Vanessa M. Cooper
Executive Director

VC: JEB

Attachments:

- Attachment A: Summary of the FY 2018-19 Budget
- Attachment B: Housing Assistance Payments (HAP) 2018-19 Budget
- Attachment C: Detailed Operating 2018-19 Budget
- Attachment D: Capital Improvement Project (CIP) 2018-19 Budget
- Attachment E: Schedule of Authorized positions to be effective July 1, 2018
- Attachment F: Resolution

Housing Authority of the City of Alameda
Attachment A: Summary FY 2018-19 Budget

	FY 17-18		FY 18-19	Change	
	Projected Actuals	Budget	Budget	Amount	%
Rental	12,241,470	11,960,755	11,973,124	12,369	0%
Grant	18,828	34,500	61,124	26,624	77%
Administrative Fees	1,503,009	1,588,675	1,634,828	46,153	3%
Other	4,239,035	2,019,845	2,382,541	362,696	18%
Operating Income	18,002,342	15,603,775	16,051,618	447,843	3%
Administrative	5,984,363	7,805,502	8,440,713	635,211	8%
Tenant/Social Services	779,740	735,221	652,185	(83,036)	-11%
Utilities	1,168,861	1,255,570	1,302,269	46,699	4%
Maintenance	1,793,157	2,484,215	2,498,136	13,921	1%
General	204,320	607,317	428,607	(178,710)	-29%
Other	1,192,311	1,227,127	1,227,127	(0)	0%
Operating Expenses	11,122,751	14,114,952	14,549,037	434,085	3%
NET OPERATING INCOME	6,879,591	1,488,823	1,502,581	13,758	1%
HAP income	29,100,668	27,402,565	30,130,914	2,728,349	10%
HAP Expenses	29,100,668	27,402,565	30,130,914	2,728,349	10%
NET HAP	-	-	-	-	
Less: Depreciation	1,516,040	1,552,833	1,552,833	-	0%
OPERATING INCOME AFTER DEPRECIATION	5,363,551	(64,010)	(50,252)	13,758	-21%
Add: Depreciation	1,516,040	1,552,833	1,552,833	-	0%
Add: In-lieu Fee HCD Reserve Withdrawal	-	-	715,000	715,000	
Add: Successor Housing	200,000	-	200,000	200,000	
Less: In-lieu Fee HCD Reserve Deposit	(2,000,000)	-	-	-	
Less: Principal Payments	(954,526)	(957,153)	(983,161)	(26,008)	3%
Less: Replacement Reserves Deposits	(133,388)	(169,442)	(137,390)	32,052	-19%
Cash Adjustments	(1,371,874)	426,238	1,347,282	921,044	216%
OPERATING INCOME CASH BEFORE CIP	3,991,677	362,228	1,297,030	934,802	258%
Reserve Funds Withdrawal	1,000,000	3,868,000	1,715,000	(2,153,000)	-56%
Operating Funds (IP Reserve)	(1,300,000)	-	1,300,000	1,300,000	
Capital Improvement Projects	(1,000,000)	(3,868,000)	(4,015,000)	(147,000)	4%
Capital Improvement Projects	(1,300,000)	-	(1,000,000)	(1,000,000)	
OPERATING INCOME CASH	2,691,677	362,228	297,030	(65,198)	-18%

Housing Authority of the City of Alameda
Attachment C: Detailed 2018-19 Operating Budget

	AAHC Owned Properties	AHA Owned Properties	Independence Plaza	HCV/Section 8 Operations	Housing & Comm Dev	Rent Program	Total FY 18-19 Budget	Total FY17-18 Budget	Change Amount	Change %
Number of Units	100	290	186				576			
Tenant Rent	433,485	1,874,196	1,742,660	-	-	-	4,050,341	3,702,540	347,801	9%
HAP Subsidy	1,300,455	5,816,952	-	-	-	-	7,117,407	6,812,412	304,995	4%
City Subsidy Received	-	-	1,733,345	-	-	-	1,733,345	2,043,377	(310,032)	-15%
Gross Potential Rent	1,733,940	7,691,148	3,476,005	-	-	-	12,901,093	12,558,329	342,764	3%
Vacancy Loss	(69,358)	(413,198)	(347,601)	-	-	-	(830,156)	(502,333)	(327,823)	65%
Write Off (.75%)	(13,200)	(58,346)	(26,266)	-	-	-	(97,812)	(95,241)	(2,571)	3%
Net Rental Income	1,651,382	7,219,603	3,102,139	-	-	-	11,973,124	11,960,755	12,370	0%
Grant Income	-	-	-	61,124	-	-	61,124	34,500	26,624	77%
Administrative Fees	-	-	-	1,634,828	-	-	1,634,828	1,588,675	46,153	3%
Maintenance Charge, Late Fee	2,500	7,150	4,650	-	-	-	14,300	14,300	-	0%
Laundry Commission	7,519	6,913	16,240	-	-	-	30,672	30,672	-	0%
Commercial Rents	-	27,911	-	-	-	-	27,911	27,911	-	0%
Land Lease Rent	-	-	-	-	5,364	-	5,364	5,364	-	0%
Developer Fee	-	-	-	-	390,000	-	390,000	-	390,000	0%
Professional Service	-	-	-	-	732,000	1,107,369	1,839,369	1,866,673	(27,304)	-1%
Interest Income	17,859	53,837	2,739	491	-	-	74,925	74,925	-	0%
Other Income	27,877	95,811	23,629	491	1,127,364	1,107,369	2,382,541	3,643,020	362,696	10%
OPERATING INCOME	1,679,260	7,315,414	3,125,768	1,696,443	1,127,364	1,107,369	16,051,618	15,603,775	447,843	3%
Administrative Salaries	249,977	723,564	279,686	1,588,484	986,757	684,641	4,513,110	4,250,566	262,544	6%
Administrative Benefits	96,430	279,277	107,727	692,560	362,565	286,633	1,825,192	1,632,296	192,896	12%
Admin Staff Salaries & Benefits	346,407	1,002,841	387,412	2,281,044	1,349,322	971,274	6,338,302	5,882,862	455,440	8%
Temporary Labor/Agency	31,407	87,650	38,992	100,588	20,600	-	279,237	190,514	88,723	47%
Legal Expense	32,560	75,244	45,980	67,540	45,500	-	266,824	239,032	27,792	12%
Training Conferences and Travel	11,733	40,044	15,508	50,346	30,448	25,750	173,830	163,732	10,098	6%
Auditing Fees	5,000	23,245	8,000	3,579	5,000	2,575	47,399	40,745	6,654	16%
Office Supplies/Equipment	5,105	19,742	6,951	29,706	7,000	8,240	76,744	71,989	4,754	7%
Notices and Publications/Outreach	1,590	3,206	196	1,393	20,000	4,120	30,504	26,119	4,385	17%
Admin. Services (include: Consultants)	20,730	48,687	20,170	57,792	159,937	18,540	325,855	352,505	(26,650)	-8%
Application Service Provider (Yardi)	15,458	40,139	14,434	80,928	-	-	150,959	144,558	6,401	4%
Telephone	5,876	15,787	11,356	26,910	-	3,090	63,019	44,164	18,855	43%
IT/ Computer/Telephone Maintenance	10,479	30,131	10,521	45,035	5,644	26,162	127,973	172,155	(44,182)	-26%
Web Hosting/Maintenance	2,637	6,789	3,671	11,109	-	412	24,617	23,571	1,046	4%
Recruitment/ HR Services	9,000	31,000	20,000	40,000	50,000	1,030	151,030	43,192	107,838	250%
Housing Inspection Services (HQS)	2,549	2,887	6,974	42,551	-	-	54,961	52,847	2,114	4%
Office Machine Maintenance	1,697	4,572	2,318	7,146	-	3,090	18,822	20,060	(1,238)	-6%
Condo Dues	-	30,422	-	-	-	-	30,422	29,252	1,170	4%
Office costs including Office Lease	-	-	-	-	8,500	-	122,212	150,200	(27,988)	-19%
Professional Services (including Mgt Fee)	-	40,360	-	-	-	-	40,360	40,360	-	0%

Housing Authority of the City of Alameda
Attachment C: Detailed 2018-19 Operating Budget

	AAHC Owned Properties	AHA Owned Properties	Independence Plaza	HCV/Section 8 Operations	Housing & Comm Dev	Rent Program	Total FY 18-19 Budget	Total FY17-18 Budget	Change Amount	Change %
Postages/Outreach/Mail Services	2,621	6,859	11,356	12,068	-	30,900	63,804	63,804	-	0%
Sundry - Payroll Charges	876	3,309	1,484	2,389	1,000	-	9,058	9,058	-	0%
Sundry - Dues & Subscriptions	1,909	3,839	2,696	3,960	300	-	12,705	12,705	-	0%
Sundry - Bank Charges	3,519	10,793	4,351	13,415	-	-	32,078	32,078	-	0%
Admin Non-Personnel Expenses	164,745	524,705	224,957	596,455	353,929	237,621	1,922,640	1,922,640	179,772	9%
Administrative Expense	511,152	1,527,546	612,369	2,877,499	1,703,251	1,208,895	8,440,713	7,505,502	635,212	8%
Tenant Services Salaries	34,217	111,790	63,838	-	-	-	209,845	279,654	(69,809)	-25%
Tenant Services Employee Benefits	19,062	43,218	21,268	-	-	-	83,548	96,776	(13,228)	-14%
Tenant Activities	65,802	147,966	110,000	1,200	-	-	324,968	324,968	-	0%
Relocation Cost	7,721	26,103	-	-	-	-	33,824	33,824	-	0%
Tenant/Social Services	126,802	329,077	195,106	1,200	-	-	652,185	735,221	(83,037)	-11%
Water	30,913	161,310	64,983	1,416	-	-	258,621	250,809	7,812	3%
Sewer	53,364	174,294	100,266	474	-	-	328,399	319,544	8,855	3%
Electricity	41,301	42,538	50,786	10,396	-	-	145,021	137,175	7,846	6%
Gas	18,789	16,032	22,520	608	-	-	57,948	54,761	3,188	6%
Garbage	61,991	352,139	95,686	2,464	-	-	512,280	493,281	18,998	4%
Utilities	206,357	746,313	334,241	15,358	-	-	1,302,269	1,255,570	46,699	4%
Maintenance - Salaries	130,156	444,398	127,370	-	18,911	-	720,835	793,388	(72,553)	-9%
Employee Benefits Contributions	62,689	213,459	61,343	-	10,202	-	347,694	381,300	(33,606)	-9%
Maintenance Staff Salaries & Benefits	192,845	657,858	188,713	-	29,112	-	1,068,528	1,174,688	(106,160)	-9%
Maintenance Materials	32,205	156,229	57,658	3,657	-	-	249,750	249,750	-	0%
Total Maintenance Contract Cost	190,132	753,853	210,180	25,693	-	-	1,179,858	1,059,777	120,081	11%
Total Maintenance	415,182	1,567,941	456,551	29,351	29,112	-	2,498,136	2,484,215	13,921	1%
General Expenses	48,577	255,492	88,326	26,211	10,000	-	428,607	607,317	(178,711)	-29%
Mortgage Interest/Fees	-	884,968	242,159	-	-	-	1,127,127	1,127,127	-	0%
Pre-Development Costs	-	-	-	-	100,000	-	100,000	100,000	-	0%
Other Expenses	-	884,968	242,159	-	100,000	-	1,227,127	1,227,127	-	0%
OPERATING EXPENSES	1,308,070	5,311,337	1,928,752	2,949,619	1,842,364	1,208,895	14,549,037	14,114,953	434,084	3%
NET OPERATING INCOME	371,189	2,004,077	1,197,016	(1,253,175)	(715,000)	(101,526)	1,502,581	1,488,822	13,759	1%
Salary	414,350	1,279,753	470,894	1,588,484	1,005,668	684,641	5,443,790	5,323,608	120,182	2%
Benefits	178,182	535,954	190,338	692,560	372,767	286,633	2,256,433	2,110,372	146,062	7%
Personnel Expenses	592,531	1,815,707	661,232	2,281,044	1,378,435	971,274	7,700,223	7,433,980	266,243	4%
Non-Personnel Expenses	715,539	3,495,630	1,267,520	668,575	463,929	237,621	6,848,813	6,680,973	167,841	3%
OPERATING EXPENSES	1,308,070	5,311,337	1,928,752	2,949,619	1,842,364	1,208,895	14,549,037	14,114,953	434,084	3%

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Housing Authority of the City of Alameda
Attachment D: Capital Improvement Budget
FY 2018-2019

2018-2019	Property	Project Description	Strategy		\$ Source		Earned Fee & Equity
			CIP	Renov	Property	Reserves	
2018-2020	Independence Plaza	ADA Upgrade	3,500,000		2,300,000	1,200,000	
2018-2019	Anne B Diament/Independence Plaza	Balcony Assessments and Repairs	200,000		-	200,000	
2019	Sherman House	Roof, Paving, Drainage	200,000		-	200,000	
2019	Office	Kitchen, HVAC, Roof	115,000		-	115,000	
			<u>4,015,000</u>			<u>1,715,000</u>	

Housing Authority of the City of Alameda
Schedule of Authorized Positions
July 1, 2018

Attachment E

Department/Position Title	Approved 8/16/17	2018-19 proposal	Year on Year
	Approved FTE 2018	Proposed FTE 2019	Difference
Administration Department			
Executive Director	1.00	1.00	
Deputy Executive Director	1.00	1.00	
Director of HR and Operations	1.00	1.00	
Executive Assistant	1.00	1.00	
Senior Management Analyst	1.00	1.00	
Management Analyst	2.00	2.00	
Program Assistant	1.00	1.00	
Sub-total	8.00	8.00	0.00
Finance Department			
Director of Finance	1.00	1.00	
Controller	1.00	1.00	
Accounting Officer (See Note C)	1.00	1.00	
Accounting Specialist (See Note E)	2.00	2.00	
Sub-total	5.00	5.00	0.00
Housing Programs Department			
Director of Housing Programs	1.00	1.00	
Housing Programs Supervisor	2.00	2.00	
Housing Specialist III	1.00	1.00	
Housing Specialist I & II (See Note B)	8.00	7.00	
Housing Assistant	2.00	2.00	
Sub-total	14.00	13.00	-1.00
Property Operations Department			
Director of Property Operations	1.00	1.00	
Property Management Supervisor	1.00	1.00	
Housing Specialist I/II (See Note B)	1.00	2.00	
Maintenance Supervisor	1.00	1.00	
Lead Maintenance Technician	0.00	0.00	
Maintenance Technician I & II (See Note B)	6.00	6.00	
Maintenance Specialist	1.00	1.00	
Custodian	1.00	0.00	
Resident Manager I and II (See Notes A and B)	5.20	4.13	
Assistant Resident Manager (See Note A)	1.00	0.50	
Sub-total	18.20	16.63	-1.57
Housing and Community Development Department			
Director of Housing and Community Development	1.00	1.00	
Senior Project Manager	1.00	1.00	
Project Manager	2.00	2.00	
Asset Manager	1.00	1.00	
Management Analyst (See Note F)	1.00	2.00	
Facilities Project Specialist	1.00	0.00	
Program Assistant	0.00	1.00	
Sub-total	7.00	8.00	1.00
Rental Stabilization Department (See note D)			
Director of Rent Stabilization	1.00	1.00	
Management Analyst	2.00	1.00	
Rental Stabilization Program Specialist	3.00	3.00	
Program Assistant	1.00	1.00	
Sub-total	7.00	6.00	-1.00
Total	59.20	56.63	-2.57

Note A: Resident employees are contracted employees and are required to reside on-site at assigned Housing Authority complexes. Each Resident employee has an individual at will employment contract.

Note B: Positions at the I and II levels are combined as a total count to allow for flexibility in staffing.

Note C: Position may be renamed or filled at a lower level

Note D: Second Management Analyst moved to HCD. Minor title changes were made in this department.

Note E: Title change to reflect internal and market norms.

Note F: This position was moved from Rent Program to HCD.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Resolution No. _____

APPROVING AND ADOPTING
 HOUSING AUTHORITY'S ONE YEAR BUDGET
 FOR THE FISCAL YEAR ENDING JUNE 30, 2019

WHEREAS, the Executive Director has submitted a one year proposed budget to the Board of Commissioners of the Housing Authority of the City of Alameda; and

WHEREAS, the Housing Authority has sufficient operating reserves to meet the working capital needs of its properties; and

WHEREAS, the proposed budget includes expenditures that are necessary for the efficient and economical operation of the housing for the purpose of serving low-income residents; and

WHEREAS, the proposed budget indicates a source of funds adequate to cover all proposed expenditures; and

WHEREAS, the Housing Authority will comply with all state and federal wage rate requirements where applicable and requirements for access to records and audits.

WHEREAS, the proposed FY 2018-19 budget includes approval of

- i. Revised Schedule of Authorized Positions to be effective July 1, 2018
- ii. Transfer by the Executive Director of up to \$1,253,175 in each budget year, as needed, from AHA property reserves to cover losses in the Section 8/Housing Programs operating budget.

NOW, THEREFORE. BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the City of Alameda hereby adopts the Housing Authority's Budget for the fiscal year ending June 30, 2019.

ATTEST:

 Kenji Takemoto, Chair

 Vanessa Cooper, Secretary



Housing Authority of the City of Alameda

701 Atlantic Avenue - Alameda, California 94501-2161 - Tel: (510) 747-4300 - Fax: (510)522-7848 - TDD: (510) 522-8467

To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Prepared by: Mike Billington
Project Manager

Date: June 20, 2018

Re: Authorize the Executive Director to Negotiate Final Terms and Execute a Construction Contract with a Project Budget of Up to \$3.5mm for Accessibility Upgrades to 20 units and Various Common Area Improvements at Independence Plaza.

BACKGROUND

In March 2017, staff received direction to proceed with efforts to renovate 20 units, common area entrances and various paths of travel at Independence Plaza (IP). The proposed project will make these units fully ADA accessible and will meet or exceed the federal standard that requires at least 5% of units to be accessible. The underlying purpose of the project is to improve resident quality of life and support the opportunity to age in place for our senior tenants.

YHLA Architects was selected as the project architect. YHLA studied the property, the units and the community layout. They 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 matches the overall ratio of one to two bedroom units.

The accessible design will allow for more mobility and access. Doors will be widened, kitchens, bathrooms and hallways expanded, cabinetry lowered and ADA appliances installed. In addition, the project will also include the installation of automatic door operators and parking lot/path of travel upgrades, most notably the walkway between the Housing Authority Office and the main entrance to IP.

DISCUSSION

The project was initially put out to bid in January 2018 and placed on the April Board agenda. However, due to concerns with the bidding process the item was pulled from the agenda and all bids rejected. Staff subsequently consulted with legal counsel and republished the bid package in May. A pre-bid conference was then held on May 31 and a bid addendum posted on June 13. Bids are due by June 19. Staff will provide a verbal update at the June 20 board meeting on bids received.

At least six units are now vacant, and can serve as hospitality units as the work is performed. Other tenants who are not able to be relocated onsite will be offered a stipend fee to live with friends or family during construction, or will be housed in rental/hotel units. All reasonable moving costs and moving management will be provided by the Housing Authority. The construction period is estimated to be 12 months.

FINANCIAL IMPACT

If approved the project will be funded through a combination of reserve and operating accounts. The specified reserve funds have previously been allocated for capital projects, while the operating funds, which have also been budgeted, include tenant rental income and funds received through the City's annual ROPS request for former Community Improvement Commission (CIC) funds.

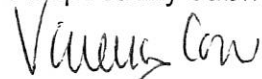
Although the project cost is more than originally anticipated, staff has been planning for this accessibility improvement work for several years. Currently, \$1.2mm is available in the LAIF investment account. These funds were specifically requested for the ADA rehab project and, per Board authorization, transferred to the investment reserve from the prior year's operating surplus. There is an additional \$500,000 in CAMP.

The remaining project funds would be provided by the operating account, \$1.3mm from FY 17-18 and \$500,000 - \$1mm from operating in FY 18-19. The funding from FY 18-19 was submitted to the City as part of the CIC operating subsidy request in January 2018. Any future operating surplus will go back into the LAIF/CAMP investment accounts for future capital needs at the property.

RECOMMENDATION

Authorize the Executive Director to negotiate final terms and execute a construction contract with a total project budget of \$3.5mm for accessibility upgrades to 20 units and various common area improvements at Independence Plaza.

Respectfully submitted,



Vanessa M. Cooper
Executive Director

VMC/mb

Independence Plaza ADA Upgrade Project
DRAFT SCHEDULE

Phase	Sub/Permit-Phase	Actual Phase	Description	Date	Work Days
PreConstruction	IFB		Post Bid	5/17/2018	-
	IFB		Pre-Bid Conference	5/31/2018	10
	IFB		Q & A Deadline	6/11/2018	7
	IFB		Post Q & A Responses	6/13/2018	2
	IFB		Bid Due Date	6/19/2018	4
	Contract Admin		Present to Board	6/20/2018	1
	Contract Admin		Negotiate & Execute Contract	7/11/2018	14
	Work Start		Mobilize	7/25/2018	10

Phase	Sub/Permit-Phase	Actual Phase	Description	Start Date	End Date	Work Weeks
Construction	Phase 1a	TBD	Parking Lot Upgrade	9/4/2018	10/12/2018	6
	Phase 1b	1a	Building 1, Entry Doors	7/25/2018	8/3/2018	1
	Phase 3b	1b	Building 3, Stack 139, 239, 337 & Trash Rooms	7/30/2018	11/16/2018	16
	Phase 3a	1c	Building 3, Stack 136, 236, 334	7/30/2018	11/16/2018	16
	Phase 4	2a	Building 4, Stack 155, 255, 355, 453 & Trash Rooms	11/26/2018	3/1/2019	14
	Phase 2	2b	Building 2, Stack 116, 216, 316 & Trash Rooms	11/26/2018	3/1/2019	14
	Phase 5a	3a	Building 5, Stack 126, 226, 326, 424 & Trash Rooms	3/4/2019	6/7/2019	14
	Phase 5b	3b	Building 5, Stack 125, 225, 325	3/4/2019	6/7/2019	14