



Housing Authority
of the
City of Alameda

PHONE: (510) 747-4300
FAX: (510) 522-7848
TTY/TRS: 711

701 Atlantic Avenue • Alameda, California 94501-2161

AGENDA

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

DATE & TIME

Wednesday, January 17, 2024 - 6:00 PM

**Brown Act and Commissioner Roles and Responsibilities
Training - 5:00 PM**

LOCATION

Independence Plaza, 703 Atlantic Avenue, Alameda - Ruth Rambeau Memorial
Community Room

PUBLIC PARTICIPATION Public access to this meeting is available as follows:

Join Zoom Meeting:

<https://us06web.zoom.us/j/88946959564?pwd=OVJpYUcya05ROEFTZEI2aENNa24vUT09>

Meeting ID: 889 4695 9564

Passcode: 067149

Persons wishing to address the Board of Commissioners are asked to submit comments for the public speaking portion of the Agenda as follows:

- Send an email with your comment(s) to jpolar@alamedahsg.org and vcooper@alamedahsg.org prior to or during the Board of Commissioners meeting
- Call and leave a message at (510) 871-7435.

When addressing the Board, on agenda items or business introduced by Commissioners, members of the public may speak for a maximum of three minutes per agenda item when the subject is before the Board.

Persons in need of special assistance to participate in the meetings of the Housing Authority of the City of Alameda Board of Commissioners, please contact (510) 747-4325 (voice), TTY/TRS: 711, or jpolar@alamedahsg.org. Notification 48 hours prior to the meeting will enable the Housing Authority of the City of Alameda Board of Commissioners to make reasonable arrangements to ensure accessibility or language assistance.

PLEDGE OF ALLEGIANCE

1. **ROLL CALL**
2. **AB2449 COMPLIANCE** The Chair will confirm that there are 4 members in the same, properly noticed meeting room within the jurisdiction of the City of



Alameda. Each board member who is accessing the meeting remotely must disclose verbally whether they are able to be remote under AB2449: (1) just cause (max. 2 per year), or (2) emergency circumstances.” For Emergency Circumstances, the request must be approved by a majority vote of the Board of Commissioners for the emergency circumstances to be used as a justification to participate remotely. Remote Commissioners must provide a general description of the circumstances relating to need to appear remotely at the given meeting. Commissioner must also publicly disclose at the meeting, prior to any action, whether any other individuals 18 years or older are present in the room with the member at the remote location, and the general nature of the member’s relationship with such individuals. Note: A Commissioner cannot participate in meetings of the Board of Commissioners solely by teleconference from a remote location for a period of more than 3 consecutive months or 20% of the regular meetings for AHA within a calendar year, or more than 2 meetings if the Board of Commissioners regularly meets fewer than 10 times per calendar year.

3. COMMISSIONER RECUSALS

4. Public Comment (Non-Agenda)

5. Closed Session - 6:00 p.m. - Adjournment to Closed Session to Consider:

5.A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR Pursuant to Government Code Section 54956.8.

Property Location: 1628 Webster Street, Alameda CA 94501

Assessor’s Parcel Number 73-418-4-1

Agency Negotiators: Vanessa Cooper, Executive Director, Sylvia Martinez, Director of Housing Development, and Joseph Nagel, Construction Project Manager, Negotiating Parties: Alameda Hospitality, LLC;

Under Negotiation: Price and Terms

6. Adjournment of Closed Session

7. RECONVENE REGULAR MEETING

8. Announcement of Action Taken in Closed Session, if any.

9. Public Comment (Non-Agenda)

10. CONSENT CALENDER

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.

10.A. Accept the Monthly Overview Report for Property Operations.

10.B. Accept the Monthly Overview Report for the Housing Programs Department.

10.C. Accept the Monthly Update on Construction in Progress (CIP) and Authorize the Executive Director to Sign Amendment 6 to the North Housing contract with Engeo for soil management related environmental services in the amount of \$36,800.

10.D. Accept the Monthly Development Report for The Estuary I.



- 10.E. Authorize the Creation of ICD Shinsei LLC, a California limited liability company to enter Shinsei Gardens Apartments, L.P. as a Substitute Limited Partner, authorized to accept the assignment of the withdrawing Limited Partner's 99.99% limited partner interest and subsequently accept the assignment of the withdrawing Special Limited Partner's 0.001% interest in the partnership and Authorize the Executive Director, or her assigns to Negotiate and Execute a Revised Limited Partnership Agreement to Align with the Continued Operating Agreement with Resources for Community Development effective July 1, 2023.
- 10.F. Authorize the Executive Director to approve a contract between the Housing Authority of City of Alameda and Liebert Cassidy Whitmore for a not to exceed amount of Three Hundred Fifty Thousand dollars and Zero cents (\$350,000.00) until February 28, 2027.
- 10.G. Accept the Annual Review of the Investment Policy.
11. AGENDA
- 11.A. Accept Alameda Family Services Presentation.
- 11.B. Adopt the Authorizing Resolution No. 1067 for the Ground Lease and Cash Loans and Approve the Financing and Ownership Structure for Linnet Corner.
- 11.C. Provide Direction to Staff on Price and Terms on the purchase of 1628 Webster Street with Direction to Return to the Board in February 2024 with Any Items to be Ratified.
- 11.D. Ratify and Approve Purchase and Sale Agreement Extensions #1 dated February 21, 2023, #2 dated July 19, 2023, #3 dated November 8, 2023, #4 dated November 20, 2023, and #5 dated December 13, 2023, Closed Session Decision dated December 20, 2023 to Terminate Escrow on Poppy Place (Webster Street Hotel).
12. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
13. EXECUTIVE DIRECTOR'S COMMUNICATIONS
14. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)
15. CONTINUATION OF CLOSED SESSION OF HOUSING AUTHORITY BOARD OF COMMISSIONERS – IF NEEDED
16. Announcement of Action Taken in Closed Session, if any.
17. ADJOURNMENT

* * * Note * * *

- Documents related to this agenda are available on-line at: <https://www.alamedahsg.org/meetings/>
- Know Your RIGHTS Under The Ralph M. Brown Act: Government's duty is to serve the public, reaching its decisions in full view of the public. The Board of



Commissioners exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people’s review. In order to assist the Housing Authority’s efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the Housing Authority accommodate these individuals.





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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Siyuan (Steven) Zhou, Management Analyst

Date: January 17, 2024

Re: Accept the Monthly Overview Report for Property Operations.

BACKGROUND

This memo provides a high-level overview of the Property Operations Department's activities for the last month.

DISCUSSION

The attached table (Attachment 1) summarizes property performance for all sites including Housing Authority of the City of Alameda (AHA) and affiliate-owned sites for the month of December. All sites are managed by FPI Management (FPI).

VACANCY

The attached table (Attachment 1) reflects twenty-seven (27) vacancies out of six hundred eighty-six (686) units for all properties for the month of December 2023. Staff are working diligently to fill the vacancies and eleven (11) units have move-ins scheduled in the next month.

Lease up coordination between AHA Property Management, FPI, and AHA Housing Programs continues with the goal of filling vacancies as expeditiously as possible. Vacancies that do not have a waitlist are posted on the AHA website and applications are available through the Resident Managers.

RENT COLLECTIONS

The attached table (Attachment 1) provides the collection rate versus rent billed for all AHA owned and affiliate-owned sites, and sites managed by FPI. An explanation for properties with a collection rate below 98% or above 101% is provided below.

The collection rate for China Clipper is 92.1%. Everett Commons is at 94.7%, Little John Commons is at 89.4%, Eagle Village is at 85.2%, Parrot Village is at 73.2%, Rosefield Village is at 71.8%, Anne B Diamant is at 89.7%, AHA owned scattered sites are at 93.4%, and AAHC owned scattered sites are at 77.4%. The lower collection rates are primarily due to residents pending legal action and past due balances for residents who



did not pay during the eviction moratorium. Parrot Garden is at 148.2%. Esperanza is at 105% and Independence Plaza is at 102.2%. The higher collection rates are primarily due to past rent and subsidy amounts being recorded in the month of December.

The total delinquency (unpaid rent) for the portfolio for current tenants is \$811,679. All residents with a past due balance have been referred to LifeSTEPS for assistance. Property Management and LifeSTEPS continue to engage residents and encourage them to enter into a repayment agreement. Starting January 6, 2024, tenants who owe over \$100 are being referred to legal counsel for review of their cases and, where necessary, a 30-day notice to pay or quit has been filed with the court. Prior to this, only tenants who owe over \$1,000 were being issued such notices. Counsel is working with these families to enter into a "stay and pay" stipulated agreement.

RENT INCREASES

Rent increases will follow at all sites in the coming months, in accordance with the new payment standards implemented in November 2023. This will result in increases to the total contract rent going forward, but these rent increases to meet the new payment standards will generally not impact subsidized residents' rent portions, as long as they are not over-housed. Independence Plaza rent increases will follow Board directions from February 2023 to include annual rent increases.

SOCIAL SERVICES

LifeSTEPS has been providing aid to tenants and households and continues to link them to financial and social service agencies, as needed.

The Food Bank has continued the farmer's market structure that was being utilized prior to the pandemic and LifeSTEPS has resumed running this model.

MAINTENANCE

The attached table (Attachment 1) shows the Maintenance Requests completed for December 2023.

FISCAL IMPACT

Report only, no financial impact.

CEQA

N/A

RECOMMENDATION

Accept the Monthly Overview Report for Property Operations.

ATTACHMENTS

1. Dec PM report 2023

Respectfully submitted,

Siyuan Zhou

Siyuan (Steven) Zhou, Management Analyst

ATTACHMENT 1

Dec-23

Property Name	Yardi Property code	Owned by	Managed by	Total units	Senior or Family	Manager units	Gross Potential Rent (Bugeted)	Gross Potential Rent (Acutal)	Tenant Rent Collected	Subsidy collected	Total Rent Collected (Actuals)	% collected	Current Month Delinquency	Total Current tenant Delinquency	Past Tenant Delinquency JSCO	Past Tenant Delinquency FPI	Total Delinquency (past and current)
China Clipper	v18	AHHC	FPI	26	Family	0	\$50,168.00	\$52,168.00	\$12,053	\$ 36,016	\$ 48,069	92.1%	\$ 4,099	\$ 20,986	\$ 2,349	\$ 226	\$ 23,561
Esperanza	v19	AAHC	FPI	120	Family	1	\$384,895.00	\$386,009.00	\$95,594	\$ 308,651	\$ 404,245	105.0%	-\$ 19,350	\$ 167,829	\$ 1,125	\$ 47,825	\$ 216,779
Littlejohn Commons	v20	ICD	FPI	31	Senior	1	\$53,181.00	\$58,806.00	\$10,889	\$ 41,680	\$ 52,569	89.4%	\$ 6,237	\$ 50,868	\$ 0	\$ 803	\$ 51,671
Parrot Garden	v21	AHA	FPI	8	Family	1	\$19,153.00	\$19,153.00	\$18,862	\$ 9,520	\$ 28,382	148.2%	-\$ 9,229	\$ 21,165	\$ 1,352	\$ 0	\$ 22,517
Parrot Village	v22	AAHC	FPI	50	Family	0	\$132,453.00	\$173,496.00	\$29,453	\$ 97,475	\$ 126,928	73.2%	\$ 46,568	\$ 191,272	\$ 32,782	\$ 127,604	\$ 351,658
Everett Commons	v23	ICD	FPI	20	Family	1	\$50,451.00	\$52,192.00	\$12,198	\$ 37,206	\$ 49,404	94.7%	\$ 2,788	\$ 7,278	\$ 256	\$ 1,503	\$ 9,037
Scattered Sites	v24	AHA	FPI	25	Family	0	\$52,700.00	\$53,567.00	\$10,401	\$ 39,634	\$ 50,035	93.4%	\$ 3,532	\$ 31,945	\$ 0	\$ 0	\$ 31,945
Scattered Sites	v25	AAHC	FPI	27	Family	0	\$49,407.00	\$57,999.00	\$18,054	\$ 26,815	\$ 44,869	77.4%	\$ 13,130	\$ 44,158	\$ 0	\$ 1,503	\$ 45,661
Rosefield Village	v26	ICD	FPI	92	Family	1	\$154,637.00	\$171,824.00	\$70,216	\$ 53,075	\$ 123,291	71.8%	\$ 48,533	\$ 224,878	\$ 0	\$ 69,918	\$ 294,796
Eagle Village	v27	AAHC	FPI	36	Family	1	\$92,463.00	\$97,845.00	\$17,843	\$ 65,517	\$ 83,360	85.2%	\$ 14,485	\$ 16,291	\$ 14,863	\$ 4,619	\$ 35,773
Independence Plaza	w11	AAHC	FPI	186	Senior	1	\$255,108.00	\$266,114.00	\$150,597	\$ 121,331	\$ 271,928	102.2%	-\$ 5,814	\$ 16,276	\$ 78,037	\$ 19,328	\$ 113,641
Anne B Diamant	w70	AHHC	FPI	65	Senior	1	\$131,225.00	\$135,102.00	\$34,196	\$ 87,036	\$ 121,232	89.7%	\$ 13,870	\$ 18,733	\$ 19,860	\$ 18,592	\$ 57,185
TOTAL				686		8	\$1,425,841.00	\$1,524,275.00	\$480,355.75	\$923,956.00	\$1,404,311.75	92.1%	\$ 119,963	\$811,679	\$150,624	\$291,921	\$ 1,254,225

*Some past month subsidy & rent payments are recorded in December

Month Ending December, 2023

Property Name	Yardi Property code	Owned by	Vacant units at end of period	Vacancy rate %	Units offline for rehab	Vacancy rate excluding offline units	Move ins scheduled in next month	Anticipated move outs next month	Maintenance requests completed
China Clipper	v18	AHHC	1	3.8%	0	3.8%	0	0	1
Esperanza	v19	AAHC	2	1.7%	0	1.7%	3	0	2
Littlejohn Commons	v20	ICD	3	9.7%	0	9.7%	0	0	3
Parrot Garden	v21	AHA	0	0.0%	0	0.0%	0	0	0
Parrot Village	v22	AAHC	3	6.0%	0	6.0%	3	0	15
Everett Commons	v23	ICD	0	0.0%	0	0.0%	0	0	4
Scattered Sites	v24	AHA	0	0.0%	0	0.0%	0	0	1
Scattered Sites	v25	AAHC	2	7.4%	0	7.4%	2	0	1
Rosefield Village	v26	ICD	8	8.7%	0	8.7%	0	0	6
Eagle Village	v27	AAHC	0	0.0%	0	0.0%	2	0	10
Independence Plaza	w11	AAHC	6	3.2%	0	3.2%	1	1	23
Anne B Diamant	w70	AHHC	2	3.1%	0	3.1%	0	1	15
TOTAL			27	3.9%	0	3.6%	11	2	81

To: Honorable Chair and Members of the Board of Commissioners

From: Lynette Jordan, Director of Housing Programs

Date: January 17, 2024

Re: Accept the Monthly Overview Report for the Housing Programs Department.

BACKGROUND

This memo is a high-level overview of Housing Programs Department (HPD) activities for the month of December 2023.

DISCUSSION

Annual Project Based Voucher (PBV) Owner Workshop

On November 14, 2023, Housing Programs staff held the annual PBV workshop for our PBV program partners. The staff presented a presentation which included:

- Intake and Eligibility Overview
- Landlord Portal
- Inspection Process
- Over and Under Housed Process
- Rent increases and Offer of New Lease

Guest speakers included representatives from Echo Housing, Rent Program, and staff from various Housing Authority of the City of Alameda (AHA) departments. It is important to AHA to host our PBV workshop annually to continue to educate our partners about the various changes in regulations as well as AHA internal processes. We also take this time to acknowledge and appreciate the long-term relationship we have built with our partners.

Housing Choice Voucher (HCV Leasing)

On December 18, 2023, the Housing Staff selected 50 applicants from the Housing Choice Voucher (HCV) waitlist in an effort to increase our leasing efforts in 2024. Staff will process complete applications using the online applicant portal as they are received. Staff will begin meeting weekly to review the applications and ensure timely voucher



ineligibility processing.

Landlord Incentives

Under the new Moving to Work designation, landlords who participate in AHA's Housing Choice Voucher (HCV) program are eligible to receive new landlord incentives. AHA staff strives to provide the best possible customer service to our HCV landlords and provide the best possible incentives to HCV landlords as well. Below is a list of the new incentives AHA is offering to our landlord participants:

- **\$1,500** for a unit that has never been previously leased by a participant in AHA's HCV program. The tenant on the new lease must be an AHA HCV program participant.
- **\$2,000** for an ADA accessible unit when it is leased to an AHA HCV program participant.
- **\$100** for a unit that passes initial HQS inspection on the first inspection (at move-in) and an AHA HCV program participant then leases the unit.
- **\$1,000** for a unit that was previously leased by a participant in AHA's HCV program participant and is then leased to a new HCV program participant at AHA.

NOTE: Landlords can receive multiple incentives for a unit, but the total of all payments has to be equal to or less than one month of rent.

FISCAL IMPACT

For report only, no fiscal impact.

CEQA

N/A

RECOMMENDATION

Accept the Monthly Overview of the Housing Programs Department.

ATTACHMENTS

1. 10-C HPD December Dashboard

Respectfully submitted,



Lynette Jordan, Director of Housing Programs

Housing Programs Department Quarterly Dashboard for December 2023

Total NON-ACC Vouchers Leased By Type			
Program	Vouchers Leased	Amount Awarded/Funded	Vouchers Funded But Not Leased
Shelter Plus Care	18	18	0
SRO	29	30	1

Total ACC Vouchers Leased By Type	
HCV (7100)	962
PBV (7300)	320
AHA-owned HCV	229
Port Outs	0
FUP	30
VASH	36
Total Vouchers Leased	1577
Units on ACC	1893
ACC Vouchers Funded But Not Leased	316

Emergency Housing Vouchers	
EHV (7760) in Alameda	40
EHV Port Outs	17
Total Leased	57
Total Awarded	57
Vouchers Funded But Not Leased	0

Average Duration from voucher issuance to those leased up in December 2023 (days)	148.5
Average Tenant Rent to Owner	\$ 555.35
Average TTP	\$ 608.61
Average HH income	\$ 25,063.05
Percentage of Inspections Passed First-Time (December 2023)	7%
Inspections Completed (December 2023)	169

Budget Authority (For December 2023 - Average Across 12 months)	\$ 3,105,050.00
Total HAP expended	\$ 3,313,812.00
HAP/Budget Authority	106.7%

Average of HAP per Bedroom size		
Bedroom Size	Average HAP	Count of Households
0	\$ 694.56	399
1	\$ 1,638.21	560
2	\$ 1,977.53	486
3	\$ 2,664.99	182
4	\$ 2,965.19	26



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To: Honorable Chair and Members of the Board of Commissioners

From: Joseph Nagel, Construction Project Manager

Date: January 17, 2024

Re: Accept the Monthly Update on Construction in Progress (CIP) and Authorize the Executive Director to Sign Amendment 6 to the North Housing contract with Engeo for soil management related environmental services in the amount of \$36,800.

BACKGROUND

The Housing Authority of the City of Alameda (AHA) and its affiliate, the Alameda Affordable Housing Authority (AAHC), own and operate multifamily property throughout Alameda. Periodically, work is scheduled to maintain and upgrade existing buildings, or to improve property that is anticipated to be redeveloped in the future. In 2022, AHA and AAHC obtained Physical Needs Assessments on all properties over 5 years old. These assessments delineated capital needs over a 15-year period, but also highlighted any health/safety needs and items for short-term attention. AHA and AAHC have completed or begun all health/safety items, and plan to address short-term needs through the annual budgeting process for every property. In addition, three properties (China Clipper, Independence Plaza and Esperanza) were targeted as having substantial long-term needs, and staff is beginning to study how these investments might be funded.

There are multiple sizeable projects being planned or underway at this time. Staff prioritizes work that is health and safety-related, lender-required, or provide risk mitigation. This report serves to provide updates on this work. A formal update to the Board is expected in 2024.

DISCUSSION

The following construction projects are in progress as of this Board Meeting.

1. North Housing Master-Plan Site Preparation

Block A of Site: North Housing, 501 Moseley

Purpose: Prepare site for future development of affordable housing

Timeline: October 2023 to January 2024

Status: Notice to proceed issued on 10/4/2023. The contractor began site mobilization on 10/10/2023. By the end of December, site preparation was 83.93% complete.



There are two pending change orders to the construction contract associated with de-energizing electrical equipment and soil offhaul. Staff is seeking approval of a pending increase to the contract with Engeo for environmental services associated with implementing the Soil Management Plan. The change orders are covered by project contingencies.

2. Below Market Rent unit renovation

Site: 410 Tucker Ave.

Purpose: Renovate this recently-purchased affordable home so that it can be rented.

Status: Renovations are complete. HQS inspection is pending.





3. Eagle Village Siding/Paint Repairs

Site: Eagle Village

Purpose: Lender required exterior repairs and new exterior paint

Timeline: Work is expected to take 5-6 Months (Weather Permitting).

Status: An RFP was issued, and a contractor has been selected. The work is expected to start in January 2024 and be completed by June 2024.

4. Parrot Village Siding/Paint Repairs

Site: Parrot Village

Purpose: Lender required exterior repairs and new exterior paint

Timeline: Work is expected to take 5-6 Months (Weather Permitting).

Status: Siding replacement has begun and is 95% complete. Paint will begin in January 2024 (weather permitting)

5. Guardrail and Stair Handrail Renovations

Sites: Esperanza, China Clipper, Lincoln House, Anne B. Diamant, Stanford House and Parrot Gardens

Purpose: Upgrade guard rails and handrails for safety reasons as noted in the 2022 Physical Needs Assessments (PNAs).

Timeline: The work should take 8-10 weeks to complete.

Status: An RFP was issued on 8/28/2023 and a bid walk conducted 9/26/2023. We received (1) proposal for the work at these (6) properties and are enlisting the services of an independent cost estimator to validate the bid.

6. China Clipper Electrical Upgrade

Site: China Clipper

Purpose: Upgrade electrical panels for safety reasons as noted in 2022 PNA.

Timeline: The work is expected to take 6-8 weeks.

Status: An RFP for this scope was issued on 9/12/2023. Proposals were due 10/16/2023. We received 2 proposals for the work and are working with the lowest bidder to provide submittal documents for the building permit.

7. Anne B. Diament Balcony Repairs

Site: Anne B. Diament

Purpose: Repair balconies in compliance with Senate Bill 721.

Timeline: This scope of work is expected to take 6 months to complete.

Status: The permit plans have been submitted to the City of Alameda Building Department, and are under review by a third party plan checker. We expect work to begin in early 2024.

8. Independence Plaza Balcony Repairs/Sewer Study

Site: Independence Plaza

Purpose: Balconies were repaired in 2022-23 in accordance with Senate Bill 721. To finalize the permits. The Private Sewer Laterals must be pressure/vacuum tested by East Bay Municipal Utility District (EBMUD).

Timeline: This work is expected to take 2-3 weeks to complete. (Weather Permitting)

Status: This work began in December and is expected to be completed by the end of January 2024 (Weather Permitting). There have been a couple of days delay due to weather. However, we are still on track to complete this work in January.

FISCAL IMPACT

Funding for the North Housing Master Plan was approved by the Board of Commissioners in August 2023. Funding for repairs and maintenance on existing properties owned by either AHA or the AAHC is from either project reserves or the 2022 Reserve Policy Preservation Budget, as adopted by the AHA Board of Commissioners.

Funding for the Independence Plaza Balcony repair is also being supported by redevelopment funds from the City of Alameda.

CEQA

None

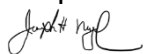
RECOMMENDATION

Accept the Monthly Update on Construction in Progress (CIP) and Authorize the Executive Director to Sign Amendment 6 to the North Housing contract with Engeo for soil management related environmental services in the amount of \$36,800.

ATTACHMENTS

1. Draft Engeo Amendment 7

Respectfully submitted,



Joseph Nagel, Construction Project Manager

AMENDMENT NO. 7 TO CONSULTANT SERVICES CONTRACT

This Amendment of a Consultant Services Contract by and between the HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body corporate and politic (hereinafter referred to as "AHA"), and ENGEO Incorporated, a California corporation, whose address is 2010 Crow Canyon Place, Suite 250 San Ramon, CA 94583, (hereinafter referred to as "Consultant"), is made with reference to the following:

RECITALS

A. On December 1, 2021, a Consultant Services Contract was entered into by and between AHA and Consultant.

B. The effective date of this Amendment shall be December 1, 2023.

C. The Original Consultant Services Contract limited the Compensation to Consultant to a not exceed amount of thirty-eight thousand dollars and zero cents (\$38,000.00) for the term of the contract which ends on December 31, 2024 unless extended or terminated.

D. Contract amendment no. 1 increased the total compensation from thirty-eight thousand dollars and zero cents (\$38,000.00) to forty-nine thousand and five hundred dollars and zero cents (\$49,500.00) for the term of the contract.

E. Contract amendment no. 2 increased the total compensation from forty-nine thousand and five hundred dollars and zero cents (\$49,500.00) to fifty-nine thousand and five hundred dollars and zero cents (\$59,500).

F. Contract amendment no. 3 increased the total compensation from fifty-nine thousand and five hundred dollars and zero cents (\$59,500) to sixty-four thousand and five hundred dollars and zero cents (\$64,500.00).

G. Contract amendment no. 4 increased the total compensation from to sixty-four thousand and five hundred dollars and zero cents (\$64,500.00) to one hundred thirty-nine thousand and seven hundred dollars and zero cents (\$139,700.00).

H. Contract amendment no. 5 was authorized by AHA's board on October 25, 2023 and increased the total compensation from one hundred thirty-nine thousand and seven hundred dollars and zero cents (\$139,700.00) to two hundred ninety-two thousand and seven hundred dollars and zero cents (\$292,700).

I. Contract amendment no. 6 was executed on December 8, 2023 and increased the total compensation from two hundred ninety-two thousand and seven hundred

Amendment No. 7
ENGEO – North Housing Block A

dollars and zero cents (\$292,700) to two hundred ninety-six thousand and two hundred dollars and zero cents (\$296,200).

J. All conditions of the Consultant Services Contract will remain the same except as amended below.

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

The not to exceed amount for the entire Contract shall be amended from two hundred ninety-six thousand and two hundred dollars and zero cents (\$296,200) to three hundred thirty-three thousand dollars and zero cents (\$333,000).

The additional scope of work and fee is documented in Attachment A dated December 22, 2023, for up to thirty-six thousand eight hundred dollars and zero cents (\$36,800) for as needed environmental consultation services throughout the project, additional reliance letters if required, stockpile sampling and the preparation of a Soil Management Completion Report upon completion of soil removal activities.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

[SIGNATURES ON FOLLOWING PAGE]

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

“CONSULTANT”

ENGEO Incorporated, a California corporation

By: _____

Name: Shawn Munger

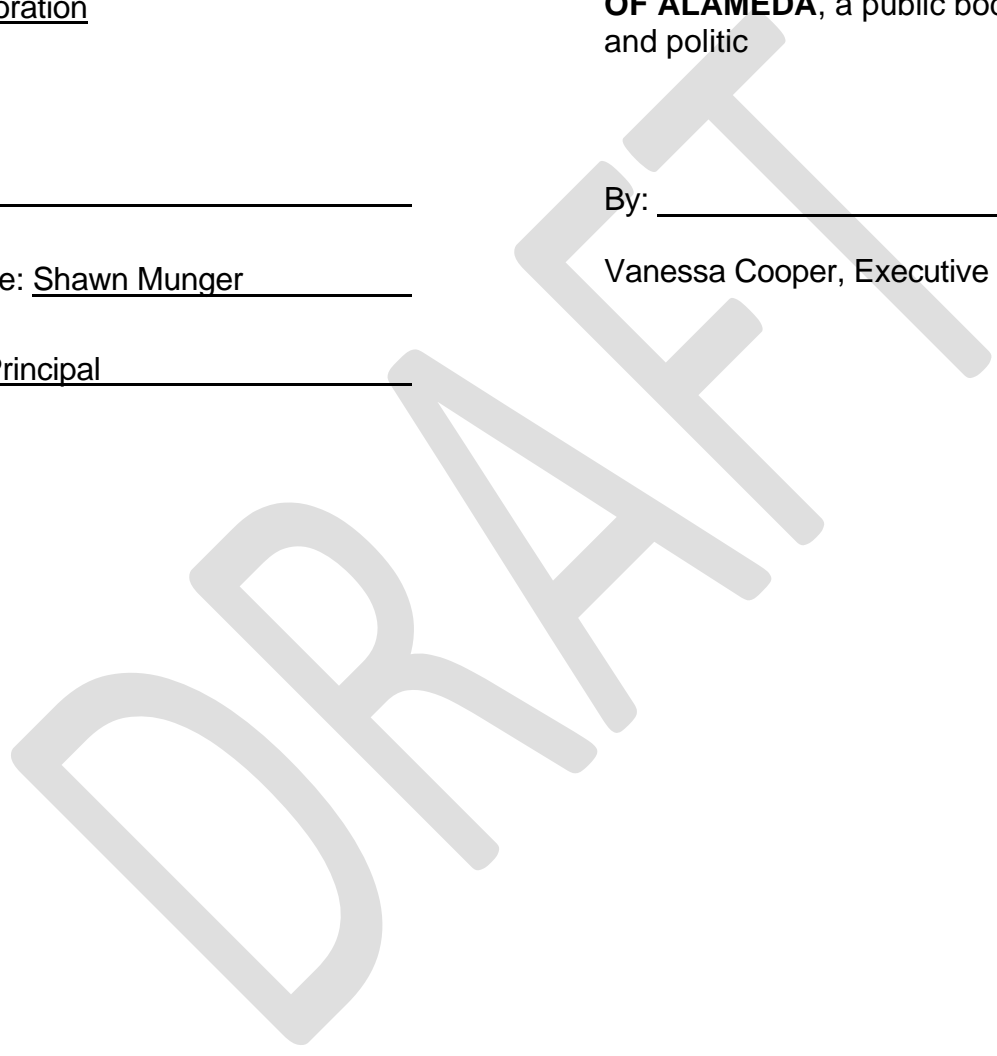
Its: Principal

“AHA”

HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body, corporate and politic

By: _____

Vanessa Cooper, Executive Director



Project No.
19799.000.002

December 22, 2023

Ms. Bridget Galka
Housing Authority of the City of Alameda
701 Atlantic Avenue
Alameda, CA 94501

Subject: North Housing – Block A
Alameda, California

PROPOSAL FOR ENVIRONMENTAL SERVICES

Dear Ms. Galka:

Thank you for requesting this proposal for environmental services for the subject site (Property) in Alameda, California.

PROPOSED SCOPE OF SERVICES

We propose the following scope of services.

Phase 006 – Consultation

We will continue to provide environmental consultation services as necessary throughout the project, including communication with the team, project stakeholders, regulatory agencies, and other outside parties. We propose to increase the existing consultation budget.

Phase 007 – Third-Party Reliance Letters

We prepared two reliance letters for previous environmental reports prepared for the Property. If additional reliance letters are requested, they will be billed under Phase 006 at a cost of \$1,500 per letter.

Phase 008 – Stockpile Sampling

ENGEO collected seven soil samples from the on-site stockpile for waste classification purposes. The samples were analyzed for chromium by EPA Method 6020 and soluble threshold limit concentration (STLC) extractions were performed. The samples were analyzed on a 24-hour turnaround time.

Phase 009 – Soil Management Completion Report

Upon completion of soil removal activities, ENGEO will prepare a Soil Management Completion Report (SMCR) to summarize field activities, sampling, stockpile management, soil mitigation, groundwater management activities, and health and safety. The letter will include supporting documentation, including photograph logs, analytical laboratory reports, data summary tables, and waste management records. The SMCR will be submitted to DTSC, Navy, and USEPA within 60 days after completion of the SMP activities.

FEE

We propose to perform the above-described scope of services for a fee of **\$36,800**, as itemized in the table below.

SCOPE	FEE
Phase 006 – Consultation	\$20,000 (time-and-expense)
Phase 007 – Third-Party Reliance Letters	\$3,000 (fixed fee)
Phase 008 – Stockpile Sampling	\$4,800 (fixed fee)
Phase 009 – Soil Management Completion Report	\$9,000 (fixed fee)

REQUEST FOR CHANGE ORDER


ENGEO's liability for damage due to professional negligence, acts, errors, omissions, breach of contract and consequential damages will be limited by Client to an amount not to exceed an aggregate limit of one hundred thousand dollars or ENGEO's fee, whichever is greater, regardless of the legal theory under which such liability is imposed.

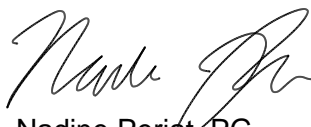
If the above scope of services and fee are acceptable, please issue a change order to the existing contract as our authorization to proceed. Our services are unable to commence without prior receipt of an executed agreement.

We look forward to serving you on this project. If you have any questions or comments regarding this proposal, please call and we will be glad to discuss them with you.

Sincerely,

ENGEO Incorporated


Jenna Keith
Staff Engineer


Nadine Periat, PG
Associate

jk/np/ca

Attachment: Request for Change Order



2010 Crow Canyon Place, Suite 250
San Ramon, CA 94583-4634
(925) 866-9000 | FAX (888) 279-2698

REQUEST FOR CHANGE ORDER

TO: Ms. Bridget Galka
Housing Authority of the City of Alameda
701 Atlantic Avenue
Alameda, CA 94501

DATE: December 22, 2023

ENGEO Project No.: 19799.000.002
Phases: 006-009
ENGEO Contact: Jenna Keith

PROJECT NAME: North Housing – Block A

ORIGINAL CONTRACT NO.: Consultant Services Contract
ORIGINAL CONTRACT DATE: December 1, 2021

Additional Scope of Services:

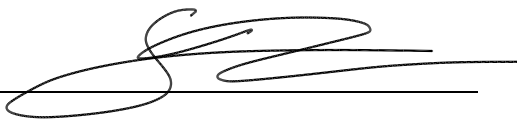
In accordance with the attached proposal dated December 22, 2023.

Estimated Additional Fees:

For a fee of **\$36,800**, in accordance with the attached proposal dated December 22, 2023.

If you are in agreement with the scope of services and fees outlined in this request, please forward a change order to the above-referenced original contract as authorization for us to proceed. All other terms and conditions of the original contract shall remain in effect.

ENGEO INCORPORATED

BY: 

PRINTED NAME: Shawn Munger

TITLE: Principal

DATE: December 22, 2023

jk/np/sm/ca



PHONE: (510) 747-4300
FAX: (510) 522-7848
TTY/TRS: 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Jenny Wong, Senior Project Manager

Date: January 17, 2024

Re: Accept the Monthly Development Report for The Estuary I.

BACKGROUND

The Estuary I, formerly known as North Housing PSH I, is the first of three projects within North Housing Block A and Block A is the first phase of the larger 12-acre North Housing parcel redevelopment at the former Alameda Naval Air Station (NAS) at the site known as Coast Guard Housing. As of May 30, 2019, the North Housing parcel is under the Housing Authority of the City of Alameda (AHA) ownership.

The Estuary I project, located at 500 Mosley Avenue, includes the new construction of 45 units permanent supportive housing for formerly homeless individuals and households. AHA is leading the development under a homeless accommodation conveyance, alongside providers Alameda Point Collaborative (APC) and Building Futures. Island City Development (ICD) is the developer. The overall project scope includes construction of a new building featuring onsite laundry, property management offices, social services coordination offices, a community room, bicycle parking, and ground improvements to Lakehurst Circle and Mabuhay Street.

The building permit is ready to be issued upon payment of building permit fees. The Estuary I project is expected to close its financing and begin construction by the end of January 2024. Construction of The Estuary I will take approximately 18 months. Please see previous Board reports for project details prior to this report.

DISCUSSION

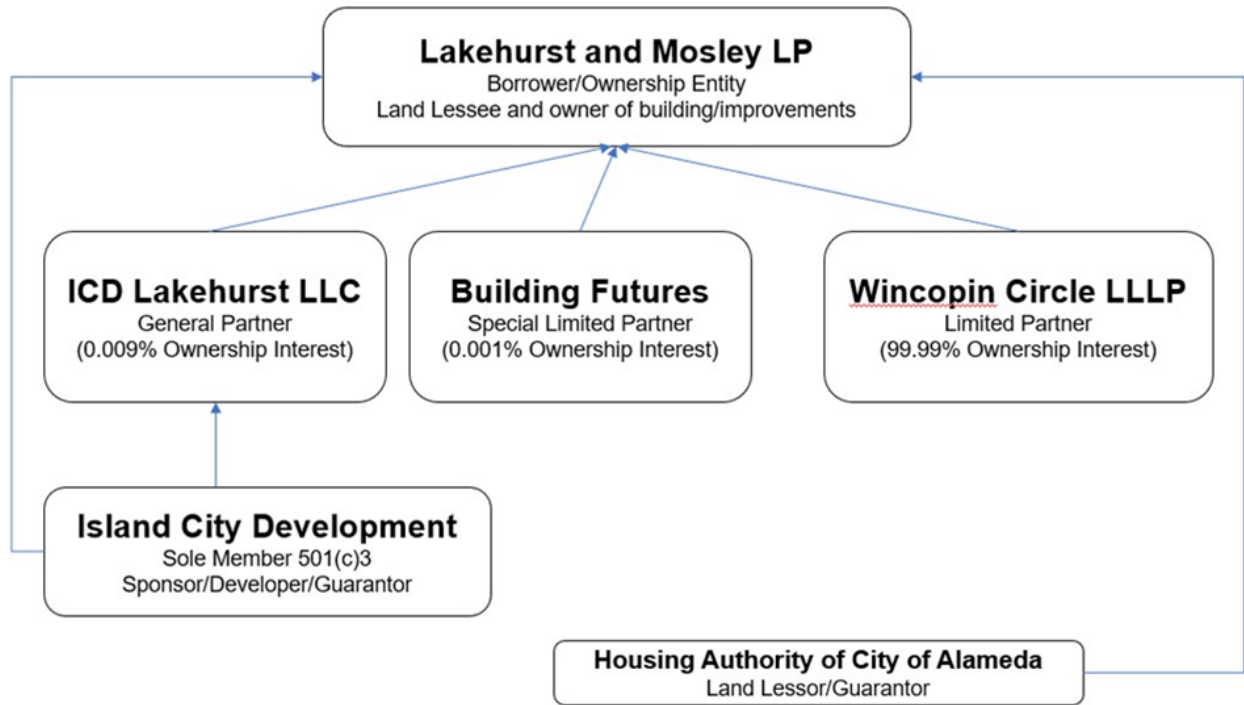
Organizational Structure

The tax credit investor and limited partner will be Enterprise Community Partners and the construction and permanent lender will be Bank of America. ICD Lakehurst LLC has been formed to serve as the general partner of the tax credit partnership, Lakehurst and Mosley LP (Partnership). ICD is the sole member of the general partner, ICD Lakehurst LLC. At loan closing, AHA will be admitted into the Partnership as a placeholder for the special limited partner. Per the Amended and Restated MOU and



Term Sheet dated October 21, 2021 (A&R MOU/TS), Building Futures will ultimately be admitted into the Partnership as special limited partner per the organizational chart below. AHA is the initial limited partner and will be replaced by Enterprise as Investor at construction loan closing.

The Estuary I Organizational Chart



Funding

The project was awarded Section 8 Project-Based Vouchers (PBVs) for 40 of the 45 total units. The Partnership and AHA executed the Agreement to Enter into a Housing Assistance Payment contract (AHAP) on October 4, 2023.

On December 20, 2023, the Board approved Authorizing Resolution No. 1065 and the financing and ownership structure for The Estuary I project. Project financing includes investor equity through the sale of 9% Low Income Housing Tax Credits and California State Tax Credits; two soft loans (repaid by cash flow) from AHA, one for sponsor takeback financing and one from AHA cash reserves; Alameda Affordable Housing Trust Fund (AAHTF) loan from Alameda Affordable Housing Corporation (AAHC); PLHA loan, CDBG funds, HOME funds, and waived development impact fees from the City of Alameda; Affordable Housing Program (AHP) loan from AHA as the Sponsor through the Federal Home Loan Bank of San Francisco (FHLB); General Partner (GP) equity; and conventional debt that will be supported by tenant rents and forty (40) PBVs.

Related Agreements and Development Items

Staff is working with legal counsel and design consultants to prepare a document to be recorded against the land demonstrating the condo air space division of the parcel shared between The Estuary I and The Estuary II projects. This condo will be the legal parcel for The Estuary II, which is adjacent to The Estuary I and on the same parcel. Staff is also working to prepare a reciprocal access easement between The Estuary I partnership, The Estuary II partnership, and Linnet Corner partnership that will outline shared amenities and utilities, including but not limited to, common areas, car and bicycle parking, lighting, sidewalks, and utility infrastructure, as needed to support the operations of each project. The condo division and reciprocal access easement are contemplated as part of the master plan for the Block A site.

The North Housing Site has an existing Reciprocal Easement Agreement between AHA and the neighboring property owner of Admirals Cove Apartments, CP VI Admirals Cove, LLC for the use of Lakehurst Circle. The approved first phase parcel map made adjustments to Lakehurst Circle, a private street located on the western portion of the site. Staff is working with the neighbor on a street maintenance and lien agreement for Lakehurst Circle.

The three agreements referenced above will be brought back to the Board for ratification in 2024.

FISCAL IMPACT

The Board authorized a pre-development loan to ICD totaling \$10,000,000 for costs associated with master planning, carrying costs, demolition, and redevelopment work for Block A of the North Housing project, which includes 155 units of permanent supportive and senior housing, including Estuary I. Funds are disbursed to ICD on an as-needed basis. The Block A project portions will be converted into the permanent phasing for those projects, as approved by the Board. The current total available pre-development loan balance is \$982,683 net of anticipated soil stabilization costs. No additional pre-development funding is required to start construction. Please refer to the attached chart summarizing expenses through December 31, 2023 (Attachment 1).

CEQA

Not Applicable.

RECOMMENDATION

Accept the Monthly Development Report for The Estuary I.

ATTACHMENTS

1. North Housing Expenses Chart Through December 31, 2023

Respectfully submitted,



Jenny Wong, Senior Project Manager

North Housing Block A Predevelopment Expenses Chart Through December 31, 2023.

North Housing Block A	Total
The Estuary I – 45 units (includes predevelopment, pro rata shares of master plan, demolition, and land carrying costs)	\$1,392,172
The Estuary II – 46 units (includes predevelopment, pro rata shares of master plan, demolition, and land carrying costs)	\$1,160,587
Linnet Corner – 64 units (includes predevelopment, pro rata shares of master plan, demolition, and land carrying costs)	\$1,460,564
Grand Total	\$4,013,324
Anticipated Soil Stabilization Costs for Block A	\$5,003,993
Remaining Predevelopment Loan Available for Block A	\$982,683

North Housing	Total
Remaining Nine (9) Acre Land Carrying Costs and Site Pre-Development (includes master planning and demolition) *Shown for informational purposes only	\$4,000,000



Housing Authority
of the
City of Alameda

PHONE: (510) 747-4300
FAX: (510) 522-7848
TTY/TRS: 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Bulbul Goswami, Director of Asset Management

Date: January 17, 2024

Re: Authorize the Creation of ICD Shinsei LLC, a California limited liability company to enter Shinsei Gardens Apartments, L.P. as a Substitute Limited Partner, authorized to accept the assignment of the withdrawing Limited Partner's 99.99% limited partner interest and subsequently accept the assignment of the withdrawing Special Limited Partner's 0.001% interest in the partnership and Authorize the Executive Director, or her assigns to Negotiate and Execute a Revised Limited Partnership Agreement to Align with the Continued Operating Agreement with Resources for Community Development effective July 1, 2023.

BACKGROUND

Shinsei Gardens is a 39-unit housing development for families, which was part of the widespread redevelopment of the former Naval Station. The development is owned by Shinsei Gardens Apartments, L.P. (Partnership). Resources for Community Development (RCD) is the developer and RCD's affiliate is the Managing General Partner (0.009% ownership). National Equity Fund (NEF) is the Limited Partner (99.990% ownership), and Operation Dignity is the Special Limited Partner (0.001% ownership) and the resident services provider. Property Management is contracted to the John Stewart Company.

DISCUSSION

The Housing Authority of the City of Alameda (AHA) has the right to acquire Shinsei Gardens apartment and its board approved an Acquisition Plan to preserve AHA's rights in May 2023. AHA completed the first step of the plan and executed a Continuing Project Operations and Acquisition Agreement (CPOA) with the General Partner (GP) in October 2023. The next step is for AHA, or an affiliate, to acquire the partnership interests of the Limited Partner (LP), NEF, and the Special Limited Partner (SLP), Operation Dignity.

Staff is seeking authorization to form ICD Shinsei LLC to act as an affiliate to acquire all the partnership interests of Shinsei Gardens Apartments, L.P. Once formed, ICD



Shinsei LLC will execute an amendment to the Limited Partnership Agreement (LPA) to enter the partnership. First, ICD Shinsei LLC will accept the interests and execute withdrawal agreements with the LP. Then the SLP withdrawal will occur. The LPA amendments and withdrawal agreements are expected to be executed in February 2024 and take effect as early as December 31, 2023. After ICD Shinsei LLC acquires the LP and SLP interest, the CPOA between AHA and the GP outlines the terms for the GP to continue to operate the property until ICD Shinsei LLC chooses to acquire the GP interest or the GP requests to withdraw from the partnership. However, the LPA will be amended to align with the terms of the CPOA at the same time as the withdrawal of the two limited partners. A copy of the CPOA is attached for reference.

FISCAL IMPACT

The Acquisition Plan for Shinsei Gardens was designed to minimize the partnership interest acquisition costs that AHA needs to fund and uses project reserves, cash in the operating account and owner's surplus to address deferred maintenance. Ownership of the property at any level (GP, LP, co ownership) offers all the financial benefits and liabilities of ownership. In general, this is a stable, well-performing property that is in good condition and thus should be a financial asset, as well as an opportunity to continue providing stable, quality housing for the community. The GP will receive a \$25,000 Asset Management Fee but no added distributions.

CEQA

N/A

RECOMMENDATION

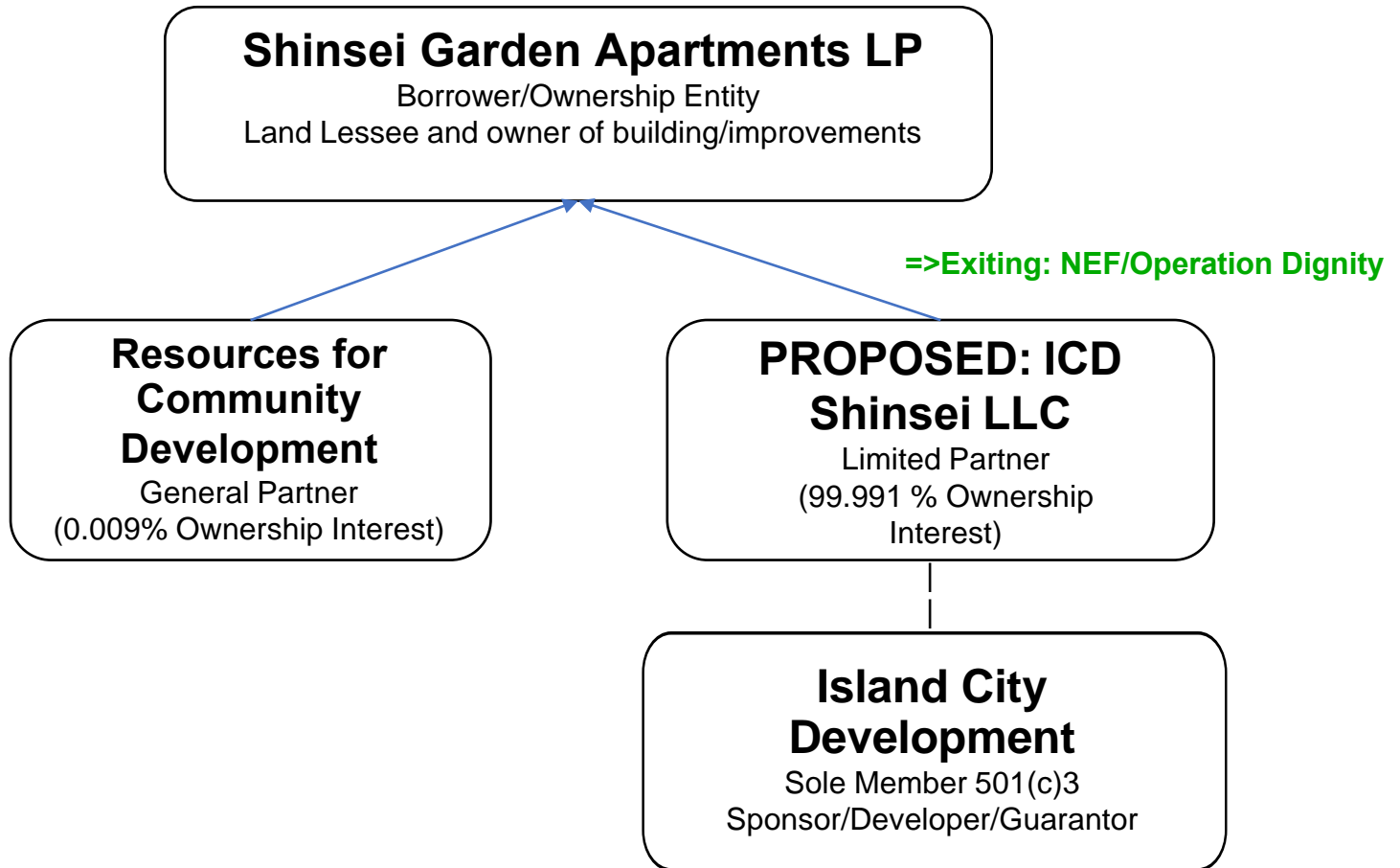
Authorize the Creation of ICD Shinsei LLC, a California limited liability company to enter Shinsei Gardens Apartments, L.P. as a Substitute Limited Partner, authorized to accept the assignment of the withdrawing Limited Partner's 99.99% limited partner interest and subsequently accept the assignment of the withdrawing Special Limited Partner's 0.001% interest in the partnership and Authorize the Executive Director, or her assigns to Negotiate and Execute a Revised Limited Partnership Agreement to Align with the Continued Operating Agreement with Resources for Community Development effective July 1, 2023.

ATTACHMENTS

- 1. Shinsei Proposed Organizational Chart
- 2. Final Shinsei - Continued Operating Agreement-v10 9.25.2023

Respectfully submitted,
Bridget Galka and Bulbul Goswami
Bulbul Goswami, Director of Asset Management

Shinsei Proposed Organizational Chart



CONTINUING PROJECT OPERATIONS AND ACQUISITION AGREEMENT

This Continuing Project Operations and Acquisition Agreement (the "**Agreement**") is effective as of July 1, 2023 (the "**Effective Date**") by and among the Housing Authority of the City of Alameda, a public body, corporate and politic (collectively with any successors or assigns, the "**Housing Authority**") and 112 Alves Lane, Inc., a California nonprofit public benefit corporation (the "**GP**" or "**General Partner**").

RECITALS

A. The GP, an affiliate of Resources for Community Development, is the General Partner of Shinsei Gardens Apartments, L.P., a California limited partnership (the "**Partnership**"). The Partnership owns and operates that certain 39-unit low-income housing project known as Shinsei Gardens (the "**Project**"), which participates in the low-income housing tax credit program under Section 42 of the Internal Revenue Code, as implemented by the State of California. Various loan, regulatory and other agreements dictate the maximum income levels of new tenants and provide rent and other restrictions through December 31, 2081. Nothing contained in this Agreement or the Maintenance Plan (as defined below) shall amend, modify or otherwise affect the terms of the AHA Ground Lease or the AHA Loan (each as defined below).

B. The land underlying the Project is owned by the Housing Authority and leased to the Partnership pursuant to a 75-year ground lease dated as of October 4, 2006 (the "**AHA Ground Lease**"). Constructive notice of the rights and obligations of the Housing Authority, as ground lessor under the Ground Lease, was provided pursuant to that certain Memorandum of Ground Lease dated March 24, 2008, as recorded in the Alameda County Recorder's Office on March 25, 2008, as Instrument No. 2008-100568. The Housing Authority is also the holder of a loan, in the original principal amount of \$4,000,000, as secured by an Affordable Housing Covenant executed by Community Improvement Commission of the City of Alameda and the Housing Authority of the City of Alameda and Resources for Community Development dated March 24, 2008 and recorded March 25, 2008 in Official Records under Recorder's Serial Number 2008100570 (the "**AHA Loan**").

C. Pursuant to that certain Amended and Restated Agreement of Limited Partnership dated as of May 30, 2008, as amended by (1) Assignment and Substitution Agreement and First Amendment to Amended and Restated Agreement of Limited Partnership dated May 1, 2010 and (2) First Amendment to Agreement of Limited Partnership dated as of December 17, 2010 (collectively, the "**Partnership Agreement**"), the following entities serve as partners in the Partnership in addition to the GP: NEF Assignment Corporation, as nominee is the investor limited partner (the "**Limited Partner**"), and Operation Dignity, Inc., a California nonprofit public benefit corporation as the special limited partner.

D. Pursuant to a Purchase Option and Right of First Refusal Agreement, dated as of May 30, 2008, among the Housing Authority, the Partnership, RCD Housing LLC, a California limited liability company (the GP's predecessor-in-interest) and the Limited Partner (the "**Option Agreement**"), the Housing Authority also holds an option and right of first refusal to purchase either the Project (the "**Property Purchase**") or the Limited Partner's interest from the Partnership (the "**LP Purchase Option**").

E. In lieu of exercising the Property Purchase, and thereby transfer the ownership and management obligations immediately to the Housing Authority, the Housing Authority and the GP desire that Housing Authority purchase all the partnership interest of the Limited Partner in the Partnership (the "**Limited Partner Interest**") first, acquire all of the partnership interest of the GP at a later date (the "**GP Interest**") as further set forth in this Agreement, and enter into this Agreement with GP to maintain certain of the general partner rights, roles and responsibilities with respect to the Project.

F. The Parties acknowledge the Housing Authority has the right to acquire the Project from the Partnership pursuant to the Option Agreement, which would relieve the General Partner of its current rights, roles and responsibilities with respect to the Project. In consideration for Housing Authority's election to proceed with the LP Purchase Option, and thereby forego exercising its option to acquire the Project, the GP, and Housing Authority desire to enter this Agreement regarding the continued operation and future repositioning of the Project, upon the following terms and conditions.

IN WITNESS WHEREOF, the Parties to this Agreement, for good and valuable consideration, the sufficiency of which hereby is acknowledged, agree as follows:

1. Purchase or Acquisition of Limited Partner Interest. The Parties acknowledge that the Housing Authority or its affiliate (including, but not limited to, Alameda Affordable Housing Corporation, a nonprofit public benefit corporation, Island City Development Corporation, a nonprofit public benefit corporation, and any of their respective affiliates) has the right to acquire the Limited Partner Interest and to be admitted to the Partnership as a limited partner and to serve as the limited partner. The General Partner will execute a transfer agreement and an assignment and amendment agreement to implement the buyout and the transfer of the Limited Partner Interest to the Housing Authority or its affiliate (the "**ILP Documents**"), which shall be effective by no later than June 30, 2024, unless otherwise mutually extended by the applicable parties. The Parties further acknowledge that the Partnership and the Project shall continue to be governed by the existing agreements and documents which govern the Project, including, but not limited to, the Partnership Agreement, the property management agreement and the resident services agreement, all to the extent as amended by this Agreement. Notwithstanding the foregoing, upon the Housing Authority's acquisition of the Limited Partner Interest, GP agrees to make such modifications to the Partnership Agreement as the parties mutually agree upon to evidence that certain obligations and responsibilities of the Investor Limited Partner, which are no longer applicable on or after the date of completion of the LP Purchase Option, shall not be assumed by Housing Authority as part of the Limited Partner Interest acquisition (the "**LPA Amendment**"). Upon the Housing Authority's or its affiliate's

acquisition of the Limited Partner Interest, the Housing Authority shall have all the rights of the Limited Partner of the Partnership, including but not limited to the right to receive any cash flow distributions, and regular and timely reports on any and all maintenance work on the Project. Nothing herein is intended to restrict the rights of the Parties to mutually agree on any other amendments to the Partnership Agreement.

2. Repositioning of Project. Concurrently with the execution of this Agreement, GP and the Housing Authority shall enter into a Maintenance Plan (the “**Maintenance Plan**”), attached hereto as Exhibit A, that will use available project cash (including, but not limited to surplus cash after residual receipt loan payments) and replacement reserves to make life safety improvements, address deferred maintenance and, perform unit upgrades. The Maintenance Plan addresses all items referenced in that certain Capital Needs Assessment (the “**CNA**”) for Shinsei Gardens dated October 12, 2022, which identifies life safety and deferred maintenance issues. In addition to addressing the safety and deferred maintenance issues identified in the CNA, the Maintenance Plan requires the GP to commission a separate capital needs assessment (the “**New CNA**”) to be completed on or prior to June 30, 2024, which New CNA will be provided by a third-party provider that is approved by the Housing Authority, which approval shall not be unreasonably withheld. The Housing Authority, may, in its sole discretion, accompany any property inspector during the inspector’s assessment of the Project. The New CNA may be paid for out of the Shinsei Gardens operating budget, with a scope of work that includes inspection of all units and the development of a detailed assessment of the condition of each unit’s fixtures, flooring and appliances. The Maintenance Plan includes a scope of work, schedule, sources and uses, and any and all GP fees scheduled for payment, whether currently existing under the Limited Partnership Agreement or as compensation for the additional GP responsibilities associated with implementing the Maintenance Plan. The Parties agree that the Maintenance Plan may be updated from time to time to include additional work deemed necessary by the Housing Authority, in its capacity as Limited Partner. To the extent required by the City of Alameda or any other applicable regulatory or governmental body with jurisdiction over the Project, work completed or commissioned under the Maintenance Plan must be completed by licensed contractors, pursuant to validly issued permits from the appropriate governing departments in the City of Alameda.

3. Modification and Confirmation of GP Fees. On the Effective Date of this Agreement, the GP and the Housing Authority agree as follows:

a. The GP shall continue to receive the Partnership Management Fee, in the amounts and under terms set forth in the Partnership Agreement, for managing the affairs of the Partnership; provided that such Partnership Management Fee shall not exceed \$25,000 for any calendar year.

b. As of June 30, 2023, the GP shall no longer be entitled to receive and retain any incentive management fee, regardless whether such fee is set forth in the Partnership Agreement, an amendment thereto, or any other external oral or written agreement between Partners of the Partnership. Any amount of incentive management fee received by the GP relating to any period on or after June 30, 2023 (the “**Surplus Fee**”), regardless of when received

by the GP, shall be held in trust by the GP upon receipt, and shall be contributed by GP to the Partnership as a capital contribution within ten (10) days of the closing of the Housing Authority's acquisition of the Limited Partner Interest, or such later date as designated by the Housing Authority. The LPA Amendment shall establish a Partnership maintenance reserve fund, and direct that such Surplus Fee contributed to the Partnership by the GP shall be earmarked for the maintenance reserve fund. Notwithstanding the foregoing, any incentive management fee paid to GP for 2023 may not exceed \$110,000 in aggregate.

c. In addition to the Partnership Management Fee set forth in Section 3.a above, the GP shall earn annually, to be paid solely from the Borrower's Share of distributable cash as defined in the HCD Regulatory Agreement and as reflected in the audited financial statements, the amounts for the respective years set forth below (the "**PMF Surplus Fee**").

PMF Surplus Fee	Year
\$14,504	2024
\$15,887	2025
\$17,318	2026
\$18,799	2027
\$20,332	2028
\$21,919	2029
\$23,561	2030
\$25,000	2031 and after

The GP may also earn a fee for the GP's good faith and commercially reasonable implementation of the Maintenance Plan, to be paid solely from the Borrower's Share of distributable cash as defined in the HCD Regulatory Agreement and as reflected in the audited financial statements, the amounts for the respective years set forth below (the "**Maintenance Plan Fee**").

Maintenance Plan Fee	Year
\$10,496	2024
\$9,113	2025
\$7,682	2026
\$6,201	2027
\$4,668	2028
\$3,081	2029
\$1,439	2030
\$0	2031 and after

For calendar year 2024 and 2025, the Maintenance Plan Fee shall be deemed earned on a quarterly basis by GP, in the amount of twenty-five percent (25%) of the applicable fee set forth above per quarter, and shall be paid annually from distributable cash as set forth above. For calendar year 2026 and after, the Maintenance Plan Fee shall be deemed earned on a semi-annual basis by GP, in the amount of fifty percent (50%) of the applicable fee set forth above per quarter, and shall be paid annually from distributable cash as set forth above. GP's failure to implement the Maintenance Plan in good faith and a commercially reasonable manner, as determined by the Housing Authority in its reasonable discretion, shall be deemed a "**GP Nonperformance Event**". Housing Authority shall notify of any GP Nonperformance Event in writing (the "**Notice of Default**"). The Maintenance Plan Fee shall not be earned for any period of time in which a GP Nonperformance Event has occurred and is continuing, and the annual Maintenance Plan Fee shall be reduced for such nonperformance. If a GP Nonperformance Event occurs and is not cured within 15 days after the date of the Notice of Default, the Housing Authority may exercise its option to acquire the GP Interest as set forth in Section 4 below, provided the Housing Authority may elect to specify a date for the acquisition of the GP Interest on any date that is at least 30 days from the date of the Notice of Default.

4. Option to Acquire GP Interest. Upon the Housing Authority's acquisition of the Limited Partner Interest, the Housing Authority shall have an option to acquire the GP Interest in the Partnership (the "**Housing Authority GP Purchase Option**") for a period of ten (10) years (the "**Option Period**") following Housing Authority's acquisition of the Limited Partner Interest, upon the following terms:

a. The Housing Authority shall give written notice to the General Partner of the exercise of the Housing Authority GP Purchase Option. Such notice shall specify a date for the acquisition of the GP Interest, which date shall not be less than 180 days nor more than three hundred sixty (360) days after the date on which Housing Authority has delivered said notice to the General Partner.

b. The purchase price for the GP Interest shall be equal to the sum of One Hundred Dollars (\$100.00).

c. The Housing Authority shall cause any unpaid and accrued Partnership Management Fee occurring during the Option Period, to be paid to the GP.

d. In the event the Housing Authority GP Purchase Option is not exercised within the Option Period, the Housing Authority GP Purchase Option shall automatically terminate unless otherwise mutually extended by the Parties.

e. General Partner agrees to timely execute such assignment agreement, amendment to the Partnership Agreement or other documentation as may be necessary to implement such Housing Authority GP Purchase Option in a timely manner.

5. General Partner Put Option. At any time during the Option Period, General Partner shall have the right to require that the Housing Authority (or its designee) purchase the entire interest of the General Partner (the "**Put Option**"), for a purchase price equal to \$100 plus

any accrued and unpaid Partnership Management Fee (occurring during the Option Period) and other fees due and owing the General Partner (the “**Put Option Price**”). The General Partner may exercise the Put Option by giving written notice to the Housing Authority (the “**Put Option Notice**”). The Put Option Notice shall provide General Partner’s desired closing date for the closing of the purchase pursuant to this Section 5, which date shall not be less than 180 days nor more than three hundred sixty (360) days after the date on which General Partner has delivered said notice to the Housing Authority. As of the effective date of such closing, the General Partner shall withdraw from the Partnership and shall have no further interest in or obligation to the Partnership, and the Housing Authority shall promptly file an amendment to the Certificate of Limited Partnership in the Filing Office reflecting the withdrawal of the General Partner.

6. Indemnification.

a. Housing Authority. Following exercise of the Housing Authority GP Purchase Option, Housing Authority will indemnify, defend, and hold harmless the GP and its directors, officers, employees, members, and agents from and against any claim, liability, obligation, loss, damage, judgment, cost or expense including, without limitation, recaptured Credits and all associated interest and penalties, and attorney fees, arising from any acts or inaction of the Housing Authority, any affiliate, successor or assign of the Housing Authority, or the Partnership occurring from or after the date Housing Authority or its affiliate, successor or assign acquires the GP interest, including, without limitation, the failure to operate the Property as low-income housing in accordance with Section 42 of the Internal Revenue Code.

b. General Partner. Following exercise of the Housing Authority GP Purchase Option, General Partner will indemnify, defend, and hold harmless the Housing Authority and its directors, officers, employees, members, and agents from and against any claim, liability, obligation, loss, damage, judgment, cost or expense including, without limitation, recaptured Credits and all associated interest and penalties, and attorney fees, arising from any acts or inaction of the General Partner, any affiliate, successor or assign of the General Partner, or the Partnership occurring on or before the date Housing Authority or its affiliate, successor or assign acquires the GP Interest, including, without limitation, the failure to operate the Property as low-income housing in accordance with Section 42 of the Internal Revenue Code.

7. Effect on Project Documents. Except as specifically provided in this Agreement, nothing in this Agreement shall modify, change or alter any agreement of any Party relating to or affecting the Project or any rights of the GP under such agreements.

8. Notices. Any notice, consent, approval, demand or other communication required or permitted to be given hereunder (a “**Notice**”) must be in writing and may be served by facsimile or by a nationally recognized overnight courier which requires written proof of delivery. Any such Notice shall be addressed as follows:

To the Housing
Authority:

Housing Authority of the City of Alameda
701 Atlantic Avenue
Alameda, CA 94501
Attention: Executive Director

To GP

112 Alves Lane, Inc.
Dan Sawislak, Executive Director
2220 Oxford Street
Berkeley, CA 94704
Phone: (510) 841-4410

Notice sent by a nationally recognized overnight courier shall be effective on the date of delivery (or the date of refusal to accept delivery) to the Party at its address specified above as set forth in the courier's delivery receipt. Any Party may, by Notice to the other from time to time in the manner herein provided, specify a different address for Notice purposes.

9. Miscellaneous Provisions.

a. Term of Agreement. This Agreement shall remain in full force and effect at all times hereinafter until paid and/or performed in full, provided, this Agreement shall terminate upon completion of (i) the Housing Authority GP Purchase Option or the General Partner Put Option, and (ii) the Housing Authority's admission to the Partnership as the general partner. The Housing Authority may in its reasonable discretion, elect to incorporate the terms of this Agreement, including the obligations, duties and responsibilities of the respective parties, into the LPA Amendment upon its admission into the Partnership as a limited partner. Notwithstanding the termination of this Agreement as set forth above, the GP and the Housing Authority shall remain directly liable to the other party and shall not be released from any obligations to the other party under this Agreement to the extent such obligations were incurred, accrued or existed prior to the date of termination.

b. Severability. If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, then such provision shall be severed from this Agreement and all other terms and provisions of this Agreement shall nevertheless remain in full force and effect.

c. Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the Parties and there are no other agreements, understandings, representations or warranties, oral or written, relating to the subject matter hereof between the parties. The Parties to this Agreement have read and reviewed this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply to the

interpretation of this Agreement. This Agreement may not be amended, changed or modified, in whole or in part, except in writing, signed by all Parties.

d. Assignment. This Agreement may not be assigned by any Party without the prior written consent of the other Parties; provided, however, the Housing Authority may assign its interest under this Agreement and the Maintenance Plan to any of its affiliates, including, but not limited to, Alameda Affordable Housing Corporation, a nonprofit public benefit corporation, Island City Development Corporation, a nonprofit public benefit corporation, and any of their respective affiliates.

e. Rights of Third Parties. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give any person or entity, others than the parties hereto, any right or remedies under or by reason of this Agreement.

f. No Waiver. No waiver of any provision or breach of this Agreement shall constitute a waiver of any other provision or breach of this Agreement.

g. Captions. The headings or captions to the sections of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part thereof.

h. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

i. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties to this Agreement have executed this Agreement as of the date first written above.

HOUSING AUTHORITY

Housing Authority of the City of Alameda,
A public body corporate and politic

DocuSigned by:
By: Vanessa Cooper
Name: Vanessa Cooper
Title: Executive Director

Approved as to form

DocuSigned by:
By: Tuan Pham
Name: Tuan Pham
Title: Attorney, Partner, Down Pham & Kuei L.L.P.

GP

112 Alves Lane, Inc.,
a California nonprofit public benefit corporation

DocuSigned by:
By: Daniel Sawislak
Name: Dan Sawislak
Title: Executive Director

Exhibit A

Shinsei Gardens Maintenance Plan

This Shinsei Gardens Maintenance Plan is to direct Resources for Community Development, as Managing General Partner, and its management agent, the John Stewart Company, in addressing the maintenance, repair, and replacement of the aging systems, furnishings, fixtures, finishes, and equipment at the property.

The initial phase of this work, Phase I, is informed by the Capital Needs Assessment performed by Physical Property Analysis, LLC and dated October 12, 2022, as well as by RCD Asset Management, John Stewart Company, and Alameda Housing Authority observations and input. Most of these items are ones that can be expensed as routine operational expenses of the property.

The second phase of this work, Phase II, are items that need further investigation to determine scope and cost as well as projects of a more capital improvement nature, which informs the source of funds to pay for the work. RCD shall report all incidents resulting in property damage exceeding \$15,000 or potential legal exposure to AHA within 48 hours of the incident or of RCD's having been informed of the incident. RCD shall review with AHA such incidents for potential insurance claim submittals and upon approval by AHA, shall promptly submit a claim to insurance. Any proceeds received from insurance claims shall be used solely as a source of funds to pay for work completed under this Maintenance Plan.

The scope of work identified in this Maintenance Plan shall be paid for by either operating cash (expensed), the Replacement Reserve (for capitalized items per State HCD guidelines), and surplus cash captured as Borrower's Share of the distributions per the audit. Negotiations may be needed with State HCD in order to increase the annual Replacement Reserve Deposit in order to maximize the amount of operating cash that can be directed towards maintenance, repairs, and improvements.

As part of the ongoing administration of this Maintenance Plan, AHA and RCD shall meet at least monthly until June 30, 2024, and thereafter quarterly, to review progress, discuss the scope of work, and modify the scope, budget, and/or schedule. The discussions and decisions made at the meetings will be documented in writing and must be confirmed as to accuracy by both AHA and RCD staff within 30 days after each meeting.

The 2024 budget should include a detailed capital budget that will be delivered to AHA by RCD, for AHA's review and approval.

RCD will manage all communications on this plan with their property manager, JSCO and all communications with JSCO, unless emergencies, will go through RCD. RCD and JSCO will manage all tenant communication regarding this maintenance plan. Tenants are to be properly notified in advance of any major work that will be done at the site and all work that will be done in their unit and RCD/JSCO will hold a joint meeting in Q3 with tenants to explain the 2-year capital plan. AHA will also attend.

Attachment 1 to this Exhibit is a listing of the identified scope with projected costs, whether the work is anticipated to be expensed or capitalized, a schedule for the work.

Attachment 2 to this Exhibit is the RCD/John Stewart Company vendor selection, contracting and approval procedure. In addition to the approvals required below in Attachment 2, RCD shall obtain the prior written approval of AHA for any bids that exceed the budgeted costs shown for such work in Attachment No. 1. In addition, all vendors awarded capital improvement projects exceeding \$10,000 must include AHA as an additional insured under the vendor's liability insurance policies, in the same amounts and coverages as provided to the property owner/Limited Partnership.

Shinsei Gardens Maintenance Plan Attachment 1: Scope of Work, Source of Funding, Projected Sequence									
		Projected Sequence							
		RCD	Source		2023		2024		2025
			Expense	Capital	Q3	Q4	Q1 & 2	Q3 & 4	
1	Inspect fire sprinkler & 5-year cert	-			X				
2	Fire Extinguishers	-	X		X				
3	Replace fire alarm panel	\$35,000		X		X			
CNA Immediate Repair Cost Estimate									
4	Landscaping - trim trees	\$20,000	X			X			
5	Landscaping - low-water								
6	Full exterior repair & painting	\$150,000		X				X	
7	Exterior wood treat - re-seal	\$50,000	X					X	
8	Breezeway, repair deck surface	\$20,000	X			X			
9	Roof: preventative maintenance	\$15,000	X			X			
10	Gutter cleaning - maintenance	\$5,000	X		X				
11	HVAC Equipment - protective screen	\$1,000	X		X				
12	Laundry Room Flooring	\$2,000	X		X				
Items per CNA, AHA, JSCo/RCD									
13	Water heaters, HW & Hydronic heat	\$100,000	X	X		X	X	X	
14	Parking lot - resurfacing & restriping	\$10,000	X					X	
15	Fencing/Entrance Gate	\$125,000							
16	Security Cameras	\$50,000		X			X		
17	Photovoltaic (PV)								
18	Unit Inspection CNA	\$7,500	X			X			
19	Elevator		X						
20	Unit Inspection scope	\$195,000	X	X	X	X	X	X	
21	Common Area HVAC								
22	Play area upgrades/repairs								
5-Year Total		\$785,500							
Cash Flow Projections									
			Total Source		2023		2024		2025
		Expense	\$180,500		\$23,000	\$82,500	\$25,000	\$25,000	
		Capitalize		\$250,000			\$50,000	\$200,000	
Notes and Comments									
1	Inspect fire sprinkler & 5-year cert	5-year cert done in Nov. 2022.							
2	Fire Extinguishers	Re-filled and re-certified.							
3	Replace fire alarm panel	Service performed currently no issues; determine if replacement needed							
4	Landscaping - trim trees	Getting bids currently							
5	Landscaping - low-water	Determine scope							
6	Full exterior repair & painting	Getting bids							
7	Exterior wood treat - re-seal	Determine scope. Getting bids.							
8	Breezeway - repair deck surface	Researching scope. RCD price based Adeline patchwork 2022. Getting bids.							
9	Roof: preventative maintenance	Determining scope; getting bids.							
10	Gutter cleaning - maintenance	Scheduled for September							
11	HVAC Equipment - protective screen	Being scheduled.							
12	Laundry Room Flooring	Getting bids; section under the washers need repair							
13	Water heaters, DHW & Hydronic heat	Water hardness test. replacing w/ Bradford & White 50 g water heater at \$4,000 each.							
14	Parking lot - resurfacing & restriping	Appears to be in decent shape; awaiting additional feedback							
15	Fencing/Entrance Gate	Pending scope definition: auto-gate and pedestrian-gate off of Willie Stargell Ave.							
16	Security Cameras	JSCo consult w/portfolio vendor for bids. Camera quality bad & need night vision.							
17	Photovoltaic (PV)	Pending further investigation.							
18	Unit Inspection CNA	Being scheduled. 10 units inspected in initial CNA.							
19	Elevator	Otis. Review for any extensions to useful life. \$2,000 of upgrades in 2022.							
20	Unit Inspection scope	From CNA; do as maintenance; if work aggregated, MHP may require use reserve							
21	Common Area HVAC	Inquiring of JSCo if any issues/concerns.							
22	Play area upgrades/repairs	Review if needed.							

Shinsei Gardens Attachment 2: Vendor Selection and Approval Plan	
	RCD and JSCo will continue to apply the procedures defined by RCD and included in the Management Agreement with JSCo. The procedure is outlined below.
1	<u>PM/RM prepares Incident Report / Work Order</u> and determines if there's a need to contract out any repair or replacement
2	<u>PM/RM estimates cost of work</u> . If greater than \$2,500, sends Incident Report, Work Order, or other description with determination to involve JSCO Director of Maintenance to RCD-AM for approval as follows:.
	<u>JSCO Approval Tiers:</u>
	<i>Projects over \$2,500 - PM forwards for AM approval</i>
	<i>Projects over \$5,000 - PM forwards w/ 3 bids to AM for approval; bids presented on the Bid Form Template.</i>
	<i>Projects over \$10,000 and not routine - PM forwards w/ 3 bids plus JSCO Director of Maintenance recommendation to AM for approval. Excludes routine projects like flooring</i>
	<i>Projects over \$25,000 - PM forwards w/ 3 bids plus JSCO Director of Maintenance recommendation to AM for approval. Director of Maintenance manages work to completion</i>
	<u>RCD Approval Tiers:</u>
	<i>AM can approve up to \$10,000</i>
	<i>ADAM can approve up to \$25,000</i>
	<i>DAM can approve up to \$100,000</i>
	<i>CFO/ED approve for over \$100,000</i>
3	<u>RM/PM present Bid Form</u> with Vendor recommendation to AM for approval. AM saves completed Bid Form in Property Physical folder
4	<u>RM/PM contracts the approved work</u> and collects appropriate insurance certs received from vendor/contractor. Should have owner and lenders as additional insureds. For Contracts >\$50,000, RCD's Small Project Contract is used and executed by Owner. AM should prepare RCD form of contract and run draft by DAM for review and approval before pursuing execution by RCD ED or CFO, which signature can be pursued by either the AM or DAM, after DAM approval
5	<u>RM/PM monitors progress & payments to completion</u> . Notifies AM for final inspection prior to final payment
6	<u>RM/PM collects work and product warranties upon completion</u> - before final contract payment



Housing Authority
of the
City of Alameda

PHONE: (510) 747-4300
FAX: (510) 522-7848
TTY/TRS: 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Alicia Southern, Director of Human Resources and Operations

Date: January 17, 2024

Re: Authorize the Executive Director to approve a contract between the Housing Authority of City of Alameda and Liebert Cassidy Whitmore for a not to exceed amount of Three Hundred Fifty Thousand dollars and Zero cents (\$350,000.00) until February 28, 2027.

BACKGROUND

The Housing Authority of the City of Alameda (AHA) is in the process of reviewing its procurement contracts as part of its process improvement plan. As a result, staff will be bringing to the Board a number of contracts that need either money or time extension or both over the coming months. A number of new procurement efforts will take place on expiring contracts. Staff is focusing on the most pressing contracts first.

Contracts in excess of \$250,000 are to be approved to the Board. Since the maximum contract period under our procurement procedures is 5 years, and it is almost five years since the AHA separated from the City of Alameda, a number of contracts have come up for review and renewal. Under AHA's procurement policy and procedures, in compliance with HUD guidelines, it is preferable to enter into a multi-year contract for ongoing general counsel services.

DISCUSSION

On January 1, 2019, a consultant agreement between AHA and Liebert Cassidy Whitmore (LCW) was executed on a fee for service basis. The five-year agreement and amendments expired on December 31, 2023. In preparation of the contract expiration, staff issued an RFP for HR Legal Services on June 21, 2023. AHA received six proposals from legal firms, including LCW.

Due to staff turnover and increased activity, the evaluation process had been delayed. In consideration of the upcoming expiration, staff executed a two-month sole source agreement with LCW while continuing the efforts of evaluating the proposals from the solicitation. On Thursday, December 14, 2023, and Friday, December 15, 2023, staff met with the three highest rated legal firms that submitted RFPs. Liebert Cassidy



Whitmore was ranked the highest after the interview process. In LCW's proposal, the firm selected the following counsel roles to provide:

- Public Employment Law Advice and Counsel
- Litigation
- Grievance Arbitration and Disciplinary Appeals
- Negotiations
- Investigation

AHA recommends selecting LCW for another three-year contract with the option of two one-year extensions. If approved, services provided under this agreement shall include provision of consulting, and representational and legal services pertaining to employment relations matters.

To date, a total of \$354,000.00 has been spent on this contract in the last five years. These expenditures include a consultation on a number of employee relations matters as well as legal review of various policy issues including personnel policies and benefits administration. All legal services will be put out for a competitive bid process in late 2026. Management requests authorization for the Executive Director to determine a termination date for this contract of February 28, 2027, and not to exceed amount of Three Hundred Fifty Thousand dollars and Zero cents (\$350,000.00).

FISCAL IMPACT

Funding for this contract has been approved and is budgeted for. Expenditures for FY 2023/24, when combined with other legal services, are currently over budget for this line item due to a number of additional expenses. However, administration expenses are under budget due to significant savings on certain items, such as salaries and benefits.

Next year's budget will be revised to reflect the new contract amounts, and funds for the remainder of this contract will be budgeted in the upcoming budget cycle.

CEQA

N/A

RECOMMENDATION

Authorize the Executive Director to approve a contract between the Housing Authority of City of Alameda and Liebert Cassidy Whitmore for a not to exceed amount of Three Hundred Fifty Thousand dollars and Zero cents (\$350,000.00) until February 28, 2027.

ATTACHMENTS

1. Consultant Agreement- Liebert Cassidy Whitmore

Respectfully submitted,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

Alicia Southern, Director of Human Resources and Operations

CONSULTANT SERVICES AGREEMENT

THIS AGREEMENT, entered into this 1st day of March 2024, by and between HOUSING AUTHORITY OF THE CITY OF ALAMEDA, and its affiliates, a public body corporate and politic (hereinafter referred to as "AHA"), and Liebert Cassidy Whitmore (a California corporation, partnership, sole proprietor, individual, joint venture) whose address is 135 Main Street, 7th Floor, San Francisco, CA 94105, (hereinafter referred to as Consultant), is made with reference to the following:

RECITALS:

A. AHA is a public body, corporate and politic, duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California.

B. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement; and

C. Consultant possesses the skill, experience, ability, background, applicable certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.

D. AHA and Consultant desire to enter into an agreement for legal services for Human Resources.

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

1. **TERM:**

The time for Completion shall be by February 28, 2027, (the "Completion Date"), unless terminated earlier as set forth herein.

2. **SERVICES TO BE PERFORMED:**

Consultant shall perform services according to the schedule set forth in Exhibit "A" which is attached hereto and incorporated herein by this reference.

3. **COMPENSATION TO CONSULTANT:**

AHA agrees to compensate Consultant pursuant to the terms and conditions of this Agreement only for the performance, to the reasonable satisfaction of AHA, of those tasks which take place during the term of this Agreement. AHA will not be obligated to compensate Consultant for any work, services, or functions performed by Consultant which do not arise directly from the performance of tasks relating to the Scope of Services as outlined in Exhibit A, and according to the Fee Schedule set forth in Exhibit B. AHA shall pay Consultant within thirty (30) days receipt of Consultant's properly submitted invoice.

Total compensation under this contract will not exceed \$350,000.

4. TIME IS OF THE ESSENCE:

Consultant and AHA agree that time is of the essence regarding the performance of this Agreement.

5. STANDARD OF CARE:

Consultant agrees to perform all services hereunder in a manner commensurate with the prevailing standards of like professionals in the San Francisco Bay Area and agrees that all services shall be performed by qualified and experienced personnel who are not employed by the AHA nor have any contractual relationship with AHA.

6. INDEPENDENT PARTIES:

AHA and Consultant intend that the relationship between them created by this Agreement is that of employer-independent contractor. The manner and means of conducting the work are under the control of Consultant, except to the extent they are limited by statute, rule or regulation and the express terms of this Agreement. No right of employment will be acquired by virtue of Consultant's services. None of the benefits provided by AHA to its employees, including but not limited to unemployment insurance, workers' compensation coverage, vacation and sick leave are available from AHA to Consultant, its employees or agents. Deductions shall not be made for any state or federal taxes, FICA payments, PERS payments, or other purposes normally associated with an employer-employee relationship from any fees due Consultant. Payments of the above items, if required, are the responsibility of Consultant.

AHA and Consultant agree that during the term of this Agreement and for a period of one year after termination, the parties shall not solicit for employment, hire, or retain, whether as an employee or independent contractor, any person who is or has been employed by the other without written agreement by the other party.

7. IMMIGRATION REFORM AND CONTROL ACT (IRCA):

Consultant assumes any and all responsibility for verifying the identity and employment authorization of all of its employees performing work hereunder, pursuant to all applicable IRCA or other federal or state rules and regulations. Consultant shall indemnify and hold AHA harmless from and against any loss, damage, liability, costs or expenses arising from any noncompliance of this provision by Consultant.

8. NON-DISCRIMINATION:

Consistent with AHA's policy that harassment and discrimination are unacceptable employer/employee conduct, Consultant agrees that harassment or discrimination directed toward a job applicant, an AHA employee, or a citizen by Consultant or Consultant's employee on the basis of race, religious creed, color, national origin, ancestry, handicap, disability, marital status, pregnancy, sex, age, gender identity or sexual orientation will not be tolerated. Consultant agrees that any and all violations of this provision shall constitute a breach of this Agreement.

9. INDEMNIFICATION/HOLD HARMLESS:

Consultant shall indemnify, defend, and hold harmless AHA, its Board of Commissioners officials, employees and designated volunteers ("Indemnitees") from and against any and all loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorneys' fees ("Claims"), arising from or in any manner connected to negligent act or omission, whether alleged or actual, regarding performance of services or work conducted or performed pursuant to this Agreement. If Claims are filed against Indemnitees which allege negligence on behalf of the Consultant, Consultant shall have no right of reimbursement against Indemnitees for the costs of defense even if negligence is not found on the part of Consultant. However, Consultant shall not be

Consultant Services Agreement
Liebert Cassidy Whitmore

obligated to indemnify Indemnitees from Claims arising from the sole or active negligence or willful misconduct of Indemnitees.

10. **INSURANCE:**

On or before the commencement of the terms of this Agreement, Consultant shall furnish AHA with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage in compliance with paragraphs 10A, B, C, D and E. Such certificates, which do not limit Consultant's indemnification, shall also contain substantially the following statement:

"Should any of the above insurance covered by this certificate be canceled or coverage reduced before the expiration date thereof, the insurer affording coverage shall provide thirty (30) days' advance written notice to the Housing Authority of the City of Alameda by certified mail."

It is agreed that Consultant shall maintain in force at all times during the performance of the Agreement all appropriate coverage of insurance acceptable to AHA and licensed to do insurance business in the State of California.

An endorsement naming the AHA as additional insured shall be submitted with the insurance certificates.

A. **COVERAGE:**

Consultant shall maintain the following insurance coverage:

(1) **Workers' Compensation:**

Statutory coverage as required by the State of California.

(2) **Liability:**

Commercial general liability coverage in the following minimum limits:

Bodily Injury:	\$1,000,000	each occurrence
	\$2,000,000	aggregate – all other
Property Damage:	\$1,000,000	each occurrence
	\$2,000,000	aggregate

If submitted, combined single limit policy with aggregate limits in the amounts of \$1,000,000 will be considered equivalent to the required minimum limits shown above.

(3) **Automotive:**

Comprehensive automobile liability coverage in the following minimum limits:

Bodily Injury:	\$1,000,000	per accident
	\$2,000,000	aggregate
Property Damage:	\$1,000,000	per accident
	\$2,000,000	aggregate

OR

Combined Single Limit:	\$1,000,000	per accident
------------------------	-------------	--------------

(4) **Professional Liability:**

Professional liability insurance which includes coverage for the negligent professional acts, errors and omissions of Consultant in the amount of at least \$1,000,000.

B. **SUBROGATION WAIVER:**

Consultant agrees that in the event of loss due to any of the perils for which it has agreed to provide comprehensive general and automotive liability insurance that Consultant shall look solely to its insurance for recovery. Consultant hereby grants to AHA, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Consultant or AHA with respect to the services of Consultant herein, a waiver of any right to subrogation which any such insurer of said Consultant may acquire against AHA by virtue of the payment of any loss under such insurance.

C. FAILURE TO SECURE:

If Consultant, at any time during the term hereof, should fail to secure or maintain the foregoing insurance, AHA shall be permitted to obtain such insurance in the Consultant's name or as an agent of the Consultant and shall be compensated by the Consultant for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

D. ADDITIONAL INSURED:

AHA, its Board of Commissioners, officers, employees and designated volunteers shall be named as an additional insured under all insurance coverage's, except any professional liability insurance or worker's compensation insurance, required by this Agreement. The naming of an insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. An additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof.

Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

E. SUFFICIENCY OF INSURANCE:

The insurance limits required by AHA are not represented as being sufficient to protect Consultant. Consultant is advised to consult Consultant's insurance broker to determine adequate coverage for Consultant.

11. CONFLICT OF INTEREST:

Consultant warrants that it is not a conflict of interest for Consultant to perform the services required by this Agreement. Consultant may be required to fill out a conflict of interest form if the services provided under this Agreement require Consultant to make certain governmental decisions or serve in a staff capacity as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.

12. PROHIBITION AGAINST ASSIGNMENTS:

Consultant shall not assign, sublease, hypothecate, or transfer this Agreement or any interest therein directly or indirectly, by operation of law or otherwise without prior written consent of AHA. Any attempt to do so without said consent shall be null and void, and any assignee, sub lessee, hypothecate or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. However, claims for money by Consultant from AHA under this Agreement may be assigned to a bank, trust company or other financial institution without prior written consent, but written notice of such assignment shall be promptly furnished to AHA by Consultant.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Consultant, or of the interest of any general partner or joint venturer or syndicate member or cotenant if Consultant is a partnership or joint venture or syndicate or co tenancy, which shall result in changing the control of Consultant, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

13. SUBCONTRACTOR APPROVAL:

Unless prior written consent from AHA is obtained, only those people and subcontractors whose names are attached to this Agreement shall be used in the performance of this Agreement. In the event that Consultant employs subcontractors, such subcontractors shall be required to furnish proof of worker's compensation insurance and shall also be required to carry general, automobile and professional liability insurance in reasonable conformity to the insurance carried by Consultant.

Consultant Services Agreement
Liebert Cassidy Whitmore

In addition, any work or services subcontracted hereunder shall be subject to each provision of this Agreement.

14. **PERMITS AND LICENSES:**

Consultant, at its sole expense, shall obtain and maintain during the term of this Agreement, all appropriate permits, certificates and licenses, including, but not limited to, a City of Alameda business license, that may be required in connection with the performance of services hereunder.

15. **REPORTS:**

A. Each and every report, draft, work product, map, record and other document, hereinafter collectively referred to as "Report" reproduced, prepared or caused to be prepared by Consultant pursuant to or in connection with this Agreement shall be the exclusive property of AHA. Consultant shall not copyright any Report required by this Agreement and shall execute appropriate documents to assign to AHA the copyright to Reports created pursuant to this Agreement. Any Report, information and data acquired or required by this Agreement shall become the property of AHA, and all publication rights are reserved to AHA.

B. All Reports prepared by Consultant may be used by AHA in execution or implementation of:

- (1) The original Project for which Consultant was hired;
- (2) Completion of the original Project by others;
- (3) Subsequent additions to the original project; and/or
- (4) Other AHA projects as appropriate.

C. Consultant shall, at such time and in such form as AHA may require, furnish reports concerning the status of services required under this Agreement.

D. All Reports required to be provided by this Agreement shall be printed on recycled paper. All Reports shall be copied on to both sides of the paper except for one original which shall be single sided.

E. No Report, information nor other data given to or prepared or assembled by Consultant pursuant to this Agreement shall be made available to any individual or organization by Consultant without prior approval by AHA

F. Consultant shall not be held liable for reuse of "Reports" for any purpose other than the original intent of this Agreement.

16. **RECORDS:**

Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts and other such information required by AHA that relate to the performance of services under this Agreement.

Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of AHA or its designees to such books and records at proper times; and gives AHA the right to examine and audit same, and to make transcripts there from as necessary, and to allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be kept separate from other documents and records and shall be maintained for a period of three (3) years after receipt of final payment.

Consultant Services Agreement
Liebert Cassidy Whitmore

Page 6

17. **NOTICES:**

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided.

All notices, demands, requests or approvals from Consultant to AHA shall be addressed to AHA at:

Housing Authority of City of Alameda
701 Atlantic Ave
Alameda, CA 94501
Attention: Alicia Southern
Phone: 510-747-4351 Email: asouthern@alamedahsg.org

All notices, demands, requests, or approvals from AHA to Consultant shall be addressed to Consultant at:

Liebert Cassidy Whitmore
6033 West Century Blvd, Suite 500
Los Angeles, CA 90045
J. Scott Tiedemann, President
Phone: 310-921-2000
Email: stiedemann@lcwlegal.com

18. **NO SMOKING, DRINKING OR RADIO USE:**

Consultant agrees and acknowledges that smoking of tobacco products, drinking alcoholic beverages, and listening to radios is prohibited at any AHA site, including individual units, common areas, and every building and adjoining grounds. Consultant shall ensure that his/her employees and suppliers comply with these prohibitions.

19. **TERMINATION:**

In the event Consultant hereto fails or refuses to perform any of the provisions hereof at the time and in the manner required hereunder, Consultant shall be deemed in default in the performance of this Agreement. If such default is not cured within a period of two (2) days after receipt by Consultant from AHA of written notice of default, specifying the nature of such default and the steps necessary to cure such default, AHA may terminate the Agreement forthwith by giving to the Consultant written notice thereof. Consultant will not be held responsible for failure to perform in the event such failure is due to delay caused by the AHA. AHA shall have the option, at its sole discretion and without cause, of terminating this Agreement by giving seven (7) days' prior written notice to Consultant as provided herein. Upon termination of this Agreement, each party shall pay to the other party that portion of compensation specified in this Agreement that is earned and unpaid prior to the effective date of termination.

20. **COMPLIANCES:**

Consultant shall comply with all state and federal laws, all City of Alameda ordinances, and all rules and regulations enacted or issued by AHA. In the event that the Consultant encounters a potential conflict between state, federal or local law, Consultant shall inform AHA and AHA shall direct Consultant on proper course of action.

21. **GOVERNING LAW:**

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Liebert Cassidy Whitmore

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This Agreement shall be interpreted under, and enforced by the laws of the State of California excepting any choice of law rules which may direct the application of laws of another jurisdiction. The Agreement and obligations of the parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities.)

Any suits brought pursuant to this Agreement shall be filed with the Courts of the County of Alameda, the State of California.

22. **ADVERTISEMENT:**

Consultant shall not post, exhibit, display or allow to be posted, exhibited, displayed any signs, advertising, show bills, lithographs, posters or cards of any kind pertaining to the services performed under this Agreement unless prior written approval has been secured from AHA to do otherwise.

23. **CONFIDENTIALITY:**

A. **Definition.** Confidential Information, as used in this Agreement, shall mean any AHA Client data.

B. **Nondisclosure and Nonuse Obligation.** Consultant agrees that it will not use, disseminate, or in any way disclose any Confidential Information to any person, firm or business, except that Consultant may use Confidential Information to the extent necessary to perform its obligations under this Agreement. Consultant agrees that it shall treat all Confidential Information with the same degree of care as the Consultant accords to its own Confidential Information, but in no case less than reasonable care. Consultant agrees that it shall disclose Confidential Information only to those of its employees who need to know such information, and the Consultant certifies that such employees have previously agreed, as a condition of employment, to be bound by terms and conditions applicable to Consultant under this Agreement. Consultant shall immediately give notice to AHA of any unauthorized use or disclosure of Confidential Information.

C. **Exclusions from Nondisclosure and Nonuse Obligations.** The obligations under 23B ("Nondisclosure and Nonuse Obligation") shall not apply to such portion that Consultant can document was i) in the public domain at the time such portion was disclosed or used, or ii) was disclosed in response to a valid court order.

D. **Ownership and Return of Confidential Information and Other Materials.** All Confidential Information shall remain the property of the AHA. At AHA's request and no later than five (5) business days after such request, Consultant shall promptly destroy or deliver to AHA, at AHA's option, i) all materials furnished to Consultant, ii) all tangible media of expression in Consultant's possession or control to the extent that such tangible media incorporate any of the Confidential Information, and iii) written certification of the Consultant's compliance with such obligations under this sentence.

24. **WAIVER:**

A waiver by AHA of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein whether of the same or a different character.

25. **INTEGRATED CONTRACT:**

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be

Consultant Services Agreement
Liebert Cassidy Whitmore

held to vary the provisions hereof. Any modification of this Agreement will be effective only by written execution signed by both AHA and Consultant.

26. **CAPTIONS:**

The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

27. **EXHIBITS.** The following exhibits are attached hereto and incorporated herein by this reference:

- i. Exhibit A – Scope of Services
- ii. Exhibit B – Fee Schedule
- iii. Exhibit C – Insurance Requirements for Consultants

IN WITNESS WHEREOF, the parties have caused the Agreement to be executed on the day and year first above written.

Liebert Cassidy Whitmore

HOUSING AUTHORITY
OF THE CITY OF ALAMEDA

DocuSigned by:

J. Scott Tiedemann

J. Scott Tiedemann
President

Vanessa M. Cooper
Executive Director

EXHIBIT A
SCOPE OF SERVICES

LCW's general approach to providing the services is the following:

- ***Public Employment Law Advice and Counsel:***
 - Some of the deliverables for this work would include written opinion letter, a redlined personnel rule update, a revised policy, a review and suggested edits to a disciplinary document, an investigation report, or an FLSA audit report.
- ***Litigation:***
 - At the outset of the litigation, LCW provides a detailed case analysis and plan outlining the initial case strategy, and communicates regularly with our clients on the execution of the plan.
- ***Grievance Arbitration and Disciplinary Appeals:*** Generally, our work in this area would include the following:
 - Review applicable agency personnel rules; applicable MOU, grievance or disciplinary documents, and advise appropriate agency personnel.
 - Prepare, review, and/or edit grievance responses and disciplinary documents when requested.
 - Prepare witnesses for grievance arbitrations or disciplinary hearings so that they are ready to for all potential questions and scenarios.
 - Prepare direct and cross examination and exhibit books for grievance arbitration.
 - If necessary, prepare pre-hearing brief.
 - Present the case in arbitration or hearing.
 - If necessary, prepare post hearing or post arbitration brief.
- ***Negotiations:*** We pride ourselves on tailoring negotiations services our to clients' needs and priorities. Our negotiations services generally include the following:
 - Meet with agency staff and/or governing officials before negotiations to: better understand (and perhaps formulate) the agency's goals and objectives; address the potential bargaining issues; and learn the financial/political limitations upon reaching those goals and objectives.
 - Provide leadership in formulating the strategies to be used in meeting our client's goals and objectives at the bargaining table. (This may include asking that various agency negotiation team members or appropriate resource personnel to prepare budget presentations, detailed cost/revenue analyses or other financial/bargaining group demographic data during negotiations).

- Review the MOU for legal compliance and to improve the clarity of content, including the preparation of proposals and contract language.
- Conduct and/or oversee compensation studies (and when necessary, classification reviews) to gather the data necessary to assess market comparability.
- Review and analyze all pertinent charter provisions, ordinances, rules and regulations, and existing MOU's, to ensure the goals and objectives are in compliance within our client's existing framework.
- Act as principal spokesperson and strategist during the bargaining process.
- Participate in closed sessions to provide guidance to, and receive direction from, elected officials.
- Represent the agency at impasse proceedings (including preparation and representation through the impasse process, preparation of press releases, supervising media relations, meeting with elected officials, and making those
- **Investigations:** Our attorneys regularly conduct workplace investigations and are also available to assist with investigations that do not require an impartial investigator. If the nature of the allegations requires the services of an independent outside investigator, however, we supervise that process to ensure that the investigative process is conducted appropriately.
- **ERC Membership:**
 - Five (5) days of group training workshops covering such employment relations subjects as management rights and obligations, negotiation strategies, employment discrimination and affirmative action, employment relations from the perspective of elected officials, performance evaluation (administering evaluations), grievance and discipline administration for supervisors and managers, planning for and responding to concerted job actions, current court, administrative and legislative developments in personnel administration and employment relations, etc., with the specific subjects covered and lengths of individual workshop presentations to be determined by Agency and the other said local agencies.
 - It is expressly understood that the material used during these presentations, including written handouts and projected power points are provided solely for the contracted workshops. This agreement warrants there will be no future use of Liebert Cassidy Whitmore material in other trainings or formats without the expressed written permission of Liebert Cassidy Whitmore. Any such use will constitute a violation of this agreement and copyright provisions.

Consultant Services Agreement
Liebert Cassidy Whitmore

- Availability of Attorney for Agency to consult by telephone. Consortium calls cover questions that the attorney can answer quickly with little research. They do not include the review of documents, in depth research, written responses (like an opinion letter) or advice on on-going legal matters. The caller will be informed if the question exceeds the scope of consortium calls. Should the caller request, the attorney can assist on items that fall outside the service, but these matters will be billed at the attorney's hourly rate. (See additional services section.)
- Providing of a monthly newsletter covering employment relations developments

EXHIBIT B
FEE SCHEDULE

Consultant/Attorney Name (if known)	Position	Hourly Fee YEAR 1	Hourly Fee YEAR 2	Hourly Fee YEAR 3	Hourly Fee YEAR 4	Hourly Fee YEAR 5
Morin Jacob	Partner	\$425	\$435	\$445	\$455	\$465
Lisa Charbonneau	Partner	\$425	\$435	\$445	\$455	\$465
Cindy Allen	Associate	\$280	\$290	\$300	\$310	\$310
Brian Hawkinson	Associate	\$265	\$275	\$285	\$295	\$305
Will Abramovitz	Associate	\$300	\$310	\$320	\$330	\$340
Jenai Howard	Associate	\$240	\$250	\$260	\$270	\$280
Other services/resources that are available at an additional cost (if applicable)	NorCal ERC Membership	\$2640	\$2640	\$2772	\$2772	\$2910
Proposer's Fee (for additional work that the AHA will require the successful Proposer to provide <i>that is not otherwise stated herein</i>)	N/A					

Travel Costs: Travel time is billed at the attorney's hourly rate from home or the SF office, whichever is closer the client.

EXHIBIT C
INSURANCE REQUIREMENTS FOR CONSULTANTS
 (Cyber/tech optional, not to be used for construction contracts)

Consultant shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Consultant, its agents, representatives, employees, or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

- **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury, and personal and advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit. For consultants interacting with the public or with tenants, coverage must include coverage for discrimination, harassment, and fair housing claims under DFEH and HUD.
- **Automobile Liability:** ISO Form Number CA 00 01 coverage any auto (Code 1), or if Consultant has no owned autos, hired (Code 8) and non-owned autos (Code 9) with limit no less than \$1 million for bodily injury and property damage. This requirement does not apply if no motor vehicles are used in providing services under the contract.
- **Workers’ Compensation,** as required by the State of California, with Statutory Limits and Employers’ Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease. This requirement does not apply to sole proprietors.
- **Professional Liability (Errors and Omissions):** Insurance appropriate to the Consultant’s profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 in the aggregate. For consultants interacting with the public or with tenants, coverage must include coverage against discrimination, harassment, and fair housing claims under DFEH and HUD. If cover age is provided on a claims-made basis, the retroactive date must be shown and must be before the date of the contract or the beginning of the contract work; insurance must be maintained, and evidence of coverage must be provided for at least five (5) years after completion of the contract of work. If coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Contractor must purchase “extended reporting” coverage for a minimum of five (5) years after completion of work.
- **IF APPLICABLE: Cyber Liability Insurance:** Coverage is required if the vendor/consultant is accessing, collecting, storing, or transferring Personally identifiable Information or medical information on staff, tenant, applicants etc.). Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of

electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines, and penalties as well as credit monitoring expenses with limits not less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate. This requirement does not apply if the consultant will not be accessing or storing AHA data subject to privacy regulations under Federal or state law, including but not limited to PII, PCI, and PHI, providing software, or accessing AHA information technology systems.

- **IF APPLICABLE: Technology Professional Liability:** Coverage is required if the vendor/consultant is providing software or a technology services (data storage, website design, etc.). Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Consultant in this agreement and shall include, but not be limited to, claims involving media liability and infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, security and privacy liability that include invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations. Limits no less than \$2,000,000 per occurrence or claim, \$4,000,000 in the aggregate. For consultants interacting with the public or with tenants, coverage must include coverage against discrimination, harassment, and fair housing claims under DFEH and HUD. If coverage is provided on a claims-made basis, the retroactive date must be shown and must be before the date of the contract or the beginning of the contract work; insurance must be maintained, and evidence of coverage must be provided for at least five (5) years after completion of the contract of work. If coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of work.
 - The Policy shall include or be endorsed to include property damage liability coverage for damage to, alteration of, loss of, or destruction of the electronic data and/or information "property" of the AHA in the care, custody, or control of the Consultant. If not covered under the Consultant's liability policy, such "property coverage of the AHA may be endorsed onto the Consultants Cyber Liability Policy as follows:
 - Cyber Liability coverage in an amount sufficient to cover the full replacement value of damage to, alteration of, loss of, destruction of electronic data and/or information "property" of the AHA that will be in the Care, custody, or control of Consultant.

If the consultant maintains broader coverage and/or higher limits than the minimums shown above, AHA requires and shall be entitled to the broader coverage and/or the higher limits maintained by the consultant. The insurance limits required by AHA are not represented as being sufficient to protect Consultant. Consultant is advised to consult Consultant's insurance broker to determine adequate coverage for Consultant.

OTHER INSURANCE REQUIREMENTS:

The insurance policies are to contain, or be endorsed to contain, the following provisions:

- **Additional Insured Status:** : The Housing Authority of the City of Alameda and its affiliates, Alameda Affordable Housing Corporation and Island City Development and its Subsidiaries, and their departments, their respective directors, officers, Boards of Commissioners, employees, designated volunteers,

elected or appointed officials, (AHA), are to be covered as additional insured on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used.

- **Primary Coverage:** For any claims related to this contract, the Consultant's insurance coverage shall be primary coverage at least as broad as ISO CG 20 01 04 13 as respects AHA, its officers, officials, Board of Commissioners, employees, and volunteers. Any insurance or self-insurance maintained by AHA, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute to it.
- **Notice of Cancellation:** Each insurance policy required above shall provide that coverage shall not be canceled, except with 30 days' notice to AHA.
- **Self-Insured Retentions:** Self-insured retentions must be declared and approved by AHA. AHA may require the Consultant to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or AHA.
- **Acceptability of Insurers:** Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to AHA.
- **Verification of Coverage:** Consultant shall furnish AHA with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause, and a copy of the Declarations and Endorsement page of the CGL policy listing all policy endorsements before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. AHA reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
- **Subcontractors:** Consultant shall pass down the insurance obligations contained herein to all tiers of subcontractors working under the contract.
- **Notification of claims:** The Proposer agrees to notify AHA in writing of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of the contract as soon as practicable, but no later than three (3) business days after their first knowledge of such claim or event.
- **Special Risks or Circumstance:** AHA reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstance.

Consultant Services Agreement
Liebert Cassidy Whitmore



PHONE: (510) 747-4300
FAX: (510) 522-7848
TTY/TRS: 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Louie So, Director of Finance

Date: January 17, 2024

Re: Accept the Annual Review of the Investment Policy.

BACKGROUND

In February 1996, the Housing Commission adopted by resolution a revised Investment Policy for the investment of program funds provided by the U. S. Department of Housing and Urban Development (HUD) and to allow for less restrictive investment of non-HUD program funds. Because of legislation passed by the Federal and State governments during 1995 and 1996, all government agencies are required to review the investment policy at a public meeting of their officials once each year.

DISCUSSION

California Government Code Section 53646 requires that the Housing Authority Chief Financial Officer file an annual investment policy with the Board of Commissioners. It also requires that the Chief Financial Officer file a quarterly report with the Board of Commissioners on the status of all investments, including compliance with the adopted investment policy and a certificate that the expenditure requirements for the next six months can be met. California Government Code Section 53600.3 provides that each person or governing body investing public funds is a Trustee and, therefore, is a fiduciary subject to the Prudent Investor Standard. It further provides that the primary objectives when investing public funds are the safety of principal, preservation of liquidity and the return of an acceptable yield, in that order. The regulation also prohibits the use of specific investment vehicles and limits the use of others, including reverse repurchase agreements. HUD also mandates that housing authorities establish cash management procedures and comply with requirements governing the type of instruments in which they may invest. The types of investments permitted under the State and Federal legislation are not different from the types of investments currently held by the Housing Authority. Our current investments are with Local Agency Investment Fund (LAIF) and California Asset Management Program (CAMP) as previously approved by the Board. Note that the California Employers' Retiree Benefit Trust (CERBT) is a Section 115 trust dedicated to prefunding Other Post-Employment Benefits and is held by CalPERS.



The attached redline version has been reviewed by the Housing Authority of the City of Alameda's (AHA) General Counsel. There are only a few minor changes this year.

FISCAL IMPACT

Fiscal impact is dependent on the returns generated from these investments in LAIF, CAMP, and CERBT.

CEQA

N/A

RECOMMENDATION

Accept the Annual Review of the Investment Policy.

ATTACHMENTS

- 1. AHA Investment Policy 2024 - (TRACKED CHANGES)

Respectfully submitted,

Louie So

Louie So, Director of Finance

INVESTMENT POLICY

Updated January 202~~3~~⁴

SCOPE:

This Investment Policy (the “Policy”) applies to all liquid assets of the Housing Authority of the City of Alameda (the “Housing Authority” or the “Authority”) and its legal affiliates, including Alameda Affordable Housing Corporation, ~~and~~ Island City Development and various controlled limited liability companies and limited partnerships. These funds are accounted for in the Annual Comprehensive Audited Financial Statements, which includes various federal sourced funds, including the Housing Choice Voucher program and the Single Room Occupancy Program.

PRUDENCE:

The standard of prudence to be used by investment officials shall be the “prudent investor” standard (California Government Code 53600.3) and shall be applied in the context of managing an overall portfolio. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, persons acting on behalf of the Housing Authority shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

OBJECTIVE:

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities, shall be:

1. **Safety.** Safety of principal is the foremost objective of the investment program. Housing Authority investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
2. **Liquidity.** The investment portfolio will remain sufficiently liquid to enable the Housing Authority to meet all operating requirements which might be reasonably anticipated and shall always have the ability to convert sufficient securities in the portfolio to cash to meet contingency needs. A portion of the portfolio may be placed in money market mutual funds or funds which offer same-day liquidity for short-term funds.

INVESTMENT POLICY

- 3. Return on Investments.** The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio. (California Government Code 53600.5)

DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from Section 401(E) of the HUD/PHA Annual Contributions Contract and California Government Code Sections 53601, et seq. Management responsibility for the investment program is hereby delegated to the Executive Director, who shall establish written procedures for the operation of the investment program consistent with this investment policy.

Procedures should include references to safekeeping, Public Securities Administration repurchase agreements, wire transfer agreements, collateral/depository agreements, banking services contracts, as appropriate. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Executive Director.

The Executive Director is responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinate officials. The Executive Director is a trustee and a fiduciary subject to the prudent investor standard. (California Government Code 53600.3)

The Executive Director may delegate day-to-day investment decision making and execution authority to an investment advisor, subject to Board selection and approval of that advisor and written agreement with the advisor. The Authority must be able to revoke the investment advisor's authority at all times and without notice. Eligible investment advisors must be registered with the Securities and Exchange Commission (SEC) under the Investment Advisors Act of 1940. The advisor will follow the Policy and such other written instructions as are provided by the Authority.

ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust.

Officers and employees involved in the investment process will refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

INVESTMENT POLICY

The Executive Director will select financial institutions on the basis of credit worthiness, financial strength, experience and minimal capitalization that are authorized to provide investment services. No public deposit shall be made except in a qualified public depository as established by State laws.

For brokers/dealers of government securities and other investments, the Executive Director will select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the Executive Director will have received from said firm a signed Certification Form. This form will attest that the individual responsible for the Housing Authority's account with that firm has reviewed the Authority's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the Housing Authority that are appropriate under the terms and conditions of the Investment Policy.

AUTHORIZED AND SUITABLE INVESTMENTS:

1. The Housing Authority is empowered by HUD Notice PIH 96-33 (reinstated by PIH 2002-13) to invest HUD funds in the following:
 - a. United States Treasury Bills, Notes and Bonds;
 - b. Obligations issued by Agencies or Instrumentalities of the U. S. Government;
 - c. State or Municipal Depository Funds, such as the Local Agency Investment Fund (LAIF) or California Asset Management Program (CAMP) or pooled cash investment funds managed by County treasuries;
 - d. Insured Demand and Savings Deposits, provided that deposits in excess of the insured amounts must be 100 percent collateralized by securities listed in "a" and "b" above;
 - e. Insured Money Market Deposit Accounts, provided that deposits in excess of the insured amount must be 100 percent collateralized by securities listed in "a" and "b" above;
 - f. Insured Super NOW Accounts, provided that deposits in excess of the insured amount must be 100 percent collateralized by securities listed in "a" and "b" above;
 - g. Certificates of Deposit (CDs) issued by federally- or state-chartered banks or associations. Not more than 30 percent of surplus funds can be invested in CDs;
 - h. Repurchase/Reverse Repurchase Agreements of any securities authorized by this Section. Securities purchased under these agreements will be no more than 102

INVESTMENT POLICY

percent of market value; (See special limits in HUD Notice 96-33 and CGC 53601.0.)

- i. Sweep Accounts that are 100 percent collateralized by securities listed in "a" and "b" above;
 - j. Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by this Section (i.e., Money Market Mutual Funds) Such Funds must carry the highest rating of at least two (2) national rating agencies. Not more than 20 percent of surplus funds can be invested in Money Market Mutual Funds;
 - k. Funds held under the terms of a Trust Indenture or other contract or agreement, including the HUD/PHA Annual Contributions Contract, may be invested according to the provisions of those indentures or contracts;
 - l. Principal only STRIPS; and
 - m. Any other investment security authorized under the provisions of HUD Notice PIH 96-33.
2. The Housing Authority is empowered by California Government Code (CGC) Sections 5922 and 53601 et seq. to invest non-HUD funds in the following investment instruments authorized for California local agencies under the provisions of California Government Code Sections 5922 and 53601:
- a. Bonds issued by the City of Alameda;
 - b. United States Treasury Bills, Notes and Bonds;
 - c. Registered state warrants or treasury notes or bonds issued by the State of California;
 - d. Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California;
 - e. The California Local Agency Investment Fund (LAIF), California Asset Management Program (CAMP), and other pooled investment funds sponsored by the State of California, County Treasuries, and other local agencies or Joint Powers Authorities;
 - f. Obligations issued by Agencies or Instrumentalities of the U. S. Government;
 - g. Bankers Acceptances with a term not to exceed 180 days. Not more than 40 percent of surplus funds can be invested in Bankers Acceptances and no more than 30 percent of surplus funds can be invested in the bankers acceptances of any single commercial bank;

INVESTMENT POLICY

- h. Commercial Paper of “prime” quality of the highest ranking or of the highest letter and number rating as provided for by a national recognized statistical rating organization (NRSRO) with a term not to exceed 180 days. Commercial paper cannot exceed 10 percent of total surplus funds, provided, that if the average maturity of all Commercial paper does not exceed 31 days, up to 25 percent of surplus funds can be invested in Prime Commercial paper. Additionally, the Housing Authority may purchase no more than 10 percent of the outstanding commercial paper of any single issuer;
- i. Negotiable Certificates of Deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the California Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Negotiable Certificates of Deposit shall be rated in a rating category of “A” or its equivalent or better by an NRSRO. Not more than 30 percent of surplus funds can be invested in Negotiable Certificates of Deposit;
- j. Repurchase/Reverse Repurchase Agreements of any securities authorized by this Section. Securities purchased under these agreements will be no less than 102 percent of market value. Reverse repos cannot constitute more than 20 percent of AHA’s portfolio. Reverse repos are also limited to 92 days unless the minimum spread between the rate on investment and cost of funds is guaranteed in writing. (See special limits in CGC 53601.)
- k. Medium term notes, not to exceed five (5) years of U. S. corporations organized and operating within the United States which are rated in a rating category of “A” or its equivalent or better by an NRSRO. Not more than 30 percent of surplus funds can be invested in medium term notes;
- l. Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by this Section (i.e., Money Market Mutual Funds). Such Funds must carry the highest rating of at least two national rating agencies. Not more than 15 percent of surplus funds can be invested in Money Market Mutual Funds. In addition, no more than 10 percent of AHA’s portfolio may be invested in any single mutual fund.
- m. Funds held under the terms of a Trust Indenture or other contract or agreement may be invested according to the provisions of those indentures or agreements;
- n. Collateralized bank deposits with a perfected security interest in accordance with the Uniform Commercial Code (UCC) or applicable federal security regulations;
- o. Any mortgage pass-through security, collateralized mortgage obligation, mortgaged backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable backed bond of a maximum maturity of five (5) years. Securities in this category shall be issued by an issuer rated in a rating category of “A” or its equivalent or better for the issuer’s debt

INVESTMENT POLICY

as provided by an NRSRO and rated in a rating category of "AA" or its equivalent or better by an NRSRO. No more than 20 percent of surplus funds can be invested in this category of securities; and

- p. United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank of Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and no more than 30 percent of surplus funds can be invested in this category of securities.

The Authority will limit investments in any one non-government issuer, except investment pools and money market funds, to no more than 5% regardless of security type.

The Board of Commissioners may, at times, further reduce the selection of types of investment to be used by the Advisor or Executive Director by a formal vote.

Where this Policy specifies a percentage limitation for a particular security type, that percentage is applicable only on the date of purchase. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase of a particular issuer or investment type. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

Credit criteria listed in this Policy refers to the credit rating at the time the security is purchased. The Authority may from time to time be invested in a security whose rating is subsequently downgraded. In the event a rating drops below the minimum allowed by this Policy, the Executive Director will review and recommend an appropriate plan of action to the Board no less frequently than quarterly. If the Authority has an Investment Advisor, the Investment Advisor will notify the Executive Director and recommend a plan of action.

3. Also, see CGC 53601 and Attachment A to HUD Notice 96-33, "HUD Approved Investment Instruments," for a detailed summary of the limitations and special conditions that apply to each of the above listed investment securities. CGC 53601 and Attachment A are attached and included by reference in this Investment Policy.
4. The Housing Authority will not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity.

COLLATERALIZATION:

1. The percentage of collateralization on repurchase agreements will conform to the amount required under CGC 53601 (i)(2).

INVESTMENT POLICY

SAFEKEEPING AND CUSTODY:

1. All security transactions entered into by the Housing Authority will be conducted on delivery-versus-payment (DVP) basis.
2. All securities purchased or acquired will be delivered to the Board of Commissioner of the Authority by book entry, physical delivery, or by third-party custodial agreement. (CGC 53601)

DIVERSIFICATION:

It is the policy of the Housing Authority to diversify its investment portfolio. The Authority will diversify its investments by security type and, within each type, by institution. Assets will be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification strategies will be determined and revised periodically. In establishing specific diversification strategies, the following guidelines will apply:

1. Portfolio maturities will be matched against projected liabilities to avoid an over concentration in a specific series of maturities.
2. Maturities selected will provide for stability and liquidity.
3. Disbursement and payroll dates will be covered by the scheduled maturity of specific investments, marketable U. S. Treasury Bills or Notes or other cash equivalent instruments, such as money market mutual funds.

MAXIMUM MATURITIES:

To the extent possible, the Housing Authority will attempt to match its investments with anticipated cash flow requirements. Where there is no anticipated cash flow requirement on an investment, no investment shall be made in any security, which at the time of the investment, has a term remaining to maturity in excess of five years, unless the Board had granted express authority to make that investment no less than three months prior to the investment (CGC 53601).

INTERNAL CONTROL:

The Housing Authority shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

PERFORMANCE STANDARDS:

INVESTMENT POLICY

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

REPORTING:

The Executive Director shall submit to each member of the Board of Commissioners a quarterly investment report. The report will include:

1. A complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed by third party contractors.
2. The source of the portfolio valuation. In the case of funds invested in the Local Agency Investment Fund (LAIF), and California Asset Management Program (CAMP), FDIC Insured accounts or county investment pools, current statements from those institutions will satisfy the above reporting requirements. The report will also include a certification that:
 - a. All investment actions executed since the last report have been made in full compliance with the Investment Policy; and
 - b. The Housing Authority will meet its expenditure obligations for the next six months. [CGC 53646(b)]
3. The Executive Director will maintain a complete and timely record of all investment transactions.



PHONE: (510) 747-4300
FAX: (510) 522-7848
TTY/TRS: 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Joshua Altieri, Community Relations Manager

Date: January 17, 2024

Re: Accept Alameda Family Services Presentation.

BACKGROUND

Presentation from Alameda Family Services.

DISCUSSION

The Housing Authority of the City of Alameda (AHA) partners with many community organizations to provide supportive services that benefit AHA residents, including a partnership with Alameda Family Services (AFS). AFS provides critical supportive services to many Housing Authority families with children, including school-based services, early childhood and family support, plus clinic/community-based behavioral health care. Yunia Renteria, a Family Support Services Manager from Alameda Family Services, will highlight AFS service delivery and community impact on AHA families.

FISCAL IMPACT

Not applicable.

CEQA

Not applicable.

RECOMMENDATION

Not applicable.

ATTACHMENTS

1. PYR 24_AFS-ECFS ANNUAL REPORT_DEC-2023 with 22-23 data_rev 2-24 AHA

Respectfully submitted,
Joshua Altieri

Joshua Altieri, Community Relations Manager





alameda
family
services



Annual Report

Early Childhood & Family Support Division
Program Year 2023-2024

Changing Lives, Building Community



alameda family services

A human services organization, active in Alameda and the East Bay, whose programs improve the emotional, psychological, and physical health of children, youth, and families.

OUR MISSION:

Foster healing, resiliency, and growth through the delivery of progressive and comprehensive services to individuals and families at all stages of life

VISION:

A community in which the wellbeing of all is realized

Early Childhood & Family Support Division

PROGRAM GOALS:

- Provide continuity of care by modifying and expanding services to better meet the needs of children birth to five and support transitions through second grade.
- Support access to comprehensive care that improves the health, wellness, and resiliency of our staff, children, and parents, while fostering community engagement.

EXPECTED IMPACT:

- Improved access to responsive high-quality childcare and comprehensive family services that foster school readiness and engagement in life-long learning.
- A healthy, well and resilient community that has established networks and resources to support sustainable outcomes and continued growth and development.

Prenatal, Infant & Toddler Programs

Learning Together

Infant, Toddler & Prenatal Home Visiting:

Provides 90-minute weekly home visits designed to support early intervention, in-home support for early learning and offers group socializations to pregnant individuals and families with infants and toddlers from birth to three years of age.

Infant-Toddler Care

Center Based Child Care & Support Services:

Offers comprehensive support services and on-site early learning and childcare to infants and toddlers six months to three years of age for 7 hours a day, 5 days a week at the Angela Aguilar, College of Alameda, Rosalie Sterling and Sue Matheson Childcare Centers.

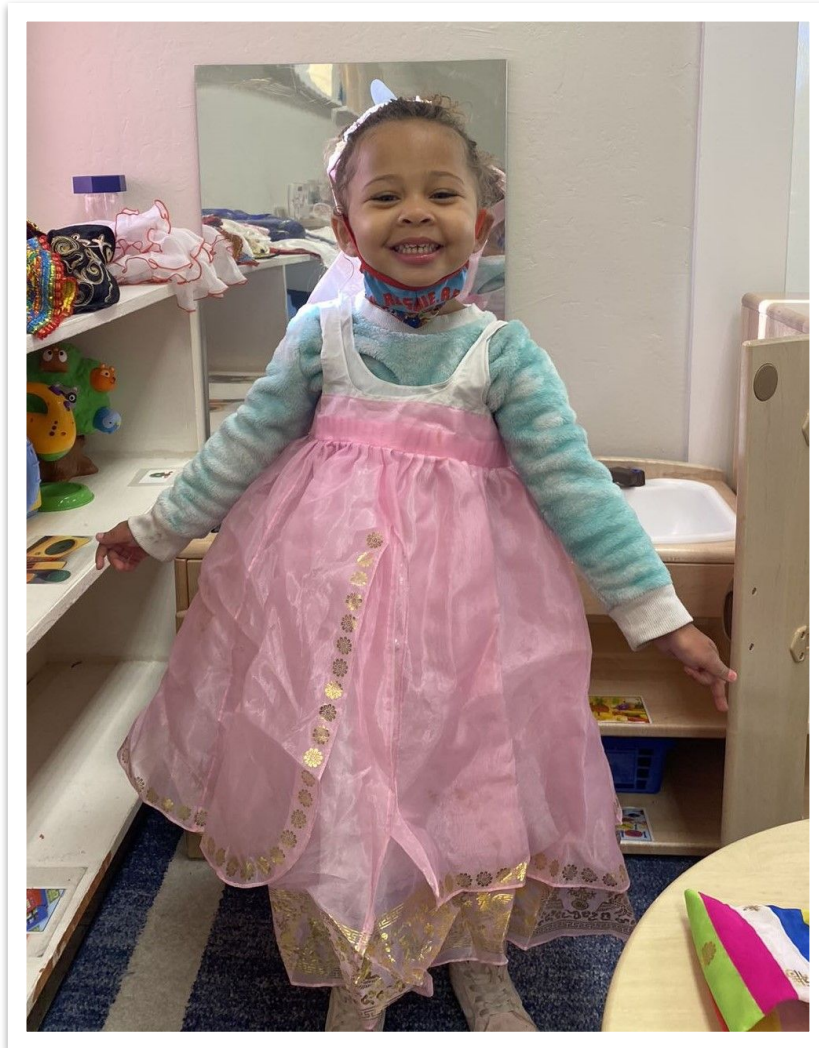
Family Engagement & Dual Language Learning

Center Based Locally Designed Option:

Supports toddlers 18 to 36 months of age with year-round, part-day care for 3.5 hours, 4 days a week that provides early learning opportunities designed to promote English acquisition and the ongoing development of the child's home language.



Preschool Programs



Head Start

Center Based School Readiness:

Provides families with comprehensive health, family services, and part-day child care that support parent engagement in early learning and promotes school readiness to preschoolers three to five years of age for 3.5 hours a day, 4 days a week.

AUSD-Special Education Collaboration

Center Based Inclusion:

In partnership with the Alameda Unified School District this program offers comprehensive services and a coordinated approach to supporting the early learning and development of preschoolers three to five years of age with disabilities in a childcare setting for a minimum of 3.5 hours a day, 4 days a week.

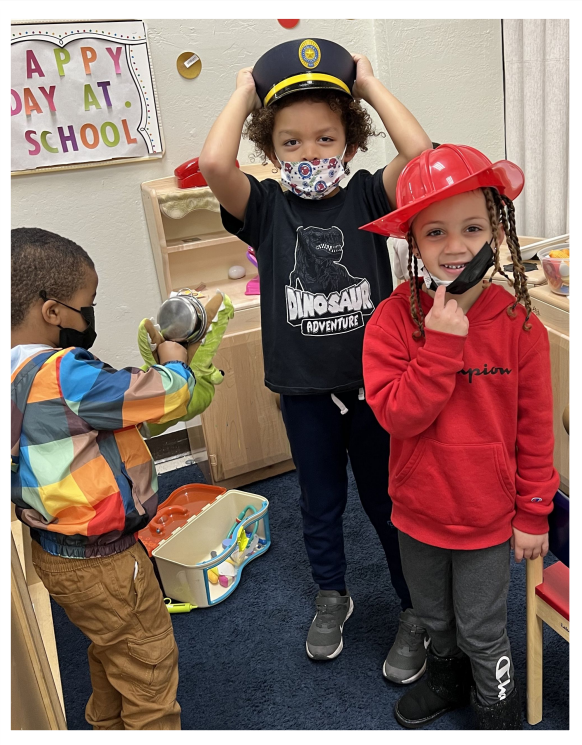
State Preschool Partnership

Center Based Support to Working Families:

Provides year round, full-day care for 7 hours a day, 5 days a week to preschoolers ages three to five years from dually qualified families and provides active learning environments that support school readiness.

Play-Based Curriculum

Through the implementation of the Creative Curriculum, Anti-Biased Curriculum, the Center for Social and Emotional Foundations of Early Learning Pyramid Model, and developmentally appropriate researched based teaching practices, our teachers and early child care specialists created individual child education plans in collaboration with parents. These plans were designed to support children in developing skills that support school readiness in the areas of: Approaches to Learning, Social and Emotional Development, Language and Communication, Literacy, Cognitive Development, Mathematics Development, Scientific Reasoning, and Perceptual, Motor, and Physical Development.



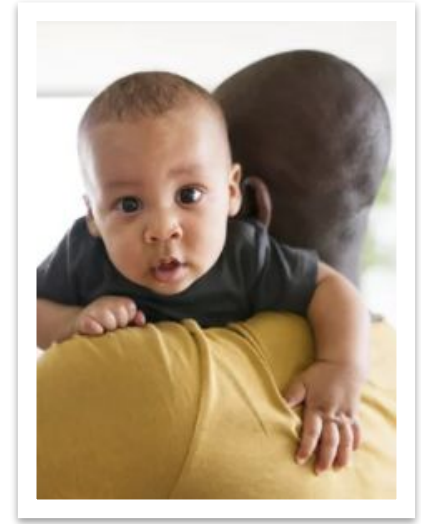
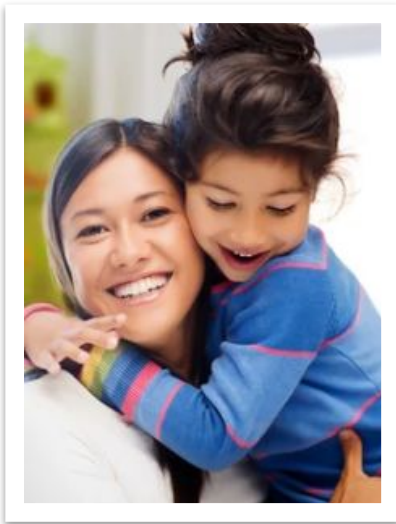
Outdoor Learning Environments

As part of our ongoing program improvement to support child health and wellness and to mitigate against the spread of the coronavirus, we continued to promote the use of outdoor learning environments. Our teachers received guidance and professional development in implementing the Creative Curriculum with fidelity that encouraged cooperative play and learning across all of the developmental domains in alignment with the State California Foundations for Early Learning and the Head Start Early Learning Outcomes Framework.



Parenting Curriculum

Partners for a Healthy Baby was the nationally recognized and research-based curriculum used by teachers and early child care specialists to promote parent engagement with the goals of improving birth outcomes, strengthening families, enhancing child health and development, and supporting family stability and economic self-sufficiency.



Community Connections an online parenting education and peer support group initiated in 2020 to support parents facing isolation due to the COVID-19 pandemic. Conversations were facilitated by ECFS staff and trainings from mental health professionals were provided on a variety of topics related to supporting early learning and family health, wellness and resiliency during these uncertain times.

Demographics

Through ongoing recruitment efforts, community engagement, and providing a strength-based approach, enrollment in early learning programming reflects the diversity in our community. As a division we have adopted the Irving B. Harris Foundation Diversity Tenets as a guide for promoting and working towards ensuring diversity, equity, and inclusion across all programming and within each service delivery model.

The following represents the ethnic/racial diversity of the 194 children enrolled:



- 28% Asian
- 17% Black/African American
- 33% Caucasian/White
- 0% Native American/Alaskan
- 0.2% Pacific Islander/Hawaiian
- 21% Bi-Racial/Multi-Racial

Of these children 24% were identified by their parents as Hispanic or Latin origin, and 50% of families reported speaking a language other than English at home.

School Readiness

School Readiness Goals are established to ensure that by kindergarten children possess the skills, knowledge, and attitudes necessary for success in school and for later learning and life, and that parents are engaged in the long-term, lifelong success of their child.

Infants 0-18 months

70% Managed feelings, actions, and behavior with the support of familiar adults.

80% Developed secure, engaging relationships with familiar adults for support, comfort, and getting their needs met.

100% Attended to, understand, and respond to increasingly complex language from others for learning, engaging, expressing needs/wants.

60% Demonstrated understanding of similar/different attributes by matching and sorting objects and people.

73% Developed their small muscles in play, exploration, and completing routine tasks.

Toddlers age 19-36 months

52% Managed feelings, actions, and behavior with the support of familiar adults.

69% Developed secure, engaging relationships with familiar adults for support, comfort, and getting their needs met.

57% Attended to, understand, and respond to increasingly complex language from others for learning, engaging, expressing needs/wants.

57% Demonstrated understanding of similar/different attributes by matching and sorting objects and people.

76% Developed their small muscles in play, exploration, and completing routine tasks.

Preschoolers age 3-5 years

79% Developed strategies to manage feelings, actions, and words appropriately and with decreasing dependence on adults.

71% Developed and maintained personal and cooperative relationships with peers, and playmates.

70% Attended to, understand, and respond to increasingly complex language from others for learning, engaging, expressing needs/wants.

79% Progressed in their ability to recognize, reproduce, extend, and create patterns.

83% Developed their small muscles in play, exploration, and completing routine tasks.

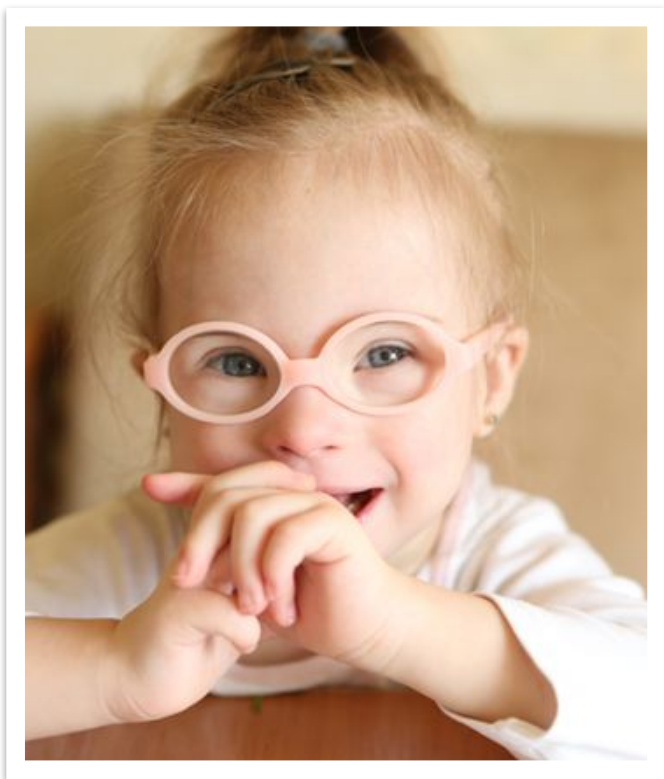
63% Initiated and engaged in physical activities of increasing levels of intensity for sustained periods of time.

95% Demonstrated knowledge of nutrition by communicating healthy food choices and how foods help our body grow.

78% DLL's Demonstrated increased competency in their home language while developing proficiency in English.

Mental Health & Disability Services

In collaboration with our Behavioral Health & Clinical Services division, and in partnership with the Regional Center of the East Bay, Alameda Unified School District, and UCSF-Benioff Children's Hospital Oakland's SPARK program, ECFS works with parents to ensure that children with developmental or behavioral concerns receive timely and effective identification, early intervention and all the services to which they are entitled.



By the end of the program year:

- 57% of our direct service staff received assistance from a mental health consultant through observation and consultation
- 43 children enrolled received special education services

Of these children,

- 9 had a speech/language impairment
- 15 were diagnosed with autism
- 1 was diagnosed with a health impairment
- 1 was diagnosed with an orthopedic impairment
- 1 was diagnosed with an intellectual disability
- 1 was diagnosed as no-categorical / dev. delay
- 15 had an Individualized Family Services Plan

Health & Chronic Conditions

With guidance from our Health Advisory Committee, ECFS works with parents and health care providers to ensure child health, wellness, and resiliency and when needed creates action plans designed to provide quality care to children with chronic conditions.

By the end of the program year:

- 100% of children had insurance coverage and a source of continuous and accessible health care
- 91% of children were up-to-date on all immunizations for their age
- 98% of children were up-to-date on their EPSDT preventive and primary health care
- 67 children were diagnosed and received medical treatment for a chronic health condition

Of these:

- 18 children were diagnosed and treated for asthma
- 3 child tested positive for lead exposure
- 9 children had concerns related to their vision
- 3 children were identified with hearing concerns
- 9 children were diagnosed and treated for seizures
- 1 child required G-tube feeding
- 12 preschoolers were determined underweight based on BMI
- 23 preschoolers were found to be overweight or obese
- 5 children were diagnosed with life threatening allergies
- 15 children had dietary restrictions due to allergies or intolerance



Dental Care & Treatment

In partnership with the Alameda County Public Health Department, Asian Health Services, La Clinica De La Raza, and local dental care providers, ECFS provides on-site dental exams, oral health education, preventative care, and assistance to families with establishing a dental home for all children enrolled.

By the end of the program year, of the children enrolled:



Infant / Toddlers 0-36 Months

- 98% were up-to-date and received oral dental care

Children age 3-5 Years

- 95% received preventative dental care
- 96% had a professional dental exam
- 21% of those examined needed dental treatment
- 70% of those needing treatment received treatment

This year our new satellite dental clinics provided **96** on-site pediatric dental exams.

Health & Wellness Education



Staff receive on-line and small group training on medication administration, oral health care, universal precautions, blood born pathogens, nutrition, and how to conduct thorough daily health checks including COVID screening.

Children received nutrition, social emotional care, dental hygiene and physical education as part of their daily schedule.



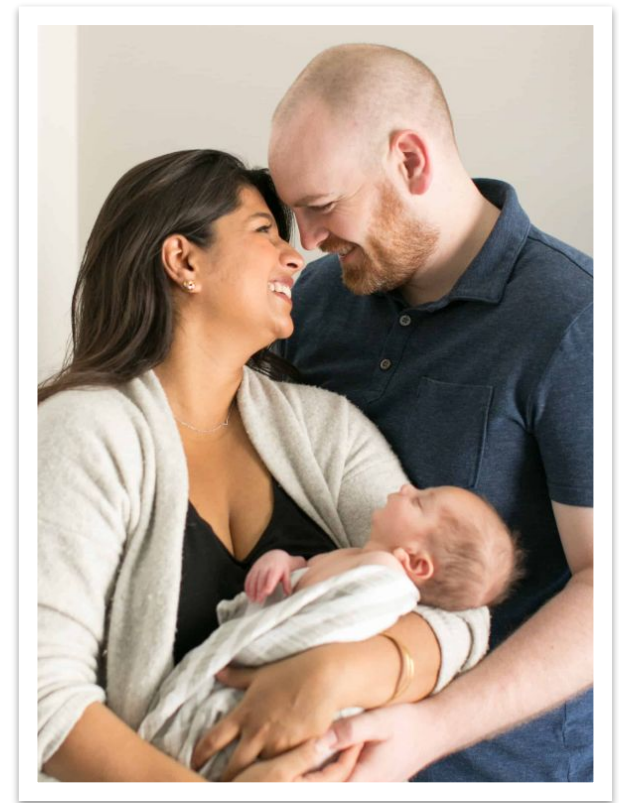
Parents participated in on-line and small group health education activities.

Family Partnerships & Services

At the point of application, ECFS builds a collaborative partnership with parents to establish mutual trust and to identify family goals, strengths, and necessary services. As part of this ongoing partnership, we offer parents the opportunity to explore their strengths, develop individualized goals, set realistic timetables, and create strategies to support school readiness and life long learning.

Of the 184 families enrolled last program year:

- 51% Received support in transitioning between programs
- 28% Participated in parenting curriculum activities
- 64% Participated in their child's screenings & assessments
- 100% Received information on preventative health care
- 39% Received education related to child nutrition
- 16% Requested assistance with job training enrollment
- 6% Participated in English Language Learning courses
- 25% Received emergency support services



65 Fathers and/or father figures were engaged in ECFS early education activities and advocacy

Family Support Services

Our Family Resource Center, located at the Alameda Housing Authority's Esperanza Complex, provides comprehensive case management services designed to empower and support individual adults, couples, and families. The center serves as a centralized hub offering information single point access to community-based resources. Funding to support the our Early Learning Childcare Network Mobile Resource Center was provided by First 5-Alameda and funding from the Alameda County Youth & Families Outreach Program and the award of a California Family Resource Association grant supported outreach activities and service delivery.

By the end of June 2022, the Family Support Services Resource Center had provided:



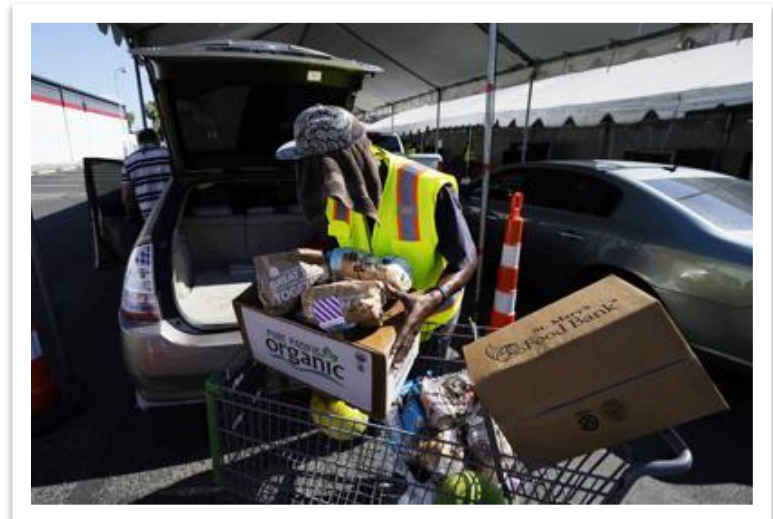
- 646 Activity bags to support early learning
- 86 K-2nd Grade school readiness support activities
- 82 Medical insurance application support services
- 27 Parenting education and support workshops
- 7 Teen workforce development internships
- 22 Adult education support and referrals
- 21 Food security resources
- 289 Intakes and Assessments
- 46 Mental health support services
- 200 Health and wellness support services

Homelessness & Crisis Intervention

Access to affordable housing, emergency services, counseling, and crisis intervention are key to ensuring the overall health, wellness, and resiliency of our community. AFS-ECFS offers a strength based, individualized approach in establishing action plans and provides resources and referrals to those in need through our network of community partners.

By the end of the program year:

- 45 Families received emergency intervention to meet immediate needs and critical care
- 10 Individuals requested and received housing or rental assistance referrals
- 8 Individuals requested unemployment application assistance
- 13 Families were identified as homeless, or living in transitional or temporary housing

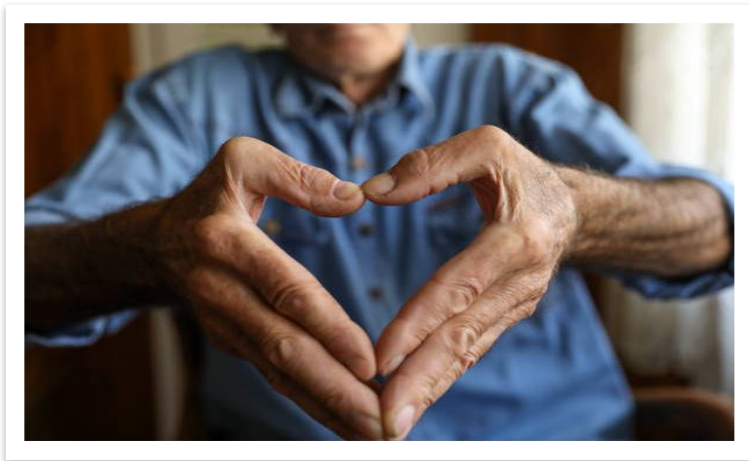


Senior Connections

In partnership with the Alameda Recreation & Parks Department's Mastick Senior Center, our Family Resource Center provided information, resources, referrals and case management services specifically designed for individuals over 50 years of age.

By the end of the program year, senior care support services included:

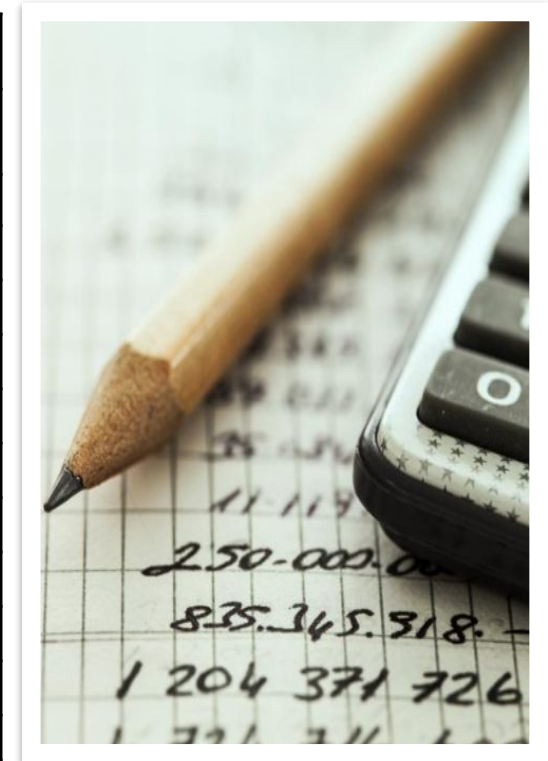
- 65 Medical insurance application supports
- 102 Case management support services
- 267 Health related resources and referrals
- 37 Housing support services
- 440 Mental health and counseling services
- 26 Home wellness visits and supports
- 239 COVID-19 pandemic support services



Annual Budget

Alameda Family Services has developed budget models, procurement systems, and fiscal reporting functions that support using federal, state, and local funding in the most economical and effective way to ensure high-quality and responsive programming.

July 1, 2021 to June 30, 2022				
Funding Source	Basic Operations	Cost of Living Adjustment	Training Technical Assistance	Non-Federal Share
Head Start (OHS)	\$1,938,638	\$23,359	\$20,620	\$483,818
Early Head Start (OHS)	\$2,324,431	\$25,863	\$45,580	\$650,015
Program Improvement (OHS)	\$123,431	N/A	N/A	N/A
COVID Relief (OHS)	\$386,655	N/A	N/A	N/A
California State Preschool (CDE)	\$519,487	N/A	N/A	N/A
Quality Counts (QRIS)	\$18,861	N/A	N/A	N/A
Child-Adult Care Food Program	\$124,877	N/A	N/A	N/A
Youth & Families Outreach (ACHC)	\$118,525	N/A	N/A	N/A
California Family Resource Center	\$65,655	N/A	N/A	N/A
Senior Services - City of Alameda	\$25,000	N/A	N/A	N/A
Total Budget	\$5,645,870	\$49,222	\$66,200	\$1,133,832



AUDIT & REVIEW RESULTS

In 2021, the Independent Audit found no compliance issues and the most recent Office of Head Start Focus Area I and the Child-Adult Care Food Program reviews in 2019 had no findings.

Governance

Alameda Family Services has established and maintains a formal structure of shared governance through which community members and parents work together to ensure both regulations compliance and high quality in our programs. AFS utilizes the strengths of the individuals, children and families within our community, while also supporting their health, wellness, and resiliency.

Policy Council-Parent Advisory Committee

Officers

Tia Goudy, Co-Chair

Bret-Leigh, Co-Chair

Emily Kyllingstag, Secretary

Joanna Lau, Treasurer



Alameda Family Services Board of Directors

Officers

Alysse Castro, Board President

Ruth Ormsby, Vice President

Dani Musso, Secretary

Thomasina Woida, Treasurer

Members

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PHONE: (510) 747-4300
FAX: (510) 522-7848
TTY/TRS: 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Paris Howze, Project Manager

Date: January 17, 2024

Re: Adopt the Authorizing Resolution No. 1067 for the Ground Lease and Cash Loans and Approve the Financing and Ownership Structure for Linnet Corner.

BACKGROUND

The Housing and Community Development Department provides monthly reports on projects under construction where either The Housing Authority of the City of Alameda (AHA) or Island City Development (ICD) is acting as developer and provides performance guarantees. The project is expected to close on the construction financing in February 2024, so in lieu of a monthly report, this report summarizes the current status and describes the anticipated financing plan. Please see previous monthly Board reports for project details prior to this report.

DISCUSSION

Linnet Corner, also referred to as North Housing Senior, is the proposed new construction of a single, four (4) story residential building, with 64 units. The 64 units will include 40 studio units and 23 one-bedroom units targeting seniors aged 62 and over. There will also be one two-bedroom dedicated as a manager's unit. Affordability levels will range between 30% and 40% of the Area Median Income (AMI). The project will also have 25% or 16 units serving formerly homeless/homeless senior veterans. Amenities will include a community room, dedicated property management and service provider offices, shared parking, a laundry room, a resident garden, and roof terrace.

The design team, led by HKIT completed building permit ready drawings in September of 2022 and the City of Alameda has confirmed the project has been approved with the building permit ready to be issued upon completion of ground improvements and payments of outstanding building permit fees, which will happen upon closing of construction financing using closing proceeds.

The general contractor, J.H. Fitzmaurice (JHF), competitively bid the project as well as The Estuary I and II in July 2023. Upon completion of the bid in October 2023, JHF provided an updated schedule of values (SOV) showing an overall increase of

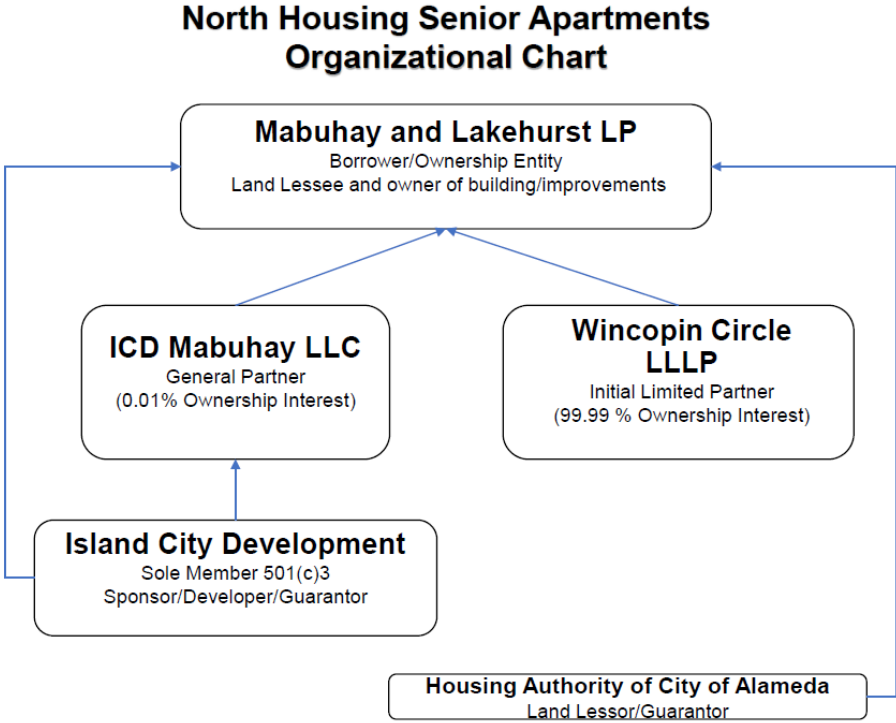


approximately \$5M since the last estimated SOV in February 2023, which was based on 50% construction documents. Between the three scopes, Linnet Corner absorbed a total of approximately \$2.75M based on its pro rata share. The financial closing summary below will further discuss the updates to Linnet’s Corner’s financial projections based on this change.

Staff is working with lenders for all the underwriting and due diligence approvals. The project is anticipated to close financing on or around February 8, 2024, to keep closely aligned with the construction finance closing of The Estuary I. The TCAC and CDLAC hard deadline for closing and beginning construction is March 4, 2024. Construction of the project will take approximately 19 months.

Financial Closing Summary

The tax credit investor and limited partner will be Enterprise Community Partners; the construction and permanent lender will be Bank of America. A sole member LLC (ICD Mabuhay LLC) has been formed to serve as the general partner of the tax credit partnership, Mabuhay and Lakehurst LP (Partnership). Island City Development is the sole member of the general partner LLC. AHA is the initial limited partner and will be replaced by Enterprise as the investor.



The Partnership will serve as the owner of the improvements and AHA will remain as

the owner and lessor of the land. The Board approved an option to ground lease the property based upon a capitalized value of 99 year ground lease at a \$1/year for a total of \$99, in order to meet the requirements of the State of California Housing and Community Development funding guidelines. However, the investor has requested that the ground lease be structured in a manner that allows for net cash flow ground lease rent based on the fair market value. The current structure of the land value is shown as a 99-year operating lease at a value of \$1 per year with an upfront cash value of \$99 to be paid at construction loan closing. Staff are working with all lenders and ICD's auditor to pursue the structure that is amenable to all parties and can be supported by the project.

The project was awarded Project-Based Section 8 Vouchers for 40 of the 64 total units. The Partnership and the Housing Authority executed the Agreement to Enter into a Housing Assistance Payment Contract (AHAP) on October 4, 2023.

Project financing for Linnet Corner includes investor equity through the sale of 4% Low Income Housing Tax Credits. The project also received state financing from the Department of Housing and Community Development (HCD) in Multifamily Housing Program Funds (MHP), Veterans and Homelessness Prevention Program (VHHP) Funds, and Infill Infrastructure Grant (IIG) Funds for a total commitment of \$20,635,312. Additionally, per the 2022 Reserve policy, AHA provided a \$2,438,000 commitment to the project which was matched by an award of \$1,000,000 in HCD Local Housing Trust Funds for a total commitment of \$3,438,000. The Partnership received a bond allocation in the amount of \$25,184,366 issued by California Municipal Authority (CMFA) and has applied for a supplemental allocation from the California Debt Allocation Committee (CDLAC) for an additional \$2,000,000 to cover the increased pro rata share of costs; the revised bond allocation will be \$27,184,366. The status of the Partnership's supplemental allocation request is anticipated to be heard and awarded during the January 17, 2024, CDLAC meeting.

Bank of America will directly purchase the \$27,184,366 in private activity bonds from CMFA at construction loan closing. Bank of America has also committed to providing a conventional, taxable construction loan currently projected to be \$5,562,071. Additionally, the project received \$945,000 from the Federal Home Loan Bank of San Francisco (FHLB) in Affordable Housing Program (AHP) funds. Financing also includes General Partner Equity, projected contribution of \$441,972 in developer fee, and an estimated deferred developer fee of \$1,400,000. A narrative description of the permanent financing is provided below and the financial pro forma is attached as Exhibit A.

- Ground Lease: At the time of construction loan closing, Mabuhay and Lakehurst, LP (Partnership) will enter into a 99-year ground lease with AHA. This limited partnership will be the ownership entity of the Project (Improvements) and ICD Mabuhay LLC will be the general partner of the Partnership. Enterprise will be the limited partner (Investor).
- First Mortgage (Bank of America): The permanent debt is underwritten based

on 1) projected Net Operating Income from both tenant rents and 2) project-based section 8 rents.

- Department of Housing & Community Development (HCD): The project also received state financing from the Department of Housing and Community Development (HCD) in Multifamily Housing Program Funds (MHP), Veterans and Homelessness Prevention Program (VHHP) Funds, and Infill Infrastructure Grant (IIG) Funds for a total commitment of \$20,635,312. The IIG grant funds will be paid to ICD who will then loan the proceeds back to the partnership.
- Federal Home Loan Bank of San Francisco (FHLB): The project received \$945,000 from the Federal Home Loan Bank of San Francisco (FHLB) in Affordable Housing Program (AHP) funds. The AHP grant will be paid to AHA who will then loan the proceeds back to the partnership.
- Alameda Affordable Housing Corporation (AAHC): AHA provided a \$2,438,000 commitment to the project which was awarded \$1,000,000 in HCD Local Housing Trust Funds for a total commitment of \$3,438,000. This amount will be a loan repaid to the Alameda Affordable Housing Trust Fund (AAHTF).
- Construction Loan (Bank of America): Bank of America will provide a construction loan of approximately \$32,746,437. This loan is comprised of a \$27,184,366 (inclusive of the \$2,000,000 supplemental) in tax-exempt financing and approximately \$5,562,071 in a taxable tail construction loan. This amount provides a cushion above the 50% bond test to ensure project viability for the tax credit and bond programs.
- Deferred Developer Fee: These funds are committed from the Developer, Island City Development. Deferred fees will be paid from cash flow within the ten-year period.
- GP Equity: Approximately \$497,593 will be committed from the GP, ICD Mabuhay LLC at perm conversion. This consists of the project's portion of developer fee that funders require to be put back into the project rather than cashed out and the \$100 partnership admission fee.
- Limited Partner Equity (Enterprise): Cash funds from the limited partner.

Operations

The operating budget assumptions are based on FPI Property Management's current projections and AHA's existing portfolio. This project will service both extremely low- and low-income households, from 30%-40% of the Area Median Income.

Operating Income. Forty (40) of the total 64 units of the Project will be subsidized through a Project Based Voucher contract from AHA. Staff also anticipates that current Housing Choice Voucher (HCV) holders will be interested in Linnet Corner which will provide additional operating income to the project.

Operating Expenses. Projected initial operating expenses are estimated at \$12,344 per

unit per year, inclusive of resident services. This includes full-time property manager and maintenance personnel. The operating budget also accounts for approximately \$132,000 for supportive services with \$34,000 being paid through project cash flow and the remaining \$98,000 to be paid in-kind from the Alameda County Health Care Services Agency (HCSA). The Project is expected to qualify for property tax exemption under California's Welfare Exemption for affordable housing developments subject to a tax credit regulatory agreement. The leveraged 17-year term/35 year amortized permanent mortgage at approximately 7.00% interest rate is based on a minimum 1.15 debt service coverage ratio. The soft loans will all be paid pro rata from cash flow after payment of asset management fee, deferred development fee, and payment of partnership fee.

Finally, AHA will be required to provide construction completion, tax credit delivery, and operating guarantees, along with ICD, for the life of the permanent mortgage and through the 15-year initial tax credit compliance period. The financial guarantees will be reflected in AHA's financial statements as "contingent liabilities". The construction guarantee will be released at construction completion and conversion to permanent financing.

The Authorizing Resolution, attached as Exhibit B, and all legal documents associated with the transaction have been prepared and/or reviewed by outside counsel. AHA is represented by Gubb and Barshay for the transaction.

Related Agreements and Development Items

Staff is working with legal counsel and design consultants to prepare a reciprocal access agreement between the North Housing Block A partnerships (The Estuary I, Estuary II, and Linnet Corner). The reciprocal access agreement will outline shared amenities and utilities, including, but not limited to, bicycle parking, dog run, ingress and egress, and vehicular parking.

Additionally, there will be a street maintenance agreement between Carmel Partners and AHA that will cover the maintenance of Lakehurst Circle, which is a private road on AHA land. Carmel Partners and AHA will share the costs of maintenance and tAHA will then allocate pro rata costs back to the respective Block A partnerships, including Mabuhay and Lakehurst LP, Lakehurst and Mosley LP, and Mosley and Mabuhay LP. These maintenance costs will be captured in the respective operating budgets.

FISCAL IMPACT

The Board previously authorized a predevelopment loan to ICD of \$10,000,000 for costs associated with master planning, carrying costs, demolition, and redevelopment work for Block A of the North Housing project, which includes 155 units of permanent supportive and senior housing, including the Linnet Corner project. Funds are disbursed to ICD on an as-needed basis. This predevelopment loan will be separated into four parts, for the three projects at Block A, and the remainder of North Housing. For the Block A projects, the predevelopment loan will convert into the expected permanent

financing that have been approved by the Board.

The current total available predevelopment loan balance is \$982,683 net of anticipated soil stabilization costs. Please refer to the attached chart summarizing predevelopment expenses through December 31, 2023 (Attachment 1).

The Board previously approved a permanent loan of \$2,438,000 in AAHTF funds for the project.

The project will pay \$3,000,000 in developer fee, of which approximately \$1,102,407 is paid as cash, approximately \$1,400,000 is deferred to be paid via project cash flow, and the balance is contributed back to the project as GP equity. Per the joint development agreement, 50% will be paid to AHA and 50% will be paid to ICD.

CEQA

Not applicable.

RECOMMENDATION

Adopt the Authorizing Resolution No. 1067 for the Ground Lease and Cash Loans and Approve the Financing and Ownership Structure for Linnet Corner

ATTACHMENTS

- 1. North Housing Expenses Chart Through December 31, 2023
- 2. Exhibit A - Linnet Corner Financial Projections
- 3. Linnet Corner - January 2024 PPT
- 4. Exhibit B - Resolution No. 1067 for Linnet Corner

Respectfully submitted,
Paris Howze
Paris Howze, Project Manager

North Housing Block A Predevelopment Expenses Chart Through December 31, 2023.

North Housing Block A	Total
The Estuary I – 45 units (includes predevelopment, pro rata shares of master plan, demolition, and land carrying costs)	\$1,392,172
The Estuary II – 46 units (includes predevelopment, pro rata shares of master plan, demolition, and land carrying costs)	\$1,160,587
Linnet Corner – 64 units (includes predevelopment, pro rata shares of master plan, demolition, and land carrying costs)	\$1,460,564
Grand Total	\$4,013,324
Anticipated Soil Stabilization Costs for Block A	\$5,003,993
Remaining Predevelopment Loan Available for Block A	\$982,683

North Housing	Total
Remaining Nine (9) Acre Land Carrying Costs and Site Pre-Development (includes master planning and demolition) *Shown for informational purposes only	\$4,000,000

	BM	BN	BO	BP	BQ	BS	BT	BU	BV
3	SOURCES AND USES OF FUNDS								
4									
5	SOURCES OF FUNDS								
6	First Mortgage		4,235,900	35 year amortization/17 year term			7.00%		
7	HCD - MHP		13,474,995	3% simple, 55 years, residual receipts with .42% due annually			1.92%		
8	HCD - VHHP		4,867,201	3% simple, 55 years, residual receipts with .42% due annually			1.92%		
9	HCD- IIG		2,293,116	0% deferred, Sponsor loan			0.00%		
10	FHLBSF - AHP		945,000	0% deferred, 55 years			0.00%		
11	Alameda Affordable Housing Corporation - AAHTF		3,438,000	0%, 55 years, residual receipts			0.00%		
12				0 interest accrued during construction					
13	Construction Loan - tax -exempt bond allocation \$25,184,366 plus supplemental of...	2,000,000	27,184,366	B of A, 30 months,Daily SOFR +2.25%+.1%			8.50%	50% test	
14	Construction Loan - taxable tail		5,562,071	B of A, 30 months,Daily SOFR +2.25%+.1%			8.50%		
15	Deferred developer fee		1,400,000	payable in 15 years			0.00%	Basis + land/related costs	49,635,653
16	GP equity	balance	497,593	net cash dev fee	1,102,407	HCD max \$2,200,000		bond financing	27,184,366
17	Limited Partner @ 99.99%		22,657,837	Enterprise		0.9125 Fed cents/dollar			54.77%
18	TOTAL SOURCES		86,556,079						
19						5.68% IRR			
20		Perm TDC	53,809,642						
21	USES OF FUNDS								
22			TOTAL COST	DEPRECIABLE	BASIS FOR 4% CREDIT	EXPENSED/AMORTIZED	NON DEPRECIABLE	COSTS OF BOND ISSUANCE CMFA = issuer	32,861,680
23	Land - 99 year ground lease from Alameda Housing Authority \$1/year		99				99		
24	Acquisition loan interest and fees		80,623				80,623	Bond Counsel	60,000
25	Holding costs		505,207				505,207	Issuer Fee @ \$37,500 + 5bps	53,931
26	Closing costs		54,613				54,613	Issuer monitor during const	32,862
27	Site work AHA contract - portion attributed to this project - est 75% basis eligible		2,795,816	2,096,862	2,096,862		698,954	Fiscal agent	10,000
28	Offsite work - separate contract with GC - est 75% basis eligible		1,989,538	1,492,154	1,492,154		497,385	CDLAC	11,502
29	Site improvements in basis	GC contract	2,567,697	2,567,697	2,567,697			CDIAC	4,929
30	New Construction	30,088,183	23,268,435	23,268,435	23,268,435			TOTAL	173,223
31	Contractor general requirements/ overhead/profit	34,873,537	3,268,833	3,268,833	3,268,833				
32	Contractor bond and insurance		641,967	641,967	641,967				
33	PV system		191,251	191,251	191,251		0		
34	Personal Property in Construction Contract		150,000	150,000	150,000				
35	Furniture Purchased by Owner		158,000	158,000	158,000				
36	Construction contingency	5.00%	1,743,677	1,743,677	1,743,677				
37	Impact Fees		2,275,748	2,275,748	2,275,748				
38	Permits and utility hookups		1,425,003	1,425,003	1,425,003		0		
39	Architecture		767,662	767,662	767,662				
40	Survey, engineering, testing		418,500	418,500	418,500				
41	Construction management, prevailing wage monitoring		289,349	289,349	289,349				
42	Environmental reports		70,322	70,322	70,322				
43	Soft cost contingency		450,000	450,000	450,000				
44	Predev loan fee/interest		237,284	237,284	237,284				
45	Construction Loan Fee @ 1%		327,464	0	0	327,464			
46	Perm loan fee 1% + \$10k conversion fee, and legal		72,359			72,359			
47	Costs of bond issuance		173,223		0	173,223			
48	Interest on soft loans during construction		0	0	0				
49	Taxes during construction		148,359	148,359	148,359				
50	Construction Loan Interest during construction - 20 months		2,212,670	2,212,670	2,212,670				
51	Construction loan interest post construction - 11 months		2,296,493			2,296,493			
52	Construction lender legal and costs		95,000	95,000	95,000				
53	Security during construction		125,000	125,000	125,000	0			
54	Course of Construction Insurance		450,000	450,000	450,000				
55	Title - Construction Loan Closing		100,000	100,000	100,000				
56	Appraisal		25,000	25,000	25,000				
57	Tax Credit Allocation Committee Fees		52,685			52,685	0		
58	Legal Fees - Organization		5,000			5,000			
59	Legal Fees - Construction Loan Closing		130,000	130,000	130,000				
60	Legal - Syndication incl. \$55k investor legal		115,000				115,000		
61	Legal - Permanent loan closing		10,000			10,000			
62	Title - Permanent loan closing		10,000			10,000			
63	Market Study		17,000				17,000		
64	Consultant - Syndication		60,000				60,000		
65	Marketing		306,000			306,000			
66	Project Audit		63,700			63,700			
67	Operating Reserve - 6 months operations	Enterprise #	556,370				556,370		
68	Services/other reserve		0				0		
69	Transition reserve for HCD -- pay fee for pooled reserve		108,693			108,693			
70	Development Fee	keep \$3m in :	3,000,000	3,000,000	3,000,000				
71	Repayment of Construction Loan		32,746,437				32,746,437		
72	TOTAL PROJECT COSTS		86,556,079	47,798,773	47,798,773	3,425,619	35,331,687		

	BY	BZ	CA	CB	CC	CD	CF	CG	CH	CI	CJ	CL	CM
18	SOURCES AND USES OF CAPITAL CONTRIBUTIONS AND LOAN PROCEEDS												
19													
20													
21	Source of Loan or Equity		First mortgage	HCD MHP	HCD VHHP	HCD IIG	FHLBSF AHP	Housing Authority	Tax exempt Construction loan	Taxable tail Construction loan	Deferred Developer Fee	GP Capital Contributions	LP
22													
23	Land - 99 year ground lease from Alameda Housing Authority \$1/year	99							99				0
24	Acquisition loan interest and fees	80,623							80,623				0
25	Holding costs	505,207							505,207				0
26	Closing costs	54,613							54,613				0
27	Site work AHA contract - portion attributed to this project - est 75% basis eligible	2,795,816							2,795,816				0
28	Offsite work - separate contract with GC - est 75% basis eligible	1,989,538							1,989,538				0
29	Site improvements in basis	2,567,697							2,567,697				0
30	New Construction	23,268,435				2,293,116	945,000	3,438,000	14,856	5,289,138		497,593	10,790,733
31	Contractor general requirements/ overhead/profit	3,268,833							3,268,833				0
32	Contractor bond and insurance	641,967							641,967				0
33	PV system	191,251							191,251				0
34	Personal Property in Construction Contract	150,000							150,000				0
35	Furniture Purchased by Owner	158,000							158,000				0
36	Construction contingency	1,743,677							1,743,677				0
37	Impact Fees	2,275,748							2,275,748				0
38	Permits and utility hookups	1,425,003							1,425,003				0
39	Architecture	767,662							767,662				0
40	Survey, engineering, testing	418,500							418,500				0
41	Construction management, prevailing wage monitoring	289,349							289,349				0
42	Environmental reports	70,322							70,322				0
43	Soft cost contingency	450,000							450,000				0
44	Predev loan fee/interest	237,284							237,284				0
45	Construction Loan Fee @ 1%	327,464							327,464				0
46	Perm loan fee 1% + \$10k conversion fee, and legal	72,359							72,359				0
47	Costs of bond issuance	173,223							173,223				0
48	Interest on soft loans during construction	0						0					0
49	Taxes during construction	148,359							148,359				0
50	Construction Loan Interest during construction - 20 months	2,212,670							2,118,115	94,555			0
51	Construction loan interest post construction - 11 months	2,296,493							2,118,115	178,378			0
52	Construction lender legal and costs	95,000							95,000				0
53	Security during construction	125,000							125,000				0
54	Course of Construction Insurance	450,000							450,000				0
55	Title - Construction Loan Closing	100,000							100,000				0
56	Appraisal	25,000							25,000				0
57	Tax Credit Allocation Committee Fees	52,685							52,685				0
58	Legal Fees - Organization	5,000							0				5,000
59	Legal Fees - Construction Loan Closing	130,000							0				130,000
60	Legal - Syndication incl. \$55k investor legal	115,000							0				115,000
61	Legal - Permanent loan closing	10,000							0				10,000
62	Title - Permanent loan closing	10,000							0				10,000
63	Market Study	17,000							17,000				0
64	Consultant - Syndication	60,000							60,000				0
65	Marketing	306,000							306,000				0
66	Project Audit	63,700							0				63,700
67	Operating Reserve - 6 months operations	556,370											556,370
68	Services/other reserve	0											0
69	Transition reserve for HCD -- pay fee for pooled reserve	108,693											108,693
70	Development Fee	3,000,000							900,000		1,400,000		700,000
71	Repayment of Construction Loan	32,746,437	4,235,900	13,474,995	4,867,201							0	10,168,341
72	TOTAL PROJECT COSTS	86,556,079	4,235,900	13,474,995	4,867,201	2,293,116	945,000	3,438,000	27,184,366	5,562,071	1,400,000	497,593	22,657,837

	CQ	CR	CS	CT	CU	CV	CW	CX
18	DISBURSEMENTS OF LIMITED PARTNER CAPITAL CONTRIBUTIONS							
19								
20			Closing	75% complete	90% complete	completion/ draft cost cert	Conversion	8609
21	Totals		1/10/2024	4/1/2025	7/1/2025	1/1/2026	8/1/2026	1/1/2027
22			1,540,733	4,000,000	5,500,000	6,000,000	5,367,104	250,000
23	Land - 99 year ground lease from Alameda Housing Authority \$1/year	0						
24	Acquisition loan interest and fees	0						
25	Holding costs	0						
26	Closing costs	0						
27	Site work AHA contract - portion attributed to this project - est 75% basis eligibk	0						
28	Offsite work - separate contract with GC - est 75% basis eligible	0						
29	Site improvements in basis	0						
30	New Construction	10,790,733	1,290,733	4,000,000	5,500,000			
31	Contractor general requirements/ overhead/profit	0						
32	Contractor bond and insurance	0						
33	PV system	0						
34	Personal Property in Construction Contract	0						
35	Furniture Purchased by Owner	0						
36	Construction contingency	0					0	
37	Impact Fees	0						
38	Permits and utility hookups	0						
39	Architecture	0						
40	Survey, engineering, testing	0						
41	Construction management, prevailing wage monitoring	0						
42	Environmental reports	0						
43	Soft cost contingency	0					0	
44	Predev loan fee/interest	0						
45	Construction Loan Fee @ 1%	0						
46	Perm loan fee 1% + \$10k conversion fee, and legal	0						
47	Costs of bond issuance	0						
48	Interest on soft loans during construction	0						
49	Taxes during construction	0					0	
50	Construction Loan Interest during construction - 20 months	0					0	
51	Construction loan interest post construction - 11 months	0					0	
52	Construction lender legal and costs	0						
53	Security during construction	0					0	
54	Course of Construction Insurance	0						
55	Title - Construction Loan Closing	0						
56	Appraisal	0						
57	Tax Credit Allocation Committee Fees	0	0					
58	Legal Fees - Organization	5,000	5,000					
59	Legal Fees - Construction Loan Closing	130,000	130,000					
60	Legal - Syndication incl. \$55k investor legal	115,000	115,000					
61	Legal - Permanent loan closing	10,000					10,000	
62	Title - Permanent loan closing	10,000					10,000	
63	Market Study	0					0	
64	Consultant - Syndication	0					0	
65	Marketing	0					0	
66	Project Audit	63,700					63,700	
67	Operating Reserve - 6 months operations	556,370					556,370	
68	Services/other reserve	0		0			0	
69	Transition reserve for HCD -- pay fee for pooled reserve	108,693					108,693	
70	Development Fee	700,000					450,000	250,000
71	Repayment of Construction Loan	10,168,341				6,000,000	4,168,341	
72	TOTAL PROJECT COSTS	22,657,837	1,540,733	4,000,000	5,500,000	6,000,000	5,367,104	250,000

	DD	DE	DF	DG	DH	DI	DJ	DK	DL	DM	DN	DO	DP	DQ	DR	DS	DT	DU
2	SCHEDULE OF TAX CONSEQUENCES																	
3		AMOUNT	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
4	DEPRECIATION																	
5	Residential (27.5 years)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Residential (30 years) - all at 30 yr election	41,142,809	400,000	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427	1,371,427
7	Site Improvements (15 Years, 150% DB)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Site Improvements - bonus depreciation 40% for 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Site Improvements (20 years)	6,156,713	102,612	307,836	307,836	307,836	307,836	307,836	307,836	307,836	307,836	307,836	307,836	307,836	307,836	307,836	307,836	307,836
10	Personal Property (5 years, 200% DB)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Personal Property -- bonus depreciation 40% for 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Personal property (9 years)	499,251	18,491	55,472	55,472	55,472	55,472	55,472	55,472	55,472	55,472	36,982	18,491					
13																		
14	Residential (27.5 years)	0						0	0	0	0	0	0	0	0	0	0	0
15	Residential (30 years) - all at 30 yr election	19,624						654	654	654	654	654	654	654	654	654	654	654
16	Personal Property (5 years)	0						0	0	0	0	0	0	0	0	0	0	0
17	Personal Property - remainder on 9 yr schedule	19,624						2,180	2,180	2,180	2,180	2,180	2,180	2,180	2,180	2,180		
18																		
19	Residential (27.5 years)	0											0	0	0	0	0	0
20	Residential (30 years) - all at 30 yr election	42,199											1,407	1,407	1,407	1,407	1,407	1,407
21	Personal Property (5 years)	0											0	0	0	0	0	0
22	Personal Property - remainder on 9 yr schedule	42,199											4,689	4,689	4,689	4,689	4,689	4,689
23																		
24	Residential (27.5 years)	0																0
25	Residential (30 years) - all at 30 yr election	58,816																1,961
26	Personal Property (5 years)	0																0
27	Personal Property - remainder on 9 yr schedule	58,816																6,535
28																		
29	Subtotal	47,798,773	521,102	1,734,735	1,734,735	1,734,735	1,734,735	1,737,569	1,737,569	1,737,569	1,737,569	1,719,079	1,706,683	1,688,193	1,688,193	1,688,193	1,686,012	1,687,973
30		47,798,773																
31																		
32	EXPENSED AND AMORTIZED ITEMS																	
33	Tax Credit Allocation Committee Fees	52,685	1,756	5,269	5,269	5,269	5,269	5,269	5,269	5,269	5,269	5,269	3,512					
34	Mortgage fees	593,047		34,885	34,885	34,885	34,885	34,885	34,885	34,885	34,885	34,885	34,885	34,885	34,885	34,885	34,885	34,885
35	HCD fee for transition reserve	108,693		1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976
36	Organization	5,000	333	1,000	1,000	1,000	1,000	667										
37	Marketing Cost	306,000	153,000	153,000														
38	Project Audit	63,700	31,850	31,850														
39	Partnership Management Fee	3.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	31,595	85,218
40	Investor asset management fee	3.0%	0	2,917	5,175	5,356	5,544	5,738	5,938	6,146	6,361	6,584	6,814	7,053	7,300	7,555	7,820	8,093
41	Subtotal	1,129,125	186,940	230,897	48,305	48,486	48,673	48,534	48,068	48,276	48,491	48,714	47,188	43,914	44,161	44,417	76,276	130,173
42		1,129,125																
43																		
44	TAX CREDITS																	
45	Project Basis for 9% Federal Credit	47,798,773																
46	subtract 1/2 of solar credit	0																
47	Basis to calc credit	47,798,773																
48	130% Adjustment for Difficult to Develop Area	62,138,405	2022 SDDA and QCT with CDLAC 2022 placeholder app															
49																		
50	Amount of Federal credit	24,855,362	0	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	0				
51	Amount of State Credit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
52	Amount of solar Credit at 30%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
53	TOTAL CREDITS	24,855,362	0	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	2,485,536	0				
54																		
55																		
56	Proportion of First year	0.33	4 credit months		Occupancy for 2025 0.00% 19.05% TCO by Sept 1 38.10% oct 57.14% nov 79.37% dec													
57																		
58	Federal Tax Credits	2,485,536																
59	State Tax Credits	0	no State credits															
60	Tax Credit Percentage	4.00%																

	EB	EC	ED	EE	EF	EG	EH	EI	EJ	EK	EL	EM	EN	EO	EP	EQ	ER
2	ANALYSIS OF TAXABLE INCOME	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
3		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
4	Net Operating Income	61,245	514,960	517,384	519,618	521,650	523,469	525,063	526,419	527,526	528,369	528,935	529,210	529,178	528,824	528,132	527,085
5	Interest on deposits	0	11,127	11,723	12,598	13,490	13,615	14,527	15,457	16,407	17,375	16,674	17,648	18,641	19,653	20,687	19,388
6	Deductions:																
7	Interest on First Mortgage	0	172,675	294,379	292,184	289,831	287,308	284,602	281,701	278,590	275,254	271,677	267,841	263,728	259,318	254,589	249,518
8	Interest on MHP	0	150,920	260,984	264,908	268,908	272,984	277,139	281,373	285,689	290,087	294,570	299,140	303,796	308,543	313,380	318,310
9	Interest on VHHP	0	54,513	94,268	95,685	97,130	98,602	100,103	101,633	103,191	104,780	106,400	108,050	109,732	111,446	113,194	114,974
10	Interest on Alameda Housing Authority	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Interest on deferred developer fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Constr. Int. Carryover	835,088	1,461,405														
13	Depreciation	521,102	1,734,735	1,734,735	1,734,735	1,734,735	1,737,569	1,737,569	1,737,569	1,737,569	1,719,079	1,706,683	1,688,193	1,688,193	1,688,193	1,686,012	1,687,973
14	Expensed Items	186,940	230,897	48,305	48,486	48,673	48,534	48,068	48,276	48,491	48,714	47,188	43,914	44,161	44,417	76,276	130,173
15																	
16	Total Deductions	1,543,130	3,805,144	2,432,670	2,435,998	2,439,277	2,444,998	2,447,481	2,450,552	2,453,531	2,437,914	2,426,518	2,407,137	2,409,610	2,411,916	2,443,451	2,500,948
17																	
18	NET TAXABLE INCOME	-1,481,885	-3,279,057	-1,903,563	-1,903,783	-1,904,138	-1,907,915	-1,907,892	-1,908,675	-1,909,598	-1,892,170	-1,880,909	-1,860,280	-1,861,792	-1,863,439	-1,894,633	-1,954,476
19																	
20	General Partner Share @ .01%	-148	-328	-190	-190	-190	-191	-191	-191	-191	-189	-188	-1,674,252	-1,675,613	-1,677,095	-1,705,169	-1,759,028
21	Investor Limited Partner @ 99.99%	-1,481,736	-3,278,729	-1,903,372	-1,903,593	-1,903,947	-1,907,724	-1,907,701	-1,908,484	-1,909,407	-1,891,981	-1,880,720	-186,028	-186,179	-186,344	-189,463	-195,448
22	Marginal Tax Bracket	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
23	Benefits from Losses	311,165	688,533	399,708	399,754	399,829	400,622	400,617	400,782	400,975	397,316	394,951	39,066	39,098	39,132	39,787	41,044
24	Investor Limited Partner Share of Tax Credits																
25	Federal Low-Income Credits	0	2,485,288	2,485,288	2,485,288	2,485,288	2,485,288	2,485,288	2,485,288	2,485,288	2,485,288	2,485,288	0	0			
26	State Low Income Credits	0	0	0	0	0	0	0	0	0	0	0					
27	Solar Tax Credits	0	0	0	0	0	0	0	0	0	0	0					
28	Total Tax Benefits	311,165	3,173,821	2,884,996	2,885,042	2,885,117	2,885,910	2,885,905	2,886,069	2,886,263	2,882,604	2,880,239	39,066	39,098	39,132	39,787	41,044

	HZ	IA	IB	IC	ID	IE	IF	IG	IH	II	IJ	IK	IL	IM	IN	IO	IP
2	CAPITAL ACCOUNT ANALYSIS DURING OWNERSHIP BY LIMITED PARTNERSHIP																
3	Limited Partner Share	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
4	Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
5	Basis	49,630,690	49,695,745	48,004,902	46,314,934	44,625,858	42,897,663	41,246,033	39,556,090	37,867,096	36,179,070	34,424,443	32,851,963	31,214,574	29,578,199	27,942,856	26,190,776
6	Deductions from Basis	-521,050	-1,734,561	-1,734,561	-1,734,561	-1,734,561	-1,737,396	-1,737,396	-1,737,396	-1,737,396	-1,718,907	-1,706,513	-1,688,024	-1,688,024	-1,688,024	-1,685,844	-1,687,804
7	Basis at end of year	49,109,640	47,961,184	46,270,341	44,580,373	42,891,297	41,160,267	39,508,637	37,818,694	36,129,700	34,460,163	32,717,930	31,163,939	29,526,551	27,890,175	26,257,013	24,502,972
8	Outstanding Nonrecourse Debt	26,961,096	27,104,836	27,352,693	27,603,697	27,857,793	28,114,914	28,374,984	28,637,918	28,903,615	29,171,963	29,442,836	29,716,094	29,991,577	30,269,111	30,548,500	30,829,530
9	Minimum Gain on Chargeback	0	0	0	0	0	0	0	0	0	0	0	0	465,027	2,378,936	4,291,487	6,326,558
10																	
11	CAPITAL ACCOUNT																
12	Capital Account Balance	0	9,367,016	17,455,391	15,802,019	13,898,426	11,994,479	10,086,755	8,179,054	6,270,570	4,361,163	2,469,182	588,461	402,433	216,254	29,910	-159,553
13	Capital Contributions	11,040,733	11,367,104	250,000	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deductions	-1,481,736	-3,278,729	-1,903,372	-1,903,593	-1,903,947	-1,907,724	-1,907,701	-1,908,484	-1,909,407	-1,891,981	-1,880,720	-186,028	-186,179	-186,344	-189,463	-195,448
15	subtract 1/2 of solar credit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Syndication Expenses	-191,981	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Cash Flow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	End of Year Capital Account	9,367,016	17,455,391	15,802,019	13,898,426	11,994,479	10,086,755	8,179,054	6,270,570	4,361,163	2,469,182	588,461	402,433	216,254	29,910	-159,553	-355,001
19																	
20	Minimum Gain Chargeback	0	0	0	0	0	0	0	0	0	0	0	0	465,027	2,378,936	4,291,487	6,326,558
21	Capital Account plus Chargeback	9,367,016	17,455,391	15,802,019	13,898,426	11,994,479	10,086,755	8,179,054	6,270,570	4,361,163	2,469,182	588,461	402,433	681,281	2,408,846	4,131,934	5,971,557
22																	
23	CALCULATION OF TAX CONSEQUENCES ON SALE (TRANSFER) OF LIMITED PARTNERSHIP INTERESTS (outside basis)																
24	Initial Capital Account	9,558,996	17,647,372	15,993,999	14,090,407	12,186,460	10,278,736	8,371,035	6,462,550	4,553,143	2,661,163	780,442	594,414	408,235	221,891	32,428	
25	Capital Contributions	11,040,733	11,367,104	250,000	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Allocated Losses during Ownership	-1,481,736	-3,278,729	-1,903,372	-1,903,593	-1,903,947	-1,907,724	-1,907,701	-1,908,484	-1,909,407	-1,891,981	-1,880,720	-186,028	-186,179	-186,344	-189,463	-195,448
27	Cash Flow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28	Basis in Partnership Interest	9,558,996	17,647,372	15,993,999	14,090,407	12,186,460	10,278,736	8,371,035	6,462,550	4,553,143	2,661,163	780,442	594,414	408,235	221,891	32,428	-163,020
29																	
30	Tax Benefits (Losses) on Sale	9,558,996	17,647,372	15,993,999	14,090,407	12,186,460	10,278,736	8,371,035	6,462,550	4,553,143	2,661,163	780,442	594,414	408,235	221,891	32,428	-163,020
31	After Tax Benefits (Losses)	2,007,389	3,705,948	3,358,740	2,958,985	2,559,157	2,158,535	1,757,917	1,357,136	956,160	558,844	163,893	124,827	85,729	46,597	6,810	-34,234

	IA	IB	IC	ID	IE
44	INTERNAL RATE OF RETURN (CALCULATED QUARTERLY)				
45	DATE	BENEFIT	INVESTMENT	NET	IRR
46				0	
47				0	
48	Mar-23			0	5.68%
49	Jun-23			0	
50	Sep-23			0	
51	Dec-23			0	
52	Mar-24		1,540,733	-1,540,733	
53	Jun-24			0	
54	Sep-24			0	
55	Dec-24			0	
56	Mar-25			0	
57	Jun-25		4,000,000	-4,000,000	
58	Sep-25	155,582	5,500,000	-5,344,418	
59	Dec-25	155,582		155,582	
60	Mar-26	793,455	6,000,000	-5,206,545	
61	Jun-26	793,455		793,455	
62	Sep-26	793,455	5,367,104	-4,573,649	
63	Dec-26	793,455		793,455	
64	Mar-27	721,249	250,000	471,249	
65	Jun-27	721,249		721,249	
66	Sep-27	721,249		721,249	
67	Dec-27	721,249		721,249	
68	Mar-28	721,261		721,261	
69	Jun-28	721,261		721,261	
70	Sep-28	721,261		721,261	
71	Dec-28	721,261		721,261	
72	Mar-29	721,279		721,279	
73	Jun-29	721,279		721,279	
74	Sep-29	721,279		721,279	
75	Dec-29	721,279		721,279	
76	Mar-30	721,477		721,477	
77	Jun-30	721,477		721,477	
78	Sep-30	721,477		721,477	
79	Dec-30	721,477		721,477	
80	Mar-31	721,476		721,476	
81	Jun-31	721,476		721,476	
82	Sep-31	721,476		721,476	
83	Dec-31	721,476		721,476	
84	Mar-32	721,517		721,517	
85	Jun-32	721,517		721,517	
86	Sep-32	721,517		721,517	
87	Dec-32	721,517		721,517	
88	Mar-33	721,566		721,566	
89	Jun-33	721,566		721,566	
90	Sep-33	721,566		721,566	
91	Dec-33	721,566		721,566	
92	Mar-34	720,651		720,651	
93	Jun-34	720,651		720,651	
94	Sep-34	720,651		720,651	
95	Dec-34	720,651		720,651	
96	Mar-35	720,060		720,060	
97	Jun-35	720,060		720,060	
98	Sep-35	720,060		720,060	
99	Dec-35	720,060		720,060	
100	Mar-36	9,766		9,766	
101	Jun-36	9,766		9,766	
102	Sep-36	9,766		9,766	
103	Dec-36	9,766		9,766	
104	Mar-37	9,774		9,774	
105	Jun-37	9,774		9,774	
106	Sep-37	9,774		9,774	
107	Dec-37	9,774		9,774	
108	Mar-38	9,783		9,783	
109	Jun-38	9,783		9,783	
110	Sep-38	9,783		9,783	
111	Dec-38	9,783		9,783	
112	Mar-39	9,947		9,947	
113	Jun-39	9,947		9,947	
114	Sep-39	9,947		9,947	
115	Dec-39	9,947		9,947	
116	Mar-40	10,261		10,261	
117	Jun-40	10,261		10,261	
118	Sep-40	10,261		10,261	
119	Dec-40	10,261		10,261	
120	Mar-41	-34,234		-34,234	
121					



Linnet Corner (NH Senior Housing) | City of Alameda, Alameda County, CA



Housing Authority
of the
City of Alameda

www.alamedahsg.org



Housing Authority
of the
City of Alameda

Project Description

Address

2000 Lakehurst Circle, Alameda, CA 94501

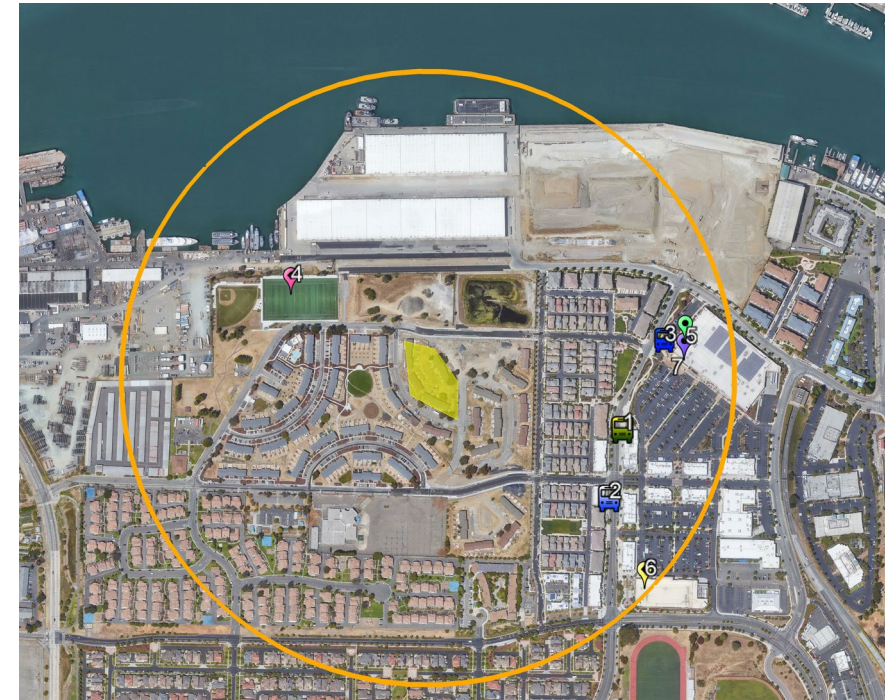
Target Population

A total of 64 units targeting seniors and formerly homeless/homeless senior veterans 62+

# of Bedrooms	# of Units	Affordability Levels
Studios	15	30% AMI
Studios	25	40% AMI
One-Bedrooms	23	30% AMI
Two-Bedrooms	1	100% AMI* (*Mgr's Unit)

Site Amenities

Nearby amenities include transit, Estuary Park, Target, Safeway, CVS Pharmacy, & College of Alameda



Development & Operations Team

Ground Lessee - Housing Authority of the City of Alameda

Developer - Island City Development



Architect - HKIT

General Contractor - J.H.Fitzmaurice, INC.



Service Provider - LifeSTEPS

Property Management - FPI Management



Financing Structure

Total Development Cost	\$53,809,642 (~\$840,775 PU)
First Mortgage	\$4,235,900
HCD - MHP	\$13,474,995
HCD - VHHP	\$4,867,201
HCD - IIG	\$2,293,116
FHLSB - AHP	\$945,000
AAHC – AHHTF & LHTF	\$3,438,000
Tax-Exempt Bond Allocation	\$27,184,366 (<i>includes \$2M supp</i>)
Taxable Tail	\$5,562,071
Deferred Developer Fee	\$1,400,000
GP Equity	\$497,593
Tax Credit Equity - Federal	\$22,657,837

Key Financial Impacts

- Overall hard cost increase in construction costs of approximately \$1M
- Increased pro-rata share of soil stabilization/ground improvement and overall increase of off-sites for a total of approximately \$1.7M

	BM	BN	BO	BP	BQ	BR	BS	BT	BU	BV
3	SOURCES AND USES OF FUNDS									
4										
5	SOURCES OF FUNDS									
6	First Mortgage		4,235,930	35 year amortization/17 year term				7.00%		
7	HCD - MHP		13,474,995	3% simple, 55 years, residual receipts with .42% due annually				1.92%		
8	HCD - VHHP		4,867,201	3% simple, 55 years, residual receipts with .42% due annually				1.92%		
9	HCD - IIG		2,293,116	0% deferred, Sponsor loan				0.00%		
10	FHLBDF - AHP		945,000	0% deferred, 55 years				0.00%		
11	Alameda Affordable Housing Corporation - AAHTF		3,438,000	0%, 55 years, residual receipts				0.00%		
12			0	Interest accrued during construction						
13	Construction Loan - tax - exempt bond allocation \$25,184,356 plus supplemental of...	2,000,000	27,184,356	B of A, 30 months, Daily GDFR +2.25%+.1%				6.60%	60% test	
14	Construction Loan - taxable tail		5,562,071	B of A, 30 months, Daily GDFR +2.25%+.1%				6.60%		
15	Deferred developer fee		1,400,000	payable in 15 years				0.00%	Basis + land/related costs	49,635,653
16	GP equity	balance	497,593	net cash dev fee	1,102,407				bond financing	27,184,356
17	Limited Partner @ 99.99%		22,657,837	Enterprise					Fed cents/dollar	64.77%
18	TOTAL SOURCES		86,556,079				0.9126			
19								5.68%	IRR	
20		Perm TDC	63,808,842							
21										
22	USES OF FUNDS									
23	Land - 99 year ground lease from Alameda Housing Authority \$1/year		99							99
24	Acquisition loan interest and fees		80,623							80,623
25	Holding costs		505,207							505,207
26	Closing costs		54,613							54,613
27	Site work AHA contract - portion attributed to this project - est 75% basis eligible		2,795,818		2,096,862		2,096,862			2,096,862
28	Offsite work - separate contract with GC - est 75% basis eligible		1,989,538		1,492,164		1,492,164			1,492,164
29	Site improvements in basis		2,567,697		2,567,697		2,567,697			2,567,697
30	New Construction	GC contract	30,088,183	23,268,435	23,268,435		23,268,435			23,268,435
31	Contractor general requirements/ overhead/profit		3,268,833	3,268,833	3,268,833		3,268,833			3,268,833
32	Contractor bond and insurance	34,673,637	641,967	641,967	641,967		641,967			641,967
33	PIV system		191,251	191,251	191,251		191,251			191,251
34	Personal Property in Construction Contract		150,000	150,000	150,000		150,000			150,000
35	Furniture Purchased by Owner		158,000	158,000	158,000		158,000			158,000
36	Construction contingency	6.00%	1,743,677	1,743,677	1,743,677		1,743,677			1,743,677
37	Impact Fees		2,275,748	2,275,748	2,275,748		2,275,748			2,275,748
38	Permits and utility hookups		1,425,003	1,425,003	1,425,003		1,425,003			1,425,003
39	Architecture		767,662	767,662	767,662		767,662			767,662
40	Survey, engineering, testing		418,500	418,500	418,500		418,500			418,500
41	Construction management, prevailing wage monitoring		289,349	289,349	289,349		289,349			289,349
42	Environmental reports		70,322	70,322	70,322		70,322			70,322
43	Soft cost contingency		450,000	450,000	450,000		450,000			450,000
44	Predev loan fee/interest		237,284	237,284	237,284		237,284			237,284
45	Construction Loan Fee @ 1%		327,464	0	0		0			327,464
46	Perm loan fee 1% = \$10k conversion fee, and legal		72,359	0	0		0			72,359
47	Costs of bond issuance		173,223	0	0		0			173,223
48	Interest on soft loans during construction		0	0	0		0			0
49	Taxes during construction		148,359	148,359	148,359		148,359			148,359
50	Construction Loan Interest during construction - 20 months		2,212,670	2,212,670	2,212,670		2,212,670			2,212,670
51	Construction loan interest post construction - 11 months		2,296,493							2,296,493
52	Construction lender legal and costs		95,000	95,000	95,000		95,000			95,000
53	Security during construction		125,000	125,000	125,000		125,000			125,000
54	Course of Construction Insurance		450,000	450,000	450,000		450,000			450,000
55	Title - Construction Loan Closing		100,000	100,000	100,000		100,000			100,000
56	Appraisal		25,000	25,000	25,000		25,000			25,000
57	Tax Credit Allocation Committee Fees		52,685				52,685			52,685
58	Legal Fees - Organization		5,000				5,000			5,000
59	Legal Fees - Construction Loan Closing		130,000	130,000	130,000		130,000			130,000
60	Legal - Syndication incl. \$55k investor legal		115,000						115,000	115,000
61	Legal - Permanent loan closing		10,000				10,000			10,000
62	Title - Permanent loan closing		10,000				10,000			10,000
63	Market Study		17,000						17,000	17,000
64	Consultant - Syndication		60,000						60,000	60,000
65	Marketing		306,000				306,000			306,000
66	Project Audit		63,700				63,700			63,700
67	Operating Reserve - 6 months operations	Enterprise #	556,370						556,370	556,370
68	Services/other reserve		0						0	0
69	Transition reserve for HCD -- pay fee for pooled reserve		108,693				108,693			108,693
70	Development Fee	keep \$3m in	3,000,000	3,000,000	3,000,000		3,000,000			3,000,000
71	Repayment of Construction Loan		32,746,437						32,746,437	32,746,437
72	TOTAL PROJECT COSTS		86,556,079	47,798,773	47,798,773		3,425,619		35,331,687	

Developer Fee

- **HCD Cash Limitation:** \$2,200,000
- **Total Developer Fee:** \$3,000,000
- **Cash Fee:** \$1,600,000
 - Closing - \$0
 - During Construction - \$0 (*note: GP equity contribution of ~\$497k will be requested in development fee from construction loan*)
 - Conversion - \$852,407
 - 8609 - \$250,000
- **Deferred:** \$1,400,000 (possibly recoverable from construction cost savings)
- **Note: Please note the entire development fee is split 50/50 between AHA & ICD**



Considerations

- **Supplemental Bond Request:** \$2,000,000
- **Land Value Treatment:** Operating Lease vs. GP Capital Contribution of lease repayments

Original Allocation	\$20 Million to \$40 Million				
Supplemental Allocation Requested (compared to original allocation)	5%	10%	20%	30%	30%+
Tiebreaker Reduction	0.25%	0.50%	0.75%	1.00%	2.00%

RECOMMENDATION

- **Adopt the Authorizing Resolution No. 1067 for the Ground Lease and Cash Loans and Approve the Financing and Ownership Structure for Linnet Corner**

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Resolution No.1067

Linnet Corner (North Housing Seniors)

WHEREAS, the Housing Authority of the City of Alameda (the “**Housing Authority**”) is the owner of that certain land located at 2000 Lakehurst Circle in the City of Alameda (the “**Land**”), which is commonly referred to as Linnet Corner (North Housing Seniors).

WHEREAS, Island City Development, a California nonprofit public benefit corporation (“**ICD**”) ICD has formed and is the sole member and manager of ICD Mabuhay LLC, a California limited liability company (the “**LLC**”), and the LLC has formed and is the sole general partner of Mabuhay and Lakehurst LP, a California limited partnership (the “**Partnership**”), with the Housing Authority as the initial sole limited partner of the Partnership.

WHEREAS, the Housing Authority and the Partnership are parties to that certain Option Agreement effective as of November 17, 2021, between the Housing Authority and ICD, as assigned pursuant to that certain Assignment of Option Agreement dated January 1, 2023, between ICD and the Partnership (as assigned, the “**Option Agreement**”) with respect to the Land.

WHEREAS, the Housing Authority intends to record an “**Affordable Housing Agreement**” against the Land prior to entering into the Ground Lease (as defined below). The form of such agreement was approved by the Board on October 18, 2017.

WHEREAS, the Board deems it to be in the best interests of the Housing Authority, as lessor, to enter into a ground lease and memorandum of ground lease with the Partnership as lessee, with respect to the Land for a term of 99 years, and upon such terms and conditions as deemed necessary or appropriate by an officer of the Housing Authority (the “**Ground Lease**”).

WHEREAS, the Partnership intends to acquire, rehabilitate, construct, own and operate 64 units of affordable housing (including 1 manager’s unit) on the Land (the Partnership’s leasehold interest in the Land and fee interest in the improvements, including the affordable housing, now or hereafter located thereon is collectively referred to herein as the “**Project**”).

WHEREAS, the Board deems it to be in the best interests of the Housing Authority to obtain a loan from Bank of Marin, Bank of America, N.A. a national banking association, or another bank or lender of Affordable Housing Program funds in an amount not to exceed \$945,000 (the “**AHP Funding Loan**”) and to lend the proceeds thereof to the Partnership.

WHEREAS, the Board of Commissioners (the “**Board**”) of the Housing Authority deems it to be in the best interests of the Housing Authority to assist in the acquisition, rehabilitation, construction and development of the Project by the Partnership by: (i) withdrawing as limited partner from the Partnership and facilitating the admission of an affiliate of Enterprise Housing Credit Investments, LLC, as nominee, or a substitute investor (“**Investor**”) as a 99.99% limited partner in the Partnership in exchange for capital contributions to the Partnership of approximately \$22,000,000, (ii) amending and restating the agreement of limited partnership of the Partnership (the “**Partnership Agreement**”) to provide for such other matters as may be required by the Investor, and (iii) entering into the Guaranty Agreement (the “**Guaranty Agreement**”) for the benefit of the Partnership and the Investor (collectively, the “**Syndication**”).

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

(a) A recourse construction loan (the “**Senior Tax-Exempt Loan**”), from California Municipal Finance Authority, a joint exercise of powers agency duly organized and existing under the laws of the State of California (“**Governmental Lender**”), in the approximate amount of \$27,184,366, which Senior Tax-Exempt Loan is anticipated to convert to a nonrecourse permanent loan in the approximate amount of \$4,300,000 following stabilization of the Project and certain other conditions. The Senior Tax-Exempt Loan is anticipated to be funded by the proceeds of a loan (the “**Funding Loan**”) made to Governmental Lender from Bank of America, N.A., a national banking association (in such capacity, the “**Initial Funding Lender**”), in the approximate amount of \$27,184,366, which Funding Loan is anticipated to be secured by an assignment of Governmental Lender’s rights, title, and interests in and to the Senior Tax-Exempt Loan, and which Funding Loan is anticipated to be purchased under a another permanent lender (in such capacity, the “**Permanent Funding Lender**”) in the approximate amount of \$4,300,000, in connection with the conversion of the Senior Tax-Exempt Loan.

(b) A loan from the California Department of Housing and Community Development (“**HCD**”) of MGP funds in an amount not to exceed \$13,474,995.

(c) A loan from HCD of VHHP funds in an amount not to exceed \$4,867,201.

(d) A loan from ICD of HCD IIG grant funds in an amount not to exceed \$2,293,116.

(e) A loan from Alameda Affordable Housing Corporation of Local Housing Trust Fund Program funds from HCD and matching funds in an aggregate amount not to exceed \$3,438,000.

(f) A loan from the Housing Authority of the proceeds of the AHP Funding Loan; alternatively, the Partnership may borrow such funds directly from Bank of Marin, Bank of America, N.A. a national banking association, or another bank or lender.

WHEREAS, the Board deems it to be in the best interests of the Housing Authority for the Housing Authority to enter into interest rate swaps, caps, collars, floors (including any option), amendments or supplements thereto, and assignments or terminations thereof, from time to time to hedge or otherwise manage interest rate exposure in relation to assets or liabilities of the Housing Authority (collectively, the “**Swap Documents**”).

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

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

WHEREAS, the Board deems it to be in the best interest of the Housing Authority to enter into condominium documents and related association documents, to grant any easement and/or a dedication of a portion of the Project, as may be necessary, to the City and/or the County of Alameda, or other public body, and to execute such documents and to perform such actions as may be required in order to obtain all necessary and appropriate entitlements, permits and any other authorization for the acquisition, development, management or operation of the Project and for any waiver of entitlement or similar fees (collectively, the “**Entitlement Documents**”).

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

WHEREAS, the Housing Authority has approved a housing assistance payments contract to be entered into with the Partnership, an agreement to enter into a housing assistance

payments contract, or such other agreement or document in connection with a project-based voucher assistance (collectively, the “**HAP Documents**”).

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

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

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or her designee to accept the Transaction Documents subject to any minor conforming, technical or clarifying changes approved by the Executive Director or her designee and Housing Authority counsel. The Executive Director, or her designee, are hereby further authorized and directed to take such further actions including financial changes up to a limit of \$1,500,000 and execute and record such documents as are necessary to accept the Transaction Documents.

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

ATTEST:

Vanessa M. Cooper
Executive Director/Secretary

Carly Grob, Chair
Board of Commissioners

Adopted:

Date



Housing Authority
of the
City of Alameda

PHONE: (510) 747-4300
FAX: (510) 522-7848
TTY/TRS: 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Sylvia Martinez, Director of Housing Development

Date: January 17, 2024

Re: Provide Direction to Staff on Price and Terms on the purchase of 1628 Webster Street with Direction to Return to the Board in February 2024 with Any Items to be Ratified.

BACKGROUND

In fall 2020, the Housing Authority of the City of Alameda (AHA) was approached by the owner of the Hawthorn Suites on Webster Street, with an opportunity to convert the hotel to residential use. The Board authorized the Executive Director to sign a purchase and sale agreement in June 2022 and provided an \$8 million conditional long term commitment of funding to the project from the agency reserve policy. Staff applied to the State of California Housing and Community Development Department in July 2022 for funding and received an award in February 2023. Staff has accepted due diligence and negotiated extensions to close in late December. At the December 2023 meeting, the Board directed staff to issue a notice of termination of the escrow for purchase of this property.

DISCUSSION

The Board should consider whether to provide direction to staff on the price and terms of the purchase of 1628 Webster Street with direction to return to the Board in February to approve or ratify any items.

FISCAL IMPACT

To be determined.

CEQA

Not applicable.

RECOMMENDATION

Provide Direction to Staff on Price and Terms on the purchase of 1628 Webster Street with Direction to Return to the Board in February 2024 with Any Items to be Ratified.



ATTACHMENTS

None

Respectfully submitted,

A handwritten signature in blue ink, consisting of several overlapping loops and curves, positioned below the text "Respectfully submitted,".

Sylvia Martinez, Director of Housing Development



Housing Authority
of the
City of Alameda

PHONE: (510) 747-4300
FAX: (510) 522-7848
TTY/TRS: 711

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Sylvia Martinez, Director of Housing Development

Date: January 17, 2024

Re: Ratify and Approve Purchase and Sale Agreement Extensions #1 dated February 21, 2023, #2 dated July 19, 2023, #3 dated November 8, 2023, #4 dated November 20, 2023, and #5 dated December 13, 2023, Closed Session Decision dated December 20, 2023 to Terminate Escrow on Poppy Place (Webster Street Hotel).

BACKGROUND

In fall 2020, the Housing Authority of the City of Alameda (AHA) was approached by the owner of the Hawthorn Suites on Webster Street, with an opportunity to convert the hotel to residential use. The Board authorized the Executive Director to sign a purchase and sale agreement in June 2022 and provided an \$8 million conditional long term commitment of funding to the project from the agency reserve policy. Staff applied to the State of California Housing and Community Development Department in July 2022 for funding and received an award in February 2023. Staff has accepted due diligence and negotiated an extension to close in mid-November 2023.

DISCUSSION

The Board had previously approved the following extensions of time to the purchase and sale agreement in prior closed and regular sessions.

1. Closed Session: February 21, 2023, extended to September 28, 2023
2. Regular Agenda Item: July 19, 2023, added the Voluntary Remedial Action Agreement enrollment with additional deposit and extended to November 15, 2023.



Board of Commissioners Meeting - July 19, 2023

VIEW: AGENDA ▼

CREATE ▼

K. Accept Update on Poppy Place and Authorize the Executive Director to Negotiate and Execute the Second Amendment to the Purchase and Sale Agreement at 1628 Webster.

4. Closed session: Dated November 8, 2023, extended to December 1, 2023.
5. Closed session: Dated November 20, 2023, extended to December 14, 2023
5. Closed session: Dated December 13, 2023, extended to December 28, 2023.
6. Closed session: December 20, 2023, directed staff to terminate escrow.

FISCAL IMPACT

Over \$900,000 has been spent on predevelopment activities for this project.

CEQA

Not applicable

RECOMMENDATION

Ratify and Approve Purchase and Sale Agreement Extensions #1 dated February 21, 2023, #2 dated July 19, 2023, #3 dated November 8, 2023, #4 dated November 20, 2023, and #5 dated December 13, 2023, Closed Session Decision dated December 20, 2023 to Terminate Escrow on Poppy Place (Webster Street Hotel).

ATTACHMENTS

1. Webster_First Amendment to Agreement of Sale and Purchase_v3
2. Webster_Second Amendment to Agreement of Sale and Purchase_execution copy
3. Webster - Third Amendment to Agreement of Sale and Purchase
4. Webster - Fourth Amendment to Agreement of Sale and Purchase (Executed)
5. Webster - Fifth Amendment to Agreement of Sale and Purchase (Executed)
6. PSA - Termination Notice_231221

Respectfully submitted,



Sylvia Martinez, Director of Housing Development

**FIRST AMENDMENT TO
AGREEMENT OF SALE AND PURCHASE**

(1628 Webster Street)

THIS FIRST AMENDMENT TO AGREEMENT OF SALE AND PURCHASE (this "**Amendment**"), dated as of February 21st, 2023, is between ALAMEDA HOSPITALITY LLC, a California limited liability company ("**Seller**"), and HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a California body corporate and politic (together with its permitted successors and assigns, "**Buyer**").

RECITALS

A. Seller and Buyer are parties to that certain Agreement of Sale and Purchase, dated as of June 29, 2022, as modified by that certain Extension Notice, dated December 19, 2022, as further modified by that certain Second Extension Notice, dated January 23, 2023 (collectively, the "**Agreement**"). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement unless the context clearly indicates otherwise.

B. Seller and Buyer mutually desire to modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. Amendments.

1.1. Amendment of Section 8.4. Section 8.4 of the Agreement is hereby amended in its entirety as follows:

“Section 8.4 Property to be Delivered Vacant. “The Seller shall assure that the Property is vacant and that none of the Property, including any land or buildings, is occupied by any person or entity, or encumbered by a lease or rental agreement, as of Sunday, September 24, 2023, and shall deliver the Property to Buyer on the Closing Date in such vacant condition. Seller’s obligation to deliver the Property vacant shall not apply to any retail leases reviewed and approved by Buyer prior to the end of the Due Diligence Period.”

1.2. Amendment of Section 9.2. The first sentence of Section 9.2 of the Agreement is hereby amended in its entirety as follows:

“The consummation of the purchase and sale of the Property hereunder (“**Closing**”) shall take place on any date on or before September 28, 2023, as mutually determined by Buyer and Seller.”

2. No Other Amendments; This Amendment Governs and Controls. The Agreement, as amended by this Amendment, is hereby reaffirmed. Except as expressly modified hereby, the Agreement shall remain unmodified and in full force and effect. To the extent any of the provisions of this Amendment are inconsistent with any of the provisions set forth in the Agreement, the provisions of this Amendment shall govern and control. All references in the Agreement to the “Agreement” shall mean the Agreement as amended by this Amendment.

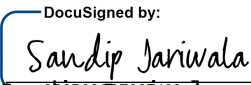
3. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. Each counterpart may be delivered by email or other electronic transmission. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, Purchaser and Seller have executed this Amendment as of the day and year first above written.

SELLER

ALAMEDA HOSPITALITY LLC,
a California limited liability company

By: 
Name: Sandip Jariwala
Title: Managing Member

BUYER

HOUSING AUTHORITY OF THE CITY OF ALAMEDA,
a California body corporate and politic

By: 
Name: Vanessa Cooper
Title: Executive Director

CONSENT OF ESCROW HOLDER:

Fidelity National Title Company (“**Escrow Agent**”), accepts the foregoing Amendment as escrow instructions, agrees to act as escrow holder and to be bound by the provisions in the Agreement, as amended by the Amendment, as applicable to the Escrow Agent.

FIDELITY NATIONAL TITLE COMPANY

By: 
Name: J. Jay Pugh
Title: VP/Sr. Commercial Escrow Officer

**SECOND AMENDMENT TO
AGREEMENT OF SALE AND PURCHASE**

(1628 Webster Street)

THIS SECOND AMENDMENT TO AGREEMENT OF SALE AND PURCHASE (the “Second **Amendment**”), dated as of July 19, 2023, is between ALAMEDA HOSPITALITY LLC, a California limited liability company (“**Seller**”), and HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a California body corporate and politic (together with its permitted successors and assigns, “**Buyer**”).

RECITALS

A. Seller and Buyer are parties to that certain Agreement of Sale and Purchase, dated as of June 29, 2022, as modified by that certain Extension Notice, dated December 19, 2022, as further modified by that certain Second Extension Notice, dated January 23, 2023, as amended by that certain First Amendment to Agreement of Sale and Purchase, dated as of February 21, 2023 (collectively, the “**Agreement**”). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement unless the context clearly indicates otherwise.

B. Seller and Buyer mutually desire to modify the Agreement as set forth in this Second Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. **Amendments.**

1.1. **Amendment of Section 1.1.** Section 1.1 of the Agreement is hereby amended by adding the following definition in a position that is alphabetical in relation to the other defined terms:

“Voluntary Remedial Action Agreement” shall mean that certain Voluntary Remedial Action Agreement (Agreement No. RO000354-2023-07-06), dated effective July 6, 2023, between Buyer, and the Alameda County Department of Environmental Health (“**ACDEH**”), and acknowledged by Seller.

1.2. **Amendment of Section 2.3.** Section 2.3 of the Agreement is hereby amended in its entirety as follows:

“Section 2.3 Deposit. Buyer has deposited by Federal Reserve wire transfer of immediately available funds the sum of Twenty-Five Thousand and No/100 Dollars (\$25,000.00) as an initial deposit (the “**Initial Deposit**”) with Escrow Agent whose address is as indicated in Section 11.3. Buyer has also

delivered the Approval Notice in accordance with the terms of this Agreement, and Buyer has deposited by Federal Reserve wire transfer of immediately available funds the sum of Two Hundred Thousand and No/100 Dollars (\$200,000.00) (the “**Second Deposit**”) with Escrow Agent. In connection with the Second Amendment, the Buyer shall deposit by Federal Reserve wire transfer of immediately available funds the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00) on or before July __, 2023 (the “**Third Deposit**” and collectively with the Initial Deposit, the Second Deposit, and the Extension Deposit (if made), the “**Deposit**”) with Escrow Agent. The Initial Deposit became nonrefundable to Buyer upon Buyer’s delivery of the Approval Notice. The Second Deposit became nonrefundable when made by Buyer, subject to the terms and conditions of this Agreement. The Third Deposit shall be nonrefundable when made by Buyer, subject to the terms and conditions of this Agreement. The Deposit shall be held and delivered by Escrow Agent in accordance with the provisions of Article 5. Interest earned on the Deposit while held by the Escrow Agent shall be considered part of the Deposit and shall be deemed to have been earned by and constitute income of Buyer. If the Closing occurs, the Deposit, including all interest, shall be applied against the Purchase Price on the Closing Date.”

1.3. Amendment of Section 8.4. Section 8.4 of the Agreement is hereby amended in its entirety as follows:

“**Section 8.4 Property to be Delivered Vacant.** “The Seller shall assure that the Property is vacant and that none of the Property, including any land or buildings, is occupied by any person or entity, or encumbered by a lease or rental agreement, as of Friday, November 10, 2023, and shall deliver the Property to Buyer on the Closing Date in such vacant condition. Seller’s obligation to deliver the Property vacant shall not apply to any retail leases reviewed and approved by Buyer prior to the end of the Due Diligence Period.”

1.4. Amendment of Section 9.2. The first sentence of Section 9.2 of the Agreement is hereby amended in its entirety as follows:

“The consummation of the purchase and sale of the Property hereunder (“**Closing**”) shall take place on any date on or before November 15, 2023, as mutually determined by Buyer and Seller.”

1.5. Amendment of Section 9.3(a)(iv). Section 9.3(a)(iv) is hereby amended in its entirety as follows:

“A copy of the Compliance Certificate, as defined and issued by the East Bay Municipal Utility District (“**EBMUD**”), certifying that all private sewer lateral applicable to the Property is free of leaks and otherwise meets the requirements of the Regional Private Sewer Lateral Ordinance, adopted and consolidated by the EBMUD.”

1.6. Addition of Section 9.7. Section 9.7 is hereby added to Article IX of the Agreement as follows:

“Section 9.7 Termination of Voluntary Remedial Action Agreement.

In the event of termination of this Agreement for any reason, Buyer agrees (1) to cause the termination of the Voluntary Remedial Action Agreement in accordance with the terms thereof, and (2) to pay any and all fees and costs associated with the termination of the Voluntary Remedial Action Agreement; provided, however, that Buyer shall not have any obligations under this Section 9.7 or under the Voluntary Remedial Action Agreement with respect to the mere discovery of adverse conditions relating to the Property or preexisting conditions of the Property discovered by Buyer, Seller, or the ACDEH in the course of any investigations permitted by this Agreement or by the Voluntary Remedial Action Agreement and Buyer shall have no responsibility or liability for the discovery of such adverse or preexisting conditions, or for paying the cost of remedying or rectifying any such conditions.”

2. No Other Amendments; This Second Amendment Governs and Controls. The Agreement, as amended by this Second Amendment, is hereby reaffirmed. Except as expressly modified hereby, the Agreement shall remain unmodified and in full force and effect. To the extent any of the provisions of this Second Amendment are inconsistent with any of the provisions set forth in the Agreement, the provisions of this Second Amendment shall govern and control. All references in the Agreement to the “Agreement” shall mean the Agreement as amended by this Second Amendment.


3. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. Each counterpart may be delivered by email or other electronic transmission. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, Purchaser and Seller have executed this Second Amendment as of the day and year first above written.


SELLER

ALAMEDA HOSPITALITY LLC,
a California limited liability company

By: 
Name: Sandip Jariwala
Title: Managing Member

BUYER

HOUSING AUTHORITY OF THE CITY OF ALAMEDA,
a California body corporate and politic

By: 
Name: Vanessa Cooper
Title: Executive Director

CONSENT OF ESCROW HOLDER:

Fidelity National Title Company (“**Escrow Agent**”), accepts the foregoing Second Amendment as escrow instructions, agrees to act as escrow holder and to be bound by the provisions in the Agreement, as amended by the Second Amendment, as applicable to the Escrow Agent.

FIDELITY NATIONAL TITLE COMPANY

By: 
Name: J. Jay Pugh
Title: VP/Sr. Commercial Escrow Officer

**THIRD AMENDMENT TO
AGREEMENT OF SALE AND PURCHASE**

(1628 Webster Street)

THIS THIRD AMENDMENT TO AGREEMENT OF SALE AND PURCHASE (the “**Third Amendment**”), dated as of November 8, 2023, is between ALAMEDA HOSPITALITY LLC, a California limited liability company (“**Seller**”), and HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a California body corporate and politic (together with its permitted successors and assigns, “**Buyer**”).

RECITALS

A. Seller and Buyer are parties to that certain Agreement of Sale and Purchase, dated as of June 29, 2022, as modified by that certain Extension Notice, dated December 19, 2022, as further modified by that certain Second Extension Notice, dated January 23, 2023, as amended by that certain First Amendment to Agreement of Sale and Purchase, dated as of February 21, 2023, as amended by that certain Second Amendment to Agreement of Sale and Purchase, dated as of July 19, 2023 (collectively, the “**Agreement**”). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement unless the context clearly indicates otherwise.

B. Seller and Buyer mutually desire to modify the Agreement as set forth in this Third Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. Amendments.

1.1. Amendment of Section 8.4. Section 8.4 of the Agreement is hereby amended in its entirety as follows:

“Section 8.4 Property to be Delivered Vacant. “The Seller shall assure that the Property is vacant and that none of the Property, including any land or buildings, is occupied by any person or entity, or encumbered by a lease or rental agreement, as of Tuesday, November 28, 2023, and shall deliver the Property to Buyer on the Closing Date in such vacant condition. Seller’s obligation to deliver the Property vacant shall not apply to any retail leases reviewed and approved by Buyer prior to the end of the Due Diligence Period.”

1.2. Amendment of Section 9.2. The first sentence of Section 9.2 of the Agreement is hereby amended in its entirety as follows:

“The consummation of the purchase and sale of the Property hereunder (“**Closing**”) shall take place on any date on or before December 1, 2023, as mutually determined by Buyer and Seller.”

2. No Other Amendments; This Third Amendment Governs and Controls. The Agreement, as amended by this Third Amendment, is hereby reaffirmed. Except as expressly modified hereby, the Agreement shall remain unmodified and in full force and effect. To the extent any of the provisions of this Third Amendment are inconsistent with any of the provisions set forth in the Agreement, the provisions of this Third Amendment shall govern and control. All references in the Agreement to the “Agreement” shall mean the Agreement as amended by this Third Amendment.


3. Counterparts. This Third Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. Each counterpart may be delivered by email or other electronic transmission. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, Purchaser and Seller have executed this Third Amendment as of the day and year first above written.

SELLER

ALAMEDA HOSPITALITY LLC,
a California limited liability company

By: 
Name: Sandip Jariwala
Title: Managing Member

BUYER

HOUSING AUTHORITY OF THE CITY OF ALAMEDA,
a California body corporate and politic

By:
Name: Vanessa Cooper
Title: Executive Director

CONSENT OF ESCROW HOLDER:

Fidelity National Title Company (“**Escrow Agent**”), accepts the foregoing Third Amendment as escrow instructions, agrees to act as escrow holder and to be bound by the provisions in the Agreement, as amended by the Third Amendment, as applicable to the Escrow Agent.

FIDELITY NATIONAL TITLE COMPANY

By:
Name: Jay Pugh
Title: VP / Sr. Commercial Escrow Officer

**FOURTH AMENDMENT TO
AGREEMENT OF SALE AND PURCHASE**

(1628 Webster Street)

THIS FOURTH AMENDMENT TO AGREEMENT OF SALE AND PURCHASE (the “**Fourth Amendment**”), dated as of November 20, 2023, is between ALAMEDA HOSPITALITY LLC, a California limited liability company (“**Seller**”), and HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a California body corporate and politic (together with its permitted successors and assigns, “**Buyer**”).

RECITALS

A. Seller and Buyer are parties to that certain Agreement of Sale and Purchase, dated as of June 29, 2022, as modified by that certain Extension Notice, dated December 19, 2022, as further modified by that certain Second Extension Notice, dated January 23, 2023, as amended by that certain First Amendment to Agreement of Sale and Purchase, dated as of February 21, 2023, as amended by that certain Second Amendment to Agreement of Sale and Purchase, dated as of July 19, 2023, as amended by that certain Third Amendment to Agreement of Sale and Purchase, dated as of November 8, 2023 (collectively, the “**Agreement**”). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement unless the context clearly indicates otherwise.

B. Seller and Buyer mutually desire to modify the Agreement as set forth in this Fourth Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. Amendments.

1.1. Amendment of Section 8.4. Section 8.4 of the Agreement is hereby amended in its entirety as follows:

“Section 8.4 Property to be Delivered Vacant. “The Seller shall assure that the Property is vacant and that none of the Property, including any land or buildings, is occupied by any person or entity, or encumbered by a lease or rental agreement, as of Tuesday, December 12, 2023, and shall deliver the Property to Buyer on the Closing Date in such vacant condition. Seller’s obligation to deliver the Property vacant shall not apply to any retail leases reviewed and approved by Buyer prior to the end of the Due Diligence Period.”

Amendment of Section 9.2. The first sentence of Section 9.2 of the Agreement is hereby amended in its entirety as follows:

“The consummation of the purchase and sale of the Property hereunder (“**Closing**”) shall take place on any date on or before December 14, 2023, as mutually determined by Buyer and Seller.”

2. No Other Amendments; This Fourth Amendment Governs and Controls. The Agreement, as amended by this Fourth Amendment, is hereby reaffirmed. Except as expressly modified hereby, the Agreement shall remain unmodified and in full force and effect. To the extent any of the provisions of this Fourth Amendment are inconsistent with any of the provisions set forth in the Agreement, the provisions of this Fourth Amendment shall govern and control. All references in the Agreement to the “Agreement” shall mean the Agreement as amended by this Fourth Amendment.


3. Counterparts. This Fourth Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. Each counterpart may be delivered by email or other electronic transmission. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, Purchaser and Seller have executed this Fourth Amendment as of the day and year first above written.

SELLER

ALAMEDA HOSPITALITY LLC,
a California limited liability company

By: 
Name: Sandip Jariwala
Title: Managing Member

BUYER

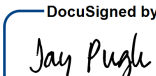
HOUSING AUTHORITY OF THE CITY OF ALAMEDA,
a California body corporate and politic

By: 
Name: Vanessa Cooper
Title: Executive Director

CONSENT OF ESCROW HOLDER:

Fidelity National Title Company (“**Escrow Agent**”), accepts the foregoing Fourth Amendment as escrow instructions, agrees to act as escrow holder and to be bound by the provisions in the Agreement, as amended by the Fourth Amendment, as applicable to the Escrow Agent.

FIDELITY NATIONAL TITLE COMPANY

By: 
Name: Jay Pugh
Title: VP / Sr. Commercial Escrow Officer

**FIFTH AMENDMENT TO
AGREEMENT OF SALE AND PURCHASE**

(1628 Webster Street)

THIS FIFTH AMENDMENT TO AGREEMENT OF SALE AND PURCHASE (the “**Fifth Amendment**”), dated as of December 13, 2023, is between ALAMEDA HOSPITALITY LLC, a California limited liability company (“**Seller**”), and HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a California body corporate and politic (together with its permitted successors and assigns, “**Buyer**”).

RECITALS

A. Seller and Buyer are parties to that certain Agreement of Sale and Purchase, dated as of June 29, 2022, as modified by that certain Extension Notice, dated December 19, 2022, as further modified by that certain Second Extension Notice, dated January 23, 2023, as amended by that certain First Amendment to Agreement of Sale and Purchase, dated as of February 21, 2023, as amended by that certain Second Amendment to Agreement of Sale and Purchase, dated as of July 19, 2023, as amended by that certain Third Amendment to Agreement of Sale and Purchase, dated as of November 8, 2023, as amended by that certain Fourth Amendment to Agreement of Sale and Purchase, dated as of November 20, 2023 (collectively, the “**Agreement**”). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement unless the context clearly indicates otherwise.

B. Seller and Buyer mutually desire to modify the Agreement as set forth in this Fifth Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. Amendments.

1.1. Amendment of Section 9.2. The first sentence of Section 9.2 of the Agreement is hereby amended in its entirety as follows:

“The consummation of the purchase and sale of the Property hereunder (“**Closing**”) shall take place on any date on or before December 28, 2023, as mutually determined by Buyer and Seller.”

2. No Other Amendments; This Fifth Amendment Governs and Controls. The Agreement, as amended by this Fifth Amendment, is hereby reaffirmed. Except as expressly modified hereby, the Agreement shall remain unmodified and in full force and effect. To the extent any of the provisions of this Fifth Amendment are inconsistent with any of the provisions set forth in the Agreement, the provisions of this Fifth Amendment shall govern and control. All references

in the Agreement to the “Agreement” shall mean the Agreement as amended by this Fifth Amendment.

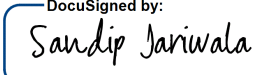
3. Counterparts. This Fifth Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. Each counterpart may be delivered by email or other electronic transmission. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, Purchaser and Seller have executed this Fifth Amendment as of the day and year first above written.

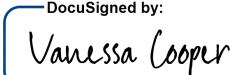
SELLER

ALAMEDA HOSPITALITY LLC,
a California limited liability company

By: 
Name: Sandip Jariwala
Title: Managing Member

BUYER

HOUSING AUTHORITY OF THE CITY OF ALAMEDA,
a California body corporate and politic

By: 
Name: Vanessa Cooper
Title: Executive Director

CONSENT OF ESCROW HOLDER:

Fidelity National Title Company (“**Escrow Agent**”), accepts the foregoing Fifth Amendment as escrow instructions, agrees to act as escrow holder and to be bound by the provisions in the Agreement, as amended by the Fifth Amendment, as applicable to the Escrow Agent.

FIDELITY NATIONAL TITLE COMPANY

By: 
Name: Jay Pugh
Title: VP / Sr. Commercial Escrow Officer



Housing Authority
of the
City of Alameda

PHONE: (510) 747-4300
FAX: (510) 522-7848
TTY/TRS: 711

701 Atlantic Avenue • Alameda, California 94501-2161

December 21, 2023

VIA EMAIL

Alameda Hospitality LLC
1628 Webster Street
Alameda, CA 94501
Attn: Sandip Jariwala
Email: sj@oaklandhs.com

Fidelity National Title Company
100 Pine Street, Suite 2460
San Francisco, CA 94111
Attn: Jen Reyes and Kevin Davis, Title
Officers, and Jay Pugh, Escrow Officer;
Rosi McCaskill, Underwriting Counsel
Emails: jreyes@fnf.com;
KDavis@fnf.com;
Jay.Pugh@fnf.com;
Rosi.McCaskill@fnf.com

**RE: BUYER'S TERMINATION NOTICE FOR AGREEMENT OF SALE AND
PURCHASE relating to 1628 Webster Street, Alameda, CA 94501 (the "Property")**

Ladies and Gentlemen:

Reference is made to that certain Agreement of Sale and Purchase, dated as of June 29, 2022, between Alameda Hospitality LLC, a California limited liability company ("**Seller**"), and the Housing Authority of the City of Alameda, a California body corporate and politic (together with its permitted successors and assigns, "**Buyer**"); as modified by that certain Extension Notice, dated December 19, 2022; as further modified by that certain Second Extension Notice, dated January 23, 2023; as amended by that certain First Amendment to Agreement of Sale and Purchase, dated as of February 21, 2023; as amended by that certain Second Amendment to Agreement of Sale and Purchase, dated as of July 19, 2023; as amended by that certain Third Amendment to Agreement of Sale and Purchase, dated as of November 8, 2023; as amended by that certain Fourth Amendment to Agreement of Sale and Purchase, dated as of November 20, 2023; and as amended by that certain Fifth Amendment to Agreement of Sale and Purchase, dated as of December 13, 2023 (collectively, the "**Agreement**"). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement unless the context clearly indicates otherwise.

This letter constitutes Buyer's formal written notice that: (i) Buyer has not received the proceeds of the State of California affordable housing funds as required under Section 9.4(b) of the Agreement; (ii) the Agreement is hereby immediately terminated pursuant to Section 9.4(c) of the



Agreement; and (iii) Buyer demands that Escrow Agent immediately return Buyer's deposit pursuant to Section 9.4(c) of the Agreement.

Buyer formally demands that Escrow Agent return to Buyer, Buyer's Three Hundred Forty-Five Thousand Dollars (\$345,000) deposit (the "Deposit") immediately. The Deposit includes: (i) \$25,000 deposit made on or about June 29, 2022; (ii) \$10,000 deposit made on or about December 19, 2022; (iii) \$10,000 deposit made on or about January 23, 2023; (iv) \$200,000 deposit made on or about February 21, 2023; and (v) \$100,000 deposit made on or about July 19, 2023. Buyer's wire instructions are attached.

Please contact our attorney at tpham@downspham.com or (415) 202-6373 with any questions or concerns. Thank you for your assistance on this matter.

Very truly yours,
DocuSigned by:


5AFA57239EC2484...

Vanessa Cooper

Executive Director of

Housing Authority of the City of Alameda

cc: Sylvia Martinez (smartinez@alamedahsg.org)
Tuan Pham (tpham@downspham.com)
Geoffrey Geddes (ggeddes@downspham.com)
Eduardo Jansen (ejansen@downspham.com)
Alison Torbitt (atorbitt@nixonpeabody.com)