IF YOU WISH TO ADDRESS THE BOARD:

1. Please file a speaker’s slip with the Executive Director, and upon recognition by the Chair, approach the rostrum and state your name; speakers are limited to 5 minutes per item.

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

AGENDA

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

DATE & TIME       Wednesday, August 19, 2015 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. Approve Minutes of the Board of Commissioners Special Meeting held July 22, 2015. Acceptance is recommended
3. AGENDA

3-A. Adopt the Resolution to Increase the Employer’s Contribution for Eligible Employees’ Health Care and to Provide a Cost of Living Wage Increase of up to 3.0 Percent for All Regular Full-time Employees

3-B. Approval of Payment of Unfunded Pension Liability

3-C. Resolution Certifying the Data Submitted for the Section 8 Management Assessment Program for FY 2014-2015

3-D. Presentation on the City of Alameda Below Market Rate Homeownership Program

3-E. Information on Rosefield Village – 727 Buena Vista, Units D and E

3-F. Approve Out-of-State Travel for Staff and Board Chair

3-G. Nominate and Elect Officers of the Board of Commissioners

3-H. Adopt a Resolution to Authorize the Addition of One Additional Resident Manager Position

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

5. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

6. ADJOURNMENT

Note

Documents related to this agenda are available for public inspection and copying at the Office of the Housing Authority, 701 Atlantic Avenue, during normal business hours.

KNOW YOUR RIGHTS UNDER THE Ralph M. Brown Act: Government’s duty is to serve the public, reaching its decisions in full view of the public. The Board of Commissioners exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people’s review.

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.
DRAFT MINUTES

SPECIAL MEETING OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA
HELD WEDNESDAY, JULY 22, 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, Rickard, Shipe and Chair Kurrasch
Absent: Commissioner McCahan

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.

Mr. Torrey asked that his comments in the Oral Communications Section of the Minutes be revised and the date changed from May 15 to May 12.

Commissioner Rickard asked staff to comment on the Budget Variance Report development side regarding Island City Development (ICD) on page 8 of the packet. Ms. Johnson commented that ICD is not in the City Budget yet and ICD does not have any assets yet. Mr. Olds, Finance Director said that the funds have been advanced by Housing Authority for ICD and talked more on the process. Commissioner Rickard suggested showing actual versus planned development so that there is a comparison. Mr. Olds said that he would do that going forward.

Commissioner Rickard moved to approve the Consent Calendar with Mr. Torrey’s change and Commissioner Jones seconded. The motion carried unanimously. Items accepted or adopted are indicated by an asterisk.

*2-A. Approve Minutes of the Board of Commissioners Regular Meeting held June 17, 2015. Acceptance is recommended.

*2-B. Accept the Budget Variance Report

*2-C. Accept the Monthly Overview Report
3. **AGENDA**

3-A. **Staff Report – Investment Analysis**

On April 22, 2015 the Board approved a contract for investment services with PFM Asset Management (PFM). On May 20, 2015 the Executive Director was advised by the Board to make a presentation on the protected cash flow. Mr. Olds, Director of Finance, preceded with the presentation and directed attention to the chart on page 27 of the packet that shows how AHA is looking at investing funds at this time. Mr. Olds discussed the chart on page 28 that shows the cash needs over the next three years. He said that every three to six months we would look at this chart again as things change and we may have to redirect investments. Mr. Olds said that a formal meeting with PFM will be held on August 24, 2015. At that time the new Finance Director will be on board.

Ms. Cooper said that this report is for information only and staff will return with a specific proposal.

3-B. **Adopt the Resolution to Amend the Records Retention and Disposition Policy**

Ms. Cooper informed the Board that AHA has been planning an official clean-up day as stated in our Two-Year Work Plan. Staff pulled our retention policy and looked at it as a group and also had our attorney review the policy. Staff are recommending a number of changes to the policy. Staff have included in the policy a structure where the Executive Director provide a list of documents to be destroyed in compliance with the Retention Schedule to the Board, rather than requiring the Board to authorize destruction of said records.

Ms. Cooper explained the process and how AHA would begin the purging process by identifying records that are beyond the normal retention period with respect to paper and electronic documents.

Chair Kurrasch asked that the effective date in the Resolution be changed to July 22, 2015.

Commissioner Allen moved to adopt the Resolution to amend the Housing Authority’s revised Records Retention and Disposition Policy effective July 22, 2015 and Commissioner Shipe seconded. The motion carried unanimously.

Roll call: All present except Commissioner McCahan.

3-C. **Adopt the Resolution to offer an ROTH IRA as an Additional, Optional Benefit for Regular Employees**

Ms. Cooper reported that she had a meeting with our retirement provider, ICMA, who provides the 457 supplemental retirement account for AHA employees. Ms. Cooper said she would like to offer this to regular employees as an optional benefit. There is a small administrative cost.
Chair Kurrasch asked that the effective date in the Resolution be changed to July 22, 2015.

Commissioner Rickard moved to accept the Resolution Amending Personnel Policy: Deferred Compensation (Roth IRA) and Commissioner Allen seconded.

Roll call: All present except Commissioner McCahan.

3-D. Adopt the Resolution to Amend the Revised Housing Authority’s Personnel Policies in Relation to the Stated Workweek

Ms. Cooper said that part of what is being done is standardizing the stated workweek across the Agency. Staff is changing the policy to reflect current practices. This change works operationally and works with the new payroll system.

The effective date in the Resolution will be changed to July 22, 2015. Commissioner Shipe moved to accept the Resolution Amending Personnel Policy: Declaration of Work Period and Commissioner Jones seconded.

Roll call: All present except Commissioner McCahan.

3-E. Presentation of the Summary Results of the Quadel Report on Housing Programs Department Workflow Review

Ms. Cooper reported that the Quadel Report was commissioned through an RFP in 2014. Quadel consultants came to AHA in October 2014 to do the work. This report talks about conditions as of October 2014. Ms. Cooper reported that progress has been made on many of these items in the report. With the hiring of the new Housing Programs Director much of making the systems run automatically to fix these issues will be their responsibility. The hiring of two Housing Programs Supervisors has helped tremendously.

Ms. Cooper passed out the Quadel Report and reviewed their findings with the Board. Ms. Cooper said staff would bring back to the Board an update next year.

3-F. Approve Revised Payment Standards for the Section 8 Housing Choice Voucher Program by Increasing the Payment Standards to the 50th Percentile at 110% of Fair Market Rent, Effective September 2, 2015

Ms. Cooper said that the AHA has been before the Board four times in fifteen months to ask for an increase in the Payment Standards. The Payment Standards is the maximum amount of money that we can pay on a unit in Alameda. The rents are going up rapidly. Ms. Cooper reported that in October/November last year AHA went to 110% of the fair market rent based on the 40% percentile. This is the most you can do without getting HUD approval.
Ms. Cooper reviewed the table in the packet on page 49 that summarizes the applicable FMR levels, previous and current Payment Standards, and proposed Payment Standards.

Commissioner Allen moved to accept the staff recommendation to revise the Payment Standards for the Section 8 Housing Choice Voucher Program by increasing the Payment Standards to the 50th percentile at 110% of Fair Market Rent, effective September 2, 2015 and Commissioner Shipe seconded. The motion carried unanimously.

3-G. Approve Resolution to Accept a Quitclaim Deed for the Del Monte Project Site, Authorize Executive Director to Execute Related Documents and Approve a Loan of $700,000 from the Housing Successor Asset Fund to Island City Development for the Del Monte Senior Project

Commissioner Rickard recused himself from the meeting.

Victoria Johnson, Director of Housing and Community Development gave background information on the Del Monte Project. In August 2014 the Board authorized staff to meet and work with developer Tim Lewis Communities (TLC) on the Agreement for Development of Affordable Housing. (Exhibit A in the staff report)

Ms. Johnson announced that on July 21, 2015 the City Council unanimously approved the transfer of the City owned land.

Ms. Johnson presented Exhibit C, on page 113 in the packet, showing the City owned and privately owned parcels. The privately owned parcel will be acquired with a Agreement that is similar to the City Purchase Option Agreement. Ms. Johnson explained that the format of Purchase Option Agreement is intended to allow cancellation if the project does not move forward, compared to a standard Purchase and Sale Agreement.

Ms. Johnson stated that predevelopment expenses to date have included mostly legal fees and TLC has paid for design services and City fees. After the final Council approval AHA will incur more predevelopment expenses and a Development Finance Report will be included with our Monthly Overview Report to the Board.

Commissioner Shipe moved acceptance of the staff recommendation to approve Resolution to accept a Quit Claim Deed for the Del Monte site, authorize the Executive Director to execute any related documents and approve a $700,000 loan from the Housing Authority Housing Successor Agency Asset Fund to Island City Development for pre-development expenses at the Del Monte senior project and Commissioner Jones seconded. The motion carried unanimously.

Commissioner Rickard rejoined the meeting.

3-H. Authorize the Executive Director to Execute Transaction Documents and Purchase a Home Located at 1819 Paru
Ms. Johnson provided background information for the property at 1819 Paru, which is occupied by a moderate-income homebuyer. The buyer has notified AHA that they want to sell and move out. The AHA has the first right of refusal to purchase any one of the below market rate homes. The purchase price and sale price are restricted. Ms. Johnson recommended that AHA exercise its right of first refusal to purchase the home. Ms. Johnson said the price of the home is defined by the original documents. The sale price of the home would be approximately $360,000. Ms. Johnson will provide updated costs at the next meeting.

Commissioner Rickard said that supports the purchase and in the future he would like staff to make a presentation about costs per unit the outcome of this property over time.

Ms. Johnson described the City’s Inclusionary Housing requirement. If a developer constructs 11 or more new units, some percentage of the units must be sold at an affordable price. These are referred to as below market rate homes. The homes are sold with a deed restriction which states that the home must remain affordable for a certain period of time, at least 59 years. If the original low-income family moves out, another low-income family must move in to replace the first family. The new family must also sign an agreement that says it can only be sold at that low price.

Commissioner Allen moved to authorize the Executive Director to execute necessary documents and to purchase the home located at 1819 Paru. Commissioner Rickard seconded. The motion carried unanimously.

3-I. Internship Program Presentation – Utility Usage Analysis at AHA Properties

Mr. Roche spoke on the Internship program and announced that the interns have been hired. One of the big projects for the interns is the Utility Usage Analysis at AHA properties. Mr. Roche introduced Eliezer Mendoza. Mr. Mendoza is entering his junior year as a Civil Engineering student at San Francisco State University. Mr. Mendoza thanked the Board for giving him the opportunity to work at AHA. Mr. Mendoza spoke on the planning process that he used prior to starting this project to establish use assessment. He said the purpose is to establish a utility usage baseline for AHA properties and analyze the trends at similar properties. Mr. Mendoza said that he gathered data of the past eighteen months and later he will come back and report on his findings. In future years, with this information, AHA will be better at planning capital improvements. Mr. Mendoza said that the goal is to save 25% of water usage. Mr. Mendoza proceeded with his slide show presentation.

Ms. Cooper commented that the AHA Newsletter that went out this morning covers other initiatives that we are doing on water and that this is our headline item. We do have our Resident Managers along with the City’s recycling team going out to the major projects talking to people about water reduction. AHA wants to try and meet the Governor’s goal. Ms. Cooper thanked Mr. Mendoza for his presentation and the Board for the opportunity to have interns at AHA.
3-J. Authorize the Executive Director to Approve an Extension of the Existing Nunes Painting & Decorating Contract for Cycle and Vacancy Interior Painting to September 30, 2015 in the Total Amount Not to Exceed $250,600

Mr. Roche talked about the Invitation to Bid (IFB) that was issued during April 2012 for Cycle and Vacancy Interior Painting of Housing Authority units. As a result of the IFB, Nunes Painting & Decorating was awarded a one-year contract commencing July 1, 2012. The contract included AHA options to extend the agreement for up to an additional two years. AHA extended this agreement on July 1, 2013 and again on July 1, 2014. The contract with Nunes is extended through June 30, 2015 and has a remaining balance of $22,000. AHA is expecting to turn at least 25 units in the next three months and is requesting an increase of $20,000 to the contract and extend the agreement to September 30, 2015. AHA will issue a RFP to select contractors for its next Cycle Painting in the month of August 2015 and will bring a recommendation to the Board in September 2015.

Commissioner Rickard moved to accept the staff recommendation to authorize the Executive Director to approve an extension of the existing Nunes Painting & Decorating contract for Cycle and Vacancy Interior Painting to September 30, 2015 in the total amount not to exceed $250,600. Commissioner Jones seconded. The motion carried unanimously.

3-K. Election of Officers for 2015-2016

Ms. Cooper said that there is a proposal that the Board remains the same at this time with the current officers which are Chair Kurrasch and Vice Chair Rickard.

Commissioner Shipe moved to keep the current officers and Commissioner Allen seconded. The motion carried unanimously. [This agenda item will be revisited at the August Board Meeting]

4. ORAL COMMUNICATIONS. Non-Agenda (Public Comment)
None

5. COMMISSIONER COMMUNICATIONS. (Communications from the Commissioners)

Chair Kurrasch announced that Officer Ledbetter has been featured for her work on crisis intervention at an Oakland Police Department Conference.

Chair Kurrasch announced that AHA has been awarded a plaque for Bay Friendly Water Saving Work that has been done at Independence Plaza from the California Landscape Contractors Association, State Chapter.

6. EXECUTIVE DIRECTOR COMMUNICATIONS
None

7. ADJOURNMENT
There being no further business, Chair Kurrasch adjourned the meeting at 8:44pm.

Arthur Kurrasch, Chair

Vanessa M. Cooper
Executive Director/Secretary
To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper Executive Director

Date: August 19, 2015

Re: Monthly Overview Report to the Board

BACKGROUND

This memo provides a high level overview of agency activities in the prior month. Data is submitted by each of the departments – Operations and HR, Property Management, Facilities, Housing Programs, Housing and Community Development and Finance.

Operations/HR

The following positions are currently being recruited for:
- Management Analyst
- Housing Specialist I

We are in the final stages of recruitment for the Director of Housing Programs, and have identified several strong candidates. We expect to have this process completed very soon.

Our new Director of Finance, Marie Wang, started on August 10. Marie will be training with Alan Olds, the outgoing Director of Finance, for the next few weeks. Alan will be retiring on August 27, and we will be honoring the service he has provided to our agency on that day.

Contracts for the two part-time assistant property management staff have been completed and executed. We are also submitting a proposal to the Board this month to provide for an additional full-time Resident Manager to provide services at Rosefield and Eagle Villages.

The AHA website redesign project is in the contract development/negotiation stage. We expect to start the formal planning phase of the project in September.

Open enrollment for health insurance will begin in September. A proposal for 2016 employer contribution rates, along with proposal for a COLA for 2015/16 is being brought to the Board this month.

Three of our supervisors are attending a management training program for affordable housing managers, which provides both soft skills training and an opportunity to develop a peer network.
Property Management

Vacancy

We signed ten leases in July. Two of the lease signings fulfilled AHA approved Reasonable Accommodation requests.

We have been working diligently on the large project of moving a number of households that are not residing in an appropriate sized unit and to meet reasonable accommodations. This difficult complex series of moves also has generated several additions to the Pay Back Agreement program. In all cases we exercised caution and did our best to inform the residents transferring of their obligations to pay these debts. So far, all have been paying on time.

Rent Collections

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

We entered into two legally filed Stipulated Agreements to pay rents due. They will be held to a defined schedule for payment of rents due that if violated, the consequences will be a swift eviction enforced through the Courts.

We have not evicted a single resident for non-payment of rent since September of 2014.

Monthly Meetings

Monthly meetings continue for all site managers. During the July meeting we discussed a range of important topics ranging from afterhours emergency procedures, lease procedures and an update on the extensive water conservation project.

We also discussed the complexities of eviction cases and how managers are key in documenting lease violations and resident conflicts.

Resident manager functions are rapidly evolving. As an example, the manager of Independence Plaza was given the task of completing the Annual Auto Registration and Insurance project. All residents with AHA approved parking privileges are required to submit evidence of insurance and current DMV registration.

Next month we will begin the task to training the managers in rent collections so that they may understand our accounting procedures, write reports and assist in collection efforts.

Facilities and Maintenance

Capital Improvements Projects – During the month of July, our contractor for the Esperanza Site Improvements Project achieved the Substantial Completion Milestone on this major capital improvements project. Over the next month, this contractor will continue working on minor scope and completion of punchlist items. In addition, during this past month our
Honorabile Chair and
Members of the Board of Commissioners

contractor for the Esperanza Kitchen & Bathroom Project started construction on the first units, and is now approximately 30% complete with these improvements.

<table>
<thead>
<tr>
<th>Capital Projects Update</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>July 2015 Update</strong></td>
</tr>
<tr>
<td>BOD Approval</td>
</tr>
<tr>
<td>Original Contract Amount</td>
</tr>
<tr>
<td>Approved Change Orders</td>
</tr>
<tr>
<td>Current Contract Amount</td>
</tr>
<tr>
<td>Project Cost To Date</td>
</tr>
<tr>
<td>% Complete</td>
</tr>
<tr>
<td>Pending Change Orders</td>
</tr>
<tr>
<td>Original Substantial Completion</td>
</tr>
<tr>
<td>Current Substantial Completion</td>
</tr>
</tbody>
</table>

Lastly, our contractor for the Independence Plaza Gutters & Downspout Replacement Project started its work in July, and is now approximately 40% complete with these improvements.

**Maintenance Work Orders**

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

<table>
<thead>
<tr>
<th>Maintenance Work Order Update</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>July 2015 Update</strong></td>
</tr>
<tr>
<td>Total Monthly WOs</td>
</tr>
<tr>
<td>Preventative Maintenance WOs</td>
</tr>
<tr>
<td>Vacancy Turnovers</td>
</tr>
</tbody>
</table>

**Housing Programs**

Staff continues to process new eligibility, interim certifications, rent increase requests and inspections in a timely manner. The new payment standards will increase work in coming months but we hope will help us retain landlords and attract new landlords. Monthly workshops are held for housing seekers and we continue to see the vast majority of households lease up outside of Alameda due to the very tight rental market on the island. This is of concern as it may impact the 2016 budget authority. However, we cannot prevent eligible families from porting out and other Housing Authorities are generally choosing to absorb all new ports. Occasionally we have port-ins, which we also absorb.

The SEMAP report to be presented at this meeting reflects process and quality control improvements being made in the department but continued training, process change and data
collection is essential to maintain the program. Due to leasing rates in 2015-16, it is unlikely that AHA can obtain a high performer rating next year. Staff attended training on Project Based Vouchers in the past month and continues to get weekly Nelrod trainings.

More data on the department’s activities will be provided when the new Director is in place.

**Housing and Community Development**

**CDBG/HOME Programs –**

Once each year, staff completes a Consolidated Annual Performance and Evaluation Report (CAPER) that is submitted to HUD. A draft of the FY14-15 report will be sent to the County on August 25th and the final report is due to HUD by September 22nd. The following is a summary of the total number of clients served for FY14-15 by program/project.

<table>
<thead>
<tr>
<th>CDBG Category</th>
<th>Agency/Name</th>
<th>SOW</th>
<th>Annual Goal</th>
<th>Year-End Total</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Rehab</td>
<td>Alameda Fire Dept.</td>
<td>Households</td>
<td>60</td>
<td>65</td>
<td>108%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Safety Grant</td>
<td>10</td>
<td>33</td>
<td>330%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Safety Inspections</td>
<td>60</td>
<td>65</td>
<td>108%</td>
</tr>
<tr>
<td>Economic Development</td>
<td>Alameda Point Collaborative</td>
<td>Employment Readiness</td>
<td>40</td>
<td>73</td>
<td>183%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>OJT/Employment</td>
<td>12</td>
<td>14</td>
<td>117%</td>
</tr>
<tr>
<td>Public Service</td>
<td>Alameda Food Bank</td>
<td>Households Served</td>
<td>2000</td>
<td>4919</td>
<td>246%</td>
</tr>
<tr>
<td></td>
<td>BFWC-Alameda Homeless</td>
<td>Low-Income Beneficiaries</td>
<td>50</td>
<td>57</td>
<td>114%</td>
</tr>
<tr>
<td></td>
<td>Prevention</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BFWC-Midway Shelter</td>
<td>Low-Income Beneficiaries</td>
<td>200</td>
<td>216</td>
<td>108%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bed nights</td>
<td>7600</td>
<td>9671</td>
<td>127%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Meals</td>
<td>22800</td>
<td>29013</td>
<td>127%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Support Groups</td>
<td>48</td>
<td>17</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>ECHO Housing</td>
<td>Counseling Services</td>
<td>250</td>
<td>231</td>
<td>92%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fair Housing Inquiries</td>
<td>50</td>
<td>51</td>
<td>102%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fair Housing Complaints</td>
<td>25</td>
<td>26</td>
<td>104%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fair Housing Audits</td>
<td>10</td>
<td>10</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tenant/Landlord Counseling</td>
<td>200</td>
<td>175</td>
<td>88%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tenant/Landlord Conciliations</td>
<td>10</td>
<td>9</td>
<td>90%</td>
</tr>
<tr>
<td></td>
<td>Eden I &amp; R</td>
<td>Information &amp; Referral</td>
<td>630</td>
<td>807</td>
<td>128%</td>
</tr>
<tr>
<td></td>
<td>Family Violence Law Center</td>
<td>Legal Assistance</td>
<td>25</td>
<td>40</td>
<td>160%</td>
</tr>
<tr>
<td></td>
<td>Legal Assistance For Seniors</td>
<td>Legal Assistance</td>
<td>45</td>
<td>48</td>
<td>107%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Community Presentations</td>
<td>8</td>
<td>8</td>
<td>100%</td>
</tr>
<tr>
<td>Residential Rehabilitation</td>
<td>Residential Rehabilitation (rental, homeowner, other)</td>
<td>59</td>
<td>54</td>
<td>91%</td>
<td></td>
</tr>
</tbody>
</table>
Rent Review Advisory Committee (RRAC) -

The first reading of the Rent Ordinance went before Council on July 21st and passed with unanimous approval. This Ordinance was drafted by the City Attorney to address public and Council member concern over the City's rental market conditions and to strengthen the RRAC process. The second reading is scheduled to go before Council on September 1, 2015. One RRAC application was received but was then settled and no Committee cases were scheduled for August.

Housing Rehabilitation Programs –

- One major rehabilitation project is under construction to be completed by the end of August. The work includes accessibility and safety upgrades for a frail elderly homeowner and her disabled son.
- An eligible household is working with City staff and the County's Healthy Homes Department to bid out and then complete a project that includes serious electrical issues and bathroom dry rot and damage as well as lead paint hazards.
- An owner of a three-unit property with two eligible tenants has asked for assistance with weatherization, exterior painting and window replacement.
- A capital improvements project to replace the old doors at Woodstock Park was moved forward from last year to the current year. Staff will be managing the project on behalf of the Recreation and Parks Department. The building at this park hosts the Tiny Tots program.
- Staff is assisting AHA with water sub-metering investigation and potential implementation for both AHA owned properties and for privately owned properties.

Inclusionary and Below Market Rate Programs – The first nine homes available for sale at Alameda Landing are under contract. After the Board approved the request to purchase the resale unit at 1319 Paru St., staff contacted the property owner. The owner has indicated an interest to sell in December and staff will continue to pursue the sale.

Real Estate Development – Active Projects

- Stargell Commons (32 family units): The Housing Authority’s development partner (Resources for Community Development) has selected Wells Fargo Bank to provide both debt financing and tax credit equity for this project. Over the next three months staff and outside counsel will review documents and participate in lender underwriting. The loan closing documents will be presented for Board approval in October and the commencement of construction is scheduled to occur in November.
- 2437 Eagle Avenue (22 family units): Staff continues to work closely with the architect on design revisions to address Planning Board comments. The planned schedule is for the project to be reconsidered at the September 28th Planning Board meeting.
- Del Monte Rental (31 senior units): The project obtained unanimous approval by the Planning Board on May 26th. The second reading is scheduled to go before Council on September 1, 2015.
Real Estate Development – Long-Term Projects

- North Housing: An environmental consultant has been engaged to perform the necessary National Environmental Policy Act (NEPA) review and to prepare a Phase I environmental assessment. Staff will next engage a surveying firm to prepare a legal description and specific parcel boundaries.
- In July, EMG was selected as the Capital Needs Assessments (CNA) consultant. Staff will be working with EMG to complete nine CNAs over the next three months. This information received from these reports will be instrumental in making key decisions about the major rehabilitation of existing properties.
- In September staff will publish a Request For Qualifications for Architectural and Engineering consultants. The last RFQ for these services was issued in the beginning of 2013 and firms were pre-qualified for up to three years. AHA will have several new construction and substantial rehabilitation projects over the next few years that will require a range of design services.

Other Programs

In early 2015 the Board approved the establishment of a Student Intern Program to provide opportunities for college students and recent graduates to work within and learn about the fields of community development and subsidized housing and the affordable housing industry.

The first two interns were hired as temporary employees in June 2015 and have now completed an eleven-week program. The range of assignments included the utility usage study presented to the Board in July, a survey of the Below-Market homeownership program (presented in August), a review and summary of past capital projects completed at AHA properties, the preparation of several newsletter articles and research into the zoning history of parcels within the City. Both interns were able to participate in professional development trainings and attend several meetings. The experience was mutually beneficial for the interns as well as staff. Both interns stated that they felt welcomed by the staff and that the work assignments and the overall experience were valuable.

Based on this success, staff recommends continuing the program in 2016.

Finance

No report due to the fiscal year end closing. Training is ongoing for the new Director and the Finance team is working with the auditor closely to complete the audit.
Honorable Chair and
Members of the Board of Commissioners

RECOMMENDATION

For information only.

Respectfully submitted,

Vanessa M. Cooper
Executive Director

VMC/
To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa Cooper
Executive Director

Date: August 19, 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 June 30, 2015:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Issued By</th>
<th>Purchase Date</th>
<th>Maturity Date</th>
<th>Rate of Return</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>California</td>
<td>Open</td>
<td>On Demand</td>
<td>0.28%</td>
<td>$32,762,807</td>
</tr>
</tbody>
</table>

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 June 30, 2015.

Respectfully submitted,

Vanessa Cooper
Executive Director

VMC/AJO
Housing Authority of the City of Alameda
701 Atlantic Avenue - Alameda, California 94501-2161 - Tel: (510) 747-4300 - Fax: (510)522-7848 - TDD: (510) 522-8487

To: Honorable Chair and
   Members of the Board of Commissioners

From: Vanessa Cooper
       Executive Director

Prepared Janet Basta
By: Director of Human Resources and Operations

Date: August 19, 2015

RE: Adopt the Resolution to Increase the Employer’s Contribution for Eligible Employees’ Health Care and to Provide a Cost of Living Wage Increase of up to 3.0 Percent for All Regular Full-Time Employees

BACKGROUND

The last cost of living salary increase for line staff and managers was 3.0% effective July 1, 2014.

At the August 20, 2014 Board of Commissioners meeting the Board approved a resolution to maintain the employer contribution to health insurance premiums for calendar year 2015. Last year, Kaiser premiums for the 2015 calendar year, which AHA’s employer contribution are based on, decreased, which resulted in no cost increase for the employer in 2015.

DISCUSSION

The Bay Area consumer price index for all consumers has increased 2.3% for the period from June 2014 to June 2015 (the same period used when determining last year’s increase). AHA management believes we should provide an adjustment of at least 2.3% to salaries to allow our employees’ compensation to keep up with the increase in the cost of goods and services. This year, we budgeted for up to a 3.0% increase, so funds are available to go up to that level should the Board decide they would like to provide this. Information about the impact that salary adjustments at various amounts for all staff effective July 1, 2015 would have on salary expenses is as follows:

- 2.3% adjustment: $91,600
- 2.5% adjustment: $99,600
- 3.0% adjustment: $119,500

Any COLA granted by the Board of Commissioners will be retroactive to July 1, 2015, the start of the current fiscal year.
The new health insurance rates recently received from PERS show an annual (2016 calendar year) increase of 4.48% for Kaiser plans (the basis of our employer contribution amounts) beginning on January 1, 2016. Since premiums decreased for the 2015 calendar year but we maintained the employer contribution at the previous year’s level, adjusting the 2016 employer contribution to match the 2016 Kaiser premiums would result in a 0.5% increase to 2015 employer contribution levels. Applying the proposed contribution levels to our current actual employer contributions would result in an increase of approximately $31,000.00 annually based on current staffing and benefits elections, or $15,500.00 for January-July, 2016. This year, we budgeted for up to a 5% increase in premiums for the entire fiscal year, so funds are available in the budget to cover the increase in rates and subsequent increase in employer contributions.

The accompanying resolution outlines the proposed employer contributions and cash back alternative payment for 2016; no change in the cash back alternative health coverage payment of $230.00/month is proposed for the 2016 calendar year. The resolution also provides information on contribution and cash back levels for management and confidential employees hired or promoted prior to January 2, 2007, per an agreement made with the City of Alameda at that time that remains in effect. There is no change in these contributions, and in the 2016 calendar year, they will apply to only two employees.

During the upcoming year, we will be reviewing our benefits offerings and analyzing various options for employer contribution configurations. At this time next year, we expect to be able to provide you with a recommendation for strategies to address the longer term goals of stabilizing AHA’s costs for health care, having employees begin to contribute a small amount towards their health insurance premiums, and to have an employer contribution framework that provides more consistent employer-contribution benefits regardless of family situation.

Fiscal Impact

An overall cost of living salary increase for all staff and managers of up to 3.0% would cost $119,500 for the fiscal year. This amount was budgeted for in the 2015/16 budget.

Increasing the employer’s contribution for health insurance could increase the costs for the fiscal year by approximately $15,500 (potentially more dependent on staffing changes and/or family elections). This increase was budgeted for in the 2015/16 budget.

If both the 3% salary increase and the increased contribution for health insurance are adopted costs would increase by $135,000 for the current fiscal year.

This increased cost will be covered by AHA owned properties which generate enough revenues to pay for the increase. The Section 8 program has a budgeted
loss of $354,000 which the Board of Commissioners has authorized a transferred from AHA’s owned properties to cover the deficit in FY 2016 up to $354,000. The benefit and salary expenses with a combined $150,500 were included in the Section 8 FY 2016 original budget.

RECOMMENDATION

Adopt the Resolution to increase the 2016 employer contribution levels for eligible employees’ health care by 0.5% and in doing so aligning contributions with 2016 Kaiser premiums, and to provide up to a 3.0 percent cost of living wage increase for all regular full-time employees effective July 1, 2015.

Respectfully submitted,

Vanessa M. Cooper
Executive Director

Attachments: Exhibits
Exhibit 1 Schedule of Authorized Positions
Exhibit 2 Salary Schedule (based on a 3% COLA)
Exhibit 3 Positions with Salary Range
Exhibit 4 Y Rated Employees Salary Schedule

VMC:jcb
Resolution No. _____

TO REVISE EMPLOYER CONTRIBUTION FOR
HOUSING AUTHORITY EMPLOYEES HEALTH CARE BENEFIT
EFFECTIVE JANUARY 1, 2016, AND
A COST OF LIVING WAGE INCREASE
EFFECTIVE JULY 1, 2015

WHEREAS, the Housing Authority of the City of Alameda desires to establish a benefits package for all employees that will attract and retain competent staff; and

WHEREAS, the Consumer Price Index for San Francisco Bay Area has increased by 2.3 percent; and

WHEREAS, the rate for CalPERS Kaiser Health benefits will increase by 4.48 percent on January 1, 2016; and

WHEREAS, it is the intent of the Housing Authority to continue to align employer contribution rates with Kaiser premiums in calendar year 2016.

NOW, THEREFORE, BE IT RESOLVED, that effective January 1, 2016, the Housing Authority will contribute a monthly dollar amount for employees’ health care as follows:

For management and confidential employees hired or promoted prior to January 2, 2007, either as a former City of Alameda employee or a Housing Authority employee:

$869.43 Employee with Alternative Health Coverage (cash back)
$1,450.64 Employee only ($530.74 maximum cash back)
$1,450.64 Employee with Dependent ($176.05 maximum cash back)
$1,450.64 Employee with Two or More Dependents ($0 cash back)

For general employees and management and confidential employees hired or promoted after January 2, 2007:

$230.00 Employee with Alternative Health Coverage (cash back)
$746.47 Employee
$1,492.94 Employee plus One Dependent
$1,940.82 Employee plus Two or More Dependents

NOW, THEREFORE, BE IT FURTHER RESOLVED, that effective July 1, 2015, all Housing Authority regular full-time employees (positions) will receive a _____ percent wage increase as outlined on the attached salary schedules.

ATTEST:

Vanessa M. Cooper
Secretary

Arthur Kurrasch, Chair
Board of Commissioners
<table>
<thead>
<tr>
<th>Department/Position Title</th>
<th>Approved FTE 2015</th>
<th>Approved FTE 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Administration</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive Director</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Deputy Executive Director</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Director of Operations and HR</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Executive Assistant</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Senior Management Analyst</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Management Analyst</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Housing Specialist I</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td>6.00</td>
<td>6.00</td>
</tr>
<tr>
<td><strong>Managed Housing Department</strong></td>
<td></td>
<td></td>
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<tr>
<td>Senior Property Manager</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
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<td>1.00</td>
<td>1.00</td>
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<tr>
<td><strong>Sub-total</strong></td>
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<td>2.00</td>
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<td><strong>Finance Department</strong></td>
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<td></td>
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<td>Director of Finance</td>
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<td>1.00</td>
</tr>
<tr>
<td>Accounting Officer</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Senior Accounting Technician</td>
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<td>1.00</td>
</tr>
<tr>
<td>Accounting Technician</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
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<td>4.00</td>
</tr>
<tr>
<td><strong>Housing Programs Department</strong></td>
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<td></td>
</tr>
<tr>
<td>Director of Housing Programs</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Housing Programs Supervisor</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Housing Specialist III</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Housing Specialist I &amp; II</td>
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<td>7.00</td>
</tr>
<tr>
<td>Housing Programs Coordinator-FSS</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Housing Inspector/Housing Specialist I</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Housing Assistant</td>
<td>5.00</td>
<td>5.00</td>
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<tr>
<td><strong>Sub-total</strong></td>
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<td>17.00</td>
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<td><strong>Facilities and Maintenance Department</strong></td>
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<td></td>
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<td>1.00</td>
</tr>
<tr>
<td>Facilities Project Manager</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Facilities Project Specialist</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Lead Maintenance Technician</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Maintenance Technician II</td>
<td>4.00</td>
<td>4.00</td>
</tr>
<tr>
<td>Maintenance Technician I</td>
<td>3.00</td>
<td>3.00</td>
</tr>
<tr>
<td>Maintenance Specialist</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Custodian</td>
<td>1.00</td>
<td>1.00</td>
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<tr>
<td>Resident Manager</td>
<td>(See note)</td>
<td>3.25</td>
</tr>
<tr>
<td>Assistant Resident Manager</td>
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</tr>
<tr>
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<td>(See note)</td>
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<td>18.40</td>
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<tr>
<td>Program Assistant</td>
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<td>1.00</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
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<td>5.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>51.10</td>
<td>52.40</td>
</tr>
</tbody>
</table>

Note: resident employees are contracted employees and are required to reside on-site at assigned Housing Authority complexes. Each resident employee has an individual employment contract.
## HOUSING AUTHORITY OF THE CITY OF ALAMEDA
### SCHEDULE OF AUTHORIZED POSITIONS

<table>
<thead>
<tr>
<th>Position Titles</th>
<th>Grade</th>
<th>Beginning</th>
<th>Highest</th>
<th>Number of Positions</th>
</tr>
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<td></td>
</tr>
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<td>Deputy Executive Director</td>
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<td>$10,955</td>
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<tr>
<td>Director of Operations</td>
<td>47</td>
<td>$9,836</td>
<td>$12,077</td>
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</tr>
<tr>
<td>Executive Assistant</td>
<td>22</td>
<td>$5,398</td>
<td>$5,852</td>
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</tr>
<tr>
<td>Senior Management Analyst</td>
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<td>$7,415</td>
<td>$9,012</td>
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<tr>
<td>Management Analyst</td>
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<td><strong>HOUSING PROGRAMS DEPARTMENT</strong></td>
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<tr>
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<tr>
<td><strong>FACILITIES DEPARTMENT</strong></td>
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<tr>
<td>Director of Facilities</td>
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<tr>
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<tr>
<td>Lead Maintenance Technician</td>
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<td>$5,887</td>
<td>$6,889</td>
<td>1.0</td>
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<tr>
<td>Maintenance Technician II</td>
<td>20</td>
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<td>$6,249</td>
<td>4.0</td>
</tr>
<tr>
<td>Maintenance Technician I</td>
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<td>$5,398</td>
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<td>-</td>
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<td>-</td>
<td>-</td>
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<tr>
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<td>-</td>
<td>-</td>
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</tr>
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<td><strong>Sub-total</strong></td>
<td></td>
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<td></td>
<td>5.0</td>
</tr>
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</table>

**Total**                                           |       |           |         | **52.4**            |
<table>
<thead>
<tr>
<th>Position</th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
<th>Step 4</th>
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<th>Step 6</th>
<th>Step 7</th>
<th>Step 8</th>
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<td>19.97</td>
<td>20.98</td>
<td>22.02</td>
<td>23.12</td>
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</tr>
<tr>
<td>Housing Assistant **</td>
<td>20.51</td>
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</table>

* Works an 8-hour, 40-hour week

** Old classification title was Intermediate Clerk
Housing Authority of the City of Alameda

701 Atlantic Avenue - Alameda, California 94501-2181 - Tel: (510) 747-4300 - Fax: (510) 522-7848 - TDD: (510) 522-8457

To: Honorable Chair and
   Members of the Board of Commissioners

From: Vanessa Cooper
   Executive Director

Date: August 19, 2015

RE: Unfunded Pension Liability

BACKGROUND
AHA has participated in the CalPERS defined benefit pension plan since September 2, 1991. The plan provides defined or fixed pension benefits to all vested employees based on their final year of compensation. Employees must attain the age of 55 and are paid 2% of their final compensation times the number of years’ service. The plan is run by the California Public Employees’ Retirement System (CalPERS) and includes state employees, city employees; including police and fire, school districts, housing authorities and several other small public agencies. The plan is a cost sharing system whereby employees pay 7% of their compensation into the plan while AHA pays the difference. During the current fiscal year, the portion AHA has paid is 12.33% of the employee’s compensation. Due to recent California legislative changes, new employees pay 6.5% and the employer pays 6.7%. The employer portion of contributions varies from year to year based on a number of demographic and economic assumptions about salary levels, life expectancies, disabilities and investment returns. Because the plan is widely used by state and local governments, it is a significant advantage to participate in the plan when considering retention of current staff and recruitment of replacement staff.

DISCUSSION
Since 1991, the plan has been on a “pay as you go” basis, which means AHA has paid whatever CalPERS billed the agency and recorded an expense on AHA books and financial statements. With the implementation of GASB 68, a pension plan’s unfunded liability is now a known component of the pension plan. AHA has recently been advised by CalPERS that its unfunded pension liability has reach $1,954,024 as of June 30, 2015. Factors contributing to the unfunded liability are the Financial Crisis of 2008 whereby CalPERS investments lost 27%, and in response to the significant loss in 2008, CalPERS also adjusted their discount rate (assumed investment yield over the life of planned benefit commitments, which can extend more than 30 years) from 7.75% to 7.5% in 2011. These demographic changes along with longer life expectancies has created the current unfunded liability of $1,954,024. This liability at CalPERS is placed into a payment plan amortized over 30 years at 7.5%, which amounts to total accumulated payments of $5,030,760.

At this point in time, AHA has four options for addressing the unfunded liability:
1. We could continue to “pay as you go” and record the liability on AHA’s books and financial statements. Under this scenario, the current liability would be paid off in 30 years at an annual interest rate of 7.5% and annual payments over those 30 years would accumulate to $5,030,760.

2. AHA could pay off the debt immediately and save interest of $3,076,736 ($5,030,760 - $1,954,024 = $3,076,736) over the next 30 years. This would require an immediate disbursement from AHA reserves of $1,954,024. At June 30, 2014, AHA’s unrestricted reserves were $28,853,896 and it is estimated these reserves will improve in FY 2015. The payback period from the savings is approximately 12 years and 10 months.

   Please note: while the true savings above is $3,076,736, it is important to recognize that the value of money diminishes over time so payments toward the future liability will be paid with cheaper dollars. Therefore, the net savings considering the discounted value of a dollar in future years would be approximately $1,395,270, which is still a significant savings.

   Also note, should the stock market see a significant decline shortly after paying the unfunded pension liability, as it did in 2008, the $1,954,024 could decline in value significantly. A 27% decline such as occurred in 2008, would be $527,586 ($1,954,024 X 27% = $527,586). This market risk is the biggest potential negative consideration in paying off the unfunded pension liability at this time. Even if the market plunges again, we would still owe the $1,954,024 at a 7.5% interest rate.

3. Another option would be to dollar cost average into the pay down of the unfunded liability by $500,000 a year for the next four years. Under this scenario the savings would not be as great, but the risk of entering into a bad market could be mitigated.

4. A fourth option would be to pay off this debt over six years which would mean paying approximately $325,000 per year for six years.

BUDGET CONSIDERATION/FINANCIAL IMPACT
Since the unfunded pension liability is required to be recorded on AHA books at the end of fiscal year June 30, 2015, paying off any portion of this liability will not cause an additional expense, but will lower the annual pension liability expenses for the next 30 years, depending on which option the Board of Commissioners choses. Paying off the full liability would reduce cash reserves by $1,954,024 immediately and reduce AHA pension liability for the next 30 years assuming no other pension plan changes over that period of time. The other options for paying off AHA’s pension liability will require annual cash payments of $500,000 or $325,000 as per options 3 and 4 above, depending on which option the Board of Commissioners choses. Of course, the option of continuing to pay as you still exists, but this option will have the added cost of 7.5% interest. At June 30, 2014, AHA last full year audited financial, showed unrestricted reserves to be
$28,853,896. At March 31, 2015, AHA cash and investments balance stood at over $33 million dollars. The Housing Choice Voucher (HVC) program does not have sufficient operating reserves to pay off their portion of the unfunded pension liability; therefore, a transfer of up to $650,000 from AHA owned properties needs to be authorized. Please note the Board of Commissioners has also previously approved a $354,000 transfer in FY 2016 to cover potential HCV operating deficits expected in fiscal 2016.

RECOMMENDATION
The Executive Director and management recommend the Board of Commissioners immediately arrange to pay off the unfunded pension liability as soon as practicably possible. The Executive Director and management recommend the Board of Commissions choose either options 2 thru 4.

Approve the transfer of up $650,000 from AHA’s Owned properties reserves to the Housing Choice Voucher (HCV) program to pay its portion of the unfunded pension liability.

Respectfully submitted,

Vanessa Cooper
Executive Director

VC:ajo
To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Prepared by: Tonya Schuler, Senior Management Analyst

Date: August 19, 2015

Re: Resolution Certifying the Data Submitted for the Section 8 Management Assessment Program for FY 2014-2015

BACKGROUND

The U.S. Department of Housing and Urban Development (HUD) has instituted the Section 8 Management Assessment Program (SEMAP) to measure housing authorities' performance in key program areas.

The Housing Authority is required to submit an annual SEMAP certification online after the Board of Commissioners has adopted a resolution certifying that the data to be submitted is accurate. The online certification must be submitted within 60 days of the end of its fiscal year. The information contained in this report covers fiscal year July 1, 2014 to June 30, 2015. This report provides information on the Housing Authority's performance, mirroring the online certification form, and provides assurance that there is no evidence of serious deficiencies. HUD will use the information and other data to assess the Authority's management capabilities and deficiencies, and to assign an overall performance rating for the Housing Authority's Section 8 Housing Choice Voucher program.

HUD will independently assess the Housing Authority's performance using annual audit reports, monthly Multi-Family Tenant Characteristics System (MTCS) reports sent to HUD online, other certifications provided by the Housing Authority, and other sources. HUD will provide written notification of the Authority's rating on each SEMAP indicator, the overall score, and the overall performance rating. HUD rates all housing authorities according to the following systems:

- 90 percent or higher = High Performer
- 61 to 89 percent = Standard Performer
- 60 percent or lower = Troubled Performer
For Fiscal Year 2014-2015, the Housing Authority expects to receive a rating as a High Performer.

Any indicator receiving a rating of zero is considered to be a SEMAP deficiency. The Housing Authority must correct any such deficiency within 45 days. If the deficiency is not corrected as required, the Housing Authority must submit a written corrective action plan to HUD within 30 days. Last year the Housing Authority had a deficiency with Indicator 3: Adjusted Income. Staff has worked hard to improve the quality of their work.

DISCUSSION

The Housing Authority of the City of Alameda has completed its annual SEMAP Self-Certification for the fiscal year beginning July 1, 2014, and ending June 30, 2015, as required by 24 CFR 985.101. The review process was started in March 2015, but was primarily performed in July and August 2015 by the Senior Management Analyst who reviewed documentation, randomly selected the required sample files for each indicator, and performed the file audits. The Housing Programs Supervisor, Maurice Harold, assisted with file audits. Data for indicators 9-12 is based upon HUD's PIC/Multi-Family Tenant Characteristic System as of June 30, 2015.

Indicator 1: Selection from the Waiting List

This indicator addresses whether the Housing Authority has written policies in its Administrative Plan for selecting applicants from the waiting list and whether these policies are followed. During the past fiscal year, the Housing Authority processed 32 new admissions to the Housing Choice Voucher program (14 tenant-based, 14 project-based, and 4 Family Unification Program). The AHA reviewer’s first sample included applicants who reached the top of the waiting list and were either admitted or not admitted (five files reviewed) to determine if all preferences were correctly given and verified in accordance with the Administrative Plan. The reviewer then randomly selected and reviewed five additional files of applicants who were selected and admitted to determine that all preferences were verified, all were selected properly, and all were admitted or denied in accordance with the Administrative Plan. The Authority expects to receive all 15 rating points for this indicator.

Indicator 2: Reasonable Rent

This indicator measures whether the Housing Authority has developed and implemented a written procedure to determine and document that the rent to the owner for each unit is reasonable, based on current rents for comparable unassisted units: (1) at the time of initial leasing; (2) when there is an increase in rent to the owner; and (3) at the Housing Assistance Payment (HAP) contract anniversary if there is a decrease of five percent in the published fair market rent in effect 60 days before the HAP contract anniversary. During this audit period, there was not a decrease in the fair market rents, so condition (3) was not applicable.
To review and document rent reasonableness, staff uses the EZ-RRD program from the Nelrod Company, a national Section and Public Housing program consultant, which compiles and utilizes rent comparables on an ongoing basis, taking into account location, size, type, quality and age of the units and the amenities, housing services, maintenance and utilities provided by property owners. For AHA units under a project-based voucher (PBV) HAP contract, rent reasonableness must be established by an independent entity; AHA contracts with Oakland Housing Authority for this service.

The reviewer’s quality control sample of 29 files that needed a rent reasonableness review determined that required rent reasonableness documentation was present in 93% of the files. The Authority expects to receive 15 of the 20 possible points for this indicator.

Indicator 3: Determination of Adjusted Income

This indicator shows whether, at the time of admission and annual reexamination, the Housing Authority verifies and correctly determines adjusted annual income for each assisted family and uses the appropriate utility allowance for the unit in determining gross rent where the family is responsible for utilities under the lease.

The reviewer randomly selected and reviewed a quality control sample of 29 files and determined that annual income, utility allowance and HAP amount were correctly calculated and verified in at least 80% of the sample. The Housing Authority expects to receive 15 of 20 possible points for this indicator. Last year, the Housing Authority received 0 of the 20 possible points for this indicator.

Indicator 4: Utility Allowance Schedule

This indicator measures whether the Housing Authority maintains an up-to-date utility allowance schedule. The Housing Authority contracts annually with the Nelrod Company to review and update utility rate data. The Nelrod Company prepared and provided updated data in November 2014 and as a result a new utility schedule was adopted for actions completed effective May 1, 2015. The Housing Authority expects to receive all five points for this indicator.

Indicator 5: Housing Quality Control Inspections

This indicator shows whether the Director of Housing Programs or other qualified person re-inspected a sample of units under contract during the fiscal year. The Housing Authority was required to re-inspect a sample of 28 or more units. Qualified staff from the Housing Authority conducted 31 quality control inspections. The Housing Authority expects to receive all five points for this indicator.

Indicator 6: Housing Quality Standards Enforcement

This indicator measures whether, for units that fail a Housing Quality Standards inspection, life-threatening deficiencies are corrected within 24 hours of inspection and
all other cited deficiencies are corrected within 30 calendar days of the inspection, or, if not corrected, Housing Assistance payments (HAP) are abated no later than the first day of the month following the correction period in the case of property owner-caused deficiencies, or program assistance is terminated in the case of tenant-caused deficiencies or repeated no-shows. Based on the number of failed inspections (1015 as of 6/30/15), a sample of 21 units was required for random selection and review. The reviewer selected and reviewed 21 sample files from among failed HQS inspections. In all 21 samples deficiencies were corrected, HAP was abated, and/or clients were processed for program termination in accordance with HUD regulations. The Housing Authority expects to receive all 10 points for this indicator.

Indicator 7: Expanding Housing Opportunities

This indicator, for PHAs within metropolitan FMR areas, shows whether the Housing Authority has adopted and implemented a written policy to encourage participation of owners of units located outside of areas of poverty or minority concentration. The Housing Authority’s Administrative Plan includes such a policy. Based on 2010 Census data, taken as a whole, Alameda can be characterized as an area of low-poverty and low minority concentration, and program participants are widely dispersed throughout the community.

Housing Authority staff vigorously pursues ways to attract new property owners and to retain current property owners with units in all areas of the city to the Section 8 program. Staff is trained to handle phone calls from prospective new landlords, and interested property owners are sent a “New Landlord Packet” that includes information about the Housing Choice Voucher program and the Housing Authority. The voucher issuance briefing session covers general information and property owner-provided unit listings for all areas of Alameda. The Housing Authority continues to expand the number and range of units made available to eligible families through the Project Based Voucher program to provide additional opportunities for low income families receiving housing assistance.

The reviewer reviewed support documentation for each section applicable under this indicator and affirmed that the documentation supports the Housing Authority’s affirmative certifications for this indicator. The Housing Authority expects to receive all five points for this indicator.

Indicator 8: Fair Market Rents and Payment Standards

This indicator shows whether the PHA has adopted a payment standard schedule that establishes voucher payment standard amounts by unit size for each FMR area in the PHA jurisdiction and, if applicable, separate payment standard amounts by unit size for a PHA-designated part of an FMR area, which do not exceed 110% of the current applicable published FMRs and which are not less than 90% of the current applicable published FMRs (unless a higher or lower payment standard amount is approved by HUD). During the fiscal year being reviewed all Payment Standards for the different unit sizes were within HUD’s acceptable range of 90 to 110 percent of the standard 40th
percentile FMRs. The Housing Authority expects to receive all five points for this indicator.

[Ratings for the next five indicators will be determined by the Multi-Family Tenant Characteristic System (MTCS) based on regular reports submitted to HUD by the Housing Authority.]

Indicator 9: Annual Reexaminations

A HUD report available in the Multi-Family Tenant Characteristic System indicates that 100.0 percent of annual re-certifications were reported on time. The Housing Authority expects to receive all 10 points for this indicator.

Indicator 10: Correct Tenant Rent Calculations

This indicator examines whether the family’s share of rent to owner was calculated correctly. MTCS shows that 100 percent of tenant rents were calculated correctly. The Authority expects to receive all five points for this indicator.

Indicator 11: Pre-contract HQS Inspections

This indicator shows whether newly leased units passed Housing Quality Standards inspections prior to the execution date of the Housing Assistance Contract. The MTCS report shows that 100 percent of units leased passed inspection prior to lease-up. The Authority expects to receive all five points.

Indicator 12: Annual HQS Inspections

This indicator shows whether the Housing Authority inspected each unit under contract at least annually. MTCS indicates that 100 percent of annual inspections were conducted within the required time frame. The Housing Authority expects to receive all ten points for this indicator.

Indicator 13: Lease-Up

This indicator determines if the Housing Authority has executed Housing Assistance Contracts on behalf of eligible families for the number of units the Housing Authority has under budget for at least one year. In order to receive the full 20 points for this indicator, the Housing Authority must achieve a lease-up rate of 98 percent and/or expend over 98% of its HAP budget authority under the ACC during the prior calendar year which ended fiscal year. The overall lease-up rate during the calendar year 2014 was 95.30%. The Housing Authority expended 93.7% of its HAP budget under the ACC during the fiscal year. Due to market conditions, many Bay Area Housing Authority’s are having difficulty meeting this leasing requirement. The Housing Authority expects to receive 15 of the 20 possible points for this indicator.

Indicator 14: Family Self-Sufficiency
This indicator applies only to housing authorities required to administer the mandatory Family Self-Sufficiency (FSS) program. The Housing Authority has re-established an FSS program on a voluntary basis, and therefore this indicator does not apply to the Housing Authority.

Indicator 15: Deconcentration Bonus

This indicator does not currently apply to the Housing Authority as a requirement. This indicator is based upon the number of families with children living in or moving to low-poverty census tracts. In order to claim these points, one of three conditions must be met. The first condition is that at least half of Section 8 families with children must live in a census tract identified as low-poverty (below 10% of families are below the poverty level). As of June 30, 2015, only 47.95% of families with children live in a census tract identified as low-poverty. A review of the data available indicates that In Alameda, 10 of 16 census tracts are defined as “low-poverty.” The second condition under which the points can be earned is if the percent of mover families with children who moved to low poverty census tracts in the last fiscal year is at least 2% higher than the percent of all section 8 families with children who reside in low poverty census tracts at end of PHA fiscal year. Results indicate that the Housing Authority can claim the bonus points under this condition because 50% of families with children who leased up during the fiscal year moved into a low poverty census tract. The Housing Authority expects to receive five bonus points.

Total Points:

For Fiscal Year 2014-2015, the Housing Authority expects to receive 125 of 135 possible points (92.6%) for a rating of High Performer.

FINANCIAL IMPACT

There is no direct financial impact, but failing to submit the report could result in sanctions and other actions by HUD.

RECOMMENDATION

Adopt the resolution certifying the Section Eight Management Assessment Program data contained in this report and authorize the Executive Director to submit the data, resolution, and supporting documentation to HUD.
Respectfully submitted,

Vanessa M. Cooper  
Executive Director

VMC/tms

Attachments: Resolution  
HUD Form 52648
HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Resolution No._____

CERTIFYING THE DATA SUBMITTED
FOR THE SECTION 8 MANAGEMENT ASSESSMENT PROGRAM

WHEREAS, the Section 8 Management Assessment Program (SEMAP) will enable the U.S. Department of Housing and Urban Development (HUD) to measure public housing authority performance in key Section 8 Housing Choice Voucher program areas and to ensure program integrity and accountability by identifying management capabilities and deficiencies; and

WHEREAS, SEMAP results may be utilized by the Board of Commissioners, to understand more comprehensively the Housing Authority's program operations; and

WHEREAS, the Housing Authority gathered and, hereby submits data to HUD to participate in the SEMAP process; and

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Alameda has reviewed the data collected for submission to HUD for the fiscal year ending June 30, 2015, and has found the data to be an accurate reflection of the Housing Authority's performance.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the City of Alameda, that it hereby certifies the accuracy of the data for the fiscal year ending June 30, 2015, and directs that the data be submitted to HUD.

______________________________
ATTEST:                        Arthur Kurrasch, Chair
                               Board of Commissioners

Vanessa M. Cooper
Executive Director/Secretary

Adopted: ______________________
Section 8 Management Assessment Program (SEMAP) Certification

Public reporting burden for this collection of information is estimated to average 12 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.

This collection of information is required by 24 CFR sec 985.101 which requires a Public Housing Agency (PHA) administering a Section 8 tenant-based assistance program to submit an annual SEMAP Certification within 60 days after the end of its fiscal year. The information from the PHA concerns the performance of the PHA and provides assurance that there is no evidence of seriously deficient performance. HUD uses the information and other data to assess PHA management capabilities and deficiencies, and to assign an overall performance rating to the PHA. Responses are mandatory and the information collected does not lend itself to confidentiality.

Instructions
Respond to this certification form using the PHA’s actual data for the fiscal year just ended.

PHA Name

Housing Authority of the City of Alameda

For PHA FY Ending (mm/dd/yyyy) 06/30/2015 Submission Date (mm/dd/yyyy) 08/19/2015

Check here if the PHA expends less than $300,000 a year in Federal awards
Indicators 1 - 7 will not be rated if the PHA expends less than $300,000 a year in Federal awards and its Section 8 programs are not audited for compliance with regulations by an independent auditor. A PHA that expends less than $300,000 in Federal awards in a year must still complete the certification for these indicators.

Performance Indicators

1. Selection from the Waiting List. (24 CFR 982.54(d)(1) and 982.204(a))
   (a) The PHA has written policies in its administrative plan for selecting applicants from the waiting list.
   PHA Response Yes ☑ No ☐
   (b) The PHA’s quality control samples of applicants reaching the top of the waiting list and of admissions show that at least 98% of the families in the samples were selected from the waiting list for admission in accordance with the PHA’s policies and met the selection criteria that determined their places on the waiting list and their order of selection.
   PHA Response Yes ☑ No ☐

2. Reasonable Rent. (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)
   (a) The PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units (i) at the time of initial leasing, (ii) before any increase in the rent to owner, and (iii) at the HAP contract anniversary if there is a 5 percent decrease in the published FMR in effect 60 days before the HAP contract anniversary. The PHA’s method takes into consideration the location, size, type, quality, and age of the program unit and of similar unassisted units, and any amenities, housing services, maintenance or utilities provided by the owners.
   PHA Response Yes ☑ No ☐
   (b) The PHA’s quality control sample of tenant files for which a determination of reasonable rent was required shows that the PHA followed its written method to determine reasonable rent and documented its determination that the rent to owner is reasonable as required for (check one):

   PHA Response At least 98% of units sampled ☐ 60 to 97% of units sampled ☑ Less than 80% of units sampled ☐

   The PHA’s quality control sample of tenant files shows that at the time of admission and reexamination, the PHA properly obtained third party verification of adjusted income or documented why third party verification was not available; used the verified information in determining adjusted income; properly attributed allowances for expenses; and, where the family is responsible for utilities under the lease, the PHA used the appropriate utility allowances for the unit leased in determining the gross rent for (check one):

   PHA Response At least 90% of files sampled ☑ 60 to 89% of files sampled ☒ Less than 80% of files sampled ☐

   The PHA maintains an up-to-date utility allowance schedule. The PHA reviewed utility rate data that it obtained within the last 12 months, and adjusted its utility allowance schedule if there has been a change of 10% or more in a utility rate since the last time the utility allowance schedule was revised.
   PHA Response Yes ☑ No ☐

5. HQS Quality Control Inspections. (24 CFR 982.405(b))
   A PHA supervisor (or other qualified person) reinspected a sample of units during the PHA fiscal year, which met the minimum sample size required by HUD (see 24 CFR 986.2), for quality control of HQS inspections. The PHA supervisor’s reinspected sample was drawn from recently completed HQS inspections and represents a cross section of neighborhoods and the work of a cross section of inspectors.
   PHA Response Yes ☑ No ☐

6. HQS Enforcement. (24 CFR 982.404)
   The PHA’s quality control sample of case files with failed HQS inspections shows that, for all cases sampled, any cited life-threatening HQS deficiencies were corrected within 24 hours from the inspection and, all other cited HQS deficiencies were corrected within no more than 30 calendar days from the inspection or any PHA-approved extension, or, if HQS deficiencies were not corrected within the required time frame, the PHA stopped housing assistance payments beginning no later than the first of the month following the correction period, or took prompt and vigorous action to enforce the family obligations for (check one):

   PHA Response At least 98% of cases sampled ☑ Less than 98% of cases sampled ☐

Form HUD-62648 (11/2013)
Ref. 24 CFR Part 986
7. Expanding Housing Opportunities. (24 CFR 982.54(d)(5), 982.153(b)(3) and (b)(4), 982.301(a) and 983.301(b)(4) and (b)(12)). Applies only to PHAs with jurisdiction in metropolitan FMR areas. Check here if not applicable □

   (a) The PHA has a written policy to encourage participation by owners of units outside areas of poverty or minority concentration which clearly delineates areas in its jurisdiction that the PHA considers areas of poverty or minority concentration, and which includes actions the PHA will take to encourage owner participation.

   PHA Response Yes ☑ No □

   (b) The PHA has documentation that shows it took actions indicated in its written policy to encourage participation by owners outside areas of poverty and minority concentration.

   PHA Response Yes ☑ No □

   (c) The PHA has prepared maps that show various areas, both within and neighboring its jurisdiction, with housing opportunities outside areas of poverty and minority concentration; the PHA has assembled information about job opportunities, schools and services in these areas; and the PHA uses the maps and related information when briefing voucher holders.

   PHA Response Yes ☑ No □

   (d) The PHA’s information packet for voucher holders contains either a list of owners who are willing to lease, or properties available for lease, under the voucher program, or a list of other organizations that will help families find units and the list includes properties or organizations that operate outside areas of poverty or minority concentration.

   PHA Response Yes ☑ No □

   (e) The PHA’s information packet includes an explanation of how portability works and includes a list of neighboring PHAs with the name, address and telephone number of a portability contact person at each.

   PHA Response Yes ☑ No □

   (f) The PHA has analyzed whether voucher holders have experienced difficulties in finding housing outside areas of poverty or minority concentration and, where such difficulties were found, the PHA has considered whether it is appropriate to seek approval of exception payment standard amounts in any part of its jurisdiction and has sought HUD approval when necessary.

   PHA Response Yes ☑ No □

8. Payment Standards. The PHA has adopted current payment standards for the voucher program by unit size for each FMR area in the PHA jurisdiction and, if applicable, for each PHA-designated part of an FMR area, which do not exceed 110 percent of the current applicable FMR and which are not less than 90 percent of the current FMR (unless a lower percent is approved by HUD). (24 CFR 982.503)

   PHA Response Yes ☑ No □

   Enter current FMRs and payment standards (PS)

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   If the PHA has jurisdiction in more than one FMR area, and/or if the PHA has established separate payment standards for a PHA-designated part of an FMR area, attach similar FMR and payment standard comparisons for each FMR area and designated area.

9. Annual Reexaminations. The PHA completes a reexamination for each participating family at least every 12 months. (24 CFR 982.516)

   PHA Response Yes ☑ No □

10. Correct Tenant Rent Calculations. The PHA correctly calculates tenant rent in the rental certificate program and the family rent to owner in the rental voucher program. (24 CFR 982, Subpart K)

    PHA Response Yes ☑ No □

11. Precontract HQS Inspections. Each newly leased unit passed HQS inspection before the beginning date of the assisted lease and HAP contract. (24 CFR 982.305)

    PHA Response Yes ☑ No □

12. Annual HQS Inspections. The PHA inspects each unit under contract at least annually. (24 CFR 982.405(a))

    PHA Response Yes ☑ No □

13. Lease-Up. The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year.

    PHA Response Yes ☑ No □

14a. Family Self-Sufficiency Enrollment. The PHA has enrolled families in FSS as required. (24 CFR 984.105) Applies only to PHAs required to administer an FSS program.

    Check here if not applicable ☑

    PHA Response
    a. Number of mandatory FSS slots (Count units funded under the FY 1992 FSS incentive awards and in FY 1993 and later through 10/20/1996. Exclude units funded in connection with Section 8 and Section 23 project-based contract terminations; public housing demolition, disposition and replacement; HUD multifamily property sales; prepaed or terminated mortgages under section 236 or section 221(d)(3); and Section 8 renewal funding. Subtract the number of families that successfully completed their contracts on or after 10/21/1996.)

    or, Number of mandatory FSS slots under HUD-approved exception
b. Number of FSS families currently enrolled

c. Portability: If you are the initial PHA, enter the number of families currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Percent of FSS slots filled (b + c divided by a)

14b. Percent of FSS Participants with Escrow Account Balances. The PHA has made progress in supporting family self-sufficiency as measured by the percent of currently enrolled FSS families with escrow account balances. (24 CFR 984.305) Applies only to PHAs required to administer an FSS program.

Check here if not applicable ☑

PHA Response Yes ☐ No ☐

Portability: If you are the initial PHA, enter the number of families with FSS escrow accounts currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Deconcentration Bonus Indicator (Optional and only for PHAs with jurisdiction in metropolitan FMR areas).

The PHA is submitting with this certification data which show that:

(1) Half or more of all Section 8 families with children assisted by the PHA in its principal operating area resided in low poverty census tracts at the end of the last PHA FY;

(2) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area during the last PHA FY is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the last PHA FY;

or

(3) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area over the last two PHA FYs is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the second to last PHA FY.

PHA Response Yes ☑ No ☐

If yes, attach completed deconcentration bonus indicator addendum.

I hereby certify that, to the best of my knowledge, the above responses under the Section 8 Management Assessment Program (SEMAP) are true and accurate for the PHA fiscal year indicated above. I also certify that, to my present knowledge, there is not evidence to indicate seriously deficient performance that casts doubt on the PHA's capacity to administer Section 8 rental assistance in accordance with Federal law and regulations.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Executive Director, signature

Date (mm/dd/yyyy) 08/19/2015

Chairperson, Board of Commissioners, signature

Date (mm/dd/yyyy) 08/19/2015

The PHA may include with its SEMAP certification any information bearing on the accuracy or completeness of the information used by the PHA in providing its certification.
SEMAP Certification - Addendum for Reporting Data for Deconcentration Bonus Indicator

Date (mm/dd/yyyy) 08/19/2015

PHA Name Housing Authority of the City of Alameda

Principal Operating Area of PHA City of Alameda

(The geographic entity for which the Census tabulates data)

Special Instructions for State or regional PHAs Complete a copy of this addendum for each metropolitan area or portion of a metropolitan area (i.e., principal operating areas) where the PHA has assisted 20 or more Section 8 families with children in the last completed PHA FY. HUD will rate the areas separately and the separate ratings will then be weighted by the number of assisted families with children in each area and averaged to determine bonus points.

1990 Census Poverty Rate of Principal Operating Area 9.6

Criteria to Obtain Deconcentration Indicator Bonus Points

To qualify for bonus points, a PHA must complete the requested information and answer yes for only one of the 3 criteria below. However, State and regional PHAs must always complete line 1) b for each metropolitan principal operating area.

1) _________
   a. Number of Section 8 families with children assisted by the PHA in its principal operating area at the end of the last PHA FY who live in low poverty census tracts. A low poverty census tract is a tract with a poverty rate at or below the overall poverty rate for the principal operating area of the PHA, or at or below 10% whichever is greater.
   b. Total Section 8 families with children assisted by the PHA in its principal operating area at the end of the last PHA FY.
   c. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA’s principal operating area at the end of the last PHA FY (line a divided by line b).
   Is line c 50% or more? Yes ☐ No ☐

2) 47.95
   a. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA’s principal operating area at the end of the last completed PHA FY.
   b. Number of Section 8 families with children who moved to low poverty census tracts during the last completed PHA FY.
   c. Number of Section 8 families with children who moved during the last completed PHA FY.
   d. Percent of all Section 8 mover families with children who moved to low poverty census tracts during the last PHA fiscal year (line b divided by line c).
   Is line d at least two percentage points higher than line a? Yes ☑ No ☐

3) _________
   a. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA’s principal operating area at the end of the second to last completed PHA FY.
   b. Number of Section 8 families with children who moved to low poverty census tracts during the last two completed PHA FYs.
   c. Number of Section 8 families with children who moved during the last two completed PHA FYs.
   d. Percent of all Section 8 mover families with children who moved to low poverty census tracts over the last two completed PHA FY’s (line b divided by line c).
   Is line d at least two percentage points higher than line a? Yes ☐ No ☐

If one of the 3 criteria above is met, the PHA may be eligible for 5 bonus points.

See instructions above concerning bonus points for State and regional PHAs.
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 Cooper, Executive Director

Prepared by: Victoria Johnson, Director of Housing and Community Development

Date: August 19, 2015

Re: Presentation on the City of Alameda Below Market Rate Homeownership Program

BACKGROUND

The City of Alameda and the City's redevelopment agency (CIC) first implemented a requirement to develop below-market-rate (BMR) homes around 1986. In 2004, the City of Alameda amended the municipal Code (Ordinance 2926) to add section 30-16 "Inclusionary Housing Requirements for Residential Projects" which established specific guidelines for the development of the BMR units.

The purpose of the BMR program is to increase the supply of affordable housing by requiring developers of market-rate units to include below market rate (BMR) homes for sale or rent within their market-rate developments. For all residential developments of five (5) or more units, at least fifteen percent (15%) of the total units must be inclusionary units restricted for occupancy by very low, low or moderate-income households. The CIC adopted a separate resolution that governs the inclusionary housing requirements in certain project areas. For all residential developments of three or more units in the project areas, at least 25% of the total units must be inclusionary units. Generally, the 25% requirement applies to development within Alameda Point and Bayport.

Neither the City ordinance nor the CIC resolution have a requirement related to ownership vs. rental housing type. In two recent example of inclusionary projects, the City negotiated with Catellus and Tim Lewis Communities to construct for-sale homes affordable to moderate-income households and to make a cash payment to help subsidize the cost of the development of low and very-low income rental units.

Once sold, a BMR unit is subject to a deed of trust that restricts the resale to another eligible buyer at the then affordable price for at least 59 years. If a home is sold, the 59 year period restarts. Further, buyers must sign a promissory note for the difference
between the market price and the BMR price. Because of these two restrictions, the amount of equity that can be taken out when a home is sold is limited. It is possible however for sellers who have remained in their home for a decade or longer to receive over $200,000 in proceeds.

The City and the CIC have been responsible for the administration of the program since inception. When redevelopment agencies were dissolved in 2012, the Housing Authority became the Successor Housing Agency and assumed the City’s responsibilities in administering the BMR Program. Today, AHA administers the program for all new development projects and monitors compliance for the existing portfolio of 104 BMR single family homes as well as four affordable rental projects.

DISCUSSION

With the assistance of the research intern, staff has reviewed the files for each of the 104 owner-occupied BMR properties. These properties make up the portfolio that was transferred from the CIC to the Housing Authority in 2012, plus the six homes that were developed by the Housing Authority and sold in 2001. Of these homes, the earliest was sold in 1987 and the latest was resold in 2014. Staff did not review the four tax-credit rental projects, as these are monitored for compliance by the State and the County and the budgets and audits are reviewed by Housing Authority staff.

The outcome of the research is as follows:

- Of 104 homes sold, eight are no longer held by the original owner
- Of the eight, one was lost through foreclosure, three were sold to an approved buyer, and four were illegally sold (prior to recording of the deed restrictions)
- Fifteen homes were refinanced without approval (prior to recording of the deed restrictions or without City approval)

This summary is based partially on the annual monitoring process, which accepts self-certification as to continued owner occupancy. Each year, a letter is sent to each owner asking that they verify that they continue to occupy the home as their primary residence. With respect to compliance, a household must qualify at the time of initial purchase, but there is no ongoing requirement as to household income or size. It is believed that many owners have been able to keep up with the costs of homeownership and the cost of living in general by adding household members. The BMR policy does now require all adult members of the household to be listed on title in order to limit households from temporarily adding members in order to qualify for a home. The BMR program is often considered successful as over 100 households have been assisted.

However, as home prices have climbed, the amount of subsidy required to maintain affordability has increased dramatically. In 2015, a typical home sold at Alameda Landing to a moderate income buyer requires between $300,000 and $400,000 of soft subsidy. By contrast, a typical rental unit developed with low income housing tax credits requires an average of $150,000 of public subsidy. In terms of the total number of affordable units that might be developed, and based on actual Alameda prices, subsidy
applied toward rental units could assist more than double the number of households compared to subsidy applied towards ownership units.

The current housing market presents an exceptional challenge to develop affordable units within Alameda. The Housing Authority is also unable to identify a sufficient number of private owners that are interested in participating in the Section 8 program. The purpose of the BMR study was to evaluate the effectiveness of the program and also to evaluate the use of scarce affordable housing resources. Based on the research outcome, staff is interested in opening up a dialogue about the BMR program, and in considering if alternative approaches can better fulfill the City's unmet housing needs.

FINANCIAL IMPACT

No financial impact at this time.

RECOMMENDATION

For information and discussion only.

Respectfully submitted,

Vanessa Cooper
Executive Director

VMC/VJ
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

Prepared by: Roderick J. Roche – Director of Facilities 
Executive Director

Date: August 19, 2015

Re: Rosefield Village – 727 Buena Vista, Units D and E

BACKGROUND

During the month of May 2015 the Facilities Department investigated a failed Housing Quality Standard (HQS) inspection that was due to water damage in the bedroom of a unit at Rosefield Village (727 Buena Vista Unit D). Staff determined that the active water damage was the result of exterior intrusion of rain water entering the unit on the south face of the building. Facilities hired a contractor for removal of the entire two story existing siding on the south face of the building for further investigation and repair.

DISCUSSION

After the contractor removed the existing siding, there was evidence of significant dry-rot along the entire south face of this building, and damage between the upstairs unit (E), and the downstairs unit (D). Given this condition, our Facilities Department engaged the services of a structural engineer who recommended we temporarily relocate the existing tenants in order to investigate further.

The structural engineer performed additional investigations on the extent of damage. On July 1, 2015 the engineer issued a memorandum outlining its observations and assessment of the condition of these two units. The engineer recommended the following:

1. Continue to vacate both units D and E.
2. Provide temporary shoring for support the exterior walls
3. Perform additional destructive testing and analysis to determine the full extent of deterioration and damage, and
4. Develop a full replacement plan for construction documents for existing walls and floors for submitting a City Building Department Permit application.

\[44\]
FINANCIAL IMPACT

Total costs expended on this emergency project through the month of July 2015, is approximately $37,000. These costs include contractor and engineering costs, hotel relocation and per-diem costs for displaced tenants (June 15 – July 18), moving costs for displaced tenants to other AHA owned units, and initial demolition permit fees.

At this time the Housing Authority will not move forward on performing any additional capital expenditures until we have reviewed the options not only for these two units, but also for Rosefield Village as a housing complex, including information which will be forthcoming in the near future from the Capital Needs Assessments.

RECOMMENDATION

This memorandum is submitted for information only at this time. Staff will continue evaluating options and will advise on next steps in the coming months.

Respectfully submitted,

[Signature]

Vanessa M. Cooper
Executive Director

VMC/RR
To:        Honorable Chair and  
            Members of the Board of Commissioners

From:     Vanessa M. Cooper 
            Executive Director

Date:     August 19, 2015

Re:       Approve Out-of-State Travel for Staff and Board Chair

BACKGROUND

It has been Housing Authority practice that out-of-state travel be approved by the Board 
of Commissioners.

DISCUSSION

There is sufficient funds in the training budget for this out-of-state training and meetings.

Casterline Associates, Inc. is a nationally known provider of training for Housing 
Authorities. In Las Vegas, Nevada, on October 20-23, 2015, Casterline Associates, Inc. 
is offering a training, Nuts and Bolts of PHA Accounting & Budgeting. It is proposed that 
the new Finance Director, Marie Wang, attend this training. Furthermore, the Board 
Chair and Executive Director are planning a visit to Washington, D.C, to discuss 
additional regulatory flexibility during the last quarter of 2015.

FISCAL IMPACT

Registration, travel costs and per diem will be approximately $2,000 for the Las Vegas 
trip and approximately $3,000 for the D.C. trip. No change in the budget for travel and 
training is required.

RECOMMENDATION

Approve additional out-of-state travel for staff and Board Chair.

Respectfully submitted,

Vanessa M. Cooper 
Executive Director 
VMC:dc
To: Honorable Chair and
Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Date: August 19, 2015

Re: Nominate and Elect Officers of the Board of Commissioners

BACKGROUND

Section 4 of the Rules and Procedures of the Housing Authority state: "The Chair and Vice Chair shall be elected by the Board of Commissioners from its membership at the first meeting after July 1 of each year when the Commission is fully constituted."

DISCUSSION

The election of new officers should take place. The nomination and election process must be open according to provisions of the Brown Act; secret ballot voting is not permitted.

The Board adopted a practice of the Housing Commission to appoint an adhoc committee to recommend a slate of candidates for an election to be held. The Board appointed this committee at its May 2015 meeting. The committee is prepared to announce a recommended slate of candidates for the offices of Chair and Vice Chair.

RECOMMENDATION

Accept the Board committee's recommendations to nominate and elect a Chair and Vice Chair of the Board of Commissioners.

Respectfully submitted,

Vanessa M. Cooper
Executive Director

VMC:dc
To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa M. Cooper
Executive Director

Prepared by: Janet Basta
Director of Human Resources and Operations

Date: August 19, 2015

Re: Adopt a Resolution to Authorize the Addition of One Additional Resident Manager position

BACKGROUND

The purpose of this resolution is to provide for an additional Resident Manager position in facilities and maintenance.

DISCUSSION

Resident Manager positions are in the Facilities and Maintenance Department in the Schedule of Authorized Positions. These positions, supervised by the Senior Property Manager, are required by the California Code of Regulations. This Code requires that a manager, janitor, housekeeper or other responsible person reside upon the premises of any apartment complex with 16 or more units. AHA has met this requirement by utilizing the services of Resident Managers, Assistant Resident Managers, and Resident Custodians, who are at-will contract employees with separate employment agreements.

Currently, Eagle Village, a 42 unit complex, and Rosefield Village, a 46 unit complex, are supported with a part-time Assistant Resident Manager who resided in Rosefield Village, with additional support provided by other Resident staff. We propose to add a full-time Resident Manager who will reside at Rosefield Village and will support both properties. If this position is approved, an external recruitment will be conducted for the Resident Manager to identify candidates with experience working with diverse populations, providing customer service, and building strong resident relationships, in addition to the ability to complete the administrative duties required of these positions.
The Resident Manager compensation package includes hourly compensation of $10.00, health and dental benefits (at the employee level only), and a rent free apartment.

As another action is being brought to the Board at this meeting related to salary and benefits, we have not updated the Schedule of Authorized Positions reflecting the above requested change at this time. Should the recommendation contained in this memo be approved, we will update the Schedule document and bring it to the September 16, 2015 Board meeting for review and a request for approval. We are asking for Board approval on this position so that we may begin the recruiting process now.

FINANCIAL IMPACT

Adding a Resident Manager would cost approximately $52,032 annually, including the cost of taking a unit offline and providing it to the Resident Manager rent free.

RECOMMENDATION

That the Board approve the addition of one Resident Manager position.

If the above recommendation is approved, this change will be incorporated into the Schedule of Authorized positions and a revised document will be presented to the Board at the September 16, 2015 meeting.

Respectfully submitted,

Vanessa Cooper
Executive Director

VMC/jcb
Resolution No. _____

AUTHORIZE THE ADDITION OF ONE ADDITIONAL RESIDENT MANAGER
POSITION EFFECTIVE AUGUST 19, 2015

WHEREAS, the Housing Authority of the City of Alameda has determined a need
for a Resident Manager for Rosefield and Eagle Villages;

NOW, THEREFORE, BE IT RESOLVED, that effective August 19, 2015, the
Housing Authority will be authorized to hire an additional Resident Manager.

ATTEST:                                                                                     Arthur Kurrasch, Chair
                                                 Board of Commissioners

Vanessa M. Cooper
Secretary

Adopted: __________________________