



# Housing Authority of the City of Alameda

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

## IF YOU WISH TO ADDRESS THE BOARD:

1. Please file a speaker's slip with the Executive Director, and upon recognition by the Chair, approach the rostrum and state your name; speakers are limited to 5 minutes per item.
2. If you need special assistance to participate in the meetings of the City of Alameda Housing Authority Board of Commissioners, please contact (510) 747-4325 (TDD: 510 522-8467) or [dconnors@alamedahsg.org](mailto:dconnors@alamedahsg.org). Notification 48 hours prior to the meeting will enable the City of Alameda Housing Authority Board of Commissioners to make reasonable arrangements to ensure accessibility.

## AGENDA

## REGULAR MEETING OF THE BOARD OF COMMISSIONERS

## DATE & TIME

Wednesday October 21, 2015 7:00 p.m – (5:00 p.m. Tax Credit Study Session - 6:45 p.m. CLOSED SESSION)

## 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.

## TAX CREDIT STUDY SESSION – 5:00 – 6:45

## PLEDGE OF ALLEGIANCE

1. ROLL CALL - Board of Commissioners
2. CLOSED SESSION – 6:45 p.m. - Adjournment to Closed Session to Consider:



- 2-A. Conference with Legal Counsel Regarding: Existing Litigation Pursuant to Government Code Section 54956.9(a): Evra Construction, Inc. v. Housing Authority of the City of Alameda, Alameda County Superior Court No. RG1576011
- 2-B. Conference with Legal Counsel Regarding: Existing Litigation Pursuant to Government Code Section 54956.9(a): Camanag v. City of Alameda and City of Alameda Housing Authority, Alameda County Superior Court No. RG14753248
- 2-C. Executive Director Evaluation
3. Announcement of Action Taken in Closed Session, if any.
4. Adjournment of Closed Session
5. RECONVENE REGULAR MEETING – 7:00 P.M.
6. CONSENT CALENDAR
  - Consent Calendar items are considered routine and will be approved or accepted by one motion unless a request for removal for discussion or explanation is received from the Board of Commissioners or a member of the public.
- 6-A. Approve Minutes of the Board of Commissioners Regular Meeting held September 16, 2015. Acceptance is recommended
- 6-B. Accept the Monthly Overview Report
- 6-C. Accept the Budget Variance Report
7. AGENDA
- 7-A. Maintenance Workflow Analysis Report – The Nelrod Company, November 2014 – Progress Update High Priority Action Response Plan
- 7-B. Adoption of Housing Authority Development Policies and Guidelines
8. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
9. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)
10. ADJOURNMENT

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Note

- 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.





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## DRAFT MINUTES

### REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA HELD WEDNESDAY, SEPTEMBER 16, 2015

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

#### PLEDGE OF ALLEGIANCE

#### 1. ROLL CALL

Present: Commissioners Allen, Jones, McCahan, Rickard, and Chair Kurrasch  
Absent: Shipe

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

- \*2-A. Approve Minutes of the Board of Commissioners Regular Meeting held August 19, 2015. Acceptance is recommended.
- \*2-B. Accept the Monthly Overview Report
- \*2-C. Accept the Budget Variance Report

#### 3. AGENDA

#### 3-A. Introduction of New Staff

Vanessa Cooper introduced Kenji Tamaoki, who is to be appointed as a new Board member in October, and invited him to say a few words. Ms. Cooper introduced Lynette Jordan who is the new Housing Programs Director and invited her to say a few words. Ms. Cooper introduced Marie Wang who is the new Finance Director and invited her to say a few words.



3-B. Recognition of Officer Ledbetter

Chair Kurrasch said this is a happy and sad occasion for us as Officer Ledbetter is leaving to rotate to a different assignment. He wished her well and read a letter that will be sent to Chief Rolleri commending Officer Ledbetter on her services to Alameda Housing Authority.

3-C. Accept the Quarterly Police Report

Ms. Cooper introduced Officer Ledbetter to speak on the Quarterly Police Report. Officer Ledbetter reviewed the statistics compiled in the charts in the Report and answered questions from the Board.

3-D. Accept the Annual Customer Service Survey

Ms. Cooper commented that we outreached to all of our residents as opposed to a sampling for this survey. Ms. Schuler reviewed the 2015 Customer Satisfaction Survey with the Board. She commented about how the survey was distributed and its response rate. She also talked about the comparisons from last year.

Chair Kurrasch commented that he was happy to see the staff responsiveness chart on page 33 that shows very low percentage of no responses. Commissioner McCahan asked how to go about getting the Section 8 landlords participation in this process. Ms. Schuler said that the Housing Programs Director is doing a lot of outreach and workshops to help educate people in the area. Ms. Cooper said that an RFP will be issued on behalf of all of the East Bay Housing Authorities and some other non-profit organizations to do a rental market survey. Ms. Cooper said it is a good thing for AHA to be taking the lead on this effort. Commissioner Allen suggested inviting tenants to the Landlords Workshop.

3-E. Authorize the Executive Director to Award and Execute Contract(s) for Cycle and Vacancy Interior Painting in the Annual Amount of \$125,000 with Options to Renew for Two Additional Years Not to Exceed \$150,000 Annually

Mr. Roche gave the Board an update on prior years' invitation to bids. On July 24, 2015 an RFP was issued for Cycle and Vacancy Interior Painting. A pre-proposal conference was held on August 12, 2015. Fourteen contracting firms attended. On August 26, 2015 five proposals were received. Staff is evaluating the proposals based on the criteria included in the RFP and will make a recommendation to the Executive Director.

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

3-F. Verbal Update on Executive Director Evaluation Process

Ms. Cooper told the Board that they would all be given a binder of information pertaining to the evaluation process for review and completion. The evaluation process will be discussed at the Closed Session on October 21. Ms. Cooper said that prior to the Closed Session there will be Tax Credit Training that is open to the public and that this training is required for exempt staff and optional for hourly staff and the Board.

3-G. Adopt a Resolution to Authorize the Addition of a Maintenance Supervisor Position and the Adoption of the Schedule of Authorized Positions



Janet Basta, Director of H.R. & Operations, gave background on the current staffing of the Facilities Department. Ms. Basta said that in 2014 we contracted the Nelrod Company to conduct and prepare a Maintenance Workflow Analysis Report. In that report Nelrod recommended that the Lead Maintenance position become a supervisor position. Ms. Basta said that she would like to start the process to implement that recommendation. Ms. Basta said that the first step would be to recruit internally and if that was unsuccessful, we would proceed to recruit externally. She said that the financial impact would be minimal if we are able to recruit internally. Ms. Basta said that this would be an exempt position.

Commissioner McCahan moved to adopt a Resolution to authorize the addition of a Maintenance Supervisor position and adopt the schedule of authorized positions. Commissioner Allen seconded. The motion carried unanimously.

Roll Call: Kurrasch, Allen, Jones, McCahan, Rickard

3-H. Semi Annual Update of Housing Authority Two-Year Work Plans for Fiscal Years Beginning July 1, 2013 and Ending June 30, 2015 and July 1, 2015 to June 30, 2017

Ms. Cooper said that we are in process of wrapping up the 2013-2015 Plan so that staff can be working off one list. We will then move forward with the 2015-17 Plan that was adopted in May. Ms. Cooper reviewed some of the timelines and status. Ms. Cooper said that this report is for information only and that no adoption is required. Ms. Cooper said that she intends to bring this back at least every six months to update the Board. Commissioner McCahan commented that the 2013-15 Plan is an awesome body of work that has been accomplished. Commissioner Rickard seconded and commented that this is an ambitious list that has been well done.

3-I. Presentation on Five Year Outlook for Housing Development and the AHA Development Policy

Ms. Johnson said that this item is a presentation to update the Board on the five-year development pipeline and to discuss the Affordable Housing Development Policies and Guidelines that were adopted by the Board in 2010. This is a broad overview presentation. No action is required. Ms. Johnson talked about the Five Year Plan, the Housing Element and the needs assessment within the City. Ms. Johnson reviewed the sixteen projects listed in the areas of active rental projects, upcoming projects, future development and redevelopment of existing Housing Authority owned properties.

Commissioner Allen asked if there would be police services offered at Alameda Point Site A. Officer Ledbetter said that when something happens on the base, it falls in the geographical sector, and would go into a general response category. The officer assigned to that area would respond.

Ms. Johnson talked about acquisition and meeting overall housing needs and last she talked about update to affordable housing development policies and guidelines.

Ms. Johnson said that she would be bringing a Five Year Housing Plan to the City Council on December 1<sup>st</sup>.



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

A speaker and resident of Independence Plaza spoke to advocate better coordination of affordable housing and public transportation. Ms. Johnson said that the Public Works Department has been working actively with the developers at each project she described above. A transportation fund has been created and every new unit sold includes a fee between \$400-600 per year that will support the expansion and operation of the shuttles.

A speaker and resident of Independence Plaza said he has a lot of movies that he would like to share. Chair Kurrasch referred the tenant to the resident manager.

5. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

Chair Kurrasch said that September 1<sup>st</sup> was proclaimed Housing Authority Appreciation Day by the Mayor and City Council. Chair Kurrasch also announced that on October 8 we will be hosting a celebration for the 75<sup>th</sup> Anniversary of AHA and the 25<sup>th</sup> Anniversary of Independence Plaza.

Chair Kurrasch said that he and Ms. Cooper would be having a meeting with the Chief of Police to discuss ways to make crossing the streets nearby safer for pedestrians.

6. EXECUTIVE DIRECTOR COMMUNICATIONS

None

7. ADJOURNMENT

There being no further business, Chair Kurrasch adjourned the meeting at 8:12 pm.

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

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





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To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Date: October 21, 2015

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 departments – Operations and HR, Property Management, Facilities, Housing Programs, Housing and Community Development and Finance.

## OPERATIONS/HR

Open enrollment for health insurance has concluded; as the cost of most plans did not increase significantly and the Board provided a generous level of support towards premiums, there were minimal changes to plan elections. Open enrollment for other benefit plans will be held in the upcoming months. Two educational sessions are planned for staff at monthly staff meetings: representatives from our flexible spending account plans will provide a presentation in October, and in November, we'll have a presentation from our 457 and Roth IRA plans.

Recruiting for various positions continues as follows:

- Management Analyst (in interview phase)
- Housing Specialist I (in interview phase)
- Resident Manager (applications are being screened with interviews to start this month)
- Maintenance Supervisor: No applications were received from internal applicants, so we will move into a phase of external recruiting

We are beginning the process of revising our Personnel Policy manual, and anticipate bringing a complete set of revisions to the Board by March 2016, following staff input and legal review. Planned revisions include both updates/revisions to the policies themselves, and a revamping of the format of the manual with a goal of making it more user-friendly for our staff. We may bring one or more policies to the Board in November or December for changes that, for administrative purposes, should be implemented at the beginning of the calendar year.

## PROPERTY MANAGEMENT

### VACANCY

We signed seven leases in September. Two of the lease signings fulfilled AHA approved Reasonable Accommodation requests. We have almost completed the large project of moving a number of households that are not residing in an appropriate sized unit.

This difficult complex series of moves also has generated several additions to the Pay Back Agreement program. These are reasonable agreements and in all cases we exercised caution and did our best to inform the residents transferring of their obligations to pay these debts. So far, all have been paying on time.

### RENT COLLECTIONS

Rent collections continue to show improvement. We ended September with one resident owing rent for September. We entered into two legally filed Stipulated Agreements to pay rents due. They will be held to a defined schedule for payment of rents due that if violated, the consequences will be a swift eviction enforced through the Courts. We have not evicted a single resident for non-payment of rent since September of 2014. The Marshall's recently "locked-out" one family. They were evicted for major violations of the lease.

### MONTHLY MEETINGS

Monthly meetings continue for all site managers. During the September meeting we discussed a range of important topics. AHA will revise the Emergency Contact forms recognizing a need to ask residents if they have wills, Advanced Directives and lawyers as we are finding that many residents have not made plans. Many issues have arisen where having clear instructions from residents could have assisted us with end of residency issues.

## FACILITIES AND MAINTENANCE

**Capital Improvements Projects** – During the month of September, our contractor for the Esperanza Kitchen & Bathroom Project completed the final of thirty-three (33) units, and achieved the Substantial Completion Milestone one-month ahead of its approved baseline schedule. In addition, our contractor for the Esperanza Site Improvements Project continued working on minor change-order work, as well as making progress on the completion of punch list items, and providing Project Closeout Documentation.



Capital Projects Update		
September 2015 Update	ESP - Site Improvements Project	ESP - Kitchen & Bathroom Remodel Project
BOC Approval	\$ 1,550,400	\$ 372,240
Original Contract Amount	\$ 1,292,000	\$ 310,200
Approved Change Orders	\$ 188,704	\$ 15,600
Current Contract Amount	\$ 1,480,704	\$ 325,800
Project Cost To Date	\$ 1,406,669	\$ 309,510
% Complete	100%	100%
Pending Change Orders	\$1,000	\$10,000
Original Substantial Completion	6/30/2015	10/26/2015
Current Substantial Completion	7/31/2015	9/30/2015

**Maintenance Work Orders**

The third month of Maintenance Work Order Statistics for the new 2016 Fiscal Year are as follows:

Maintenance Work Order Update				
August 2015 Update	FY 2015 Ave.	Jul - Aug - 15	Sep-15	FY 2016 Ave.
Total Monthly WOs	265	470	118	196
Preventative Maintenance WOs	37	18	0	6
Vacancy Turnovers	6	22	4	9

Please note the September Work Order Statistics are currently reporting behind the typical monthly averages due to an unplanned delay in input and recording of work orders into the YARDI software system of record. We anticipate the final Work Order statistics for September will be in alignment with historical averages.

Lastly, on September 24, 2015, the entire Maintenance Team and Facilities Department received training on the recently released AHA Maintenance Plan & Procedures Manual.

**HOUSING PROGRAMS**

Housing Programs department will host its Annual Owners Workshop on October 22, 2015 from 2:00 p.m. to 4:00 pm at Independence Plaza. The workshop is open to all Owners currently participating in the Housing Choice Voucher program and any Owners/Landlords interested in participating in the program in the future. Housing Authority staff will present an overview of the Alameda City Housing Authority, the Housing Choice Voucher program, the benefits an owner can expect while participating in the program, and an explanation of the roles and responsibilities of owners, tenants and the Authority. An ad was placed in the local

newspaper to outreach to potential new owners, as well as on our website. Postcards announcing the workshop were mailed to our owners and sent to our owners via email. We are prepared for a good turn out this year.

Staff is in the process of completing a purge of our Alameda Point Collaborative (APC) waitlist, which resulted in our withdrawing over 3,000 non-responsive families from the waitlist. Once staff has completed the purge process for all waitlist we will look at the next step of opening waitlist and placing new current applicants on the lists.

Preparation is on the way in the Inspections Unit to implement the Board approved biennial inspections and self-certifications for private market owners. This will provide regulatory relief for our landlords and is encouraged by HUD as an administrative streamlining. Notification are expected to go out in November 2015 informing owners of the change and of their inspection status. This will lead to some recasting of job descriptions and roles in Housing Programs Department.

The Family Self Sufficiency (FSS) Coordinator is conducting our end of the year survey of program participants. The survey will help gather data from our participants on the effectiveness of our FSS program. This data will then be used to complete our Logic Model which measures the goals set for the program with our actual accomplishments throughout the year. The FSS program is a key component that helps our families reach their ultimate goal of self-sufficiency. We are actively doing outreach through our newsletter, website, and recertification packets in an effort to increase our FSS program enrollment.

## **HOUSING AND COMMUNITY DEVELOPMENT**

### **CDBG/HOME Programs –**

The Consolidated Annual Performance and Evaluation Report (CAPER) for FY14-15 was successfully transmitted to HUD on September 22<sup>nd</sup> – this was the first year that that the new electronic submission process was completed.

### **Rent Review Advisory Committee (RRAC)**

RRAC applications were received from 20 households (two properties) for the October meeting but all were postponed by the applicants as they are negotiating with the landlord offline. The city Council has scheduled a special meeting on November 4<sup>th</sup> to discuss rent increases and related matters. At that meeting City staff will present the results of a study on area rents and Council will consider additional actions in response to the high rent/low vacancy situation. Housing Authority staff will attend the meeting and be available to distribute information about the RRAC.

### **Housing Rehabilitation Programs**

- One major housing rehabilitation project was completed and the residents have reoccupied their house. The ramp, bathroom, furnace and electrical upgrades and the interior and exterior painting have all been completed. The family is very happy at both the extent and quality of the work performed.

- Staff is working with new owners of a rental property to complete an Owner/Occupant application and to renew income qualifications. Staff will continue coordination with the County's work and fill in as required to ensure HQS and safety considerations are met for this single family residence.
- We have just received an application from the owner of a three-unit property with two eligible tenants. Staff will evaluate and work up a scope including weatherization, exterior painting and window replacement.
- Water Conservation: Staff will be overseeing a demonstration project for the installation of water sub meters at a Housing Authority owned property to allow for separate usage and billing for our tenants. A change to the lease agreement will be executed to include water as a tenant-paid expense. Estimates for meter installation and future billing and payments are being solicited. EBMUD has a rebate program for up to \$250/installed meter for this program.

#### Inclusionary and Below Market Rate Programs

A Request for Proposals for the City's First-time Homebuyer Programs will be published in mid-October. The scope includes the Below Market Rate Program, Down Payment Assistance Program and the Residential Rehabilitation Program.

#### Real Estate Development

Eagle Project - The project is now scheduled to go before the Planning Board on November 9<sup>th</sup> to receive entitlements. The environmental assessment has been completed and the "Finding of No Significant Impact" was noticed on October 16. This will allow the project to move forward for State and federal funding.

Delmonte - The Option Agreement to purchase the City owned land has been executed and staff is working with Tim Lewis Communities to finalize the Option Agreement for the privately owned parcel. Minor revisions to the elevations and a color board of final color selections will be considered by the Planning Board on October 26<sup>th</sup>. Staff will issue a RFP for the second half of the architectural design work this week. The environmental study of the site is nearly complete.

North Housing - Staff is now working with a survey firm and an environmental consulting firm to prepare for transfer of the 13 acre property. The Navy is still expecting to transfer the site in the first half of 2016.

Portfolio Projects - Physical inspections for the Capital Needs Assessments at three properties were completed. Due to resource/personnel issues with the consultant (EMG), Rosefield, Eagle Village and China Clipper were re-inspected. Preliminary reports for Rosefield Village Esperanza and Esperanza have been received. The Rosefield report states that further investigation is needed for the structural evaluation.

A Request for Qualifications for Architectural and Engineering Services was published on August 25, 2015. We received 11 responses as follows:

Anne Phillips Architecture  
BAR Architects

Dahlin Group  
David Baker Architects  
Gelfand Partners Architects  
K2A Architects  
Kodama Diseno  
LCA Architects  
MWA Architects  
SPGA Architecture  
YHLA Architects

Staff reviewed all responses and will create a short of list of five to seven of the most qualified firms. The list will be valid for three to five years. Staff is currently checking references prior to final selection.

The State of California has issued revised regulations for the tax credit and tax-exempt bond programs. The regulations will be adopted this month, and will be effective as of January 2016. The new regulations will impact the selection and the timing of funding applications made to the State. Staff will return to the Board and present an outline of proposed projects and to seek Board approval to submit several applications.

**Finance**

Please see the Budget Variance Report

**RECOMMENDATION**

For information only.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VMC/



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To: Honorable Chair and  
Members of the Board of Commissioners

From: Vanessa M. Cooper  
Executive Director

Date: October 21, 2015

RE: Budget Variance Report

## BACKGROUND

On April 16, 2014 the Board of Commissioners passed and approved a two-year operating budget for all programs covering the fiscal years July 1, 2014 through June 30, 2016. On April 15, 2015, the Board of Commissioner approved the budget update for FY 2016 revision of the original budget for the Fiscal Year starting July 1, 2015 and ending June 30, 2016. This Budget Variance Report covers preliminary unaudited financial operating results compared to the budget revision approved on April 15, 2015, for the three month period of July 1, 2015 to September 30, 2015.

## DISCUSSION

Overall operating income is slightly over budget by \$44,187. Agency wide expenses are below budget by \$169,210; resulting in an operating surplus of \$541,907, compared to budget of \$328,510. It is still early in the fiscal year, we have experienced the time lag of receiving the Tax Increment from City for Independence Plaza. An inquiry has been sent out. We anticipate the reimbursement process will be on track with the City as the fiscal year continues.

The year to date Extraordinary Maintenance Projects (EMPs) expenses for our Owned and Managed Complexes and Units totaled \$63,069 compared with the budget of \$215,133, resulting in a variance of \$152,064. Since it is still early in the fiscal year, we anticipate the delay will be caught up as the fiscal year continues.

## 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 and sets them by number. In FY 2016, AHA will have to 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 will be required to report each year on any unfunded pension liability. According to the current Actuarial Valuation Funding Report as of June 30, 2013, the estimated unfunded liability

balance as of 6/30/2015 is \$1,945,024. The new report for the measurement date of 6/30/2014 will be published around late December. If we are paying off the unfunded liability today, we will need to pay \$1,945,024. According to the CalPERS Senior Pension Actuary, the estimated unfunded liability in the new Actuarial Valuation Funding report might be around \$1.721M. It is worthwhile to wait for the new report.

#### **GENERAL FUND**

General Fund has included the revenue of Shelter Plus Care Program and some other miscellaneous income items. It has also included the expenses of pre-development cost and EMP's. Operating income is slightly under budget for this fiscal three month period, since we have only received the revenue of July from the Shelter Plus Care Program. Therefore, it resulted in a deficit of \$84,713. The new Shelter Plus Care Program contract for the period of August 1, 2015 through July 31, 2016 was just signed, so we would anticipate to receive the rest of payments soon.

EMP activity for the month totaled \$0 and year to date totaled \$0

CIP's for the month totaled \$0 and year to date \$0.

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

The reimbursement program under contract with the City for CDBG, HOME and other affordable housing programs. All staff currently are on AHA payroll and the billings are processed for reimbursement from City. We have billed and received the payment from City for July and August. The September billing will be sent out in October. Operating income is under budget by \$101,888. It is mainly due to the time lag of September billing. Operating expenses are under budget by \$34,998. Therefore, it resulted in a deficit of \$66,890.

#### **PARROT VILLAGE AND EAGLE VILLAGE**

Total operating revenue for Parrot Village and Eagle Village properties came in slightly over budget due to increased income in September. Operating expenses remain well under budget resulting in a surplus of \$268,323 versus a budgeted income of \$123,397.

EMP expenses total \$14,619. Fiscal Year CIP's totaled \$22,091.

#### **HOUSING AUTHORITY OWNED**

Operating income finished this month over budget and expenses are well under budget, resulting in a surplus for Housing Authority Owned properties of \$435,682 compared to budget of \$110,375 for the fiscal year.

EMP activity year to date \$48,450.

CIP's totaled \$476,148 for the fiscal year.

#### **INDEPENDENCE PLAZA**

Operating income is under budget for this fiscal three month period, due to the time lag of receiving the Tax Increment from City. An inquiry was sent out to the City. It is still early in the fiscal year, we anticipate the reimbursement process will be on track with the City as the fiscal year continues. Operating expenses are under

budget. Therefore, IP operations still resulted in a slight surplus of \$11,138 compared to budgeted surplus of \$211,900.

EMP expenses total \$0 and CIP \$56,251 for the fiscal year.

#### **HOUSING CHOICE VOUCHER PROGRAM**

Our September lease rate is at 86 percent. The year-to-date lease rate is at 87.4 percent for the fiscal year ending September 30, 2015, and 89.4 percent for the HUD calendar year 2015 annual funding cycle, which began in January. A project reserve (or HAP funds Held by HUD reserve) whereby AHA can draw additional HAP funds if our HAP costs exceed any year's HAP budget has been established by HUD in lieu of significant RNP (Restricted Net Position) cash reserves held by AHA in the past. Currently this HUD held HAP reserve has a balance in excess of \$2.4 million dollars. The operating (or administrative) portion of the Housing Choice Voucher program has an operating deficit of \$21,633 compared to budgeted deficit of \$88,653 based on income from actual units leased for the fiscal year as required by HUD accounting brief number 19. Administrative fee proration is being reported at 79% for the period of January to December 2015.

#### **BUDGET CONSIDERATION/FINANCIAL IMPACT**

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

#### **RECOMMENDATION**

For information only.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VC:MW

Attachments: 1. Budget Variance Report

# Housing Authority of the City of Alameda Unaudited Budget Variance Report For the Three Month Fiscal Period Ending September 30, 2015

Description	Year to Date Budget	Year to Date (YTD) Actual Income and Expenditures							YTD Variance	S/B 25%	Annual Budget
		General Fund	AHA/CDBG/ Other Managed	Parrot & Eagle Village	HA Owned	Independence Plaza	Section 8	Total Actual			
<b>Operating Income</b>											
HAP/Subsidy/Tax Increment	\$ 7,277,948	\$ 17,769	\$ -	\$ 410,952	\$ 994,909	\$ -	\$ 5,848,221	\$ 7,271,851	\$ (6,097)	\$ 29,111,791	
Dwelling Rent	821,103	-	131,120	374,280	366,838	-	-	872,238	51,136	3,284,410	
Administrative Fees	358,483	-	-	-	-	445,031	-	445,031	86,548	1,433,931	
Interest	17,750	2,665	-	3,107	-	-	-	5,772	(11,978)	71,000	
Other Income	240,165	1,493	101,972	47,231	8,069	-	-	164,743	(75,422)	960,660	
<b>Total Operating Income</b>	<b>8,715,448</b>	<b>21,927</b>	<b>101,972</b>	<b>548,050</b>	<b>1,419,527</b>	<b>6,293,252</b>	<b>8,759,635</b>	<b>44,187</b>	<b>25%</b>	<b>34,861,792</b>	
<b>Operating Expenses</b>											
<b>Administrative:</b>											
Salaries	669,393	(218)	117,817	145,985	69,395	229,872	614,749	54,644	23%	2,677,573	
Legal	18,925	-	4,215	8,221	938	2,964	17,074	1,851	23%	75,701	
Travel/Training	10,325	173	507	3,213	1,203	6,768	12,892	(2,567)	31%	41,300	
Publications	1,075	-	-	208	72	250	599	476	14%	4,300	
Telephone	7,725	13	5	873	1,851	1,841	7,568	157	24%	30,900	
Audit Fees	7,750	-	-	2,730	4,655	2,678	17,501	(9,751)	56%	31,000	
Office Supplies	12,375	-	1,252	1,106	3,352	4,923	11,957	418	24%	49,500	
Contract Costs	126,175	-	4,284	5,932	24,606	40,977	82,956	43,219	16%	504,700	
Sundry	25,625	20	1,257	1,619	2,163	5,562	15,216	10,409	15%	102,500	
<b>Subtotal</b>	<b>879,369</b>	<b>(12)</b>	<b>129,337</b>	<b>65,991</b>	<b>88,758</b>	<b>295,835</b>	<b>780,512</b>	<b>98,857</b>	<b>22%</b>	<b>3,517,474</b>	
<b>Tenant Services:</b>											
Salaries	23,976	-	-	4,754	5,801	-	20,377	3,599	21%	95,902	
Tenant Activities	25,025	5,000	100	2,734	4,138	167	12,139	12,886	12%	100,100	
Relocation Cost	-	-	-	13,882	-	-	13,882	(13,882)	0%	0	
<b>Subtotal</b>	<b>49,001</b>	<b>5,000</b>	<b>-</b>	<b>4,854</b>	<b>9,939</b>	<b>167</b>	<b>46,398</b>	<b>2,603</b>	<b>24%</b>	<b>196,002</b>	
<b>Utilities:</b>											
Water and Sewer	133,118	-	-	14,927	28,563	281	55,614	77,504	10%	532,470	
Electricity	37,251	-	-	2,278	9,733	1,429	20,892	16,359	14%	149,004	
Gas	18,765	-	-	58	5,773	70	9,567	9,198	13%	75,058	
<b>Subtotal</b>	<b>189,133</b>	<b>-</b>	<b>-</b>	<b>17,263</b>	<b>44,069</b>	<b>1,780</b>	<b>86,073</b>	<b>103,060</b>	<b>11%</b>	<b>756,532</b>	
<b>Maintenance:</b>											
Salaries	278,618	-	-	41,250	110,164	-	222,053	56,565	20%	1,114,470	
Materials	54,899	-	-	9,464	29,828	250	48,872	6,027	22%	219,597	
Contract Costs	286,190	-	-	56,848	181,629	9,658	277,281	8,909	24%	1,144,760	
<b>Subtotal</b>	<b>619,707</b>	<b>-</b>	<b>-</b>	<b>107,562</b>	<b>321,621</b>	<b>9,908</b>	<b>548,206</b>	<b>71,501</b>	<b>22%</b>	<b>2,478,827</b>	
<b>General:</b>											
Police Services	52,500	-	-	10,160	9,082	2,992	53,749	(1,249)	26%	210,000	
Insurance	26,213	-	-	6,377	7,662	972	29,564	(3,352)	28%	104,850	
Employee Benefits	353,260	(1,037)	39,525	35,379	50,669	85,681	305,306	47,954	22%	1,413,040	
Collection Losses	7,822	-	-	-	-	-	(100)	7,922	0%	31,287	
<b>Subtotal</b>	<b>439,794</b>	<b>(1,037)</b>	<b>39,525</b>	<b>51,916</b>	<b>67,413</b>	<b>89,645</b>	<b>388,519</b>	<b>51,275</b>	<b>22%</b>	<b>1,759,177</b>	



# Housing Authority of the City of Alameda Unaudited Budget Variance Report For the Three Month Fiscal Period Ending September 30, 2015

Description	Year to Date (YTD) Actual Income and Expenditures										YTD Variance	S/B 25%	Annual Budget
	Year to Date Budget	General Fund	AHA/CDBG/Other Managed	Parrrot & Eagle Village	HA Owned	Independence Plaza	Section 8	Total Actual	Budget Used	Annual Budget			
<b>Total Operating Exp.</b>	2,177,003	3,951	168,862	247,586	733,788	298,186	397,335	1,849,708		327,295	21%	8,708,012	
Mortgage/HAP Payments:													
HAP Payments	5,684,282	55,677	-	-	-	-	5,917,550	5,973,227		(288,945)	26%	22,737,128	
Mortgage Interest	278,845	-	-	17,522	201,607	65,583	-	284,712		(5,867)	26%	1,115,380	
Interest-City Loan	-	-	-	-	-	-	-	-		0		0	
Subtotal	5,963,127	55,677	-	17,522	201,607	65,583	5,917,550	6,257,939		(294,812)	26%	23,852,508	
Other Expenses:													
Extraordinary Maint.	215,133	-	-	14,619	48,450	-	-	63,069		152,064	7%	860,532	
CDBG/Other Programs	-	-	-	-	-	-	-	-		0	0%	0	
Pre-Development Costs	31,675	47,012	-	-	-	-	-	47,012		(15,337)	37%	126,700	
Subtotal	246,808	47,012	-	14,619	48,450	-	-	110,081		136,727	11%	987,232	
<b>Total Expenses</b>	<b>8,386,938</b>	<b>106,640</b>	<b>168,862</b>	<b>279,727</b>	<b>983,845</b>	<b>363,769</b>	<b>6,314,885</b>	<b>8,217,728</b>		<b>169,210</b>	<b>24%</b>	<b>33,547,752</b>	
Operating Income before Depr.	328,510	(84,713)	(66,890)	268,323	435,682	11,138	(21,633)	541,907		213,397	41%	1,314,040	
Depreciation	326,322	29,097	-	76,281	166,167	95,331	-	366,876		(40,555)	28%	1,305,286	
Operating Income after Depr.	2,189	(113,810)	(66,890)	192,042	269,515	(84,193)	(21,633)	175,031		172,843		8,754	

# Housing Authority of the City of Alameda Unaudited Budget Variance Report For the Three Month Fiscal Period Ending September 30, 2015

Description	Year to Date Budget	Year to Date (YTD) Actual Income and Expenditures						YTD Variance	S/B 25%	Annual Budget
		General Fund	AHA/CDBG/ Other Managed	Parrot & Eagle Village	HA Owned	Independence Plaza	Section 8			
<b>GAAP to Cash Adjustments:</b>										
Operating Income after Depr.		(113,810)	(66,890)	192,042	269,515	(84,193)	(21,633)	175,031		
<u>Cash Adjustments</u>										
Addback Depreciation		29,097	-	76,281	166,167	95,331	-	366,876		
Subtract Mig Prin Payments		-	-	(37,875)	(50,259)	(128,691)	-	(216,825)		
Subtract Replacement Res		-	-	(8,050)	(9,150)	(16,044)	-	(33,244)		
Total Adjustments		29,097	-	30,356	106,758	(49,404)	-	116,807		
Adjusted Net Cash		(84,713)	(66,890)	222,398	376,273	(133,597)	(21,633)	291,838		
<u>Reserve Transfers, Loans, Prior Period Adj</u>										
Operating Reserve Transfers		-	-	-	-	-	-	-		
Payoff US Bank Loans		-	-	-	-	-	-	-		
Replacement Reserves-Voluntary		-	-	-	-	-	-	-		
Equipment Reserves-Voluntary		-	-	-	-	-	-	-		
Total Reserve Transfers		-	-	-	-	-	-	-		
<u>Capital Assets</u>										
Capital Asset Additions		-	-	(22,091)	(476,148)	(56,251)	-	(554,490)		
Net Capital Assets		-	-	(22,091)	(476,148)	(56,251)	-	(554,490)		
Net GAAP to Cash Adj's		(84,713)	(66,890)	200,307	(99,875)	(189,848)	(21,633)	(262,652)		

**Unaudited Budget Variance Report**  
**General Fund**  
**For the Three Months Ending September 30, 2015**

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	S/B 25% USED
<b>OPERATING INCOME:</b>								
HAP	230,280	19,190	0	(19,190)	57,570	17,769	(39,801)	8%
Interest	7,000	583	882	299	1,750	2,665	915	38%
Other Income	18,200	1,517	389	(1,128)	4,550	389	(4,161)	2%
Management Fee	0	0	0	0	0	1,104	1,104	
<b>Total Operating Income</b>	<b>255,480</b>	<b>21,290</b>	<b>1,271</b>	<b>(20,019)</b>	<b>63,870</b>	<b>21,927</b>	<b>(41,943)</b>	<b>9%</b>
<b>OPERATING EXPENSES:</b>								
<b>Administrative:</b>								
Salaries	0	0	(13,113)	(13,113)	0	(218)	(218)	0%
Legal	0	0	0	0	0	0	0	0%
Travel/Training	0	0	52	52	0	173	173	0%
Publications	0	0	0	0	0	0	0	0%
Telephone	0	0	13	13	0	13	13	0%
Audit Fees	0	0	0	0	0	0	0	0%
Office Supplies	0	0	0	0	0	0	0	0%
Contract Costs	0	0	0	0	0	0	0	0%
Sundry	0	0	20	(20)	0	20	(20)	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>(13,028)</b>	<b>(13,068)</b>	<b>0</b>	<b>(12)</b>	<b>(52)</b>	<b>0%</b>
<b>Tenant Services:</b>								
Tenant Activities	0	0	0	0	0	5,000	(5,000)	0%
	0	0	0	0	0	0	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>(5,000)</b>	<b>0%</b>
<b>Utilities:</b>								
Water and Sewer	0	0	0	0	0	0	0	0%
Electricity	0	0	0	0	0	0	0	0%
Gas	0	0	0	0	0	0	0	0%
<b>Total</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>Maintenance:</b>								
Salaries	0	0	0	0	0	0	0	
Materials	0	0	0	0	0	0	0	0%
Contract Costs	0	0	0	0	0	0	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>General:</b>								
Police Services	0	0	0	0	0	0	0	
Insurance	0	0	0	0	0	0	0	0%
Claims Benefits	0	0	0	0	0	0	0	0%
Employee Benefits	0	0	(6,049)	6,049	0	(1,037)	1,037	0%
Collection Losses	0	0	0	0	0	0	0	0%
Transfers out	0	0	0	0	0	0	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>(6,049)</b>	<b>6,049</b>	<b>0</b>	<b>(1,037)</b>	<b>1,037</b>	<b>0%</b>
<b>Total Operating Expenses</b>	<b>0</b>	<b>0</b>	<b>(19,077)</b>	<b>(7,019)</b>	<b>0</b>	<b>3,951</b>	<b>(4,015)</b>	<b>0%</b>
<b>Mortgage/HAP Payments:</b>								
Hap Payments	230,280	19,190	17,409	1,781	57,570	55,677	1,893	24%
Mortgage Interest								
<b>Total</b>	<b>230,280</b>	<b>19,190</b>	<b>17,409</b>	<b>1,781</b>	<b>57,570</b>	<b>55,677</b>	<b>1,893</b>	<b>24%</b>
<b>Other Expenses:</b>								
Extraordinary Maintenance	12,500	1,042	0	1,042	3,125	0	3,125	
Pre-development Costs	126,700	10,558	13,573	(3,015)	31,675	47,012	(15,337)	0%
<b>Total</b>	<b>139,200</b>	<b>11,600</b>	<b>13,573</b>	<b>(1,973)</b>	<b>34,800</b>	<b>47,012</b>	<b>(12,212)</b>	<b>0%</b>
<b>Total Expenses</b>	<b>369,480</b>	<b>30,790</b>	<b>11,905</b>	<b>(7,211)</b>	<b>92,370</b>	<b>106,640</b>	<b>(14,270)</b>	<b>29%</b>
<b>Operating Income before Dep</b>	<b>(114,000)</b>	<b>(9,500)</b>	<b>(10,634)</b>	<b>(1,134)</b>	<b>(28,500)</b>	<b>(84,713)</b>	<b>(56,213)</b>	<b>74%</b>
<b>Depreciation (paper expense)</b>	<b>107,525</b>	<b>8,960</b>	<b>9,699</b>	<b>(739)</b>	<b>26,881</b>	<b>29,097</b>	<b>(2,216)</b>	<b>27%</b>
<b>Operating Income after Depr</b>	<b>(221,525)</b>	<b>(18,460)</b>	<b>(20,333)</b>	<b>(1,873)</b>	<b>(55,381)</b>	<b>(113,810)</b>	<b>(58,429)</b>	<b>51%</b>

**Unaudited Budget Variance Report**  
**AHA/CDBG/Other Managed Programs**  
**For the Three Months Ending September 30, 2015**

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	S/B 25% USED
<b>OPERATING INCOME:</b>								
HAP	0	0	0	0	0	0	0	
Interest	0	0	0	0	0	0	0	
Other Income	815,440	67,953	101,972	34,019	203,860	101,972	(101,888)	13%
Management Fee	0	0	0	0	0	0	0	
<b>Total Operating Income</b>	<b>815,440</b>	<b>67,953</b>	<b>101,972</b>	<b>34,019</b>	<b>203,860</b>	<b>101,972</b>	<b>(101,888)</b>	<b>13%</b>
<b>OPERATING EXPENSES:</b>								
<b>Administrative:</b>								
Salaries	539,400	44,950	41,657	(3,293)	134,850	117,817	17,033	22%
Legal	0	0	0	0	0	4,215	(4,215)	0%
Travel/Training	6,531	544	297	(247)	1,633	507	1,126	8%
Publications	297	25	0	(25)	74	0	74	0%
Telephone	3,052	254	5	(249)	763	5	758	0%
Audit Fees	4,806	401	0	(401)	1,202	0	1,202	0%
Office Supplies	6,756	563	15	(548)	1,689	1,252	437	19%
Contract Costs	58,558	4,880	1,283	(3,597)	14,640	4,284	10,356	7%
Sundry	0	0	1,095	(1,095)	0	1,257	(1,257)	0%
<b>Total</b>	<b>619,400</b>	<b>51,617</b>	<b>44,352</b>	<b>(9,455)</b>	<b>154,850</b>	<b>129,337</b>	<b>25,513</b>	<b>21%</b>
<b>Tenant Services:</b>								
Tenant Activities	0	0	0	0	0	0	0	0%
Work Experience	0	0	0	0	0	0	0	0%
<b>Total</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>Utilities:</b>								
Water and Sewer	0	0	0	0	0	0	0	0%
Electricity	0	0	0	0	0	0	0	0%
Gas	0	0	0	0	0	0	0	0%
<b>Total</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>Maintenance:</b>								
Salaries	0	0	0	0	0	0	0	
Materials	0	0	0	0	0	0	0	0%
Contract Costs	0	0	0	0	0	0	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>General:</b>								
Police Services	0	0	0	0	0	0	0	
Insurance	0	0	0	0	0	0	0	0%
Claims Benefits	0	0	0	0	0	0	0	0%
Employee Benefits	196,040	16,337	14,576	1,761	49,010	39,525	9,485	20%
Collection Losses	0	0	0	0	0	0	0	0%
Transfers out	0	0	0	0	0	0	0	0%
<b>Total</b>	<b>196,040</b>	<b>16,337</b>	<b>14,576</b>	<b>1,761</b>	<b>49,010</b>	<b>39,525</b>	<b>9,485</b>	<b>20%</b>
<b>Total Operating Expenses</b>	<b>815,440</b>	<b>67,953</b>	<b>58,928</b>	<b>(7,694)</b>	<b>203,860</b>	<b>168,862</b>	<b>34,998</b>	<b>21%</b>
<b>Mortgage/HAP Payments:</b>								
Hap Payments	0	0	0	0	0	0	0	
Mortgage Interest	0	0	0	0	0	0	0	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Other Expenses:</b>								
Extraordinary Maintenance	0	0	0	0	0	0	0	
CDBG/Other Programs	0	0	0	0	0	0	0	
Pre-development Costs	0	0	0	0	0	0	0	0%
<b>Total</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>Total Expenses</b>	<b>815,440</b>	<b>67,953</b>	<b>58,928</b>	<b>(7,694)</b>	<b>203,860</b>	<b>168,862</b>	<b>34,998</b>	<b>21%</b>
<b>Operating Income before Dep</b>	<b>0</b>	<b>0</b>	<b>43,044</b>	<b>43,044</b>	<b>0</b>	<b>(66,890)</b>	<b>(66,890)</b>	
<b>Depreciation (paper expense)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Operating Income after Depr</b>	<b>0</b>	<b>0</b>	<b>43,044</b>	<b>43,044</b>	<b>0</b>	<b>(66,890)</b>	<b>(66,890)</b>	

**Unaudited Budget Variance Report  
Parrot Village and Eagle Village  
For the Three Fiscal Months Ending September 30, 2015**

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	25% USED
<b>OPERATING INCOME:</b>								
HAP	1,514,205	126,184	144,853	18,669	378,551	410,952	32,401	27%
Dwelling Rents	480,315	40,026	44,075	4,049	120,079	131,120	11,041	27%
NonDwelling Rents	0	0	0	0	0	0	0	
Interest	12,000	1,000	0	(1,000)	3,000	0	(3,000)	0%
Other Income	15,240	1,270	239	(1,031)	3,810	5,978	2,168	39%
<b>Total Income</b>	<b>2,021,760</b>	<b>168,480</b>	<b>189,167</b>	<b>20,687</b>	<b>505,440</b>	<b>548,050</b>	<b>42,610</b>	<b>27%</b>
<b>OPERATING EXPENSES:</b>								
<b>Administrative:</b>								
Salaries	261,732	21,811	20,276	1,535	65,433	51,898	13,535	20%
Legal	9,840	820	334	486	2,460	736	1,724	7%
Travel/Training	5,830	486	511	(25)	1,458	1,028	430	18%
Publications	500	42	0	42	125	69	56	14%
Telephone	3,000	250	358	(108)	750	873	(123)	29%
Audit Fees	4,800	400	2,730	(2,330)	1,200	2,730	(1,530)	57%
Office Supplies	5,600	467	484	(17)	1,400	1,106	294	20%
Contract Costs	57,076	4,756	1,861	2,895	14,269	5,932	8,337	10%
Sundry	4,400	367	819	(452)	1,100	1,619	(519)	37%
<b>Total</b>	<b>352,778</b>	<b>29,398</b>	<b>27,373</b>	<b>2,025</b>	<b>88,195</b>	<b>65,991</b>	<b>22,204</b>	<b>19%</b>
<b>Tenant Services:</b>								
Salaries	23,483	1,957	1,734	223	5,871	4,754	1,117	20%
Tenant Activities	14,000	1,167	0	1,167	3,500	100	3,400	1%
<b>Total</b>	<b>37,483</b>	<b>3,124</b>	<b>1,734</b>	<b>1,390</b>	<b>9,371</b>	<b>4,854</b>	<b>4,517</b>	<b>13%</b>
<b>Utilities:</b>								
Water and Sewer	108,900	7,683	14,927	(7,244)	27,225	14,927	12,298	14%
Electricity	16,540	1,378	418	960	4,135	2,278	1,857	14%
Gas	6,463	539	36	503	1,616	58	1,558	1%
<b>Total</b>	<b>131,903</b>	<b>9,600</b>	<b>15,381</b>	<b>(5,781)</b>	<b>32,976</b>	<b>17,263</b>	<b>15,713</b>	<b>13%</b>
<b>Maintenance:</b>								
Salaries	210,799	17,567	14,689	2,878	52,700	41,250	11,450	20%
Materials	49,700	4,142	3,373	769	12,425	9,464	2,961	19%
Contract Costs	233,120	19,427	19,571	(144)	58,280	56,848	1,432	24%
<b>Total</b>	<b>493,619</b>	<b>41,135</b>	<b>37,633</b>	<b>3,502</b>	<b>123,405</b>	<b>107,562</b>	<b>15,843</b>	<b>22%</b>
<b>General:</b>								
Police Services	49,770	4,148	6,940	(2,793)	12,443	10,160	2,283	20%
Insurance	23,246	1,937	1,649	288	5,812	6,377	(566)	27%
Employee Benefits	180,272	15,023	12,628	2,395	45,068	35,379	9,689	20%
Claims Account			0	0		0	0	
Collection Losses	13,600	1,133	0	1,133	3,400	0	3,400	0%
<b>Total</b>	<b>266,888</b>	<b>22,241</b>	<b>21,217</b>	<b>1,024</b>	<b>66,722</b>	<b>51,916</b>	<b>14,806</b>	<b>19%</b>
<b>Total Operating Expenses</b>	<b>1,282,671</b>	<b>105,498</b>	<b>103,338</b>	<b>2,160</b>	<b>320,668</b>	<b>247,586</b>	<b>73,082</b>	<b>19%</b>
<b>Mortgage Interest</b>								
Mortgage Interest	70,500	5,875	5,826	49	17,625	17,522	103	25%
<b>Total</b>	<b>70,500</b>	<b>5,875</b>	<b>5,826</b>	<b>49</b>	<b>17,625</b>	<b>17,522</b>	<b>103</b>	<b>25%</b>
<b>Other Expenses:</b>								
Extraordinary Maintenance	175,000	14,583	0	14,583	43,750	14,619	29,131	
<b>Total</b>	<b>175,000</b>	<b>14,583</b>	<b>0</b>	<b>14,583</b>	<b>43,750</b>	<b>14,619</b>	<b>29,131</b>	
<b>Total Operating Expenses</b>	<b>1,528,171</b>	<b>125,956</b>	<b>109,164</b>	<b>16,792</b>	<b>382,043</b>	<b>279,727</b>	<b>102,316</b>	<b>18%</b>
<b>Operating Income before Dep</b>	<b>493,589</b>	<b>42,524</b>	<b>80,003</b>	<b>37,479</b>	<b>123,397</b>	<b>268,323</b>	<b>144,926</b>	<b>54%</b>
<b>Depreciation (paper expense)</b>	<b>276,528</b>	<b>23,044</b>	<b>25,427</b>	<b>(2,383)</b>	<b>69,132</b>	<b>76,281</b>	<b>(7,149)</b>	
<b>Operating Income after Depr</b>	<b>217,061</b>	<b>18,088</b>	<b>54,576</b>	<b>72,664</b>	<b>54,265</b>	<b>192,042</b>	<b>137,777</b>	

**Unaudited Internal Budget Variance Report**  
**Housing Authority-Owned Properties**  
**For the Three Month Fiscal Period Ending September 30, 2015**

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	YTD Budget	Y-T-D Actuals	YTD Variance	25% USED
<b>OPERATING INCOME:</b>								
HAP	3,359,861	279,988	348,659	68,671	839,965	994,909	154,944	30%
Dwelling Rents	1,378,135	114,845	121,391	6,546	344,534	374,280	29,746	27%
Interest	50,000	4,167	1,034	(3,133)	12,500	3,107	(9,393)	6%
Other Income	84,600	7,050	4,207	(2,843)	21,150	47,231	26,081	56%
Total Income	4,872,596	406,050	475,291	69,241	1,218,149	1,419,527	201,378	29%
<b>OPERATING EXPENSES:</b>								
<b>Administrative:</b>								
Salaries	468,897	39,075	55,474	(16,399)	117,224	145,985	(28,761)	31%
Legal	36,756	3,063	1,388	1,675	9,189	8,221	968	22%
Travel/Training	13,670	1,139	1,479	(340)	3,418	3,213	205	24%
Publications	1,800	150	0	150	450	208	242	12%
Telephone	9,000	750	1,397	(647)	2,250	2,985	(735)	33%
Audit Fees	11,500	958	7,438	(6,480)	2,875	7,438	(4,563)	65%
Office Supplies	15,900	1,325	1,470	(145)	3,975	3,352	623	21%
Contract Costs	194,121	16,177	8,304	7,873	48,530	24,606	23,924	13%
Sundry	13,400	1,117	2,274	(1,157)	3,350	4,595	(1,245)	34%
Total	765,044	63,754	79,224	(15,470)	191,261	200,603	(9,342)	26%
<b>Tenant Services:</b>								
Salaries	48,656	4,055	3,333	722	12,164	9,822	2,342	20%
Tenant Activities	59,400	4,950	1,900	3,050	14,850	2,734	12,116	5%
Relocation Cost	0	0	0	0	0	13,882	(13,882)	0%
Total	108,056	9,005	5,233	3,772	27,014	26,438	576	24%
<b>Utilities:</b>								
Water and Sewer	281,715	22,176	8,452	13,724	70,429	28,563	41,866	10%
Electricity	73,744	6,145	4,048	2,097	18,436	9,733	8,703	13%
Gas	46,616	3,885	2,882	1,003	11,654	5,773	5,881	12%
Total	402,075	32,206	15,382	16,824	100,519	44,069	56,450	11%
<b>Maintenance:</b>								
Salaries	546,941	45,578	40,627	4,951	136,735	110,164	26,571	20%
Materials	117,981	9,832	11,433	(1,601)	29,495	29,828	(333)	25%
Contract Costs	630,610	52,551	65,521	(12,970)	157,653	181,629	(23,977)	29%
Total	1,295,532	107,961	117,581	(9,620)	323,883	321,621	2,262	25%
<b>General:</b>								
Police Services	106,680	8,890	21,260	(12,370)	26,670	31,515	(4,845)	30%
Insurance	47,392	3,949	5,150	(1,201)	11,848	14,553	(2,705)	31%
Employee Benefits	386,881	32,240	33,221	(981)	96,720	95,089	1,631	25%
Claim Costs	0	0	0	0	0	0	0	
Collection Loss	17,687	1,474	(50)	1,524	4,422	(100)	4,522	
Total	558,640	46,553	59,581	(13,028)	139,660	141,057	(1,397)	25%
Total Operating Expenses	3,129,347	259,479	277,001	(17,522)	782,337	733,788	48,549	23%
<b>Mortgage/HAP Payments:</b>								
Mortgage Interest	789,850	65,821	67,125	(1,304)	197,463	201,607	(4,145)	26%
Interest to City Loan	0	0	0	0	0	0	0	
Total	789,850	65,821	67,125	(1,304)	197,463	201,607	(4,145)	26%
<b>Other Expenses:</b>								
Extraordinary Maintenance	511,900	42,658	46,565	(3,907)	127,975	48,450	79,525	9%
Total	511,900	42,658	46,565	(3,907)	127,975	48,450	79,525	
Total Expenses	4,431,097	367,958	390,691	(22,733)	1,107,774	983,845	123,929	22%
Operating Income before Dep	441,499	38,092	84,600	46,508	110,375	435,682	325,307	99%
Depreciation (paper expense)	578,269	48,189	55,389	(7,200)	144,567	166,167	(21,600)	
Operating Income after Depr	(136,770)	(11,398)	29,211	40,609	(34,193)	269,515	303,708	

**Unaudited Internal Budget Variance Report**  
**Independence Plaza**  
**For the Three Fiscal Months Ending September 30, 2015**

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	S/B 25% USED
<b>OPERATING INCOME:</b>								
Dwelling Rents	1,425,960	118,830	121,549	2,719	356,490	366,838	10,348	26%
Deficit Adjustment (City)	1,500,633	125,053	0	(125,053)	375,158	0	(375,158)	0%
Interest	2,000	167	0	(167)	500	0	(500)	0%
Other Income	21,600	1,800	1,374	(426)	5,400	8,069	2,669	37%
<b>Total Income</b>	<b>2,950,193</b>	<b>245,849</b>	<b>122,923</b>	<b>(122,926)</b>	<b>737,548</b>	<b>374,907</b>	<b>(362,641)</b>	<b>13%</b>
<b>OPERATING EXPENSES:</b>								
<b>Administrative:</b>								
Salaries	305,019	25,418	25,598	(180)	76,255	69,395	6,860	23%
Legal	18,075	1,506	475	1,031	4,519	938	3,581	5%
Travel/Training	8,800	733	517	216	2,200	1,203	997	14%
Publications	700	58	0	58	175	72	103	10%
Telephone	8,000	667	780	(113)	2,000	1,851	149	23%
Audit Fees	3,700	308	4,655	(4,347)	925	4,655	(3,730)	126%
Office Supplies	8,000	667	637	30	2,000	1,324	676	17%
Contract Costs	81,622	6,802	2,594	4,208	20,406	7,157	13,249	9%
Sundry	4,700	392	1,077	(685)	1,175	2,163	(988)	46%
<b>Total</b>	<b>438,616</b>	<b>36,551</b>	<b>36,333</b>	<b>218</b>	<b>109,654</b>	<b>88,758</b>	<b>20,896</b>	<b>20%</b>
<b>Tenant Services:</b>								
Salaries	23,764	1,980	2,001	(21)	5,941	5,801	140	24%
Tenant Activities	26,600	2,217	4,009	(1,792)	6,650	4,138	2,512	
<b>Total</b>	<b>50,364</b>	<b>4,197</b>	<b>6,010</b>	<b>(1,813)</b>	<b>12,591</b>	<b>9,939</b>	<b>2,652</b>	<b>20%</b>
<b>Utilities:</b>								
Water and Sewer	141,484	11,790	11,843	(53)	35,371	11,843	23,528	8%
Electricity	49,897	4,158	3,424	734	12,474	7,452	5,022	15%
Gas	21,463	1,789	1,833	(44)	5,366	3,666	1,700	17%
<b>Total</b>	<b>212,844</b>	<b>17,737</b>	<b>17,100</b>	<b>637</b>	<b>53,211</b>	<b>22,961</b>	<b>30,250</b>	<b>11%</b>
<b>Maintenance:</b>								
Salaries	356,730	29,728	23,506	6,222	89,183	70,639	18,544	20%
Materials	47,338	3,945	3,590	355	11,835	9,330	2,505	20%
Contract Costs	263,780	21,982	13,418	8,564	65,945	29,146	36,799	11%
<b>Total</b>	<b>667,848</b>	<b>55,654</b>	<b>40,514</b>	<b>15,140</b>	<b>166,962</b>	<b>109,115</b>	<b>57,847</b>	<b>16%</b>
<b>General:</b>								
Police Services	37,590	3,133	6,055	(2,923)	9,398	9,082	316	24%
Insurance	30,027	2,502	2,712	(210)	7,507	7,662	(155)	26%
Employee Benefits	249,144	20,762	17,710	3,052	62,286	50,669	11,617	20%
Collection Losses	0	0	0	0	0	0	0	
<b>Total</b>	<b>316,761</b>	<b>26,397</b>	<b>26,477</b>	<b>(80)</b>	<b>79,190</b>	<b>67,413</b>	<b>11,777</b>	<b>21%</b>
<b>Total Operating Expenses</b>	<b>1,686,433</b>	<b>140,536</b>	<b>126,434</b>	<b>14,102</b>	<b>421,608</b>	<b>298,186</b>	<b>123,422</b>	<b>18%</b>
<b>Mortgage Interest</b>								
Mortgage Interest	255,030	21,253	21,727	(475)	63,758	65,583	(1,826)	26%
<b>Total</b>	<b>255,030</b>	<b>21,253</b>	<b>21,727</b>	<b>(475)</b>	<b>63,758</b>	<b>65,583</b>	<b>(1,826)</b>	<b>26%</b>
<b>Other Expenses:</b>								
Extraordinary Maintenance	161,132	13,428	0	13,428	40,283	0	40,283	
<b>Total</b>	<b>161,132</b>	<b>13,428</b>	<b>0</b>	<b>13,428</b>	<b>40,283</b>	<b>0</b>	<b>40,283</b>	
<b>Total Expenses</b>	<b>2,102,595</b>	<b>175,216</b>	<b>148,161</b>	<b>27,055</b>	<b>525,649</b>	<b>363,769</b>	<b>161,880</b>	
<b>Operating Income before Dep</b>	<b>847,598</b>	<b>70,633</b>	<b>(25,238)</b>	<b>(95,871)</b>	<b>211,900</b>	<b>11,138</b>	<b>(200,762)</b>	<b>1%</b>
<b>Depreciation (paper expense)</b>	<b>342,964</b>	<b>28,580</b>	<b>31,777</b>	<b>(3,197)</b>	<b>85,741</b>	<b>95,331</b>	<b>(9,590)</b>	
<b>Operating Income after Depr</b>	<b>504,634</b>	<b>42,053</b>	<b>(57,015)</b>	<b>(99,068)</b>	<b>126,159</b>	<b>(84,193)</b>	<b>(210,352)</b>	

**Unaudited Budget Variance Report**  
**Section 8 Voucher Program**  
**For the Three Months Ending September 30, 2015**

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	YTD Budget	Y-T-D Actuals	YTD Variance	S/B 25% USED
<b>OPERATING INCOME:</b>								
HAP	22,506,848	1,875,571	1,884,136	8,565	5,626,712	5,848,221	221,509	26%
Dwelling Rents	0	0	0	0	0	0	0	0%
Administrative Fees	1,433,931	119,494	141,003	21,509	358,483	445,031	86,548	31%
Interest	0	0	0	0	0	0	0	0%
Other Income	5,580	465	0	(465)	1,395	0	(1,395)	0%
<b>Total Income</b>	<b>23,946,359</b>	<b>1,995,530</b>	<b>2,025,139</b>	<b>29,609</b>	<b>5,986,590</b>	<b>6,293,252</b>	<b>306,662</b>	<b>26%</b>
<b>OPERATING EXPENSES:</b>								
<b>Administrative:</b>								
Salaries	1,102,525	91,877	82,106	9,771	275,631	229,872	45,759	21%
Legal	11,030	919	1,433	(514)	2,758	2,964	(207)	27%
Travel/Training	13,000	1,083	3,934	(2,851)	3,250	6,768	(3,518)	52%
Publications	1,300	108	0	108	325	250	75	19%
Telephone	10,900	908	880	28	2,725	1,841	884	17%
Audit Fees	11,000	917	2,678	(1,761)	2,750	2,678	72	24%
Office Supplies	20,000	1,667	2,465	(798)	5,000	4,923	77	25%
Contract Costs	171,882	14,324	16,428	(2,105)	42,971	40,977	1,994	24%
Sundry	0	0	2,682	(2,682)	0	5,562	(5,562)	0%
<b>Total</b>	<b>1,341,637</b>	<b>111,803</b>	<b>112,606</b>	<b>(803)</b>	<b>335,409</b>	<b>295,835</b>	<b>39,574</b>	<b>22%</b>
<b>Tenant Services:</b>								
Salaries	0	0	0	0	0	0	0	
Tenant Activities	100	8	0	8	25	167	(142)	0%
<b>Total</b>	<b>100</b>	<b>8</b>	<b>0</b>	<b>8</b>	<b>25</b>	<b>167</b>	<b>(142)</b>	<b>0%</b>
<b>Utilities:</b>								
Water and Sewer	371	31	281	(250)	93	281	(188)	76%
Electricity	8,823	735	686	49	2,206	1,429	777	16%
Gas	516	43	35	8	129	70	59	14%
<b>Total</b>	<b>9,710</b>	<b>809</b>	<b>1,002</b>	<b>(193)</b>	<b>2,428</b>	<b>1,780</b>	<b>648</b>	<b>18%</b>
<b>Maintenance:</b>								
Salaries	0	0	0	0	0	0	0	
Materials	4,578	382	238	144	1,145	250	895	0%
Contract Costs	17,250	1,438	8,423	(6,986)	4,313	9,658	(5,346)	0%
<b>Total</b>	<b>21,828</b>	<b>1,819</b>	<b>8,661</b>	<b>(6,842)</b>	<b>5,457</b>	<b>9,908</b>	<b>(4,451)</b>	<b>45%</b>
<b>General:</b>								
Police Services	15,960	1,330	1,995	(665)	3,990	2,992	998	19%
Insurance	4,185	349	324	25	1,046	972	74	23%
Employee Benefits	400,703	33,392	30,664	2,728	100,176	85,681	14,495	21%
Claim Costs	0	0	0	0	0	0	0	0%
<b>Total</b>	<b>420,848</b>	<b>35,071</b>	<b>32,983</b>	<b>2,088</b>	<b>105,212</b>	<b>89,645</b>	<b>15,567</b>	<b>21%</b>
<b>Total Operating Expenses</b>	<b>1,794,123</b>	<b>149,510</b>	<b>155,252</b>	<b>(5,742)</b>	<b>448,531</b>	<b>397,335</b>	<b>51,196</b>	<b>22%</b>
<b>HAP Payments:</b>								
HAP	22,506,848	1,875,571	1,969,568	(93,997)	5,626,712	5,917,550	(290,838)	26%
<b>Total</b>	<b>22,506,848</b>	<b>1,875,571</b>	<b>1,969,568</b>	<b>(93,997)</b>	<b>5,626,712</b>	<b>5,917,550</b>	<b>(290,838)</b>	<b>26%</b>
<b>Other Expenses:</b>								
Extraordinary Maintenance	0	0	0	0	0	0	0	0%
<b>Total</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>Total Expenses</b>	<b>24,300,971</b>	<b>2,025,081</b>	<b>2,124,820</b>	<b>(99,739)</b>	<b>6,075,243</b>	<b>6,314,885</b>	<b>(239,642)</b>	<b>26%</b>
<b>Operating Income before Dep</b>	<b>(354,612)</b>	<b>(29,551)</b>	<b>(99,681)</b>	<b>(129,232)</b>	<b>(88,653)</b>	<b>(21,633)</b>	<b>67,020</b>	
<b>Depreciation (paper expense)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Operating Income after Depr</b>	<b>(354,612)</b>	<b>(29,551)</b>	<b>(99,681)</b>	<b>(129,232)</b>	<b>(88,653)</b>	<b>(21,633)</b>	<b>67,020</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: Roderick J. Roche  
Director of Facilities

Date: October 21, 2015

Re: Maintenance Workflow Analysis Report – The Nelrod Company, November  
2014 - Progress Update High Priority Action Response Plan.

## BACKGROUND

Alameda Housing Authority (AHA) is committed to providing a high quality of service to its tenants and ensuring that maintenance processes and workflow retain the value and future use of these important community assets. During the summer of 2014, AHA published a Request for Proposal (RFP) for Maintenance Workflow Analysis, and selected The Nelrod Company (TNC), as the Consultant, to examine the operations of the Maintenance Department, with particular emphasis on workflow. In short, TNC was tasked with making recommendations on current maintenance practices in accordance with industry best practices/benchmarking. TNC performed on-site interviews with AHA Staff in August of 2014, and issued its final Maintenance Workflow Analysis Report and Maintenance Plan on November 28, 2014.

The TNC Maintenance Workflow Analysis Report provides twenty (20) observations and recommendations on existing AHA Maintenance Operations. The subject areas covered by the TNC Report include: Staffing, Facilities & Inventory, Management, Vacant Unit Turnaround, Work Orders, Inspections, and Succession Planning. AHA Senior Staff reviewed the TNC Summary Report, and the Director of Facilities presented this information to the entire Maintenance Team on January 5, 2015. At the February 2015 Board Meeting, Staff presented the seven (7) High Priority Action Response Items from the TNC report. Staff further committed to providing a progress update on each of the High Priority Action Response Items at the October Board of Commissioners Meeting.

## DISCUSSION

Executive Summary Areas of Concern – Maintenance costs are too high

TNC Report made a general observation about AHA Maintenance Costs without providing specific detail. Our response to this observation stated that we would benchmark our AHA Maintenance Costs with other Public/Private Organizations, and complete this action before May 31, 2015.

AHA has a consultant which has been hired to assist with the full analysis and evaluation on our maintenance costs, and preliminary data has been collected from AHA and comparator agencies and results will be presented to the Board in 2016.

The Summary Area of Concern – Maintenance costs are too high – remains an open item, and which a progress update will be provided in early 2016.

Executive Summary Areas of Concern – Lack of Effective Written Maintenance Procedures

TNC provided a recommended Maintenance Plan and Procedures Manual based on its work in the Industry and which is a compilation of various best-practices from other similar organizations.

Our Facilities Team reviewed the proposed TNC Maintenance Plan and used it as a guide for developing our own specific AHA Maintenance Plan & Procedures Manual which was published in September 2015. In addition, the entire Facilities Department was presented this manual in a training session that was held on September 24, 2015.

The Summary Area of Concern - Lack of Effective Written Maintenance Procedures - is closed out, although this will be a living document, and will be reviewed annually for changes and improvements.

Priority Item 1 – Observation 7 – Facilities & Inventory – A review of purchased revealed that maintenance materials, and appliances are ordered without proper authorization as outlined in the Procurement Policy

TNC recommended that no purchases should be made by a person without written delegation of purchase authority. All staff allowed to make purchases should be informed of purchasing limits and requirements.

Since the publication of the TNC Report, and during the month of November 2014, there was an internal senior management AHA Team established to focus on evaluating and cleaning up the existing AHA Procurement Procedures. In addition, during the month of March 2015 at the All-Staff General Meeting, there was a presentation outlining the AHA Procurement Policy and Procedures.

Through this effort, the Facilities Department and Maintenance Team implemented several processes to ensure improved alignment of operations to the existing procurement procedures. For example, HD Supply, one of our major vendors, is now under an official national contract through U. S. Communities with AHA for purchasing maintenance supplies. Also, our maintenance team is now consistently getting no less than three quotations for all required contract work over \$2,000, and purchase orders (POs) are now being issued in advance of work being performed.

Although this is an ongoing work in process, this effort will take at least through the end of the first quarter of 2016 before we will be able to consider this effort fully addressed. Our Facilities Department will continue to soliciting bids for and securing contracts for major vendors, services and contractors for the following items: appliances, pest control, mini-blinds, window replacement, tub and counter top refinishing, on-call plumbing contractor, on-call electrical contractor, In addition the Facilities Department will be developing an system for monitoring and measuring its maintenance inventory.

Priority Item 1 – Observation 7 – remains open, and which a progress update will be provided in early 2016.

Priority Item 2 – Observation 9 – Management – Lead Maintenance Technician does not have complete authority to supervise department

TNC provided a recommendation that the Lead Maintenance Technician position be updated to a supervisor-level position, and receive management training to assume the responsibilities of the day-to-day management of the maintenance department/function.

The new AHA Maintenance Supervisor position was presented and approved at the Board of Commissioners September 2015 Meeting. AHA is currently soliciting applications for filling this role externally as there were no internal candidates.

Priority Item 2 – Observation 9 – remains open, and which a progress update will be provided in early 2016.

Priority Item 3 – Observation 11 – Vacant Unit Turnaround

TNC made an observation that AHA is losing revenue due to slow unit turn around. The recommendation was that AHA must focus its efforts on reducing vacant unit turnaround time.

The Maintenance Team made good progress on this effort since the publishing of the TNC Report. Since October 1, 2014, the Maintenance Team completed 50 vacant unit turnovers. The Maintenance Team goal was to complete all units in less than 15 workdays, and since October 2014, the Maintenance Team has completed all vacant unit turnovers in an average of 17 work days (with over half of the units turned-over in less than 9 work days). We will continue to monitor this time for maintenance turnover of vacant units, and the updated goal is now to complete all vacant unit turnovers in less than 15 calendar days.

Priority Item 3 – Observation 11 – is closed out, although this will be a living document along with the AHA Maintenance Plan & Procedures Manual, and will be reviewed annually for changes and improvements.

Priority Item 4 – Observation 13 – Work Orders – Work Orders are closed out with incomplete information

TNC made an observation that work orders are closed out with incomplete information. Further, TNC made the recommendation that Staff should receive training on priority codes and work order procedures.

The AHA Maintenance Plan & Procedures Manual includes detailed information on Work Order Protocols, and how work orders should be processed. The Work Order Protocols include a number of detailed and new requirements for our Maintenance Team. With this in mind, AHA is scheduling training for Facilities Department staff and specifically on the YARDI work order software management system. In addition, the work order protocols call for weekly reports to be provided to the Director of Facilities, which will start in November 2015. Full implementation for the new work order protocols are anticipated to be implemented by January 2016.

Priority Item 4 – Observation 13 – remains open, and which a progress update will be provided in early 2016.

Priority Item 5 – Observation 14 – Work Orders – Quality Control Inspections

TNC made an observation that Quality Control Inspection of Maintenance Work Orders is not performed. TNC further recommended that quality control should be performed on 10% - 15 % of all work orders.

During the month of February 2015, and in conjunction with the Annual HQS Inspections, the Lead Maintenance Technician started performing Quality Inspections on the work performed by the preventative Preventive Maintenance Team. Quality Inspection Protocols is a specific item that is detailed in the recently published AHA Maintenance Plan & Procedures Manual. Implementation of these Quality Inspection Protocols, however, have not been fully implemented. Moving forward, the Director of Facilities will inspect 100% of all Emergency Work Orders to ensure that the repair was made and that the work required was an emergency. In addition, the Lead Maintenance Technician will inspect at least 5% of all other completed work orders to ensure that work is performed to AHA quality standards. We anticipate this Quality Inspection Protocol will be fully implemented before the end of this calendar year.

Priority Item 5 – Observation 14 – remains open, and which a progress update will be provided in early 2016.

Priority Item 6 – Observation 15 – Inspections Preventative HQS

TNC made an observation that several units had failed Housing Quality Standards (HQS) Inspections resulting in the contracting inspector having to go back out to re-inspect units. As such, TNC made the recommendation that an AHA maintenance staff member accompany the Section 8 Inspector during the HQS Inspection and with the purpose of reducing the number of HQS call-backs for re-inspections.

In response to this particular item, during the month of January 2015 the maintenance department totally re-organized its Preventive Maintenance Program for the balance of Fiscal Year 2015, and with the purpose of aligning the Preventative Maintenance function to be performed in advance of scheduled HQS Inspections. In addition, a maintenance technician was assigned to join all Section 8 HQS Inspections of our units/complexes, along with property management personnel. Initially, the results of this particular change in our maintenance operations resulted in a drastic improvement for HQS Inspections for the vast majority of our housing complexes. Unfortunately, the one property that we were not able to complete Preventative Maintenance in advance of HQS inspections was

Esperanza (120 units), where we had the majority of the units fail HQS Standards. All of these subject HQS failures have all since been fully addressed and resolved.

The new Preventative Maintenance protocol is detailed in the recently published AHA Maintenance Plan & Procedures Manual. In short, this protocol requires a schedule of preventive maintenance and a schedule of annual HQS inspections ensuring that no inspections are more than 364 days apart. In addition:

- HQS inspections are scheduled 335 days after the prior one.
- Pre-inspection and Preventative Maintenance Work Orders start 60 days before inspection. 100% of units must be inspected.
- Maintenance has 45 days to do repairs. 100% of units must be repaired unless a major rehab issue.
- Lead Maintenance Technician must sign off the unit within 5 days as HQS ready.

AHA has already fully implemented this Preventative Maintenance Protocol, and the first scheduled HQS Inspections for Fiscal Year 2016 will occur in November 2015.

Priority Item 6 – Observation 15 – remains open (as the effectiveness of the new program needs to be measured), and which a progress update will be provided in early 2016.

#### Priority Item 7 – Observation 19 – Succession Planning HQS

TNC made an observation that the maintenance team has a variety of skill levels at each position, however, without adequate back-up cross training support for all functions. As such, TNC recommended that AHA implement a cross training program for back-up of all maintenance positions/skills and functions.

Cross training of our maintenance personnel has been a focus over the past six months in the Maintenance Department. A number of the Facilities Department personnel attended training on HQS in June 2015, all team members have been trained on the new AHA Maintenance Plan & Procedures Manual in September 2015, and several are scheduled to receive additional training on the YARDI work order software management system. This will be an on-going opportunity for our Facilities Department.

Priority Item 7 – Observation 19 – is closed out, although this will be a living document along with the AHA Maintenance Plan & Procedures Manual, and will be reviewed annually for changes and improvements.

#### SUMMARY

While the most of the identified High Priority Action Response Items have been partially or fully addressed, there are several that will require further follow through for full closure. We will provide another Progress Update at the Board of Commissioners Meeting in February 2016.

#### FINANCIAL IMPACT

None at this time.

Honorable Chair and  
Members of the Board of Commissioners

October 21, 2015

RECOMMENDATION

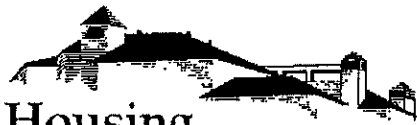
For information only.

Respectfully submitted,

A handwritten signature in cursive script that reads "Vanessa Cooper".

Vanessa M. Cooper  
Executive Director

VMC/RR



# 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: October 21, 2015

Re: Adoption of Housing Authority Development Policies and Guidelines

## BACKGROUND

In 2010 the Board adopted a document titled: *Affordable Housing Development Policies and Guidelines* (Development Policies). The purpose of the Development Policies was and is to establish goals and objectives that promote new affordable housing opportunities throughout Alameda and to guide investment in Housing Authority development projects. Since 2010 several events with an impact on affordable housing have occurred within the City. In 2012, the Community Improvement Commission was administratively dissolved and the Housing Authority became the Housing Successor Agency. Also in 2012, the State of California certified the Housing Element of the City's General Plan for the first time in over 20 years. This created a new path to develop multi-family housing in Alameda. In 2014, the Housing Authority formed Island City Development (ICD) as a non-profit affiliate. In June 2015, the State Supreme Court released a ruling that sets a legal precedent that supports local inclusionary housing policies.

## DISCUSSION

Staff has reviewed the 2010 Development Policies and believes that that the goals and objectives that are defined in the document remain equally valid five years later. Staff is recommending revisions to reflect the dissolution of the CIC, the formation of ICD and other administrative changes. In September staff presented a draft of the revised Development Policies to the Board and requested comments. All comments received have been incorporated into the updated document (Exhibit A).

Over the next three to five years active development activity will continue at several projects including Stargell Commons, 2437 Eagle Avenue, Del Monte Senior Apartments and North Housing. Staff will also complete feasibility studies for rehabilitation projects at portfolio properties and will respond to opportunities for new development or acquisition.

There are also related administrative matters that should be addressed in order to conform to the Development Policies, satisfy federal regulatory requirements and to maximize the regulatory protections available to affordable housing. Section B of the policy states that affordability at all projects shall be protected through a Regulatory Agreement recorded against the property. Staff is currently evaluating Housing Authority owned properties with respect to the restrictions and covenants at each. After the evaluation is complete, staff will work with legal counsel to prepare and record a standard Regulatory Agreement and/or Affordability Covenant that will protect affordability for at least 55 years, establish criteria for continued resident eligibility and that will allow financing and refinancing as needed.

The second point relates to a regulation change that was adopted by HUD in 2014 (24 CFR Part 983). The regulations now prohibit Housing Authorities from entering into contracts for Project Based Section 8 assistance (PBV) unless the property has separate legal ownership. Thus, prior to entering into any new or renewal PBV contracts, AHA property ownership must be transferred into a LLC or another similar ownership structure. Staff will work with legal counsel and return to the Board with a recommendation for property transfers.

#### FISCAL IMPACT

The impact of any development project will be considered and approved by separate Board action. The adoption of the updated Policies and Guidelines has no specific financial impact.

#### RECOMMENDATION

Staff recommends Board adoption of the updated Development Policies including authorizing the Executive Director to execute new or revised regulatory agreements and affordability restrictions.

Respectfully submitted,



Vanessa M. Cooper  
Executive Director

VC/VJ

Exhibit A – Affordable Housing Development Policies and Guidelines



**HOUSING AUTHORITY OF THE CITY OF ALAMEDA**  
**AFFORDABLE HOUSING DEVELOPMENT POLICIES AND GUIDELINES**

**EXHIBIT A**

**I. Purpose**

To maintain, improve and expand the City's supply of affordable housing for extremely low, very low, low, and moderate-income households.

**II. Project Selection Policies**

**A. *Income Targeting***

- Households earning up to 80% of the median income, adjusted for family size, recognizing that tax credit and other financing may be restricted to low-income households earning up to 60% of the median income or lower, adjusted for family size.
- Projects serving extremely low-income households (less than 30% of median income) and that often include special populations such as persons with disabilities, seniors, homeless or formerly homeless households and veterans.
- Mixed-income projects may be developed if necessary to ensure project feasibility.

**B. *Term of Restrictions***

- Permanent affordability is the goal, with a priority for projects that will be owned by the Housing Authority, either initially or following the first 15 years tax credit period. Wherever possible, land ownership will remain with the Housing Authority.
- Projects shall have a Regulatory Agreement recorded against the property that details affordability levels, term of affordability, maintenance and management, and other requirements related to the terms of the financing.

**C. *Development Parameters***

- Housing Category: Permanent affordable rental housing; however, transitional housing may be appropriate as allowed by regulatory agencies.
- Housing Type: Apartment complexes, townhouse style developments, studio/single-room occupancy units, group homes and other appropriate affordable housing types are eligible development projects.
- Projects may be new construction, acquisition, and/or rehabilitation of existing developments to increase or preserve affordable housing.
- Projects may serve families (two or more bedrooms); seniors; disabled individuals (including but not limited to mentally, physically, or developmentally disabled persons); formerly homeless people; and people

recovering from substance abuse or domestic violence based on documented community need.

- Housing Authority/Successor Agency and other public and private funds may be used for land acquisition, predevelopment expenses, hard and soft development costs, and initial operating reserves.
- Housing Authority and Successor Agency Funds may provide bridge, construction, or permanent financing.
- Housing Authority and Successor Agency Funds will be provided as loans. Loans can be structured as deferred, amortized, or residual receipts. Loans will typically carry the interest rate if they can carry an interest rate, or not, depending on project feasibility. Loans can be forgiven over time if required for project feasibility. However, zero interest and forgivable loans to third parties should be avoided if possible, in order to preserve future repayment funds for future development or rehabilitation.
- Loan amount shall be determined based on an analysis of funding gap and the ability to leverage the maximum amount of other public and private funding.
- A commitment of Project Based Vouchers will be limited to units that serve extremely low or very low income households and projects that provide comprehensive services.

#### ***D. Geographic Distribution***

- Projects are intended to increase the supply of affordable housing throughout the city.
- Projects will promote economic integration and avoid concentrating low-income units in any one neighborhood.
- Priority should be given to projects that improve the character of the neighborhood.

### **III. Eligibility**

- Projects may be identified through a Request for Proposals (RFP) process or through response to opportunities as they arise.
- The Housing Authority's affiliated non-profit (Island City Development) will serve as the primary development vehicle.
- Development partnerships may be formed with a non-profit corporation, a for-profit developer specializing in affordable housing (based on the company's business model), or a joint venture that includes a qualified non-profit or for-profit developer.
- If the proposed housing development targets a special need population, a plan to provide supportive services must be prepared.

## **IV. Project Selection**

An analysis of proposed terms and conditions of financing for a specific project, and an analysis of how the proposal meets the policies outlined above, shall be presented to the Housing Authority Board of Commissioners for approval.

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