

Results of 2022 Physical Needs Assessments (PNA) Studies

Alameda Affordable Housing Corporation Board of Directors
January 11, 2023

Agenda Item 5.B

PNA Inspection Scope

In 2022, AHA hired the consulting firm Physical Property Analysis to perform physical needs assessments on our portfolio of properties.

The assessments of the needs on the properties were made by visiting each property individually, assessing the common areas, roof and equipment rooms as well as entering a representative sample of residential units based on size and number of bedrooms.

The AHA office was included in this assessment as well as 2 additional properties that AHA may obtain soon.

These physical assessment inspections were scheduled and completed from June 2022 thru September 2022 and the final reports were received in December 2022.

The results of the assessments are intended to provide a summary of projected needed repair and/or renovation costs for the next 20 years.

Items in the 1–20 year projections include:

- **Site Components-** Landscaping, Walkways, Signage, Mailboxes, Lighting
- **Structural Items-** Siding/Trim, Roofing/Gutters, Windows, Doors, Balconies
- **Mechanical-** Electric, Plumbing, HVAC, Fire Systems, Elevators, Security
- **Interiors to include residential units and common area amenities-** Flooring, Kitchens, Bathrooms, Appliances, Window Coverings



The assessments also lay out Life/Safety needs, Immediate Needs, and Deferred Maintenance that are not part of the 20-year projections.

Examples-

- Life/Safety Concerns- Electrical Panels, Gas Appliances, Fire Systems, Stairways
- Immediate Needs – ADA Access, Walkway Hazards, Plumbing, Siding Repairs
- Deferred Maintenance- Fencing, Roofing, Plumbing, Windows, Elevated Walkways



The findings of the PNA reports have projected the total costs as follows:

Anticipated Repairs and Renovations Years 1-20: \$26.3M

Life/Safety needs: \$285K

Immediate Needs: \$325K

Deferred Maintenance: \$1.3M

Total Anticipated Costs: \$28,080,000

It is anticipated that funding for these costs will come from either property-specific reserves or from the Preservation set-aside from the adopted 2022 AHA Reserve Policy, which set aside \$9M for such purposes.

If Reserve Policy funds are used, AHA will return to the Board requesting that a soft loan be recorded on the properties.

Next Steps

1. Prioritize and schedule the Life/Safety repairs to be completed immediately.
2. Prioritize the Immediate Need as to what can be completed in-house staff, or vendors already under contract.
3. Develop scopes with quantities to contract vendors to complete the remaining items.
4. Discuss the report items and costs with FPI Property Management to plan the execution of the remaining repairs as ongoing maintenance.

Questions / Comments?

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