



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

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 April 20, 2016 7:00 pm

Optional Tour of Rosefield Village (Tour starts at 703 Atlantic Avenue, Alameda, CA) - 6:00-6:30 pm

Closed Session 6:30-7:00pm

LOCATION

1. Independence Plaza, 703 Atlantic Avenue, Alameda, CA
2. 78-6800 Alii Drive, #3 (Calling in by phone)
Kailua-Kona, HI 96740
808-322-9413

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 three 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. CLOSED SESSION – 6:30 p.m. - Adjournment to Closed Session to Consider:
 - 2-A. Purpose: Conference with Legal Counsel – Anticipated Litigation.
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(b):
Two (2) potential cases
 3. Adjournment of Closed Session
 4. RECONVENE REGULAR MEETING – 7:00 P.M.
 5. Announcement of Action Taken in Closed Session, if any.
 6. 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.
 - 6-A. Approve Minutes of the Board of Commissioners Regular Meeting held March 16, 2016. Acceptance is recommended (page 4)
 - 6-B. Accept the Monthly Overview Report (page 8)
 - 6-C. Accept the Budget Variance Report (page 15)
 - 6-D. Authorize the Executive Director to Negotiate and Execute a Contract for Construction Manager at Risk with Arbor Building Group for the Section 504 Accessibility Upgrades at Anne B. Diamant Plaza (page 31)
7. AGENDA
 - 7-A. Award a Contract with Life Skills Training and Education Programs, Inc. (“LifeSTEPS”) up to \$435,000 and Authorize the Executive Director to Execute the Contract (page 36)
 - 7-B. Update on the 2015-2017 Two Year Plan (page 51)
 - 7-C. Rosefield Project Update; Authorize the Executive Director to Execute Funding Application and Related Documents Associated with Board Approved Redevelopment Plan (page 57)
 - 7-D. Appoint Nominating Committee for Board Officers (page 62)
 8. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
 9. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)
 10. ADJOURNMENT to Closed Session



- 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, March 16, 2016

A separately noticed special meeting for a study session was held from 4:30 to 6:30 regarding the North Housing Project in conjunction with the Board, and staff of Alameda Point Collaborative, Habitat Humanity of the East Bay and Building Futures with Women and Children. No quorum was established (Commissioners present were Kurrasch, Tamaoki and McCahan (by phone)).

The Board of Commissioners meeting was called to order at 6:45 p.m. (Note: audio is not available for this meeting due to a recorder error.)

PLEDGE OF ALLEGIANCE

1. ROLL CALL

Present: Commissioners Allen, Rickard, Shipe, Tamaoki and Chair Kurrasch

Absent: Commissioner McCahan (by phone)

2. CLOSED SESSION – 6:45 p.m. - Adjournment to Closed Session to Consider:

2-A. Conference with Legal Counsel Regarding: Existing Litigation Pursuant to Government Code Section 54956.9(a): Evra Construction, Inc. v. Housing Authority of the City of Alameda, Alameda County Superior Court No. RG1576011

3. Adjournment of Closed Session

4. RECONVENE REGULAR MEETING – 7:04 P.M.

5. Announcement of Action Taken in Closed Session, if any: The Board gave direction to Staff regarding Items 2-A:

Chair Kurrasch brought forward all public hearings in the agenda to allow for early public comment.

7-A. Public Hearing to Hear Comments on Housing Authority Significant Amendment Effective April 1, 2016



Chair Kurrasch opened the public hearing. There were no comments. Chair Kurrasch closed the public hearing

7-C Public Hearing to Hear Comments on Housing Authority Annual Plan for Fiscal Year Starting July 1, 2016

Chair Kurrasch opened the public hearing. There were no comments. Chair Kurrasch closed the public hearing

6. 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.

The consent calendar was adopted after the public hearings. Commissioner Tamaoki moved to approve the Consent Calendar and Commissioner Shipe seconded. The motion carried unanimously. Items accepted or adopted are indicated by an asterisk.

- *6-A. Approve Minutes of the Board of Commissioners Regular Meeting held February 17, 2016. Acceptance is recommended
- *6-B. Accept the Monthly Overview Report
- *6-C. Accept the Budget Variance Report
- *6-D. Approve a Short-term Internship Program to Provide Research and Analysis Support for Housing Authority Projects and Programs and Offer Professional Development Opportunities to Undergraduate and Graduate Students
- *6-E. Amend Property Management Policy
- *6-F. Review of Training and Travel Expense Procedures

7. AGENDA

7-B; Adoption of significant amendment to Annual Plan

Director of Lynette Jordan introduced the Significant Amendment. Commissioner Shipe moved to adopt the Significant Amendment effective April 1, 2016 and Commissioner Tamaoki seconded. The motion carried unanimously.

Roll Call Vote: Commissioner Allen yes, Commissioner Rickard yes, Commissioner Shipe yes, Commissioner Tamaoki yes, Chair Kurrasch yes. (Commissioner McCahan not eligible to vote)

7-D. Adopt the Annual Plan for Fiscal Year 2016-2017



Senior Management Analyst Tonya Schuler provided an overview of the Significant Amendment to the Annual Plan. Commissioner Rickard moved to adopt the Annual Plan beginning with the next fiscal year and authorize the Chair to certify, by resolution, that the Board of Commissioners has approved submission of the Agency Plan to the U.S. Department of Housing and Urban Development and Commissioner Allan seconded.

Roll Call Vote: Commissioner Allen yes, Commissioner Rickard yes, Commissioner Shipe yes, Commissioner Tamaoki yes, Chair Kurrasch yes. (Commissioner McCahan not eligible to vote)

7-E. Rosefield Village Project Update and Approval of a CDBG Loan in an Amount Up to \$1 Million

Director of Housing and Community Development, Victoria Johnson presented the item.

Staff sought Board direction regarding the long-term redevelopment plan. Commissioner Rickard moved to approve a loan of CDBG funds in an amount up to \$1 Million and to authorize the Executive Director to execute related documents and Commissioner Shipe seconded. The motion carried unanimously.

The Board gave additional direction to staff to return at the next meeting with further information of the options for a major rehabilitation or demolition and rebuild at the Board meeting. Ms. Cooper noted the importance of making a decision at the next meeting due to the critical path for financing and the current state of the property.

7-F. Approval of a Services Agreement between the City of Alameda and the Housing Authority Concerning Program Administrator Services for the Rent Review, Rent Stabilization and Limitations on Evictions Ordinance. Authorize the Executive Director to Negotiate Limited Changes in the Terms of the Agreement. Authorize a Resolution to Amend the Schedule of Approved Positions, Subject to City Council Approval of the Agreement

Executive Director Vanessa Cooper presented the item and the timeline for approval by the City Council. Board members noted that the 9-month term of the new agreement reflected the current uncertainty about the rent stabilization program and welcomed the requirement on the city to do a Request For Proposals and the dispute resolution process in the proposal.

Commissioner Tamaoki moved to 1. Approve a Services Agreement between the City of Alameda and the Housing Authority concerning Program Administrator Services for the Rent Review, Rent Stabilization and Limitations on Evictions Ordinance, 2. Authorize the Executive Director to negotiate limited changes in the terms of the Agreement and 3. Authorize a Resolution to amend the Schedule of Approved Positions, subject to City Council approval of the Agreement and Commissioner Allen seconded.



Roll Call Vote: Commissioner Allen yes, Commissioner Rickard yes, Commissioner Shipe yes, Commissioner Tamaoki yes, Chair Kurrasch yes. (Commissioner McCahan not eligible to vote)

7-G. Accept the Revised FY 2015-2016 Budget

Executive Director Vanessa Cooper presented the item. Commissioner Rickard moved to approve the proposed budget revisions, including the Operation, Development, Extraordinary Maintenance Projects and Capital Improvement Project line items for fiscal years FY 2016 and Commissioner Allen seconded. The motion carried unanimously.

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

9. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

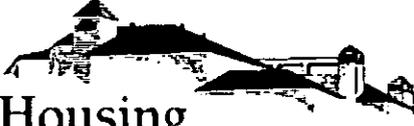
10. ADJOURNMENT

There being no further business, Chair Kurrasch adjourned the meeting at approximately 8.30 pm.

Arthur Kurrasch, Chair

Vanessa M. Cooper
Executive Director/Secretary





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To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: April 20, 2016

Re: Monthly Overview Report to the Board

BACKGROUND

This memo provides a high level overview of agency activities in the prior month. Data is submitted by each of the key areas of operation

POLICY/IT

The Laserfiche server is being upgraded in April to allow staff access to additional features. It is also anticipated that the online forms through Laserfiche will be installed in April. New computer equipment is being purchased under the Services Agreement with the City of Alameda for the Rental Programs staff.

The Management Analysts are starting the SEMAP process which must be completed by August for submission to HUD by running reports to identify any areas that need reviewing before the end of the fiscal year and starting file audits.

AHA has recently contracted with the following agencies through a Request for Proposals (RFP) process. Funds for these services are budgeted for FY 2016-17 primarily from rental income revenue.

- CGI, Federal to complete income certification (equivalent to the LIHTC) for the largest senior property, Independence Plaza (IP). Only lower income residents are currently included in third party income certification. This will be expanded to all IP residents to understand the possibilities for refinancing and to set rent levels. The contract amount is \$45,000, begins April 1, 2016-March 31, 2017 for a one year term, renewable for up to four years.
- The Law Office of Charles Tillman Ramsey to provide Eviction Services for the AHA's 572 subsidized housing units. Services include assisting and advising the AHA on property management issues, including rent collection; lease terminations and evictions; representing the AHA in grievance hearings, mediation sessions and in court proceedings; fraud recovery; and other closely related functions. The contract amount is \$45,000, begins March 1, 2016- February 28, 2019 for a three year term, renewable for two, one year terms. Our prior eviction attorney retired.

- The Therapy Office of Karen Zeltzer to continue the social services counseling and workshops for Family Self Sufficiency (FSS) clients. This includes monthly evening workshops on self-sufficiency. The contract amount is \$15,000, begins March 1, 2016- February 28, 2017 for a one year term, renewable for up to four years. Ms. Zeltzer has provided services for AHA for over three years.

Upcoming contracts to be solicited /awarded include:

- Credit scoring systems
- Temporary staffing agencies

HR/OPERATIONS

We have filled the Maintenance Supervisor position, and Jeffrey Cook started in this position in late March. We are in the process of interviewing for the Senior Project Manager position approved by the Board in February. Recruiting is also underway for the Director and Program Assistant positions to support the rent ordinance work with the City. In conjunction with this work, we are also making some changes to office configurations and assignments so that we are able to absorb the additional positions in our current location.

Many staff have their annual performance evaluations due in March and April. Supervisors have been working diligently to ensure that reviews are completed on time.

The compensation study we contracted with Koff and Associates to perform is in process. We expect to have data back for review shortly and to bring any proposed changes to the Board in the coming months.

In early April, we modified our procedures for computing time worked to adopt a uniform rounding of stopping and starting times to the nearest one-quarter of an hour. We anticipate that this will make the administration of time worked more efficient for both employees and supervisors.

Over the past few months, staff has worked with our HR attorney to review our retiree health policies. There appears to be some conflict between the resolutions passed by the Board in 2012 and the requirements set by PEMHCA (Public Employees' Medical and Hospital Care Act) regulations. Staff will bring a proposal to correct this as part of the 2016-18 Board at the May Board meeting.

PROPERTY MANAGEMENT

We ended March with 6 vacant apartments for rent and two applicants being processed for occupancy by Property Management. Additionally, we have 4 apartments being used to temporarily house residents from ABD whose units are being remodeled as part of the ADA improvements projects.

We collected all March rents due from residents and were able to settle two of the three unlawful detainer cases. We entered into a Stipulated Agreement for the last case.

The Resident Managers have also an active role in tracking residents whose units failed the annual Housing Quality Service process. They are working with households and family members to help ensure compliance with regulations, their lease and our policies.

During March we also audited the entire contract rent increases in place for ESP for April 1, 2016 to ensure accuracy. Contract rent increases for Eagle, Rosefield, ABD and China Clipper are effective May 1, 2016.

Positive interaction with the Alameda Police Department continues and we have shared HUD's latest guidance in regards to how Landlords should treat applicants that have a criminal record, particularly those with an arrest (as opposed to a conviction).

FACILITIES AND MAINTENANCE

The table below shows work orders by property, including preventative maintenance and HQS inspection work that was particularly high in March. In the coming months, the new Maintenance Supervisor will be reviewing and revising the best methods to report maintenance to the board. Close attention will be paid to improving the HQS first time pass results for AHA units.

Work Order Analysis by Completion Month

Year: 2016

Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1110 SHERMAN STREET	4	2	13	4	0	0	0	0	0	0	0	0	23
1120 LINCOLN HOUSE	1	2	2	3	0	0	0	0	0	0	0	0	8
2100 ESPERANZA	41	56	59	38	0	0	0	0	0	0	1	0	195
3100 PARROT VILLAGE	62	61	38	11	0	0	0	0	0	0	0	0	172
6010 ANNE B DIAMENT PLAZA	23	22	20	8	0	0	0	0	0	0	0	0	73
6020 ROSEFIELD VILLAGE	16	24	89	11	0	0	0	0	0	0	0	0	140
6030 PARROT GARDENS	1	18	4	1	0	0	0	0	0	0	0	0	24
6040 STANFORD HOUSE	2	0	3	4	0	0	0	0	0	0	0	0	9
6050 LINCOLN/WILLOW	1	1	9	7	0	0	0	0	0	0	0	0	18
6060 SENIOR CONDOS	2	0	4	1	0	0	0	0	0	0	0	0	7
6070 CHINA CLIPPER PLAZA	6	28	19	1	0	0	0	0	0	0	0	0	54
6100 EAGLE VILLAGE	8	11	13	5	0	0	0	0	0	0	0	0	37
8100 INDEPENDENCE PLAZA	55	53	62	20	0	0	0	0	0	0	0	0	190
	222	278	335	114	0	0	0	0	0	0	1	0	950

HOUSING PROGRAMS

FSS Program Update

The loss of 11 participants in 2016 will lead to under enrollment in the AHA's FSS program. Currently, the FSS wait list has 10 families. Past statistics indicate, we will need to interview five participants to achieve one enrollment. Therefore, extensive recruitment activities are underway to increase our program enrollment.

W

We are pleased to announce we completed our first 2016 FSS Outreach Enrollment Event on March 24, 2016 at 703 Atlantic Ave (Independence Plaza) from 3-4pm. We had 18 perspective participants in attendance and we've received 2 applications. We have several interviews scheduled for later this month and we are hopeful we will have more applications. Our goal is to continue to make contact with this list of attendees throughout the year to access their interest and their ability to participate later this year.

A second recruitment event is being held at Esperanza on April 13, 2016. We will have Arabic translation services to offer the Arabic speaking families at this event an increased understanding of the program and its benefits. Additional outreach has been done in Vietnamese, Chinese, Spanish, and Tagalog. We hope to develop a new waitlist of interested HCV families willing to work hard to accomplish their future goals through the FSS program.

Waitlist Opening Update

HPD department continues its efforts to open our Property Based wait lists. A report was provided to the Board at the March 16, 2016 meeting. The Board accepted the significant amendment to combine many of the waitlists by bedroom size or target population, this will reduce the time and administration it takes to fill vacancies. Weekly planning sessions for the property-based waitlists began in January 2016 to establish policies, procedures, and resources needed to ensure an open, accessible, successful and smooth process for this event. The waitlist will be open for five days this year at a date to be announced, to accept on-line applications from which a limited number would be placed on the various property-based waitlists. We are currently in the process of purging the waitlist as a final step before opening the waitlist. Staff will continue to provide updates.

The month of March the HPD department processed the following work.

Statistics	January 2016	February 2016	March 2016
Annual Re-examinations Processed	138	129	122
Rent Increases Processed	126	120	162
Interim Re-examinations Processed	35	16	30
HQS Inspections Conducted	95 80% 1st time pass	35 non-AHA 66% 1st time pass rate	35 non-AHA 71% 1st time pass rate
AHA Owned		55 45% 1st time pass	79 41% 1st time pass

HOUSING AND COMMUNITY DEVELOPMENT

Capital Projects

Housing and Community Development continues to review the Capital Needs Assessment reports and identify urgent items for consolidation into a single list for a contract proposal. Staff is consolidating the CIP/EMP list with longer-term Capital Needs Assessment items and preparing a proposed two-year budget for Board consideration. This will also include a comparison to available reserve funds. Staff is working to resume the Section 504 renovation project at Anne B. Diament; a separate staff report is included within this month's consent agenda.

CDBG/HOME Programs

A public notice to solicit comments about the FY16-17 Annual Action Plan activities recommended for funding with Community Development Block Grant (CDBG)/ HOME Partnership Investment (HOME) Funds was posted in five different newspapers including the Alameda Journal on April 1, 2016. On March 24, 2016, the Social Services and Human Relations Board (SSHRB) held a public meeting and made recommendations for funding activities in the public services category. A public hearing will be held by the City Council on May 3, 2016 to approve funding for all recommended activities. A draft of the FY 16-17 Action Plan is available on the AHA website. The beginning of the program year is July 1, 2016. In addition to public services, recommended activities include economic development (APC Job training and employment placement) and residential rehabilitation programs (Substantial Rehabilitation, Residential Rehabilitation of rental and ownership units and Alameda Fire Department Senior Safety).

Housing Rehabilitation Programs

- One residential project is under construction to assist a low-income household. Issues include faulty wiring, broken windows, non-functioning furnace, a bathroom with dry rot issues due to leaking tile/tub-surround and other plumbing concerns. The amortized loan is for our maximum of fifty thousand dollars with Owners contribution for all work in excess of that cap.

Public Facilities Rehabilitation

- The project to replace doors and install an accessible opener at Woodstock Recreation Center was completed.

Inclusionary and Below Market Rate Programs

On March 18th, a lottery was held for the first phase of the Lennar Marina Shores development, which includes seven BMR units for 50%-80% area median income eligible buyers. On March 23, 2015, Hello Housing held a mandatory workshop for the first 150 eligible lottery candidates. The workshop provided information on the expectations of the BMR program, application process and documentation requirements. Of the 150 workshop attendees, 43 applications were received and eight prospective buyers have been identified.

On March 22nd the pre-application for the second phase of the Tri Pointe Alameda Landing BMR units opened. This phase includes seven condos for 120% Area median Income eligible buyers. .

Real Estate Development

Del Monte Senior – Among all applications submitted in March 2016 for 9% Tax Credits the Del Monte Senior application scored very well. There is one potential event that could jeopardize the credit allocation which is related to site control. The master developer (Tim Lewis Communities) has not yet acquired the warehouse property from the current owner. If the acquisition is not completed within the next month, the AHA project may not be able to proceed. Credit allocations by CTCAC are scheduled for June 8, 2016.

2437 Eagle Avenue - While the Del Monte score is very high, the score for Eagle is average when compared to other applications submitted in March. Staff expects to resubmit an application for Eagle in the second round and to achieve a stronger score. Based on updated cost estimates, the Eagle project now shows a budget shortfall. The estimating and financial consultants have evaluated alternatives to reduce costs, and based on this information, staff believes there is financial viability if the unit count is reduced to 20 units. This plan will reduce the site plan from four to three buildings. The design team is preparing revised plans and in May staff will return to the board with revised plans and request for additional funding.

Stargell Commons - Staff attended the March draw meeting; the project is proceeding on schedule and is 6% complete.

North Housing – A joint meeting was attended by the boards of the Housing Authority, Alameda Point Collaborative and Building Futures with Women & Children. Staff from Habitat for Humanity of the East Bay and members of the public attended the workshop meeting. Staff is working to procure documents required for transfer of the 13 acre site from the Navy to the City and to the Housing Authority.

RENT PROGRAMS

The City's final rent-related Ordinance 3148 went into effect on March 31, 2016. This ordinance addresses rent increases, rent stabilization, evictions, relocation and changes to the duties of the RRAC.

Staff has been holding tenant and landlord workshops to educate the community on the new ordinance. Staff will continue to have the workshops available for until the end of May. Program Staff will access the volume of calls and workshop attendance to determine the need for continued workshops and appointment setting.

On April 5th the City Council voted to approve the Services Agreement between the City and the AHA for program administration. This is a 9 month agreement. Under the Services Agreement, the City is required to issue a Request for Proposals (RFP), or similar solicitation, during the period to establish a long-term agreement for Program Administrator services. The Housing Authority has agreed that it will respond to the RFP (or other solicitation). The initial shorter term will allow the City and Housing Authority to roll out the Program, identify Program aspects that may need to be changed, better understand staffing and related costs, and address those issues prior to committing to a longer-term structure and agreement.

In Addition, on April 5th Council approved a resolution adopting a policy concerning capital improvement plans for rental units. Staff will draft a policy and procedures that outlines what

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work is considered a capital improvement, when a plan must be filed, calculations for rent increases, limitations on rent increases, relocation assistance and the process for approval of a formal Capital Improvement Plan by the program administrator.

Rent Review Advisory Committee (RRAC)

On March 7, 2016, there was seven (7) rent increase complaints filed. Two of the cases were resolved prior to the March meeting and the third was postponed until the April meeting as the tenant and landlord were close to a resolution. The RRAC made four recommendations and two were accepted by the landlord, one was resolved between the landlord and tenant after the meeting. In the final case, the landlord did not accept the RRAC's recommendation and it will be referred to the May City Council meeting.

On April 19th, case 354 (429 Grand Street) will go before the City Council authorize the Mayor to send a letter to the owner encouraging compliance with the RRAC's recommendation. This case is a single family home and does not fall under the City ordinance.

FINANCE

Please see the Budget Variance Report

RECOMMENDATION

For information only.

Respectfully submitted,



Vanessa M. Cooper
Executive Director

VMC/all



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: Marie Wang, Finance Director

Date: April 20, 2016

RE: Budget Variance Report

BACKGROUND

On April 16, 2014 the Board of Commissioners approved a two-year operating budget for all programs covering the fiscal years July 1, 2014 through June 30, 2016. On April 15, 2015, the Board of Commissioners approved the FY 2016 budget update for revision of the original budget for the Fiscal Year starting July 1, 2015 and ending June 30, 2016.

On March 16, 2016, the Board of Commissioners approved the budget update for the second revision of the original budget for the Fiscal Year starting July 1, 2015 and ending June 30, 2016. This Budget Variance Report covers preliminary unaudited financial operating results compared to the second budget revision approved on March 16, 2016, for the nine month period of July 1, 2015 to March 31, 2016.

DISCUSSION

Overall operating income is over the year-to-date budget by \$278,823 (.1%), mainly due to the higher amount of dwelling rent and a higher amount of other income. Dwelling rent is higher due to the higher payment standard and reduced vacancy levels. The higher amount of other income is due to the revenue received ahead of schedule. The entire revenue from performing professional services (\$100,000) and the ground lease rent (\$400,099) from Stargell land were received in December 2015, ahead of schedule.

Agency wide expenses are lower than year-to-date budget by \$1,739,386 (6.5%). This is mainly due to the lower salary expenses, lower benefit costs, lower Extraordinary Maintenance Projects (EMPs) expenses, lower tenant activities, and lower HAP payments. The operating surplus is, therefore, \$3,963,129, compared to year-to-date budgeted surplus of \$1,944,920.

The year-to-date Extraordinary Maintenance Projects (EMPs) expenses for our Owned and Managed Complexes and Units totaled \$70,927, compared with the year-to-date budget of \$693,221, resulting in a favorable variance of \$622,294

(89.8%). The difference is due to a number of projects being on hold pending review of a capital needs assessment.

GASB-68

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, identified by number. Effective FY 2016, AHA must operate by GASB rule 68, which is commonly known as GASB-68. This new rule, GASB-68, requires all government agencies (States, Counties, Cities and Special Purpose Local Governments) to report pension liabilities 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.

According to the CalPERS Actuarial Valuation Report as of June 30, 2014 for the Miscellaneous Plan of the Housing Authority of the City of Alameda, the estimated balance of Authority's Unfunded Accrued Liability (UAL) as of June 30, 2016 would be \$1,600,594, which remains unpaid as of yet. This is lower than the previous estimate of \$1,874,684. According to the Senior Pension Actuary at CalPERS Actuarial Office, there is no penalty if the liability remains unpaid, but the plan charges 7.5% on any existing unfunded liability.

Although the Board has approved a payment of \$1,954,024 to pay down the liability, staff has delayed the payment as previously reported in order to obtain further information from CalPERS. Staff intends to make a payment of \$1,000,000 in the near future to avoid the 7.5% interest charge on outstanding liabilities. This is due to the concern that if the Unfunded Accrued Liability (UAL) balances decreases more, as we have observed for the past year, we would not take the risk of overpaying the UAL. The staff will continue monitoring the UAL balance to make recommendations of either paying down or paying off the balance.

The table below shows projected employer contribution rates (before cost sharing) for the next five fiscal years, assuming CalPERS earns 2.4% for fiscal year 2014-15 and 7.5 percent every fiscal year thereafter, and assuming that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur between now and the beginning of the projection period.

	Required Contribution	Projected Future Employer Contribution Rates				
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Normal Cost %	9.558%	9.6%	9.6%	9.6%	9.6%	9.6%
UAL \$	\$89,569	\$115,530	\$142,969	\$171,950	\$183,980	\$199,551

GASB-45/OPEB

The Government Accounting Standards Board (GASB) has mandated disclosure of other post-employment benefit (OPEB) liabilities for all government employers

beginning in 2009. During fiscal years prior to 2012 the Authority's employees were actually employees of the City of Alameda and not employees of the Authority itself, therefore there was no OPEB obligation or expense recognized in fiscal years prior to 2012. During fiscal year 2015 the Authority administered this program on a pay-as-you-go basis and actual costs were expensed as incurred. To comply with GASB 45, the Authority estimated the present value of the projected benefits of the OPEB program using the Alternative Measurement Method as permitted by GASB Statements Numbers 43 and 45.

The goal of GASB 45 is to match recognition of retiree medical expense with the periods during which the benefit is earned. The entry age normal cost method effectively meets this goal in most circumstances. The Authority has adopted an entry age normal cost method to determine the present value of benefits and the actuarial accrued liability. The plan currently has no assets. The amortization method is a level percent of payroll, with an amortization period of thirty years. The Authority has adopted a pay-as-you-go policy and is not currently funding this liability above the monthly requirement; instead, the Authority makes actual monthly payments for its portion of the retirees' premiums. The payments for 2015 totaled \$2,416. The Authority accrued a management determined estimate of \$9,838 at the end of the prior fiscal year. In 2016, AHA will commission an independent assessment of OPEB liabilities for 2016-17. Further information on the post-employment health benefits will be brought to the May meeting.

INVESTMENT ANALYSIS

The following is the schedule of investments as of March 31, 2016:

1. LOCAL AGENCY INVESTMENT FUND (LAIF)

Amount	Issued by	Purchase Date	Maturity Date	Rate of Return
\$15,406,623	State of CA	Open	On Demand	0.47%

2. Asset Managed by the PFM Asset Management LLC

The market value of our portfolio as of March 31, 2016 is \$13,030,273. This consists of:

Market Value of the Portfolio:	\$12,967,181
Closing Cash Balance:	45,922
Accrued Interest:	17,170
Total	<u>\$13,030,273</u>

The portfolio includes:

US Treasury Bond/Note:	\$3,010,196	23.21%
Federal Agency Discount Note:	1,727,212	13.32%
<u>Federal Agency Bond/Note:</u>	<u>8,229,773</u>	<u>63.47%</u>
Total	<u>\$12,967,181</u>	<u>100.00%</u>

We had one realized loss of \$23.43 in March due to one transaction on March 30, 2016. On our behalf, PFM sold lower yield Treasury Notes and subsequently bought higher yield Treasury Notes:

Sold: US Treasury Notes (DTD 2/18/14, yield: 0.625%, 2/15/2017) for \$100,081.

Bought: US Treasury Notes (DTD 7/31/2015, yield: 1.625%, 7/31/2020) for \$101,928.

GENERAL FUND

General Fund includes the revenue from the Shelter Plus Care Program and some other miscellaneous income items. It has also included the expenses of pre-development cost and EMP's. The operating revenue is over budget by \$38,929. This is primarily due to the \$100,000 that we received in December 2015 from Island City Development (ICD) for the annual professional services AHA performed for ICD. Operating expenses are below year-to-date budget by \$75,595. This is mainly due to lower pre-development costs and delayed EMP projects. A year-to-date surplus of \$12,485 resulted, compared with the year-to-date budgeted deficit of \$102,039.

EMP activity for the year to date totaled \$0.

CIP costs for the year to date are \$14,999 due to the unbudgeted replacement of gutters for the office building.

As we strive to improve the efficiency of accounting records processing and enhance the strength of various internal controls, we are in the process of setting up the bank reconciliations of the General Fund in Yardi. Since this function has not been performed in Yardi before, we will work with Yardi's technical support team to establish the beginning General Ledger balance in Yardi, with a goal of implementing this task monthly in the future.

AHA/CDBG/HCD/OTHER MANAGED PROGRAMS

The reimbursement programs are under contract with the City for CDBG, HOME and other affordable housing programs. All staff currently are on AHA payroll and

the billings are processed for reimbursement from the City. Operating revenue is under budget by \$145,620, mainly due to the time lag of the billing and payment process. Operating expenses are under budget by \$47,041. This is mainly due to the savings of administrative contract costs and lower employee benefit costs. Therefore, an overall deficit of \$79,737 resulted.

PARROT VILLAGE AND EAGLE VILLAGE

Total operating revenue for Parrot Village and Eagle Village properties is over budget by \$48,055. This is mainly due to the increased dwelling rents from the higher payment standards and increased HAP rent effective September 2015. Operating expenses continue to remain under budget by \$231,188. This is mainly due to the savings in the administrative contract cost, lower salary expenses, lower employee benefit costs and lower EMP expenses, resulting in a surplus of \$809,037 versus a year-to-date budgeted surplus of \$529,794.

EMP expenses total \$14,619. Fiscal Year CIP's totaled \$22,686 for the project to Resurface and Stripe two parking lots.

HOUSING AUTHORITY OWNED

Operating revenue finished this month over budget by \$307,202, mainly due to the increased dwelling rents from higher payment standards and increased HAP rent effective September 2015 and the ground lease rent revenue received from the Stargell land. Expenses are under budget by \$367,317, mainly due to the delayed EMP expenses, lower salary expenses, delayed tenant activities charges, and offset by higher legal expenses. This resulted in a surplus of \$1,662,385 compared to the budgeted year-to-date surplus of \$829,570.

EMP activity year to date is \$56,308. This is mainly due to the China Clipper's painting project, which was reimbursed by the CDBG Fund.

CIP's totaled \$714,906 for the fiscal year. Of this, \$15,375 is for Anne B Diament's Siding project. The Anne B Diament project for converting units to Section 504 is delayed; \$48,599 has been incurred so far. \$650,933 is slotted for the Site Improvement and Kitchen and Bathroom remodeling Projects for Esperanza.

INDEPENDENCE PLAZA

Operating revenue is slightly over budget by \$56,739. This is mainly due to the reimbursement received from the CDBG Program for replacing gutters, which was not in the budget. The operating expenses are under budget by \$328,056. Therefore, IP operations resulted in a surplus of \$1,020,494 compared to the year-to-date budgeted surplus of \$635,699.

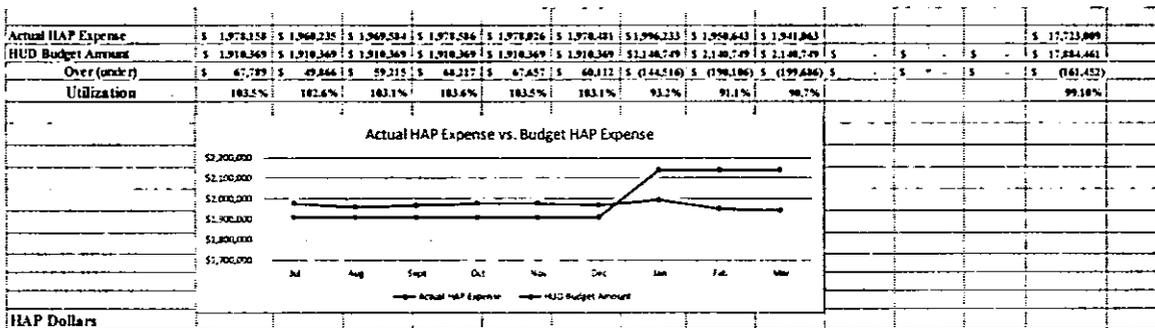
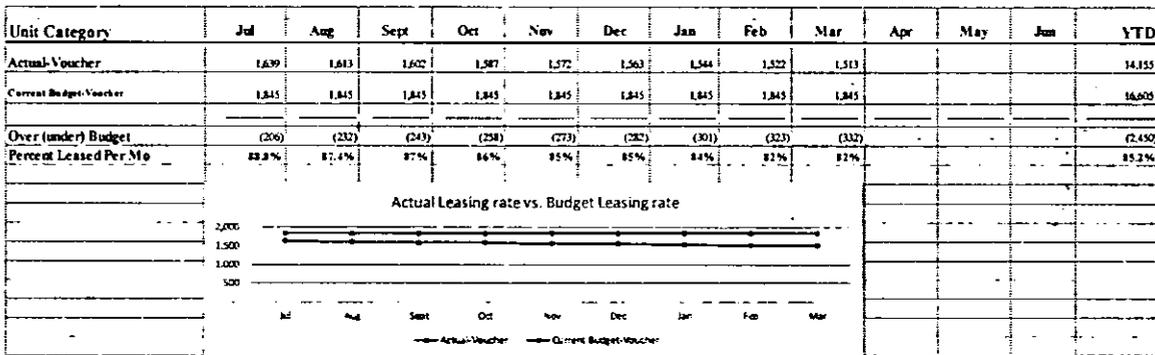
EMP expenses total \$0. CIP totaled \$60,001 for replacing gutters.

HOUSING CHOICE VOUCHER PROGRAM

Our March lease rate is at 82 percent due to the tight housing market. The year-to-date lease rate is at 85.2 percent for the fiscal year ending March 31, 2016, and

82.7 percent for the HUD calendar year 2016 annual funding cycle, which began in January. As HUD increased the budget amount since January 2016, the year-to-date utilization rate of actual HAP expense has decreased to 99.10% of the HUD Budget Amount for the fiscal year ending March 31, 2016, and 91.7% for the HUD calendar year 2016 annual funding cycle.

A project reserve (or HAP funds Held by HUD reserve) whereby AHA can draw additional HAP funds if our HAP costs exceed any year's HAP budget has been established by HUD in lieu of significant RNP (Restricted Net Position) cash reserves held by AHA in the past. Currently this HUD held HAP reserve has a balance in excess of \$2.7 million dollars as of March 31, 2016. As the payment standard increases effective April 2016, the HUD held HAP reserve balance will be fully utilized in the future.



For CY 2016, administrative fees will be paid on the basis of units leased as of the first day of each month. This data will be extracted from the Voucher Management System (VMS) at the close of each reporting cycle. Two fee rates are provided for each public housing authority (PHA). The first rate, referred to as Column A rate, applies to the first 7200 unit months leased in CY 2016. The second rate, referred to as Column B rate, applies to all remaining unit months leased in CY 2016. The 2016 HCV Administrative Fee Column A Rate is \$113.45 and Column B Rate is \$105.90. This is slightly higher than the rates in 2015. The 2015 HCV Administrative Fee Column A Rate was \$110.31 and Column B Rate was \$102.96.

Administrative fee proration was reported at 79% effective January 1 2015. Effective with billings for October 1, 2015, AHA used a pro-ration of 81 percent of 80 percent of the Column B rate to calculate fees for portable vouchers. Based on the appropriated administrative fees in CY 2016, HUD is anticipating a national proration of 80%. Since HUD has already disbursed January and February fees, it will disburse March 2016 administrative fees at 81%. Therefore, AHA will anticipate administrative fee disbursements starting in April 2016 at an 80% proration.

The operating (or administrative) portion of the Housing Choice Voucher program has an operating surplus of \$538,465 compared to the year-to-date budgeted surplus of \$32,464 based on income from actual units leased for the fiscal year as required by HUD accounting brief number 19.

The operating revenue is below year-to-date budget by \$26,482 (.1%). This is mainly due to the lower Administrative Fees received. The operating expense is lower than the year-to-date budget by \$532,483, mainly due to the lower HAP payment. The operating surplus, therefore, is over budget by \$506,001.

BUDGET CONSIDERATION/FINANCIAL IMPACT

At the bottom of each budget variance report, the balance is shown by either a surplus or deficit. An adjustment for any deficit is made by transferring from accumulated operating reserves at the end of the fiscal year. Generally, surpluses are added to operating reserves while deficits are reductions to operating reserves.

RECOMMENDATION

For information only.

Respectfully submitted,



Vanessa M. Cooper
Executive Director

VC:mw

Attachments: 1. Budget Variance Report

Unaudited Budget Variance Report
General Fund
For the Nine Months Ending March 31, 2016

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	S/B 75% USED
OPERATING INCOME:								
HAP	279,897	23,325	28,948	5,623	209,923	217,188	7,265	78%
Interest	7,000	583	844	261	5,250	9,909	4,659	142%
Other Income	118,200	9,850	161	(9,689)	88,650	106,790	18,140	90%
Management Fee	0	0	1,109	1,109	0	8,865	8,865	
Total Operating Income	405,097	33,758	31,062	(2,696)	303,823	342,752	38,929	85%
OPERATING EXPENSES:								
Administrative:								
Salaries	60,000	5,000	31,889	26,889	45,000	31,671	(13,329)	0%
Legal	0	0	0	0	0	750	750	0%
Travel/Training	0	0	(25,237)	(25,237)	0	1,373	1,373	0%
Publications	0	0	0	0	0	0	0	0%
Telephone	0	0	10	10	0	65	65	0%
Audit Fees	0	0	0	0	0	0	0	0%
Office Supplies	0	0	10	10	0	10	10	0%
Contract Costs	0	0	0	0	0	25,705	25,705	0%
Sundry	42,052	3,504	249	3,255	31,539	1,914	29,625	0%
Total	102,052	8,504	6,921	4,927	76,539	61,488	44,199	0%
Tenant Services:								
Tenant Activities	0	0	(15,000)	15,000	0	0	0	0%
Total	0	0	(15,000)	15,000	0	0	0	0%
Utilities:								
Water and Sewer	0	0	0	0	0	0	0	0%
Electricity	0	0	0	0	0	0	0	0%
Gas	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
Maintenance:								
Salaries	0	0	0	0	0	0	0	
Materials	0	0	0	0	0	0	0	0%
Contract Costs	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	
General:								
Police Services	0	0	0	0	0	0	0	
Insurance	0	0	0	0	0	0	0	0%
Claims Benefits	0	0	0	0	0	0	0	0%
Employee Benefits	0	0	10,531	(10,531)	0	10,814	(10,814)	0%
Collection Losses	0	0	0	0	0	0	0	0%
Transfers out	0	0	0	0	0	0	0	0%
Total	0	0	10,531	(10,531)	0	10,814	(10,814)	0%
Total Operating Expenses	102,052	8,504	2,452	9,396	76,539	72,302	33,385	0%
Mortgage/HAP Payments:								
Hap Payments	279,897	23,325	28,948	(5,623)	209,923	217,188	(7,265)	78%
Mortgage Interest								
Total	279,897	23,325	28,948	(5,623)	209,923	217,188	(7,265)	78%
Other Expenses:								
Extraordinary Maintenance	32,500	2,708	0	2,708	24,375	0	24,375	
Pre-development Costs	126,700	10,558	(31,901)	42,459	95,025	40,777	54,248	0%
Total	159,200	13,267	(31,901)	45,168	119,400	40,777	78,623	0%
Total Expenses	541,149	45,096	(501)	48,941	405,862	330,267	75,595	61%
Operating Income before Dep	(136,052)	(11,338)	31,563	42,901	(102,039)	12,485	114,524	-9%
Depreciation (paper expense)	107,525	8,960	9,699	(739)	80,644	87,291	(6,647)	81%
Operating Income after Depr	(243,577)	(20,298)	21,864	42,162	(182,683)	(74,806)	107,877	31%

Unaudited Budget Variance Report
Parrot Village and Eagle Village
For the Nine Fiscal Months Ending March 31, 2016

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	75% USED.
OPERATING INCOME:								
HAP	1,727,008	143,917	145,237	1,320	1,295,256	1,296,701	1,445	75%
Dwelling Rents	480,315	40,026	48,976	8,950	360,236	402,070	41,834	84%
NonDwelling Rents	0	0	0	0	0	0	0	
Interest	12,000	1,000	0	(1,000)	9,000	7,849	(1,151)	65%
Other Income	15,240	1,270	575	(695)	11,430	17,357	5,927	114%
Total Income	2,234,563	186,214	194,788	8,574	1,675,922	1,723,977	48,055	77%
OPERATING EXPENSES:								
Administrative:								
Salaries	261,732	21,811	17,643	4,168	196,299	161,197	35,102	62%
Legal	9,840	820	2,998	(2,178)	7,380	6,343	1,037	64%
Travel/Training	5,830	486	626	(140)	4,373	4,657	(285)	80%
Publications	500	42	0	42	375	115	260	23%
Telephone	3,000	250	431	(181)	2,250	3,074	(824)	102%
Audit Fees	4,800	400	0	400	3,600	4,836	(1,236)	101%
Office Supplies	5,600	467	772	(305)	4,200	3,533	667	63%
Contract Costs	57,076	4,756	2,270	2,486	42,807	21,118	21,689	37%
Sundry	4,400	367	1,000	(633)	3,300	6,253	(2,953)	142%
Total	352,778	29,398	25,740	3,658	264,584	211,126	53,458	60%
Tenant Services:								
Salaries	23,483	1,957	1,126	831	17,612	12,625	4,987	54%
Tenant Activities	14,000	1,167	0	1,167	10,500	100	10,400	1%
Total	37,483	3,124	1,126	1,998	28,112	12,725	15,387	34%
Utilities:								
Water and Sewer	108,900	7,683	12,798	(5,115)	81,675	79,335	2,340	73%
Electricity	16,540	1,378	1,295	83	12,405	10,744	1,661	65%
Gas	6,463	539	8	531	4,847	206	4,641	3%
Total	131,903	9,600	14,101	(4,501)	98,927	90,285	8,642	68%
Maintenance:								
Salaries	210,799	17,567	12,911	4,656	158,099	134,263	23,836	64%
Materials	49,700	4,142	4,212	(70)	37,275	34,427	2,848	69%
Contract Costs	233,120	19,427	45,691	(26,264)	174,840	212,218	(37,378)	91%
Total	493,619	41,135	62,814	(21,679)	370,214	380,908	(10,694)	77%
General:								
Police Services	49,770	4,148	6,440	(2,293)	37,328	29,480	7,848	59%
Insurance	23,246	1,937	1,646	291	17,435	16,261	1,174	70%
Employee Benefits	180,272	15,023	11,285	3,738	135,204	108,002	27,202	60%
Claims Account			0	0		0	0	
Collection Losses	13,600	1,133	0	1,133	10,200	(33)	10,233	0%
Total	266,888	22,241	19,371	2,870	200,166	153,710	46,456	58%
Total Operating Expenses	1,282,671	105,498	123,152	(17,654)	962,003	848,754	113,249	66%
Mortgage Interest								
Mortgage Interest	70,500	5,875	5,402	473	52,875	51,567	1,308	73%
Total	70,500	5,875	5,402	473	52,875	51,567	1,308	73%
Other Expenses:								
Extraordinary Maintenance	175,000	14,583	0	14,583	131,250	14,619	116,631	8%
Total	175,000	14,583	0	14,583	131,250	14,619	116,631	8%
Total Operating Expenses	1,528,171	125,956	128,554	(2,598)	1,146,128	914,940	231,188	60%
Operating Income before Dep	706,392	60,258	66,234	5,976	529,794	809,037	279,243	115%
Depreciation (paper expense)	276,528	23,044	25,427	(2,383)	207,396	228,843	(21,447)	83%
Operating Income after Depr	429,864	35,822	40,807	76,629	322,398	580,194	257,796	135%

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Unaudited Internal Budget Variance Report
Housing Authority-Owned Properties
For the Nine Month Fiscal Period Ending March 31, 2016

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	YTD Budget	Y-T-D Actuals	YTD Variance	75% USED
OPERATING INCOME:								
HAP	4,050,262	337,522	338,812	1,290	3,037,697	3,110,685	72,989	77%
Dwelling Rents	1,378,135	114,845	124,264	9,419	1,033,601	1,108,222	74,621	80%
Interest	50,000	4,167	1,023	(3,144)	37,500	44,512	7,012	89%
Other Income	578,261	48,188	3,412	(44,776)	433,696	586,276	152,580	101%
Total Income	6,056,658	504,722	467,511	(37,211)	4,542,494	4,849,695	307,202	80%
OPERATING EXPENSES:								
Administrative:								
Salaries	777,611	64,801	52,708	12,093	583,208	495,312	87,896	64%
Legal	36,756	3,063	28,688	(25,625)	27,567	71,623	(44,056)	195%
Travel/Training	13,670	1,139	1,746	(607)	10,253	14,296	(4,044)	105%
Publications	1,800	150	0	150	1,350	349	1,001	19%
Telephone	9,000	750	1,368	(618)	6,750	10,807	(4,057)	120%
Audit Fees	11,500	958	0	958	8,625	13,175	(4,550)	115%
Office Supplies	15,900	1,325	2,643	(1,318)	11,925	11,143	782	70%
Contract Costs	194,121	16,177	9,527	6,650	145,591	80,872	64,719	42%
Sundry	13,400	1,117	3,043	(1,926)	10,050	18,002	(7,952)	134%
Total	1,073,758	89,480	99,723	(10,243)	805,319	715,579	89,740	67%
Tenant Services:								
Salaries	48,656	4,055	3,813	242	36,492	33,795	2,697	69%
Tenant Activities	89,400	7,450	15,491	(8,041)	67,050	21,272	45,778	24%
Relocation Cost	25,000	0	5,622	(5,622)	18,750	21,832	(3,082)	0%
Total	163,056	11,505	24,926	(13,421)	122,292	76,899	45,393	47%
Utilities:								
Water and Sewer	281,715	22,176	16,628	5,548	211,286	200,235	11,051	71%
Electricity	73,744	6,145	5,492	653	55,308	41,210	14,098	56%
Gas	46,616	3,885	2,491	1,394	34,962	21,518	13,444	46%
Total	402,075	32,206	24,611	7,595	301,556	262,963	38,593	65%
Maintenance:								
Salaries	546,941	45,578	28,385	17,193	410,206	353,988	56,218	65%
Materials	117,981	9,832	9,496	336	88,486	88,361	125	75%
Contract Costs	701,302	58,442	60,267	(1,825)	525,977	558,568	(32,592)	80%
Total	1,366,224	113,852	98,148	15,704	1,024,668	1,000,917	23,751	73%
General:								
Police Services	106,680	8,890	20,510	(11,620)	80,010	93,045	(13,035)	87%
Insurance	47,392	3,949	5,137	(1,188)	35,544	45,404	(9,860)	96%
Employee Benefits	386,881	32,240	30,538	1,702	290,161	298,835	(8,674)	77%
Claim Costs	0	0	0	0	0	0	0	
Collection Loss	17,687	1,474	(1,806)	3,280	13,265	(120)	13,385	
Total	558,640	46,553	54,379	(7,826)	418,980	437,164	(18,184)	78%
Total Operating Expenses	3,563,753	293,596	301,787	(8,191)	2,672,815	2,493,522	179,293	70%
Mortgage/HAP Payments:								
Mortgage Interest	789,850	65,821	66,730	(909)	592,388	602,782	(10,395)	76%
Interest to City Loan	0	0	0	0	0	0	0	
Total	789,850	65,821	66,730	(909)	592,388	602,782	(10,395)	76%
Other Expenses:								
Extraordinary Maintenance	555,662	42,658	2,500	40,042	416,747	56,308	202,142	
Pre-development Cost	41,300	0	(6,025)	6,025	30,975	34,698	(3,723)	84%
Total	596,962	42,658	(3,525)	46,067	447,722	91,006	198,419	
Total Expenses	4,950,565	402,075	364,992	37,083	3,712,924	3,187,310	367,317	64%
Operating Income before Dep	1,106,093	102,647	102,519	(128)	829,570	1,662,385	832,815	150%
Depreciation (paper expense)	578,269	48,189	55,389	(7,200)	433,702	498,501	(64,799)	86%
Operating Income after Depr	527,824	43,985	47,130	3,145	395,868	1,163,884	768,016	

**Unaudited Budget Variance Report
Section 8 Voucher Program
For the Nine Months Ending March 31, 2016**

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	YTD Budget	Y-T-D Actuals	YTD Variance	S/B 75% USED
OPERATING INCOME:								
HAP	23,768,730	1,980,728	1,990,027	9,300	17,826,548	17,845,147	18,600	75%
Dwelling Rents	0	0	0	0	0	0	0	0%
Administrative Fees	1,871,321	155,943	141,113	(14,830)	1,403,491	1,352,211	(51,280)	72%
Interest	0	0	0	0	0	491	491	0%
Other Income	43,942	3,662	0	(3,662)	32,957	38,664	5,708	88%
Total Income	25,683,993	2,140,333	2,131,140	(9,193)	19,262,995	19,236,513	(26,482)	75%
OPERATING EXPENSES:								
Administrative:								
Salaries	1,128,840	94,070	80,264	13,806	846,630	782,832	63,798	69%
Legal	11,030	919	1,903	(984)	8,273	14,253	(5,981)	129%
Travel/Training	13,000	1,083	857	226	9,750	28,558	(18,808)	220%
Publications	1,300	108	0	108	975	446	529	34%
Telephone	10,900	908	1,146	(238)	8,175	7,835	340	72%
Audit Fees	11,000	917	0	917	8,250	4,743	3,507	43%
Office Supplies	20,000	1,667	4,908	(3,241)	15,000	19,930	(4,930)	100%
Contract Costs	158,882	13,240	14,337	(1,097)	119,162	78,919	40,243	50%
Sundry	56,565	4,714	5,117	(403)	42,424	23,872	18,552	0%
Total	1,411,517	117,626	108,532	9,094	1,058,638	961,388	97,250	68%
Tenant Services:								
Salaries	0	0	0	0	0	0	0	
Tenant Activities	100	8	526	(518)	75	2,029	(1,954)	0%
Total	100	8	526	(518)	75	2,029	(1,954)	0%
Utilities:								
Water and Sewer	371	31	276	(245)	278	1,203	(925)	324%
Electricity	8,823	735	967	(232)	6,617	5,391	1,226	61%
Gas	516	43	35	8	387	280	107	54%
Total	9,710	809	1,278	(469)	7,283	6,874	409	71%
Maintenance:								
Salaries	0	0	0	0	0	0	0	
Materials	4,578	382	1,707	(1,326)	3,434	2,327	1,107	0%
Contract Costs	17,250	1,438	577	861	12,938	17,398	(4,461)	0%
Total	21,828	1,819	2,284	(465)	16,371	19,725	(3,354)	90%
General:								
Police Services	15,960	1,330	1,995	(665)	11,970	8,978	2,992	56%
Insurance	4,185	349	322	27	3,139	2,906	233	69%
Employee Benefits	408,678	34,057	29,520	4,537	306,509	284,364	22,145	70%
Claim Costs	0	0	0	0	0	0	0	0%
Total	428,823	35,735	31,837	3,898	321,617	296,248	25,369	69%
Total Operating Expenses	1,871,978	155,998	144,457	11,541	1,403,984	1,286,264	117,720	69%
HAP Payments:								
HAP	23,768,730	1,980,728	1,930,053	50,675	17,826,548	17,411,784	414,764	73%
Total	23,768,730	1,980,728	1,930,053	50,675	17,826,548	17,411,784	414,764	73%
Other Expenses:								
Extraordinary Maintenance	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
Total Expenses	25,640,708	2,136,726	2,074,510	62,216	19,230,531	18,698,048	532,483	73%
Operating Income before Dep	43,285	3,607	56,630	60,237	32,464	538,465	506,001	1244%
Depreciation (paper expense)	0	0	0	0	0	0	0	
Operating Income after Depr	43,285	3,607	56,630	60,237	32,464	538,465	506,001	1244%

Housing Authority of the City of Alameda Unaudited Budget Variance Report For the Nine Month Fiscal Period Ending March 31, 2016

Description	Year to Date (YTD) Actual Income and Expenditures										YTD Variance	Budget Used	S/B 75%		
	Year to Date Budget	General Fund	AHA/CDBG/Other Managed	Parrot & Eagle Village	I/A Owned	Independence Plaza	Section 8	Total Actual							
Operating Income															
HAP/Subsidy/Tax Increment	\$ 23,494,898	\$ 217,188	\$ -	\$ 1,296,701	\$ 3,110,685	\$ 1,054,760	\$ 17,845,147	\$ 23,524,481	\$ 29,584	75%	\$ 31,326,530				
Dwelling Rent	2,463,308	-	-	402,070	1,108,222	1,119,180	-	2,629,472	166,165	80%	3,284,410				
Administrative Fees	1,403,491	-	-	-	-	-	1,352,211	1,352,211	(51,280)	72%	1,871,321				
Interest	53,250	9,909	-	7,849	44,512	2,054	491	64,815	11,565	91%	71,000				
Other Income	1,194,512	115,655	465,960	17,357	586,276	93,390	38,664	1,317,302	122,790	83%	1,592,683				
Total Operating Income	28,609,458	342,752	465,960	1,723,977	4,849,695	2,269,384	19,236,513	28,888,281	278,823	76%	38,145,944				
Operating Expenses															
Administrative:															
Salaries	2,285,020	31,671	385,550	161,197	495,312	210,126	782,832	2,066,688	218,332	68%	3,046,693				
Legal	56,776	750	5,393	6,343	71,623	4,493	14,253	102,855	(46,079)	136%	75,701				
Travel/Training	59,912	1,373	1,681	4,657	14,296	5,846	28,558	56,411	3,501	71%	79,883				
Publications	3,448	-	-	115	349	137	446	1,047	2,401	23%	4,597				
Telephone	25,464	65	9	3,074	10,807	7,951	7,835	29,741	(4,277)	88%	33,952				
Audit Fees	26,855	-	-	4,836	13,175	8,246	4,743	31,000	(4,146)	87%	35,806				
Office Supplies	42,192	10	3,148	3,533	11,143	4,725	19,930	42,489	(297)	76%	56,256				
Contract Costs	404,594	25,705	23,261	21,118	80,872	23,127	78,919	253,002	151,592	47%	539,458				
Sundry	74,899	1,914	8,830	6,253	18,002	9,014	23,872	67,885	7,014	68%	99,865				
Subtotal	2,979,158	61,488	427,872	211,126	715,579	273,665	961,388	2,651,118	328,040	67%	3,972,211				
Tenant Services:															
Salaries	71,927	-	-	12,625	33,795	19,090	-	65,510	6,417	68%	95,902				
Tenant Activities	97,575	-	295	100	21,272	7,257	2,029	30,953	66,622	24%	130,100				
Relocation Cost	18,750	-	-	-	21,832	-	-	21,832	(3,082)	0%	25,000				
Subtotal	188,252	-	295	12,725	76,899	26,347	2,029	118,295	69,957	47%	251,002				
Utilities:															
Water and Sewer	399,353	-	-	79,335	200,235	97,668	1,203	378,441	20,912	71%	532,470				
Electricity	111,753	-	-	10,744	41,210	32,325	5,391	89,670	22,083	60%	149,004				
Gas	56,294	-	-	206	21,518	14,334	280	36,338	19,956	48%	75,058				
Subtotal	567,399	-	-	90,285	262,963	144,327	6,874	504,449	62,950	67%	756,532				
Maintenance:															
Salaries	835,853	-	-	134,263	353,988	223,450	-	711,701	124,152	64%	1,114,470				
Materials	164,698	-	-	34,427	88,361	38,167	2,327	163,282	1,416	74%	219,597				
Contract Costs	911,589	-	-	212,218	558,568	142,514	17,398	930,698	(19,109)	77%	1,215,452				
Subtotal	1,912,139	-	-	380,908	1,000,917	404,131	19,725	1,805,681	106,458	71%	2,549,519				
General:															
Police Services	157,500	-	-	29,480	93,045	27,248	8,978	158,751	(1,251)	76%	210,000				
Insurance	78,638	-	-	16,261	45,404	23,927	2,906	88,498	(9,861)	84%	104,850				
Employee Benefits	1,065,761	10,814	114,013	108,002	298,835	156,466	284,364	972,494	93,267	68%	1,421,015				
Collection Losses	23,465	-	-	(33)	(120)	(464)	-	(617)	24,082	-2%	31,287				
Subtotal	1,325,364	10,814	114,013	153,710	437,164	207,177	296,248	1,219,126	106,238	69%	1,767,152				

Housing Authority of the City of Alameda Unaudited Budget Variance Report For the Nine Month Fiscal Period Ending March 31, 2016

Description	Year to Date (YTD) Actual Income and Expenditures										YTD Variance	S/B 75%	Annual Budget
	Year to Date Budget	General Fund	AHHA/CDBG/Other Managed	Parrot & Eagle Village	HA Owned	Independence Plaza	Section 8	Total Actual					
Total Operating Exp.	6,972,312	72,302	542,180	848,754	2,493,522	1,055,647	1,286,264	6,298,669			673,643	68%	9,296,416
Mortgage/HAP Payments:													
HAP Payments	18,036,470	217,188	-	-	-	-	17,411,784	17,628,972			407,498	73%	24,048,627
Mortgage Interest	836,535	-	-	51,567	602,782	193,243	-	847,592			(11,057)	76%	1,115,380
Interest-City Loan	-	-	-	-	-	-	-	-			0	0%	0
Subtotal	18,873,005	217,188	-	51,567	602,782	193,243	17,411,784	18,476,564			396,441	73%	25,164,007
Other Expenses:													
Extraordinary Maint.	693,221	-	-	14,619	56,308	-	-	70,927			622,294	8%	924,294
CDBG/Other Programs	-	-	-	-	-	-	-	-			0	0%	0
Pre-Development Costs	126,000	40,777	3,517	-	34,698	-	-	78,992			47,008	47%	168,000
Subtotal	819,221	40,777	3,517	14,619	91,006	-	-	149,919			669,302	14%	1,092,294
Total Expenses	26,664,538	330,267	545,697	914,940	3,187,310	1,248,890	18,698,048	24,925,152			1,739,386	70%	35,552,717
Operating Income before Depr.	1,944,920	12,485	(79,737)	809,037	1,662,385	1,020,494	538,465	3,963,129			2,018,209	153%	2,593,227
Depreciation	978,965	87,291	-	228,843	498,501	285,993	-	1,100,628			(121,664)	84%	1,305,286
Operating Income after Depr.	965,956	(74,806)	(79,737)	580,194	1,163,884	734,501	538,465	2,862,501			1,896,545		1,287,941

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**Housing Authority of the City of Alameda
 Unaudited Budget Variance Report
 For the Nine Month Fiscal Period Ending March 31, 2016**

Description	Year to Date Budget	Year to Date (YTD) Actual Income and Expenditures						YTD Variance	S/B 75%	Annual Budget
		General Fund	AHA/CDBG/Other Managed	Parrrot & Eagle Village	HA Owned	Independence Plaza	Section 8			
GAAP to Cash Adjustments:										
Operating Income after Depr.		(74,806)	(79,737)	580,194	1,163,884	734,501	538,465	2,862,501		
<u>Cash Adjustments</u>										
Addback Depreciation		87,291	-	228,843	498,501	285,993	-	1,100,628		
Subtract Mtg Prin Paymts		-	-	(115,300)	(152,815)	(389,579)	-	(657,694)		
Subtract Replacement Res		-	-	(24,217)	(27,450)	(48,132)	-	(99,799)		
Total Adjustments		87,291	-	89,326	318,236	(151,718)	-	343,135		
Adjusted Net Cash		12,485	(79,737)	669,520	1,482,120	582,783	538,465	3,205,636		
<u>Reserve Transfers, Loans, Prior Period Adj</u>										
Operating Reserve Transfers		-	-	-	-	-	-	-		
Payoff US Bank Loans		-	-	-	-	-	-	-		
Replacement Reserves-Voluntary		-	-	-	-	-	-	-		
Equipment Reserves-Voluntary		-	-	-	-	-	-	-		
Total Reserve Transfers		-	-	-	-	-	-	-		
<u>Capital Assets</u>										
Capital Asset Additions		14,999	-	(22,686)	(714,906)	(60,001)	-	(782,594)		
Net Capital Assets		14,999	-	(22,686)	(714,906)	(60,001)	-	(782,594)		
Net GAAP to Cash Adj's		27,484	(79,737)	646,834	767,214	522,782	538,465	2,423,042		

**Unaudited Budget Variance Report
 AHA/CDBG/Other Managed Programs
 For the Nine Months Ending March 31, 2016**

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	S/B 75% USED
OPERATING INCOME:								
HAP	0	0	0	0	0	0	0	
Interest	0	0	0	0	0	0	0	
Other Income	815,440	67,953	70,126	2,173	611,580	465,960	(145,620)	57%
Management Fee	0	0	0	0	0	0	0	
Total Operating Income	815,440	67,953	70,126	2,173	611,580	465,960	(145,620)	57%
OPERATING EXPENSES:								
Administrative:								
Salaries	513,491	42,791	50,552	7,761	385,118	385,550	(432)	75%
Legal	0	0	0	0	0	5,393	(5,393)	0%
Travel/Training	6,531	544	66	(478)	4,898	1,681	3,217	26%
Publications	297	25	0	(25)	223	0	223	0%
Telephone	3,052	254	1	(253)	2,289	9	2,280	0%
Audit Fees	4,806	401	0	(401)	3,605	0	3,605	0%
Office Supplies	6,756	563	1,263	700	5,067	3,148	1,919	47%
Contract Costs	58,558	4,880	526	(4,354)	43,919	23,261	20,658	40%
Sundry	0	0	2,402	(2,402)	0	8,830	(8,830)	0%
Total	593,491	49,458	54,810	548	445,118	427,872	17,246	72%
Tenant Services:								
Tenant Activities	0	0	0	0	0	295	295	0%
Work Experience	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	295	295	0%
Utilities:								
Water and Sewer	0	0	0	0	0	0	0	0%
Electricity	0	0	0	0	0	0	0	0%
Gas	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
Maintenance:								
Salaries	0	0	0	0	0	0	0	
Materials	0	0	0	0	0	0	0	0%
Contract Costs	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	
General:								
Police Services	0	0	0	0	0	0	0	
Insurance	0	0	0	0	0	0	0	0%
Claims Benefits	0	0	0	0	0	0	0	0%
Employee Benefits	196,040	16,337	12,510	3,827	147,030	114,013	33,017	58%
Collection Losses	0	0	0	0	0	0	0	0%
Transfers out	0	0	0	0	0	0	0	0%
Total	196,040	16,337	12,510	3,827	147,030	114,013	33,017	58%
Total Operating Expenses	789,531	65,794	67,320	4,375	592,148	542,180	50,558	69%
Mortgage/HAP Payments:								
Hap Payments	0	0	0	0	0	0	0	
Mortgage Interest	0	0	0	0	0	0	0	
Total	0	0	0	0	0	0	0	
Other Expenses:								
Extraordinary Maintenance	0	0	0	0	0	0	0	
CDBG/Other Programs	0	0	0	0	0	0	0	
Pre-development Costs	0	0	0	0	0	3,517	(3,517)	0%
Total	0	0	0	0	0	3,517	(3,517)	0%
Total Expenses	789,531	65,794	67,320	4,375	592,148	545,697	47,041	69%
Operating Income before Dep	25,909	2,159	2,806	647	19,432	(79,737)	(99,169)	
Depreciation (paper expense)	0	0	0	0	0	0	0	
Operating Income after Depr	25,909	2,159	2,806	647	19,432	(79,737)	(99,169)	

Unaudited Internal Budget Variance Report
Independence Plaza
For the Nine Fiscal Months Ending March 31, 2016

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	S/B 75% USED
OPERATING INCOME:								
Dwelling Rents	1,425,960	118,830	125,714	6,884	1,069,470	1,119,180	49,710	78%
Deficit Adjustment (City)	1,500,633	125,053	101,957	(23,096)	1,125,475	1,054,760	(70,715)	70%
Interest	2,000	167	0	(167)	1,500	2,054	554	103%
Other Income	21,600	1,800	2,082	282	16,200	93,390	77,190	432%
Total Income	2,950,193	245,849	229,753	(16,096)	2,212,645	2,269,384	56,739	77%
OPERATING EXPENSES:								
Administrative:								
Salaries	305,019	25,418	23,321	2,097	228,764	210,126	18,638	69%
Legal	18,075	1,506	630	876	13,556	4,493	9,063	25%
Travel/Training	8,800	733	910	(177)	6,600	5,846	754	66%
Publications	700	58	0	58	525	137	388	20%
Telephone	8,000	667	824	(157)	6,000	7,951	(1,951)	99%
Audit Fees	3,700	308	0	308	2,775	8,246	(5,471)	223%
Office Supplies	8,000	667	1,031	(364)	6,000	4,725	1,275	59%
Contract Costs	70,822	5,902	3,227	2,675	53,117	23,127	29,990	33%
Sundry	15,500	1,292	2,188	(896)	11,625	9,014	2,611	58%
Total	438,616	36,551	32,131	4,420	328,962	273,665	55,297	62%
Tenant Services:								
Salaries	23,764	1,980	2,335	(355)	17,823	19,090	(1,267)	80%
Tenant Activities	26,600	2,217	40	2,177	19,950	7,257	12,693	
Total	50,364	4,197	2,375	1,822	37,773	26,347	11,426	52%
Utilities:								
Water and Sewer	141,484	11,790	13,013	(1,223)	106,113	97,668	8,445	69%
Electricity	49,897	4,158	6,649	(2,491)	37,423	32,325	5,098	65%
Gas	21,463	1,789	1,833	(44)	16,097	14,334	1,763	67%
Total	212,844	17,737	21,495	(3,758)	159,633	144,327	15,306	68%
Maintenance:								
Salaries	356,730	29,728	15,640	14,088	267,548	223,450	44,098	63%
Materials	47,338	3,945	5,137	(1,192)	35,504	38,167	(2,664)	81%
Contract Costs	263,780	21,982	13,861	8,121	197,835	142,514	55,321	54%
Total	667,848	55,654	34,638	21,016	500,886	404,131	96,755	61%
General:								
Police Services	37,590	3,133	6,055	(2,923)	28,193	27,248	945	72%
Insurance	30,027	2,502	2,710	(208)	22,520	23,927	(1,407)	80%
Employee Benefits	249,144	20,762	14,755	6,007	186,858	156,466	30,392	63%
Collection Losses	0	0	0	0	0	(464)	464	
Total	316,761	26,397	23,520	2,877	237,571	207,177	30,394	65%
Total Operating Expenses	1,686,433	140,536	114,159	26,377	1,264,825	1,055,647	209,178	63%
Mortgage Interest								
Mortgage Interest	255,030	21,253	21,050	203	191,273	193,243	(1,971)	76%
Total	255,030	21,253	21,050	203	191,273	193,243	(1,971)	76%
Other Expenses:								
Extraordinary Maintenance	161,132	13,428	0	13,428	120,849	0	120,849	0%
Total	161,132	13,428	0	13,428	120,849	0	120,849	0%
Total Expenses	2,102,595	175,216	135,209	40,007	1,576,946	1,248,890	328,056	59%
Operating Income before Dep	847,598	70,633	94,544	23,911	635,699	1,020,494	384,796	120%
Depreciation (paper expense)	342,964	28,580	31,777	(3,197)	257,223	285,993	(28,770)	83%
Operating Income after Depr	504,634	42,053	62,767	20,714	378,476	734,501	356,026	146%



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: Victoria Johnson
Director of Housing and Community Development

Date: April 20, 2016

Re: Authorize the Executive Director to Negotiate a Contract for Construction
Manager at Risk with Arbor Building Group for the Section 504
Accessibility Upgrades at Anne B. Diament Plaza

BACKGROUND

In January 2016 the Board approved a \$505,000 project budget and a construction contract with ABG Group for the conversion of four one-bedroom units at Anne B. Diament Senior Complex to fully accessible one-bedroom units. The scope of work includes bathroom, kitchen and closet renovations and common area improvements to parking, signage, and entrance doors. In February, prior to the start of any work, the contractor withdrew the bid. ABG Group was the only bid received and there was no 'next lowest' bidder to contact.

At the time the bid was withdrawn, all four tenants had just been moved out of their units into temporary units in order to complete the work. The project was then transferred from the Facilities Department to Housing and Community Development Department.

DISCUSSION

Staff estimates that the time needed to advertise and rebid the project would be three months, and the work itself will take four months. Staff is proposing an alternate construction management plan that should reduce the total project time by at least two months in order to make it possible for residents to return to their homes by August. The proposed plan is to piggyback on a completed procurement for construction management issued by Alameda County. Staff has received copies of the procurement documents from the Alameda County Department of Housing and Community Development and has reviewed the qualifications of six firms approved by the County. These firms are Keystone Development, The Consortium Development Corp, AECOM, The Alley Group, Arbor Building Group and Cornerstone Facilities Consulting. Staff has confirmed that one of the six (Arbor Building Group) has relevant experience in both contracting and management. This firm has confirmed that it is willing to manage and complete the project as a construction manager (CM) at risk, within an established

Not to Exceed or GMP (gross maximum price) amount. This GMP contract will establish the contractor's fees for general conditions, overhead and profit in advance of the contract at approximately the industry standard fee, and will incentivize the contractor to obtain best pricing for all subcontracted trades. The CM at risk contract protects the owner from unexpected increases, as the GMP is established at a fixed price. This approach is permitted under the AHA's procurement procedures.

The architectural design firm for the project prepared an initial cost estimate for three units and the common area work. The original estimate is \$339,000 (Exhibit A). This estimate includes the owner's contingency, permits and supervision, but it also includes only three rather than four units. The revised GMP is \$418,000 (exhibit B); it includes 4 units, common area and some line items are by allowance.

Each of the impacted tenants resides in a unit that is subsidized with a project-based housing choice voucher. The voucher program allows a tenant to be vacant from a unit for a maximum of 180 days. If the unit remains vacant beyond this period, the voucher contract can be cancelled and the tenant may not be allowed to return to the unit.

If the project begins construction in April, the work will not be completed prior to the end of the fiscal year. After final costs are tallied, any cost over the approved budget will be submitted to the Board for approval with the FY 16-17 budget.

FINANCIAL IMPACT

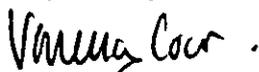
The FY 15-16 budget included \$505,000 as follows: \$50,000 for design and permits, \$35,000 for relocation, \$350,000 for construction and \$70,000 contingency. The updated estimated total cost is: \$50,000 for design and permits, \$35,000 for relocation and \$418,000 GMP. This cost includes certain items by allowance and the cost may slightly less. Of the original \$505,000, only \$2,000 will remain available as contingency.

If additional funds are needed (or if surplus funds remain unused) the adjustment will be made within the Board approved FY 16-17 budget. In addition to the GMP contract amount, total project cost will include (completed) design work, permits, tenant relocation and an owner's contingency.

RECOMMENDATION

Authorize the Executive Director to negotiate a contract for Construction Manager at Risk with Arbor Building Group for the Section 504 accessibility upgrades at Anne B. Diamant Plaza; with a GMP not to exceed \$418,000.

Respectfully submitted,



Vanessa M. Cooper
Executive Director

VMC/vj

Attachments: Exhibit A – Engineer's Estimate of Cost (original)
Exhibit B - Revised Schedule of Values (4 units)

**Anne B. Diament Plaza
Senior Housing Complex**

Spec Section	Item	cost/unit	sf/lf	cost	subtotal
01	Permits, Fees, Taxes, Insurance	14794.24	1	14,794.24	
	Supervision & Project Management	36985.6	1	36,985.60	
	General Conditions, Profit & Overhead	46232	1	46,232.00	
	Contingency (25%)	46232	1	46,232.00	144,243.84
02 Demo	Framing	\$14.80	403	5,964.40	
	Doors	\$66.00	6	396.00	
	Fixtures	\$656.00	3	1,968.00	
	Piping 1	\$5.50	30	165.00	
	Piping 2	\$8.00	20	160.00	
	Ductwork	\$1.23	30	36.90	
	Water Pipes	\$6.50	60	390.00	
	Electrical	\$10.00	30	300.00	
	Cabinets	\$69.00	3	207.00	
	Floor 2nd&3rd	\$2.35	120	282.00	
	Floor 1st	\$1.80	60	108.00	
	Asphalt	\$2.86	724	2,070.64	12,047.94
02 Site Work	Site Preparation (1%)	\$1,830.97	1	1,830.97	
	Concrete Flatwork	\$10.00	414	4,140.00	
	AC Paving	\$3.40	190	646.00	
	Striping	\$3.00	266	798.00	
	Truncated Domes	\$150.00	2	300.00	
	Site Signage	\$80.00	1	80.00	7,794.97
03	Concrete Repair	\$10.00	330	3,300.00	
	Precast Concrete	\$150.00	2	300.00	3,600.00
05	Balcony Mesh	\$412.00	2	824.00	824.00
06	Rough Carpentry	\$5.00	924	4,620.00	
	Flooring Joists	\$4.00	126	504.00	
	Flooring Plywood	\$300.00	2	600.00	
	6" Wall Base VGDF 1x4	\$10.00	422	4,220.00	
	Cabinetry	\$4,000.00	3	12,000.00	
	Stone Counter Top	\$1,000.00	3	3,000.00	24,944.00
07	Insulation	\$1.20	924	1,108.80	
	Fire Safing	\$20.00	30	600.00	
	Flashing	\$200.00	1	200.00	
	Sealant	\$20.00	45	900.00	2,808.80
08	Metal (Door) Frame	\$165.00	6	990.00	
	Wood Door (solid core, 1-3/8", pre-hung)	\$350.00	6	2,100.00	
	Closet Doors, sliding, 8' closet	\$600.00	3	1,800.00	
	Closet Doors, sliding, 6' closet	\$500.00	3	1,500.00	
	Folding Closet Doors (incl. hardware)	\$900.00	3	2,700.00	
	Aluminum Door w/ Sidelight, balcony (incl. hardware)	\$2,000.00	3	6,000.00	
	Hardware Wood Doors (bed, bath, entrance)	\$450.00	9	4,050.00	
	Hardware Entrance Doors	\$4,000.00	2	8,000.00	
	Hardware Closet Sliding Doors	\$100.00	6	600.00	
	Automatic Door Opener	\$350.00	2	700.00	28,440.00
9	Gypsum Wallboard (normal)	\$1.66	1608	2,669.28	
	Gypsum Wallboard (M.R)	\$1.73	960	1,660.80	
	Ceramic Tile Floor	\$15.78	165	2,603.70	
	Ceramic Tile Walls	\$10.56	480	5,068.80	
	Backer Board (Shower Only)	\$5.00	312	1,560.00	

**Anne B. Diament Plaza
Senior Housing Complex**

Spec Section	Item	cost/unit	sf/lf	cost	subtotal
	Vinyl Flooring	\$1.88	1380	2,600.00	
	Painting above tiles, waterproof	\$2.86	168	480.48	
	Painting bedroom, hallway, kitchen, living	\$1.96	3756	7,361.76	
	Painting exterior	\$1.21	288	348.48	
	Balcony Decking	\$2,170.00	1	2,170.00	26,523.30
10	Door & Room Signs	\$35.00	30	1,050.00	
	Fire Extinguishers	\$100.00	3	300.00	
	Toilet Accessories (with install)	\$1,200.00	3	3,600.00	4,950.00
11	Appliances (with install)	\$2,500.00	3	7,500.00	7,500.00
12	Blinds/ Shades	\$1,695.00	1	1,695.00	1,695.00
15	Fixtures (with install)	\$5,500.00	3	16,500.00	
	Floor Drain, Valves etc.	\$500.00	3	1,500.00	
	Cast Iron	\$2,000.00	1	2,000.00	
	Cast Iron (Soil)	\$800.00	1	800.00	
	Copper pipes w/ fittings	\$4,000.00	1	4,000.00	
	Vents Toilets (2" CI)	\$80.00	35	2,800.00	
	Vents Hoods	\$100.00	30	3,000.00	
	Fans	\$800.00	3	2,400.00	33,000.00
16	Electrical	\$20,000.00	1	20,000.00	
	Elevator Panel Accessibility	\$2,500.00	1	2,500.00	
	Entrance Keypad Accessibility	\$800.00	1	800.00	
	Fire Alarm System	\$2,000.00	1	2,000.00	
	Security System	\$2,000.00	1	2,000.00	
	Low Voltage System Remediation	\$1,500.00	1	1,500.00	
	Signal & Communication System	\$2,000.00	1	2,000.00	30,800.00
Subtotal without Spec Section 01:				184,928.01	
Total:					329,171.85

Notes:

- does NOT include mirror above range
- apartment entrance door is refinished, but will have new hardware
- the entrance keypad is only lowered, not exchanged with braille etc.
- range hoods will have exhaust ducts
- shelves and rods in closets NOT included



Diamond Plaza Renovations

Code	Description	Original Budget	PM Comments
11-Apr-16	General Conditions	45,000	
	Demolition	15,000	
	Asphalt Paving	5,400	
	Curbs/Striping	1,000	
	Concrete	7,500	
	Sawcutting	500	
	Structural/Misc. Metals	4,000	
	Rough Carpentry	28,000	
	Finish Carpentry/Counterops/Cabinets	32,000	
	Waterproofing Showers/Decks	12,000	
	Caulking/Fire Stop	500	
	Doors/Frames/Hardware	41,000	
	Mirrors/Med Cabinets	1,200	
	Drywall	28,000	
	Insulation Repairs	1,000	
	Exterior Siding/Plaster Repairs	4,000	
	Floor covering	10,000	
	Painting	13,600	
	Toilet Accessories	2,000	
	Appliances	12,000	
	Knox Box	400	
	Window Blinds	2,400	
	Elevators Allowance	7,500	
	Mechanical/Vents/Roof Jacks	10,000	
	Plumbing	35,000	
	Electrical/Fire Alarm/Access Control	42,000	
	Contingency	10,000	
	Subcontractor Subtotal	\$ 371,000	
01100	Bond	6,000	
01101	Insurance	4,000	
20000	General Contractor Fee	37,000	
	Subtotal Miscellaneous	\$ 47,000	
	Total	\$ 418,000	



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: ZeeLaura Page
Management Analyst

Date: April 20, 2016

Re: Award a contract with Life Skills Training and Education Programs, Inc. ("LifeSTEPS") up to \$435,000 and authorize the Executive Director to execute the contract

BACKGROUND

In 2013 the Housing Authority of the City of Alameda (AHA) issued a Request for Proposals (RFP) for Resident Services and as a result contracted with SYNERGY HomeCare of Alameda to provide coordinated services for senior residents. This contract focused on providing limited in-home care and mobility classes in our two senior properties. The contract expired in late 2015. In order to expand resident services to all AHA-owned properties, the Housing Authority issued a second RFP for Social Services in December 2015. Life Skills Training and Educational Programs, Inc., "LifeSTEPS" was selected through a review process to provide services in the four areas of the RFP.

LifeSTEPS, a California 501c3, is the largest provider of social services to residents of affordable housing in California. Formed in 1996, LifeSTEPS is a statewide organization serving over 80,000 residents living in more than 28,440 units of family, senior, and SRO low-income and supportive housing. They have been providing meaningful social services to residents of affordable housing for twenty years. LifeSTEPS has worked successfully with other local housing authorities providing similar services to residents.

The provision of social services to families in the AHA portfolio will provide much needed support to our seniors and families with the goals of maintaining housing and improving overall quality of life for our residents. In addition to regular educational workshops and drop-in case management hours, LifeSTEPS will provide assistance in addressing issues such as non-payment of rent, domestic violence, mental and physical health issues, senior independent living skills, hoarding, money management, and



emergency preparedness. Much of this support work is currently being done by our property management staff and by having an independent party take those functions over, staff can focus on the core roles of property management. Bi-weekly meetings, held between LifeSTEPS staff and property management staff, will ensure strong communication. Limited by-appointment services will also be provided to Section 8 participants housed by private landlords.

DISCUSSION

AHA is requesting Board authorization to contract with Life Skills Training and Educational Programs, Inc, "LifeSTEPS" to provide Social Services in 4 areas including:

- Area 1: Assign a fulltime social worker to provide daily social services, case management and activities for tenants at AHA-owned properties.
- Area 2: Provide limited phone counseling/information and referrals to tenants or clients not covered in Area 1, generally tenant-based voucher holders at privately owned properties subsidized by the AHA. Case management or referral services will be provided to individuals/families upon a written referral by an AHA employee.
- Area 4: To provide counseling and workshops for Family Self Sufficiency (FSS) clients (on an as needed basis).

Area 3 will be covered under a different contract at a later date (see below for additional details).

The total contract not to exceed amount is \$435,000 for the initial 3-year term. The agreement will begin May 1, 2016 and run to April 30, 2019. This initial 3-year term is renewable for up to 2 years in 1-year terms.

The price structure is as follows:

Item	Services	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5
Area 1	Fulltime Case Management	\$117,000	\$120,510	\$124,125	\$127,849	\$131,685
Area 2	Hourly fee households not included in area 1	\$68/hr	\$70/hr	\$72.14/hr	\$74.31/hr	\$76.53/hr
Area 4	Hourly fee FSS program	\$68/hr	\$70/hr	\$72.14/hr	\$74.31/hr	\$76.53/hr
	Total Yearly Amount	\$145,000	\$145,000	\$145,000	n/a	n/a

In addition, AHA expects to develop three to five Low Income Housing Tax Credit (LIHTC) properties over the next four to five years. Specific services and programs for children, families, and seniors must be provided as required for projects financed through the LIHTC program. LifeSTEPS also submitted a proposal to conduct Specialized Social Service Programs at these LIHTC Properties (Area 3). This area will be contracted through Island City Development "ICD" and funded as part of the new development project budgets. These services are projected to begin in spring 2018 with the opening of the Eagle Avenue property. ICD has budgeted an additional \$57,600 per year for 3 years for this contract. The RFP allowed an issuance of a contract up to five years after the receipt of the RFP.



FINANCIAL IMPACT

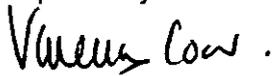
The current FY2015-16 budget includes funds for resident services of \$130,100, which will easily cover the first two months of services. The 2016-18 budget, which will be presented in May to the Board of Commissioners, will include the amount shown above for the upcoming two years. The cost per unit for the first year is \$253.50.

Funds for these services will primarily come from rental income revenue from the properties themselves.

RECOMMENDATION

Award a three-year contract to Life Skills Training and Education Programs, Inc. ("LifeSTEPS") for social services in a not to exceed amount of \$435,000 and authorize the Executive Director to execute a contract with LifeSTEPS for the above listed resident services.

Respectfully submitted,



Vanessa M. Cooper
Executive Director

VMC/ZSP

Attachments: Contract



CONSULTANT SERVICES AGREEMENT

THIS AGREEMENT, entered into this 1 day of May 2016, by and between HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body corporate and politic (hereinafter referred to as "AHA"), and Life Skills Training and Education Programs, Inc. ("LifeSTEPS") (a California 501c3 corporation) whose address is 4041 Bridge Street Fair Oaks, CA 95628, (hereinafter referred to as Consultant), is made with reference to the following:

RECITALS:

A. AHA is a public body, corporate and politic, duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California.

B. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement; and

C. Consultant possesses the skill, experience, ability, background, applicable certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.

D. AHA and Consultant desire to enter into an agreement for Social Services.

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

1. **TERM:**

The time for Completion shall be by April 30, 2019, (the "Completion Date"), unless terminated earlier as set forth herein. The parties may choose by mutual agreement to extend the term of the Services Agreement for a maximum of 2 additional 1 year periods and shall do so by executing a written amendment to the Agreement.

2. **SERVICES TO BE PERFORMED:**

Consultant shall perform services according to the schedule set forth in Exhibit "A" which is attached hereto and incorporated herein by this reference.

3. **COMPENSATION TO CONSULTANT:**

AHA agrees to compensate Consultant pursuant to the terms and conditions of this Agreement only for the performance, to the reasonable satisfaction of AHA, of those tasks which take place during the term of this Agreement. AHA will not be obligated to compensate Consultant for any work, services, or functions performed by Consultant which do not arise directly from the performance of tasks relating to the Scope of Services as outlined in Exhibit A, and according to the Fee Schedule set forth in Exhibit B. AHA shall pay Consultant within thirty (30) days receipt of Consultant's properly submitted invoice.

Total compensation under this contract will not exceed **\$435,000.00**.

4. **TIME IS OF THE ESSENCE:**

Consultant and AHA agree that time is of the essence regarding the performance of this Agreement.

5. **STANDARD OF CARE:**

Consultant agrees to perform all services hereunder in a manner commensurate with the prevailing standards of like professionals in the San Francisco Bay Area and agrees that all services shall be performed by qualified and experienced personnel who are not employed by the AHA nor have any contractual relationship with AHA.

6. **INDEPENDENT PARTIES:**

AHA and Consultant intend that the relationship between them created by this Agreement is that of employer-independent contractor. The manner and means of conducting the work are under the control of Consultant, except to the extent they are limited by statute, rule or regulation and the express terms of this Agreement. No right of employment will be acquired by virtue of Consultant's services. None of the benefits provided by AHA to its employees, including but not limited to unemployment insurance, workers' compensation coverage, vacation and sick leave are available from AHA to Consultant, its employees or agents. Deductions shall not be made for any state or federal taxes, FICA payments, PERS payments, or other purposes normally associated with an employer-employee relationship from any fees due Consultant. Payments of the above items, if required, are the responsibility of Consultant.

AHA and Consultant agree that during the term of this Agreement and for a period of one year after termination, the parties shall not solicit for employment, hire, or retain, whether as an employee or independent contractor, any person who is or has been employed by the other without written agreement by the other party.

7. **IMMIGRATION REFORM AND CONTROL ACT (IRCA):**

Consultant assumes any and all responsibility for verifying the identity and employment authorization of all of its employees performing work hereunder, pursuant to all applicable IRCA or other federal or state rules and regulations. Consultant shall indemnify and hold AHA harmless from and against any loss, damage, liability, costs or expenses arising from any noncompliance of this provision by Consultant.

8. **NON-DISCRIMINATION:**

Consistent with AHA's policy that harassment and discrimination are unacceptable employer/employee conduct, Consultant agrees that harassment or discrimination directed toward a job applicant, an AHA employee, or a citizen by Consultant or Consultant's employee on the basis of race, religious creed, color, national origin, ancestry, handicap, disability, marital status, pregnancy, sex, age, gender identity or sexual orientation will not be tolerated. Consultant agrees that any and all violations of this provision shall constitute a breach of this Agreement.

9. **INDEMNIFICATION/HOLD HARMLESS:**

Consultant shall indemnify, defend, and hold harmless AHA, its Board of Commissioners officials, employees and designated volunteers ("Indemnitees") from and against any and all loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorneys' fees ("Claims"), arising from or in any manner connected to negligent act or omission, whether alleged or actual, regarding performance of services or work conducted or performed pursuant to this Agreement. If Claims are filed against Indemnitees which allege negligence on behalf of the Consultant, Consultant shall have no right of reimbursement against Indemnitees for the costs of defense even if negligence is not found on the part of Consultant. However, Consultant shall not be obligated to indemnify Indemnitees from Claims arising from the sole or active negligence or willful misconduct of Indemnitees.

10. **INSURANCE:**

On or before the commencement of the terms of this Agreement, Consultant shall furnish AHA with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage in compliance with paragraphs 10 A, B, C, D and E. Such certificates, which do not limit Consultant's indemnification, shall also contain substantially the following statement:

"Should any of the above insurance covered by this certificate be canceled or coverage reduced before the expiration date thereof, the insurer affording coverage shall provide thirty (30) days' advance written notice to the Housing Authority of the City of Alameda by certified mail."

It is agreed that Consultant shall maintain in force at all times during the performance of the Agreement all appropriate coverage of insurance acceptable to AHA and licensed to do insurance business in the State of California.

An endorsement naming the AHA as additional insured shall be submitted with the insurance certificates.

A. **COVERAGE:**

Consultant shall maintain the following insurance coverage:

(1) **Workers' Compensation:**

Statutory coverage as required by the State of California.

(2) **Liability:**

Commercial general liability coverage in the following minimum limits:

Bodily Injury:	\$1,000,000	each occurrence
	\$2,000,000	aggregate – all other
Property Damage:	\$1,000,000	each occurrence
	\$2,000,000	aggregate

If submitted, combined single limit policy with aggregate limits in the amounts of \$1,000,000 will be considered equivalent to the required minimum limits shown above.

(3) **Automotive:**

Comprehensive automobile liability coverage in the following minimum

limits:

Bodily Injury:	\$1,000,000	per accident
	\$2,000,000	aggregate

Property Damage: \$1,000,000	per accident
\$2,000,000	aggregate
OR	
Combined Single Limit: \$1,000,000	per accident

(4) Professional Liability:

Professional liability insurance which includes coverage for the negligent professional acts, errors and omissions of Consultant in the amount of at least \$1,000,000.

B. SUBROGATION WAIVER:

Consultant agrees that in the event of loss due to any of the perils for which it has agreed to provide comprehensive general and automotive liability insurance that Consultant shall look solely to its insurance for recovery. Consultant hereby grants to AHA, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Consultant or AHA with respect to the services of Consultant herein, a waiver of any right to subrogation which any such insurer of said Consultant may acquire against AHA by virtue of the payment of any loss under such insurance.

C. FAILURE TO SECURE:

If Consultant, at any time during the term hereof, should fail to secure or maintain the foregoing insurance, AHA shall be permitted to obtain such insurance in the Consultant's name or as an agent of the Consultant and shall be compensated by the Consultant for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

D. ADDITIONAL INSURED:

AHA, its Board of Commissioners, officers, employees and designated volunteers shall be named as an additional insured under all insurance coverage's, except any professional liability insurance or worker's compensation insurance, required by this Agreement. The naming of an insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. An additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof.

Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

E. SUFFICIENCY OF INSURANCE:

The insurance limits required by AHA are not represented as being sufficient to protect Consultant. Consultant is advised to consult Consultant's insurance broker to determine adequate coverage for Consultant.

11. CONFLICT OF INTEREST:

Consultant warrants that it is not a conflict of interest for Consultant to perform the services required by this Agreement. Consultant may be required to fill out a conflict of interest form if the services provided under this Agreement require Consultant to make certain governmental decisions or serve in a staff capacity as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.

12. PROHIBITION AGAINST ASSIGNMENTS:

Consultant shall not assign, sublease, hypothecate, or transfer this Agreement or any interest therein directly or indirectly, by operation of law or otherwise without prior written consent of AHA. Any attempt to do so without said consent shall be null and void, and any assignee, sub lessee, hypothecate or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. However, claims for money by Consultant from AHA under this Agreement may be assigned to a bank, trust company or other financial institution without prior written consent, but written notice of such assignment shall be promptly furnished to AHA by Consultant.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Consultant, or of the interest of any general partner or joint venturer or syndicate member or cotenant if Consultant is a partnership or joint venture or syndicate or co tenancy, which shall result in changing the control of Consultant, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

13. SUBCONTRACTOR APPROVAL:

Unless prior written consent from AHA is obtained, only those people and subcontractors whose names are attached to this Agreement shall be used in the performance of this Agreement. In the event that Consultant employs subcontractors, such subcontractors shall be required to furnish proof of worker's compensation insurance and shall also be required to carry general, automobile and professional liability insurance in reasonable conformity to the insurance carried by Consultant. In addition, any work or services subcontracted hereunder shall be subject to each provision of this Agreement. Consultant may form partnerships with community resources, such as local governmental agencies and other non-profit organizations, to augment services available to residents.

14. PERMITS AND LICENSES:

Consultant, at its sole expense, shall obtain and maintain during the term of this Agreement, all appropriate permits, certificates and licenses, including, but not limited to, a City of Alameda business license, that may be required in connection with the performance of services hereunder.

15. REPORTS:

A. Each and every report, draft, work product, map, record and other document, hereinafter collectively referred to as "Report" reproduced, prepared or caused to be prepared by Consultant pursuant to or in connection with this Agreement shall be the exclusive property of AHA. Consultant shall not copyright any Report required by this Agreement and shall execute appropriate documents to assign to AHA the copyright to Reports created pursuant to this Agreement. Any Report, information and data acquired or required by this Agreement shall become the property of AHA, and all publication rights are reserved to AHA.

B. All Reports prepared by Consultant may be used by AHA in execution or implementation of:

- (1) The original Project for which Consultant was hired;
- (2) Completion of the original Project by others;
- (3) Subsequent additions to the original project; and/or
- (4) Other AHA projects as appropriate.

C. Consultant shall, at such time and in such form as AHA may require, furnish reports concerning the status of services required under this Agreement.

D. All Reports required to be provided by this Agreement shall be printed on recycled paper. All Reports shall be copied on to both sides of the paper except for one original which shall be single sided.

E. No Report, information nor other data given to or prepared or assembled by Consultant pursuant to this Agreement shall be made available to any individual or organization by Consultant without prior approval by AHA

F. Consultant shall not be held liable for reuse of "Reports" for any purpose other than the original intent of this Agreement.

G. Consultant may retain ownership over its specific confidential client notes and resident information gathered in its case management and service coordination duties. Consultants, schedules, service reports, and other supporting documentation relating to the Property and prepared during the term of this Agreement (except for case notes and internal, proprietary documents containing information such as methods, curricula, and models of service delivery), will be retained and will be made available to AHA for inspection upon AHA's request.

16. RECORDS:

Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts and other such information required by AHA that relate to the performance of services under this Agreement.

Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of AHA or its designees to such books and records at proper times; and gives AHA the right to examine and audit same, and to make transcripts there from as necessary, and to allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be kept separate from other documents and records and shall be maintained for a period of three (3) years after receipt of final payment.

17. NOTICES:

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided.

All notices, demands, requests or approvals from Consultant to AHA shall be addressed to AHA at:

Housing Authority of the City of Alameda
701 Atlantic Avenue
Alameda CA 94501-2161
Attention: Vanessa Cooper, Executive Director

All notices, demands, requests, or approvals from AHA to Consultant shall be addressed to Consultant at:

LifeSTEPS
4041 Bridge Street
Fair Oaks, CA 95628
Attention: Beth Southorn, Executive Director

18. **NO SMOKING, DRINKING OR RADIO USE:**

Consultant agrees and acknowledges that smoking of tobacco products, drinking alcoholic beverages, and listening to radios is prohibited at any AHA site, including individual units, common areas, and every building and adjoining grounds. Consultant shall ensure that his/her employees and suppliers comply with these prohibitions.

19. **TERMINATION:**

In the event Consultant hereto fails or refuses to perform any of the provisions hereof at the time and in the manner required hereunder, Consultant shall be deemed in default in the performance of this Agreement. If such default is not cured within a period of thirty (30) days after receipt by Consultant from AHA of written notice of default, specifying the nature of such default and the steps necessary to cure such default, AHA may terminate the Agreement forthwith by giving to the Consultant written notice thereof. Consultant will not be held responsible for failure to perform in the event such failure is due to delay caused by the AHA. Each party shall have the option of terminating this Agreement by giving sixty (60) days' prior written notice to the other party as provided herein. During any period of default AHA will only pay Consultant for services rendered. Upon termination of this Agreement, each party shall pay to the other party that portion of compensation specified in this Agreement that is earned and unpaid prior to the effective date of termination.

20. **COMPLIANCES:**

Consultant shall comply with all state and federal laws, all City of Alameda ordinances; and all rules and regulations enacted or issued by AHA. In the event that the Consultant encounters a potential conflict between state, federal or local law, Consultant shall inform AHA and AHA shall direct Consultant on proper course of action.

21. **GOVERNING LAW:**

This Agreement shall be interpreted under, and enforced by the laws of the State of California excepting any choice of law rules which may direct the application of laws of another jurisdiction. The Agreement and obligations of the parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities.)

Any suits brought pursuant to this Agreement shall be filed with the Courts of the County of Alameda, the State of California.

22. **ADVERTISEMENT:**

Consultant shall not post, exhibit, display or allow to be posted, exhibited, displayed any signs, advertising, show bills, lithographs, posters or cards of any kind pertaining to the services performed under this Agreement unless prior written approval has been secured from AHA to do otherwise.

23. **CONFIDENTIALITY:**

A. **Definition.** Confidential Information, as used in this Agreement, shall mean any AHA Client data.

B. **Nondisclosure and Nonuse Obligation.** Consultant agrees that it will not use, disseminate, or in any way disclose any Confidential Information to any person, firm or business, except that Consultant may use Confidential Information to the extent necessary to perform its obligations under this Agreement. Consultant agrees that it shall treat all Confidential Information with the same degree of care as the Consultant accords to its own Confidential Information, but in no case less than reasonable care. Consultant agrees that it shall disclose Confidential Information only to those of its employees who need to know such information, and the Consultant certifies that such employees have previously agreed, as a condition of employment, to be bound by terms and conditions applicable to Consultant under this Agreement. Consultant shall immediately give notice to AHA of any unauthorized use or disclosure of Confidential Information.

C. **Exclusions from Nondisclosure and Nonuse Obligations.** The obligations under 23B ("Nondisclosure and Nonuse Obligation") shall not apply to such portion that Consultant can document was i) in the public domain at the time such portion was disclosed or used, or ii) was disclosed in response to a valid court order.

D. **Ownership and Return of Confidential Information and Other Materials.** All Confidential Information supplied by AHA to Consultant shall remain the property of the AHA. At AHA's request and no later than five (5) business days after such request, Consultant shall promptly destroy or deliver to AHA, at AHA's option, i) all materials furnished to Consultant, ii) all tangible media of expression in Consultant's possession or control to the extent that such tangible media incorporate any of the Confidential Information, and iii) written certification of the Consultant's compliance with such obligations under this sentence.

24. **WAIVER:**

A waiver by AHA of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein whether of the same or a different character.

25. **INTEGRATED CONTRACT:**

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by written execution signed by both AHA and Consultant.

26. **CAPTIONS:**

The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

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

Life Skills Training and Educational Programs, Inc (LifeSTEPS)

HOUSING AUTHORITY OF THE CITY OF ALAMEDA



Beth Southern
Executive Director, LifeSTEPS

Vanessa M. Cooper
Executive Director

Area 1. Daily Social Services for Tenants at AHA Properties

Provide one full-time equivalent (FTE) Social worker on-site. Employee must have graduated from an accredited four year college or university and have at minimum four years of post-degree relevant work experience. Duties may be shared between more than one employee. Employee will be available 50 of 52 weeks per year with limited coverage available during absences.

Population to be Served

The AHA owns and manages 572 units of affordable housing in the City of Alameda. The units are in several complexes, all within four miles of each other. Depending on need, times at the following locations would likely include:

- Anne B. Diament Plaza (65-unit senior complex) - two half days a week
- Esperanza (120-unit family complex) - two half days a week
- Independence Plaza (186-unit senior complex) - four half days a week
- Other Locations - drop in at all sites (once per month)
- Remaining time would be for administration, training, urgent cases and meetings on and off site.

Activities and Services

- Provide educational classes at each site. For family sites, classes may include parenting, English as a Second Language (ESL), budgeting, healthy living, emergency preparedness, etc. For senior sites, the same types of activities could be provided plus independent living skills and light exercise or social activities.
- Provide case management services of referrals from Property Manager. Issues may include assisting tenants with non-payment of rent, non-compliance with lease provisions, domestic violence, family discord, etc.
- Prepare and distribute needs assessment
- Prepare and distribute a monthly newsletter on social services issues.
- Respond during business hours by phone if not on site to emergency requests
- Maintain weekly open office hours to provide information and referrals to other providers.
- Attend biweekly meeting with Property Manager to discuss on-going cases
- Develop and build relationships with local social services providers. Attend a monthly Alameda social services forum.
- Participate in AHA group meetings with tenants. Conduct outreach to residents on key issues, such as open enrollment for health care, school enrollment, access to services etc.

The AHA/ICD will provide the following as they relate to services being provided under the Scope of Services:

- a) Community meeting space and/or private office space at each site.
- b) Wi-Fi access.
- c) Tables and chairs as necessary.
- d) Repayment of costs for a cellphone and a laptop for the social worker.
- e) Lockable filing cabinet(s) for ensuring confidentiality of client information.
- f) Pin board at each site for use by service provider.
- g) Office supplies limited to what is agreed upon at signing of contract
- h) Copying/printing facilities for flyers and other activities.
- i) Access to agency group training sessions where relevant and at the discretion of the AHA Executive Director.

Area 2. Limited Additional Phone Counseling/Referrals

Provide limited phone counseling/information and referrals to tenants or clients not covered in Area 1 above, generally tenant based voucher holders at privately owned properties subsidized by the AHA (Primarily). Case management or referral services will be provided to individuals/families upon a written referral by an AHA employee. Typical issues are referrals to services for family discord, hoarding and aging in place. Additional specialized services may be required for households that are eligible to reside in a HOPWA designated unit. Employee must have graduated from an accredited four year college or university and have at minimum four years of post-degree relevant work experience.

A minimum 1 hour fee per client will be applied for this service. Consultant is approved to provide services with each resident for up to 3 hours without AHA approval. Any cases requiring more than 3 hours of service, require notification and approval of AHA.

Area 4: Counseling and workshops for Family Self Sufficiency (FSS) Clients

AHA reserves the right to extend service request for the FSS program on a as needed basis. Consultant to provide as needed monthly evening workshops on self-sufficiency (generally one hour per month plus prep time and debrief with staff). Provide limited in person or by phone counseling/information and referrals to FSS clients, if referred by AHA staff. Other FSS-related social services as needed. Employee must have graduated from an accredited four year college or university and have at minimum four years of post-degree relevant work experience.

REPORTING (All Areas)

Monthly usage reporting (no later than the 15th of the following month) is required on at least the following:

- Hours at each site and total hours at all sites

- Unduplicated number of persons by type of service and in total
- Attendance at classes
- Total duplicated use (e.g., a person attending a class and receiving counseling regarding late rent paying, would be counted twice.)
- Provide an annual presentation to the Board of Commissioners on outcomes and number served.

EXHIBIT B: FEE SCHEDULE

Item	Services	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5
Area 1	Fulltime Case Management	\$117,000	\$120,510	\$124,125	\$127,849	\$131,685
Area 2	Hourly fee households not included in area 1	\$68/hr	\$70/hr	\$72.14/hr	\$74.31/hr	\$76.53/hr
Area 4	Hourly fee FSS program	\$68/hr	\$70/hr	\$72.14/hr	\$74.31/hr	\$76.53/hr
	One-time set-up					



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

Date: April 20, 2016

RE: Semi Annual Update of Housing Authority Two-Year Work Plan for Fiscal Years
July 1, 2015 to June 30, 2017

BACKGROUND

Staff has presented a Two-Year Work Plan for the past several years beginning in 2009 and has provided semi-annual updates at Housing Commission and Board of Commissioners meetings. The new July 1, 2015 to June 30, 2017 was adopted at the May 2015 Board of Commissioner's Meeting. Staff last presented an update on the Two-Year Work Plan for the period from July 1, 2013 to June 30, 2015 at the September 2015 Board of Commissioner's Meeting.

DISCUSSION

The Two-Year Work Plans is for the period July 1, 2015 to June 30, 2017. New, unforeseen items have been added at the end of the work plan, such as the rent stabilization work.

RECOMMENDATION

This report is for information and discussion purposes only.

Respectfully submitted,

Vanessa Cooper
Executive Director

VMC:dc

Attachments: Exhibit 1: Two-Year Work Plan July 1, 2015 to June 30, 2017

Housing Authority of the City of Alameda TWO-YEAR WORK PLAN 7/1/2015 - 6/30/2017			Task	Responsible	Timeline	Status/Update Sept. 1, 2015
1	Human Resources Training, Employment and Employee Well Being Issues	Complete transition from City.				
a.	Renew services agreement.		Exec Dir/HCD Dir	9/30/2015	2 year renewal complete	
	Align staff schedules; review possible 9775 work schedule for office staff		Exec Dir/HR & HR & Ops Dir	6/30/2016	Partially complete	
b.	Complete hiring of vacant positions					
	a. Director of Finance		Exec Dir/HR & HR & Ops Dir	8/31/2015	Hired Marie Wang	
	b. Director of Housing Programs		Exec Dir/HR & HR & Ops Dir	10/1/2015	Hired Lynnette Jordan	
	c. Senior Management Analyst		Exec Dir/HR & HR & Ops Dir	8/1/2015	Hired Tonya Schuler.	
	d. Facilities Project Manager		Exec Dir/HR & HR & Ops Dir	8/1/2015	Management Analyst filled	
	e. Intern Positions		HCD Dir/Fac Dir	7/1/2015	Changed to Senior Project Manager, in process	
c.	Recruit 2 new board members. Provide new Commissioner training		Exec Dir	ongoing	Hired and internship completed. Consider program for summer 2016	
d.	Complete onboard and off boarding system		HR & HR & Ops Dir	12/31/2016	Two appointed. Training completed. Handbook updated. Need one new.	
e.	Provide targeted training for staff (including IT skills and customer service)		All Managers	Ongoing	Onboarding complete. Off boarding in progress	
f.	Full audit of HR files and policies		HR & HR & Ops Dir	6/30/2016	IT skills assessment software purchased.	
g.	Research employee recognition programs		Exec Dir/HR & HR & Ops Dir	6/30/2016	Files complete; policies ongoing.	
h.	Update Contract for Resident Managers		HR & HR & Ops Dir	9/30/2015	Completed for all Resident Managers and assistants	
i.	Review possible HRIS systems		HR & HR & Ops Dir	12/31/2016	in 2016-18 budget	
j.	Complete compensation study and report to Board		HR & HR & Ops Dir/Exec Dir	8/31/2016	In progress. Expected summer 2016	
k.	Develop plan to address GASB 68 liability for unfunded pension benefits: present to board		Fin Dir	7/31/2016	Presented at August Board meeting; further work needed	
l.	Create supervisory training and manual		HR & HR & Ops Dir	6/30/2016	Plan by 6/16. Manual will take longer	
m.	Continue timely performance evaluations; tie goals to 2 year plan for Directors; SMART goals		All Directors	Ongoing	performance evals for 2015-16 completed.	
n.	Succession planning for Directors		All Directors	Ongoing		
h.	Issue and train staff on IIPP		Fac Dir/HR & HR & Ops Dir	9/30/2015	Completed	
2	Development Projects					
a.	Start analysis of tax credit rehabilitation of China Clipper		HCD Dir	12/30/2015	On hold - Rosefield is priority	
b.	Island High site: Obtain funding and commence construction of 22 units		HCD Dir	1/31/2017	Application submitted for funding	

DRABET

c.	North Housing Parcel: Complete environmental assessment and prepare site survey; gain site control.	HCD Dir	Ongoing	Environmental Assessment complete April 2016
d.	Stargell Commons: Oversee construction of 32 units and lease up	HCD Dir	6/30/2017	Construction start 12/15; Groundbreaking ceremony 3/17
e.	Del Monte: Obtain entitlements and complete pre-development for 31 units	HCD Dir	Ongoing	Entitlements complete pending site acquisition; Application submitted for funding
f.	Identify other development/acquisition & rehab opportunities & present to board as they arise	HCD Dir	Ongoing	Rosefield proposals submitted to Board
g.	Development/Acquisition Plan: Present update Pipeline Plan to Board in October 2015 and Five Year Plan to City Council in November 2015	HCD Dir	11/30/2015	Complete
h.	RFP for property management services for new development	HCD Dir	3/30/2016	Completed Feb. 2016; JSO selected
3 Monitor Federal Budget Process to Identify Potential Impacts & monitor compliance with annual plan				
a.	Analyze impact of HUD's Administrative Fee study & reduced leasing on Section 8 Program.	Fin Dir/HPD Dir	5/31/2016	See 2016-18 budget; proposal on admin fees and reserve use presented May 2016
b.	Determine ways to reduce Section 8 administrative costs to meet income	Fin Dir/HPD Dir/Exec Dir.	6/30/2016	Inspections biennially; Triennial recerts upcoming; reduced headcount by 1 in sec 8
c.	Prepare new 2-year budget for FY 16-18; revise as necessary mid period	Exec Dir/Fin Dir	5/31/2016	Revision presented March 2016; new budget presented May 2016
d.	Maximize leasing in the section 8 program	HPD Dir	6/30/2016	Utilizing 103% of HAP currently; landlord outreach; maximized PBV lease up
4 Achieve Program Compliance				
a.	Attain SEMAP High Performer status.	HPD Dir	9/30/2016	Achieved - reported to Board in August 2016
b.	Implement Quadel report recommendations in HPD	HPD Dir	12/31/2016	On going - reported to Board in mid 2015. Follow up to Board no later than Dec 2016
c.	PBV; prepare a specific plan or the allocation; renewal and/or expansion of PBV contracts	HPD Dir	Ongoing	Need to move all properties to LLCs in the near future
d.	PBV; Clarify procedures to monitor performance at PBV units and standards for rent increases; timely filling of vacancies	HPD Dir	Ongoing	Complete and on-going
e.	Finalize measurement system to replace PHAS (Property Management)	Exec Dir/Snr PM	3/30/2017	
f.	Maintain vacancy rate at 2% or below; except right sizing	Snr PM/HPD Dir/Fac Dir	Ongoing	Right sizing complete for those with more than 1 extra bed. Ongoing Annual Plan submitted to HUD 3/18/16. Annual Report completed December 2015; next one will cover FY2016
g.	Complete Annual Plans and Submit to HUD, issue annual report	Snr Mgt Analyst	April each year	
5 Complete Waiting List Update All Programs				
a.	Review non-HCV waitlist structure	HPD Dir/Snr Mgt Analyst	12/31/2015	See significant amendment presented in April 2016
b.	Purge & open all non-HCV waitlists	HPD Dir/Snr Mgt Analyst	8/30/2016	In progress. To open in 2016

6 Enhance Use of Technology/Administrative Streamlining			
a.	Complete Phase II of document scanning - Administration files	HR & HR & Ops Dir/Exec Admin	6/30/2016 in progress
b.	Develop a plan to complete scanning backlog and ensure quality control of scanning. Automate scanning	HR & HR & Ops Dir /Snr Mgt Analyst/Dir	6/30/2016 In progress; now scanning at front desk. Significantly caught up on section 8 backlog
c.	Create and implement document retention policy for paper and online documents	HR & HR & Ops Dir /Snr Mgt Analyst	6/30/2016 Complete resolution brought to Board in August 2015
d.	Explore options for online rental payment, briefings, re-exams and applications; online signatures	HPD Dir/Snr PM/Snr Mgt Analyst	6/30/2016 Under review. Online Laserfiche Forms purchased.
e.	Implement biennial inspections, handheld and other HUD recommended administrative streamlining	HPD Dir	6/30/2016 Biennial inspections and handheld for inspections implemented. Proposal forthcoming for other measures.
f.	Implement recommendations from IT Report	Snr Mgt Analyst	12/31/2015 Working on evaluating and implementing another e-mail system in FY2017 budget. In process to update website. Need to review governance and disaster plan.
g.	Implement Yardi affordable for PM dept.	Snr PM/Snr Mgt Analyst	4/310/17 New implementation date April 2017.
h.	Complete new website	HR & Ops Dir	6/30/2016 RFP completed and vendor under contract.
7 Draft New Policies/Keep Existing Policies Up-to-Date			
a.	Development Policy (update); Add Regulatory Agreements, Edit Funding Sources, Serve Mixed-Income, Policy on PBV	Exec Dir/HCD Dir	9/30/2015 Board approved update in October 2015
b.	Fiscal Sustainability Policy; bring to Board	Fin Dir	8/31/2016 Draft completed. Extended due to change of Fin Director.
c.	Property Management Policy (update)	Snr PM/Snr Mgt Analyst	Ongoing Multiple updates brought to Board
d.	Administrative Plan (update)	HPD Dir/Snr Mgt Analyst	Ongoing Multiple updates brought to Board
e.	Update Personnel Policies	HR & HR & Ops Dir	Ongoing Draft in progress
f.	Update written procedures for Finance.	Fin Dir	6/30/2016 Ongoing
g.	Update & implement Investment Policy in accordance with comments from investment advisor	Exec Dir/Exec Dir/Fin Dir	9/30/2016 Investment advisor selected; policy updated in Jan 2016, will be updated again Sept 2016.
h.	Complete written SOPs for HPD	HPD Dir	6/30/2016 in progress
8 Ensure Continued Financial Sustainability for all Complexes & Agency			
a.	Establish Asset Management Policy	Exec Dir / Fin Dir/ Snr Analyst	6/30/2017 Propose to include new position in budget for start 1/1/17
b.	Review cost allocation	Fin Dir /Snr Mgt Analyst	6/30/2016 Done for 2016-18 budget
c.	Year 15 analysis for PBV properties	HCD Dir	6/30/2016 In progress

d.	Portfolio wide cost/income analysis	Fin Dir/Exec Dir/HCD Dir	6/30/2017	Start with Rosefield and Eagle; Asset Manager will be assigned
e.	Hire Consultant to perform Cost & Quality review of Maintenance	Exec Dir/Fac Dir	9/30/2016	In progress
f.	Complete unit right sizing activity to ensure maximum utilization of AHA units	Snr Mgt Analyst/Snr PM	12/31/2015	Significantly complete; closed out and staff address individual cases as arise.
g.	Implement findings in Nelrod Report	Facilities Dir	9/30/2016	In progress; some delay with change of staff
h.	Prepare plan to move AHA properties to non-profit or LLC ownership	Exec/HCD Dir	6/30/2016	Work with outside counsel and CPA
9	Inclusionary Housing Program			
a.	Analyze program data for 15 years; adopt updates & revisions to homeownership programs; modify Ordinance as needed	HCD Dir	12/30/2015	Initial review July 2015; ongoing work with City staff to modify
10	CDBG Program			
a.	Complete update to Rehabilitation Program documents; expand marketing; update Section 3 programs to current regs	HCD Dir	12/31/2015	In progress
b.	Review and monitor and changes to RRAC program if recommended by City Council.	HCD Dir	ongoing	See below on tent control
11	Complete Capital Improvements; Meet physical property needs			
a.	Review and implement ADA requirements for office buildings	Facilities Dir	6/30/2016	ADA doors to be added before 6/30/16
b.	Complete all FY2016 budgeted projects	Facilities Dir	6/30/2016	Two projects completed; other capital work transferred to HCD
c.	Create budget for FY2017 improvements	Facilities Dir	6/30/2017	In 2016-18 budget
d.	Complete Comprehensive Needs Assessment reports, including resource use analysis. Prepare new CIP based on reports.	Facilities Dir/Fin Dir/HCD Dir	12/31/2015	Reports have been reviewed and finalized
e.	Identify and implement Green Initiatives, including possible submetering	Facilities Dir	ongoing	Toilets changed at office to low flow.
f.	Review and implement changes in Procurement policy to meet business and regulatory needs	Facilities Dir	12/31/2015	Revised procurement policy brought to board in Jan 2016
g.	Complete new disaster preparedness plan in coordination with city	Facilities Dir	6/30/2016	Draft finished.
12	Obtain favorable MTW legislation or other increased flexibility			
a.	Build alliances with similar organizations seeking flexibility. Engage consultant and/or lobbyist to assist with flexibility	Exec Dir with Board Chair	ongoing	
b.	Identify key areas of flexibility needed for AHA, including regional efforts to amend 20% PBV cap			
13	Maximize participant/tenant wellbeing			
a.	Assess Community Solutions Action Plan for Grade Level Reading Prog.	Exec Dir/FSS Coord	6/30/2016	Reading room is open weekly. Budget includes stipends for volunteers/temp staf to expand services
b.	Review and maximize utilization of Boys & Girls Club	Exec Dir/FSS Coord	6/30/2016	New agreement signed;
c.	Develop plan to utilize increased rental income for social worker hours for each major complex	Exec Dir/HR & HR & Ops Dir	6/30/2016	RFP issued and contract with 2 providers in progress;
d.	Assess need for MOU with AUSD	Exec Dir/FSS Coord	6/30/2016	AFS moved into Esperanza on hold
14	Other			
	Plan and implement 75th anniversary celebrations	Exec Dir with Directors	12/31/2015	Complete
	Purge storage areas and organize paper documents every 6 months	All	ongoing	ongoing

	Schedule retreat/strategic planning session for Board	Exec Dir	11/30/2016	moved to fall
15	New Rent and eviction control work, services agreement with city, hiring, program evaluation	Exec Dir/others		In progress
	Hire a maintenance supervisor	HR & Ops Dir		Complete
	Complete study of incomes and rents at Independence plaza in order to develop rent structure that prepares for tax credits	Snr PM/Snr MA		RFP complete
	Prepare and Implement 2 year Capital Improvement Plan	HCD Director with staff	5/15/2016	In progress
	Hire Senior Project Manager (Capital Projects and Development)	HCD Director with staff	6/30/2016	In progress
	2016 Summer Internship Program for 2 students	HCD Director with staff	June-Aug	Positions are currently advertised
	BMR study for Board	HCD Director with staff	June-Aug	
	Propose revisions to performance evaluation process and tools	HR	10/31/2016	



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: Victoria Johnson, Director of Housing and Community Development

Date: April 20, 2016

Re: Rosefield Project Update; Authorize the Executive Director to Execute Funding Application and Related Documents Associated with Board Approved Redevelopment Plan

BACKGROUND

In November 2015 the Board authorized staff to commence pre-development work on behalf of the Rosefield Village project. Rosefield Village is a 46 unit multi-family complex along Eagle and Buena Vista Avenues. At that meeting, the Board approved a preliminary project budget for substantial rehabilitation, committed \$1 million for pre-development expenses and authorized staff to submit a tax-exempt bond application. In February 2016 the Board approved the submission of an application to the Department of Housing and Community Development for Affordable Housing and Sustainable Communities (AHSC) funding that could fill the financing gap for the rehabilitation project. In March 2016 the Board authorized the Executive Director to accept a loan from the CDBG program that can be used to rehabilitate and increase the number of dwelling units in some of the structures by conversion to duplex or other modification. This CDBG funded work can be completed in conjunction with any of the four options below including, a rehabilitation project or demolition and replacement of the multi-family buildings.

Staff also received direction to continue to re-evaluate the feasibility of demolishing the existing multi-family site and redeveloping at a higher density.

DISCUSSION

Staff has summarized four alternatives in the attached Exhibit A. The key points of the alternative scenarios are as follows:

Option 1: Urgent Repairs only/Delay pending further analysis – A significant number of urgent repairs are required to bring back the 5 units currently offline to habitable status, and a large number of the online units failed HQS inspections this year, including three

with serious habitability failures. Due to the unusual modular construction method, it will be necessary to perform further testing and structural analysis prior to the preparation of a complete repair plan. Nevertheless, staff has consulted with three separate structural engineering firms and each of the firms has agreed that the buildings can be repaired to meet current building codes and minimum accessibility requirements. The disadvantages of delaying a decision pending further investigation include the lost opportunity to apply for bond financing this year (with DDA), the potential loss of the AHSC funds, if awarded, the need to expend funds for urgent repairs, and that physical conditions will continue to deteriorate for current residents. Staff does not recommend this option.

Option 2: Rehabilitation with 4% tax credits - The proposed rehabilitation plan includes combining six existing Eagle units with the Rosefield units and constructing 4 new units for a total of 56 units plus a new community center. The rehabilitated project will meet seismic and other building codes and at least 10% of all units will be accessible. If work is completed in phases, it is expected that many, if not most, of the existing tenants will return to renovated units after work is completed. There is some uncertainty about the award of AHSC, but if the application is not successful staff will identify and apply for other sources. The current projection relies upon less than \$20,000 per unit of AHA subsidy. Staff recommends this option as the most feasible based on the relatively low financial risk, minimal impact on existing tenants, and reliance upon the preliminary reports by the structural engineers.

Option 3: Demolition and Rebuild with 9% tax credits - This alternative is to build up to 80 new tax credit units and to include eight additional units in the single family and triplex buildings for a total of 88 units. Even with an estimated AHA contribution of \$7.5 million, the tie-breaker score is lower than any of the successful East Bay projects in recent years. It will be necessary to obtain planning and zoning entitlements before funding applications are submitted and there is a potential conflict with other non-profit developers applying for credits to develop in Alameda. Unless the project were designed to be a special needs project, eligible for restricted funding sources, based on currently available information, staff does not think this financing plan is feasible and does not recommend this option.

Option 4: Demolition and Rebuild with 4 % tax credits - When compared to rebuilding with 9% tax credits this option presents lower risk with respect to allocation of tax credits. However, the large award of AHSC or other soft funds is speculative (over \$12 million is needed) and this option would also require the largest amount of AHA gap funding. Staff does not think this financing plan is feasible and does not recommend this option.

FINANCIAL IMPACT

The Board has previously authorized a \$1 million loan to Island City Development for pre-development expenses. To date, approximately \$40,000 has been committed or spent for the CMFA application fee, professional services, and engineering and design fees. All funds loaned to ICD are tracked separately and are documented with a Promissory Note. When the project closes with construction financing, most pre-development expenses are reimbursed.

Honorable Chair and
Members of the Board of Commissioners

April 20, 2016
Page 2 of 3

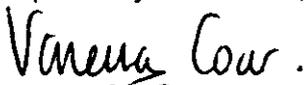
The CDBG funds (up to \$1 million) will be loaned to the Housing Authority and the loan will be a deferred payment loan that can be subordinated to future financing.

The long-term financial impact of the 4% rehabilitation project will vary dependent upon the successful award of AHSC or other gap funding. The recommended plan now reflects the AHA commitment of \$1 million pre-development funds and an earned developer fee of \$1.5 million.

RECOMMENDATION

Based on factors including physical needs, the necessary AHA cash investment, and the odds of funding success, staff recommends to continue work with the plan approved in November and to proceed with an application for bond financing before the June 15, 2016 deadline.

Respectfully submitted,


Vanessa M. Cooper
Executive Director

VMC/vj

Exhibit 1 – Rosefield Village – Options for Redevelopment

Rosefield Village: Options for Redevelopment

April 2016

All scenarios assume that CDBG funds are used to increase total number of units by at least 4

Option	Option 1 - Urgent repairs only	Option 2 - rehab with 4% credits and DDA	Option 3a- new build with 9% credits	Option 3b - new build with 4% credits
Entitlements needed	n/a	Planning Board Design review, no zoning or waiver	CEQA/Planning Board/City Council	CEQA/Planning Board/City Council
Number of units	46 (CDBG can be used to increase by 2)	56 (4 new construction)	Up to 88	Up to 88
Parking spaces	36	41	Assume 70	Assume 70
Approx. start date	Ongoing repair work	2017 or 2018	If financially feasible, could apply beginning 2018	If funded, 2018 early start
Approx. end date	n/a	2018 or 2019	20 month development period	20 month development period
No of months of project	n/a	18 months in two phases	20-24	20-24
Total no of months of vacancy loss/units offline	No major relocation. Some moving costs between units	With temp relo in phases, estimate 50% of units in one year.	Assume relocation to begin only after funding approval; All tenants would have to relocate with HCV	100% of units for 24 month Tenants would have to relocate with HCV
Critical path timing	None, except to get units back online	Deadline for bond application is 6/15/16	After design and entitlement, could begin to apply 2018	After design and entitlement, could apply 2017
Certainty of third party funding	n/a	If not AHSC 2016, reapply with better score in 2017	No certainty; If new sources become available, may be feasible as special needs project (smaller units)	High AHSC ask would be highly competitive
Expected useful life of improvements (before major rehab needed)	0-5 years	16 - 20 years	26 - 30 years	26 - 30 years
Total project cost (approx.)	Assume \$1.5 mil over 5 years then reassess; Retain land ownership as is	\$22.5 million includes land	\$48 million include land	\$48 million include land
Gap funding from AHA - total and per unit	Total \$1.5 mil (\$300,000 min per year in repairs; approx. \$35,000 per unit)	With AHSC, est. \$1m \$18,000 per unit	With State maximum credits of \$2.5 m, gap is \$7.5; still may not be able to achieve competitive tiebreaker	Pending award of AHSC or other, estimate \$8.8m or \$100,000 per unit

Rosefield Village: Options for Redevelopment

April 2016

All scenarios assume that CDBG funds are used to increase total number of units by at least 4

Potential earned fee	None	\$1.5 m	\$1.4 m	\$2.5 million
Relocation plan	No wide spread relocation needed unless units fall into disrepair. Occupants will need to be moved from the building with current issues.	Temporary relocation up to 180 days. Tenants could return to a unit at Rosefield provided they continued to qualify.	Permanent relocation. Tenants could have a first right of return to Rosefield provided they continued to qualify. No units would be available for at least 24 months so unlikely tenants would return.	Permanent relocation. Tenants could have a first right of return to Rosefield provided they continued to qualify. No units would be available for at least 24 months so unlikely tenants would return.
Relocation cost	Approx. \$15k.	Approx. \$250,000 with phased work but chargeable to project	Approx. \$200,000 for staff and limited assistance but chargeable to project	Approx. \$200,000 for staff and limited assistance but chargeable to project
Habitability issues	2 units are not available. Approx. cost to repair \$300k and annual loss of rental income is > \$40,000 3 more units need approx. \$50k to come back on line	To complete work in phases will require internal moves and extra on-site management	To prepare for demolition, residents will move out over time and property will be partially vacant	To prepare for demolition, residents will move out over time and property will be partially vacant
Opportunity costs	Property declines overtime and DDA bump is not utilized. Not maximizing density. Will need complete rehab or rebuild in future.	Limited density increases; meets minimum accessibility requirements. Restricted by current footprint more or less.	Few capital dollars left for redevelopment at Parrot, China Clipper, Esperanza and new development projects.	Few capital dollars left for redevelopment at Parrot, China Clipper, Esperanza and new development projects.
Risks	No reserves being built up. Other units come offline and if systems (MEP, envelope) get worse. Risk of safety hazards. Dilapidated appearance of housing.	Unforeseen conditions and higher construction costs.	DDA expires. Other units may come offline before project starts; risk of safety hazards; displacement of up to 40 families. 9% credits and development timeline uncertain.	Risk that other units come offline before project starts. Safety hazards may develop. Concern with displacing up to 40 families Risk of not getting AHSC competitive funding.
Advantages	Allow time for further evaluation and planning.	Preserve units for 20+ years; Property builds reserves and enables a long term sustainability plan without additional AHA funds	Fully adaptable units. Maximize use of land; long term solution	Fully adaptable units. Maximize use of land; long term solution



Housing Authority of the City of Alameda

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April 20, 2016

TO: Honorable Chair and
Members of the Board of Commissioners

FROM: Vanessa M. Cooper
Executive Director

RE: Appoint Nominating Committee for Board Officers

Background

The Rules and Procedures of the Board of Commissioners state that the Chair and Vice Chair shall be elected by the Board from its membership at the first meeting after July 1 of each year when the Board is fully constituted.

Discussion

The Board, when it was the Housing Commission, established a precedent over the last fifteen years by appointing members to an ad-hoc nominating committee to select officers. This committee contacts candidates to see if they are willing to serve and nominates a slate of candidates for election at the July meeting. This process has been an effective means to nominate and elect officers willing to serve as Chair and Vice Chair.

Recommendation

Staff recommends the Board of Commissioners appoint an ad-hoc committee to nominate officers for the annual term starting July 2016.

Respectfully submitted,

Vanessa M. Cooper
Executive Director

VMC:dc