



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 3 minutes per item.
2. Lengthy testimony should be submitted in writing and only a summary of pertinent points presented verbally.
3. Applause and demonstrations are prohibited during Board of Commissioners meetings.

AGENDA

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

DATE & TIME

Wednesday, February 18, 2015, 2014 7:00 p.m.

LOCATION

Independence Plaza, 703 Atlantic Avenue, Alameda, CA

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

Public Participation

Anyone wishing to address the Board on agenda items or business introduced by Commissioners may speak for a maximum of 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. 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.
- 2-A. Minutes of the Board of Commissioners Regular Meeting held January 21, 2015. Acceptance is recommended.
- 2-B. Accept the Monthly Overview Report



2-C. Accept the Budget Variance Report

2-D. Accept the Quarterly Investment Report

3. AGENDA

3-A. Accept the Quarterly Police report

3-B. Maintenance Workflow Analysis Report – The Nelrod Company 11/2015 Summary Update & High Priority Action Response Plan

3-C. Update Schedule of Charges for Maintenance Services

3-D. Update on the Housing Choice Voucher Section 8 Waitlist and Approval to Retain a Back-up List of 750 Names

3-E. Approve an Amendment to Lease Agreement with Hi Chi Chen Extending the Term of the Lease on the Property Adjacent to Esperanza for an Additional Ten (10) Year Period through April 30, 2025

3-F. Adopt the Resolution to Revise the FY 2015 Budget

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

5. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

6. EXECUTIVE DIRECTOR COMMUNICATIONS

7. ADJOURNMENT

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Note

- Sign language interpreters will be available on request. Please contact the Housing Authority Executive Assistant at 510-747-4325 or TDD number 510-522-8467 at least 72 hours prior to the Meeting to request an interpreter.
- Equipment for the hearing impaired is available for public use. For assistance, please contact the Housing Authority Executive Assistant at 510-747-4325 or TDD number 510-522-8467 prior to the Meeting or you may also make a request at the Meeting.
- Accessible seating for persons with disabilities, including those using wheelchairs, is available.
- Minutes of the meeting available in enlarged print.
- Please contact the Housing Authority Executive Assistant at 510-747-4325 or TDD number 510-522-8467 at least 48 hours prior to the meeting to request agenda materials in an alternative format, or any other reasonable accommodation that may be necessary to participate in and enjoy the benefits of the meeting.
- 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 SUNSHINE ORDINANCE: 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.
- FOR MORE INFORMATION ON YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE OR TO REPORT A VIOLATION OF THE ORDINANCE, CONTACT THE OPEN GOVERNMENT COMMISSION: the address is 2263 Santa Clara Avenue, Room 380, Alameda, CA, 94501; phone number is 510-747-4800; fax number is 510-865-4048, e-mail address is lweisige@ci.alameda.ca.us; and contact is Lara Weisiger, City Clerk.
- In order to assist the Housing Authority's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the Housing Authority accommodate these individuals.





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DRAFT MINUTES

REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA HELD WEDNESDAY, JANUARY 21, 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: Commissioner Pratt

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 commented on the Monthly Overview Report and the number of inspections going through and commended staff on their efforts. Executive Director Cooper thanked the Rod Roche' team and Leslie Gleason's team for coordinating our inspections.

Commissioner McCahan moved to approve the Minutes of the Regular Meeting held December 17, 2014 and Commissioner Allen seconded. The motion carried unanimously. Items accepted or adopted are indicated by an asterisk.

- *2-A. Minutes of the Board of Commissioners Regular Meeting held December 17, 2014. Acceptance is recommended.
- *2-B. Accept the Monthly Overview Report
- *2-C. Accept the Budget Variance Report

3. AGENDA

- 3-A. Accept the Annual Investment Policy

Ms. Cooper said this report is submitted to the Board the first of each year and that it is a requirement that we show the Board our Investment Policy. At this point nothing much has changed. Ms. Cooper commented that staff issued an RFP for a Financial



Advisor. Staff expect to bring this back to the Board in March or April. At that time we would like to have the Advisor here to talk to the Board. Ms. Cooper said that she is meeting with her department heads to work out capital needs and then we will be able to work out an Investment Policy.

Commissioner McCahan moved to accept the report on the Investment Policy and Commissioner Rickard seconded. The motion carried unanimously.

3-B. Approve Resolution to Accept a Quitclaim Deed and Grant an Access Easement at Stargell Commons Project Site; Authorize Executive Director to Execute Related Documents

Ms. Cooper said that this is a site where we will co-develop housing going forward. The timeline is fairly tight but it may get extended. Ms. Cooper said at this time she is recommending that we accept the quitclaim deed and at that stage we would have the land. Having the land is the key activity that we want to do at this stage. There are some environmental clearances that we need from the State and the EPA. She commented that these are the same environmental clearances that we needed to finish Shinsei. This is a relative normal development hurdle. It may push the deadline out a little if we cannot get the agencies as quickly as we would like. Staff is preparing to be ready for the tax credit round.

Commissioner Rickard moved acceptance of the staff recommendation on page 38 and Commissioner Jones seconded. The motion carried unanimously.

3-C. Approve a Short List of Qualified Legal Firms and Authorize the Executive Director to Negotiate Terms and Execute a Final Contract Agreement for Tax Credit Counsel

Ms. Cooper said that we have received authorization from the State of California to be our own developers. This allows us some leeway going forward on the projects that we are taking in the future. This includes the Eagle Avenue Site, old Island High Site, and provided the Del Monte project goes ahead with a separate affordable element, we would also be involved there. In order to do both those projects we expect to use some tax credits as a way to leverage private financing. We wanted to go out for separate legal counsel on this issue. We received five responses. We still need to do some further analysis. We are requesting the Board approve the short list of qualified firms authorize the Executive Director to negotiate terms and execute a final contract agreement for tax credit counsel legal services. Currently, Resources for Community Development or Satellite Affordable Housing Associates, or whoever is our partner, would get tax credit counsel and we might have real estate counsel. Goldfarb & Lipman was involved here and they do tax credit counseling.

Commissioner Rickard asked if we use the one firm on the short list that had not the relevant experience or housing authority experience, would the Executive Director be willing to bring that decision back to the Board. Ms. Cooper apologized for not making this recommendation a bit clearer. Ms. Cooper said that of the five firms only four successfully demonstrated understanding of the service requested and only the four firms would be on the short list.



Commissioner Jones asked if we had approval for the prior projects tax credits. Ms. Cooper said that she would confirm with Ms. Johnson regarding the approval of the prior projects tax credits when she returns to the office. Ms. Cooper said that she could bring more information at the next Board meeting.

Commissioner McCahan said he appreciated the criteria used to evaluate the five firms. Commissioner McCahan said that one more criteria that we might use when interviewing the five could be speed of work and turn-around. Ms. Cooper said that she would add this additional criteria.

Commissioner Rickard moved to accept the staff recommendation on page 43 with Commissioner McCahan's modification and Commissioner Allen seconded. The motion carried unanimously.

3-D. Payoff Two US Bank Loans

Executive Director Cooper said that these payoffs are small U.S. Bank Loans that overtime consume a considerable amount of staff time to manage. We have funds currently and this small amount will not eat into our budget.

Commissioner Rickard moved to accept the staff recommendation on page 45 and Commissioner Allen seconded. The motion carried unanimously.

3-E. Approve the Write-off of Uncollectible HCV Participation Accounts Receivable

Ms. Cooper said that we are enforcing payment. We don't have a large number of people who have not paid us but this is the right thing to do. It saves a lot of time in terms of chasing those debts. We started at the top of the people who owe us the most money. Ms. Cooper said that it is our policy that if we are going to write off money we come to the Board. Normally at the end of the fiscal year we would give the Board the write-offs for the year, but this one is large enough to bring it at this time. This request is to write-off accounts of a Section 8 voucher holder, not a tenant in one of our properties. Ms. Cooper said the debt is so significant that she wants to get it off the books and give the individual the garnish so she knows it is gone off our books. We had already budgeted to write it off. We want to get our list of receivables down as much as possible.

Chair Kurrasch noted that the correct amount, including a comma in the dollar figure, in the staff recommendation. Commissioner McCahan moved acceptance of the staff recommendation on page 46 and Commissioner Rickard seconded. The motion carried unanimously.

3-F. Approve an Amendment to Contract with Sterling Cos. Inc. Establishing a Limit of no more than \$150,000 for the Contract and Extending the End Date to February 17, 2019, and Authorize the Executive Director to Execute Amendment



Ms. Cooper said that we have two contracts with companies called Sterling. One is for our benefits administrator and this is not the contract in front of you at the moment. Sterling Cos. Inc. is the third party HQS Inspector that we and many other Housing Authorities in the Bay Area use. Everyone is required to have a third party inspector because they are not allowed to inspect their own units. Previously Housing Authorities would do this for one another, then people moved more to using a third party.

We issued an RFP back in 2013 for HQS Inspection Services. We contracted for one year with Sterling. Staff is now recommending that we set a maximum compensation limit, which was not in the previous contract and is just good practice, and extend the date to February 17, 2019. Five years is the maximum we can contract out with an RFP for a public agency. However, given the fact that we have been using them extensively, and others are using them, I think it likely that we will probably continue to use them. If they underperformed then we would terminate. This does reduce the administrative work for the organization and we would not have to come back to the Board every year.

Ms. Cooper said that we will be doing more quality control. So far their services are acceptable. Commissioner Allen asked if the inspectors are background checked and if they provided identification to the tenants. Ms. Cooper said that she would confirm.

Commissioner Rickard moved to accept the staff recommendation on page 48 with the addition that the Inspectors are background checked and provide identification. Commissioner Jones seconded. The motion carried unanimously.

- 3-G. Approve an Amendment to Contract with Koff and Associates LLC Establishing a Limit of No More than One Hundred and Twenty Five Thousand Dollars (\$125,000) and Extending the End Date to June 12, 2016 and Authorize the Executive Director to Execute Amendment

Ms. Cooper said that Koff and Associates LLC has done many tasks for the Housing Authority. Particularly exiting the Housing Authority to becoming an independent entity. They recruited for the Management Analyst position. They carried out a compensation study in 2013. The final part of their contract covers human resources and compensation. This request extends the contract so that we have about \$25,000 in the budget this year to use. These funds will be used precisely for the things that come up in human resources.

Commissioner Allen asked for clarification of the hourly fees in the Amendment. Chair Kurrasch explained that this is a breakdown of how each individual is paid per hour.

Commissioner McCahan moved to approve the staff recommendation on page 51 and Commissioner Jones seconded. The motion carried unanimously.

- 3-H. Housing Choice Voucher Waitlist Update



Ms. Cooper talked about the extensive outreach and team efforts that have gone into making the Waitlist Opening a success. Ms. Cooper said that the Waitlist Vendor has tested our website and also a third party consultant. We are paying for a rollover service in case our site goes down.

- 3-I. Amending Administrative Plan Chapter 16 to Make Mandated Changes from Building to Project, to Allow for Proposal Scoring Criteria to be Stipulated in the Request for Proposals, and to Update Regulation References (Amendment 2015-1)

Ms. Cooper explained the two approaches to the Administrative Plan. One approach is to hire a consultant and get it changed in one go and you are done. Ms. Cooper commented that you probably don't get what you necessarily need because the consultant does not know your business. What we have opted for, and you will probably receive most months, is to spend as items occur and as we find we are behind enough in certain areas to bring you chapters. We started with the Waitlist, we amended some of our family definitions to meet new HUD regulations. This request is to amend the section on Project Based Voucher (PBV) Program to help us in administrating the regulation for issuing PBV, and also to help us incorporate some changes in the regulations about how we define building and project.

Ms. Schuler commented that mostly it will help make it easier to issue an RFP and have a little more flexibility in how we score that RFP in the long-term. The other issue is to bring it into compliance with HUD CFR.

Chair Kurrasch commented on an item on page 57 regarding Request for Proposals for newspapers. He would like to add the Alameda Sun to this distribution list. Commissioner McCahan suggested adding Bay Area News Group at the end of Alameda Journal for broader distribution clarification.

Commissioner McCahan moved to accept the staff recommendation on page 56 and Commissioner Rickard seconded. The motion carried unanimously.

- 3-J. Adopt Amendment to Substitute New IRS Language Within the Flexible Spending Account (FSA) Adoption Agreement Effective December 1, 2014

Ms. Cooper said that changes are being made here to reflect our Flexible Spending Account. This allows employees to put money aside, tax free, to spend on health care or dependent care. One of the problems with the program is that when you are electing in December of the prior year for the next year, you can't know exactly to the penny how much summer camp will cost or how many fillings you will possibly need. A few years ago the IRS brought up a way to roll over some of the funds so you do not have to be quite as precise. This is something that we had in our initial plan, but we did not bring it to the Board at that time. This is the retroactive addendum to the adoption agreement that allows our employees to carry-over up to \$500. There are no additional administrative costs. This is all taken care of by Sterling benefits.



Commissioner Rickard moved acceptance of the staff recommendation on page 108 and Commissioner Allen seconded. The motion carried unanimously.

3-K. Review of AB 1234 Mandatory Ethics Training Requirements

Chair Kurrasch commented that New Jersey Housing Commission has to take five separate Ethics Trainings. Ms. Cooper said that this is a bi-annual Ethic Training. It is required for all elected and appointed officials who receive a stipend. Ms. Cooper said that it is great training. It is offered in class or online. We are requesting the Board complete the training online. The Housing Authority will take care of the processing fee. Ms. Cooper said that if any member has a request for reasonable accommodation that we would assist with that.

3-L. Adopt the Resolution to Amend the Revised Housing Authority's Personnel Policies

Ms. Cooper said that there are several state and federal paid leaves that can be confusing. The recommendation that is being made here allows us to meet the California Paid Leave definition that was expanded on July 1, 2014, but it does not change the individual requirements for those state and federal leaves. This relates to the paid leave that individuals have. It creates a second tier. Currently we allow people to use their paid sick for the sickness of medical or dental appointments of their spouse, parent, child, registered domestic partner and their child regardless of their residence, or dependent living in their house. The paid family leave from California expands that with a caveat that it is for seriously ill parent in-law, grandparent, grandchild or sibling. This will help us going forward as people become eligible for the paid family leave benefits.

Commissioner McCahan moved to accept the staff recommendation on page 114 and Commissioner Allen seconded. The motion carried unanimously.

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

None

5. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

Commissioner Rickard commented that it is finals week for the high schools. Send them good wishes.

Chair Kurrasch thanked staff on the great, three Town Hall Meetings that we have had so far. We had really good turn outs. The final Town Hall Meeting will be held next Monday night here at Independence Plaza.

Commissioner Jones asked if Facilities Director could send out a memo at Esperanza asking tenants to not hang clothing and other items over the fence, especially on the street side.



6. EXECUTIVE DIRECTOR COMMUNICATIONS
None

7. ADJOURNMENT

There being no further business, Chair Kurrasch adjourned the meeting at 7:43pm.

Arthur Kurrasch, Chair

Vanessa M. Cooper
Executive Director/Secretary





Housing Authority of the City of Alameda

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To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: February 18, 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 five departments – Operations and Managed Housing, Facilities, Housing Programs, Housing and Community Development and Finance.

Administration and Managed Housing

Staffing

Staff is working with Koff and Associates to fill five open, budgeted positions. The following recruitments are in process:

- HCD Project Manager (Open)
- Facilities Project Manager (Open)
- Housing Specialist II (Internal)
- Housing Assistant (Open)

Maurice Harold was promoted in February from Housing Specialist II to Housing Programs Supervisor. Staff will shortly open the Director of Operations recently vacated position. The position will be retitled "Director of HR and Operations" to reflect the increased HR responsibilities for this position since AHA separated from the City. This will be an open recruitment and minor changes will be made in the job description to reflect the HR emphasis, although general operations responsibilities will also be part of this position.

Property Management

	December 2014	January 2015
Occupancy Rate (Actual)	98.07	98.42%
Rent Collections Rate	99.52	99.75%
# of Units Committed	10	8
New Leases Signed	6	6
Debt Owed compared to previous month	-\$27	\$599.65
Percentage Reduction of Residents with Installment Agreements	No reduction Vs: Nov. due to Christmas	There was an addition of only one person.

We signed six leases in January, traditionally a slightly better month for rentals than December. We ended January with only 12 vacant apartments, one of which is the Senior Condo on Otis Drive which had been held off market since last year. This is good news as is shown by the increase in occupied units.

Rent collections continue to show improvement. We ended January with only one resident owing rent for January.

Only 1.73% of all residents paid late in January compared to 5.46% in December. The Payment Installment Program is showing very good reductions in debt owed to AHA. We ended January with only \$12,446.49 in unpaid debt. Of this amount only two residents owe more than \$1,000. Only 3 of the remaining 27 residents are more than a month past due.

We sent out nine letters asking for payment by the 5th of February on outstanding payment plans. Those that do not pay are subject to a formal Notice of Breach of lease with a three day deadline to pay. Once the three days are up, we reserve the right to enforce the terms of the lease and we can file an Unlawful Detainer action against them. This action a majority of the time ends up being settled through a Stipulated Agreement. If the resident violates the terms of the Stipulated Agreement, they may face eviction.

Monthly meetings continue for all site managers. At the January meeting we reviewed new policies and procedures, completed thorough reviews of the current AHA residential leases and prepared for upcoming participation by the managers in the annual HQS inspections.

Our meetings are focused and usually run about one hour and fifteen minutes. Self-evaluations as part of the annual Performance Evaluations are due on the 9th of February. After reviews by the Executive Director, presentation of the evaluations will be complete by the end of March, 2015.

Facilities and Maintenance (Director Rod Roche)

Capital Improvements Projects – During the month of January, our contractor for the Anne B. Diament Windows, Sliding Glass Door & Siding Project received its Final Building Permit Sign-off from the City of Alameda. On the Parrot Village Bay Friendly Drought Tolerant Landscape Project our contractor submitted its Final Submittal Package for review and acceptance for Bay Friendly Certification. Both projects are substantially complete, with only minor punch list and change order work required for 100% close-out. Our contractor for the Esperanza Site Improvements Project remobilized on site and started work on refurbishing existing and building the two (2) new arbors.

Capital Projects Update			
January 2015 Update	ABD - Windows, Sliding Glass Door, & Siding Replacement	ESP - Site Improvements Project	PV - Landscaping Project
BOD Approval	\$ 933,000	\$ 1,550,400	\$ 350,850
Original Contract Amount	\$ 777,500	\$ 1,292,000	\$ 292,375
Approved Change Orders	\$ 51,428	\$ 22,694	\$ 5,560
Current Contract Amount	\$ 828,928	\$ 1,314,694	\$ 297,935
Project Cost To Date	\$ 824,010	\$ 436,078	\$ 295,560
% Complete	99%	33%	99%
Pending Change Orders	\$13,601	\$99,611	\$3,000
Original Substantial Completion	11/15/2014	6/30/2015	11/26/2014
Current Substantial Completion	12/9/2014	6/30/2015	12/17/2014

Other Capital Improvement items from this past month include the completion of the Resurfacing & Restriping Parking Lots Project at Eagle Village.

Lastly, on January 26th we received six (6) responses on the Invitation for Bid (IFB) for the final 33 Units of Kitchen & Bathroom Renovations Project at Esperanza. After opening and reviewing all bid packages AHA determined that there were bidding irregularities, and formally rejected all bids. We are currently planning to re-bid this project in the next few weeks.

Maintenance Work Orders

Maintenance Work Order Update				
January 2015 Update	FY 2014 Ave.	Jul - Dec 2014	Jan-15	FY 2015 Ave.
Total Monthly WOs	285	1531	241	253
Preventative Maintenance WOs	41	126	51	25
Vacancy Turnovers	6	35	7	6

In November 2014, The Nelrod Company (TNC) completed its Maintenance Workflow Analysis Report which 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 Director presented this information to the entire Maintenance Team on January 5, 2015.

Housing Programs (Director Leslie Gleason)

The hallmark of January was the opening of the HCVP waiting list on January 29th (and continuing to February 3rd). In the first day alone, over 19,000 online applications were received, with a final count of 36,271 by closure. Additional information is provided in a separate report to the Board.

In December, HPD continued processing and issuing vouchers to the remaining applicants on the Section 8 Housing Choice Voucher (HCV) waiting list from 2003; two were issued in January and another two are anticipated for February. Regrettably, three searching voucher holders exhausted their additional 60-day search time and were unsuccessful in securing a unit in Alameda or through portability to neighboring communities and we anticipate this trend will continue in February.

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, but the pace seems to be slowing.

	January 2015	December 2014	November 2014
Annual Re-examinations Processed	114	154	138
Rent Increases Processed	28	60	71
Interim Re-examinations Processed	31	30	32
HQS Inspections Conducted	180 First-time pass rate = 65%	266 First-time pass rate = 81%	102 First-time pass rate = 71%

Housing and Community Development (Director Victoria Johnson)

CDBG/HOME Programs – The Notice of Funding Availability (NOFA)/ Request for Proposals (RFP) was released on January 22, 2015. The NOFA/RFP includes FY 2015-2016 CDBG funds available for Public Services, Economic Development and Capital Improvements. The total amount of grant funding plus program income for

the coming year is approximately equal to the funding that was received in 2014-2015. The performance of all sub-grantees in the current year is going well.

Rent Review Advisory Committee (RRAC) - Eight Rent Increase complaints were heard by the Committee on January 5th. Seven cases, all from the same building complex, went before the committee facing a 18% rent increase. The Committee made a recommendation to increase the rent by 10% and is requesting that the owner address maintenance issues with each tenant. The owner has since responded and agreed to the committee recommendation.

Housing Rehabilitation Programs – The owner of the duplex property that was partially repaired in December (emergency health and safety) has taken out a second rehabilitation loan to make repairs to the rental portion of the property. We will have a partnership with the County's Healthy Homes Department to leverage funds for the recommended work.

Inclusionary and Below Market Rate Programs – There are two upcoming resales of moderate-income BMR homes at Bayport. All potential buyers will work with Hello Housing to be qualified. The first set of five inclusionary/ below-market-rate homes at the "Linear" subdivision built by TriPointe homes will be released for sale by March 1st and are expected to close by the end of the year. Newspaper advertising was published on February 13, 2015.

Real Estate Development –

- Stargell Commons: The Alameda County Department Housing and Community Development has recommended funding of \$1.7 million in County 'boomerang funds' for the Stargell Commons project. The final approval will be granted by the Board of County commissioners in June. The application for an allocation of tax credits is due to the State by March 4, 2015 and funding recommendations are also published in June. If successful, construction will commence by the end of 2015.
- 2437 Eagle Avenue: Staff met with a group of neighbors on January 21 to continue the discussion about overall architectural design, site layout and parking. The next design meeting with the architect and engineers is scheduled for February 9th to discuss technical details such as mechanical systems, electrical systems, resource efficiency, community space, landscaping, unit plans, features and finishes. In order to accommodate the need for extra time during the planning phase, the overall project schedule has been revised. Staff plans to apply for Planning Department approvals by May 2015 and for tax credit funding in February 2016.
- Del Monte Rental – The City Council reaffirmed approval of the Master Plan Ordinance on January 6, 2015. Staff met with the architectural firm engaged by Tim Lewis Company (BAR Architecture) to discuss the site plan and elevations of the proposed rental project. There are four remaining City approvals needed to continue with development, and the schedule is to receive Planning Board and Council approvals by June. Staff has selected the legal firm of Carle Mackie Powers and Ross to

serve as the transaction attorney and will also work with this firm to finalize the Term Sheet Agreement.

Staff interviewed three firms for a construction manager and estimator, and intends to place all three firms on a short list of qualified firms. As need rises, separate contracts will be set up to provide the services required to for the construction management and cost estimating associated with active development and rehabilitation projects.

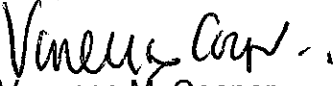
Finance (Director Alan Olds)

Please see the Budget Variance Report

RECOMMENDATION

For information only.

Respectfully submitted,


Vanessa M. Cooper
Executive Director

VMC/



Housing Authority of the City of Alameda

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To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: February 18, 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. This Budget Variance Report covers preliminary unaudited financial operating results compared to the original budget for the seven month fiscal period of July 1, 2014 to January 31, 2015.

DISCUSSION

Operating income is slightly over budget due primarily to other income associated with settlement of the IP bond payoff and the gain on the sale of AHA owned property at 1829 Paru Street. Agency wide expenses are also below budget resulting in an operating surplus of \$687,723 compared to budget of \$394,488. Two months in the fiscal have an extra pay period and January was the second month with an extra pay period. The effect of an extra pay period is to increase the salaries and benefits in the month of January for the amount of the extra pay period. Operating expenses are expected to rise as the fiscal year continues and the effect of annual fiscal year end accruals have on June's operating expenses. Interest expense is much higher than budget because the refinancing of Esperanza and IP was still in the preliminary discussion stages at the time of the original budget and loan amounts and interest rates for the financing had not yet been determined. AHA recently received good news in that the Section 8 administrative fees for the calendar year 2014 are being prorated by HUD at 79% of eligibility, which is much better than budget at 75% and much better than last year which was 69%. HUD also has moved the final portion of the HAP net restricted assets (or NRA) backed to Washington as HUD continues to implement their cash management process. Therefore, there is minimal HAP reserve cash on hand to pay HAP payments over any month's regular HAP subsidy from HUD. Should AHA pay out more in HAP expenses in any given month than HAP subsidy received from HUD, AHA is eligible to request additional funds from AHA's HAP reserve funds held by HUD which currently totals over two million dollars. AHA paid off three US Bank loans this year totaling \$322,200 and AHA is on pace to reduce its debt this fiscal year by over one million dollars.

Please note cash flow from operations is a negative \$945,037 thru January 31, 2015. The FY 2015 budget allowed for deficit cash spending for major capital improvement projects at Esperanza and ABD. The cash shortfall is taken from cash held in operating reserves, as planned per the approved FY 2015 budget. In addition, these cash deficits are planned to increase as the balance of planned improvement projects reach various stages of completion over the next two years.

Keep in mind that with the change to GAAP financial reporting, cash needed to pay the principal on mortgages, capital improvements projects and to fund regulatory replacement reserves must come from these operating surpluses. A schedule titled Budget Variance Schedule of Significant Cash Items is attached to this narrative illustrating the major changes to cash affected by the conversion to GAAP based reporting several years ago.

GENERAL FUND

General Fund has the Shelter Plus Care program, some miscellaneous other income items, pre-development cost and EMP's. General Fund is on target at this early stage in the fiscal year.

EMP activity for the month totaled \$0 and year to date \$12,614.

CIP's for the month totaled \$0 and year to date \$80,529.

AHA/CDBG/HCD/OTHER MANAGED PROGRAMS

The reimbursement program under contract with the City for CDBG, HOME and other affordable housing programs is on track with all staff currently on AHA payroll and reimbursement billing processed monthly.

PARROT VILLAGE AND EAGLE VILLAGE

Total operating revenue for Parrot Village and Eagle Village properties came in over budget. Operating expenses remain well under budget resulting in a surplus of \$118,627 versus a budgeted loss of \$-77,307.

EMP expenses total \$193,759. Fiscal Year CIP's totaled \$84,581.

HOUSING AUTHORITY OWNED

Operating income finished the current period over budget. Operating expenses are over budget due to interest expenses from the recent financing of Esperanza which weren't included in the original budget for FY 2015, since the financing was still in the preliminary discussion stages at the time of the budget approval and acceptance process. Interest expense relative to the Esperanza and IP financing will be adjusted on the next budget revision. Housing Authority Owned properties has a surplus of \$10,050 compared to budget of \$374,448 for the fiscal year.

EMP activity for the month totaled \$0 and year to date \$162,553.

CIP's totaled \$1,285,283 for the fiscal year.

INDEPENDENCE PLAZA

Operating income for this fiscal year is over budget for this seven month fiscal period. Operating expenses continue to be under budget. The reduced interest rate on the new mortgage has resulted in a \$62,700 interest savings for the six months under the new mortgage. Therefore, IP operations resulted in a surplus of \$531,659 compared to budget of \$170,940.

EMP expenses total \$53,825 and CIP \$92,611 for the fiscal year.

HOUSING CHOICE VOUCHER PROGRAM

Our lease rate is at 93 percent for the fiscal year and 90 percent for the HUD calendar year 2015 annual funding cycle, which just began in January. A major portion of the NRA restricted HAP reserve was finally moved back to HUD in June 2014. In December, HUD took back the final cash held by AHA in the NRA reserve. 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 NRA cash reserves held by AHA in the past. Currently this HUD held HAP reserve has a balance in excess of two million dollars. The operating (or administrative) portion of the Housing Choice Voucher program has an operating surplus of \$65,217 compared to budget of \$33,229 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 July to December 2014 and 73.5% of eligibility for calendar year 2015.

DEVELOPMENT

2437 Eagle Avenue

In-Progress:

Land	\$1,200,000
Predevelopment	80,345
CIP-In progress	10,500
Maintenance	4,037
Insurance	13

Stargell Commons at Alameda Landing

Predevelopment	\$9,848
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Island City Development

Organizational Cost	\$5,851
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BUDGET ADJUSTMENTS

EMP IP-E2-15 for \$61,440 was increased by \$800 to \$62,240 to cover some additional paint required to complete the project. The overall financial impact of this increase is immaterial to both the FY 2015 CIP's and FY 2015 cash flow.

An unbudgeted request for a reasonable accommodation was internally approved by AHA management for an ADA bathroom at Parrot Village with a total cost of \$49,000. The

financial impact is that CIP's will increase by \$49,000 and cash flow from operations will decrease by \$49,000.

During the current month, CIP ESP-C6-14 was increased from \$150,000 to \$152,941 for architectural services on the Esperanza modernization project. The overall financial impact of this increase is immaterial to both the FY 2015 CIP's and FY 2015 cash flow.

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

VMC/AJO

Attachments: 1. Budget Variance Report

Housing Authority of the City of Alameda Unaudited Budget Variance Report For the Seven Month Fiscal Period Ending January 31, 2015

Description	Year to Date (YTD) Actual Income and Expenditures										S/B 58%	
	Year to Date Budget	General Fund	AHA/CDBG/ Other Managed	Parrot & Eagle Village	HA Owned	Independence Plaza	Section 8	Total Actual	YTD Variance	Budget Used	Annual Budget	
Operating Income												
Dwelling Rent	\$ 1,899,464	\$ -	\$ -	\$ 288,190	\$ 804,163	\$ 822,921	\$ -	\$ 1,915,274	\$ 15,810	59%	\$ 3,256,224	
Interest	20,966	3,855	-	5,167	34,821	622	1,134	45,599	24,633	127%	35,942	
Other Income	18,463,367	254,270	360,291	865,982	1,978,666	921,956	14,139,841	18,521,006	57,639	59%	31,651,487	
Total Operating Income	20,383,798	258,125	360,291	1,159,339	2,817,650	1,745,499	14,140,975	20,481,879	98,081	59%	34,943,653	
Operating Expenses												
Administrative:												
Salaries	1,488,485	-	255,173	136,516	377,401	139,195	527,110	1,435,395	53,090	56%	2,551,689	
Legal	42,917	-	2,687	3,096	16,010	2,658	8,027	32,478	10,439	44%	73,572	
Contract Costs	224,023	-	9,481	14,963	61,746	22,141	56,184	164,515	59,508	43%	384,039	
Sundry	168,916	-	20,667	16,596	41,653	25,049	53,309	157,274	11,642	54%	289,570	
Subtotal	1,924,341	-	288,008	171,171	496,810	189,043	644,630	1,789,662	134,679	54%	3,298,870	
Tenant Services:												
Salaries	42,317	-	-	6,551	28,812	15,066	-	50,429	(8,112)	70%	72,543	
Tenant Activities/Relo Cost	25,025	25,000	-	4,056	31,878	7,110	168	68,212	(43,187)	159%	42,900	
Subtotal	67,342	25,000	-	10,607	60,690	22,176	168	118,641	(51,299)	103%	115,443	
Utilities:												
Water and Sewer	301,013	-	-	64,990	153,686	79,883	1,113	299,672	1,341	58%	516,022	
Electricity	83,918	-	-	8,317	34,460	21,611	3,512	67,900	16,018	47%	143,860	
Gas	41,647	-	-	167	21,747	13,316	271	35,501	6,146	50%	71,394	
Subtotal	426,578	-	-	73,474	209,893	114,810	4,896	403,073	23,505	55%	731,276	
Maintenance:												
Salaries	631,939	-	-	117,622	324,092	146,542	-	588,256	43,683	54%	1,083,324	
Materials	124,250	-	-	24,207	60,604	36,460	2,912	124,183	67	58%	213,000	
Contract Costs	816,492	-	-	108,758	381,637	128,780	15,575	634,750	181,742	45%	1,399,700	
Subtotal	1,572,681	-	-	250,587	766,333	311,782	18,487	1,347,189	225,492	50%	2,696,024	
General:												
Police Services	122,500	-	-	21,175	72,275	20,772	8,278	122,500	0	58%	210,000	
Insurance	83,795	-	-	12,673	33,492	18,333	3,307	67,805	15,990	47%	143,648	
Employee Benefits	714,642	-	72,283	98,463	275,076	112,500	208,070	766,392	(51,750)	63%	1,225,100	
Collection Losses	17,850	-	-	7,933	9,917	-	-	17,850	0	58%	30,600	
Subtotal	938,786	-	72,283	140,244	390,760	151,605	219,655	974,547	(35,761)	61%	1,609,348	
Total Operating Exp.	4,929,727	25,000	360,291	646,083	1,924,486	789,416	887,836	4,633,112	296,615	55%	8,450,961	
Mortgage/HAP Payments:												
HAP Payments	13,641,269	118,329	-	-	-	-	13,187,922	13,306,251	335,018	57%	23,385,032	
Mortgage	361,552	-	-	41,669	418,686	172,926	-	633,281	(271,729)	102%	619,804	
Interest-City Loan	-	-	-	-	-	-	-	-	0	-	-	

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**Housing Authority of the City of Alameda
 Unaudited Budget Variance Report
 For the Seven Month Fiscal Period Ending January 31, 2015**

Description	Year to Date (YTD) Actual Income and Expenditures										S/B 58%	
	Year to Date Budget	General Fund	AHA/CDBG/Other Managed	Parrot & Eagle Village	HA Owned	Independence Plaza	Section 8	Total Actual	YTD Variance	Budget Used	Annual Budget	
Subtotal	14,002,821	118,329	-	41,669	418,686	172,926	13,187,922	13,939,532	63,289	58%	24,004,836	
Other Expenses:												
Extraordinary Maint.	333,772	12,589	-	193,759	162,553	53,825	-	422,726	(88,954)	74%	572,180	
Pre-Development Costs	63,919	81,895	-	-	-	-	-	81,895	(17,976)	0%	109,575	
Subtotal	397,690	94,484	-	193,759	162,553	53,825	-	504,621	(106,931)	74%	681,755	
Total Expenses	19,330,239	237,813	360,291	881,511	2,505,725	1,016,167	14,075,758	19,077,265	252,974	58%	33,137,552	
Surplus/(Deficit)	1,053,559	20,312	-	277,828	311,925	729,332	65,217	1,404,614	351,055		1,806,101	

Depreciation	659,070	58,142	-	159,201	301,875	197,673	-	716,891	(57,821)	63%	1,129,835
Operating Income after Depr.	394,488	(37,830)	-	118,627	10,050	531,659	65,217	687,723	293,235		676,266

**Housing Authority of the City of Alameda
Unaudited Budget Variance Report
For the Seven Month Fiscal Period Ending January 31, 2015**

Description	Year to Date Budget	Year to Date (YTD) Actual Income and Expenditures						S/B 58%			
		General Fund	AHA/CDBG/ Other Managed	Parrot & Eagle Village	HA Owned	Independence Plaza	Section 8	Total Actual	YTD Variance	Budget Used	Annual Budget
GAAP to Cash Adjustments:											
Operating Income after Depr.		(37,830)	-	118,627	10,050	531,659	65,217	687,723			
<u>Cash Adjustments</u>											
Addback Depreciation		58,142	-	159,201	301,875	197,673	-	716,891			
Subtract Mtg Prin Payments		-	-	(84,184)	(104,250)	(249,864)	-	(438,298)			
Subtract Replacement Res		-	-	(18,783)	-	(32,088)	-	(50,871)			
Total Adjustments		58,142	-	56,234	197,625	(84,279)	-	227,722			
Adjusted Net Cash		20,312	-	174,861	207,675	447,380	65,217	915,445			
<u>Reserve Transfers, Loans, Prior Period Adj</u>											
Operating Reserve Transfers		600,000	-	-	(600,000)	-	-	-			
Payoff US Bank Loans		-	-	-	(322,200)	-	-	(322,200)			
Replacement Reserves-Voluntary		-	-	-	-	-	-	-			
Equipment Reserves-Voluntary		-	-	-	-	-	-	-			
Total Reserve Transfers		600,000	-	-	(922,200)	-	-	(322,200)			
<u>Capital Assets</u>											
Capital Asset Additions		(80,530)	-	(83,581)	(1,281,560)	(92,611)	-	(1,538,282)			
Net Capital Assets		(80,530)	-	(83,581)	(1,281,560)	(92,611)	-	(1,538,282)			
Net GAAP to Cash Adj's		539,782	-	91,280	(1,996,085)	354,769	65,217	(945,037)			

Unaudited Budget Variance Report
General Fund
For the Seven Months Ending January 31, 2015

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	S/B 58% USED
OPERATING INCOME:								
Dwelling Rents	0	0	0	0	0	0	0	0%
Interest	2,000	167	1,178	1,011	1,167	2,852	1,685	143%
Other Income	238,296	19,858	16,248	(3,610)	139,006	235,038	96,032	99%
Total Operating Income	240,296	20,025	17,426	(2,599)	140,173	237,890	97,717	99%
OPERATING EXPENSES:								
Administrative:								
Salaries	0	0	0	0	0	0	0	0%
Legal	0	0	0	0	0	0	0	0%
Contract Costs	0	0	0	0	0	0	0	0%
Sundry	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
Tenant Services:								
Salaries	0	0	0	0	0	25,000	25,000	0%
Tenant Activities	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	25,000	25,000	0%
Utilities:								
Water and Sewer	0	0	0	0	0	0	0	0%
Electricity	0	0	0	0	0	0	0	0%
Gas	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
Maintenance:								
Salaries	0	0	0	0	0	0	0	0%
Materials	0	0	0	0	0	0	0	0%
Contract Costs	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
General:								
Police Services	0	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	0	0	0	0	0	0%
Collection Losses	0	0	0	0	0	0	0	0%
Transfers out	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
Total Operating Expenses	0	0	0	0	0	25,000	25,000	0%
Mortgage/HAP Payments:								
Hap Payments	230,280	19,190	16,248	2,942	134,330	102,081	32,249	44%
Mortgage Interest	0	0	0	0	0	0	0	
Total	230,280	19,190	16,248	2,942	134,330	102,081	32,249	44%
Other Expenses:								
Extraordinary Maintenance	33,000	2,750	0	2,750	19,250	12,614	6,636	
Pre-development Costs	109,575	9,131	8,344	787	63,919	73,551	(9,632)	0%
Total	142,575	11,881	8,344	3,537	83,169	86,165	(2,996)	0%
Total Expenses	372,855	31,071	24,592	6,479	217,499	213,246	54,253	
Operating Income before Dep	(132,559)	(11,047)	(7,166)	3,881	(77,326)	24,644	101,970	
Depreciation (paper expense)	50,564	4,214	8,306	(4,092)	29,496	49,836	(20,340)	
Operating Income after Depr	(183,123)	(15,260)	(15,472)	(212)	(106,822)	(25,192)	81,630	

Unaudited Budget Variance Report
AHA/CDBG/Other Managed Programs
For the Seven Months Ending January 31, 2015

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	S/B 58% USED
OPERATING INCOME:								
Dwelling Rents	0	0	0	0	0	0	0	0%
Interest	0	0	0	0	0	0	0	#DIV/0!
Other Income	610,043	50,837	95,134	44,297	355,858	343,117	(12,741)	56%
Total Operating Income	610,043	50,837	95,134	44,297	355,858	343,117	(12,741)	56%
OPERATING EXPENSES:								
Administrative:								
Salaries	399,369	33,281	65,842	32,561	232,965	255,173	(22,208)	0%
Legal	0	0	2,665	2,665	0	2,665	(2,665)	0%
Contract Costs	78,709	6,559	2	(6,557)	45,914	2	45,912	0%
Sundry	0	0	12,994	(9,066)	0	12,994	(12,994)	0%
Total	478,078	39,840	81,503	19,603	278,879	270,834	8,045	0%
Tenant Services:								
Salaries	0	0	0	0	0	0	0	0%
Tenant Activities	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
Utilities:								
Water and Sewer	0	0	0	0	0	0	0	0%
Electricity	0	0	0	0	0	0	0	0%
Gas	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
Maintenance:								
Salaries	0	0	0	0	0	0	0	0%
Materials	0	0	0	0	0	0	0	0%
Contract Costs	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
General:								
Police Services	0	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	131,965	10,997	13,631	(2,634)	76,980	72,283	4,697	0%
Collection Losses	0	0	0	0	0	0	0	0%
Transfers out	0	0	0	0	0	0	0	0%
Total	131,965	10,997	13,631	(2,634)	76,980	72,283	4,697	0%
Total Operating Expenses	610,043	50,837	95,134	16,969	355,858	343,117	12,741	0%
Mortgage/HAP Payments:								
Hap Payments	0	0	0	0	0	0	0	#DIV/0!
Mortgage Interest	0	0	0	0	0	0	0	#DIV/0!
Total	0	0	0	0	0	0	0	#DIV/0!
Other Expenses:								
Extraordinary Maintenance	0	0	0	0	0	0	0	0%
Pre-development Costs	0	0	0	0	0	0	0	0%
Total	0	0	0	0	0	0	0	0%
Total Expenses	610,043	50,837	95,134	16,969	355,858	343,117	12,741	
Operating Income before Dep	0	0	0	0	0	0	0	
Depreciation (paper expense)	0	0	0	0	0	0	0	
Operating Income after Depr	0	0	0	0	0	0	0	

Unaudited Budget Variance Report
Parrot Village and Eagle Village
For the Seven Fiscal Months Ending January 31, 2015

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	58% USED
OPERATING INCOME:								
Dwelling Rents	477,000	39,750	40,976	1,226	278,250	288,190	9,940	60%
Interest	7,000	583	2,642	2,059	4,083	5,167	1,084	74%
Other Income	1,350,000	112,500	124,584	12,084	787,500	865,982	78,482	64%
Total Operating Income	1,834,000	152,833	168,202	15,369	1,069,833	1,159,339	89,506	63%
OPERATING EXPENSES:								
Administrative:								
Salaries	257,333	21,444	26,844	(5,400)	150,111	136,516	13,595	53%
Legal	9,840	820	295	525	5,740	3,096	2,644	31%
Contract Costs	35,249	2,937	2,152	785	20,562	14,963	5,599	42%
Sundry	35,204	2,934	1,685	1,249	20,536	16,596	3,940	47%
Total	337,626	28,136	30,976	(2,841)	196,949	171,171	25,778	51%
Tenant Services:								
Salaries	5,494	458	1,535	(1,077)	3,205	6,551	(3,346)	119%
Tenant Activities	4,800	400	10	390	2,800	4,056	(1,256)	85%
Total	10,294	858	1,545	(687)	6,005	10,607	(4,602)	103%
Utilities:								
Water and Sewer	108,900	7,683	10,558	(2,875)	63,525	64,990	(1,465)	60%
Electricity	16,540	1,378	2,435	(1,057)	9,648	8,317	1,331	50%
Gas	5,463	455	3,257	(2,802)	3,187	167	3,020	3%
Total	130,903	9,517	16,250	(6,733)	76,360	73,474	2,886	56%
Maintenance:								
Salaries	214,754	17,896	24,079	(6,183)	125,273	117,622	7,651	55%
Materials	49,700	4,142	4,655	(513)	28,992	24,207	4,785	49%
Contract Costs	280,990	23,416	16,611	6,805	163,911	108,758	55,153	39%
Total	545,444	45,454	45,345	109	318,176	250,587	67,589	46%
General:								
Police Services	49,770	4,148	3,115	1,033	29,033	21,175	7,858	43%
Insurance	24,735	2,061	1,836	225	14,429	12,673	1,756	51%
Employee Benefits	157,809	13,151	17,153	(4,002)	92,055	98,463	(6,408)	62%
Claims Cost	0	0	0	0	0	0	0	
Collection Loss	13,600	1,133	0	1,133	7,933	7,933	0	58%
Total	245,914	20,493	22,104	(1,611)	143,450	140,244	3,206	57%
Total Operating Expenses	1,270,181	104,457	116,220	(11,763)	740,939	646,083	94,856	51%
Mortgage/HAP Payments:								
Mortgage	143,317	11,943	5,940	6,003	83,602	41,669	41,933	29%
Total	143,317	11,943	5,940	6,003	83,602	41,669	41,933	29%
Other Expenses:								
Extraordinary Maintenance	286,500	23,875	0	23,875	167,125	193,759	(26,634)	
Total	286,500	23,875	0	23,875	167,125	193,759	(26,634)	
Total Expenses	1,699,998	140,275	122,160	18,115	991,666	881,511	110,155	52%
Operating Income before Dep	134,002	12,559	46,042	33,484	78,168	277,828	199,660	207%
Depreciation (paper expense)	266,528	22,211	22,743	(532)	155,475	159,201	(3,726)	
Operating Income after Depr	(132,526)	(11,044)	23,299	12,255	(77,307)	118,627	195,934	

Unaudited Internal Budget Variance Report
Housing Authority-Owned Properties
For the Seven Month Fiscal Period Ending January 31, 2015

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	58% USED
OPERATING INCOME:								
Dwelling Rents	1,399,224	116,602	119,089	2,487	816,214	804,163	(12,051)	57%
Interest	25,500	2,125	15,036	12,911	14,875	34,821	19,946	137%
Other Income	3,255,777	271,315	287,352	16,037	1,899,203	1,978,666	79,463	61%
Total Operating Income	4,680,501	390,042	421,477	31,435	2,730,292	2,817,650	87,358	60%
OPERATING EXPENSES:								
Administrative:								
Salaries	582,309	48,526	74,922	(26,396)	339,680	377,401	(37,721)	65%
Legal	35,328	2,944	2,010	934	20,608	16,010	4,598	45%
Contract Costs	120,153	10,013	8,819	1,194	70,089	61,746	8,343	51%
Sundry	89,347	7,446	5,166	2,280	52,119	41,653	10,466	47%
Total	827,137	68,928	90,917	(21,989)	482,497	496,810	(14,313)	60%
Tenant Services:								
Salaries	43,803	3,650	5,753	(2,103)	25,552	28,812	(3,260)	66%
Tenant Activities	30,000	2,500	755	1,745	17,500	31,878	(14,378)	106%
Total	73,803	6,150	6,508	(358)	43,052	60,690	(17,638)	82%
Utilities:								
Water and Sewer	270,775	21,265	10,471	10,794	157,952	153,686	4,266	57%
Electricity	70,880	5,907	7,370	(1,463)	41,347	34,460	6,887	49%
Gas	44,806	3,734	4,556	(822)	26,137	21,747	4,390	49%
Total	386,461	30,905	22,397	8,508	225,436	209,893	15,543	54%
Maintenance:								
Salaries	524,811	43,734	63,803	(20,069)	306,140	324,092	(17,952)	62%
Materials	113,400	9,450	9,434	16	66,150	60,604	5,546	53%
Contract Costs	793,980	66,165	45,581	20,584	463,155	381,637	81,518	48%
Total	1,432,191	119,349	118,818	531	835,445	766,333	69,112	54%
General:								
Police Services	106,680	8,890	10,430	(1,540)	62,230	72,275	(10,045)	68%
Insurance	63,320	5,277	4,857	420	36,937	33,492	3,445	53%
Employee Benefits	380,303	31,692	46,935	(15,243)	221,843	275,076	(53,233)	72%
Claims Cost	0	0	0	0	0	0	0	
Collection Loss	17,000	1,417	0	1,417	9,917	9,917	(0)	58%
Total	567,303	47,275	62,222	(14,947)	330,927	390,760	(59,833)	69%
Total Operating Expenses	3,286,895	272,608	300,862	(28,254)	1,917,355	1,924,486	(7,131)	59%
Mortgage/HAP Payments:								
Mortgage	72,520	6,043	69,201	(63,158)	42,303	418,686	(376,383)	577%
Interest to City Loan	0	0	0	0	0	0	0	0%
Total	72,520	6,043	69,201	(63,158)	42,303	418,686	(376,383)	577%
Other Expenses:								
Extraordinary Maintenance	181,240	15,103	0	15,103	105,723	162,553	(56,830)	90%
Total	181,240	15,103	0	15,103	105,723	162,553	(56,830)	90%
Total Expenses	3,540,655	293,755	370,063	-76,308	2,065,382	2,505,725	(440,343)	71%
Operating Income before Dep	1,139,846	96,287	51,414	(44,873)	664,910	311,925	(352,985)	27%
Depreciation (paper expense)	497,935	41,495	2,473	39,022	290,462	301,875	(11,413)	
Operating Income after Depr	641,911	53,493	48,941	(4,552)	374,448	10,050	(364,398)	

Unaudited Internal Budget Variance Report
Independence Plaza
For the Seven Fiscal Months Ending January 31, 2015

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	S/B 58% USED
OPERATING INCOME:								
Dwelling Rents	1,380,000	115,000	121,958	6,958	805,000	822,921	17,921	60%
Interest	1,442	120	622	502	841	622	(219)	43%
Other Income	1,453,599	121,133	129,115	7,982	847,933	921,956	74,023	63%
Total Operating Income	2,835,041	236,253	251,695	15,442	1,653,774	1,745,499	91,725	62%
OPERATING EXPENSES:								
Administrative:								
Salaries	362,473	30,206	28,504	1,702	211,443	139,195	72,248	38%
Legal	17,374	1,448	310	1,138	10,135	2,658	7,477	15%
Contract Costs	53,377	4,448	3,568	880	31,137	22,141	8,996	41%
Sundry	54,383	4,532	2,122	2,410	31,723	25,049	6,674	46%
Total	487,607	40,634	34,504	6,130	284,437	189,043	95,394	39%
Tenant Services:								
Salaries	23,245	1,937	2,750	(813)	13,560	15,066	(1,506)	65%
Tenant Activities	8,000	667	1,490	(823)	4,667	7,110	(2,443)	89%
Total	31,245	2,604	4,240	(1,636)	18,226	22,176	(3,950)	71%
Utilities:								
Water and Sewer	135,990	11,333	9,999	1,334	79,328	79,883	(556)	59%
Electricity	47,960	3,997	3,935	62	27,977	21,611	6,366	45%
Gas	20,629	1,719	2,762	(1,043)	12,034	13,316	(1,282)	65%
Total	204,579	17,048	16,696	352	119,338	114,810	4,528	56%
Maintenance:								
Salaries	343,759	28,647	31,747	(3,100)	200,526	146,542	53,984	43%
Materials	45,500	3,792	5,901	(2,109)	26,542	36,460	(9,918)	80%
Contract Costs	308,980	25,748	13,622	12,126	180,238	128,780	51,458	42%
Total	698,239	58,187	51,270	6,917	407,306	311,782	95,524	45%
General:								
Police Services	37,590	3,133	3,028	105	21,928	20,772	1,156	55%
Insurance	51,483	4,290	2,673	1,617	30,032	18,333	11,699	36%
Employee Benefits	241,043	20,087	19,489	598	140,608	112,500	28,108	47%
Collection Loss	0	0	0	0	0	0	0	
Total	330,116	27,510	25,190	2,320	192,568	151,605	40,963	46%
Total Operating Expenses	1,751,786	145,982	131,900	14,082	1,021,875	789,416	232,459	45%
Mortgage Interest								
Mortgage Interest	403,967	33,664	22,788	10,876	235,647	172,926	62,721	43%
Total	403,967	33,664	22,788	10,876	235,647	172,926	62,721	43%
Other Expenses:								
Extraordinary Maintenance	71,440	5,953	0	5,953	41,673	53,825	(12,152)	
Total	71,440	5,953	0	5,953	41,673	53,825	(12,152)	
Total Expenses	2,227,193	185,599	154,688	30,911	1,299,196	1,016,167	283,029	46%
Operating Income before Dep	607,848	50,654	97,007	46,353	354,578	729,332	374,754	120%
Depreciation (paper expense)	314,808	26,234	28,239	(2,005)	183,638	197,673	(14,035)	
Operating Income after Depr	293,040	24,420	68,768	44,348	170,940	531,659	360,719	

Unaudited Budget Variance Report
Section 8 Voucher Program
For the Seven Months Ending January 31, 2015

Account Description	Annual Budget	Monthly Budget	Monthly Actuals	Monthly Variance	Y-T-D Budget	Y-T-D Actuals	YTD Variance	S/B 58% USED
OPERATING INCOME:								
Dwelling Rents	0	0	0	0	0	0	0	
Interest	0	0	706	706	0	1,134	1,134	
Other Income	24,743,772	2,061,981	1,970,607	(91,374)	14,433,867	14,139,841	(294,026)	57%
Total Operating Income	24,743,772	2,061,981	1,971,313	(90,668)	14,433,867	14,140,975	(292,892)	57%
OPERATING EXPENSES:								
Administrative:								
Salaries	950,205	79,184	100,733	(21,549)	554,286	527,110	27,176	55%
Legal	11,030	919	1,070	(151)	6,434	8,027	(1,593)	73%
Contract Costs	96,552	8,046	14,174	(6,128)	56,322	56,184	138	58%
Sundry	110,636	9,220	10,735	(1,515)	64,538	53,309	11,229	48%
Total	1,168,423	97,369	126,712	(29,343)	681,580	644,630	36,950	55%
Tenant Services:								
Salaries	0	0	0	0	0	0	0	0%
Tenant Activities	100	8	0	8	58	168	(110)	168%
Total	100	8	0	8	58	168	(110)	168%
Utilities:								
Water and Sewer	357	30	309	(279)	208	1,113	(905)	312%
Electricity	8,480	707	495	212	4,947	3,512	1,435	41%
Gas	496	41	56	(15)	289	271	18	55%
Total	9,333	778	860	(82)	5,444	4,896	548	52%
Maintenance:								
Salaries	0	0	0	0	0	0	0	
Materials	4,400	367	0	367	2,567	2,912	(345)	66%
Contract Costs	15,750	1,313	1,835	(523)	9,188	15,575	(6,388)	99%
Total	20,150	1,679	1,835	(156)	11,754	18,487	(6,733)	92%
General:								
Police Services	15,960	1,330	928	402	9,310	8,278	1,032	52%
Insurance	4,110	343	501	(159)	2,398	3,307	(910)	80%
Employee Benefits	313,980	26,165	36,388	(10,223)	183,155	208,070	(24,915)	66%
Claims Cost	0	0	0	0	0	0	0	0%
Total	334,050	27,838	37,817	(9,980)	194,863	219,655	(24,793)	66%
Total Operating Expenses	1,532,056	127,671	167,224	(39,553)	893,699	887,836	5,863	58%
Mortgage/HAP Payments:								
HAP	23,154,752	1,929,563	1,854,164	75,399	13,506,939	13,187,922	319,017	57%
Other Expenses:								
Extraordinary Maintenance	0	0	0	0	0	0	0	
Total	0	0	0	0	0	0	0	
Total Expenses	24,686,808	2,057,234	2,021,388	35,846	14,400,638	14,075,758	324,880	57%
Operating Income before Dep	56,964	4,747	(50,075)	(45,328)	33,229	65,217	31,988	
Depreciation (paper expense)	0	0	0	0	0	0	0	
Operating Income after Depr	56,964	4,747	(50,075)	(45,328)	33,229	65,217	31,988	

**Housing Authority of the City of Alameda
Budget Variance Schedule of Significant Cash Items
For the Reporting Period Ending January 31, 2015**

Description	Amount
Operating Income before Depreciation	\$ 1,404,614
Less:	
Principal portion of mortgage payments	(438,298)
Pay off US Bank Loans	(322,200)
Replacement Reserves-Mortgage Required	(50,871)
Capital Improvements	(1,543,005)
Sub-total	(2,354,374)
Net Cash (for these limited, but significant items)	\$ (949,760)



Housing Authority of the City of Alameda

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

To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: February 18, 2015

RE: Quarterly Investment Report

BACKGROUND

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

DISCUSSION

The month-end report reflects the investment of cash for the operating and reserve funds. These investments have been made in full compliance with the provisions of the Housing Authority's approved investment policy. The Housing Authority's ordinary expenditure requirements for the next six months are more than sufficiently covered by two sources, namely: (1) anticipated revenues, grants and subsidies, and (2) liquidity of current investments.

The following is the schedule of investments as of December 31, 2014:

Investment Type	Issued By	Purchase Date	Maturity Date	Rate of Return	Amount
State	California	Open	On Demand	0.25%	\$32,677,060
Investment Pool	Agency Investment Fund (LAIF)				

RECOMMENDATION

It is recommended that the Board of Commissioners accept the report on the Housing Authority's investment portfolio as of December 31, 2014.

Respectfully submitted,

Vanessa M. Cooper
Executive Director



Housing Authority of the City of Alameda

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

To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: February 18, 2015

Re: Quarterly Police Report

BACKGROUND

The Housing Authority budget for this fiscal year provides for community policing services. This report on those services covers the second quarter of the current fiscal year (FY2015) from October 1 to December 31, 2014. The Police Department uses the calendar year; therefore, the data provided by the Police Officers refer to the 4th Quarter 2014.

DISCUSSION

Attached as Exhibit A are the quarterly statistics provided by the officers compiled into chart form showing the number of reports written and arrests made during this quarter of the fiscal year. These reports indicate that the number of reports written on Housing Authority properties made up 1.5 percent of the total number of reports written city wide and 0.9 percent of the arrests. The population of Housing Authority properties in relation to the city as a whole is 1.7 percent; therefore, the level of activity is significantly less than would be expected for a population of this size.

The increase of incidents at Esperanza was due in part to a probation sweep of the property in conjunction with the Alameda Police Department. The Senior Property Manager is aware of the results of the action and is appropriately enforcing lease compliance.

Exhibit B provides a visual indication of the comparison of this activity and also is used to identify potential trends. For ease of comparison, the number of reports written on Housing Authority properties has been multiplied by 50 so that they can be compared with the much larger numbers for the city as a whole. This chart demonstrates that activity on Housing Authority properties tends to be less predictable than the city.



Staff will continue to review the statistics regularly to determine if any negative trends are developing and to address any issues as quickly as possible.

RECOMMENDATION

This report is provided for information only.

Respectfully submitted,


Vanessa M. Cooper
Executive Director

VMC:ts

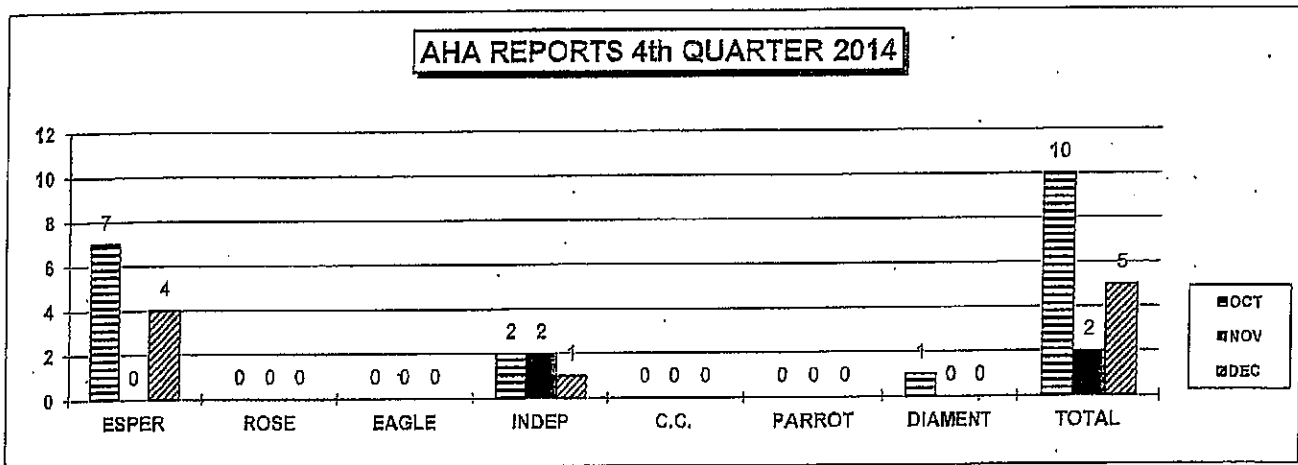
Exhibits:

- A. Police Reports and Arrests Charts for 4th Quarter of 2014
- B. Police Activity Comparison over a Two-year Period

cc: Officer Alicea Ledbetter
Officer Joshua Ramirez



RD	114	144	145	112	154	212	325	AHA	CITY
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROT	DIAMENT	TOTAL	TOTAL
MURDER	0	0	0	0	0	0	0	0	1
% CITY	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
RAPE	0	0	0	0	0	0	0	0	1
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
ROBBERY	0	0	0	0	0	0	0	0	16
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
ASSAULT	1	0	0	1	0	0	0	2	91
% CITY	1.1%	0.0%	0.0%	1.1%	0.0%	0.0%	0.0%	2.3%	
BURG	0	0	0	0	0	0	0	0	41
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
THEFT	0	0	0	0	0	0	0	0	258
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
VEH THEFT	1	0	0	0	0	0	0	1	76
% CITY	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	
NARC	0	0	0	0	0	0	0	0	38
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
INTOX	0	0	0	0	0	0	0	0	95
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
VANDAL	1	0	0	0	0	0	0	1	64
% CITY	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%	
OTHER	8	0	0	4	0	0	1	13	369
% CITY	2.2%	0.0%	0.0%	1.1%	0.0%	0.0%	0.3%	3.6%	
TOTAL	11	0	0	5	0	0	1	17	1050
% CITY	0.9%	0.0%	0.0%	0.4%	0.0%	0.0%	0.1%	1.5%	

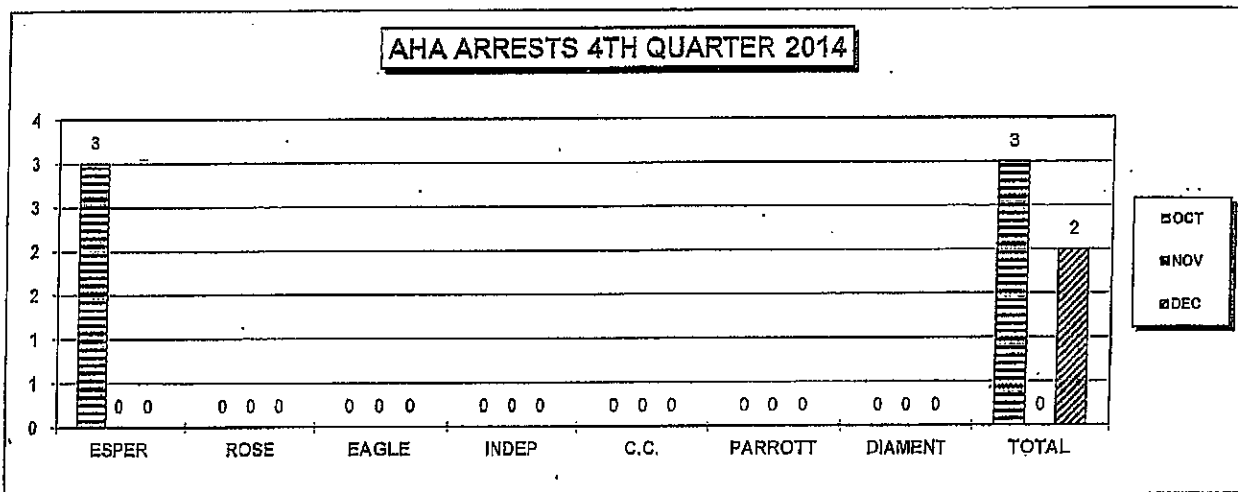


	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROT	DIAMENT	TOTAL
OCT	7	0	0	2	0	0	1	10
NOV	0	0	0	2	0	0	0	2
DEC	4	0	0	1	0	0	0	5
TOTAL	11	0	0	5	0	0	1	17

4TH QUARTER 2014

ARRESTS

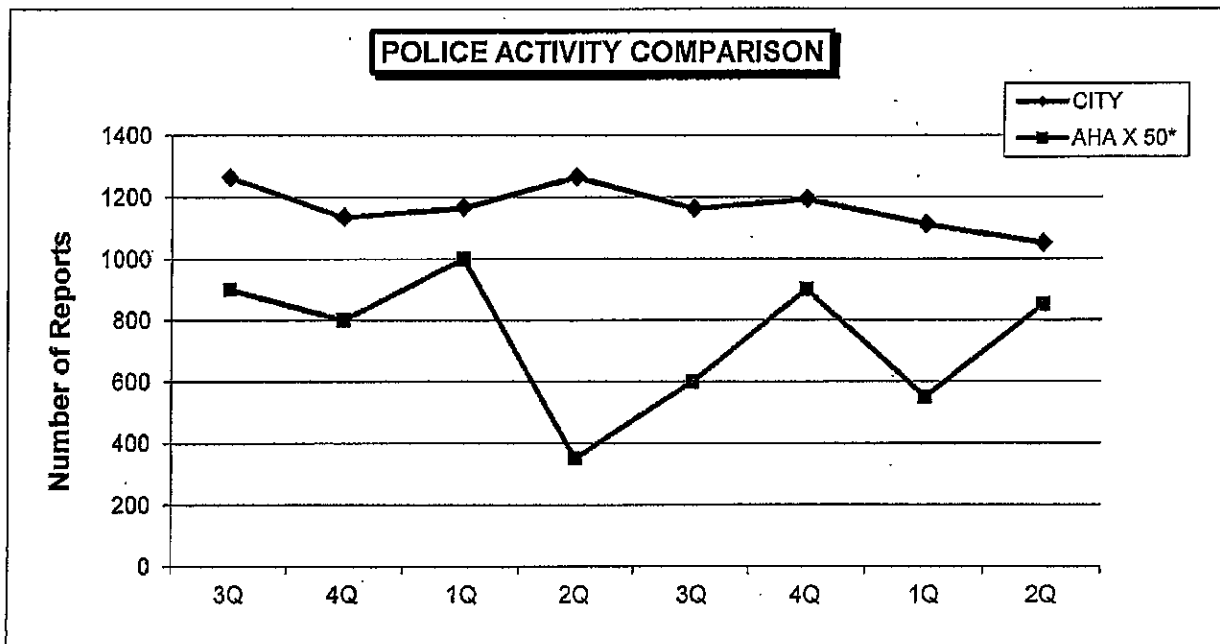
RD	114	144	145	146	154	212	349	AHA	CITY
	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROTT	DIAMENT	TOTAL	TOTAL
MURDER	0	0	0	0	0	0	0	0	1
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
RAPE	0	0	0	0	0	0	0	0	1
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
ROBBERY	0	0	0	0	0	0	0	0	1
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
ASSAULT	1	0	0	0	0	0	0	1	53
% CITY	1.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%	
BURG	0	0	0	0	0	0	0	0	11
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
THEFT	0	0	0	0	0	0	0	0	16
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
VEH THFT	0	0	0	0	0	0	0	0	5
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
NARC	0	0	0	0	0	0	0	0	39
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
INTOX	0	0	0	0	0	0	0	0	99
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
VANDAL	0	0	0	0	0	0	0	0	3
% CITY	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
OTHER	4	0	0	0	0	0	0	4	319
% CITY	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	
TOTAL	5	0	0	0	0	0	0	5	548
% CITY	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	



	ESPER	ROSE	EAGLE	INDEP	C.C.	PARROTT	DIAMENT	TOTAL
OCT	3	0	0	0	0	0	0	3
NOV	0	0	0	0	0	0	0	0
DEC	0	0	0	0	0	0	0	2
TOTAL	3	0	0	0	0	0	0	5

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA
POLICE ACTIVITY
ON HOUSING AUTHORITY PROPERTIES
COMPARED WITH THE CITY AS A WHOLE**

	3Q FY13	4Q FY13	1Q FY14	2Q FY14	3Q FY14	4Q FY14	1Q FY15	2Q FY15
CITY	1263	1135	1167	1264	1163	1194	1112	1050
AHA X 50*	900	800	1000	350	600	900	550	850
AHA	18	16	20	7	12	18	11	17



* Note: Housing Authority numbers are multiplied by 50 to make it possible to compare with the much larger numbers for the City as a whole.

ts (u:/Managed Housing/Statistical Reports/Police Reports/Quarterly Trend Chart)
1/21/2015



Housing Authority of the City of Alameda

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

To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: February 18, 2015

Re: Maintenance Workflow Analysis Report - The Nelrod Company 11/2015
Summary 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. As such, on May 23, 2014, AHA published a Request for Proposal (RFP) for Maintenance Workflow Analysis, and nine (9) responses were received. AHA selected The Nelrod Company (TNC), as the Consultant, based on its proposal dated June 11, 2014, and in response to and in conformance with this RFP package.

The scope of work for TNC was to examine the operations of the Maintenance Department, with particular emphasis on workflow. This examination was to evaluate at least the following:

- Taking work orders – process (WO Prioritization: Emergency, Urgent, Regular, Inspection, Vacancy, Planned etc...)
- Completing work orders – process, time to complete, maintaining records
- Procuring equipment and supplies – purchase order process, tracking use, reorders, maintaining records
- Maintaining Inventory of unit assets (i.e., refrigerators, stoves)
- Preventive maintenance operations
- Handling after-hours requests for maintenance / emergency maintenance
- Vacant turnover process
- Contracting out – what tasks should continue and if additional tasks should be considered
- Staffing levels
- Budget
- Succession Planning



TNC was tasked with making recommendations on current maintenance practices in accordance with industry best practices/benchmarking. TNC was also tasked with providing a maintenance plan that is customized to AHA Properties, utilizing existing Housing Authority information systems, and staffing that is realistic and compliant with HUD regulations.

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.

DISCUSSION

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.

AHA identified seven (7) High Priority Action Response Items from the TNC report, a summary of which is attached to this Board memorandum. A number of these high priority action items are already being addressed. For example, under Vacant Unit Turnaround, and since October 2014, our Maintenance Team is averaging fewer than 18 calendar days for completing vacated units and making them available for rent to our Property Management team. The goal moving forward for our Maintenance Team is to complete all new vacant unit turnovers in fewer than 15 calendar days. In addition, under Inspections, AHA has recently implemented a new process for Section 8 HQS Inspections. Our Maintenance Department is scheduling preventative maintenance work orders in advance of annual HQS Inspections. Further, maintenance personnel, as well as property management staff, are now joining the annual Section 8 HQS Inspections. This recent change in AHA process has resulted with a significant reduction in HQS failures in AHA owned units, and related call-backs for re-inspections.

As you can see, a number of these High Priority Action Items are currently being addressed. Staff will begin addressing all High Priority Action Response Items immediately with an implementation date of September 1, 2015 or earlier. Staff will report back to the Board in the October Board meeting.


FINANCIAL IMPACT

None at this time.

RECOMMENDATION

For information only.

Respectfully submitted,


Vanessa M. Cooper
Executive Director

VMC/RR



HIGH PRIORITY ACTION RESPONSE TO THE NELFROD COMPANY MAINTENANCE WORKFLOW ANALYSIS REPORT

12/16/2014

Item	Subject Area	Observation	Recommendation	Action Steps	Date
a	Executive Summary Areas of Concern	Maintenance costs are too high	General Observation Only without specific detail	Benchmark AHA Maintenance Costs with other Public/Private Organizations	5/31/2015
c		Lack of Effective Written Maintenance Procedures	General Observation Only - Scope included in TMC Services	Review TMC DRAFT Maintenance Procedures and edit for adoption, and implementation/publishing.	4/30/2015
7	Facilities & Inventory	A review of purchases revealed that maintenance materials, and appliances, are ordered without proper authorization as outlined in the Procurement Policy.	No purchase should be made by a person without a written delegation of purchase authority. All staff allowed to make purchases should be informed of the applicable purchasing limits and requirements.	Complete work with Procurement Team - Issue Updated Procurement Procedures - align/train Maintenance Department with Updated Policy	3/31/2015
9	Management	Lead Maintenance Technician does not have complete authority to supervise the department.	The Lead Maintenance Technician job should receive supervisory maintenance training, for the opportunity to assume the responsibilities for day-to-day management of the maintenance department/function.	Work with HR to revise/update JD for Lead Maintenance Technician Position, and discuss next-steps for training/roll-out.	5/31/2015
11	Vacant Unit Turnaround	AHA is losing revenue due to slow unit turnaround.	AHA must begin to focus its efforts on reducing Vacant Unit Turnaround. All vacant units should be ready for occupancy in within 10 calendar days from the point of vacancy.	Currently in process, and working closely with Property Management.	1/31/2015
13	Work Orders	Work orders are closed-out with incomplete information.	Maintenance Staff should receive training on priority codes and work order procedures.	Review TMC DRAFT Maintenance Procedures and determine how/what roll-out as AHA Maintenance Plan. Implement and enforce w/O procedures, and establish w/O standards determining workload distribution.	8/30/2015
14		Quality Control Inspections of Maintenance work is not currently being performed.	Quality Control Inspection protocol should be implemented for 10% - 15% of Work Orders.	Work with Lead Maintenance Technician to implement a Quality Control program.	2/28/2015
15	Inspections - Preventative HQS	AHA staff reported that several units have failed HQS inspections resulting in the contracted inspector having to come back out and re-inspect units. Units are not inspected to HQS Standards prior to the Section 8 HQS	It is recommended that a maintenance staff member accompany the Section 8 Inspector so that the deficiency can be repaired during the inspection, thus reducing the number of HQS call-backs for reinspection.	Currently in process. Re-train maintenance personnel on HQS. Schedule PM in advance of 2015 HQS inspections. Provide Monthly Report to Director of Facilities with	2/28/2015
19	Succession Planning	The Maintenance Team has a variety of skill levels at each position without cross-training or back-up support for all functions.	Require cross-training for back-up of all maintenance position/skills, and functions.	Implement cross-training program for all maintenance positions and functions.	8/30/2015



Housing Authority of the City of Alameda

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

To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: February 18, 2015

Re: Updated Schedule of Charges for Maintenance Services

BACKGROUND

Keeping our properties safe, decent, and affordable is only possible when our residents notify us when maintenance-related issues occur in and around their units. Residents are encouraged to call in any concerns so that maintenance can address any issues to prevent further damage. Residents may request a work order and are required to report immediately any work that affects resident health and safety and damages to their units.

Residents are assessed maintenance service charges for all work and damages that are beyond normal wear and tear. The AHA Schedule of Charges for Maintenance Services are reviewed annually, updated, published, and made available to all residents and the general public.

DISCUSSION

Attached please find the updated Schedule of Charges for Maintenance Services which will be effective March 1, 2015. This updated schedule includes two (2) recommended changes noted below:

- Updated pricing for Replacing Stoves - \$440.00 (increased \$31.00 – based on recent pricing for gas and electric stoves from our appliance supplier)
- Updated pricing for Replacing Refrigerators – \$555.00 (increased \$27.00 – based on recent pricing for gas and electric stoves from our appliance supplier)

FINANCIAL IMPACT

None at this time.

RECOMMENDATION

For information only.

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Honorable Chair and
Members of the Board of Commissioners

February 18, 2015
Page 2 of 2

Respectfully submitted,



Vanessa M. Cooper
Executive Director

VMC/RR

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**SCHEDULE OF
CHARGES FOR MAINTENANCE SERVICES**

Listed below are the charges for various work items performed by Housing Authority Maintenance Staff. When the resident is billed for maintenance services, the cost of the materials is included in the charge unless otherwise noted.

SERVICE	CHARGE
LOCKOUT SERVICE - OPEN DOORS:	
8:00 a.m. to 4:00 p.m. Monday through Friday	\$22.00
4:00 p.m. to 8:00 a.m. - Monday through Friday, and all day on Saturday, Sunday & Holidays	\$130.00
 PLUMBING:	
	CHARGE
Unstop Toilet - Auger/Plunger Only/Slow to drain	\$22.00
Unstop Toilet - Take Out	\$65.00
Replace Toilet Seat	\$25.00
Replace Toilet Tank Top	\$28.00
Replace Regular flush ADA Toilet	\$225.00
Replace Power Flush ADA Toilet	\$310.00
Replace Complete Standard Toilet	\$177.00
Flooded unit-Tenant caused-cleaning charge	\$43.00 / hour
Unstop clogged Sink/Tub/Basin/Garbage disposal	\$22.00
Replace Basket Strainer	\$15.00
 KITCHEN RANGE:	
	CHARGE
Replace Handle or spring (on oven door)	\$49.00
Replace Burner Knob	\$36.00
Replace Oven Control Dial	\$35.00
Replace Oven Baking and Broiler Element – Electric	\$52.00
Replace Oven Rack – All	\$52.00
Replace Gas or Electric Stove	\$409440.00
Replace Top Burner Grate	Varies from \$27 - \$37
Replace Broiler Tray	\$47.00
Replace Refrigerator	\$528555.00
 DOORS & LOCKS:	
	CHARGE
Replace Steel Exterior Door (CECO)	\$1000.00
Replace Exterior Door (Wood door)	\$350.00
Replace Interior Door	\$126.00
Replace Deadbolt Lock (Schlage Primus Set)	\$355.00
Remove Keyed Lock	\$86.00
Replace Passage Lock	\$86.00
Replace Screen Door (Rosefield)	\$166.00
Re-screen Patio Door	\$44.00
Replace Mailbox Lock	\$43.00
Replace Sliding Patio Screen Door 48"	\$113.00
Replace Sliding Patio Screen Door 36"	\$108.00
Replace Patio Door Lock	\$53.00
Re-hang Sliding Closet Door	\$43.00

ADDITIONAL OR REPLACEMENT KEYS:		CHARGE
One day's notice:	Primus keys	\$10.00
	Standard keys	\$5.00
No notice:	Primus keys	\$22.00
	Standard keys	\$17.00
Medeco keys		\$25.00
Replace standard cylinders - cost per cylinder (Tenant request)		\$43.00
Gate Opener replacement Independence Plaza		\$50.00
Gate Opener replacement China Clipper		\$50.00

ELECTRICAL:	CHARGE
Bulbs provided by AHA - \$15 for the first bulb replaced and \$5 for each additional bulb on the same call.	\$15.00
Bulbs provided by tenant - \$10 for the first bulb replaced and \$5 for each additional bulb on the same call	\$10
Replace Light Fixture – Each	\$55.00
Replace Light Globe – Each	\$25.00
Replace/Repair Outlet or Switch	\$22.00
Replace Smoke and/or Carbon Dioxide Detector	\$50.00
Replace Smoke Detector battery (if missing)	\$17.00
(No Charge for replacement of expired smoke detector batteries)	

MISCELLANEOUS:	CHARGE
Re-screen Window	\$25.00
Replace Window Screen and Frame	\$49.00
Replace Cabinet Drawer-For Damage	\$63.00
Replace Cabinet Door-For Damage	\$68.00
Replace Medicine Cabinet-For Damage	\$60.00
Replace Bathroom Mirror	\$68.00
Replace Toilet Paper Holder	\$43.00
Replace Shower Curtain Rod	\$27.00
Removal of Improperly Disposed of Trash/Garbage (minimum charge)	\$43.00

Move-Out Cleaning Charges \$43 per hour

Replace mini-blinds (cost depends on size)

Vertical blinds \$1 per slat

HQS Inspection Maintenance Charge - If tenant is unavailable for HQS, \$22.00
Maintenance has to open the door, remain on site, and lock the door when done.

Excessive damage to the walls and ceilings caused by, but not limited to, tobacco smoke, grease, and tenant painting the unit with paint, which cannot be covered with one coat, will result in additional charges during cycle painting or at move out. The cost can vary based on unit size; for example, a studio is \$750.00 and a five-bedroom unit is \$1,900.00

Tenant caused damages to walls and ceilings that result in asbestos abatement will be charged a minimum of \$550 plus repair charges.

NO HOUSING AUTHORITY LABOR CHARGES IF SCHEDULED FOR PICK UP FIVE (5) DAYS IN ADVANCE.

STORAGE:

Removal of furniture from unit for storage
Storage fees

CHARGE

\$ 43.00 per hour
\$ 5.00 per day

NOTE: Standard labor cost of **\$43.00** per hour with a **\$22.00** per call minimum unless otherwise noted, between the hours of 8:00 a.m. - 4:30 p.m., on regular workdays, will be used for structural repairs and all other tenant caused repairs or cleaning not listed.

There is a **\$65.00** per hour labor cost (with a two hour minimum) during non-work hours and on weekends.



Housing Authority of the City of Alameda

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

To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: February 18, 2015

Re: Update of Housing Choice Voucher Wait List Opening and Approval to
Retain a Back-up List of 750 Names

BACKGROUND

The Section 8 Housing Choice Voucher Program (HCV) is funded by HUD and is the largest single program of the Alameda Housing Authority (the Authority). The current Section 8 Housing Choice Voucher (HCV) list was last opened in 2003. At that time, 26,000 applications were received, of which 6,000 were placed on the list. As of December 2014, the Housing Programs department had outreached to all households on the wait list and subsequently issued vouchers to remaining eligible families.

Weekly planning sessions culminated in the Authority opening the on-line application process from Thursday, January 29, 2015 (10:00 am PST) through Tuesday, February 3, 2015 (9:59 am PST) to accept on-line applications from which a limited number would be placed on the HCV waiting list. This report is for the review and approval of the Board.

DISCUSSION

Previous actions by the Board in preparation for opening of the wait list include: 1) On October 22, 2014, staff requested and received approval from the Board of Commissioners to receive an additional expenditure to open the Housing Choice Voucher Wait List and 2) On November 19, 2014 the Administrative Plan was amended in preparation of the wait list opening.

The Authority received bids and conducted follow-up interviews and demonstrations with three companies that provide on-line application software to housing authorities. HAPPY was selected as the software provider and staff worked with the provider to customize their standard program to meet anticipated needs, with particular attention to providing access in multiple languages, making the process accessible to persons with disabilities, and making the process accessible to applicants with a wide range of computer access and skills. The HAPPY software is designed to allow applications

form any internet-enabled device, including smartphones and tablets. Because the Housing Authority anticipated receiving tens of thousands of pre-applications for the HCV wait list in a short period of time, this service was designed to provide website testing for the Housing Authority's website to see the traffic it could handle, and it provides a DNS Failover Service. If the Housing Authority's website fails, applicants get automatically rerouted to the software vendor's website to allow for the pre-applications to still be accepted. Happily, the website and failover service met this pre-opening testing as well as the demands of the opening period.

Public notice about the wait list opening began with a public statement at the January 6, 2015 meeting of the Alameda City Council. The following day, the Authority website was updated with general information flyers in English, Chinese, Spanish, Tagalog and Vietnamese. This website was updated as additional Application centers were added and a "Frequently Asked Questions" document was updated and translated. The Authority's website includes the Google translate feature which provides translation into many languages as well. HUD and other area Housing Authorities were informed by our Executive Director of the opening. Notices were published in area newspapers including the Alameda Journal, Argus, Asian Journal, Berkeley Voice, Daily Review, Oakland Tribune/Alameda Times-Star, Montclairion, Piedmonter, Sing Tao Daily, Viet Nam Daily and Vision Hispana during the week starting January 6. A double-sided flyer was sent to all 150 community-based organizations on the general outreach list, to all persons on the Guyton list, to rental property owners currently renting to voucher participants, and to all persons (over 3,000 persons) on any wait list with the Authority. Current Authority residents and HCVP participants received newsletters which included articles about the upcoming opening so they could spread the word as well. A toll-free number was established with basic information about the process and further information available on the AHA website. This pre-recorded message was provided in English, Chinese, Spanish, Tagalog and Vietnamese.

In order to provide area-wide access to this on-line process and minimize applicants seeking to apply at the Authority office, staff outreached to over 150 community organizations in an effort to obtain partners in the opening willing to help provide computer access and support. Community partners were invited to become Outreach Partners who would be provided a special Orientation Session and materials prior to the public opening in order to help spread the word and ensure that current and accurate information about the process was being distributed to their stakeholders and the community at large (this Orientation Session was held on January 21, 2015). Organizations which were willing to make computers and staff assistance available at their locations to the public were invited to become Application Center Partners. These Application Center Partners attended a two-hour training session on January 15, 2015 in preparation for this activity. We were very pleased that twelve organizations made this significant commitment, providing computers and staff during business and evening hours in Alameda, Oakland, and San Leandro. Authority staff were also available at these locations for technical assistance and to provide a communication link back to the office if any difficulties arose. To prepare for this role, twelve staff from all departments attended the Application Center Partners' training session and set aside their regular

work activities to serve as liaisons at the Application Centers. They were able to phone the office to get help with any technical questions that arose, providing quick answers to facilitate successful application submission. These Application Center Partners included:

- Mastick Senior Center
- Alameda Point Collaborative
- Alameda Boys & Girls Club
- Islamic Center of Alameda
- Alameda One-Stop Career Center at the College of Alameda
- Alameda Public Library
- Alameda Family Services
- Ethiopian Community Cultural Center
- United Indian Nations
- AIDS Project of the East Bay
- Alternatives in Action
- Lions' Center for the Blind

In order to provide access to the application process for persons with disabilities who could not otherwise apply on-line or through an Application Center, the Authority established a process to request a reasonable accommodation in writing to an external post office box or to an email address. Both the mailbox and email box were checked at least daily for requests. Many inquiries were of a more general nature and the person's needs could be met with information about the standard on-line process and Application Centers. One reasonable accommodation request was met by providing telephone assistance in Vietnamese to a person with a documented disability.

As the Opening Day arrived, and the hour of 10:00 am approached, a few visitors arrived at the office, and were quickly provided the two-page flyer by office and security staff. As expected, there was an initial surge of applications which the system handled successfully, with over 11,000 submitted in the first four hours and a full 20,000 in the first 24 hours. Activity at the various Application Centers varied during the first day and during the full opening period, allowing for some modifications to the original staff assignments as many sites felt they could handle things on their own after the first day. As the first surge of applications passed, the pace of applications slowed but remained steady at over 5,000/day on weekdays and over 2,000/day on the weekend days. There was a final surge on the last day, bringing the total for the five-day period to 36,721.

All application materials indicated that a limited number of 750 applicants would be randomly selected for placement on the wait list, which would then be ordered based on preferences claimed and the lottery order. This number was selected to limit the list to 2-3 years. The software vendor will provide the entire list in the random order, with PDF copies of the submitted applications. The applications of the 750 randomly-selected applicants will be received in a format permitting direct download into the Yardi software

used to manage program wait lists and administration. The Authority will contact all applicants, whether placed on the list or not, in writing. Applicants placed on the wait list will have the opportunity to update or correct their original application and will be required to respond in writing to remain on the wait list.

In advance of these mailings from the Authority, applicants will be able to access information about their status on the wait list by accessing the on-line system or calling a telephone number within three weeks of the closing of the list and entering identifiers supplied on the application. Through the WaitListCheck system they will be able to determine if they are "Active" (one of the randomly selected applicants placed on the HCVP wait list) or "Inactive" (one of the many thousands not placed on the wait list).

Based on initial information, we may find that a portion of this group of 750 may not qualify for issuance or possibly may be unable to use an issued voucher in Alameda. Therefore, the Authority intends to retain a listing of the second group of 750 applicants (as ordered by the software vendor's random lottery process). If the initial group of 750 applicants is exhausted before February 1, 2018, the Authority would pull additional applicants in groups of 25 and place them on the HCVP wait list, ordered by preferences claimed and the lottery order. After February 1, 2018, the Authority reserves the right to reject any remaining applicants from the second group of 750 and re-open the wait list.

In addition to regenerating a vibrant wait list from which to boost voucher utilization and assist families in need, this project has been a rewarding agency-wide and community-wide effort. Through our partnerships and meetings, we have forged stronger bonds with and among local community-based organizations.


BUDGET CONSIDERATION/FINANCIAL IMPACT

The Board of Commissioners approved a budget of \$50,000 for this activity on October 22, 2014. Final costs will be reported in the near future.

RECOMMENDATION

Staff recommends approval to retain a listing of the next group of 750 applicants (as ordered by the software vendor's random lottery process in February 2015) from which the Authority would pull additional applicants in groups of 25 and place them on the HCVP wait list, ordered by preferences claimed and the lottery order, if the initial group of 750 applicants is exhausted before February 1, 2018.

Respectfully submitted,


Vanessa M. Cooper
Executive Director

VMC/SLG

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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

Date: February 18, 2015

Re: Approve an Amendment to Lease Agreement with Hi Chi Chen Extending
the Term of the Lease on the Property Adjacent to Esperanza for an
Additional Ten (10) Year Period through April 30, 2025

BACKGROUND

On May 1, 2005, the Housing Authority entered into a lease agreement with Hi Chi Chen, the owner of Hometown Donuts, located at 1930 Main Street. The lease covers land for a rear parking lot for this business. The land was originally provided to the Housing Authority by the U. S. Department of Housing and Urban Development (HUD) to build public housing in 1969. Esperanza, no longer public housing, was built on the majority of the property in 1970. The Housing Authority also had leased this piece of land to the previous owner of Hometown Donuts for many years.

The initial term of the Lease was set at 10 years, beginning May 1, 2005, and ending April 30, 2015. The lease gave the tenant the option to extend the term for an additional 10 years by notifying the Housing Authority in writing 90 days prior to the end of the initial term.

Rent for the leased property was set at \$273 per month in May 2005. Annually in accordance with the lease, rent was adjusted an amount equal to the annual change in the Consumer Price Index (CPI) for the San Francisco Bay. Currently, rent is \$329.00.

DISCUSSION

The Housing Authority has received a letter from Mr. Chen, the lessee, requesting a 10-year extension of the lease agreement. As such, staff is requesting an amendment to the lease with Hi Chi Chen to extend the term for an additional 10-year period. Mr. Chen has been a reliable tenant, paying rent on time every month. This lease arrangement has been mutually beneficial; therefore, it is recommended that it be continued. In addition, staff proposes providing a means to extend the lease for a third 10-year period if mutually agreeable to both parties.



A copy of the proposed amendment to the lease agreement is attached. If approved, the lease arrangement will continue through April 30, 2025. Rent would continue to be reset annually according to the CPI.

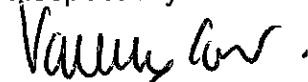
FINANCIAL IMPACT

Over the next 10 years, the Housing Authority can expect to receive income for Esperanza of approximately \$43,000, assuming a modest increase in the CPI of 2 percent. If another 10 years are added to the lease, the Housing Authority would continue to receive a steady income from the property to the benefit of Esperanza.

RECOMMENDATION

Approve the amendment to lease agreement with Hi Chi Chen.

Respectfully submitted,



Vanessa M. Cooper
Executive Director

VMC/

Attachments: Amendment to Lease Agreement No. 1



AMENDMENT TO LEASE AGREEMENT NO. 1

This Amendment to Lease Agreement by and between the Housing Authority of the City of Alameda, public body, corporate and politic (hereinafter "Lessor") and Hi Chi Chen, sole proprietor, (hereinafter "Lessee"), made with reference to the following:

RECITALS

A. On May 1, 2005, a Lease Agreement (hereinafter "Lease") was entered into by and between Lessor and Lessee.

B. The Lease Agreement provides the Lessee the opportunity to extend the Lease for an additional ten (10) year period upon written request to Lessor.

C. Lessee has provided a written request exercising the option to renew the Lease for an additional five-year term.

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

1. Paragraph 1 of the Lease is modified to read as follows:

1. TERM. The term of this Lease shall be for a primary term of ten (10) years, beginning May 1, 2005, and ending April 30, 2015. Tenant has exercised his option to extend the term for an additional ten (10) years which changes the ending date of this Lease Agreement to April 30, 2025.

Tenant shall have the option to request an additional ten (10) year lease extension upon written notice to Lessee. If received within ninety (90) days prior to the end of the April 30, 2025, term ending and if considered mutually agreeable, Lessee will accept Lessor's request and execute an Amendment to Lease Agreement to extend the term for an additional ten (10) year period ending April 30, 2035.

2. Except as expressly modified herein, all other terms and conditions set forth in the Lease shall remain the same and shall be in full force and effect.

3. The effective date of this Amendment No. 1 shall be April 1, 2015.

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

Hi Chi Chen

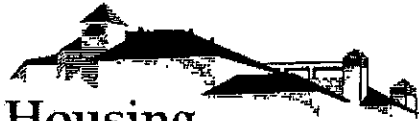
Housing Authority of the City of Alameda

Hi Chi Chen, Sole Proprietor

Vanessa M. Cooper, Executive Director

Date

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

Date: February 18, 2015

RE: Adopt the Resolution to Revise the FY 2015 Budget

BACKGROUND

The Housing Authority adopts its annual budget at the first meeting in April each year. The Housing Authority has also adopted the practice of preparing a two year budget. On April 16, 2014, the Board of Commissions approved a two year budget for the Fiscal Years 2015 and 2016.

DISCUSSION

The FY 2015 budget was approved on April 16, 2014 and several operating changes, CIP's and EMP's need to be updated to conform to current operating conditions.

Income

Tenant rents and HAP payments to AHA owned properties have been adjusted for current occupancy mix and vacancy patterns. CDBG has also granted \$99,215 and \$83,000 for modernization projects at IP and China Clipper, respectively. The CDBG grants are income to AHA and are added to other income for HA Owned and IP. HAP revenues and expenses have been lower for the fiscal year due to tight rental markets for Housing Choice Voucher holders and Alameda County Housing Authority's absorption of AHA's portability vouchers.

Operating Expenses

The two loans for Esperanza \$14,291,000 and Independence Plaza \$7,500,000 closed on June 30, 2014. At the time of the original FY 2015 budget, these two loans were not approved, and terms and conditions such as interest rates and loan amounts had not yet been finalized. At this time, the loans interest expenses, principal and replacement reserve debt service requirements are known and have been incorporated into this revised budget. Net interest expense for this revised budget increases by 473,516 from the original budget.

AHA allocates its operating cost based on a detailed Cost Allocation Plan and at the time of the original budget the FY 2015 Cost Allocation Plan had not yet been completed and approved by the Executive Director. Since actual operating expenses for FY 2015 have been following the FY 2015 Cost Allocation Plan the budget also needs to be updated to reflect the changes in the new FY 2015 Cost Allocation Plan.

There are a number of vacant positions at this time: Director of Operations, HCD Project Manager, Facilities Project Manager, Housing Specialist II, Housing Assistant. With the assistance of our HR Consultants, Koff & Associates, these positions are expected to be filled by the start of the next budget year. There is a proposal to add a senior management analyst position at grade 35, step 3 at an annual salary of \$95,232. This position would report directly to the Executive Director and provide management analysis, IT systems management and quality control functions at the direction of the Executive Director. The Parrot Village resident manager position which has been vacant is now being added at an annual salary of \$20,800 plus benefits.

A contract with the Alley Group was approved for Facilities Project Management which is expected to be \$113,000 in the current fiscal year. Thus far this cost has been offset by the salary and benefits of the vacant position, Facilities Project Manager. Maintenance contract expenses have been reduced by \$185,000 based on current expenditure trends for FY 2015.

The Section 8 waiting list was re-opened and the cost to implement new software, train staff and advertise the opening is estimated to be approximately \$50,000.

A line item for \$30,000 is added to the City programs for Hello Housing compliance work and will be fully reimbursed by the City. Additional funds are required for legal and financial consultants to do necessary predevelopment work at \$94,250. Several other income and expense items have been updated based on current operating trends.

Depreciation, the paper expense, also has been increased based on updated depreciation computations.

FY 2015 EMPs and CIPs

Capital Improvement Projects (CIP's)

Four approved CIP projects in the FY 2014 budget need to be carried over to FY 2015 due to the timing of their completion. These projects started in June 2014 and were completed in July 2014, crossing AHA's fiscal years. These projects are RV-C3-14 Replace Single Glazed Windows at Rosefield Village \$90,000 with a carryover amount of \$4,442, PG-C2-14 Replace Single Glazed Windows \$30,000 with a carryover amount of \$2,279 and IP-C1-14 Replace metal doors at stairways \$35,000 with a carryover amount of \$33,818. GF-C1-13 Maintenance Truck with a carryover amount of \$27,000.

For FY2015 CIP adjustments, CIP IP-C1-15 for \$96,000 needs to be increased to \$192,000 for FY 2015. The project was originally budgeted to be completed in two phases with the first phase in FY 2015 and the second portion completed in FY 2016. The project is currently in process and makes sense to complete while the contractor is on site. The \$96,000 originally included for FY 2016 will be eliminated and moved up to FY 2015. Savings from other FY 2015 CIP projects will more than offset the proposed \$96,000 increase for IP-C1-15. CIP PV-C5-15 was added as a reasonable accommodation for an ADA bathroom at Parrot Village for \$49,000. CIP ESP-C6-14, Architectural Services needed to be increased by \$2,941 to adjust to the scope of services needed for the modernization project at Esperanza.

CIP/EMP Transfer

Portions of a CIP at Esperanza number ESP-C2-15 Site Improvements, originally budgeted for \$2,000,000, is not capitalizable under Generally Accepted Accounting Principles (GAAP) and therefore is being transferred to ESP-E3-15 in the amount of \$160,000. The revised ESP-C2-15 project is now proposed at \$1,840,000 and a new EMP number ESP-E3-15 for \$160,000 is proposed in this budget revision to keep the total project budget at \$2,000,000 for Site Improvements at Esperanza and comply with GAAP.

EMP's

EMP IP-E2-15, Repaint all hallways and common areas in all remaining buildings needs to be increased by \$4,330 to \$65,770 to reflect actual cost to complete the project. EMP IP-E2-15 for \$61,440 needs to be increased by \$800 to \$62,240 for some additional paint required to complete the project.

Fungibility

EMP's and CIP's are shown on the attached schedules separately, but this budget proposes continued adoption of the CIP and EMP line items allowing for full fungibility. For instance, if savings is realized in one CIP/EMP project, that savings could be used to cover an overage on another project. This fungibility does not allow the elimination or addition of projects without prior approval of the Board of Commissioners.

Tenant Services

The Board of Commissioners approved the payment of \$25,000 to the Alameda Boys and Girls Club towards a passenger van early in the fiscal year and that item was not included in the original budget for FY 2015 and needs to be added now.

Travel and Training

The Director of Facilities and Maintenance is scheduled for updated training on HQS inspections and desires to attend a training in Seattle, Washington. There are sufficient budgeted funds for this training but because it is out of State, it needs Board of Commissioner approval.

Development

The Pre-Development budget of one million dollars for 2437 Eagle Avenue was appropriated by Board of Commissioners action in August 2014. These pre-development funds come from available Successor Housing Agency reserves. The components of this pre-development budget are:

Architectural and Engineering Design	\$600,000
Application and Entitlement Fees	150,000
Financial and Legal Consulting Services	100,000
Environmental and Geotechnical Reports	25,000
Survey and Appraisal Reports	25,000
Property Maintenance, Misc. and Admin	100,000

Total Pre-Development	\$1,000,000

Development

Land purchase for 2437 Eagle Avenue development project for \$1.2 million. This project is funded by Successor Housing Agency reserves and has already closed based on previous Board of Commissioner approvals.

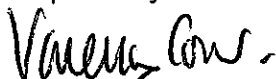
FISCAL IMPACT

The original operating budget for FY 2015 reflects an operating surplus of \$679,957 and the proposed revised budget reduces the operating surplus to \$145,130. Substantial CIP projects will continue to result in negative cash flow for fiscal year 2015 of \$4,619,289 while the original budget anticipated a negative cash flow of \$3,434,961. These negative cash flows will need to be paid from accumulated operating reserves. Operating reserves at June 30, 2014 were \$28,927,000, net of Federal programs. Current fiscal year operating results as budgeted would increase the non-Federal operating reserves from \$28,927,000 to \$29,072,100. Cash in banks and investments would decrease from \$35,521,000 at June 30, 2014 to \$30,901,700. Successor Housing Agency Predevelopment cost of \$1,000,000 and development (land \$1,200,000) activities mentioned earlier in this report, will also reduce cash resources by an additional \$2,200,000 from the Successor Housing Agency cash reserves, which had a balance of \$4,217,060 at January 31, 2015.

RECOMMENDATION

The Executive Director and staff recommend the Board of Commissioners adopt the resolution to approve the proposed budget revision, including the Development, Pre-Development, Extraordinary Maintenance Projects and Capital Improvement Project line items for fiscal years FY 2015.

Respectfully submitted,


Vanessa M. Cooper
Executive Director

Honorable Chair and
Members of the Board of Commissioners

February 18, 2015
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VC:AO

Attachments

Housing Authority of the City of Alameda
Budget Revision Number 1
For the Fiscal Year Ending June 30, 2015

Budget Line Items	General Fund		AHACDB/Other Managed Program		Parrot & Eagle		HA Owned		Independence		Section-8		Total-All Programs	
	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015
OPERATING INCOME:														
HAP/Operating Subsidy	230,280	230,280	0	0	1,338,000	1,467,600	3,204,324	3,312,960	1,433,847	1,186,508	23,154,752	22,209,368	29,361,203	28,406,716
Rents	0	0	0	0	477,000	494,520	1,399,224	1,375,560	1,380,000	1,411,200	0	0	3,256,224	3,281,280
Administrative Fees	0	0	0	0	0	0	0	0	0	0	1,581,500	1,566,247	1,581,500	1,566,247
Interest	2,000	2,000	0	0	7,000	7,000	25,500	25,500	1,442	1,000	0	0	35,942	35,500
Other Income	8,016	147,509	610,043	665,732	12,808	15,240	51,453	168,320	19,752	120,820	7,520	5,580	708,784	1,123,001
TOTAL INCOME	240,296	379,589	610,043	665,732	1,834,000	1,984,360	4,680,501	4,882,340	2,835,041	2,719,528	24,743,772	23,781,195	34,943,653	34,412,744
OPERATING EXPENSES:														
ADMINISTRATIVE:														
Total Admin. Salaries	0	0	399,369	424,927	256,752	246,755	580,921	669,335	361,689	263,021	949,270	965,406	2,548,001	2,569,444
Legal	0	0	0	0	9,840	9,840	35,328	35,328	17,574	17,574	11,030	11,030	73,572	73,572
General Administrative Expenses	0	0	78,709	78,709	70,453	74,004	209,500	230,924	107,760	102,928	207,188	203,417	673,610	749,981
TOTAL	0	0	478,078	503,636	337,045	330,599	825,749	935,587	486,823	383,522	1,167,488	1,239,852	3,295,183	3,392,997
TENANT SERVICES														
Salaries	0	0	0	0	5,494	23,404	43,803	48,642	23,245	23,140	0	0	72,542	95,186
Tenant Activities	0	25,000	0	0	4,800	4,800	30,000	30,000	8,000	8,000	100	100	42,900	67,900
TOTAL	0	25,000	0	0	10,294	28,204	73,803	78,642	31,245	31,140	100	100	115,442	163,086
UTILITIES:														
Water & Sewer	0	0	0	0	108,900	108,900	270,775	270,775	135,900	135,900	357	357	516,022	516,022
Electricity	0	0	0	0	16,540	16,540	70,880	70,880	47,960	47,960	8,480	8,480	143,860	143,860
Gas	0	0	0	0	5,463	6,463	44,806	49,806	20,629	24,629	496	496	71,394	81,394
TOTAL	0	0	0	0	130,903	131,903	386,461	391,461	204,579	208,579	9,333	9,333	731,276	741,276
MAINTENANCE:														
Salaries	0	0	0	0	214,754	218,222	524,811	612,811	343,759	247,555	0	0	1,083,324	1,078,588
Materials	0	0	0	0	49,700	49,700	113,400	113,400	45,500	45,500	4,400	4,400	213,000	213,000
Contract Costs	0	0	0	0	280,990	290,220	795,980	681,010	308,980	267,280	15,750	15,750	1,399,700	1,214,260
TOTAL	0	0	0	0	545,444	518,142	1,432,191	1,407,221	698,239	560,335	20,150	20,150	2,696,024	2,505,848
GENERAL:														
Police Services	0	0	0	0	49,770	49,770	106,680	106,680	37,590	37,590	15,960	15,960	210,000	210,000
Insurance	0	0	0	0	24,735	22,569	63,320	46,012	51,483	29,152	4,110	4,063	143,648	101,796
Employee Benefits	0	0	132,096	132,096	157,774	174,112	380,223	474,438	241,024	190,274	313,980	344,176	1,225,097	1,315,096
Collection Losses	0	0	0	0	13,600	13,600	17,000	17,000	0	0	0	0	30,600	30,600
TOTAL	0	0	132,096	132,096	245,879	260,051	567,223	644,130	330,097	257,016	334,050	364,199	1,609,345	1,657,492
TOTAL OPER. EXPENSES	0	25,000	610,174	635,732	1,269,565	1,268,900	3,285,427	3,457,041	1,750,983	1,440,593	1,531,121	1,633,634	8,447,270	8,460,700
MORTGAGE/HAP														
HAP	230,280	230,280	0	0	0	0	0	0	0	0	23,154,752	22,209,368	23,385,032	22,439,648
Mortgage Interest	0	0	0	0	143,317	106,932	72,520	735,743	403,967	250,645	0	0	619,804	1,093,320
TOTAL	230,280	230,280	0	0	143,317	106,932	72,520	735,743	403,967	250,645	23,154,752	22,209,368	24,004,836	23,532,968
OTHER EXPENSES:														
Extraordinary Maint.	33,000	33,000	0	0	286,500	286,500	181,240	341,240	71,440	75,770	0	0	574,180	736,510
CDBG/Other Programs	0	0	0	30,000	0	0	0	0	0	0	0	0	0	30,000
Pre-development	109,575	203,823	0	0	0	0	0	0	0	0	0	0	109,575	203,823
TOTAL	142,575	236,823	0	30,000	286,500	286,500	181,240	341,240	71,440	75,770	0	0	681,755	970,333
TOTAL EXPENSES	372,855	492,103	610,174	665,732	1,699,382	1,667,332	3,539,187	4,534,024	2,226,390	1,766,808	24,685,873	23,843,002	33,133,861	32,964,001
Operating Income before Depr.	(132,559)	(112,514)	(131)	0	134,618	322,028	1,141,314	348,316	608,651	952,720	57,899	(61,806)	1,809,792	1,448,744
Depreciation (paper expense)	50,564	50,534	0	0	266,528	276,528	497,935	633,588	314,808	342,964	0	0	1,129,835	1,303,614
Operating Income after Depr.	(183,123)	(163,048)	(131)	0	(131,910)	45,500	643,379	(285,272)	293,843	609,756	57,899	(61,806)	679,557	145,130

Housing Authority of the City of Alameda

Budget Revision Number 1

For the Fiscal Year Ending June 30, 2015

Budget Line Items	General Fund		AHACDBE/Other Managed Program		Parrot & Eagle		HA Owned		Independence		Section-8		Total-All Programs	
	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015	Approved 2015	Proposed 2015
GAAP to Cash Adjustments														
Operating Income after Depr	(183,123)	(163,048)	(131)	0	(131,910)	45,500	(285,272)	643,379	293,843	609,756	57,899	(61,806)	679,957	145,130
Cash Adjustments														
Addback Depreciation	50,564	50,534	0	0	266,528	276,528	633,588	497,935	314,808	342,964	0	0	1,129,835	1,303,614
Subtract Mortgage Prin Payments	0	0	0	0	(130,051)	(146,100)	(40,353)	(40,353)	(261,545)	(461,695)	0	0	(431,949)	(791,873)
Subtract Replacement Reserve	(10,000)	(10,000)	0	0	(32,200)	(32,200)	(33,550)	(42,500)	(44,604)	(58,830)	0	0	(129,304)	(134,580)
Subtract Equipment Reserve	0	0	0	0	(3,200)	(3,200)	(3,600)	(3,600)	(2,200)	(2,200)	(2,000)	(2,000)	(11,000)	(11,000)
HAP (Paid from Prior ACC's)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Adjustments	40,564	40,534	0	0	101,077	95,028	411,482	412,360	6,459	(179,761)	(2,000)	(2,000)	557,582	366,161
Adjusted Net Cash/Operations	(142,559)	(122,514)	(131)	0	(30,833)	140,528	1,054,861	1,27,088	300,302	429,995	55,899	(63,806)	1,237,539	511,291
Reserve Transfers and Loans	600,000	600,000	0	0	0	0	(600,000)	(600,000)	0	0	0	0	0	0
Operating Reserve transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Payoff US Bank Loans	0	0	0	0	0	0	(322,200)	(322,200)	0	0	0	0	0	(322,200)
S8 NRA Reserves moved to HUD	0	0	0	0	0	0	0	0	0	0	0	(80,400)	0	(80,400)
Replacement Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non-Operating	600,000	600,000	0	0	0	0	(600,000)	(600,000)	0	0	0	(80,400)	0	(402,600)
Capital Improvements	(75,000)	(102,000)	0	0	(194,000)	(243,000)	(4,104,000)	(3,953,662)	(299,500)	(429,318)	0	0	(4,672,500)	(4,727,980)
New Development	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CDBG Funds for CIP's	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash - Capital Improvements	(75,000)	(102,000)	0	0	(194,000)	(243,000)	(3,953,662)	(3,953,662)	(299,500)	(429,318)	0	0	(4,672,500)	(4,727,980)
Net Cash Adjustments	382,441	375,486	(131)	0	(224,833)	(102,472)	(3,649,139)	(4,748,774)	802	678	55,899	(144,206)	(3,434,961)	(4,619,289)

**Proposed Schedule of CIP Projects
FY 2015**

Project No	Project Description	Approved CIP FY 2015	Proposed CIP FY 2015
HOUSING AUTHORITY GENERAL FUND			
Existing Approved General Fund			0
GF-C4-12	Office Furniture (carry forward) new work area & existing Sec-8)	75,000	75,000
GF-C1-13	Maintenance Truck		27,000
			0
PROPOSED TOTALS		75,000	102,000
EAGLE VILLAGE AND PARROT VILLAGE			
Existing Approved Eagle Village and Parrot Village			0
PV-C2-15	R/R breaker panels in all units	21,000	21,000
PV-C3-15	Replace angle stops in kitchens, bathroom, etc.	25,000	25,000
PV-C4-15	Drought tolerant irrigation	70,000	70,000
PV-C5-15	ADA bathroom (reasonable accommodation)	0	49,000
EV-C1-15	Resurface & stripe 2 parking lots	78,000	78,000
PROPOSED TOTALS		194,000	243,000
HOUSING AUTHORITY OWNED			
Existing Approved Housing Authority Owned			
ABD-C1-13	Convert one unit to Section 504	90,000	90,000
ABD-C1-15	Siding, window & sliding glass door replacement	1,300,000	1,300,000
ABD-C2-15	Architectural Service for ABD siding, window and sliding glass door replacement	35,000	35,000
ABD-C1-16	Replace water closets, refrigerator, flooring, in apartments, plus parking lot		
ABD-C2-16	Replace shower/tub enclosures		
CC-C1-15	Replace angle stops in unit bathrooms, kitchen, etc	12,000	12,000
CC-C5-15	Replace wall furnaces and refrigerators	43,500	43,500
CC-C1-16	Replace unit entry doors		
CC-C2-16	Replace & add pull stations for fire alarm		
CC-C3-16	Replace cabinetry & cabinets in all units (kitchen & bath)		
ESP-C1-15	R/R sewer laterals	35,000	35,000
ESP-C2-15	Site improvement (\$160k moved to EMP per GAAP requirement)	2,000,000	1,840,000
ESP-C3-15	Kitchen & bath cabinets (remaining 33 units)	495,000	495,000
ESP-C6-14	Architectural service for the exterior modernization & infrastructure improvement	50,000	52,941
RV-C2-14	Replace cabinetry & counters at 742 Eagle	15,000	15,000
RV-C3-14	Replace Single Glazed Windows		4,442
RV-C1-15	Replace and repair concrete walkways	10,000	10,000
SH-C1-15	Replace flat roof with foam cool roof type	18,500	18,500
PG-C2-14	Replace Single Glazed Windows		2,279
PROPOSED TOTALS		4,104,000	3,953,662
INDEPENDENCE PLAZA			
Existing Approved Independence Plaza			
IP-C1-14	Replace metal doors at stairways		33,818
IP-C1-15	Replace common area floor in remaining buildings	96,000	192,000
IP-C2-15	Replace fire alarm panel & A/C condensing unit	28,500	28,500
IP-C3-15	Replace gutters	75,000	75,000
IP-C4-15	Replace angel stops in kitchens, bath, etc	100,000	100,000
PROPOSED TOTALS		299,500	429,318
PROPOSED GRAND TOTALS		4,672,500	4,727,980

**PROPOSED SCHEDULE OF EMP PROJECTS
FY 2015**

Project No	Project Description	Approved EMP FY 2015	Proposed EMP FY 2015
HOUSING AUTHORITY GENERAL FUND			
Existing Approved General Fund			
GF-E5-14	Repaint exterior of administrative office	23,000	23,000
GF-E1-15	ADA Transitional Improvements	5,000	5,000
GF-E2-15	Color Consultant	5,000	5,000
PROPOSED TOTALS		33,000	33,000
EAGLE VILLAGE AND PARROT VILLAGE			
Existing Approved Eagle Village and Parrot Village			
PV-E1-15	Drought tolerant landscaping	280,000	280,000
EV-E1-15	Install sink clean outs	6,500	6,500
PROPOSED TOTALS		286,500	286,500
HOUSING AUTHORITY OWNED			
Existing Approved Housing Authority Owned			
CC-E1-15	Replace fuse electrical panel at the garage	3,500	3,500
CC-E2-15	Paint all apartments, exterior of buildings, decks, pool pumps, wall furnaces, refrigerators	100,000	100,000
CC-E3-15	Provide audible signals at floor levels changes-ADA	2,500	2,500
ESP-E1-15	Clean out heater vents	20,000	20,000
ESP-E2-15	Replace refrigerators in all units	42,000	42,000
ESP-E3-15	Site Improvement - Painting & Landscaping (moved from CIP to EMP per GAAP requirements)		160,000
SH-E1-15	Refinish bathtubs in all units	1,760	1,760
SH-E2-15	Replace toilets in all units	1,980	1,980
RV-E1-15	Install sink clean outs	6,500	6,500
PG-E1-15	Install sink clean outs	3,000	3,000
PROPOSED TOTALS		181,240	341,240
INDEPENDENCE PLAZA			
Existing Approved Independence Plaza			
IP-E1-15	Change the Medco key system	10,000	10,000
IP-E2-15	Repaint all hallways & common areas in all remaining buildings	61,440	65,770
PROPOSED TOTALS		71,440	75,770
PROPOSED GRAND TOTALS		572,180	736,510