



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@alamedahsq.org](mailto:dconnors@alamedahsq.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 November 16, 2016 7:00 pm – CLOSED SESSION 6:45 pm**

**LOCATION**

Independence Plaza, 703 Atlantic Avenue, Alameda, CA

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

**Public Participation**

Anyone wishing to address the Board on agenda items or business introduced by Commissioners may speak for a maximum of 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. Public Comment on Closed Session Items (In Open Session)
3. **CLOSED SESSION - 6:45 pm – Adjournment to Closed Session to Consider:**



- 3-A. Purpose: Conference with Legal Counsel – Anticipated Litigation.  
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(b):  
One (1) Potential Case
4. Adjournment of Closed Session
5. RECONVENE REGULAR MEETING – 7:00 pm
6. Announcement of Action Taken in Closed Session, if any:
7. 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.
- 7-A. Approve Minutes of the Board of Commissioners Regular Meeting held October 19, 2016. Page 5
- 7-B. Accept the Monthly Overview Report – Page 9
- 7-C. Accept the Budget Variance Report – Page 21
- 7-D. Approve Records Disposition List - Page 35
- 7-E. Accept the Housing Authority 2015-16 Fiscal Year End Report - Page 41
8. AGENDA
- 8-A. Approve Resolution Authorizing the Executive Director or Designee to Enter into the Ground Lease, the Limited Partnership Agreement, and to Execute the Loan Documents and Project Agreements, Guaranties, Security Assignments, Deeds of Trusts and Ancillary Documents Required for the Development of Del Monte Apartments - Page 55
- 8-B. Authorize the Executive Director to Proceed with and to Execute Necessary Documents to Purchase the Property or the Outstanding Loan at the Marina Shores Unit and to Approve the Accompanying Cost – Page
- Authorize the Executive Director to Proceed with the Repurchase of any BMR Unit that is in Default or for Sale, Up to the Maximum Affordable Housing Sale Price Plus Related Fees and Legal Costs, Utilizing Non-federal Funds. The Executive Director Would Inform the Board of Any Purchase No Later Than the Board Meeting Following the Repurchase - Page 73
- 8-C. Amend the Property Management Policy – Page79
- 8-D. 1) Accept the Annual Update (October 1, 2015 to October 31, 2016) on the Ordinance Establishing the Moratorium, Rent Stabilization and Limitations on Evictions Ordinance 3148, and Rent Program, 2) Authorize the Executive Director to Approve the Extension of the Services Agreement to Administer Rent Stabilization and Limitations on Evictions, Ordinance 3148, Rent Program through March 31, 2017 - Page 117



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

10. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

11. ADJOURNMENT

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Note

- If you need special assistance to participate in the meetings of the Housing Authority of the City of Alameda Board of Commissioners, please contact 510-747-4325 (TDD: 510-522-8467) or dconnors@alamedahsg.org. Notification 48 hours prior to the meeting will enable the Housing Authority of the City of Alameda Board of Commissioners to make reasonable arrangements to ensure accessibility.
- Documents related to this agenda are available for public inspection and copying at the Office of the Housing Authority, 701 Atlantic Avenue, during normal business hours.
- KNOW YOUR RIGHTS UNDER THE Ralph M. Brown Act: Government's duty is to serve the public, reaching its decisions in full view of the public. The Board of Commissioners exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people's review.
- In order to assist the Housing Authority's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the Housing Authority accommodate these individuals.



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# 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

## DRAFT MINUTES

### REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA HELD WEDNESDAY, OCTOBER 19, 2016

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

1. ROLL CALL

Present: Commissioners Allen, Kay, Rickard, Tamaoki, and Chair Kurrasch  
Absent: Commissioner McCahan, and Shipe

2. Public Comment on Closed Session Items (In Open Session)

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

3-A. Conference with Real Property Negotiator – Gov. Code. Sect. 54956.8

4. Adjournment of Closed Session

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

6. Announcement of Action Taken in Closed Session, if any: No Action Taken

7. 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.

Commissioner Rickard moved to approve the Consent Calendar and Commissioner Kay seconded. The motion carried unanimously. Items accepted or adopted are indicated by an asterisk.

- \*7-A. Approve Minutes of the Board of Commissioners Special Meeting held September 17, 2016, Page 5 and Regular Meeting held September 21, 2016, Page 7
- \*7-B. Accept the Monthly Overview Report – Page 13
- \*7-C. Accept the Budget Variance Report for September – Page 25



- \*7-D. Rosefield Village Project Update; Delegate Authority to the Executive Director to Negotiate and Execute a Contract for A&E Services – Page 39

8. AGENDA

- 8-A. Authorize the Executive Director to Execute Documents that Grant an Access Easement to the City of Alameda at the Parrot Village/Parrot Gardens Property – Page 41

Victoria Johnson spoke on this item and provided a map of the proposed Jean Sweeney Park. Ms. Johnson said that Alameda Recreation and Parks Department would be developing this 22-acre Park and gave information on the location. Ms. Johnson talked about the Park's proposed multiple access points. The City has asked the Housing Authority to provide an access easement through the Parrot Village/Parrot Gardens property at the north end of St. Charles St. Ms. Johnson said that there would be adequate parking off of Sherman Street for the public.

One public speaker said that he had concerns about the fire and emergency access. Chair Kurrasch said that we are still in the planning stages and Executive Director Cooper said that she is convinced the City would put something in that would allow access for their security personnel.

Commissioner Rickard moved to approve the staff recommendation on page 42 and Commissioner Allen seconded. The motion carried unanimously.

- 8-B. Approve Changes in the Parking Policy for AHA Owned Properties – Page 45

Vanessa Cooper introduced the new Director of Property Operations Lisa Caldwell. Lisa will be supervising the full range of property management, maintenance and resident services.

Ms. Cooper said that AHA is getting increasing number of requests for people to have parking based on their disability. State law requires AHA to address those parking needs. Incentives have been provided to people who are able to give up their spaces to someone with a disability. The Policy that we have currently does not match what we have to implement from a state or disability perspective so we have revised the Parking Policy. There are several changes that would allow us to accommodate people with disabilities and some administrative changes. Changes have been highlighted in the packet. All tenants at Independence Plaza and Anne B. Diamant were notified that this item would be on the Agenda. If approved, the Policy would become active in 30 days. Ms. Cooper said at the request of the investor, the parking lot would be restriped on Friday. Ms. Cooper said that she is trying to create a system that is clear and fair to everyone.

Ms. Cooper talked about the policy and procedure on how to request a reasonable accommodation and about the number of parking spaces available. Chair Kurrasch said that there are some changes in the regulations concerning operators and



vehicles. Vehicle must be currently licensed and insured in the tenant's name and operator must have a driver's license.

One speaker said he is concerned about the convenient staff parking and suggested other means of transit for staff. Ms. Cooper said AHA has done research to see if we can offer additional financial incentives for people to not have a parking space and our legal advisor says we cannot.

There was more discussion about parking and questions answered.

Commissioner Rickard moved to approve the changes in the Parking Policy and Commissioner Kay seconded. The motion carried unanimously.

8-C. Adopt the Resolution to Authorize the Executive Director to Amend the Employment Contract for Resident Managers to Offer a Revised Benefit Package – Page 53

Ms. Cooper said this item is to align some of the items in the contract that was approved in September and to amend the employment contract for Resident Managers to offer a revised benefits package. Ms. Cooper talked about some of the amendments.

Vice Chair Tamaoki asked if these guidelines are in line with the guidelines of the third party who manages some of our properties. Ms. Cooper said that in her experience, the third party would offer the standard ten days holidays, where we are only offering four holidays and two weeks vacation. Ms. Cooper said the Resident Manager's office hours are dependent on the property. There was some discussion regarding the hours.

Commissioner Tamaoki moved to adopt the resolution on page 55 and Commissioner Allen seconded. The motion carried unanimously.

Roll Call Vote: Commissioner Kay yes, Tamaoki yes, Rickard yes, Allen yes, and Chair Kurrasch yes.

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

One speaker asked for an update on replacing the former Resident Manager at I.P. Ms. Cooper said that the advertisement is out and said if anyone knows of someone who would be a good fit the application is on the website and the deadline is November 3<sup>rd</sup>.

One speaker said the emergency notifications and circular maps throughout the facility need to include information on where to go in case of emergency. Chair Kurrasch said that Jeff Cook would be working on this.

10. COMMISSIONER COMMUNICATIONS (Communications from the Commissioners)



Our new officer, Officer Halog introduced himself to the Board and tenants.

Chair Kurrasch said all is quiet in Washington and people are awaiting for information on who will be appointed as the new HUD President and the U.S. President, who will be sworn in January 20, 2017.

11. ADJOURNMENT

There being no further business, Chair Kurrasch adjourned the meeting at 8:06 pm.

\_\_\_\_\_  
Arthur Kurrasch, Chair

\_\_\_\_\_  
Vanessa M. Cooper  
Executive Director/Secretary







# Housing Authority of the City of Alameda

701 Atlantic Avenue - Alameda, California 94501-2181 - 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: November 16, 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.

## **OPERATIONS/HR**

Recruiting for the upgraded/Resident Manager II position began in early October and will continue into November. Recent months have seen two retirements: Miriam Delagrange HCD Program Manager in mid-October and Frances Erwen, Housing Assistant in early November. Temporary staff is being utilized to provide customer service at the front desk until a permanent replacement can be secured.

The new AHA website will launch in November. New copiers, with upgraded technology and capacity, are also being installed in the office this month.

A draft of the proposed changes to the Personnel Policy (Employee Handbook) has been shared with employees, with three meetings scheduled in November for comment/input as well as an opportunity to provide written input by November 28. A final draft of proposed policies is scheduled to be brought to the Board in December 2016.

Work will begin this month on the Policy and Procedures Manual. Unlike the Personnel Policy, the plan is to revise this manual section by section, prioritizing the sections most in need of updating. Those sections that need Board approval will be brought to the Board as they are ready for review and approval.

The annual Director retreat is scheduled for November 30. In the morning, DeAngela Cooks, who did cross-cultural communication trainings with supervisors and staff over the summer, will return to work with all supervisors in the morning to follow-up on the prior

work she did with us. We also plan to do some additional training for supervisors, and begin the process of looking at the strategic planning process with Directors in the afternoon.

### **Information Technology**

## **PROPERTY OPERATIONS**

Property Management

### **Vacancy**

We ended October with seventeen (17) vacancies. Currently there are three (3) units at Rosefield that are offline due to the upcoming rehabilitation of the property, these units are not included in the vacancy number listed above. Four (4) of the vacant units are scheduled for move in during November.

### **Rent Collections**

Rent was collected for all residents this month owing over one-hundred dollars.

### **I.P. Parking Lot**

As requested by the IP lender, NorthMarq, we completed restriping of the parking lots at IP and 701 Atlantic, the AHA offices.

We reconfigured the numbering of all parking spots & loading zones and corrected a number of anomalies. All of the residents with vehicles cooperated and the job went very well.

### **LifeSTEPS**

For the month of October LifeSTEPS attended the AHA staff meeting to present on the LifeSTEPS program and introduce the new Director of Social Services. This month the new Director of Social Services, Kimberly Brooks provided 70.25 hours of individual case management to 100 residents on matters of rent, utilities, housekeeping, coping and emotional support, transportation assistance, healthcare and medical needs.

This month the Director attended the IP Resident Activities Committee meeting and provided 10 workshops held at our larger properties, 4 at Anne B. Diamante, 3 at Esperanza, and 3 at Independence Plaza for a total of 89 participants. Topics for the workshops included Senior Health and Safety, the City of Alameda Food Bank presentations, Dental Hygiene and Drug Free lifestyle classes.

12 hours were spent meeting with 65 residents at meet and greet socials, door to door outreach, as well as other community building enrichment activities at each of the 3 properties. LifeSTEPS also participated in the Esperanza Halloween social this month.

Educational Classes	29	13
Additional Services and Education	60	17.5
Individual Case Management	100	70.25
Community Building Enrichment Activities	65	12

## **MAINTENANCE**

The Maintenance Department continues to work on the scheduled HQS Preventative Maintenance program, 65 units were inspected at Anne B. Diament during the month of October. In addition follow up repairs for the HQS generated work orders at Eagle Village were also completed.

One elevator at 701 Atlantic Ave, and Five elevators at Independence Plaza were due for load testing. The test is required every 5 years and is in compliance with the State of California, Department of Industrial Relations Division of Occupation Safety and Health. Kone Elevator Company carried out the work on October 26 & 27, elevator permits are due on November 1, 2016.

HD Supply Facilities Maintenance presented a one day training seminar of Preventative & Make Ready Maintenance at Oakland, California. The AHMA-NCH training covered basic maintenance techniques in electrical and plumbing trades, vacant unit make ready preparation, and methods of unit delivery. Three members of the Maintenance Department took advantage of the seminar, and were successfully awarded their certificates.

Improvements have been made to the parking signage at 745 Lincoln Ave, directional signage at Maple Way in Esperanza, and 3 new "You are here" signs at Independence Plaza are on order, and will be installed this month.

Due to seasonal rains gutters and downspout maintenance is due and the contractor has been hired to unblock gullies, clean the eaves and repair or replace dry rotted fascia boards.

### Work Order Analysis by Completion Month

Year: 2016

Report: Count

Group by: Property

Status=Work Completed

Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
SHERMAN STREET - 9 units	4	2	13	17	6	5	1	2	0	6	0	0	56
LINCOLN HOUSE - 4 units	1	2	2	8	1	1	1	0	3	1	0	0	20
ESPERANZA COMPLEX - 120units	41	56	59	136	114	109	68	85	59	58	1	0	786
PARROT VILLAGE - 50 units	62	61	38	23	27	54	29	29	42	23	1	0	389
ANNE B DIAMENT PLAZA - 65 units	23	22	20	12	19	24	17	31	23	98	2	0	291
ROSEFIELD VILLAGE - 45 units	16	24	89	26	23	21	20	22	24	21	0	0	286
PARROT VILLAGE 50 units	1	18	4	4	0	3	7	5	2	2	0	0	46
STANFORD HOUSE - 4 units	2	0	3	9	1	1	4	0	2	1	0	0	23
LINCOLN/WILLOW - 5 units	1	1	9	12	1	2	1	0	2	2	0	0	31
SENIOR CONDOS - 7 units	2	0	4	8	1	0	2	1	0	0	0	0	18
CHINA CLIPPER PLAZA - 26 units	6	28	19	5	5	7	8	8	14	9	0	0	109
EAGLE VILLAGE - 42 units	8	11	13	15	21	7	18	19	68	50	1	0	231
INDEPENDENCE PLAZA - 186 units	55	53	62	46	104	101	65	56	48	49	1	0	640
	<b>222</b>	<b>278</b>	<b>335</b>	<b>321</b>	<b>323</b>	<b>335</b>	<b>241</b>	<b>258</b>	<b>287</b>	<b>320</b>	<b>6</b>	<b>0</b>	<b>2,926</b>

In addition, below is the average completion time for work orders in October, 2016.

Month	July	August	September	October
Emergency	9.36 Hours	5.5 Hours	12.00 Hours	13.00 Hours
Urgent	1.29 Days	1.42 Days	1.10 Days	1.34 Days
Routine	6.78 Days	6.79 Days	5.45 Days	8.15 Days

## **HOUSING PROGRAMS**

In October 2016, HPD worked on the following projects:

### **Waitlist**

On June 22, 2016 the Housing Authority of the City of Alameda opened 7 Site-Based wait lists. Applications were taken on line from June 22, 2016 at 10:00 a.m., PST through June 27, 2016 at 9:59 a.m., PST. We have completed the waitlist random lottery selection process and application results were posted on line at [www.waitlistcheck.com](http://www.waitlistcheck.com) on Friday October 14, 2016. In an effort to manage the number of emails, phone calls, and in-office inquiries about waitlist status, we placed step-by-step instructions on our website and in our lobby which were translated in multiple languages, so visitors to our website and our office will know the process for checking their on-line status.

In order to check their status applicants were asked to login using their username and password (which was either their e-mail address, phone number, or year of birth). Anyone who forgot their password or social security could simply reset their information by answering some security questions.

Applicants were informed if they receive an active status message, this meant they were selected in the random selection process, and their name would be placed on the specific waitlist they applied for. Any applicant receiving an inactive status message, were told they were not selected in the random selection process, and would not be placed on a waitlist at this time.

Though opening 7 Site-Based waitlist is a long, and time consuming process, we are pleased that the process went well and we anticipate uploading the final applicant data into our Yardi computer system within the next several weeks. We can now select applicants from these lists for future housing opportunities.

### **Annual Owners Workshop**

HPD hosted its Annual Owners Workshop on October 28, 2016 from 2:00 p.m. to 4:00 pm at Independence Plaza. The workshop was open to all Owners currently participating in the Housing Choice Voucher (HCV) program and any Owners/Landlords interested in

participating in the program in the future. Postcards were mailed to owners currently participating in our program, as well as owners in the City of Alameda in an effort to outreach to potential new owners in our community. Targeted outreach was done to (92) owners in the City of Alameda who have current properties for rent on Craigslist. Flyers announcing the owner workshop were placed on our website and in our office lobby. The workshop presentation included guest speakers and the following topics and speakers.

- Overview of the HCV program
- Benefits of participating
- New Owner Incentive program
- Owner/Tenant/Housing Authority

This year's workshop received (29) early registrations, though many more owners attended. A presentation of the program was followed by a vendor discussion, which was aimed at creating a discussion among property owners, and offering owners new or additional resources. Special emphasis was given to clarifying the voucher issuance process, proper completion of a RFTA, inspections, the lease and contract, and responsibilities of the owner, tenant and the AHA. The workshop showed how owners can contribute in increasing their subsidized housing stock and be rewarded through our new landlord incentive program.

Due to our great turnout and feedback received from owners in attendance and owners who were unable to attend, we are considering offering a second workshop for the first quarter of 2017, with the time of the event changed to 5:00pm to 7:00pm to accommodate our working owners.

#### **Owner Outreach/ Incentives**

In an effort to expand our lease up rate for the Section 8 program the HPD department launched a new owner incentive program. We began offering owners a \$500 leasing bonus for each additional Section 8 unit placed under contract and moved in by November 1, 2016. In order to take advantage of the incentive bonus an owner must sign a 12-month contract and the unit cannot have been in the Section 8 program in the last 4 months. This is first come, first served incentive program, open only as funds are available. We expect to extend this to move ins by December 29.

**We are pleased to note 4 owners have added new units to the HCV program, and we hope to add additional units now that we've held our annual owner workshop is held.**

#### **Rent Increase Workshops**

As with previous increases in Payment Standards, property owners can now benefit from contract rent values more in line with rents paid by unassisted tenants. Many property owners who have conscientiously kept the rents charged to HCV participants at a modest level are now able to request reasonable rent increases. In an effort to expend our HAP funds we held rent increase workshops to offer information on how an increase impacts the landlord and the tenant, and the paperwork needed to make a request. Our final workshop for the year was held Wednesday, November 2, 2016.

Since implementing these educational rent increase workshops owners now have a better

understanding of the payment standards and how and when they are applied, and the rent reasonable process. Owners are also submitting complete rent increase requests with all pertinent documents, which allows staff to process rent increases timely.

**Outreach Activities for FSS Program**

In active recruitment efforts continue in the FSS program. Interviews were scheduled with 3 applicants this month with 2 additional interviews scheduled for November. We had 1 FSS graduate for the month of October putting our current FSS enrollment at 24 participants. Though we are actively recruiting new participants we have also lost participants each month as they complete their 5 year program. We are happy for our graduates, however each graduate leaves a vacancy that must be filled through our constant outreach efforts.

**Year End Survey**

We are currently conducting our end of the year FSS survey of program participants which will gather data from our participants on the effectiveness of our FSS program. This data will be used to complete our year E-Logic Model which will be due to HUD 30 day after the end of our grant cycle.

**Children of the World Reading Room Halloween Celebration**

The Boo and Harvest Festival event was held on October 25, 2016 at Esperanza Reading Room. Children and parents in attendance enjoyed, playing games, face painting, creating Halloween decorations, and reading stories together. APD officers attended and did talked with children and parents about Halloween safety, and reminded kids not to eat their treats before allowing their parents to review them. A great time was had by all in attendance.

**HPD Department Statistics**

The HPD department processed the following work in the month of August.

<b>Statistics</b>	<b>August</b>	<b>September</b>	<b>October</b>
<b>Annual Re-examinations Processed</b>	106	103	106
<b>Rent Increases Processed</b>	67	69	87
<b>Interim Re-examinations Processed</b>	19	26	24
<b>HQS Inspections Conducted</b>	39 non-AHA 82% pass rate	43 non- AHA 74% pass rate	44 non- AHA 76% pass rate
<b>AHA Owned</b>	Annual AHA unit inspections complete	Annual AHA Begin October	44 Eagle 57% pass rate (2015)- 43%
<b>New Admissions</b>	2	1	2
<b>Port Move-In</b>	5	0	1
<b>Vouchers Issued</b>	6 (HCV) 3 (FUPY)	6 (HCV) 0 FUP	7 (HCV) 0 FUP

## **HOUSING AND COMMUNITY DEVELOPMENT**

### **Housing and Community Development (Director Victoria Johnson)**

#### **Capital Projects**

Staff is now working on four projects including: design and permitting for the renovation of 738 Eagle Avenue; the installation of water sub-meters at Eagle Village apartments; emergency repairs to a broken water line at Esperanza; and preliminary assessment of the potential for renovation at 746 Eagle Avenue. Staff is also evaluating the overall Capital Projects schedule and will prepare an updated schedule to the Board in January.

#### **Inclusionary and Below Market Rate Programs**

**Alameda Landing:** All 16 BMR homes have been sold. Ten homes have closed and the remaining six are scheduled to close by the end of the year.

**Marina Shores Single-Family and Condos:** Six homes have closed to date and the remaining ten homes are under contract.

One home in the Marina Shores subdivision is in foreclosure and a separate report is attached.

#### **Real Estate Development**

##### **Portfolio Projects**

Staff managed two procurements last month and identified firms qualified to provide moving services and relocation consulting services. Goodmen Moving, Inc. and Waters Moving and Storage were pre-qualified to provide (tenant) moving services for AHA's managed properties. Relocation Consultants which pre-qualified are Associated Right Of Way Services, Inc., Autotemp, Inc., Laurin Associates, Overland Pacific and Cutler, Inc., and Paragon Partners, Ltd.

**Stargell Commons** - Staff continues to attend the monthly draw meetings. The project is making good progress, the exterior building envelope mostly completed. Unit finishes in process in some units. Site work is somewhat behind. Per RCD, it is anticipated the project will be complete around the end of March 2017.

The project marketing materials and dedicated phone number for leasing inquiries will be managed by RCD and will be available in November 2016.

**Del Monte Senior** – Staff will receive final pricing this week from Brown Construction. SGPA Architecture has resubmitted plans to the City in response to first round plan check comments. TLC started demolition of the site asphalt last week and will begin work on soil remediation and grading this week. Funding for Tax Credits has been approved by the NEF Investment Committee. Staff has submitted the TCAC Carryover Allocation



Agreement and supporting documents to update the status of the Del Monte project. We expect issuance of the documents in the next few weeks. HUD has issued approval of the PBV units based on the TCAC Subsidy Layering Review. Staff continues to work with the investor and lenders on due diligence requirements for a target loan closing during the week of December 5, 2106 and a separate closing authorization memo is attached.

2437 Eagle Avenue – The TCAC Carryover Allocation Agreement and supporting documents to update the status of the Everett and Eagle Project have been submitted. Staff awaits any other requests from TCAC. The RFP for investors and lenders is due on November 10<sup>th</sup>. The permit application and plans have been submitted to the City. Staff has issued an RFP for a General Contractor to four pre-qualified firms (Arbor, Cahill J.H. Fitzmaurice, and Nibbi Brothers).

North Housing – Staff continues to work with the Navy, City staff and consultants in preparation for conveyance of the AHA parcel. A new draft parcelization plan has been created, whereby only one building straddles the property boundary. Once formally approved by the Navy, staff expects a new schedule for the auction of the publicly available parcel. The insurance broker for the City required Pollution Legal Liability will secure quotes in less than 30 days. We can then select the best fit and negotiate the additional details so that the policy is ready to meet City requirements when the Navy is ready for conveyance.

Rosefield Village – Staff continues to work with Landis Development LLC, our third party real estate development consultant to review and select an architect form proposals submitted by Anne Phillips Architecture, Dahlin Group Architecture, MWA Architects, SGPA Architecture, and YHLA Architects.

A partial release (of the six Eagle Village units) from the Fannie Mae mortgage that secures the Parrot and Eagle Village properties has been completed.

## **RENT & COMMUNITY PROGRAMS**

### **➤ Rent Program:**

The October monthly program report is available to the public on the Rent Program website at [www.alamedarentprogram.org](http://www.alamedarentprogram.org). In the News and Notices Tab there is a reports section. The monthly report includes a detailed program update narrative, data chart and trend charts. Timely payment has been received for the all billing to date.

### **Outreach Strategies**

- 90 individuals attended an informational workshop or fair housing training in October
- Staff increased efforts to share informational brochure with local organizations.
- Tabling at the Tuesday Alameda Farmer's Market

- Mailer to owners and property managers of apartment complexes with more than 30 units
- Staff made in-person visits to properties with more than 30 units to seek to understand any problems, educate about the ordinance, build relationships, and remind that all rent increase offers above 5% must be filed with the Program Administrator
- Inclusion of informational workshops and fair housing trainings in Alameda Sun "Local Happenings"

(Attendance for in-person workshops increased this month, presumably an effect of the September mass mailing regarding the information brochure and fair housing trainings.)

### **Rent Increases**

RRAC case summary for October cases that will be heard at November 9th RRAC meeting:

- 42 cases filed
- 36 cases resolved before RRAC agenda which is released 1 week prior to RRAC meeting
- 6 cases on RRAC agenda

### **Terminations of Tenancy**

October notice filings: 13

- 4 Owner move-in
- 5 No Cause
- 1 withdrawal
- 3 Invalid, not in compliance with 3148 regulations

### **Capital Improvement Plans (CIP)**

October CIP filings: 0

### **➤ CDBG/HOME Programs:**

- On October 18, 2016, City Council approved HOME funds in the amount of \$248,740 for the Del Monte Senior Housing Project.

**FINANCE**

Please see the Budget Variance Report.

**RECOMMENDATION**

For information only.

Respectfully submitted,

A handwritten signature in black ink that reads "Vanessa Cooper." The signature is written in a cursive, flowing style.

Vanessa M. Cooper  
Executive Director

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Attachment

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# 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: November 16, 2016

RE: Budget Variance Report for October, 2016

## BACKGROUND

On May 18, 2016 the Board of Commissioners approved a two-year operating budget for all programs covering the fiscal years July 1, 2016 through June 30, 2018. This Budget Variance Report covers preliminary unaudited financial operating results compared to the budget approved on May 18, 2016, for the four month period of July 1, 2016 to October 31, 2016. Although the year-end financial data is accrued, the month to month financials are on a cash basis.

The format of this budget variance report is different from the report presented in FY 15-16. It is more compatible with the format of the FY 16-17 approved budget. It now presents a Housing Assistance Payments (HAP) Pass-through Budget and the HCV/Section 8 Operations Budget separately.

## DISCUSSION

Overall operating income is more than the year-to-date budget by \$182,331(4%), mainly due to the higher year-to-date tax increment that we received from the City (\$126,456) compared with the budget. The vacancy loss is \$91,112 less than the year-to-date budget. The professional service revenue is \$219,494 less than the year-to-date budgeted revenue. This is mainly due to a time lag of billing for the CDBG program, and the billing to ICD for \$100k which will be made in late November.

Agency-wide operating expenses are lower than the year-to-date budget by \$735,682 (21%). This is mainly due to the lower salary and benefit expenses by \$434,179 and lower other administrative expenses by \$156,829. The Net Operating Income (NOI) before Debt Service is, therefore, \$1,945,920, which is \$952,843 (96%) higher than the year-to-date budget. The Net Income is \$1,568,598, which is \$940,287 (150%) more than the year-to-date budgeted surplus.

### Capital Improvement Project

CIP's totaled \$225,802 for year-to-date through October 2016. The FY 16-17 annual capital budget is \$3,771,718. The total budget for ABD 504 Project is \$505,000, but it overlaps FY 15-16 and FY 16-17. The project is now complete.

1120	Lincoln House – ADA Modifications	\$	12,380
6010	A.B. Diament– Section 504 Project	\$	189,842
6100	Eagle V – Bath Tubs Replacements	\$	23,580
Total CIP Projects YTD October, 2016		\$	225,802

### HOUSING ASSISTANCE PAYMENTS (HAP) PASS-THROUGH

The Housing Assistance Payments (HAP) Pass-through budget includes all the Housing Choice Voucher/Section 8, Shelter Plus and Bessie Coleman (SRO) programs. The year-to-date revenue is \$1,273,698 (14%) less than the budget. There is a time lag for the revenue received from Bessie Coleman Program. The HAP payments to landlords are \$957,631 (10 %) less than the year-to-date budget, resulting a net loss of \$316,067 as of October 31, 2016. The AHA staff submitted a request for additional HAP funding in October. HUD has granted staff's request of additional \$237,000. This disbursement will be incorporated in November.

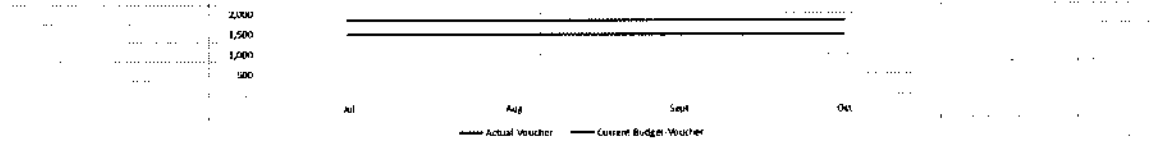
A project reserve (or HAP funds Held by HUD reserve) whereby AHA can draw additional HAP funds if our HAP costs exceed any year's HAP budget has been established by HUD in lieu of significant RNP (Restricted Net Position) cash reserves held by AHA in the past. This HUD held HAP reserve has a balance in excess of \$4.1 million dollars as of October 31, 2016. As the payment standard increases effective April and September 2016, and with the issuance of 50 new vouchers, the HUD held HAP reserve balance is expected to be fully utilized in the future.

Our October lease rate is at 80.3 percent due to the tight housing market. The year-to-date lease rate is at 80.3 percent for the fiscal year ending October 31, 2016, and 81.3 percent for the HUD calendar year 2016 annual funding cycle, which began in January. The October utilization rate has increased to 96.6%. The year-to-date utilization rate of actual HAP expense has slightly increased to 95.4% of the HUD Budget Amount for the fiscal year ending October 31, 2016, and 93.4 % for the HUD calendar year 2016 annual funding cycle.

**HOUSING CHOICE VOUCHER PROGRAM OPERATIONS**

Unit Category	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
Actual-Voucher	1,481	1,403	1,481	1,402									5,927
Current Budget-Voucher	1,845	1,845	1,845	1,845									7,380
Over (under) Budget	(364)	(462)	(364)	(463)									(1,433)
Percent Leased Per Mo	80.3%	80.4%	80.3%	80.3%									80.3%

Actual HAP Expense vs. Budget HAP Expense



Actual HAP Expense	\$ 2,816,246	\$ 2,824,299	\$ 2,846,297	\$ 2,867,435									\$ 8,154,787
HUD Budget Amount	\$ 2,140,749	\$ 2,140,749	\$ 2,140,749	\$ 2,140,749									\$ 8,562,994
Over (under)	\$ (113,982)	\$ (116,549)	\$ (94,452)	\$ (72,314)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (98,209)
Utilization	94.7%	94.6%	95.6%	96.6%									95.35%

Utilization of HAP Funding



On May 26, HUD sent a letter to Executive Directors increasing the administrative fee proration for calendar year (CY) 2016 from 80 percent to 84 percent. The Department has allocated previously unused funds towards the administrative fee as the FY 2016 Appropriations Act allows it to do.

The operating (or administrative) portion of the Housing Choice Voucher program presented at this report also includes the administrative tasks of the Shelter Plus Program and ROSS/FSS Project Coordinator Programs

The operating revenue is higher than the year-to-date budget by \$107,772 (19%). This is mainly due to the higher HUD's disbursement of the Administrative Fee revenue comparing with our budgeted revenue. There will be a year-end reconciliation at the end of year to determine if there is any over or under payment to adjust at the end of fiscal year. The operating expenses are lower than the budget by \$158,012 (21%), mainly due to the lower year-to-date salary and benefit expenses (\$113,255) and lower other administrative expenses (\$37,382). It has an operating surplus of \$58,268 compared to the year-to-date budgeted deficit of \$207,516.

**PROPERTY OPERATIONS**

**PARROT VILLAGE AND EAGLE VILLAGE**

Total operating revenue for Parrot Village and Eagle Village properties is slightly over budget by \$55,407 (7%). This is mainly due to the lower actual vacancy loss than the budget by \$22,190. There is no write-off yet either. The net tenant rental revenue is, therefore, \$49,165 higher than the year-to-date budget. The operating expenses are under budget by \$102,877. This is mainly due to the lower salary

and benefit expenses (\$39,540) and lower maintenance cost (\$18,152), resulting in a surplus of \$424,112 versus the year-to-date budgeted surplus of \$275,585.

#### **HOUSING AUTHORITY OWNED**

Operating revenue finished this month slightly over budget by \$57,229 (3%). There were 17 vacant units in October, which includes Rosefield Village and A.B. Diament for a total of 12 units. Please note that the vacant units referred here means the unit is vacant at any time in the month, so these numbers may not match the property reports. Out of 17 vacant units in October, 3 units of these are offline at Rosefield. The actual year-to-date vacancy loss is still lower than the budget by \$30,888. There is no write off yet either. The net tenant rental revenue is, therefore, \$51,026 higher than the year-to-date budgeted net revenue.

The operating expenses are under budget by \$247,483 (19%). This is mainly due to the saving in the salary and benefit expenses of \$129,100 and lower other administrative expenses by \$43,113, resulting in a surplus of \$618,654 versus the year-to-date budgeted surplus of \$316,351.

#### **INDEPENDENCE PLAZA**

Operating revenue is over budget by \$184,744 (19%), mainly due to the year-to-date payment of annual tax increment from City (\$626,667). The year-to-date tax increment revenue is higher than the budget by \$126,456. There will be a year-end reconciliation to determine if there is any over or under payment to adjust. There were 7 vacant units in October, which still resulted a saving in the year-to-date vacancy loss by \$38,035, compared with the year-to-date budget.

The operating expenses are under budget by \$61,151 (12%). This is mainly due to the saving in the salary and benefit expenses of \$49,690, resulting in a surplus of \$616,544 versus the year-to-date budgeted surplus of \$373,038.

#### **AHA/CDBG/HCD/OTHER MANAGED PROGRAMS**

This section includes Housing Community Development, CDBG, Successor Agency, Development and other Programs. The reimbursement programs are under contract with the City for CDBG, HOME and other affordable housing programs. Reimbursement billings are processed by the City. There is not any current revenue for Successor Housing agency, the funds received from the City in August of 2012 is utilized to fund the budgeted activities.

Operating revenue is under budget by \$222,822 (66%). The professional service revenue (\$100K) will not be billed to ICD until late November. There is a time lag in the CDBG billing too. The operating expenses are under budget by \$166,162 (39%). This is mainly due to the saving in the salary and benefit expenses for the amount of \$102,566, and other administrative expenses of \$69,232, resulting an overall deficit of \$148,979, compared with the budgeted deficit of \$129,149.



## OTHER FINANCIAL ISSUES

### **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. 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 delayed the payment as previously reported in order to obtain further information from CalPERS. Staff made a payment of \$1,000,000 on June 8, 2016 to avoid the 7.5% interest charge on outstanding liabilities. This partial payment was made due to the concern that if the Unfunded Accrued Liability (UAL) balance decreases more, as we have observed for the past year, by not making the full payment up front, 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. If the total amount recommended to pay off exceeds the previous approved pay off of \$1,954,024, staff will return to the Board for approval.

Since the \$1,000,000 payment was made before June 15<sup>th</sup>, CalPERS informed us that our 2016-17 Employer Unfunded Liability reduced by \$64,526.

CalPERS just released the actuarial valuations report with the measurement date of June 30, 2015 for the whole risk-pool, which they made available to everyone online. The difference this year is that they are not providing individualized reports with the required disclosures readily available (like they did last year.) The staff will review the report and make any new recommendations, if necessary, to the Board, once the updated balance of Unfunded Accrued Liability (UAL) is calculated and confirmed.

### **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 issued a Request for Proposal (RFP) for an independent assessment of OPEB liabilities for the analysis on the post-employment health benefits and make recommendations of possible improvements in regards to AHA Actuarial Funding Policy and the benefit structure of AHA. The deadline for submitting the proposal was September 28, 2016. Two responses were received as of September 28, 2016. Nicolay Consulting Group has been selected to provide the analysis and prepare the detailed actuarial report to be incorporated into the audited financial statement. Nicolay Consulting Group will plan to present the report to Board of Commissioners no later than January 2017.

#### 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. 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

**Parrot and Eagle Village**

**Budget Comparison**

Period - Oct 2016

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
<b>Revenue</b>									
Tenant Rent Received	48,158	48,478	-320	-1%	193,592	193,912	-320	0%	581,736
Tenant HAP Subsidy	158,614	152,503	6,111	4%	629,267	610,011	19,256	3%	1,830,034
Gross Potential Rent	206,772	200,981	5,791	3%	822,859	803,923	18,936	2%	2,411,770
Vacancy Loss	-4,350	-10,049	5,699	-57%	-18,006	-40,196	22,190	-55%	-120,588
Rent Free Unit	-2,639	-2,639	0	0%	-10,556	-10,556	0	0%	-31,668
Write Off	0	-2,010	2,010	-100%	0	-8,039	8,039	-100%	-24,117
Net Tenant Rental Revenue	199,763	186,283	13,500	7%	794,297	745,132	49,165	7%	2,235,397
Maintenance Charges	6,574	192	6,382	3324%	8,317	767	7,550	984%	2,300
Late Charges	170	0	170	0%	590	0	590	0%	0
<b>Total Tenant Revenue</b>	<b>206,477</b>	<b>186,475</b>	<b>20,002</b>	<b>11%</b>	<b>803,204</b>	<b>745,899</b>	<b>57,305</b>	<b>8%</b>	<b>2,237,697</b>
Other Income	7,286	1,047	6,239	596%	2,288	4,186	-1,898	-45%	12,559
<b>Total Revenue</b>	<b>213,763</b>	<b>187,521</b>	<b>26,242</b>	<b>14%</b>	<b>805,492</b>	<b>750,085</b>	<b>55,407</b>	<b>7%</b>	<b>2,250,256</b>
<b>Expenses:</b>									
<b>Administrative</b>									
Administrative Salaries	16,922	18,681	1,759	9%	60,118	74,725	14,607	20%	224,176
Admin Employee Benefit	5,560	7,724	2,164	28%	22,671	30,899	8,228	27%	92,694
Temporary Help - Administrative	1,446	625	-821	-131%	8,975	2,501	-6,474	-259%	7,504
Legal Expense	2,059	1,003	-1,056	-105%	4,398	4,013	-385	-10%	12,039
Auditing Fees	1,171	542	-629	-116%	2,050	2,166	116	5%	6,499
Other Admin Expenses	4,680	5,765	1,085	19%	13,552	23,056	9,504	41%	69,169
<b>Total Administrative Expense</b>	<b>31,840</b>	<b>34,340</b>	<b>2,500</b>	<b>7%</b>	<b>111,764</b>	<b>137,360</b>	<b>25,596</b>	<b>19%</b>	<b>412,081</b>
<b>Tenant/Social Services/Police</b>									
Tenant Services - Salaries	67	2,066	1,999	97%	4,971	8,266	3,295	40%	24,798
Tenant Services Employee Benefits	907	1,091	184	17%	3,257	4,366	1,109	25%	13,097
Police Services	1,156	2,275	1,119	49%	10,045	9,100	-945	-10%	27,300
Tenant-Relocation Costs	315	0	-315	-100%	315	0	-315	-100%	0
Tenant Service Activities - Contracts and O/S	3,440	2,212	-1,228	-56%	9,927	8,847	-1,080	-12%	26,540
<b>Total Tenant Services and Benefits</b>	<b>5,885</b>	<b>7,645</b>	<b>1,760</b>	<b>23%</b>	<b>28,515</b>	<b>30,578</b>	<b>2,063</b>	<b>7%</b>	<b>91,735</b>
<b>Total Utilities</b>	<b>11,271</b>	<b>21,365</b>	<b>10,094</b>	<b>47%</b>	<b>50,534</b>	<b>85,459</b>	<b>34,925</b>	<b>41%</b>	<b>256,378</b>
<b>Regular Maintenance</b>									
Maintenance - Salaries	17,112	18,106	994	5%	61,821	72,422	10,601	15%	217,267
Maintenance Employee Benefits	6,582	8,273	1,691	26%	24,920	33,094	8,174	25%	99,281
Maintenance Materials	3,077	4,208	1,131	27%	9,600	16,831	7,231	43%	50,493
<b>Total Maintenance Contract Cost</b>	<b>30,006</b>	<b>16,753</b>	<b>-13,253</b>	<b>-79%</b>	<b>56,089</b>	<b>67,010</b>	<b>10,921</b>	<b>16%</b>	<b>201,031</b>
<b>Total Maintenance</b>	<b>56,776</b>	<b>47,339</b>	<b>-9,437</b>	<b>-20%</b>	<b>152,429</b>	<b>189,357</b>	<b>36,928</b>	<b>20%</b>	<b>569,072</b>
<b>General Expenses</b>									
Insurance - Liability	0	406	406	100%	1,070	1,625	555	34%	4,874
Insurance - Property	0	1,668	1,668	100%	3,834	6,672	2,738	41%	20,017
Insurance - Vehicle	115	132	17	13%	458	530	72	14%	1,590
<b>Total General Expenses</b>	<b>115</b>	<b>2,206</b>	<b>2,091</b>	<b>95%</b>	<b>5,462</b>	<b>8,827</b>	<b>3,365</b>	<b>38%</b>	<b>26,481</b>
<b>Total Operating Expenses</b>	<b>105,887</b>	<b>112,895</b>	<b>7,008</b>	<b>6%</b>	<b>348,704</b>	<b>451,581</b>	<b>102,877</b>	<b>23%</b>	<b>1,354,747</b>
<b>NOI Before Debt Services</b>	<b>107,876</b>	<b>74,616</b>	<b>33,250</b>	<b>45%</b>	<b>456,788</b>	<b>298,504</b>	<b>158,284</b>	<b>53%</b>	<b>895,509</b>
<b>Debt Services</b>	<b>9,244</b>	<b>5,730</b>	<b>-3,514</b>	<b>-61%</b>	<b>32,676</b>	<b>22,919</b>	<b>-9,757</b>	<b>-43%</b>	<b>68,756</b>
<b>Net Income</b>	<b>98,632</b>	<b>68,886</b>	<b>29,736</b>	<b>43%</b>	<b>424,112</b>	<b>275,585</b>	<b>148,527</b>	<b>54%</b>	<b>826,753</b>

**AHA Owned  
Budget Comparison**

Period - Oct 2016

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Actual
<b>Revenue</b>									
Gross Tenant Rental Revenue	125,307	125,307	0	0%	501,228	501,228	0	0%	1,503,684
Tenant HAP Subsidy	378,140	378,140	0	0%	1,512,562	1,512,562	0	0%	4,537,685
Gross Potential Rent	503,447	503,447	0	0%	2,013,790	2,013,790	0	0%	6,041,369
Vacancy Loss	-25,418	-25,172	-246	1%	-69,802	-100,690	30,888	-31%	-302,069
Rent Free Unit	-5,679	-5,679	0	0%	-22,716	-22,716	0	0%	-68,148
Write Off	0	-5,034	5,034	-100%	0	-20,138	20,138	-100%	-60,414
Net Tenant Rental Revenue	472,350	467,562	4,788	1%	1,921,272	1,870,246	51,026	3%	5,610,738
Maintenance Charges	2,099	612	1,487	243%	11,520	2,450	9,070	370%	7,350
Late Charges	230	0	230	-100%	1,270	0	1,270	-100%	0
Commercial Rents	2,460	2,326	134	6%	9,663	9,304	359	4%	27,911
<b>Total Tenant Revenue</b>	<b>477,139</b>	<b>470,500</b>	<b>6,639</b>	<b>1%</b>	<b>1,943,724</b>	<b>1,882,000</b>	<b>61,724</b>	<b>3%</b>	<b>5,645,999</b>
Other Income	18,938	6,126	12,812	209%	20,010	24,505	-4,495	-18%	73,515
<b>Total Revenue</b>	<b>496,077</b>	<b>476,626</b>	<b>19,451</b>	<b>4%</b>	<b>1,963,734</b>	<b>1,906,505</b>	<b>57,229</b>	<b>3%</b>	<b>5,719,514</b>
<b>Expenses:</b>									
<b>Administrative</b>									
Administrative Salaries	54,181	59,814	5,633	9%	192,485	239,257	46,772	20%	717,770
Admin Employee Benefits	17,430	24,740	7,310	30%	71,764	98,957	27,193	27%	296,871
Temporary Help - Administrative	5,592	2,019	-3,573	-177%	25,554	8,075	-17,479	-216%	24,224
Legal Expense	5,936	3,239	-2,697	-83%	16,057	12,955	-3,102	-24%	38,865
Auditing Fees	3,342	1,546	-1,796	-116%	5,849	6,183	334	5%	18,550
Other Admin. Expenses	13,890	23,209	9,319	40%	49,725	92,838	43,113	46%	278,510
<b>Total Administrative Expense</b>	<b>100,374</b>	<b>111,327</b>	<b>10,953</b>	<b>10%</b>	<b>361,432</b>	<b>445,308</b>	<b>83,876</b>	<b>19%</b>	<b>1,335,925</b>
<b>Tenant/Social Services/Police</b>									
Tenant Services - Salaries	1,439	6,099	7,538	124%	13,036	24,397	11,361	47%	73,190
Employee Benefits	2,033	3,392	1,359	40%	9,337	13,566	4,229	31%	40,698
Police Services	6,181	7,910	1,729	22%	33,985	31,640	-2,345	-7%	94,920
Tenant-Relocation Costs	1,500	2,426	926	38%	2,744	9,703	6,959	72%	29,109
Tenant Service Activities - Contracts and	6,893	7,068	175	2%	23,446	28,270	4,824	17%	84,810
<b>Total Tenant Services and Benefits</b>	<b>15,168</b>	<b>25,894</b>	<b>11,726</b>	<b>44%</b>	<b>82,548</b>	<b>107,576</b>	<b>25,028</b>	<b>23%</b>	<b>322,727</b>
<b>Total Utilities</b>	<b>47,323</b>	<b>54,179</b>	<b>6,856</b>	<b>13%</b>	<b>139,456</b>	<b>216,718</b>	<b>77,262</b>	<b>36%</b>	<b>650,153</b>
<b>Regular Maintenance</b>									
Maintenance - Salaries	48,489	51,307	2,818	5%	171,157	205,226	34,069	17%	615,679
Total Maint Employee Benefits	13,030	23,113	10,083	44%	69,499	92,454	22,955	25%	277,361
Maintenance Materials	8,758	10,803	2,045	19%	25,421	43,233	17,792	41%	129,640
Maintenance Contracts Costs	83,538	49,754	-33,784	-68%	208,330	199,015	-9,315	-5%	597,045
<b>Total Maintenance</b>	<b>153,814</b>	<b>134,977</b>	<b>-18,837</b>	<b>-14%</b>	<b>474,407</b>	<b>539,908</b>	<b>65,501</b>	<b>12%</b>	<b>1,619,725</b>
<b>General Expenses</b>									
Insurance - Liability	2,168	1,298	-870	-67%	8,669	5,192	-3,477	-67%	15,576
Insurance - Property	2,804	2,570	-234	-9%	11,216	10,280	-936	-9%	30,841
Insurance - Vehicle	368	423	55	13%	1,464	1,693	229	14%	5,078
<b>Total General Expenses</b>	<b>5,340</b>	<b>4,291</b>	<b>-1,049</b>	<b>-24%</b>	<b>21,349</b>	<b>17,165</b>	<b>-4,184</b>	<b>-24%</b>	<b>51,495</b>
<b>Total Operating Expenses</b>	<b>322,019</b>	<b>331,668</b>	<b>9,649</b>	<b>3%</b>	<b>1,079,192</b>	<b>1,326,675</b>	<b>247,483</b>	<b>19%</b>	<b>3,980,025</b>
Pre-development Cost	0	0	0	0%	2,000	0	-2,000	-100%	0
<b>NOI Before Debt Services</b>	<b>174,058</b>	<b>144,958</b>	<b>29,100</b>	<b>20%</b>	<b>882,542</b>	<b>579,830</b>	<b>302,712</b>	<b>52%</b>	<b>1,739,489</b>
Debt Services	65,154	65,870	716	1%	263,898	263,479	-409	0%	790,436
<b>Net Income</b>	<b>108,904</b>	<b>79,088</b>	<b>29,816</b>	<b>38%</b>	<b>618,654</b>	<b>316,351</b>	<b>302,303</b>	<b>96%</b>	<b>949,053</b>

**INDEPENDENCE PLAZA (8100)**  
**Budget Comparison**  
 Period - Oct 2016

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Actual
<b>Revenue</b>									
Gross Tenant Rental Revenue	137,882	131,840	6,042	5%	533,402	527,360	6,042	1%	1,582,081
Tax Incremental Payments from the City of	626,667	125,053	501,614	401%	626,667	500,211	126,456	25%	1,500,633
Gross Potential Rent	764,549	256,893	507,656	198%	1,160,069	1,027,571	132,498	13%	3,082,714
Vacancy Loss	-7,367	-12,845	5,478	-43%	-13,344	-51,379	38,035	-74%	-154,136
Rent Free Unit	-1,893	-1,893	0	0%	-7,572	-7,572	0	0%	-22,716
Write Off	0	-2,569	2,569	-100%	0	-10,276	10,276	-100%	-30,827
Net Tenant Rental Revenue	755,289	239,586	515,703	215%	1,139,153	958,344	180,809	19%	2,875,035
Maintenance Charges	2,244	333	1,911	574%	3,766	1,333	2,433	183%	4,000
Late Charges	30	54	-24	-44%	160	217	-57	-26%	650
<b>Total Tenant Revenue</b>	<b>757,563</b>	<b>239,974</b>	<b>517,589</b>	<b>215%</b>	<b>1,143,079</b>	<b>959,895</b>	<b>183,184</b>	<b>19%</b>	<b>2,879,685</b>
Other Income	2,764	1,178	1,586	74%	7,904	6,344	1,560	25%	19,032
<b>Total Revenue</b>	<b>760,327</b>	<b>241,152</b>	<b>519,175</b>	<b>215%</b>	<b>1,150,983</b>	<b>966,239</b>	<b>184,744</b>	<b>19%</b>	<b>2,898,717</b>
<b>Expenses:</b>									
<b>Administrative</b>									
Administrative Salaries	16,348	18,048	1,700	9%	58,079	72,191	14,112	20%	216,573
Admin Employee Benefit	4,097	7,462	3,365	45%	20,620	29,851	9,231	31%	89,554
Temporary Help - Administrative	1,946	605	1,341	-22%	10,572	2,420	-8,152	-337%	7,259
Legal Expense	3,561	970	2,591	-26%	5,830	3,882	-1,948	-50%	11,646
Auditing Fees	1,442	666	776	-117%	2,523	2,665	142	5%	7,996
Other Admin Expenses	4,635	7,240	2,605	36%	18,410	28,969	10,559	36%	86,902
<b>Total Administrative Expense</b>	<b>32,030</b>	<b>34,994</b>	<b>2,964</b>	<b>8%</b>	<b>116,034</b>	<b>139,977</b>	<b>23,943</b>	<b>17%</b>	<b>419,930</b>
<b>Tenant/Social Services/Police</b>									
Tenant Services - Salaries	983	2,459	1,476	60%	6,818	9,836	3,018	31%	29,508
Tenant Services - Employee Benefits	868	1,194	326	27%	3,453	4,777	1,324	28%	14,330
Police Services	2,686	3,062	376	12%	12,215	12,250	35	0%	36,750
Tenant Service Activities - Contracts and	-336	4,471	4,807	108%	9,287	17,885	8,598	48%	53,655
Total Tenant Services and Benefits	4,200	11,187	6,987	62%	31,773	44,748	12,975	29%	134,243
<b>Total Utilities</b>	<b>27,383</b>	<b>25,084</b>	<b>2,299</b>	<b>-9%</b>	<b>67,809</b>	<b>100,335</b>	<b>32,526</b>	<b>32%</b>	<b>301,005</b>
<b>Regular Maintenance</b>									
Maintenance - Salaries	25,009	26,462	1,453	5%	87,987	105,850	17,863	17%	317,549
Maint Employee Benefits	16,408	12,388	4,020	32%	37,260	49,554	12,294	25%	148,662
Maintenance Materials	1,037	4,665	3,628	78%	9,735	18,659	8,924	48%	55,978
Total Maintenance Contract Cost	32,786	11,212	-21,574	-192%	89,576	44,849	-44,727	-100%	134,548
<b>Total Maintenance</b>	<b>75,241</b>	<b>54,728</b>	<b>20,513</b>	<b>-37%</b>	<b>224,559</b>	<b>218,912</b>	<b>-5,647</b>	<b>-3%</b>	<b>656,737</b>
<b>General Expenses</b>									
Insurance - Liability	1,776	821	955	-116%	5,889	3,285	-2,604	-79%	9,854
Insurance - Property	1,371	1,626	255	16%	6,693	6,504	-189	-3%	19,512
Insurance - Vehicle	231	268	37	14%	924	1,071	147	14%	3,213
Total General Expenses	3,378	2,715	663	-24%	13,506	10,860	-2,646	-24%	32,579
<b>Total Operating Expenses</b>	<b>142,232</b>	<b>128,708</b>	<b>-13,524</b>	<b>-11%</b>	<b>453,681</b>	<b>514,832</b>	<b>61,151</b>	<b>12%</b>	<b>1,544,494</b>
<b>NOI before Debt Services</b>	<b>618,095</b>	<b>112,852</b>	<b>505,243</b>	<b>448%</b>	<b>697,302</b>	<b>451,407</b>	<b>245,895</b>	<b>54%</b>	<b>1,354,223</b>
Debt Services	20,085	19,592	493	-3%	80,758	78,369	-2,389	-3%	235,106
<b>Net Income</b>	<b>598,010</b>	<b>93,260</b>	<b>504,750</b>	<b>541%</b>	<b>616,544</b>	<b>373,038</b>	<b>243,506</b>	<b>65%</b>	<b>1,119,117</b>

HCV/Section 8 Operations ( NO HAP )

Budget Comparison

Period = Oct 2016

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Actual
<b>Revenue</b>									
HUD Grant & Admin Fees	135,659	139,172	-3,513	-3%	664,606	556,689	107,917	19%	1,670,068
Other Income	10	41	-31	-76%	19	164	-145	-88%	491
<b>Total Revenue</b>	<b>135,669</b>	<b>139,213</b>	<b>-3,544</b>	<b>-3%</b>	<b>664,625</b>	<b>556,853</b>	<b>107,772</b>	<b>19%</b>	<b>1,670,559</b>
<b>Expenses:</b>									
<b>Administrative</b>									
Administrative Salaries	94,108	103,892	9,784	9%	334,329	415,566	81,237	20%	1,246,697
Admin Employee Benefit	30,087	40,841	10,754	26%	120,557	163,367	42,810	26%	490,098
Temporary Help - Administrative	5,706	3,392	-2,314	-68%	24,358	13,566	-10,792	-80%	40,698
Legal Expense	9,676	5,441	-4,235	-78%	21,910	21,765	-145	-1%	65,296
Auditing Fees	1,144	528	-616	-117%	2,002	2,114	112	5%	6,341
Other Admin Expenses	25,684	29,041	3,357	13%	78,784	116,166	37,382	32%	348,498
<b>Total Administrative Expense</b>	<b>166,405</b>	<b>183,135</b>	<b>16,730</b>	<b>9%</b>	<b>581,940</b>	<b>732,543</b>	<b>150,603</b>	<b>21%</b>	<b>2,197,629</b>
<b>Tenant/Social Services/Police</b>									
Police Services	2,643	4,252	1,609	38%	13,755	17,010	3,255	19%	51,030
Tenant and Social Services - Activities	-138	278	416	150%	172	1,111	939	85%	3,333
<b>Total Tenant/Social Services/Police</b>	<b>2,505</b>	<b>4,530</b>	<b>2,025</b>	<b>45%</b>	<b>13,927</b>	<b>18,121</b>	<b>4,194</b>	<b>23%</b>	<b>54,363</b>
<b>Total Utilities</b>	<b>1,199</b>	<b>1,195</b>	<b>-4</b>	<b>0%</b>	<b>4,196</b>	<b>4,779</b>	<b>583</b>	<b>12%</b>	<b>14,337</b>
<b>Maintenance</b>									
Total Maintenance Materials	65	284	219	77%	263	1,138	875	77%	3,414
Total Maintenance Contract Cost	754	1,947	1,193	61%	4,975	7,788	2,813	36%	23,364
<b>Total Maintenance</b>	<b>818</b>	<b>2,232</b>	<b>1,414</b>	<b>63%</b>	<b>5,238</b>	<b>8,926</b>	<b>3,688</b>	<b>41%</b>	<b>26,778</b>
<b>General Expenses</b>									
Insurance - Liability	0	0	0	0%	910	0	-910	-100%	0
Insurance - Vehicle	0	0	0	0%	146	0	-146	-100%	0
<b>Total General Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>1,056</b>	<b>0</b>	<b>-1,056</b>	<b>-100%</b>	<b>0</b>
<b>Total Operating Expenses</b>	<b>170,927</b>	<b>191,092</b>	<b>20,165</b>	<b>11%</b>	<b>606,357</b>	<b>764,369</b>	<b>158,012</b>	<b>21%</b>	<b>2,293,107</b>
<b>Net Income</b>	<b>-35,258</b>	<b>-51,879</b>	<b>16,621</b>	<b>32%</b>	<b>58,268</b>	<b>-207,516</b>	<b>265,784</b>	<b>128%</b>	<b>-622,548</b>

**Budget Comparison - Housing Assistance Payments ( HAP) Pass Through budget**

Period: Oct 2016

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Original
Total HUD Grant	2,040,358	2,321,521	-281,163	-12%	8,012,385	9,286,083	-1,273,698	-14%	27,858,249
HUD Operating Grants									
Other Expenses									
Rent to Owners - Bessie Coleman	15,140	17,222	2,082	12%	61,597	68,888	7,291	11%	206,664
PORT-In (A/R Billings)	-8,447	0	8,447	100%	-33,199	0	33,199	-100%	0
Housing Assistance Payments - Landlords	2,087,440	2,304,299	216,859	9%	8,266,887	9,217,195	950,308	10%	27,651,585
Housing Assistance Payments - FSS	5,324	0	-5,324	-100%	21,573	0	-21,573	-100%	0
Utility Allowance to Tenants	3,244	0	-3,244	-100%	11,594	0	-11,594	-100%	0
Housing Assistance Payments	2,102,701	2,321,521	218,820	9%	8,328,452	9,286,083	957,631	10%	27,858,249
Total Expenses	2,102,701	2,321,521	218,820	9%	8,328,452	9,286,083	957,631	10%	27,858,249
Net Income	-62,343	0	-62,343	-100%	-316,067	0	-316,067	-100%	0

**HCD / CDBG / Successor Agency / DEV / Other Programs**  
**Budget Comparison - HCD / CDBG / Successor Agency**

Period = Oct 2016

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Original
<b>Revenue</b>									
Interest Income	1,147	782	365	47%	1,147	3,128	-1,981	-63%	9,382
Land Fee/Ground Lease	447	784	-337	-43%	1,788	3,135	-1,347	-43%	9,404
Professional Service Revenue	40,979	82,342	-41,363	-50%	109,873	329,367	-219,494	-67%	988,100
Total Revenue	42,573	83,908	-41,335	-49%	112,808	335,630	-222,822	-66%	1,006,886
<b>Expenses:</b>									
<b>Administrative</b>									
Administrative Salaries	50,539	55,793	5,254	9%	168,753	223,172	54,419	24%	669,516
Admin Employee Benefit	15,484	18,454	2,970	16%	58,541	73,813	15,272	21%	221,438
Temporary Help - Administrative	1,315	9,323	8,008	86%	4,417	37,292	32,875	88%	111,876
Legal Expense	4,272	1,626	-2,646	-163%	11,085	6,503	-4,582	-70%	19,510
Auditing Fees	901	417	-484	-116%	1,576	1,667	91	5%	5,000
Other Admin Expenses	7,389	22,202	14,813	67%	19,577	88,809	69,232	78%	266,428
Total Administrative Expense	79,902	107,814	27,912	26%	263,949	431,257	167,308	39%	1,293,770
Total Utilities	269	0	-269	-100%	887	0	-887	-100%	0
Regular Maintenance	45	47	2	4%	157	189	32	17%	566
Maintenance - Salaries	0	0	0	0%	0	0	0	0%	0
Joint Employee Benefit	2	0	-2	-100%	2	0	-2	-100%	0
Maintenance Materials	45	0	-45	-100%	289	0	-289	-100%	0
Total Maintenance Contract Cost	92	47	-45	-96%	448	189	-259	-137%	566
Total Operating Expenses	80,263	107,861	27,598	26%	265,284	431,446	166,162	39%	1,294,336
Other Expenses	0	8,333	8,333	100%	-3,497	33,333	36,830	110%	100,000
Pre-development Cost	0	8,333	8,333	100%	-3,497	33,333	36,830	110%	100,000
Total Other Expenses	-37,690	-32,286	-5,404	17%	-148,979	-129,149	19,830	-15%	-387,448
<b>Net Income</b>									





Housing Authority of the City of Alameda										
Unaudited Budget Variance Report										
For the four month Fiscal Period Ending October 31, 2016										
Description	Parrot & Eagle Village		Independence Plaza		HCV/Section 8 Operations		HCD/CDBG/Successor Agency/DEV/Other Properties		Year-to-Date % at +/-	Annual Budget
	YTD Actual	YTD Actual	YTD Actual	YTD Actual	YTD Actual	YTD Actual	Year-to-Date	Budget		
Maint Employee Benefits	24,920	69,499	37,260	0	131,679	175,102	43,423	25%	525,306	
Maintenance Materials	9,600	25,421	9,735	263	45,021	79,842	34,821	44%	239,526	
Maintenance Contract Cost	56,089	208,330	89,576	4975	359,259	318,665	(40,594)	-13%	955,995	
Total Maintenance	152,430	474,407	224,558	5,238	857,081	957,296	100,215	10%	2,871,898	
General Expenses										
Insurance - Liability	1,070	8,669	5,889	910	16,538	10,101	(6,437)	-64%	30,303	
Insurance - Property	3,934	11,216	6,693	0	21,843	23,457	1,614	7%	70,370	
Insurance - Vehicle	458	1,464	924	146	2,992	3,294	302	9%	9,882	
Total General Expenses	5,462	21,349	13,506	1,056	41,373	36,851.67	(4,521)	-12%	110,555	
Total Operating Expenses	348,705	1,079,194	453,660	606,357	2,753,220	3,488,902	735,682	21%	10,466,705	
Other Expenses										
Pre-development Cost		2,000			-1,497	33,333	34,830	104%	100,000	
Total Other Expenses		2,000			-1,497	33,333	34,830	104%	100,000	
<b>NOI Before Debt Services</b>	456,787	882,541	697,303	58,268	1,945,920	993,077	952,843	96%	2,979,230	
Debt Services	32,676	263,888	80,758	0	377,322	364,766	(12,556)	-3%	1,094,298	
<b>Net Income</b>	<b>424,111</b>	<b>618,653</b>	<b>616,545</b>	<b>58,268</b>	<b>1,568,598</b>	<b>628,311</b>	<b>940,287</b>	<b>150%</b>	<b>1,884,932</b>	



# 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: Tonya Schuler, Senior Management Analyst

Date: November 16, 2016

Re: Records Disposition

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## BACKGROUND

The Records Retention Policy and Procedure require the Executive Director to authorize the destruction of public and business records in accordance with Housing Authority policy. Approval for destruction does not need to be secured prior to disposing of working drafts and originals of documents that have been scanned and stored electronically. The Executive Director will also provide a written list of records that have been destroyed to the Board of Commissioners on an annual basis. This list shall not include any names of tenants and/or participants.

## DISCUSSION

The Housing Authority set aside a day to review records in retention and dispose of any records that were allowed under the Records Retention Policy. Attachment A shows the records that were disposed of since the last report to the Board of Commissioners in 2016.

## FINANCIAL IMPACT

There is no direct financial impact of these policy changes.

## RECOMMENDATION

For information only under the Records Retention Policy.



Honorable Chair and  
Members of the Board of Commissioners

November 16, 2016  
Page 2 of 2

Respectfully submitted,

  
Vanessa M. Cooper  
Executive Director

VMC/tms

Attachments: Attachment A - Records Destroyed



Description of Contents	Retention Date (year)	Date Disposed
Management Analyst Applications	2015	1/4/2016
Removed Waitlist Applications- Section 8 & APC 2008 - 2011	1905	1/4/2016
2012 Interims	2015	1/4/2016
Section 8 Pre-Applications- Removed from Waitlist 2006 & 2007	2010	1/4/2016
2012 Interims	2015	1/4/2016
2012 Interims	2015	1/4/2016
FSS Dead Files 1/12 - 12-12	2015	1/4/2016
2012 Interims	2015	1/4/2016
2012 Unit Transfers / 2012 Initial Bill	2015	1/4/2016
2012 Interims	2015	1/4/2016
2012 New MI / UTI	2015	1/4/2016
2012 Interims	2015	1/4/2016
2012 Interims	2015	1/4/2016
2012 Interims	2015	1/4/2016
2012 Interims	2015	1/4/2016
2012 Interims	2015	1/4/2016
2011 Application Files / Issued Vouchers	2015	1/4/2016
2012 Scanned Interims C-D	2015	1/4/2016
2012 Annuals	2015	1/4/2016
Requests for Referrals 2004-2010	2013	1/4/2016
Working Papers pre-2012	2015	6/8/2016
Working Papers pre-2012	2015	6/8/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013 (scanned)	2016	9/23/2016
Annuals 2013, (scanned)	2016	9/23/2016
Annuals 2013, HPD (scanned)	2016	9/23/2016
Annuals/Interims 2011	2014	9/23/2016
Annuals/Interims 2012 (scanned)	2015	9/23/2016
Annuals/Interims 2012-2013 (scanned)	2016	9/23/2016
Interims 2013 (scanned)	2016	9/23/2016
Interims 2013 (scanned)	2016	9/23/2016
Interims 2013 (scanned)	2016	9/23/2016
Interims 2013, H-K (Scanned)	2016	9/23/2016
Interims 2013, M (scanned)	2016	9/23/2016
Interims 2013, N-R (scanned)	2016	9/23/2016
Interims 2013, S-T (scanned)	2016	9/23/2016
Interims 2015 (scanned)	2016	9/23/2016
lease contract, 2012/13 (scanned)	2016	9/23/2016
Ports 2013 (scanned)	2016	9/23/2016
Ports 2013 (scanned)	2016	9/23/2016

Description of Contents	Retention Date (year)	Date Disposed
Ports 2013/14 (scanned)	2016	9/23/2016
Removed WL Applications pre-2012	2015	9/23/2016
Removed WL Applications pre-2013	2015	9/23/2016
Removed WL Applications pre-2013	2015	9/23/2016
Removed WL Applications pre-2013	2015	9/23/2016
Removed WL Applications pre-2013	2015	9/23/2016
Removed WL Applications pre-2013	2015	9/23/2016
Removed WL Applications pre-2013	2015	9/23/2016
Removed WL Applications pre-2013	2015	9/23/2016
Removed WL Applications pre-2013	2015	9/23/2016
Removed WL Applications pre-2013	2015	9/23/2016
Removed WL Applications pre-2013	2015	9/23/2016
Removed WL Applications pre-2013 & 2011/2012 HQS Reports	2015	9/23/2016
Rent Adjustments (scanned) 2012-2013	2016	9/23/2016
HQS 2013	2016	9/23/2016
SEMAP Documentation from 2013	2016	9/26/2016
Utility Allowance Support Documents 2010 (2 binders)	2013	9/26/2016
Utility Allowance Support Documents 2011	2014	9/26/2016
Utility Allowance Support Documents 2012	2015	9/26/2016
APR-2013 TO DEC-2013 A/R TENANT CHECKS	9/30/2016	10/14/2016
2008-2009 SEC-8 PAPERS	9/30/2016	10/14/2016
2010-2011 PAYROLL INPUT SHEETS	9/30/2016	10/14/2016
2009-2010 ACCOUNTS PAYABLE (C-L)	9/30/2016	10/14/2016
2009-2010 ACCOUNTS PAYABLE (M-S)	9/30/2016	10/14/2016
2009-2010 ACCOUNTS PAYABLE (T-Z)	9/30/2016	10/14/2016
2008-2009 FINANCE MANAGER MISC. FILES (audit documents, trial balances, leave amount reports, capital fund documents, purchasing documents and software user guides)	9/30/2016	10/14/2016
2004-2006 Finance Manager files (audit documents, trial balances, leave amount reports, capital fund documents, and other various financial reports)	9/30/2016	10/14/2016
CDBG closed loans, 2010-2011	2016	10/14/2016
CDBG Woodstock to Webster files (grant 2007)	2012	10/14/2016
CDBG closed loans, 2010	2015	10/14/2016
CDBG closed loans, 2011	2016	10/14/2016
Copies of Board of Commissioners Reports (2007-2014)	None	10/14/2016
2009-2010 ACCOUNTS PAYABLE (A-B)	9/30/2016	10/14/2016
2012-2013 WL Pulls	2016	10/14/2016
2012-2013 WL Pulls	2016	10/14/2016
Pre-2013 WL documents	2016	10/14/2016
Pre-2013 WL documents	2016	10/14/2016
January 2013 APC Ineligible Pre-Apps	2016	10/14/2016
July 2013-Sept 2013 Annuals/Interims	2016	10/14/2016
2013 Ports, Unit Transfers, New Admissions	2016	10/14/2016
Employment Applications (unsuccessful) from the time period 1995 – Feb 2013	2016	10/14/2016
Personnel files past retention date	2016	10/14/2016

Description of Contents	Retention Date (year)	Date Disposed
Workers Compensation Files prior to 2009	2014	10/14/2016
Misc employee-related files (copies of job classification studies, employee recognition, Section 3 Resident information, and I-9's of terminated employees)	2015	10/14/2016
Box of tenant documents from monies owed. All files past retention for move-out dates and all debts are for property management or paid off.	2016	10/14/2016
Box of tenant documents from monies owed. All files past retention for move-out dates and all debts are for property management or paid off.	2016	10/14/2016
Box of tenant documents from monies owed. All files past retention for move-out dates and all debts are for property management or paid off.	2016	10/14/2016
Box of tenant documents from monies owed. All files past retention for move-out dates and all debts are for property management or paid off.	2016	10/14/2016
Box of tenant documents from monies owed. All files past retention for move-out dates and all debts are for property management or paid off.	2016	10/14/2016
Box of tenant documents from monies owed. All files past retention for move-out dates and all debts are for property management or paid off.	2016	10/14/2016
Box of tenant documents from monies owed. All files past retention for move-out dates and all debts are for property management or paid off.	2016	10/14/2016
Box of tenant documents from monies owed. All files past retention for move-out dates and all debts are for property management or paid off.	2016	10/14/2016
Box of tenant documents from monies owed. All files past retention for move-out dates and all debts are for property management or paid off.	2016	10/14/2016
Box of tenant documents from monies owed. All files past retention for move-out dates and all debts are for property management or paid off.	2016	10/14/2016

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# 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: November 16, 2016

Re: Housing Authority 2015-16 Fiscal Year-End Report

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## BACKGROUND

This is the Housing Authority's year-end report on the status of projects, programs and funding.

## DISCUSSION

The Housing Authority is dedicated to serving its customers. To provide excellent service, it is important to understand our customers and who they are. Two methods are used to achieve this end. One method is to run reports that provide a variety of statistical information. A second method is to survey our customers.

### Statistics on Housing Authority Properties and Programs

A statistical report for the fiscal year ending June 30, 2016, is attached (Exhibit 1) and provides information on the participants in the Section 8 Housing Choice Voucher (HCV) and Project-based Voucher (PBV) Programs who live in Alameda and the tenants of the housing complexes that the Housing Authority owns. Of Section 8-assisted families, more than 80 percent (81.4 percent) had incomes of less than \$30,000, and 48.8 percent had incomes under \$15,000. The Housing Authority provides housing assistance to almost 1800 families (3846 people), assuring that they have a decent, safe place to live.

### Customer Satisfaction Survey

Annually, the Housing Authority conducts a survey to gauge customer satisfaction of the service provided by staff. The last survey was conducted in April 2016. An Executive Summary was recently shared with the Board of Commissioners. The survey found that overall 93.1 percent reported that service met or exceeded expectations.



**SECTION 8 PROGRAM**

The Section 8 Housing Choice Voucher (HCV) Program provides most of the assistance available from the Housing Authority to Alameda's low-income residents. Of the 572 units that the Housing Authority owns and manages, 359 of them are occupied by or available to Section 8 voucher holders. Of the total number of people assisted by the Housing Authority, 93 percent receive assistance under the Section 8 programs.

**Section 8 Management Assessment Program (SEMAP)**

HUD has a program to assess the management ability of housing authorities. Housing authorities that achieve a score of 90 or higher are deemed to be "High Performers." A score of 61 to 89 results in a "Standard Performer" designation. Those with a score of 60 and less are considered "Troubled." HUD looks at 14 indicators (e.g., managing the waiting list, conducting housing quality inspections, calculating income, and the lease-up rate). For fiscal year ending 2015, the Housing Authority was designated a High Performer with a score of 92 percent.

The Housing Authority anticipates receiving a designation of High Performer for the fiscal year ending June 30, 2016. The AHA achieved 130 points of the 135 point possible in the 13 required SEMAP indicators.

For Indicator 2--Rent Reasonableness--the AHA claimed 20 of 20 possible points, based on a 100% score for the sampling in this indicator. Staff reviewed 27 files, of which 27 contained the required documentation in the files. This was one of the indicators that the AHA did not claim all points on the year before.

For Indicator 3--Adjusted Income--a different set of 27 files was reviewed to determine if the annual income, utility allowance, and Housing Assistance Payment (HAP) was correctly calculated and verified. The AHA was able to claim 15 of the 20 points available for this indicator because more than 80% of the files sampled did not contain errors.

Below is a list of SEMAP scores for the past five years.

Fiscal Year	2012	2013	2014	2015	2016 (anticipated)
Score (percent)	93	100	85	92	96.3

Ongoing tasks of the Section 8 program include determining initial eligibility, ensuring that units meet guidelines for housing quality, and ensuring continued eligibility of voucher holders.



Waiting Lists

In March 2016, the Board of Commissioners approved an amendment to the Property Management Policy to allow AHA to combine the Project Based Voucher Wait Lists. In June 2016, 7 unit-based wait lists opened. These included specific AHA-owned units (such as Independence Plaza and the HOME units) along with Project-Based Voucher (PBV) units in the City of Alameda. During the six-day opening, over 21,000 pre-applications were received. The Housing Authority’s vendor randomly selected 1640 people to be placed on the multiple wait lists, but staff is processing the selections to ensure proper bedroom size placement.

The Housing Authority maintains a separate waiting list for Housing Choice Voucher Program. As of June 30, 2016, there were no open waiting lists for the HCV Section 8 program.

Determining Initial Eligibility

Over the course of the past three fiscal years, eligibility staff accomplished the following:

Applicants selected from the waiting lists:	2014	2015	2016
Applicants from moderate rate waiting list	78	26	70**
Applicants from Project-Based Voucher waiting lists	248	571	348
Applicants selected from Housing Choice Voucher waiting list	82	181	88
Applicants who were housed:			
Project-Based Voucher Program (new and in-place residents)	29	27	21*
Housing Choice Voucher Program	1	14	17
Family Unification Program	7	4	2

\*4 were Bessie Colman lease-ups

\*\*Independence Plaza (IP) Moderate Rate – This list is specifically used to fill units not designated as “affordable” at Independence Plaza, the “moderate rate” units. These units are income capped at 120% of AMI. The 70 moderate rate units selected in FY 2016 are all located at Independence Plaza. During FY 2016 the Property Management policy was revised to limit the assets of household members to less than \$50,000 unless the funds are invested in an IRS-recognized retirement fund, such as a 401K. This revision also made an applicant ineligible for owning real property with housing located on that property.

One of the most critical components of the eligibility process is determining income eligibility. First, federal regulations require that the Housing Authority perform income-targeting, which means providing 75 percent of HCV assistance to extremely-low income residents, those who earn no more than 30 percent of the area median income. The remaining 25 percent of assistance can be provided to very low-income residents.



During this time period, a family of four could make no more than the following to qualify for HCV assistance:

- \$29,250 Extremely-low income
- \$48,750 Very low-income

These income limits cover the Oakland/Fremont metropolitan area which includes Alameda and Contra Costa Counties.

The City of Alameda has experienced a rental boom and low-income families are impacted by sky rocketing rental prices. As a result of the rent increases and low payment standards, many participants had to move out of the area to find units they could afford.

At least annually, the Housing Authority reviews and determines whether to change its Payment Standards, the maximum amount that it can pay for housing assistance payments (HAP) under the HCV or PBV programs. HUD approval is required to exceed a payment standard that exceeds 110 percent of the 40<sup>th</sup> percentile Fair Market Rents (FMRs).

In FY2015-16, AHA led efforts along with eight other Housing Authorities located in the counties of Contra Costa and Alameda to adjust the Fair Market Rents in the Oakland-Fremont region. The collaboration, led by AHA, funded the rent survey completed by ICF International. The report contained a summary analysis that was used to request that the HUD Economic and Market Analysis Division set new Fair Market Rents (FMRs). These new FMRs were approximately 30 percent higher than previously published by HUD. As a result of these efforts, the FMRs were raised in February 2016 and the AHA raised its payment standards in an effort to offer its participants in the HCV program the option of renting units in its jurisdiction, the City of Alameda.

The following statistics, which applied to the greater part of FY2015-16, reflect how important Housing Choice Voucher assistance is for an Alameda family to afford to rent an apartment in this city:

- \$2,103 40<sup>th</sup> Percentile Fair Market Rents (2 bedroom)
- \$84,120 Annual Income to afford that rent ( $\$2,103 \times 12 = \$25,236$ ,  $25,236 \div 30\%$ )
- \$19,750 Average income for Alameda Section 8 Housing Choice Voucher holder

Utilization

The Housing Authority’s lease-up rate, including the Family Unification Program, was:

	FY 2015	FY 2016
Lease-Up on June 30	1649	1498
Lease-Up Rate on June 30	89%	81%
Fiscal Year Lease-Up Rate	92%	84%



	FY 2015	FY 2016
HAP - AHA Budgeted	\$23,597,724	\$24,306,708
HAP Expended as of June 30	\$22,761,436	\$23,660,728
Fiscal Year HAP Utilization Rate	96%	97%

Staff continues to track usage as closely as possible, attempting to maximize utilization without exceeding budget authority, a careful balancing act. An unexpected 11% increase in HAP funding for calendar year 2016 has resulted in a slightly lower HAP utilization rate. From June to December the Housing Authority was expending more HAP than received from HUD, but with the increase in budget authority this year, this trend reversed from January to June.

Portability

Families are able to port out of Alameda with their vouchers. The receiving jurisdictions bill the Housing Authority for the housing assistance provided to these families. The average number of voucher holders living outside of Alameda and the Housing Authority's per unit costs for the fiscal year was:

	FY 2014	FY 2015	FY 2016
Voucher families living outside of Alameda	264	202	80
Per Unit Cost (PUC) per month	\$1104	\$1145	\$1,360

When compared to the Housing Authority's average of \$1,268 per month, the additional cost when a voucher holder leaves the island was about \$289 per month per family. The number of port outs reduced this year because Alameda County Housing Authority absorbed a set number of ports each month over the last year.

Inspections

When a new voucher holder finds a unit to rent, that unit must be inspected to ensure that it meets Housing Quality Standards (HQS). Inspections also are performed annually of all other units under lease to make sure that they continue to meet these standards.

Under SEMAP, quality control inspections are required. These inspections are performed by Housing Authority staff or an outside contractor who does not perform regular inspections. The most frequent reasons for failure are non-operational smoke/carbon monoxide detectors, items blocking windows or doors, and cords that pose a trip hazard. As a result, a substantial number of re-inspections are required. Tenants and landlords also can request special inspections. For example, a tenant might claim that the furnace is not working even though the problem was reported to the landlord. The landlord might report housekeeping issues that pose a fire hazard. In



both cases, the Housing Authority would respond with an inspection and determine if action is needed.

In FY2016, 2378 inspections were performed, 219 by staff and 2507 by an outside contractor. HUD prohibits the Housing Authority from performing HQS inspections on units it owns or manages, so the Housing Authority contracts with a third-party to conduct these inspections. The Housing Authority transitioned most of its regular inspections to the 3<sup>rd</sup> party and uses HQS-trained staff to perform initial inspections or re-inspections due on days the 3<sup>rd</sup> party is not scheduled to inspect units.

Of the 1181 annual inspections, 579 failed (49%) the first time. 284 of the 1013 (28%) re-inspections failed. These units must be inspected a third time or the tenant and/or landlord sent notices of termination for assistance and/or Housing Assistance Payments.

The quantities and types of inspections were as follows:

Type of Inspection	Inspections FY2015	Inspections FY2016
Initial	121	118
Annual	1557	1181
Quality Control	33	42
Special	9	25
Re-Inspections	1070	1013
Total	2790	2379

Type of Inspection	In-House Inspector	3 <sup>rd</sup> -Party Inspector
Initial	6	112
Annual	73	1108
Quality Control	42	0
Special	4	21
Re-Inspections	95	918
Total	220	2159

The Housing Authority sought Board approval of biennial inspections for the HCV program, and this was implemented in January 2016 of this fiscal year. We expect to see a significant decrease in inspections in the next year, after a full year cycle of biennial inspections.



Fiscal Impact

The fiscal impact of the Section 8 HCV and PBV Programs for last fiscal year was:

\$24,306,708	HUD appropriation for Alameda’s HCV/PBV Programs
\$1071	HUD PUC per month allocation
\$1268	Actual average PUC per voucher (\$197 per unit over allocation)
\$23,660,728	Housing Authority expended on HCV Program

Section 8 reserves may be used only for housing assistance payments under the HCV program. The ending balance of Section 8 Net Restricted Assets reserves on June 30, 2016, was negative (-\$23,483) and the HUD-held project account \$3,189,643. The Administrative Fees Reserve was negative (-\$401,165).

The Administrative Fees Reserve for FY2013-14 was \$568,464. During FY2014-15, the total expenses were higher than Administrative Fee Revenue by \$157,915. With the application of the GASB 68 Unfunded Accrued Liability (UAL) of \$665,602 for Section 8 program in FY2014-15, the final Administrative Fee Reserve was negative - (255,053).

In FY2015-16, with the lower number of leased vouchers, the Administrative Fee Revenue was lower. The FY2015-16 expenses were lower than the expenses of FY2014-15, but the revenue was still lower than the expense by \$146,112. The Administrative Fee Reserve was, therefore, negative (-\$401,165) at the end of the fiscal year. The Board of Commissioners approved a transfer of funds from the AHA-owned properties reserve to cover the Housing Choice Voucher (HCV) program portion of the unfunded pension liability deficit.

	FY2014	FY2015	FY2016
Administrative Fees reserve	\$568,464	(\$255,053)	(\$401,165)

**IMPROVE EXISTING FACILITIES**

The Housing Authority owns 572 housing units. Maintaining and improving these apartments, buildings, and grounds are the responsibility of the Facilities Department

Ongoing Maintenance

During FY2016, Housing Authority maintenance workers completed 3404 work orders, an average of 284 per month compared with FY2015 where 3137 (an average of 261 per month) work orders were completed. The Housing Authority tracks work orders by type, including emergency (life-threatening, e.g., smoke alarms, locks) requiring repairs within 24 hours, preventive maintenance, and regular work orders with vacancy turnover work orders shown separately. All non-emergency work orders should be completed within 30 days.



Type of Work Order	FY 2015	FY 2016
Emergency	525	690
Regular, including Preventive Maintenance	2542	2631
Vacancy Turnover	70	83
Total	3137	3404

Of the 690 emergency work orders, 95.5 percent were completed within a day. On average, the time to complete each emergency work order was less than 1 day (0.85 days). In general, any delays in completion are due to the need to order parts or when there is severe damage from flooding or fire. Of the total work orders, the average time to complete a work order was 10 days.

### **IMPROVE SERVICE DELIVERY AND IMPROVE OPERATIONAL EFFICIENCY**

#### **Tenant Relations**

In any residential rental complex issues may arise with tenants and their guests. Resolving these issues is an important function of property management. Some problems are more serious than others, such as non-payment of rent and other lease violations, which can result in terminations of tenancy and/or evictions. During FY2016, nine eviction actions were initiated. Three of these actions resulted in tenants vacating the unit. Six actions resulted in the tenants remaining in the unit under specified conditions. Many issues are less serious, such as those involving noise, unauthorized pets, poor housekeeping, etc. These issues are generally resolved through counseling or with family members when the tenant may be experiencing health problems.

In May 2016 AHA awarded a 3-year agreement to Life Skills Training and Educational Programs, Inc., "LifeSTEPS" in order to expand resident services to all AHA-owned properties. 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

#### **Reducing Vacancy Turnover Rate**

During FY2016, the Authority had a total of 76 vacant units to fill. The average time to fill a vacant unit during FY2016 was 58 days, resulting in a vacancy loss of \$223,503. During this time AHA completed an extensive rightsizing activity which increased vacancy and maintenance costs but allowed for reasonable accommodations and program violations to be addressed by moving households to the correct units.





	FY2015	FY2016
Vacancies in owned and managed units	53	63
Additional vacancies carried over from prior fiscal year	15	13
<b>Total Vacant Units</b>	<b>68</b>	<b>76</b>

	FY2015	FY2016
<b>Total Vacant Units</b>	<b>68</b>	<b>76</b>
Number of Units filled	65	58
Units vacant as of end of fiscal year	3	18*

\*These numbers include 7 units held for remodel (4 units undergoing ADA remodel at Anne B Diamant, 3 units at Rosefield Village under remodel).

The following chart compares the most recent six years of vacancies.

Fiscal Year	2016	2015	2014	2013	2012	2011
No. of Vacant Units	76	68	73	67	91	97

Project-based Vouchers

HUD regulations allow housing authorities to project-base up to 20 percent of their budget authority for the Housing Choice Voucher program. The Housing Authority is therefore allowed to project-base approximately \$4,861,342. For FY2016, the Housing Authority expended \$3,948,200 on project-based vouchers. Project-basing allows the Housing Authority to match an available unit with a person on the waiting list; decreasing the amount of time it takes to provide housing assistance. It also allows the owner to borrow against the future stream of rental income. This program also has proven beneficial to other providers of affordable housing.

As of June 30, 2016, these units were included in the Project-based program:

<u>Owner</u>	<u>Units</u>
Housing Authority-owned	145
Alameda Point Collaborative	25
RCD (Breakers at Bayport)	15
RCD (Shinsei Gardens)	21
RCD (Park Alameda)	15
HCEB/Satellite (Jack Capon Villa)	18
Under AHAP:	
RCD (Stargell Commons)	7
Pending HUD approval to enter into an AHAP:	



Del Monte Senior	25
Everett and Eagle	<u>12</u>
Total	283

Through a Request for Proposal process held in November 2015 and February 2016, RCD (Resources for Community Development) has partnered with the Housing Authority on four projects.

HCEB/Satellite (Housing Consortium of the East Bay and Satellite Housing) has partnered with AHA at Jack Capon Villas. At Breakers, Shinsei, Stargell and Jack Capon Villa, the Housing Authority owns the land and the tax credit partnership owns the improvements.

Housing Authority units include most of the units at Anne B. Diament Plaza, approximately half the units Parrot Village and Esperanza, and units at several smaller sites.

### Organizational Changes

It has been four years since the Housing Authority became an autonomous agency, separate from the City of Alameda. The Housing Authority continued to experience staff changes during FY2016. We welcomed Marie Wang as our new Director of Finance and Lynette Jordan as our new Director of Housing Programs. Other new staff hired during the fiscal year include: ZeeLaura Page, Management Analyst; Siam Peav, Housing Specialist I; Jeff Cook, Maintenance Supervisor; and Tobi Liebermann, Senior Project Manager.

With the resignation of the Director of Facilities in February, major capital improvement projects were shifted to the Housing and Community Development Director/department. Property Management and Maintenance functions were realigned, and a Director of Property Operations (Lisa Caldwell) was hired in September 2016 to oversee both of these functional areas.

A Rental and Community Programs Department was established through a contract with the City of Alameda, and Claudia Young was hired as the Director of the department. Two program staff were hired to support the rent work; additional positions were budgeted but not filled in FY 2016.

Two staff retired in the past year. It is anticipated that several more will retire in the upcoming year, with ongoing retirements over the next 5-10 years, making succession planning an important priority.

### 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. The first project in the operation of the Rent Program was to hold tenant and landlord workshops to educate the community on the new ordinance.

In April, 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 contract 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. The program is staffed by a Director, two Program Specialists and two temporary Program Assistant staff.

The services agreement will expire on December 31, 2016. Pending the November election outcome, the City may ask AHA to extend the agreement. The AHA Board of Commissioners and the City Council must approve any extension beyond this period in writing.

## **HOUSING AND COMMUNITY DEVELOPMENT**

The Housing and Community Development Department has responsibility for the Housing Authority's real estate development projects, long term planning to preserve the existing portfolio, and administration of the City's other housing programs including the first time homebuyer program, the residential rehabilitation program, the rent review advisory committee and the federally funded CDBG and HOME programs. Beginning in March 2016, the Department assumed management of all capital improvements (in excess of \$25,000) that were formerly managed by the Facilities Department.

The Department also works with the Finance Department to administer the City of Alameda Housing Successor Agency.

### **Capital Improvement Projects**

Site improvements at Esperanza were completed other than the landscaping and irrigation components that were delayed until an analysis of the water and sanitary lines is conducted. The completed scope of work includes replacement of fencing, repainting of 23 buildings, and installation of new playground structures, site lighting, and signage.

Work completed at Esperanza also included the replacement of 33 kitchens and bathrooms (cabinets, tops and floors). These 33 were the last of the 120 unit replacement that was started in 2011.



At Anne B. Diament senior apartments, a contract was awarded to renovate four units to meet accessibility standards including new kitchen, bath, and doorway widening and patio door replacement. As of June 30<sup>th</sup> the project was approximately 50% complete.

At the Lincoln-Willow five-plex apartment building, the low-slope roof was replaced with a new seamless roofing system.

During FY2016, \$4,909,772 was budgeted for Capital Improvements and \$931,995 was paid.

### Past Year Accomplishments

During FY2016, there were several key accomplishments that furthered the development of new affordable rental units.

- 2437 Eagle Avenue: Entitlements were granted for the construction of 20 flat and townhouse units; an application for 9% tax credits was submitted.
- Stargell Commons: Construction commenced in January 2016 for 32 new flat and townhouse units. Completion is scheduled for March 2017.
- Del Monte Senior – Tax credits were awarded in June 2016 and construction of 31 affordable senior units is scheduled to commence in December 2016.
- Surveys and environmental reports were completed for the 13 acre North Housing parcel; this site has been approved for transfer to the Housing Authority in 16-17 in order to develop permanent supportive housing.

### Inclusionary Housing Programs

The Housing Authority contracts with the non-profit provider 'Hello Housing' to monitor and perform related services for the Below Market Rate (BMR) home program. During the fiscal year, 16 below-market rate homes were sold at Alameda Landing and 9 out of a total of 16 homes were sold at Marina Shores.

### Community Development Block Grant (CDBG) Program

The CDBG program supports a variety of essential services and functions. The following are the accomplishments for FY15-16

- Repair assistance for low income homeowners – 33 homeowners
- Increase affordable rental housing– 23 units created
- Provision of services to homeless individuals – 273 clients served



- Provision of public services or safety net services – 6045 clients served
- Improve public facilities that serve the low income individuals and the disabled – 1 facilities improved
- Improve the economic opportunities in low income neighborhoods –73 jobs created

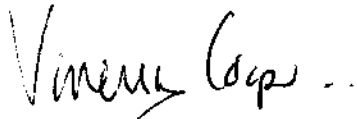
FINANCIAL IMPACT

For informational purposes only.

RECOMMENDATION

For informational purposes only

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC/zsp

Attachments: Exhibit 1: Statistics on Housing Authority Properties and Programs



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**STATISTICS ON HOUSING AUTHORITY PROPERTIES AND PROGRAMS**  
**JUNE 30, 2016**

**Number of Units/Allocation:**

AHA-Owned or Managed Units		572
AHA Non-Section 8 Subsidized Units	209	
Section 8 Housing Choice Voucher (HCV and FUP) Allocation	1845	
Section 8 Moderate Rehabilitation (Mod Rehab) Units	30	
Shelter Plus Care Assisted Units	<u>16</u>	
Total Units	2100	

**Occupied Units:**

AHA-Owned and Managed Units		545
AHA Non-Section 8 Subsidized Units	209	
Section 8 and Assisted Units in Alameda	1445	
Section 8 Assisted Units (other housing authorities)	<u>80</u>	
Total Occupied Subsidized Units	1734	

**Number of People Assisted:**

Family members in AHA-Owned and Managed Units		1223
Family members in AHA Non-Section 8 subsidized Units	257	
Family members in Alameda in Section 8 and Assisted Programs	<u>3589</u>	
Total People Assisted	3846	

**Tenant Characteristics in AHA-Owned and Managed Units (including Section 8):**

Sex:	Female	713	58.3%
	Male	510	41.7%
Ages:	Under 18 years of age	333	27.2%
	18 to 61 years of age	479	39.2%
	62 years of age and older	411	33.6%
Household Income:	Under \$15,000	217	39.8%
	\$15,000 to \$29,999	188	34.5%
	Over \$30,000	140	33.6%

**Tenant Characteristics of Section 8 Families in Alameda (not including tenants of AHA-owned and other PBV Units):**

Sex:	Female	1432	61.6%
	Male	892	38.4%
Ages:	Under 18 years of age	513	22.1%
	18 to 61 years of age	1328	57.1%
	62 years of age and older	483	20.8%
Household Income:	Under \$15,000	530	48.8%
	\$15,000 to \$29,999	354	32.6%
	Over \$30,000	202	18.6%





# 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: November 16, 2016

Re: Approve Resolution Authorizing the Executive Director or Designee to Enter into the Ground Lease, the Limited Partnership Agreement, and to Execute the Loan Documents and Project Agreements, Guaranties, Security Assignments, Deeds of Trusts and Ancillary Documents Required for the Development of Del Monte Apartments

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## BACKGROUND

Del Monte Apartments (Project) is a 31-unit senior rental project located at 1301 Buena Vista Avenue and adjacent to the Del Monte warehouse redevelopment project. There are 30 One-bedroom units and one two-bedroom manager's unit. The Project will be developed by the Housing Authority and its non-profit affiliate, Island City Development. The funding sources for the Project include low-income housing tax credit equity, a permanent mortgage loan, City HOME funds, gap funding from Tim Lewis Communities, and 25 project-based Section 8 vouchers. The gap funding from Tim Lewis Communities will be contributed in the form of a loan from the Housing Authority.

The tax credit investor and limited partner will be the National Equity Fund; the construction lender will be BBVA and CCRC will be the permanent lender for the 15 year mortgage term. Del Monte Senior, LLC has been formed to serve as the general partner of the tax credit partnership, Sherman and Buena Vista, LP. This LP will serve as the owner of the improvements for the duration of the 15 year tax-credit period.

Staff is actively working with outside counsel to finalize all closing documents and the construction loan closing date is scheduled for the week of December 5, 2016. Construction of the affordable project will take approximately 14 months.

## DISCUSSION

Ownership Structure: At the time of the construction loan closing, Sherman and Buena Vista, L.P. will enter into a 99-year ground lease with the Housing Authority. This limited partnership will be the ownership entity of the Project (improvements) and Del Monte Senior LLC will be the general partner of the partnership. NEF Assignment Corporation will be the limited partner (investor). NEF is a short-term partner and will be replaced by an upper-tier investor after closing.

The Housing Authority will acquire the land at closing and will continue to own the land. Beginning in the thirteenth year after the project is completed and occupied, the Housing Authority (or Island City Development) will have a right of first refusal and an option to purchase the LP interest; the acquisition price will be the greater of the appraised value or the outstanding debt and taxes (if any).

The Housing Authority has received approval from HUD to award twenty-five project-based vouchers to the Project and to enter into a 15-year Agreement for Housing Assistance Payments (AHAP) with the Partnership. The voucher units will serve households at 30%, 45% and 50% of area median income. Tenants for these units will be referred from a waiting list maintained by the Housing Authority. Five units will be available to eligible seniors that have applied to a site-specific wait list and one unit is reserved for a property manager.

### Financial Structure (Permanent):

The detailed development budget that has been approved by the lenders, investor, and the City is included as Attachment A. The Housing Authority loan will be secured by a lien on the property, and is in second place after the private CCRC loan. The City HOME loan will be in third position. The Housing Authority and City loans are repayable from net cash flow (residual receipts) as calculated by the financial audit. There will be three separate affordability restrictions placed on the property (City, Housing Authority, and State) ensuring long-term affordability for no less than 59 years.

### Closing Documents

The closing Resolution (Attachment B) and all legal documents associated with the transaction have been prepared by outside counsel. The Housing Authority is represented by Carle, Mackie Powers & Ross for the transaction.

The key closing documents that must be executed by the Housing Authority are listed below and draft copies of the documents are provided in a binder available for Board and public review.

1. Ground Lease
2. Amended and Restated Partnership Agreement



3. Right of First Refusal and Purchase Option Agreement
4. Loan Agreement and Promissory Note
5. Development Fee Agreement
6. Subordination Agreements (Subordination to senior lender)
7. Construction Deed of Trust
8. Completion and Payment Guarantees
9. Assignment of Accounts and Contracts
10. Affordable Housing Agreement
11. Consent to Assignment of AHAP Contract as Security for Financing
12. Contract For The Use of HOME Funds, Promissory Note

### FINANCIAL IMPACT

Legal and other eligible costs incurred during the pre-development period will be reimbursed when the construction loan closes. To date, pre-development expenses total to approximately \$900,000. These funds will be redeposited into the Island City development account.

As project developer and in exchange for the services provided, Island City Development will earn a development fee in the amount of \$800,000.

Tim Lewis Communities will contribute gap financing in the amount of \$3.6 million prior to close. The Housing Authority will loan these funds to the Project at a 3%-4% rate of interest (to be negotiated) and will be repaid from available cash flow in proportion to the other soft loan (the HOME loan) made to the Project. The loan is due in full in 57 years.

Both the Housing Authority and Island City Development will be required to provide financial and performance guarantees. The financial guarantees will be reflected in the Housing Authority's financial statements as "contingent liabilities". The construction guarantee will be released at construction completion and conversion to permanent financing. The permanent loan is a 15 year non-recourse loan secured by a first mortgage on the property. The tax credit guarantees will extend for the duration of the 15 year tax credit period.

### RECOMMENDATION

Approve Resolution authorizing the Executive Director or designee to enter into the Ground Lease, the Limited Partnership Agreement, and to execute the loan documents and project agreements, guaranties, security assignments, deeds of trusts and ancillary documents required for the development of Del Monte Apartments.

Honorable Chair and  
Members of the Board of Commissioners

November 16, 2016  
Page 4 of 4

Respectfully submitted,

  
Vanessa M. Cooper  
Executive Director

VMC/vj

Attachment A – Financial Projections  
Attachment B – Closing Resolution

ATTACHMENT A

11/9/2016 3:19 PM

Alameda Housing Authority - Del Monte Senior with NEF and BBVA Compass

BL	BM	BN	BO	BP	BQ	BR	BS
3	SOURCES AND USES OF FUNDS						
4	SOURCES OF FUNDS						
5	First Mortgage - supported by tenant rents and Section 8						5.00%
6	Alameda Housing Authority loan of funds from developer's IZ contribution						1.75%
7	City HOME loan						1.75%
8	Construction Loan						3.50%
9	Deferred developer fee						0.00%
10	General Partner						
11	United Partner @ 99.99%						
12	TOTAL SOURCES						
13	Land acquisition - lease from Alameda Housing Authority - value \$3,410,000						
14	Legal and closing costs						
15	Site improvements in basis						
16	New Construction - GC estimate / 11/8/16						
17	Contractor general requirements overhead/profit						
18	Construction bond and insurance						
19	PV system						
20	Personal Property in Construction Contract						
21	Furniture Purchased by Owner						
22	Construction contingency - adjust here						
23	Impact Fees (not of retained fees)						
24	Permits and utility hookups						
25	Architectural						
26	Survey, engineering, testing						
27	Construction management						
28	Environmental reports						
29	Soft cost contingency						
30	Construction Loan Fees @ 7.5%						
31	Interest on soft loans during construction						
32	Taxes during construction						
33	Construction loan interest post construction - 7 months						
34	Construction lender legal and costs						
35	Course of Construction Insurance						
36	Appraisal						
37	Tax Credit Allocation Committee Fees						
38	Legal Fees - Organization						
39	Legal Fees - Construction Loan Closing						
40	Legal - Syndication						
41	Legal - Payment loan closing						
42	Market Study						
43	Consultant - Syndication						
44	Project Audit						
45	Operating Reserves - 6 mo operations						
46	Development Fee - capped in TCAC app						
47	Repayment of Construction Loan						
48	TOTAL PROJECT COSTS						
49							
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		Placed in Service April 1, 2018												1BR												122											
		9.0 months												Unity Allowances:												75.00%											
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U															
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21															
2	INCOME, EXPENSES, AND CASH FLOW ANALYSIS																																				
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	BZ	CA	CB	CC	CD	CE	CF	CG	CH
15	SOURCES AND USES OF CAPITAL CONTRIBUTIONS AND LOAN PROCEEDS								
16									
17									
18									
19									
20	Source of Loan or Equity								
21	Land acquisition - lease from Alameda Housing Authority - value \$3,410,000								
22	Legal and closing costs	25,000							
23	Share of site work not in basis	250,000							
24	Site improvements in basis	563,715							
25	Net improvements in basis	8,564,457							
26	Net improvements in basis	1,409,200							
27	Contractor bond and insurance	137,352							
28	PV system	160,835							
29	Personal Property in Construction Contract	62,800							
30	Furniture Purchased by Owner	50,000							
31	Construction contingency - adjust here	557,799							
32	Impact Fees (net of waived fees)	360,288							
33	Permits and utility hookups	125,000							
34	Architecture	520,000		185,740					
35	Survey, engineering, testing	300,000							
36	Construction management	200,000							
37	Environmental reports	70,000							
38	Soft cost contingency	150,000							
39	Construction Loan Fees @ 7.5%	77,664							
40	Perm loan fee CCRC 1%	26,018							
41	Interest on soft loans during construction	84,821		4,374					
42	Taxes during construction	30,000							
43	Construction Loan Interest during construction - 18 months	289,947							
44	Construction loan interest paid construction - 7 months	182,452							
45	Construction lender legal and costs	60,000							
46	Course of Construction Insurance	150,000							
47	Title - Construction Loan Closing	20,000							
48	Appraisal	10,000							
49	Tax Credit Allocation Committee Fees	4,155							
50	Legal Fees - Organization	4,000							
51	Legal Fees - Construction Loan Closing	30,000							
52	Legal - Syndication	10,000							
53	Legal - Permitted loan closing	10,000							
54	Legal - Permitted loan closing	15,000							
55	Market Study	40,000							
56	Consultant - Syndication	40,000							
57	Marketing	20,000							
58	Prodez Audit	244,867							
59	Operating Reserves - 6 mo operational	800,000							
60	Development Fee - capped in TCAC app	10,355,260							
61	Repayment of Construction Loan	2,901,800							
62	TOTAL PROJECT COSTS	25,104,806	2,901,800	3,690,447	200,114	10,355,260	0	0	9,267,894



Alameda Housing Authority - Del Monte Senior with NEF and SBVA Concess

	CW	CX	CY	GZ	DA	DB	DC	DD	DE	DF	DG	DH	DI	DJ	DK	DL	DM	DN
2	SCHEDULE OF TAX CONSEQUENCES																	
3	AMOUNT																	
4	DEPRECIATION																	
5	Residential (27.5 years)	13,886,028	357,528	505,310	505,310	505,310	505,310	505,310	505,310	505,310	505,310	505,310	505,310	505,310	505,310	505,310	505,310	505,310
6	Residential (40 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Residential (15 years, 150% DB)	589,715	23,888	46,403	45,716	41,144	36,588	35,029	35,029	35,029	35,029	35,029	35,029	35,029	35,029	35,029	35,029	35,029
8	Site Improvements (20 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Personal Property (5 years, 200% DB)	273,635	54,727	87,563	52,538	31,523	15,761	0	0	0	0	0	0	0	0	0	0	0
10	Personal Property (8 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Residential (27.5 years)	10,937	0	0	0	0	368	368	368	368	368	368	368	368	368	368	368	368
12	Residential (40 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Residential (15 years)	10,937	0	0	0	2,187	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
14	Personal Property (5 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Personal Property (8 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Residential (27.5 years)	20,841	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Residential (40 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Residential (15 years)	20,841	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Personal Property (5 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Personal Property (8 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Residential (27.5 years)	27,780	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	Residential (40 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Residential (15 years)	27,780	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Personal Property (5 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Personal Property (8 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Subtotal	14,763,376	442,341	649,276	608,611	582,549	577,977	566,645	544,237	542,837	542,056	541,997	540,352	548,164	545,566	543,866	543,055	531,747
27	EXPENSED AND AMORTIZED ITEMS																	
28	Tax Credit Allocation Committee Fees	47,155	3,537	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715
29	Mortgage fees	46,016	528	837	837	837	837	837	837	837	837	837	837	837	837	837	837	837
30	Organization	40,000	790	1,000	1,000	1,000	250	250	537	537	537	537	537	537	537	537	537	537
31	Refunding Cost	20,000	20,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	Project Audit	15,000	15,000	20,600	21,216	21,855	22,510	23,185	23,891	24,627	25,395	26,196	27,028	27,885	28,765	29,671	30,252	31,159
33	Partnership Management Fee	3,154	3,154	5,000	5,175	5,359	5,544	5,730	5,917	6,104	6,291	6,478	6,664	6,851	7,037	7,223	7,409	7,595
34	Investor asset management fee	158,173	85,684	32,152	32,845	33,763	34,606	35,372	36,157	36,968	37,798	38,232	35,708	35,574	36,652	37,763	38,908	40,090
35	Subtotal	158,173	85,684	32,152	32,845	33,763	34,606	35,372	36,157	36,968	37,798	38,232	35,708	35,574	36,652	37,763	38,908	40,090
36	TAX CREDITS																	
37	Project Basis for 9% Federal Credit	14,764,024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38	Project Basis for 9% Federal Credit	14,763,376	30,849	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	Subtotal 1/2 of solar credit	7,743,168	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40	Requested Basis	7,000,368	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
41	100% Adjustment for Difficult to Develop Area	9,126,345	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	Amount of Federal credit	8,213,714	512,253	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371
43	Amount of Solar Credit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	Amount of Solar Credit at 30%	61,296	61,296	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371
45	TOTAL CREDITS	6,275,010	573,549	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371	821,371
46	Proportion of First year	0.75	8 credit months															
47	Federal Tax Credits	821,371	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
48	State Tax Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49	Tax Credit Percentage	9.00%																
50	Occupancy for 2018																	
51	0.00% APH																	
52	48.39% may																	
53	100.00% full																	
54	62.37% 2018 avg occ																	





Alameda Housing Authority - Del Monte Senior with NEF and BBVA Compass

	ES	ET	EU	EV	EW	EK	EY	EZ	FA	FB	FC	FD	FE	FF	FG	FH
4	OUTSTANDING DEBT															
5	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
6	2,642,291	2,461,770	2,335,083	2,201,515	2,061,933	1,914,760	1,760,116	1,597,533	1,426,630	1,246,894	1,058,146	859,647	650,992	431,862	201,111	0
7	3,630,416	3,675,787	3,721,853	3,768,748	3,816,614	3,865,602	3,915,878	3,967,860	4,020,871	4,076,187	4,133,396	4,192,880	4,254,842	4,318,525	4,387,186	4,419,067
8	194,711	187,130	189,586	202,086	204,638	207,250	209,831	212,680	215,537	218,463	221,528	224,715	228,026	231,464	235,103	236,774
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Deferred developer fee owed															
11	Partnership Management Fees Owed															
12	6,407,418	6,334,567	6,256,522	6,172,746	6,083,194	5,987,642	5,885,925	5,777,828	5,663,139	5,541,634	5,413,063	5,277,243	5,133,881	4,982,872	4,823,400	4,655,841
13	1.79%															
14	AHA loan															
15	Interest on Last Balance	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
16	49,347	64,902	85,713	106,536	131,375	161,230	197,106	240,025	290,000	348,124	415,404	492,940	581,744	683,968	800,881	934,584
17	3,690,447	3,695,317	3,741,500	3,788,369	3,836,122	3,884,844	3,934,708	3,985,860	4,038,534	4,092,854	4,149,038	4,207,292	4,267,837	4,330,907	4,396,746	4,465,617
18	Amount Paid from Capital Contributions															
19	89,378	19,530	19,647	19,642	19,509	19,241	18,833	18,276	17,953	16,687	15,639	14,412	12,995	11,381	9,560	46,550
20	3,630,416	3,675,787	3,721,853	3,768,748	3,816,614	3,865,602	3,915,878	3,967,604	4,020,871	4,076,187	4,133,396	4,192,880	4,254,842	4,318,525	4,387,186	4,419,067
21	City HOME loan															
22	Interest on Last Balance	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
23	200,114	3,481	3,524	3,568	3,613	3,658	3,705	3,753	3,802	3,850	3,898	3,946	3,994	4,042	4,090	4,138
24	186,192	186,192	200,654	201,194	205,696	208,236	210,955	213,864	216,862	219,951	222,349	225,439	228,733	232,103	235,622	239,306
25	Amount Paid from Capital Contributions															
26	5,403	1,063	1,068	1,068	1,061	1,048	1,024	994	955	907	850	784	707	619	520	2,531
27	194,711	187,130	189,586	202,086	204,638	207,250	209,831	212,680	215,537	218,483	221,530	224,716	228,026	231,484	235,103	236,774
28	0.00%															
29	Deferred developer fee															
30	Interest on Last Balance	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	Amount Paid from Operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	New Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35																

Alameda Housing Authority - Del Monte Senior with NEF and BBVA Compass

	HS	HT	HU	HV	HW	HX	HY	HZ	IA	IB	IC	ID	IE	IF	IG	IH	II
2	CAPITAL ACCOUNT ANALYSIS DURING OWNERSHIP BY LIMITED PARTNERSHIP																
3	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
4	15,317,424	14,802,122	13,107,650	12,046,846	11,481,945	10,977,533	10,434,862	9,870,398	9,394,916	8,856,226	8,330,338	7,806,308	7,283,304	6,761,666	6,241,604		
5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	14,875,125	14,243,211	13,853,539	12,530,031	11,968,079	11,467,464	10,938,563	10,415,531	9,892,949	9,324,010	8,838,907	8,310,725	7,786,498	7,262,407	6,744,610		
7	3,324,744	3,572,528	3,970,438	4,020,043	4,072,445	4,125,394	4,179,876	4,236,065	4,294,221	4,354,502	4,417,154	4,482,420	4,550,554	4,621,828	4,695,376		
8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	0	8,491,776	7,966,734	7,447,967	6,932,329	6,424,677	5,922,996	5,434,329	4,950,658	4,472,000	3,998,345	3,524,694	3,051,043	2,577,392	2,103,741		
12	9,227,084	40,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	-609,670	-565,042	-518,796	-476,373	-432,348	-388,323	-344,308	-300,293	-256,278	-212,263	-168,248	-124,233	-80,218	-36,203	8,812		
14	-50,648	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	8,491,776	7,966,734	7,447,967	6,932,329	6,424,677	5,922,996	5,434,329	4,950,658	4,472,000	3,998,345	3,524,694	3,051,043	2,577,392	2,103,741			
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	8,491,776	7,966,734	7,447,967	6,932,329	6,424,677	5,922,996	5,434,329	4,950,658	4,472,000	3,998,345	3,524,694	3,051,043	2,577,392	2,103,741			
22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	CALCULATION OF TAX CONSEQUENCES ON SALE (TRANSFER) OF LIMITED PARTNERSHIP INTERESTS (outside basis)																
24	9,227,084	40,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	-609,670	-565,042	-518,796	-476,373	-432,348	-388,323	-344,308	-300,293	-256,278	-212,263	-168,248	-124,233	-80,218	-36,203	8,812		
26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	8,617,414	8,092,372	7,574,609	7,056,846	6,539,083	6,021,320	5,503,557	4,985,794	4,468,031	3,950,268	3,432,505	2,914,742	2,396,979	1,879,216	1,361,453		
28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	8,617,414	8,092,372	7,574,609	7,056,846	6,539,083	6,021,320	5,503,557	4,985,794	4,468,031	3,950,268	3,432,505	2,914,742	2,396,979	1,879,216	1,361,453		
30	3,046,065	2,832,330	2,618,595	2,404,860	2,191,125	1,977,390	1,763,655	1,549,920	1,336,185	1,122,450	908,715	694,980	481,245	267,510	53,775		
31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

HT	HU	HV	HX
DATE	BENEFIT	INVESTMENT	NET
44	INTERNAL RATE OF RETURN (CALCULATED QUARTERLY)		
45			IRR
46			0
47			0
48			0
49			0
50			0
51		853,827	-853,827
52			0
53			0
54			0
55			0
56			0
57			0
58			0
59			0
60			0
61			0
62			0
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113			0
114			0
115			0
116			0
117			0

## HOUSING AUTHORITY OF THE CITY OF ALAMEDA

*Resolution No.* \_\_\_\_\_

## DEL MONTE SENIOR HOUSING

**WHEREAS**, the Housing Authority of the City of Alameda (the "**Housing Authority**") and TL PARTNERS I, L.P., a California limited partnership ("**TLP**") are parties to that certain Agreement for Development of Affordable Housing (Del Monte) made as of November 3, 2015 (the "**Agreement for Development of Affordable Housing**"); and

**WHEREAS**, pursuant to the Agreement for Development of Affordable Housing, the Housing Authority entered into the following "**Option Agreements**": (1) the Real Property Purchase Option Agreement entered into as of October 1, 2015 with the City of Alameda (the "**City**"), with respect to certain land located in the City of Alameda (the "**City Land**"); and (2) the Real Property Purchase Option Agreement entered into as of February 9, 2016 with TLP and Encinal Del Monte Plant 48 Reuse, LLC, with respect to certain land located in the City of Alameda (the "**TLP Land**"); together with the City Land, the "**Land**"); and

**WHEREAS**, the City is the owner of the City Land, and TLP is now the owner of the TLP Land; and

**WHEREAS**, the Land is commonly referred to as 1501 Buena Vista Avenue, Alameda, California; and

**WHEREAS**, the Land will be transferred to the Housing Authority pursuant to the applicable deeds attached to the Option Agreements; and

**WHEREAS**, the City requires that the Housing Authority enter into and record against the Land an "**Affordable Housing Agreement**"; and

**WHEREAS**, Island City Development, a California nonprofit public benefit corporation ("**ICD**") has formed and is the sole member and manager of Del Monte Senior LLC, a California limited liability company (the "**LLC**"), and the LLC has formed and is the sole general partner of Sherman and Buena Vista LP, a California limited partnership (the "**Partnership**"), with the Housing Authority as the sole limited partner of the Partnership; and

**WHEREAS**, the Housing Authority desires to enter into a ground lease with the Partnership respect to the Land for a term of 99 years; and

**WHEREAS**, the Partnership intends to construct, own and operate 31 units of affordable housing (including 1 manager's unit) on the Land (the Partnership's leasehold interest in the Land and fee interest in the improvements, including the affordable housing, now or hereafter located thereon is collectively referred to herein as the "**Project**"); and

**WHEREAS**, the Housing Authority acts as developer of the Project, and desires to enter into a development agreement with the Partnership (the "**Development Agreement**"); and

**WHEREAS**, the Board of Commissioners (the "**Board**") of the Housing Authority deems it to be in the best interests of the Housing Authority to assist in the acquisition, construction and development of the Project by: (i) withdrawing as limited partner from the Partnership and facilitating the admission of an affiliate of NEF Assignment Corporation, or a substitute investor ("**Investor**") as a 99.99% limited partner in the Partnership in exchange for capital contributions of approximately \$9,288,846, and (ii) amending and restating the agreement of limited partnership of the Partnership (as amended, the "**Amended Partnership Agreement**") to provide for such other matters as may be required by the Investor and entering into the **Guaranty Agreement (the "Guaranty Agreement") for the benefit of the Partnership and the Investor (collectively, the "Syndication")**; and

**WHEREAS**, the Partnership intends to obtain the following financings for the Project, which will be secured by liens on the Project ("**Secured Financings**"):

(a) A recourse, construction loan from Compass Bank ("**Compass**") in the approximate amount of \$10,279,862, which is expected to convert to a nonrecourse permanent loan in the approximate amount of \$2,499,800 (the "**Permanent Loan**"), which Permanent Loan will be acquired by California Community Reinvestment Corporation at conversion;

(b) A nonrecourse construction/permanent loan from the Housing Authority in the amount of \$3,600,000, which will be repaid with the Project's residual receipts (the "**Housing Authority Loan**"); and

(c) A nonrecourse construction/permanent loan of HOME funds from the City in the approximate amount of \$195,740, which will be repaid with the Project's residual receipts (the "**HOME Loan**"); and

**WHEREAS**, the Board deems it in the best interest of the Housing Authority to provide the Housing Authority Loan to the Partnership, which Housing Authority Loan shall be evidenced and secured by a loan agreement, regulatory agreement, deed of trust, and such other documents deemed necessary or appropriate by an officer of the Housing Authority (the "**Housing Authority Loan Documents**"); and

**WHEREAS**, as a condition of the Secured Financings and the Syndication, the lenders and the Investor may require that the Housing Authority (a) guaranty the payment and performance by ICD, the Partnership, and/or the LLC of their obligations under the documents evidencing and securing the Secured Financings and the Syndication, and guaranty timely lien-free completion of the Project and make certain indemnities (the "**Guaranties**"), and/or (b) assign the Housing Authority's developer fee from the Partnership as security for the Secured Financings and the Syndication (the "**Security Assignments**"), and/or (c) provide the Housing Authority's fee interest in the Land as security for the Secured Financings (the "**Deeds of Trust**"), and the Board deems it to be in the best interests of the Housing Authority to make and enter into the Guaranties, Security Assignments and Deeds of Trust; and

**WHEREAS**, the Board deems it to be in the best interests of the Housing Authority to execute and deliver any and all documents or agreements necessary or advisable for the acquisition, development, financing, construction, rehabilitation, management, operation and maintenance of the Project, including, but not limited to, all grant deeds, deeds of trust, UCC financing statements, regulatory agreements, assignments of rents, leases, income and profits, general assignments, construction contracts, architect agreements, grant agreements, development agreements (with the Housing Authority as developer), sub-development agreements, management agreements, service contracts, housing assistance payments contracts and similar or related agreements for housing subsidies, and any other types of agreements (collectively, the "**Project Documents**"); and

**WHEREAS**, the Board deems it to be in the best interest of the Housing Authority to execute such documents and to perform such actions as may be required in order to obtain all necessary and appropriate entitlements, permits and any other authorization for the acquisition, development, management or operation of the Project and for any waiver of entitlement or similar fees (collectively, the "**Entitlement Documents**"); and

**WHEREAS**, the Board deems it to be in the best interest of the Housing Authority to execute such documents (including, without limitation, any indemnities and guaranties) and to perform such actions as may be required in order to obtain all necessary and appropriate title insurance (owner and lender policies) for the Project and for any waiver of entitlement or similar fees (collectively, the "**Title Documents**"); and

**WHEREAS**, the Housing Authority has approved a housing assistance payments contract to be entered into with the Partnership ("**HAP**").

**NOW, THEREFORE, BE IT RESOLVED**, that the Board hereby approves and is authorized to enter into the following transactions and documents, as applicable:

1. Accept the Land;
2. Affordable Housing Agreement;

3. Ground Lease;
4. Development Agreement;
5. Amended Partnership Agreement, the Guaranty Agreement and the Syndication;
6. Housing Authority Loan Documents;
7. Secured Financings;
8. Guaranties, Security Assignments and Deeds of Trusts;
9. Project Documents;
10. Entitlement Documents;
11. Title Documents;
12. AHAP; and
13. Such other documents, agreements and contracts deemed necessary or advisable by an officer of the Housing Authority in furtherance of these resolutions and/or to assist in the development of the Project (collectively, the "Transaction Documents"), using its own independent judgment.

**BE IT FURTHER RESOLVED**, that the Board hereby authorizes each of (a) the Executive Director, (b) the Director of Housing and Community Development, or (c) any designee of the foregoing to accept the Transaction Documents subject to any minor conforming, technical or clarifying changes approved by the Executive Director or her designee and Housing Authority counsel. The Executive Director, the Director of Housing and Community Development, any designee of the foregoing and the Secretary of the Housing Authority are hereby further authorized and directed to take such further actions and execute and record such documents as are necessary to accept the Transaction Documents.

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

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ATTEST:

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Vanessa M. Cooper  
Executive Director/Secretary

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Arthur Kurrasch, Chair  
Board of Commissioners

**Adopted:**

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Date





# 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: November 16, 2016

Re: Authorize the Executive Director to Proceed with and to Execute  
Necessary Documents to Purchase the Property or the Outstanding  
Loan at the Marina Shores Unit and to Approve the Accompanying  
Cost

Authorize the Executive Director to Proceed with the Repurchase of  
any BMR Unit that is in Default or for Sale, Up to the Maximum  
Affordable Housing Sale Price Plus Related Fees and Legal Costs,  
Utilizing Non-federal Funds. The Executive Director Would Inform  
the Board of Any Purchase No Later Than the Board Meeting  
Following the Repurchase

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## BACKGROUND

The Marina Cove subdivision on Buena Vista Avenue was built in 2002. The City of Alameda's Inclusionary Housing Ordinance required that 15% of the units in the subdivision be sold to at Below Market Rate (BMR) prices to very low, low and moderate-income homebuyers. When the Housing Authority became the Successor Housing Agency in 2012, it assumed responsibility for monitoring and enforcing affordability covenants on housing developed pursuant to the Ordinance. A total of 12 BMR homes were originally sold to qualified buyers. Since then, some have been resold to other qualified buyers. The Housing Authority acquired one home through foreclosure and resold the home in 2014.

## DISCUSSION

A 3-bedroom home within Marina Cove was purchased by a moderate-income homebuyer in 2007 as a resale by the original owner. The second buyer qualified to purchase this inclusionary unit at a BMR price of \$326,000. The property was encumbered with a Regulatory Agreement which requires continued owner occupancy, maintenance and upkeep and also restricts future resale of the property to a qualified homebuyer whose household income does not exceed

120% of Area Median Income (AMI). The Affordability Covenant also includes a first right of refusal for the Housing Authority to purchase the unit in the case of sale or default. This right is in force up until the foreclosure sale.

On August 16, 2016 the Housing Authority received a copy of a Notice of Default (NOD) that had been filed by the mortgage lender on August 9, 2016. The NOD stated that the mortgage for this property was six months past-due. Staff contacted the owner and he reported that he was engaged with a mortgage counseling firm to achieve a modification. Staff provided information about additional non-profit resources that are available.

At that time staff also contacted the trustee for the mortgage lender to verify that the default could be cured by payment of the past-due amount and to discuss the Housing Authority's second deed of trust. In October, staff followed up with the owner to see if progress had been made towards repayment (it had not, but the owner indicated he was still working on a loan modification). Staff recently met with the owner in person to discuss the matter and to determine if the owner is financially able to become current on the loan and maintain the mortgage and the property. At that meeting, the owner was referred to and met with a social worker from LifeSTEPS to discuss his housing-related issues.

The income sources of the household have dropped significantly since move in and the family composition has changed. As a result, the owner does not report an income that is adequate to cover the cost of the current monthly mortgage payment and property taxes. He also has no access to funds to make himself current on the mortgage. The owner is current on insurance and utilities and the home has been inspected and appears in reasonable condition. A loan modification seems highly unlikely by the sale date. Furthermore, it appears the current owner could not pay the AHA's payment standard rent for the property from current income if he were to remain as a tenant.

State law provides that a Notice of Sale can be recorded 90 days after a NOD if the loan has not been made current. The trustee will record a Notice of Sale on November 9, 2016 and the trustee sale is scheduled for November 29, 2016.

Staff believes there are now four options and recommends the first option as the most feasible.

**Option 1: The owner agrees to sell us the house for the approximate maximum affordable sale price of \$446,000 (less costs).** The lender would have to delay the sale for a few weeks for this to occur, based on presentation of a valid sales contract. If AHA purchases the home, the owner could use his equity (net proceeds) to pay rent for a period of time, but the AHA would need to have a long-term plan if he refuses to pay rent or cannot pay rent. In either case, an eviction may be necessary which could be expensive and time consuming for the agency. Discussions with the owner and lender have been started and an update will be provided at the Board meeting.

This option is preferred but depends on the owner being willing to sell in a very short timeframe and on the lender accepting the sales contract and allowing a delay. This option provides for the retention of the affordability of the property in the long term and resale or leasing to a qualified moderate-income family.

**Option 2: Prior to sale, the Housing Authority could purchase the loan** by making a payoff in the approximate amount of \$330,000. AHA would then own the loan but not the property.

There is some risk in that the current servicer has stated that it has not agreed to a sale of the note but will prepare a reconveyance of the deed of trust after payoff is made. Furthermore, AHA (acting in accordance with the original regulatory restriction) does not have an automatic right to purchase the loan or cure because the City Deed of Trust is subordinate to the first Deed of Trust. There is also an almost certain risk of non-payment on the loan. Since AHA knows that the owner cannot service the loan, AHA would then be forced to foreclose on the owner itself and evict them from the home, which could be a long and difficult process. This option provides for the retention of the affordability of the property in the long term and resale or leasing to a qualified moderate-income family.

This option not recommended but may be needed if other options are not feasible.

**3) AHA can bid on the home at the foreclosure/trustee sale.** Due to high home prices in the Bay Area at this time, staff expects that the home could sell for significantly more than the maximum affordable sale price. This option does not allow for the retention of the affordable unit unless AHA is the highest bidder. However, the regulatory restrictions state that any excess proceeds must return to the City. Therefore, AHA could either be the sole bidder (when the restriction is made known) or could be the highest bidder because the proceeds will be returned. If the required bid is higher than \$446,000, AHA money would have been put forward but the excess would return to a City fund.

This option is not recommended but may be the only option available if options 1 and 2 are unsuccessful.

**4) As a short-term measure, AHA could elect to loan funds to the current owner in a sufficient amount to bring the loan current.** This amount is believed to be approximately \$30,000. A separate loan agreement (as an unsecured second loan) would be made between AHA and the owner. The last day to cure the default is November 22<sup>nd</sup>.

This option is not recommended because staff would be required to return to one or more of the three options above immediately. There is no indication that the owner could make any significant payment towards repayment of an unsecured loan. However this option may be needed as a short-term arrangement if staff are making significant progress on option 1 or 2 above but need an additional time to delay the trustee sale.

**BUDGET CONSIDERATION/FINANCIAL IMPACT**

Some legal fees have already been incurred of approximately \$1,500 and further legal fees and staff time will be incurred with all options. Upon repossession of the unit, AHA would have to pay for repairs, cleaning and painting prior to re-occupancy. The additional financial impact of the various options is outlined below:

**Option 1:** According to the calculation formula as defined in the original sale documents, the approximate acquisition and the resale sale price (known as the maximum affordable housing sale price) of the property is now \$446,000. If the house is sold before auction, it must be sold at this price.

The seller would be responsible for transaction costs including any realtor commission, title insurance and other fees. These costs will be deducted from the sale price. After an inspection report is prepared, the cost of any damage repairs will also be deducted.

If the seller failed to pay the rent as promised from the proceeds of the sale, AHA could also have the costs of unpaid rent and eviction costs.

**Option 2:** If the loan is purchased (with no house sale) by AHA the approximate costs will be \$330,000. There will be additional costs to hire a loan servicer, as well as the cost of evicting the occupants.

**Option 3:** If the home is sold at auction, the final price is unknown, but any price over \$446,000 will be recaptured by the City's affordable housing account. AHA may need to bid upwards of \$446,000 to purchase the home at auction. This may be a time-consuming process as in 2014, 1819 Paru was sold at auction and the process took more than one year to be resolved. During this time it is not clear that rent would be paid by the occupant which could be a further loss of income to AHA off approximately \$40,000 per year.

**Option 4.** The approximate use of funds is less than \$30,000 but one of options 1-3 would then need to be triggered incurring the costs set out above.

For any of the options above, AHA would seek to utilize funds from a City Affordable Housing Fund as well as non-federal funds available through the Housing Successor to purchase the property and all related costs. No funds have been budgeted for this purpose, and all necessary approvals must be secured.

There is also some concern that options 2, and 4 could set an unsustainable precedent for future owners in the BMR program that are facing foreclosure. (AHA's Section 8 and property policies limit loans to residents to \$3,000).

RECOMMENDATION

This issue is being brought to the Board of Commissioners because 3 of the 4 options available exceed the Executive Director's authority to commit agency funds. The Board is asked to provide direction on any preferred option/s. However since all options have a level of uncertainty and urgency, and to address future situations like this with the BMR homes, the Board is also asked to:

Authorize the Executive Director to Proceed with and to Execute Necessary Documents to Purchase the Property or the Outstanding Loan at the Marina Shores Unit and to Approve the Accompanying Cost

Authorize the Executive Director to Proceed with the Repurchase of any BMR Unit that is in Default or for Sale, Up to the Maximum Affordable Housing Sale Price Plus Related Fees and Legal Costs, Utilizing Non-federal Funds. The Executive Director Would Inform the Board of Any Purchase No Later Than the Board Meeting Following the Repurchase

Respectfully submitted,

  
Vanessa M. Cooper  
Executive Director

VMC/VJ

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# 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: Tonya Schuler, Senior Management Analyst

Date: November 16, 2016

Re: Amend Property Management Policy

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## BACKGROUND

The Policy for Management of Authority-owned Properties (Property Management Policy) provides guidance to staff in administering its housing stock.

## DISCUSSION

This revision is a comprehensive revision of almost all sections of the Property Management Policy. Many sections were updated to reflect current procedure or practice to allow for clarity to the residents in Housing Authority-owned units in understanding the operation of the Housing Authority.

Throughout this revision, "Market" is changed to "Moderate" in reference to Independence Plaza. The rents are currently not set at a market level and the use of "Market" is misleading as an agreement was made to allow for more than the required 65 units to be available to moderate income families and subsidy paid on these units. Currently, the Housing Authority is drawing subsidy on all but one unit at Independence Plaza.

Several items dealing with wait list management were included in this revision. These items, for the most part, are intended to allow for faster processing of applicants or puts into policy best practices. This revision a) allows for incentives at move-in for units that are difficult to rent for business needs, b) clarifies that applicants are not allowed to wait for a future vacancy if the Housing Authority offers them an appropriate unit, c) allows for the Property Manager to determine that a sufficient number of applications have been received and close a posting for a vacant unit before a lease is executed, d) defines "approved application" for the purpose of keeping approved applications for future vacancies rather than posting a vacancy within 120 days of the last posted opening for a similar unit, e) specifies that incomplete applications will not be processed, f) requires written approval by the Executive Director before opening an actual wait list, g) clarifies that housed tenants at Independence Plaza will not be placed on an open wait list unless their application is selected through the normal process (i.e.



their application is randomly selected), h) allows for written notification to include e-mail, i) adds an application fee to moderate rate units, j) sets limits on the use of good cause in the application process for rescheduling interviews and turning down available units, k) requires the sending of a report when used for a negative action, and l) allows staff determine how often wait lists should be purged rather than setting a requirement of twice a year.

On November 2, 2015, HUD issued PIH Notice 2015-19 to exclude the use of arrest records in housing decisions. This notice outlined that the use of arrest records may be contradictory to Affirmatively Furthering Fair Housing, and that Housing Authorities may be out of compliance with fair housing laws by the continuation of this practice. In recent months, Fair Housing offices have been cautioning all owners to follow this guidance. The Housing Authority implemented the guidance in 2015 by not denying for arrest records, and this revision updates the Property Management Policy to be in compliance with this ruling.

This revision also allows the Housing Authority to conduct full annual reexaminations with verifications for all tenants. As alternative funding sources are sought to maintain the aging properties in the Housing Authority's portfolio, having the ability to document the incomes of each resident will allow staff to make the best decision when determining which applications for funding will be completed. The Housing Authority will have the option to require a reexamination with all verifications or to use the flexibility in some programs, such as HOME, to allow alternative annual processes.

The Finance Department revised the hours for which tenants can make payments to a staff member. Tenants can still make payments through the mail or drop-box. This revision also allows for the possibility of electronic rent payments while removing the option to pay with a credit card as the Housing Authority does not accept credit cards at this time. This revision also requires billing of tenants for damages within 30 days of the correction of deficiencies if the tenant caused the damage.

This revision clarifies that most leases will be for a 12-month period with a month-to-month automatic renewal, and family composition changes will be through a lease addendum and not a new lease. The only exceptions to this policy, such as a shorter term lease because a unit will be renovated or taken off-line, must be approved by the Executive Director. This revision also sets the security deposit amounts by bedroom size and removes a contradiction in the policy. In one place the policy had allowed for transferring tenants to transfer the security deposit and in another place the security deposit was not allowed to transfer, so this revision does not allow for a transfer of security deposit. This decision was made to allow for monies to help cover damages to the unit and avoid tenants owing money on an old unit while allowing the Finance Department a cleaner record of the security deposits. This revision also clarifies the definition of "tenants in good standing."

This revision changes when an Informal Hearing is appropriate. In eviction cases, the tenant has the option to object to the action in a court of law, so the administrative process of an Informal Hearing may not be appropriate such as when a tenant is evicted with a 3-day notice due to non-payment of rent.





This revisions removes the requirement for Property Management to sync all of its annual re-certifications with the Housing Programs Department. Property Management may select to conduct the annuals in sync, but as third party vendors are utilized to complete mass-scheduled annuals for differing properties, this allows the timing of Property Management annuals to be offset.

This revision changes the required unit size when an affordable tenant at Independence Plaza goes over-income and the rent is increased to the moderate level. The tenant, in this case, does not receive a larger unit. This change is made to be in compliance with affordable housing regulations that do not allow subsidized units to be smaller than unsubsidized units.

The Housing Authority will approve transfers for reasonable accommodations and VAWA situations and maintain a transfer list in these two cases. This revision removes maintaining a transfer list in all other situations and clarifies that tenant requested transfers will be very limited.

This revision removes language allowing the Housing Authority to terminate tenancy based on citizenship. Units owned by the Housing Authority cannot have citizenship rules per California law. The programs operated by the Housing Authority in the Housing Programs Department do have citizenship requirements, but those requirements are outlined in the Administrative Plan.

The Glossary is updated to reflect that Housing Authorities may not require an applicant to have a certain level of employment to receive the residency preference. This revision also changes the documents that can be submitted to verify eligibility for the Residency Preference in conjunction with the revision of ownership of property and the requirement that families working in the jurisdiction must be eligible for the preference.

This revisions updates all appendices. Appendix A is updated to reflect the units moved from Eagle Village to Rosefield Village. Appendices A and D are updated to accurately reflect the agreement with HUD for Esperanza and other regulatory agreement restrictions. Exhibit A for Appendix A is updated to clarify that it is a sample of agencies that can be outreached but not comprehensive. Appendix B is updated with the most current Income Limits for the HOME program. Appendix C is updated to change the Informal Hearing requirements, as outlined above.

This revision also includes some language for clarifications, title changes, reassignment of responsibility, and correction of grammatical or typographical errors. This revision clarifies a) that families listing income on a Zero Income Statement will have these amounts added as income; b) that transfers will be as funding allows such as unassisted tenants will not be transferred into units with voucher assistance tied to the unit; c) that the Housing Authority will involve tenants, but that not all outreach will be done at all times; d) that additions to all households will be denied if the change does not meet the occupancy standard or makes the family ineligible for unit and not just for senior complexes; e) that wrong-sized families will be right-sized; f) that electronic



copies of inspections is sufficient for document retention; g) that HQS or UPCS can be used as the inspection standard on all units; h) that posting notices on doors is sufficient for inspections; i) that leaving notice of entry to a unit is sufficient without the reason for the entry, which tenants can obtain by calling the office; j) that tenants will be given the opportunity of an optional inspection within 14 days of move-out as required by California tenant law or that a move-out inspection will be conducted upon their move-out; k) that the Executive Director is the only one with the authority to approve alternate repayment plans; and l) that extra payments will be applied in an order determined by the Housing Authority and not the tenant.


FINANCIAL IMPACT

There is not direct financial impact of these policy changes.

RECOMMENDATION

Staff recommends adoption of the proposed changes to the Policy for Management of Authority-owned Properties.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC/TMS

Attachment:

Policy for the Management of Housing Authority-Owned Properties Amendment:  
2016-03



Policy for the Management of Housing Authority-Owned Properties  
Amendment: 2016-03

Purpose: This amendment to the Policy for the Management of Housing Authority-Owned Properties "Property Management Policy" is a comprehensive revision of almost all sections of the Property Management Policy. Many sections were updated to reflect current procedure or practice to allow for clarity to the residents in Housing Authority-owned units in understanding the operation of the Housing Authority.

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Proposed deletions are struck-out and proposed additions are underlined.

1. Throughout this revision, "Market" is changed to "Moderate" in reference to Independence Plaza.
2. Revise *2.0 Reasonable Accommodation* to state the timeline to respond to requests for accommodations and clarify responsibility.

## **2.0 REASONABLE ACCOMMODATION**

When the Housing Authority has received and verified the need for a reasonable accommodation, the Housing Authority will respond as quickly as possible. The Housing Authority will respond within 14 days of receipt of all required information and verifications. The Housing Authority will ask the Applicant or Tenant what specific accommodation is being requested. If the disability for which the reasonable accommodation is being requested is not obvious, the Housing Authority will seek verification from a third party of what accommodation is appropriate. If the Housing Authority finds the requested accommodation reasonable, it will be provided.

It is the policy of the AHA to ensure that communications with applicants, residents, employees, and members of the public with disabilities are as effective as communications with others.

AHA, including its employees and contractors, shall furnish appropriate auxiliary aids and services, where necessary, to afford individuals with disabilities, including individuals with hearing, visual, or cognitive disabilities, an equal opportunity to participate in, and enjoy the benefits of, the programs, services, and activities conducted by the AHA.

"Auxiliary aids and services" include, but are not limited to: (1) qualified sign language interpreters, written materials, telecommunications devices for deaf persons (TDDs), or other effective methods of making aurally delivered materials

available to individuals with hearing impairments; and (2) qualified readers, taped texts, audio recordings, large print materials, or other effective methods of making visually delivered materials available to individuals with visual impairments.

The individual will submit his/her request for auxiliary aids or services to the appropriate AHA staff person. For applicants, the request should be addressed to the Director of Housing Programs caseworker processing the file. For tenants, the request should be addressed to the Senior Property Manager.

All requests shall be dated and time-stamped upon receipt by the AHA. Staff should contact an individual within threewe business days of receipt of the individual's request if more information is needed to ascertain whether the planned means of communication will ensure effective communication.

If you believe the AHA has violated this policy the process outlined in the ADA/Section 504 Grievance Procedures can be followed to file a grievance.

3. Revise *4.1 Occupancy Limits* to clarify that the types of assistance listed may not be comprehensive.

#### **4.1 Occupancy Limits**

The maximum number of household members who can reside in the unit without a reasonable accommodation will be two people per bedroom with one additional person in the living space.

<u>No. of Bedrooms</u>	<u>Minimum No. of Persons</u>	<u>Maximum No. of Persons</u>
0	1	2
1	1	3
2	2	5
3	3	7
4	4	9
5	5	11

The minimum number of persons in a Property Management unit with no assistance is one person per bedroom. For units with assistance such including, but not limited to, as the HOME units, Project-Based Voucher units, and very-low (at or below 50% of Area Median Income [AMI]) and low-income (at or below 80% of AMI) units at Independence Plaza, the minimum and maximum persons in the unit may be further restricted due to the program rules governing the unit. The most restrictive requirements will apply.

4. Revise *4.2 Filling Vacant Units* to allow for a) incentives at move-in, b) filling of units in an order determined by staff to better meet Agency needs in a timely manner, c)

determining that a sufficient number of applications have been received and the Agency will no longer accept applications even though the unit is not yet leased, and d) a definition of an "approved application."

#### **4.2 Filling Vacant Units**

In general, vacant units will be filled in the order in which they are returned and ready for leasing. AHA may offer an incentive to tenants to occupy a specific unit if there is a business need (for example, an expiring PBV contract) were vacated. An applicant may not wait for a future vacancy if there is an available unit which meets their household size. For example, if an applicant is eligible for a three-bedroom unit and there are two such units available, the applicant will be offered the unit that has been vacant for the longest period of time.

If the applicant refuses a unit at a site, the applicant will be removed from the site-specific waiting list.

If the unit does not have a waiting list associated with it (see section 5.2 for a list of waiting lists maintained for the Property Management units), applications will be accepted for the unit until filled or closed. The unit shall be listed on the Housing Authority's website and/or in the lobby for a specified time, until the unit is filled, or until a sufficient number of applications have been received to make it likely a qualified candidate will be found. If after filling the unit, there are still **approved** applications, the Property Manager will create an interest list of those applications only for other vacancies within the next 120 days. After 120 days, after from the date the unit is occupied first listed, applications will not be considered current and will become inactive. This does not require further notification to the applicant and is not an action open to appeal. If another unit without a waiting list becomes vacant within the 120 days, the unit may be offered to the person on the interest list with the earliest application received date. Approved applications are applications that the screening process was completed at the same time as the selected applicant, including criminal history and credit checks.

5. Revise 5.0 *Taking Applications* to state that incomplete applications will not be processed.

#### **5.0 TAKING APPLICATIONS**

The application constitutes the basic record of each Applicant for admission. Each Applicant is required to supply the information requested on the application form, including declaring any preference(s) to which the family believes it qualifies, and to certify the accuracy of the information provided. The Housing Authority reserves the right to verify the information. Incomplete application forms will not be considered for processing.

6. Revise 5.1 *Application Process* to clarify that only families selected by the wait list selection process will be placed on a wait list.

#### **5.1 Application Process**

For the Section 8 waiting lists, refer to the Administrative Plan.

As the need arises, the Housing Authority will open the applicable site-based Affordable waiting list or Independence Plaza (IP) ~~Market-Moderate Rate~~-list to accept pre-applications or applications (both referred to as "applications" throughout this Policy). The Housing Authority may take applications in a variety of ways, including:

- Open enrollment, or
- First-come, first-served, or
- A lottery system to add a specific number of applicants to a waiting list.

Any opening of the waitlist must be approved in writing by the Executive Director. When opening a waiting list, the Housing Authority will provide all relevant information, including dates and times applications will be accepted, what preferences may be claimed, and any criteria specific to a unit or complex (e.g., applicants for all IP units must have a head of household that is 62 years of age; other family members must be at least 55 years of age).

Persons with disabilities who require a reasonable accommodation to complete an application may request an accommodation as specified in the waiting list announcement which may include mailing or e-mailing a request. Completed applications will be notated with a date and time of submission to the Housing Authority if the date and time was the method of ordering outlined in the waiting list announcement. The Housing Authority will specify the method of submission in the announcement, which may include online submissions. In the case of a lottery, the order in which the Applicants are randomly selected will be used in lieu of the date and time received for waiting list placement.

When the Independence Plaza Affordable waiting list is reopened after a closure, tenants residing in ~~Market-Moderate Rate~~ units will be given the opportunity to complete an application. ~~If the Market Rate tenant completes an application, the tenant will be placed on the waiting list in order by date and time or random lottery according to the process that the waiting list will be ordered.~~

7. Revise 5.2 *Waiting Lists* to clarify that currently there are no market rate units at Independence Plaza.

## **5.2 Waiting Lists**

The Housing Authority maintains several waiting lists:

- Section 8 Housing Choice Voucher – Refer to the Administrative Plan.
- Section 8 Project-based Voucher lists – Refer to the Administrative Plan.
- Independence Plaza Affordable – This list is used to fill the units designated for seniors with income below 80% of AMI.
- HOME Wait List. This list is used to fill all HOME units at China Clipper, the Condos, Lincoln House, and Sherman Street. Units at the Condos are for seniors only, so households not meeting the eligibility criteria will be passed over when filling a condo unit.

- Independence Plaza (IP) Market-Moderate Rate— This list is specifically used to fill units not designated as “affordable” at Independence Plaza, the “market-Moderate” units. These units are income capped at 120% of AMI.

8. Revise *5.3 Placement on the Waiting List* to allow for e-mail notifications for wait list openings. This places the Property Management Policy in agreement with changes already approved to the Administrative Plan.

### **5.3 Placement on the Waiting List**

When the family is selected for placement on the waiting list, the Housing Authority will notify the family in writing of its placement inclusion on the list. E-mail notification can fulfill this requirement. In the event two or more Applicants with identical preferences are placed on the waiting list, their order of selection will be determined by the date and time of application or by the order in which the family was randomly selected in the lottery process.

Applicants are assigned preference points that aggregate for each waiting list. For the Section 8 waiting lists, refer to the Administrative Plan. For the Affordable waiting lists, the ranking is as follows:

1. Residency preference. Any person living, working, or staying in a homeless shelter in the city of Alameda. (6 points)
2. Family preference. Any person who is a senior (62 years of age or older) or a family where the head of household or spouse is disabled. (3 points)
3. Veteran's preference. This preference applies to a member of the military, a veteran who was discharged or released under conditions other than dishonorable, or a surviving spouse (i.e., as defined by the Department of Veteran Affairs.) (2 points)

The Housing Authority will maintain the number of very-low units required by the agreement for the funding for IP (29 very-low units) and total affordable units (65 very-low and low units). The Housing Authority will house families off the IP affordable list according to their verified income level subject to meeting regulatory requirements. The Housing Authority may change the unit mix based on funding needs and future funding needs.

For the IP Market-Moderate Rate-list, there are two preferences, the residency preference and the veteran's preference. The same point values apply.

Waiting lists are separate. Placement on one list does not deny a person from applying for placement on another list.

9. Revise *5.5 Selecting Families from the Waiting List* to add an application fee for units without assistance such as the Independence Plaza moderate income units.

## **5.5 Selecting Families from the Waiting List**

The Housing Authority has developed this selection process to ensure that Applicants on the waiting list are selected fairly. This policy prohibits discrimination and favoritism toward friends or relatives, or other situations in which there may be a conflict of interest.

The second phase of the application process takes place when the family nears the top of the waiting list. The Housing Authority will ensure that verification of preferences, income, suitability and other selection factors are current to determine the family's final eligibility for tenancy in a Housing Authority-owned unit.

If multiple families are selected from the waiting list at the same time, the family whose file is complete first may be offered the available unit, but the applicants with a higher waiting list position must have been outreached to prior to or at the same time as the selected family.

The family must sign the Authorization for Release of Information/Privacy Act Notice and the Applicant's/Tenant's Consent to the Release of Information forms. A family's refusal to sign these consent forms and to supply required information will result in denial of eligibility. Applications for moderate rate units (ones without assistance) will be charged a non-refundable application fee of \$25 per adult.

10. Revise 5.6 *Applicant Interviews* to clarify that appointments may only be rescheduled once for good cause.

## **5.6 Applicant Interviews**

All applicants who fail to keep a scheduled appointment with the Housing Authority will be sent a notice of denial of admission. The Housing Authority will allow the family to request to reschedule one time the appointment for good cause.

11. Revise 5.7 *Removal from the Waiting List* to allow for medical professionals to verify good cause rather than restricting the verifier to a doctor.

## **5.7 Removal from the Waiting List**

The Applicant will be removed from a specific site-based waiting list when the Applicant:

- Becomes ineligible.
- Misses a scheduled appointment without good cause or without having requested postponement as a reasonable accommodation.
- Refuses an offer of housing without good cause. -Good cause is defined as:
  - a. A ~~doctor~~ medical professional verifying that the Applicant has a medical emergency;
  - b. A court verifying that the Applicant is serving on a jury, which has been sequestered;
  - c. A copy of a lease verifying a lease commitment;



- d. Death of a family member; or
- e. Other good cause as determined by the Executive Director or designee (e.g., military service).
- Fails to respond within allotted time frame to the Housing Authority's attempts to contact the Applicant for information, updates, or to determine continued interest (See "Accommodation for the Disabled" below). Or
- Requests in writing to be removed, including from families who receive Section 8 assistance.

12. Revise *6.0 Right of Refusal* to allow for good cause to only be used twice to refuse a unit in most cases.

**6.0 RIGHT OF REFUSAL**

An Applicant will receive one offer for a unit at the property represented by the waiting list.

If the Applicant is unable to move at the time of the offer and presents clear evidence (i.e., "good cause"), which substantiates this situation to the Authority's satisfaction, the applicant will not be removed from the site-based waiting list. Good cause is defined in Section 5.7. Good cause may be used only twice. On the third time to be selected -for a unit, before the applicant will is- be removed from the list except in cases of Reasonable Accommodation.

13. Revise *7.0 Notification of Negative Actions* to clarify that reports upon which decisions are based must be included with the notice of the action.

**7.0 NOTIFICATION OF NEGATIVE ACTIONS**

The Housing Authority will notify applicants whose names are being removed from the waiting list in writing that they have 14 calendar days from the date of the written correspondence to request an informal review and to present verification of mitigating circumstances. The letter also will indicate that the Applicant's name will be removed from the waiting list for failing to respond within the 14 calendar days. In cases where the decision is based on a report, the report will be included.

14. Revise *8.1 Eligibility Criteria* to add clarification and correct typographical errors.

**8.1 Eligibility Criteria**

**1. Program Requirements.**

- a. Income Eligibility. A family may not be admitted to any property management complex without meeting the income requirements (with some exceptions for Independence Plaza — see below). Income eligibility varies with the housing program, generally because of the type of funding used to finance the purchase of the complex. See Appendix D for a summary of these limits.

Applicants for units without voucher assistance should have income that is equal to twice the monthly rent amount.

Applicants for units at Independence Plaza for unassisted and low-income

should have income that is equal to twice the monthly rent amount. Applicants for very-low units with assets less than \$5,000 and whose income is only Social Security may qualify with if their income is greater than 1.75 times the rent. Applicants, who are on both the Affordable and ~~Market Moderate Rate~~ Waiting Lists, may choose to take the first available unit, a ~~market moderate rate~~ unit, with a rent that exceeds 50 percent of his/her income while continuing to wait for their name to reach the top of the affordable wait list. In other cases, income may appear to be too low; however, if the applicant has assets sufficient to draw upon to cover rent for a reasonable period of time, the income requirement will be met.

Applicants cannot have assets valued at more than \$50,000 except for funds invested in an IRA/IRS-recognized retirement fund such as a 401K for move-ins after January 20, 2016. Also, applicants cannot own real property that has housing on it.

- b. **Age Requirements for Seniors Complexes.** Age requirements exist for complexes designed for seniors, which include Anne B. Diament Plaza, Lincoln/Willow, Senior Condos, and Independence Plaza.

Anne B. Diament Plaza: The head of household and all other members of the family must be 62 years of age or older. The age requirement does not apply to a live-in aide.

Lincoln/Willow: The head of household and all other members of the family must be 62 years of age or older. The age requirement does not apply to a live-in aide.

Senior Condos: The head of household and all other members of the family must be 62 years of age or older. The age requirement does not apply to a live-in aide.

Independence Plaza: The head of household must be 62 years of age or older. All other family members must be a person who resides with the head of household and is at least 55 years of age or a spouse/domestic partner. The age requirement does not apply to a live-in aide.

2. **Signing Consent Forms.** Each member of the family who is at least 18 years of age, and ~~each family head and spouse regardless of age or an emancipated minor~~, shall sign one or more consent forms. The authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.
3. **Suitability.** Applicant families will be evaluated to determine whether, based on their recent behavior, they could reasonably be expected to comply with the lease. The Housing Authority will look at past conduct as an indicator of future conduct. Emphasis will be placed on whether a family's admission could reasonably be expected to have a detrimental effect on the community's environment, other tenants, Housing Authority employees, or other people residing in the immediate vicinity of the property. Families will be denied admission if they fail to meet the suitability criteria.

~~The~~ In assessing suitability, Housing Authority will consider objective and reasonable aspects of the family's background, including the following:

1. History of meeting financial obligations, especially rent;
2. Ability to maintain (or with assistance would have the ability to maintain) housing in a decent and safe condition based on living or housekeeping habits and whether such habits could adversely affect the health, safety, or welfare of other tenants;
3. History of criminal activity by any household member involving crimes of physical violence against persons or property and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well-being of other tenants or staff or cause damage to the property;
4. History of disturbing neighbors or destruction of property;
5. Having committed fraud;
6. History of abusing alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment by others;
7. Applicant's ability to meet tenancy requirements;
8. Whether applicant qualifies for a rental unit available only to people with a disability.

15. Revise *9.0 Grounds for Denial of Tenancy* to clarify that extenuating circumstances must be documented and a credit decision will be made on "bad" debt only. Also, updates the criminal history section to be in compliance with a recent notice issued by HUD about not allowing denials based only on an arrest.

## **9.0 GROUNDS FOR DENIAL OF TENANCY**

The Housing Authority is not required or obligated to assist an applicant. Grounds for denial of a housing unit include:

1. Failure to meet any of the eligibility criteria in 8.1. This includes the following:
  - One eviction within the past four years; however, the Housing Authority will consider documented extenuating circumstances (e.g., owner foreclosure, illness that results in substantial medical costs, recent positive references from landlords).
  - Credit history that shows an accumulation of bad debt of \$6,000 or more or more than half of credit accounts showing poor credit ratings or charge-offs. Exceptions may be granted for debt accumulated as the result of illness/hospitalization or student debt and/or recent positive references from landlords. Exceptions may be granted for poor credit due to a foreclosure or pending foreclosure.
  - Involuntary termination of assistance from any government-subsidized housing unit in the last three years or having committed fraud, bribery, or any other corrupt or criminal act related to such programs.
  - Criminal History:

<u>Type of Criminal Activity</u>	<u>Years Screening for Convictions</u>
<u>Engaging in drug-related criminal activity currently in past or pattern of alcohol or drug use that may threaten the health, safety, or peaceful enjoyment of the premises by other residents based on credible evidence.</u>	7
<u>Violent criminal activity, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage [24 CFR 5.100]</u>	7
<u>Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity</u>	7
<u>Criminal activity that may threaten the health or safety of property owners and management staff, and persons performing contract administration functions or other responsibilities on behalf of the AHA (including a AHA employee or a AHA contractor, subcontractor, or agent).</u>	7
<u>Crimes Against Persons (for example: assault, kidnapping, etc.)</u>	7
<u>Crimes against Property (arson, burglary, theft of car, fraud, robbery, vandalism, etc.)</u>	7
<u>Monetary Crimes against Property (bad checks, embezzlement, blackmail, larceny, etc.)</u>	5
<u>Crimes Against Society (drugs, weapons, etc.)</u>	7
<u>Crimes Against Society (impair or perverts the law, disorderly conduct, driving under the influence, drunkenness-related, pornography, etc.)</u>	5

Type of Criminal Activity	Years Screening for Convictions	Years Screening for Charges
Engaging in drug-related criminal activity currently in past or pattern of alcohol or drug use that may threaten the health, safety, or peaceful enjoyment of the premises by other residents based on credible evidence.	7	1
Violent criminal activity, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage [24 CFR 5.100]	7	1
Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity	7	1
Criminal activity that may threaten the health or safety of property owners and management staff, and persons performing contract administration functions or other responsibilities on behalf of the AHA (including a AHA employee or a AHA contractor, subcontractor, or agent).	7	1

Type of Criminal Activity	Years Screening for Convictions	Years Screening for Charges
Crimes Against Persons (for example: assault, kidnapping, etc.)	7	1
Crimes against Property (arson, burglary, theft of car, fraud, robbery, vandalism, etc.)	7	1
Monetary Crimes against Property (bad checks, embezzlement, blackmail, larceny, etc.)	5	1
Crimes Against Society (drugs, weapons, etc.)	7	1
Crimes Against Society (impair or perverts the law, disorderly conduct, driving under the influence, drunkenness-related, pornography, etc.)	5	1

The fact that an applicant or tenant was arrested for a disqualifying offense shall not be treated or regarded as proof that the applicant or tenant engaged in disqualifying criminal activity. The arrest may, however, trigger an investigation to determine whether the applicant or tenant actually engaged in disqualifying criminal activity. As part of its investigation, the AHA may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The AHA may also consider any statements made by witnesses or the applicant or tenant not included in the police report; whether criminal charges were filed; whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately result in an acquittal; and any other evidence relevant to determining whether or not the applicant or tenant engaged in disqualifying activity.

or

- Any conviction of drug-related criminal activity for the production or manufacture of methamphetamine.
  - Any household member subject to a lifetime registration under a state sex offender registration program.
  - Owes rent or other amounts to a previous landlord, including a housing authority.
  - Has breached the terms of a payment agreement with the Housing Authority, unless the family repays the full amount of the debt covered in the agreement prior to being selected from the waiting list.
  - Does not meet the age requirements for occupancy in a senior complex.
2. Not supplying requested information or documentation in a timely manner, or complete and true information;
  3. Refusing to sign consent forms for obtaining information.
  4. Failing to meet the Housing Authority's income standards for affordable or market-moderate rate units, barring some exceptions for Independence Plaza applicants as outlined in Section 8.1.
  5. Failing to meet the Housing Authority's occupancy screening criteria.
  6. Failing to obtain a minimum criteria scoring by a 3<sup>rd</sup> party vendor on rental history. Scoring determined by Housing Authority (currently 250) and uniformly applied by 3<sup>rd</sup> party vendor.

The Housing Authority will use definitions outlined in the Section 8 Administrative Plan where they are not otherwise provided in this document.

16. Revise *10.0 Updating the Waiting List* to allow for staff to determine the best schedule to purge wait lists and not to require two purges per year.

**10.0 UPDATING THE WAITING LIST**

The Housing Authority will periodically update waiting lists at least bi-annually to ensure that the pool of applicants reasonably represents the interested families for whom the Housing Authority has current information (i.e., applicant's address, family composition, income category, and preferences). E-mail notification can fulfill this requirement.

17. Revise *11.2 Preferences* to remove the option of using a property title to determine residency, but to allow for verification of working in the City of Alameda

**11.2 Preferences**

**Residency Preference.** The Housing Authority will verify a residency preference claimed by an applicant using:

Applicant must provide one items from Category A and one from Category B. If the applicant cannot provide one from Category A, then two documents from

Category B may be accepted by staff or alternate documentation in extenuating circumstances such as homelessness:

- Category A:
- Lease
- Driver's License
- Title to property Letter from employer or other documentation of working in the City of Alameda
- Category B:
- 3 consecutive utility bills (including telephone, but not cell phone bill)
- Tax return for the period of residency
- Car registration (if the items from Category A is not a driver's license)
- Other government documentation (e.g. Social Security benefit letter)

18. Revise *11.3 Income* to allow for income eligibility to be determined using the low income housing tax credit calculation process when other requirements are not present.

### **11.3 Income**

Income reported by the family will be verified. Social security numbers are gathered to verify employment or other sources of income. The definition of annual income found at 24 CFR 5.609 will be used in the calculation of annual income for determinations of eligibility. (For continued eligibility after move in, AHA reserves the right for unsubsidized units to substitute the LIHTC eligibility criteria, if no other income calculation process is prescribed by the funding.)

19. Revise *11.3 Income* to clarify that amounts disclosed on Zero Income statements will be counted as income as appropriate.

**Zero Annual Income Status.** For families claiming no annual income, the Housing Authority will verify that certain forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household. Any adult family member claiming zero income will be required to complete the Housing Authority's Zero Income Statement form. The Housing Authority will follow up with the family to determine if the situation has changed. The Housing Authority may follow up as often as monthly.

Amounts disclosed on the Zero Income Statement that are determined to be family support will be added to the family's income.

20. Revise *12.1 Rent Amount* to change "Market" to "Moderate."

### **12.1 Rent Amount**

Because funding sources are different for the following units, the rents are determined in the following manner:

HOME Units (various locations): These units have rents that cannot exceed the HUD-established HOME rents for these units. The Section 8 utility allowance applies.

Independence Plaza Affordable Units: Local Tax Increment – There are flat rents regulated by State law (Health and Safety Code, Section 50053) for the units designated for very low-income and low-income applicants.

~~Market-Rate~~Moderate Units: Annually, a market survey will be conducted and reasonable, comparable rents will be established. Also, the rents for units not restricted under an affordability requirement will be set at a reasonable level, either in-line with the market, the Low Income Housing Tax Credit (LIHTC) maximum rent, the HOME High Rent if applicable, or the Housing Choice Voucher payment standard minus a utility allowance.

21. Revise *12.2 Paying Rent and Other Charges* to revise the hours of the payment window in the Finance department, to allow for electronic payments in the future, to clarify that currently credit cards are not accepted, and to correct titles.

#### **12.2 Paying Rent and Other Charges**

**Rent.** Rent is payable in full on the first day of each month. Payments will be accepted from 8:30 a.m. to 4:00 p.m., Monday through Friday the first and last weeks of the month, except posted holidays. The Finance Payment window will be closed the 7<sup>th</sup> through the 25<sup>th</sup> of every month. Payment may be made by mail or in person at the Housing Authority at 701 Atlantic Avenue, Alameda, CA 94501-2161. Payment may be made at other times by placing the payment in the mail slot. The Housing Authority may, at its own discretion, offer electronic methods for rent payment.

**Maintenance and Repair Charges.** These charges are due and payable on the first day of the first month following the month in which the charges are posted. Residents who dispute maintenance charges may request a review by the ~~Director of Facilities~~Maintenance Supervisor, who will review the evidence of damage (e.g., photographs, repair bills, etc.). A determination will be made within 30 calendar days whether to retain, reduce, or eliminate the charges. This decision is final unless the charges result in a notice to terminate tenancy. In the case of a notice of termination, the resident may request an informal grievance hearing. Refer to Section 20.0.

**Method of Payment.** Payment may be made by personal check, cashier's check or money order made payable to the Housing Authority or by credit or debit card, when the Housing Authority makes these options available. Cash will not be accepted.

Third-party checks from individuals will not be accepted except in exceptional circumstances and as approved by the Executive Director. Third-party checks from non-profits, social services, agencies and faith groups will be accepted on occasional, emergency basis.

**Returned Check Fees.** A returned check charge will be assessed according to the Rental Agreement for any check returned by the bank for any reason. Submission of a bad check will require that all payments from a Tenant be made



by money order, ~~or cashier's check, or credit card~~ for a period of three months. After that time, the Tenant will again be permitted to pay by personal check if he or she wishes and provided that a returned check charges have been paid.

22. Revise *13.1 Execution of Rental Agreement* to clarify that all leases will be for a 12-month period with a month-to-month renewal unless there are extenuating circumstances.

### **13.1 Execution of Rental Agreement**

The Housing Authority will enter into 12-month Rental Agreements with Applicants for HOME units and PBV units, and for units with HCV participants. After the initial 12-month period, the rental agreement will be on a month-to-month basis. ~~If it is a HOME unit, the change to a month-to-month basis will occur only by mutual agreement of the Housing Authority and tenant. Rental Agreements will be used for all other Applicants will be set at a one year 12 months with an automatic change to month-to-month after the 12<sup>th</sup> month, unless there are circumstances related to reasonable accommodation, violence against women act, or other legally mandated reasons. The Executive Director may approve leases for less than 12-months for extenuating circumstances, including in anticipation of units being removed from the rental market due to renovation.~~

23. Revise *13.2 Security Deposit* to clarify the security deposit amounts collected by the Housing Authority and to require a new security deposit upon transferring to a new unit.

### **13.2 Security Deposit**

In most cases, the Security Deposit is due when the Rental Agreement is executed. If payment of the security deposit imposes a financial hardship, the Housing Authority may enter into a written agreement to allow for payment by installment.

The following are the security deposit amounts by bedroom size:

0-1 Bedroom units: \$750

2- Bedroom: \$1,000

3- Bedroom and above: \$1,500

~~will be equal to one month's rent and is due when the Rental Agreement is executed. If payment of the security deposit imposes a financial hardship, the Housing Authority may enter into a written agreement to allow for payment by installment.~~

~~No increase in security deposit will be required for Tenants in residence or in the event of a transfer at the Housing Authority's request. An exception is when a tenant moves from a non-Section 8 subsidized unit to a unit with a Section 8 subsidy. In such cases, the security deposit may be set at one month's rent or less depending on market conditions.~~

24. Revise *13.3 Canceling, Re-executing, or Modifying a Rental Agreement* to allow for

lease addendums to add or remove family members.

### **13.3 Canceling, Re-executing, or Modifying a Rental Agreement**

If a signer of the rental agreement is no longer a member of the household for any reason, ~~the rental agreement will be cancelled and a new rental agreement executed by the head of household~~ a lease amendment will be required and by all remaining adult members of the household will need to sign, provided the household is eligible for continued occupancy.

If a Tenant transfers to another dwelling unit, the existing rental agreement will be cancelled and a new rental agreement executed before the transfer takes place.

If the Tenant's status changes or any other change occurs that could affect the rental agreement, or if the Authority desires to waive any provisions of the rental agreement with respect to the Tenant, the rental agreement will be cancelled and a new rental agreement or an amendment to the existing rental agreement ~~will~~ may be executed.

25. Revise *13.4 Reasonable Accommodations* to clarify that unit transfers for reasonable accommodations must stay within the same program.

### **13.4 Reasonable Accommodations**

The Housing Authority, as landlord, will honor verified requests for a reasonable accommodation. The following are examples of actions the Housing Authority will take:

- Providing a unit with an extra bedroom if one is available in that complex or another complex as funding allows. If one is not available, the tenant's name will go on a waiting list for the next available unit of the appropriate configuration under the proper funding source. For example, an unassisted tenant may not be placed in a unit with Project-Based Voucher assistance on the unit.
- Moving a resident to a fully-accessible unit, upon availability.
- Installing fire alarms that alert with lights rather than sound when the resident has a hearing disability.
- Installing a wheelchair ramp to a unit.
- Installing grab bars in bathrooms.

26. Revise *13.5 Terminating a Rental Agreement and Eviction* to remove an Informal Hearing option that is not required.

### **13.5 Terminating a Rental Agreement and Eviction**

Termination of a Tenant's rental agreement will be in accordance with the provisions of the rental agreement and applicable state and federal law. ~~Tenants may request an "Informal Grievance Hearing" (Appendix C) for eviction actions related to maintenance charges. The legal process also may include a civil court proceeding in which the Tenant has the opportunity to present a defense. If the eviction goes to court, the court will decide the rights of the Housing Authority and Tenant. If the tenant was a Section 8 participant, the Director of Housing Programs or designee will be notified of the eviction.~~

27. Revise *14.0 Tenant Participation Plan* to clarify that resident outreach may be accomplished in a variety of methods and to remove an Informal Hearing process that is not required.

#### **14.0 TENANT PARTICIPATION PLAN**

The Housing Authority knows the value of involving residents in the day-to-day activities involving property management. As such, the Housing Authority ~~will~~may employ a number of solutions including:

- Seek to build trusting relationships with tenants.
- Issue newsletters on a regular basis to inform and involve residents.
- Invite tenants to Town Hall/Budget meetings at least annually.
- Provide quality control inspections of property management and maintenance activities.
- ~~Provide for the use of the Informal Hearing process when an eviction action is being taken for property damage.~~

28. Revise *15.0 Re-examinations* to provide clarification that all tenants of Housing Authority units will be required to complete an annual income recertification.

#### **15.0 RE-EXAMINATIONS**

The Housing Authority will conduct a re-examination of family income and circumstances for every tenant. The results of the re-examination determine:

- 1) Rent the family will pay if in one of the Section 8 programs or HOME program,
- 2) Whether the family is housed in the correct unit size; and
- 3) Whether the family continues to be eligible for assistance, relative to some programs.

The Housing Authority, with written approval of the Executive Director, may choose to instigate annual re-verification of criminal background for all Housing Authority-owned units.

29. Revise *15.1 General* to require all tenants to undergo a fully verified income recertification annually, if deemed necessary by the Housing Authority.

#### **15.1 General**

**Section 8 Tenants.** Refer to the Administrative Plan for additional information. The remainder of this section will refer only to non-Section 8 tenants.

**HOME Unit Tenants.** For those families residing in HOME units (e.g., all seven condominiums (various addresses), all nine units at Sherman Street, 11 of the units at China Clipper Plaza, and the four units at Lincoln House), annual re-examinations take place; however, third-party verifications are required only every sixth year per regulation. In the other years the Housing Authority, at its discretion, may only require the resident and all adult family members ~~are required to~~ complete a form declaring and certifying their income and family composition and to produce documents to verify the accuracy of this information.

**Independence Plaza Tenants.** Independence Plaza residents of affordable units will have a re-examination every two years or more frequently if determined necessary by the Executive Director

~~Hand-carried documentation is sufficient for this process.~~

**Non-Subsidized Unit Tenants.** Re-examinations are generally ~~not required~~ required very few years or, but will be conducted if determined necessary by the Executive Director.

30. Revise 15.2 *Scheduling Re-Examination* to allow the Housing Authority to set the annual schedule for each tenant and to not be confined by other programs. This also removes the requirement of notices being sent to alternate addresses in the family's file rather than the Housing Authority-owned unit in which the family is residing.

### 15.2 Scheduling Re-Examinations

~~The For Section 8 tenants, Housing Authority will schedule re-examination effective dates to coincide with the family's anniversary date, which is defined as the family's initial move in or admission date plus the number of months to the first re-examination. For other programs (i.e., 12 months for the HOME program and 24 months for Independence Plaza affordable units), the schedule will be set by the Property Management Department. The Housing Authority will determine the month in which a re-examination will be required. In making this determination, the Housing Authority may consider annual dates of other programs, move-in date, the date of the last completed income certification, or the workload of the required certifications. The Housing Authority also may schedule a re-examination for administrative purposes.~~

If the family moves to a new unit, unless the move is in conjunction with a change in program, the Housing Authority will not perform a new re-examination.

**Notification.** Notifications will be sent by first-class mail and will inform the family of the information and documentation required, the deadline for providing it, the method in which it will be accepted (e.g., mail, fax, or in person) and the date and time for an interview, if applicable.

If the notice is returned by the post office with no forwarding address, a notice of termination will be sent to the family's address of record, ~~as well as to any alternate address provided in the family's file.~~

**Interview.** Families may be asked to participate in a re-examination interview. An interview also will be scheduled if the family requests assistance in providing information or documentation.

If the family is unable to attend a scheduled interview, the family will have the opportunity to reschedule up to two times if there is good cause. (Refer to Section 5.7 for the definition of good cause.) If a family misses the scheduled interview without notifying the Housing Authority within 24 hours of the appointment, a notice of termination will be sent to the family's address of record, ~~and to any alternate address provided in the family's file.~~

If participation in an in-person interview poses a hardship because of a family member's disability, the family should contact the Housing Authority to request a reasonable accommodation.

An advocate, interpreter, or other assistant may assist the family in the interview process. If an interpreter is requested, the Housing Authority will supply one.

31. Revise *15.3 Conducting Re-examinations* to clarify that some items may be re-verified at a change in program.

### **15.3 Conducting Re-examinations**

Families will be asked to provide all required information as described in the re-examination notice, signed release/consent forms, and supporting documentation related to the family's income, expenses (if applicable), and family composition.

Any required documents or information that the family is unable to provide at the time of the interview or by mail must be provided within 14 calendar days of the date the Housing Authority notifies the family. If the family is unable to obtain the information or materials within the required time frame, the family may request an extension.

If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be sent a notice of termination.

The information provided by the family generally must be verified. Unless the family reports a change, or the agency has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified at re-examination, unless there is a funding or program change. These include:

- Legal identity
- Age
- A person's disability status, unless a temporary disability was claimed

32. Revise *15.4 Implementing Changes and Effective Dates* to clarify that a family's unit may be reclassified without the family relocating due to changes in income.

### **15.4 Implementing Changes and Effective Dates**

#### **Family in a HOME Unit**

Changes in rents may take place annually to keep up with the cost of maintaining the units and awareness of market conditions while staying within the HOME income limits, where applicable. If a family's income exceeds HOME income limits, the family is not required to move, but the rent will be increased to market rate in accordance with HOME guidelines. The Housing Authority will provide tenants with a 60-day notice of rent changes.

#### **Independence Plaza Affordable**

Changes in rents may take place annually to keep up with the cost of maintaining the units while maintaining affordability for very-low and low-income seniors. If a resident's income increases from the 50% AMI limit to the 80% AMI limit, rent will increase to that limit. ~~The tenant may be required to move but also may have the option to stay in the smaller unit, but pay the higher rent.~~ If the tenant's income increases beyond the low income limit, the tenant will be required to pay the market rate current moderate rent. The tenant's unit will be reclassified as a market rate moderate unit and another market rate moderate unit will be reclassified as a low-income affordable unit. The Housing Authority will provide tenants with a 60-day notice of rent changes.

#### **Family in a Section 8 Project-based Unit**

Changes in rents may take place only on the anniversary date of the HAP contract. Property Management staff, as owner, will submit a request for a rent increase to the Director of Housing Assistance Programs or designee 60 days in advance of the anniversary date. The request will be accompanied by the independent entity's (i.e., Oakland Housing Authority) rent determination. If approved, the Housing Authority, as owner, will give tenants 30 days' notice of the increase in rent. Increases will take place for all units under the Project-Based Voucher Housing Assistance Contract, including ones in the initial term of the lease.

33. Revise *16.2 New Family Members and Obtaining Housing Authority Approval* to clarify that family members will not be added if it changes a family's eligibility to the unit.

#### **16.2 New Family Members and Obtaining Housing Authority Approval**

All additions of persons to the household must be reported to the Housing Authority within 14 calendar days. Some additions require prior approval.

If the addition is the result of birth, adoption, or court-awarded custody, the family must notify the Housing Authority within 14 calendar days of the addition, but prior approval is not required. If the addition to the household does not meet the requirements for occupancy ~~of a seniors' complex~~, the family will be given notice to move in compliance with the rental agreement.

If the addition of a family member, due to birth, adoption, or court-awarded custody, to the household results in overcrowding of a HOME unit where there is no other form of assistance (Section 8), the family will be placed on a transfer list for the next available HOME unit of the correct size within the Housing Authority portfolio of HOME properties. If the family does not wish to move from the HOME-only unit, the Housing Authority may allow the family to stay in place if the unit is not severely overcrowded. The Housing Authority will consider family composition, age of residents, and size of the bedrooms in making a determination for an exception.

All other additions to the family must be approved by the Housing Authority. This includes live-in aides (see next section), a foster child, and any person not on the rental agreement who no longer qualifies as a "guest" under the terms of this agreement. Requests must be made in writing and approved by the Housing Authority prior to the individual moving into the unit.

Additions of adults will only be allowed due to legal guardianship, marriage, civil union, registered domestic partnership, other operation of law, or approval as a reasonable accommodation for an approved existing family member.

All adult additions must meet the background screening requirements before approval and the income must be verified. If the addition's income makes the family ~~over income~~unqualified for the unit they are occupying, the addition ~~will~~may be denied.

34. Revise *16.5 Reductions in Family Size* to clarify that any family that is over-housed may be required to relocate and to correct "overhoused" to "over-housed."

### **16.5 Reductions in Family Size**

If a household member, including family members, live-in aides, foster children and foster adults, ceases to reside in the unit, the family must inform the Housing Authority within 14 calendar days. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.

If a change in family size results in the family being ~~overhoused~~over-housed in a HOME, PBV, or other subsidized or unsubsidized unit, the Housing Authority will require the family to move to an appropriately-sized HOME unit if one is available. If an appropriately-sized HOME unit is not available among the Housing Authority's portfolio of HOME units, the family will be added to the appropriate transfer list.

~~Overhoused~~Over-housed is defined as having a unit with more than the fewest number of bedrooms that meets the following occupancy standard:

- One bedroom for each two persons within the household, except in cases of reasonable accommodation.

35. Revise *16.7 Processing Income Changes* to change "market" to "moderate."

### **16.7 Processing Income Changes**

If the Housing Authority determines that the family's income exceeds the HOME income limits based upon follow up information obtained, the family's rent will be adjusted to reflect market rents as required under HOME Program rules.

If the Housing Authority determines that the income of an Independence Plaza family in an affordable unit exceeds the income limit, the family will pay the ~~market rate~~moderate rent. If the family is in a very-low income unit, the family may be required to move to a ~~market rate~~moderate unit; otherwise, the unit will be reclassified as a ~~market rate~~moderate unit.

36. Revise *17.4 Tenant Transfer Requests* to clarify that the Housing Authority will not consider most Tenant Transfer Requests unless verified due to a disability or a VAWA request.

#### 17.4 Tenant Transfer Requests

A tenant may request a transfer. For instance, a tenant who lives in a complex where pets are not allowed may wish to acquire a pet dog which would require transferring to a unit specifically designated for a pet-dog. In such cases, the transfer to a designated pet unit must occur prior to acquisition of a pet.

In considering the request, the Housing Authority may request additional information which may include a meeting with the tenant. The Housing Authority will review the request and respond within 14 calendar days with its decision to grant or deny the transfer request. In most cases, the Housing Authority will not approve a transfer request unless there is an approved medical need through the reasonable accommodation process or a dangerous situation such as those covered under VAWA. The Housing Authority will not allow transfers into units with assistance that result in the tenant bypassing an existing wait list.

If the transfer is approved due to a reasonable accommodation or VAWA request, the family's name will be added to the transfer waiting list.

If the transfer is denied, the family may request a review of the decision by the determining staff member's supervisor.

37. Revise 17.5 *Independence Plaza Unit Changes* to change "market" to "moderate."

#### 17.5 Independence Plaza Unit Changes

Independence Plaza has two types of units:

- Affordable Units with rents set at two levels based on the 50% and 80% levels of AMI
- Units with no affordability restrictions ("~~Market Rate~~Moderate") units

Tenants who require an accessible unit will be provided one if available, and the unit will be reclassified to fit the income level of the tenant. If an accessible unit is not available, the tenant will be placed on the transfer list (Immediate Transfer category) for an appropriate unit.

An Independence Plaza tenant in a two-bedroom unit that no longer requires the second bedroom will be required to move to a one-bedroom unit if available. If a one-bedroom unit is not available, the tenant will be placed on the transfer list and required to move when a one-bedroom unit becomes available. This will be categorized as a Regular transfer unless an applicant or another tenant has a medical need for a two-bedroom unit in which case the transfer will be categorized as Immediate.

If a tenant in an affordable one-bedroom unit request to transfer to a two-bedroom unit due to an approved reasonable accommodation or a change in family size, the family will be placed on the transfer list.

If a tenant in a ~~market-rate~~moderate one-bedroom unit requests to transfer to a two-bedroom unit, the tenant will be added to the wait list, if open, at the appropriate spot for the preferences the family is eligible for, and the date and



time the request is received. Exceptions to this requirement will only be made for approved reasonable accommodations.

38. Revise *17.6 Processing Transfers* to correct typographical error.

**17.6 Processing Transfers**

The Housing Authority will verify the reason for a transfer, such as the need for a live-in aide or a unit with accessible features, unless the need is obvious. Families awaiting Emergency transfers will be housed first, followed by families in the ~~Immediate~~immediate transfer category, the Regular transfer category, and then the Tenant-requested transfer category. Families on the transfer list will be housed prior to families on the waiting list. Within these categories, families are selected for transfer by 1) need for a reasonable accommodation, 2) over-housed families, 3) under-housed families, and then 4) seniority at the property.

39. Revise *17.8 Tenants in Good Standing* to clarify when a family is in good standing.

**17.8 Tenants in Good Standing**

When the transfer is at the request of the family, it will not be approved unless the family is in good standing (i.e., the family is in compliance with its rental agreement and current in all payments, including rent, maintenance charges and late fees, to the Housing Authority) unless an exception is made by the Executive Director.

40. Revise *18.1 Move-in Inspections* to clarify that inspections may be kept in electronic format and not paper.

**18.1 Move-in Inspections**

The Housing Authority and an adult member of the family will inspect the unit prior to signing the lease. Both parties will sign a written statement of the condition of the unit. A copy of the signed inspection will be given to the family and ~~the original~~ a copy will be placed in the tenant's electronic file.

41. Revise *18.2 Annual Inspections* to allow for Housing Quality Standards or Uniform Physical Conditions Standards inspections and to clarify billing deadline for tenant-caused damages.

**18.2 Annual Inspections**

Annually, the Housing Authority will inspect or will contract to inspect all properties, to ensure that they meet the Housing Authority's standards. For units occupied by Housing Choice Voucher participants (HCV or PBV), Housing Quality Standards (HQS) apply. Independence Plaza will receive an annual Uniform Physical Conditions Standards or HQS inspection. The Housing Authority will use HQS standards or another approved standard for HOME and other miscellaneous units.

Work orders will be submitted and completed to correct any deficiencies. Tenant damages will be billed to tenants within 30 days.

42. Revise *18.6 Notice of Inspection* to allow door posting as allowed under California tenant law.

**18.6 Notice of inspection**

For inspections defined as annual inspections, preventative maintenance inspections, special inspections, and housekeeping inspections, the Housing Authority will give the tenant at least 24 hours written notice if hand-delivered or posted on the door or six days' notice if mailed, in accordance with the rental agreement.

43. Revise *18.7 Emergency Inspections and Access to the Unit* to allow staff to leave written notice that the unit was entered while not requiring the reason to be written and left in unit and to allow for welfare checks.

**18.7 Emergency Inspections and Access to the Unit**

If any employee or agent of the Housing Authority has reason to believe that an emergency exists within the housing unit, the unit can be entered without notice. The person(s) that enters the unit will leave a written notice to the resident that indicates the date and time the unit was entered ~~and the reason why it was necessary to enter the unit.~~

Housing Authority personnel or agents of the Housing Authority may enter the premises or allow access to law enforcement personnel at any time, without advance notice, when there is reasonable cause to believe that either of the following exists:

- An emergency, which includes allowing entrance for law enforcement personnel or agencies that possess appropriate legal documents (i.e. search warrant, arrest warrant) for entry to a unit when such entry will mitigate or remove a threat regarding the health and safety of other residents or to avoid damage to the property.
- An extreme hazard involving the potential loss of life or severe property damage.
- Welfare checks

44. Revise *18.8 Move-out Inspections* to clarify the move-out inspection.

**18.8 Move-out Inspections**

Providing the tenant gives adequate notice, the Housing Authority must offer the tenant who is moving out an optional inspection- in the 14 days prior to the move out date. The Housing Authority conducts a move-out inspection on move-out or shortly after the tenant vacates to assess the condition of the unit and to determine responsibility for any needed repairs. When possible, the tenant is notified of the inspection and is encouraged to be present. A mirror image of similar the form used when the tenant moved in will be used to examine the premises. These forms can be compared to determine what, if any, damage to the premises has occurred

since move in that is not the result of normal wear and tear. This inspection and the comparison analysis become the basis for any claims that may be assessed against the security deposit.

45. Revise *19.0 Payment of Amounts Owed to the Housing Authority* to allow for the Executive Director to approve different terms on an as needed basis.

#### **19.0 PAYMENT OF AMOUNTS OWED THE HOUSING AUTHORITY**

The Housing Authority may at any time terminate tenancy of a resident for non-payment of monies owed the Authority. The Authority will advise residents in writing of its intent to terminate tenancy due to monies owed under the conditions specified in the rental agreement.

When a resident owes money to the Housing Authority and is unable to pay the balance by the due date, the resident may request that the Housing Authority allow him or her to enter into a payment agreement. The Housing Authority has sole discretion of whether to enter into such an agreement.

To enter into a payment agreement to allow the family to pay its outstanding debt in monthly installments, the family must be in good standing with the Housing Authority and the debt amount must be \$3,000 or less. To be in good standing, a family must not have any other outstanding debts related to an existing payment agreement and must be in compliance with the rental agreement. If the amount owed is greater than \$3,000, a payment agreement may only be entered into with the Executive Director's approval.

A resident's tenancy may be terminated unless the resident:

1. Pays the debt in full; or
2. Enters into a payment agreement based on the Authority's payment schedule listed below (minimum monthly payment is \$25 per month) and pays at least 10 percent down initially within 14 calendar days of the payment agreement date. If the family is unable to make a 10 percent initial down payment, the Executive Director may approve a smaller initial down payment if the family can prove evidence of excessive hardship.

Upon receipt of the down payment, subsequent payments are due, in full, each month thereafter until the balance owed reaches \$0. A late or partial payment is considered a missed payment. If a payment is not received according to the payment agreement terms, the total amount owed becomes due immediately. The balance of the debt must be paid in full or the tenant's tenancy will be terminated. Any exceptions to the guidelines specified above must be approved by the Executive Director.

The length of the payment agreement is determined by the amount of debt as follows: \*

< \$450	=	6 months
\$451 - \$900	=	1 year
\$901 - \$2,000	=	2 years
\$2,001 - \$3,000	=	3 years

The family may request the Housing Authority allow a longer period if the debt would prove a substantial financial hardship; however, in no case should the monthly amount be less than \$25. If the Housing Authority grants the longer period to pay the debt, the family must enter into a revised payment agreement. The Housing Authority may require the family to return to the schedule when the amount will no longer cause a substantial financial hardship. Any exceptions to the guidelines specified above must be approved by the Executive Director.

All Payment Agreements must be in writing and signed by both parties. Failure to comply with the Payment Agreement terms may subject the Resident to eviction procedures.

46. Revise *20.0 Payment of Amounts Owed Tenants* to allow the Housing Authority to apply funds received from the tenant to the oldest balance first.

**20.0 PAYMENT OF AMOUNTS OWED TENANTS**

If the Housing Authority owes an amount to a tenant, that amount will be paid within 30 days unless other arrangements are made between the Housing Authority and the tenant. Overpayments of rent or other charges made by a tenant will be used by the Housing Authority to offset any other amounts owed to the Housing Authority by that tenant. ~~If the tenant has a notation such as "November rent payment" on the check or money order, this notation will be crossed out, unless the notation says to apply the amount to late charges, before being applied to other charges, such as maintenance charges.~~ The Housing Authority has the authority to apply funds submitted to the Housing Authority to any balance owed chosen by the Housing Authority. By practice, the Housing Authority applies funds received to the oldest balance first.

~~Overpayment amounts will be applied first to rent due and then to other outstanding charges, not including late charges.~~

47. Revise *21.2 Termination by Housing Authority* to comply with HUD-issued guidance about criminal history screening and basing decisions on arrest records.

**21.2 Termination by Housing Authority**

The Housing Authority will terminate the rental agreement for serious or repeated violations of the terms of the rental agreement. Violations, that could result in termination, include but are not limited to, the following:

- A. Nonpayment of rent or other charges;
- B. A history of late rental payments (i.e., four late payment notices issued within 12 months);
- C. Failure to provide timely and accurate information regarding family composition, income circumstances, or other information related to eligibility or rent within 14 calendar days of the Housing Authority's request;
- D. Failure to allow inspection of the unit at reasonable times and after reasonable notice; the Housing Authority defines reasonable notice as 24 hours if hand-

delivered or six days if mailed; reasonable time is defined as regular business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday; tenancy will be terminated for tenants who miss two inspection appointments;

- E. Failure to maintain the unit in a safe and sanitary manner or committing waste (e.g., using excessive amounts of water) in violation of the rental agreement;
- F. Failure to pay for utilities when specified in the lease as a tenant responsibility;
- G. Assignment or subletting of the premises;
- H. Use of the premises for purposes other than as a dwelling unit; the unit must be the family's only residence;
- I. Destruction or damages of property;
- J. Acts of destruction, defacement, or removal of any part of the premises or failure to cause guests to refrain from such acts;
- K. Engaging in drug-related criminal activity. This includes drug-related criminal activity which may have occurred either on or off the premises, and includes activities of any family member or guest.

Any family member who engages in drug-related criminal activity according to a preponderance of the evidence, or who allows a live-in aide or guest to engage in such activities, will have his or her tenancy terminated. Evidence of such activity includes the following:

- a. Conviction of a misdemeanor or a felony involving drugs, including the manufacture of methamphetamines (e.g., felony possession of a controlled substance);
- b. A pattern of arrests for drug use or possession or sale; or
- c. A preponderance of evidence exists that a pattern of drug use or possession that interferes with the health and safety or disturbs the peaceful enjoyment of the premises of others.
- d. The fact that an applicant or tenant was arrested for a disqualifying offense shall not be treated or regarded as proof that the applicant or tenant engaged in disqualifying criminal activity. The arrest may, however, trigger an investigation to determine whether the applicant or tenant actually engaged in disqualifying criminal activity. As part of its investigation, the AHA may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The AHA may also consider any statements made by witnesses or the applicant or tenant not included in the police report; whether criminal charges were filed; whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately result in an acquittal; and any other evidence relevant to determining whether or not the applicant or tenant engaged in disqualifying activity.

- L. Engaging in violent criminal activity or using alcohol in a manner that affects the health, safety, or right to peaceful enjoyment of the premises by other residents or Housing Authority staff.

- M. Engaging in activity that results in a family member being subject to a state lifetime registration requirement for sex offenders;
- N. ~~Non-compliance with Non-Citizen Rule requirements;~~
- ON. Permitting persons not on the lease to reside in the unit more than 14 days each year without the prior written approval of the Housing Authority;
- PO. Engaging in or threatening abusive or violent behavior toward Housing Authority personnel; this includes shouting, threatening gestures, direct or veiled threats against personnel, or following personnel; and
- QP. Failing to accept an Emergency, Immediate, or Regular transfer to an available unit;
- RQ. Other good cause.

48. Remove *21.6 Right to Hearing* to remove an Informal Hearing requirement due to maintenance charges.

**21.6 Right to Hearing**

~~..... Families whose tenancy is being terminated for maintenance charges may request in writing for an informal grievance hearing prior to the Housing Authority filing an eviction action (Appendix C).~~

49. Revise *Glossary* to define Residency Preference the same as the Administrative Plan and bring it into compliance with HUD regulations.

**Residency Preference:** A Housing Authority preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area ("residency preference area"). ~~Work means gainfully employed for at least 20 hours per week and receiving ongoing monetary compensation for such work at an amount equal to or greater than the minimum wage as established by the State of California. Temporary Agency work may be considered employment in the city of Alameda if:~~

- ~~a. The person is on ongoing assignment in the city of Alameda, regardless of where the temporary agency is headquartered; or~~
- ~~b. The temporary agency is located in the city of Alameda and the person received payroll from Alameda, even if the actual assignment was elsewhere.~~

~~With the exception of temporary agency work, the actual place where work is performed, and not the location of the employer's headquarters, shall serve as the basis for residency preference determination. Occasional, sporadic, undocumented or unpaid employments (volunteer work) are not considered gainful employment.~~

This residency preference is limited to the jurisdictional boundaries of the city of Alameda. Use of the residency preference will not have the purpose or effect of delaying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family. Applicants who live or work in Alameda, or applicant families including at least one adult member who lives or works in Alameda, at the time of application qualify for this preference. Time of application is based upon the original submission of the application or pre-application (subject to verification), or, if the

applicant's status has changed since original submission, is based upon verified status at time full eligibility is processed. For homeless applicants, this preference will apply if the applicant had been living in Alameda prior to becoming homeless.

~~A homeless person or family may be considered a resident if the person/family resides in a facility located in the area which provides temporary or transitional shelter for homeless persons or if the family's last permanent address was in the area.~~

50. Revise *Appendix A: Affirmative Fair Housing Marketing Plan* to correct the Project Description and Unit Mix/Accessibility table to comply with all regulatory agreements on the properties and to reflect the changes in units from Eagle Village to Rosefield Village. Also, this revision clarifies that Exhibit A to Appendix A is only a sampling of the agencies that can be contacted during community outreach efforts.

Appendix A  
**AFFIRMATIVE FAIR HOUSING MARKETING PLAN**

The Housing Authority will recruit tenants using a strategy designed to ensure equal access to units for all persons in any categories protected by federal, state, and local laws governing discrimination.

Project Description and Unit Mix/Accessibility

Name of Complex / Type	No. of Units	Income Limit	Accessibility Features
<b>Anne B. Diament Plaza, 920 Park Street*</b>			
0BR / 1Bath	51		Wheelchair lift in Community Room
1BR/1Bath	13		
2BR/1Bath	1	Manager's Unit	
Total ABD Units	65		
<b>China Clipper Plaza, 460 Buena Vista Avenue*</b>			
0BR /1Bath	3	3 HOME	1 unit accessible
1BR/1Bath	14	8 HOME	
2BR/1Bath	8		
3BR/1Bath	1		
Total CC Units	26		
<b>Eagle Village, 700 blocks of Eagle and Buena Vista Avenues</b>			
1BR/1Bath	64	20% of	3 units accessible
2BR/1Bath	2117	Units must	
3BR/2Bath	15	remain available	
Total EV Units	3642	to Low income	
<b>Esperanza, corner of Third and Brush Streets*</b>			
1BR/1Bath	12		6 units accessible
2BR/1Bath	1	Manager's Unit	
2BR/1Bath	29	80% of All units	
3BR/1.5Bath	48	must remain	
4BR/2Bath	24	available to	
5BR/2Bath	6	Low-income	1 unit accessible
Total ESP Units	120	(below 80% AMI)	
<b>Independence Plaza, 703, 705, 707, 709, 711 Atlantic Avenue</b>			
1BR/1Bath	89	Very Low	7 units accessible
1BR/1Bath	26	Low	
1BR/1Bath	43	Market RateModerate	
2BR/1Bath	4	Very Low	2 unit accessible
2BR/1Bath	9	Low	This mix will change as the AHA decreases the number of very low units by around 10 per year.
2BR/1Bath	15	Market RateModerate	
2BR/1Bath	1	Manager's Unit	
Total IP Units	186		
<b>Lincoln House, 745 Lincoln Avenue</b>			
1BR/1Bath	1	All Units	1 unit accessible
2BR/1Bath	3	Very Low	
Total LH units	4	HOME	



<b>Lincoln/Willow, 2101 &amp; 2103 Lincoln Avenue, 1602 Willow Street*</b>			
1BR/1Bath	5		1 unit accessible
Total LW units	5		
<b>Parrot Gardens, 1800 blocks of St. Charles and Bay Streets</b>			
2BR/1Bath	6		
3BR/1Bath	1	Manager's Unit	
3BR/1Bath	1		
Total PG Units	8		
<b>Parrot Village, 1800 blocks of Wood, Chapin, and St. Charles Streets*</b>			
2BR/1Bath	10	20% of Units must	5 units accessible
3BR/2Bath	20	remain available	
4BR/2Bath	20	to Low-income	
Total PV Units	50		
<b>Rosefield Village, 700 blocks of Eagle and Buena Vista Avenues</b>			
1BR/1Bath	3129		3 unit accessible
2BR/1Bath	1915		
2BR/1Bath	1	Manager's Unit	
4BR/3Bath	1		1 unit accessible
Total RV Units	5246		
<b>Senior Condos, 2000 block of Otis Dr (2 units), 1800 block of Shoreline Drive (1 unit), and 900 block of Shorepoint Court</b>			
1BR/1Bath	7	6 Very Low	
Total CO Units	7	1 HOME Low	
<b>Sherman Street Complex, 1416 Sherman Street</b>			
2BR/1Bath	9	7 Very Low and	
Total SHS Units	9	2 HOME Low	
<b>Stanford House, 1917 Stanford Street*</b>			
1BR/1Bath	1		
2BR/1Bath	2		
3B/1Bath	1		
Total SH Units	4		
* Some units in these locations have project-based voucher (PBV) assistance attached in which case Section 8 income limits apply.			

APPENDIX A  
Exhibit A  
SAMPLE MARKETING LIST  
SOCIAL SERVICE AGENCIES / COMMUNITY-BASED ORGANIZATIONS

51. Update *Appendix B: Income Limits* to the current HOME income limits.

**HOME PROGRAM**

<b>2014 State HCD Income Limits Effective 04.15.15</b>					
<b>Persons In Household</b>	<b>Annual Income Extremely Low</b>	<b>Annual Income Very Low</b>	<b>Annual Income Low</b>	<b>Annual Income Median</b>	<b>Annual Income Moderate</b>
1	\$ 19,650	\$ 32,750	\$ 50,150	\$ 65,450	\$ 78,550
2	\$ 22,450	\$ 37,400	\$ 57,300	\$ 74,800	\$ 89,750
3	\$ 25,250	\$ 42,100	\$ 64,450	\$ 84,150	\$ 101,000
<b>4</b>	<b>\$ 28,050</b>	<b>\$ 46,750</b>	<b>\$ 71,600</b>	<b>\$ 93,500</b>	<b>\$ 112,200</b>
5	\$ 30,300	\$ 50,500	\$ 77,350	\$ 101,000	\$ 121,200
6	\$ 32,570	\$ 54,250	\$ 83,100	\$ 108,450	\$ 130,150
7	\$ 36,730	\$ 58,000	\$ 88,800	\$ 115,950	\$ 139,150
8	\$ 40,890	\$ 61,750	\$ 94,550	\$ 123,400	\$ 148,100

**2016 INCOME AND RENT LIMITS  
HCD PROGRAMS (HOME, CDBG and NSP)**

Effective June 6, 2016

<b>Persons in Household</b>	<b>Annual Income Extremely Low (30%)</b>	<b>Annual Very Low Income (50%)</b>	<b>(60%)</b>	<b>Annual Low Income (80%)</b>	<b>Annual Income Median (100%)*</b>	<b>Annual Income Moderate (120%)*</b>
<u>1</u>	\$20,500	\$34,150	\$40,980	\$52,650	\$68,300	\$81,960
<u>2</u>	\$22,400	\$39,000	\$46,800	\$60,150	\$78,000	\$93,600
<u>3</u>	\$26,350	\$43,900	\$52,680	\$67,650	\$87,800	\$105,360
<u>4</u>	\$29,250	\$48,750	\$58,500	\$75,150	\$97,500	\$117,000
<u>5</u>	\$31,600	\$52,650	\$63,180	\$81,200	\$105,300	\$126,360
<u>6</u>	\$33,950	\$56,550	\$67,860	\$87,200	\$113,100	\$135,720
<u>7</u>	\$36,300	\$60,450	\$72,540	\$93,200	\$120,900	\$145,080
<u>8</u>	\$38,650	\$64,350	\$77,220	\$99,200	\$128,700	\$154,440

52. Revise *Appendix C: Informal Grievance Hearing Process* to define when Informal Hearings are allowed and to remove the requirement just for maintenance or repair charges.

## **APPENDIX C INFORMAL GRIEVANCE HEARING PROCESS**

### **PURPOSE**

The purpose of this document is to provide a process to resolve disputes between the Housing Authority and tenants where a Housing Authority action to terminate tenancy may result in the tenant's eviction due to unpaid maintenance or repair charges on actions from a notice with cause notice. This does not include terminations issued in a 3-day notice.

### **APPLICABILITY**

~~This process applies to all individual grievances between the tenant and the Housing Authority where an eviction is proposed for maintenance or repair charges. It will not apply to any other type of grievance concerning either an eviction for, or termination of tenancy including but not limited to any termination for any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other tenants or employees of the Housing Authority, OR an eviction or termination of tenancy for any drug-related criminal activity on or off such premises OR an eviction or termination for non-payment of rent.~~

53. Revise *Appendix D: Eligibility Requirements by Complex* to reflect current regulatory agreements.

## APPENDIX D: ELIGIBILITY REQUIREMENTS BY COMPLEX

All applicants for Property Management units must meet eligibility requirements outlined in the Property Management Policy.

COMPLEX	UNIT TYPE	ADDITIONAL ELIGIBILITY REQUIREMENTS
Anne B. Diament Plaza	Project-Based	Seniors; 24 CFR 982.201; Administrative Plan
Anne B. Diament Plaza	Affordable	Seniors
China Clipper	Project-Based	24 CFR 982.201; Administrative Plan
China Clipper	HOME	HOME Income Limits
China Clipper	Other	
Condos	HOME	Seniors; HOME Income Limits
Esperanza	Project-Based	24 CFR 982.201; Administrative Plan
Esperanza	Other	Under 80% of AMI
Independence Plaza	Affordable	Seniors under 80% AMI
Independence Plaza	Market Rate Moderate	Seniors under 120% AMI
Lincoln House	HOME	HOME Income Limits
Lincoln/Willow	Project-Based	Seniors; 24 CFR 982.201; Administrative Plan
Parrot Village	Project-Based	24 CFR 982.201; Administrative Plan
Parrot Village	Other	
Stanford House	Project-Based	24 CFR 982.201; Administrative Plan
Sherman House	HOME	HOME Income Limits
<u>Eagle Village/Parrot Village</u>		<u>20% of units for families under 80% of AMI</u>

As allowed by program regulations, units at Anne B. Diament, China Clipper, Eagle Village, Esperanza, Lincoln/Willow, Parrot Gardens, Parrot Village, and Rosefield Village will be available first to Housing Choice Voucher holders.

**Seniors:** A family whose head, spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides. Family members must be at least 55 years of age.



# Housing Authority of the City of Alameda

701 Atlantic Avenue, Alameda, CA 94501 ~ Phone: (510) 747-4300 ~ Fax: (510) 522-7848 ~ TDD: (510) 522-8467 ~ Web: [www.alamedahsg.org](http://www.alamedahsg.org)

To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Prepared by: Claudia Young, Director of Rent & Community Programs

Date: November 16, 2016

Re: 1) Accept the Annual Update (October 1, 2015 to October 31, 2016)  
on the Ordinance Establishing the Moratorium, Rent Stabilization  
and Limitations on Evictions Ordinance 3148, and Rent Program, 2)  
Authorize the Executive Director to approve the extension of the  
services agreement to administer Rent Stabilization and Limitations  
on Evictions, Ordinance 3148, Rent Program through March 31,  
2017

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## BACKGROUND

It has been over a year since the City Council passed Ordinances 3131 and 3132, related to Rent Stabilization and the Rent Review Advisory Committee (RRAC) and Ordinance 3140, a 60-day moratorium. Prior to the Rent Stabilization Ordinances, the Housing Authority of the City of Alameda (AHA) had a services agreement with the City of Alameda (City) to administer the City's housing programs and staff the RRAC. At the time when this services agreement was originally executed, the time required to staff the RRAC was between 4-6 hours per month. Once the City implemented Ordinances 3131 and 3132, the increase in the volume of calls and inquiries demanded additional staffing to address the new local laws. The City requested assistance from AHA to manage the high volume of inquiries and case management generated by Ordinances 3131, 3132, and 3140.



Tables 1-4 represent activities from the period of October 1, 2015 through March 30, 2016.

**Table 1: 640 Public contacts for inquiries related to Ordinances 3131, 3132, and 3140:**

Public Contact							
	Oct	Nov	Dec	Jan	Feb	Mar	Totals
All Inquiries	4	123	68	96	245	104	640

**Table 2: 21 Rent increase cases filed for review before the RRAC:**

Month	Oct	Nov	Dec	Jan	Feb	Mar	Total
At or below 5%	0	0	0	1	0	0	1
Above 5%	4	4	2	1	6	3	20
Total	4	4	2	2	6	3	21

**Table 3: Case Management of 14 rent increase filings that did not proceed to a hearing before the RRAC:**

Month		Oct	Nov	Dec	Jan	Feb	Mar	Total
Agreement Reached	At or below 5%	0	1	0	0	0	1	2
	Above 5%	1	0	0	0	1	0	2
Withdrawn		2	1	2	1	1	1	8
Tenant Move Out		0	2	0	0	0	0	2
Total		3	4	2	1	2	2	14

**Table 4: 7 Rent increase cases that proceeded to the RRAC with the following outcomes:**

Month		Oct	Nov	Dec	Jan	Feb	Mar	Total
Agreement Reached	At or below 5%	0	0	0	0	0	1	1
	Above 5%	1	0	0	1	0	0	2
No Agreement: RRAC Recommendation	At or below 5%	0	0	0	0	1	0	1
	Above 5%	0	0	0	0	3	0	3
Total		1	0	0	1	4	1	7

Ordinance 3148, known as the Rent Review, Rent Stabilization, and Limitations on Evictions Ordinance, was passed by City Council and became effective on March 31, 2016. On April 5, 2016, the City entered into a nine-month, \$713,000 Services Agreement with the AHA to provide Program administration for Ordinance 3148. The term of the agreement ends on December 31, 2016.

As a part of developing and implementing the new Rent Program, staff established policies and procedures; created forms, information packets, FAQs, a program brochure; and carried out 54 educational workshops/clinics for specific topics related to the Ordinance with approximately 400 attendees. Staff manages the daily information line to address all general inquiries, processes termination notices, verifies relocation costs, verifies and approves Capital Improvement Plan (CIP) submissions, and reviews submission of all rent increase cases for the RRAC. As a part of an increase filing to be heard before RRAC, staff provides phone case management, face-to-face pre-mediation meetings and an option to obtain an advocate to assist with the difficult conversations between the Landlord and Tenant. The in person pre mediation is very successful as it provides both the landlord and the tenant to listen to each other in a more private setting. Staff strongly recommends a for both parties to speak to each other as this is most effective and agreements can be reached prior to going to the RRAC meeting.

Moreover, there has been an extensive effort to educate the community through various forms of outreach such as:

- placing advertisements in the local newspapers in five languages
- providing local non-profit housing partners with ads
- conducting community presentations and weekly workshops/clinics
- placing inserts in the Alameda Municipal Power bills
- distributing information materials through the Alameda Unified School District parent/family packets
- submitting weekly information in the Alameda Association of Realtors newsletter
- maintaining ongoing contact with community-based organizations
- continuing contact with local businesses, and large community mailings

AHA has contracted with ECHO housing to provide four Fair Housing Trainings with local landlords and tenants. Staff is currently is offering face-to-face case management appointments to provide an opportunity for the landlord and tenant to speak directly to come to an agreement prior to the RRAC meeting.

Tables 5-10 represent activities related to Ordinance 3148 from March 31, 2016 through October 31, 2016.

**Table 5: 2,108 estimated unduplicated public contacts for inquiries related to Ordinance 3148:**

Public Contacts										
Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Total		
All Inquiries	245	242	273	213	439	359	337	2,108		

**Table 6: 216 Rent increase cases filed for review before the RRAC:**

Month	Rent Increases Offers Filed																		Total
	April		May		June		July		August		September		October		Total				
	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt			
At or Below 5%	1	0	0	0	2	0	1	0	1	0	0	0	0	0	0	2	7		
Above 5%	6	2	10	2	14	7	12	5	14	4	4	1	4	9	2	92			
Dual Option: 12 mth. - near 5% ATM - above 5%	0	0	0	0	0	0	0	0	66	0	22	0	29	0	0	117			
Total	9	12	23	18	85	27	42	216											





**Table 7: Case Management of 150 rent increase filings that did not proceed to be heard before the RRAC:**

Month		April		May		June		July		August		September		October		Total
		Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt			
Agreement Reached	At or Below 5%	1	0	1	0	1	0	1	0	33	0	12	0	17	0	49
	Above 5%	4	2	5	2	7	7	10	5	9	2	4	1	9	2	58
Withdrawn		1	0	1	0	2	0	0	0	8	0	0	0	1	0	12
Postponed		0	0	0	0	0	0	0	0	2	0	0	0	1	0	2
Tenant Move-Out		0	0	2	0	2	0	0	0	17	2	8	0	6	0	31
Total		8		11		19		16		73		25		36		152

\*September includes a review of postponed August cases

**Table 8: 24** Rent increase cases that proceeded to the RRAC with the following outcomes:

Month		RRAC Hearing Outcomes																								Total
		April		May		June		July		August		September		October												
		Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	Non-Exempt	Exempt	
Agreement Reached	At or Below 5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Above 5%	0	1	1	0	0	0	1	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0
No Agreement: RRAC recommendation	At or Below 5%	0	0	0	0	1	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Above 5%	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tenant did not attend		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>12</b>	<b>4</b>	<b>6</b>	<b>2</b>	<b>11</b>	<b>12</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>

**Table 9: 26 Terminations with valid documentation**

<b>Terminations</b>		
<b>Month</b>	<b>Valid Cases Filed</b>	<b>Notes</b>
April	3	<ul style="list-style-type: none"> <li>• 1 no cause</li> <li>• 1 owner move-in</li> <li>• 1 withdrawal from rental market</li> </ul>
May	3	<ul style="list-style-type: none"> <li>• 1 no cause</li> <li>• 1 owner move-in</li> <li>• 1 withdrawal from rental market</li> </ul>
June	5	<ul style="list-style-type: none"> <li>• 2 no cause</li> <li>• 3 owner move-in</li> </ul>
July	9	<ul style="list-style-type: none"> <li>• 5 no cause</li> <li>• 3 owner move-in</li> <li>• 1 withdrawal from rental market</li> </ul>
August	6	<ul style="list-style-type: none"> <li>• 5 no cause</li> <li>• 1 owner move-in</li> </ul>
September	4	<ul style="list-style-type: none"> <li>• 4 no cause</li> </ul>
October	10	<ul style="list-style-type: none"> <li>• 4 owner move-in</li> <li>• 5 no cause</li> <li>• 1 withdrawal from rental market</li> </ul>
<b>Total</b>	<b>40</b>	

**Table 10: 3 Capital Improvement application submissions reviewed**

<b>Applications for Capital Improvement Plan</b>								
<b>Month</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>Total</b>
<b># Cases Filed</b>	1 (invalid)	1 (invalid)	1 (invalid)	0	0	0	0	3 (all invalid)



## DISCUSSION

### Staffing Services Agreement

As noted above, on April 5, 2016, the City entered into a nine-month, \$713,000 Services Agreement with the AHA to provide Program administration for Ordinance 3148. The term of the agreement ends on December 31, 2016. The program budget of \$713,000 includes funding for six positions. As of October 31, 2016, the program has expended 35% or approximately \$249,162, of the budgeted funds and is staffed by a Director, one permanent Program Specialist and three temporary Program Assistant staff.

A provision of the Service Agreement requires that the City will issue a Request for Proposals (RFP) for program administration services beyond December 31, 2016, and that the Housing Authority will submit a proposal in response to the RFP. It was contemplated that the RFP would be issued in September 2016, so that a new agreement could be in place by January 1, 2017. With the placement of measures L1 and M1 on the ballot, issuance of the RFP was extended pending the outcome of the election. As discussed below, L1 was approved by the voters, while M1 failed. Therefore, the City will be proceeding with issuing the RFP no later than November 23, 2016, and the AHA will be submitting a proposal. To meet the revised timeline for issuing the RFP, the existing agreement needs to be extended until March 31, 2017. There are sufficient funds in the budget to pay for program administration during the 90-day extension. Exhibit 1 is the first amendment to the Services Agreement. The City Council will consider the first amendment to the Services Agreement on December 6, 2016.

The City will release the RFP, bring the recommendation of a Program Administrator to Council, and propose a fee to fund the program for Council consideration. The City has committed to releasing the RFP no later than November 23, 2016. In the event the City awards a long-term Services Agreement to a party other than AHA, AHA shall provide an orderly and timely transition to the new provider for which it will be compensated. The City will provide the AHA with a minimum 45 days' notice of a change in the Program Administrator following the RFP process. City staff will bring a revised fee analysis to provide permanent funding for the program and a recommendation for a program administrator based on the RFP outcome to the City Council in March 2017.

### November 8 Election Results

On November 8, 2016, two measures went before the City of Alameda voters related to Rent Stabilization. M1, the Alameda Renters Protection and Community Stabilization Amendment, is a proposed Charter Amendment that would supersede the current Ordinance 3148 Rent Program. Measure L1 is the City's initiative which asks the voters to confirm Ordinance 3148, the Rent Stabilization Ordinance. Based on information from the Registrar of Voters Office, unofficially Measure L1 has been approved by the

voters. The Registrar, however, is continuing to count votes and the results concerning Measure L1 will not be certified until early December. Measure L1 retains in place the City's existing Ordinance concerning rent review, rent stabilization and limitations on evictions and that Ordinance will remain in place unless and until it is amended, suspended or repealed by the Alameda City Council.

Staff recommends that the Board approve the first amendment to the Services Agreement extending the term of the Agreement for an additional 90 days to provide sufficient time for the City to issue its RFP and for the AHA to respond with a proposal.

#### FINANCIAL IMPACT

The City Council appropriated General Fund money to fund the Services Agreement through December 31, 2016. Because the cost to administer the program has been less than projected, there are adequate funds budgeted to administer the program through March 31, 2017.

#### RECOMMENDATION

Accept the Annual Update (October 1, 2015 to September 30 2016) on prior rent stabilization ordinances, the Rent Stabilization and Limitations on Evictions, Ordinance 3148, the Rent Program.

Authorize the Executive Director to approve the extension of the Services Agreement to administer Rent Stabilization and Limitations on Evictions, Ordinance 3148, and Rent Program to March 31, 2017.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC:dc

Exhibit:

1. First Amendment to Services Agreement

**FIRST AMENDMENT TO SERVICES AGREEMENT BETWEEN THE CITY OF ALAMEDA AND THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA CONCERNING PROGRAM ADMINISTRATOR SERVICES FOR THE RENT REVIEW, RENT STABILIZATION AND LIMITATIONS ON EVICTIONS ORDINANCE (No. 3148)**

THIS FIRST AMENDMENT TO THE SERVICES AGREEMENT between the City of Alameda, a municipal corporation ("City"), and the Housing Authority of the City of Alameda, a public entity ("Housing Authority"), is made December 6, 2016.

**Recitals**

- A. On April 5, 2016, the City and the Housing Authority entered into a Services Agreement ("the Agreement") by which the Housing Authority agreed to provide Program Administrator services for the City's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance, Ordinance No. 3148 ("the Ordinance").
- B. The Agreement also provided the City would issue a Request for Proposals (RFP) for a long term Program Administrator Services Agreement no later than September 30, 2016, that the Housing Authority would submit a proposal to provide such services, and that the parties would meet monthly for the first six months of the Agreement concerning the rent program.
- C. Because an Initiative concerning a much different rent program than the one the Housing Authority is administering under the Ordinance qualified for the November 2016 ballot, the City informed the Housing Authority that it would not issue the RFP in September but wait until the outcome of the election to determine whether to issue the RFP.
- D. As a result of the election, the City is now prepared to issue the RFP.
- E. The Agreement is scheduled to end on December 31, 2016.
- F. The City has requested the Housing Authority to continue to provide Program Administrator services for the Ordinance until March 31, 2017, to submit a proposal for the RFP and to continue to meet with it during the extended term of the Agreement and the Housing Authority has indicated its willingness to do so.

NOW, THEREFORE, in consideration of the mutual promises expressed in the Agreement and this First Amendment, the parties agree as follows:

Sections 1, 2, 8 and 12 of the Agreement are amended to read as follows:

1. **Term.** The Agreement will start on April 5, 2016 and end on March 31, 2017. The Board of Commissioners of the Housing Authority and the City Council of the City must approve any extension of the Agreement beyond March 31, 2017.
2. **Proposal for a Long Term Program Administrator Services Agreement.** The City will issue a Request for Proposals ("RFP") for Program Administrator services no later than November 23, 2016 with the goal of having such Agreement in place by April 1, 2017. The Housing Authority commits to submitting a proposal to the RFP. In the event that the City awards a long term Program Administrator Services Agreement to a party other than the Housing Authority, the City will provide a minimum of 45 days' written notice to the Housing Authority, and the Housing Authority shall provide an orderly and timely transition to the new provider for which it will be compensated.

8. **Monthly Meetings.** During the term of this Agreement, as amended, the Director of Rent & Community Programs, the Housing Authority's Executive Director, the City's Community Development Director and the City's Assistant City Manager will hold monthly meetings to review this Agreement, as amended, and the various activities to be carried out under the Ordinance.
  
12. **Budget:** The maximum expenditure for the period April 5, 2016 to March 31, 2017 will be \$713,000.

In all other respects, the terms and conditions of the Agreement are to continue in full force and effect.

CITY OF ALAMEDA

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Executive Director

Attest

\_\_\_\_\_  
City Clerk

Approved as form

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
General Counsel