



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, May 18, 2022 - 5:30 PM**
LOCATION **Closed Session - 5:31 PM**

LOCATION

Pursuant to Assembly Bill No.361 (Chapter 165, Statutes of 2021) approved by the Governor on September 16, 2021) codified at Government Code Section 54953 a local legislative body is authorized to hold public meetings remotely via teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when, among other requirements, a legislative body of a local agency holds a meeting during a proclaimed state emergency, and makes the public meeting accessible “via a call-in option or an internet-based service option” to all members of the public seeking to access and attend the meeting, offer public comment, and address the legislative body.

PUBLIC PARTICIPATION

Public access to this meeting is available as follows:

Join Zoom Meeting:

<https://us06web.zoom.us/j/89822835206?pwd=K1d1Qng1TIBsY01uWIRHaEx2U3JSdz09>

Meeting ID:898 2283 5206

Passcode:023235

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.



PLEDGE OF ALLEGIANCE

1. ROLL CALL
2. BOARD COMMISSIONER RECUSALS
3. Public Comment (Non-Agenda)
4. Closed Session - 5:31 p.m. - Adjournment to Closed Session to Consider:
 - 4.A. Conference with Legal Counsel-Anticipated Litigation: Significant exposure to litigation pursuant to subdivision (d)(2) of Government Code Section 54956.9: One potential case
 - 4.B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8.
Property Location: 401 Willie Stargell Avenue, Alameda, CA 94501
Assessor's Parcel Numbers: 074-0905-042-03
Agency Negotiators: Vanessa Cooper, Executive Director, Stephanie Shipe, Director of Portfolio Management, and Cheley Quiambao, Asset Manager
Negotiating Parties: Housing Authority of the City of Alameda and Shinsei Gardens Apartments, L.P.
Property Owner: Shinsei Gardens Apartments, L.P.
Under Negotiation: Exercise of purchase option and right of first refusal.
 - 4.C. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8.
Property Location: 1825 Poggi Street Alameda, CA 94501
Assessor's Parcel Numbers: 74-451-1-8
Agency Negotiation: Vanessa Cooper, Executive Director and Sylvia Martinez, Director of Housing Development
Negotiating Parties: Housing Authority of the City of Alameda and Vue Alameda Owner L.P.
Property Owner: Vue Alameda Owner L.P.
Under Negotiation: Investment in Real Property, Price and Terms of Payment
 - 4.D. 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, and Sylvia Martinez, Director of Housing Development, Negotiating Parties: Alameda Hospitality, LLC; Under Negotiation: Price and Terms of Payment.
 - 4.E. Pursuant to Government Code Section 54956.9(a)
Conference with Legal counsel re existing litigation: Housing Authority of the City of Alameda v. Johnson, Alameda County Superior Court No. RG18-933615
 - 4.F. Pursuant to Government Code Section 54956.9(a)
Conference with Legal counsel re existing litigation: Housing Authority of the



City of Alameda v. Camanag, Alameda County Superior Court No. RG21109420

5. Adjournment of Closed Session
6. RECONVENE REGULAR MEETING - 7:00 p.m.
7. Announcement of Action Taken in Closed Session, if any.
8. Public Comment (Non-Agenda)
9. 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.
 - 9.A. Approve Minutes of the Board of Commissioners Meetings held March 16, 2022, March 30, 2022, and April 27, 2022. **Page 6**
 - 9.B. Accept the Quarterly Overview Report for Executive Department. **Page 18**
 - 9.C. Accept the Quarterly Overview Report for the Housing Programs Department. **Page 26**
 - 9.D. Accept the Monthly Overview Report for Emergency Housing Voucher (EHV). **Page 35**
 - 9.E. Accept the Quarterly Overview Report for Property Operations. **Page 38**
 - 9.F. Accept the Quarterly Overview Report for Housing Development. **Page 43**
 - 9.G. Accept the Quarterly Development Report for North Housing. **Page 46**
 - 9.H. Accept the Monthly Development Report for Rosefield Village. **Page 50**
 - 9.I. Accept the Quarterly Overview Report on Procurement. **Page 54**
 - 9.J. Accept the Fiscal Year to Date Financial Report through the Month of March 2022. **Page 57**
 - 9.K. Accept the Quarterly Investment Report for Period Ending March 30, 2022. **Page 75**
 - 9.L. Approve an increase in the financial consulting contract with Nan McKay and Associates of \$50,000 for a total not-to-exceed of \$300,000. **Page 83**
 - 9.M. Approve the Executive Director or designee to make certain limited changes to the recurring and hiring process and to return to the Board of Commissioners at the next routine Board meeting for ratification. Authorize the ED or designee to:
 - A) advertise and/or make a hire at a pay range or title level lower than is approved by the Board in the schedule of authorized positions, provided the role still reports to the same supervisor and is in the same department; and/or B) change titles of approved positions provided they do not substantially change the job duties and do not change the pay range (notwithstanding item A above) and provided the role still reports to the same supervisor and is in the same department. This authorization would be valid through December 31, 2023 only due to the current tight job market. **Page 103**
 - 9.N. Approve the Sixth Amendment to the Consultant Services Agreement dated 4/15/15 between Island City Development and the Housing Authority of the City



of Alameda. **Page 105**

- 9.O. Approve Amendment of Administrative Plan for Chapters 8, 12, and 19. **Page 109**
- 9.P. Accept the LIHTC Portfolio Asset Management Fiscal Year to Date Financial Report through the Month of March 2022. **Page 156**
10. AGENDA
- 10.A. Adopt the Resolution to Approve the Housing Authority's One-Year Budget for Fiscal Year July 1, 2022 to June 30, 2023 including approval of: A) Summary of the FY2022-23 Budget and related income and expenses; B) Housing Assistance Payment (HAP) Budget and related expenditure of HUD-held HAP reserves; C) Capital Improvement Project (CIP) Budget and related use of property and agency reserves and any surplus operating cash from Fiscal Year 2022-23 to cover these expenses; D) Transfer by the Executive Director of up to \$1,325,697 in this budget year, as needed, from AHA property reserves to cover losses in the Housing Programs Department administrative operating budget and E) Revised Schedule of Authorized Positions effective July 1, 2022. **Page 182**
- 10.B. Approve the Update to the 2022-23 Reserve Policy. **Page 200**
- 10.C. Adopt Resolution to Loan Island City Development Up To a) Up to \$8 million for an adaptive reuse acquisition and an Option to Ground Lease to Island City Development, b) Up to \$4.4 million for 2615 Eagle Avenue and an Option to Ground Lease to Island City Development, b) Up to \$3 million for North Housing PSH I, c) Up to \$1.5 million for North Housing PSH II, d) Up to \$4.538 million for North Housing Senior to Island City Development and authorize the Executive Director or her designee to sign options to ground lease and loan award letters and other documents for State of California funding applications. **Page 206**
- 10.D. Accept Report for Balcony Replacements at Independence Plaza and Approve Executive Director to Procure, Negotiate, and Sign a Contract for Repairs and Related Costs Not to Exceed \$1,850,000; Approve Internal AHA Loan to AAHC for Independence Plaza not to exceed \$800,000 to Bridge Other Sources. **Page 212**
- 10.E. Accept the Monthly Overview Report for the Alameda Rent Program and Authorize the Executive Director or Designee to take all actions necessary to transfer the Program to the City and Provide Direction to Staff on whether to issue a 180 day notice to the City. **Page 217**
- 10.F. Adopt Authorizing Resolution for the Real Property Transfer of Properties to a, Limited Liability Company, Amend the Property and Asset Management Agreement, and Authorize the Executive Director, or Designee, to Negotiate and Execute Related Documents. **Page 229**
- 10.G. Adopt Resolution of the Board of Commissioners of the Housing Authority of the City of Alameda Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Commissioners Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361. **Page 237**



11. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
12. EXECUTIVE DIRECTOR'S COMMUNICATIONS
13. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)
14. CONTINUATION OF CLOSED SESSION OF HOUSING AUTHORITY BOARD OF COMMISSIONERS – IF NEEDED
15. Announcement of Action Taken in Closed Session, if any.
16. ADJOURNMENT

* * * Note * * *

- Documents related to this agenda are available on-line at:
<http://www.alamedahsg.org/cms/One.aspx?portalId=3723405&pageId=5912638>
- Know Your RIGHTS Under The Ralph M. Brown Act: Government's duty is to serve the public, reaching its decisions in full view of the public. The Board of Commissioners exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people's review. In order to assist the Housing Authority's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the Housing Authority accommodate these individuals.





**DRAFT MINUTES
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
WEDNESDAY, MARCH 16, 2022**

PLEDGE OF ALLEGIANCE

1. ROLL CALL

Present: Chair Grob, Vice-Chair Tamaoki,
Commissioner Hadid, Commissioner Mun,
and Commissioner Sidelnikov

Late arrival: Commissioner Rickard joined the meeting at approximately
6:50 p.m.

2. BOARD COMMISSIONER RECUSALS

Commissioner Mun recused herself from items 4.E, 9.D, 9.E, 9.G, 9.I, 9.J, 9.M,
9.N, 10.B, and 10.C. Ms. Mun left the meeting for these items.

3. Public Comment (Non-Agenda)

None.

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

Chair Grob called the meeting to order at 6:00 p.m. and announced that the
Board would adjourn to Closed Session.

- 4.A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR Pursuant to
Government Code Section 54956.8.
Property Location: 1826 Poggi Street, Alameda CA 94501
Assessor's Parcel Number 73-453-1-5
Agency Negotiators: Vanessa Cooper, Executive Director, Sylvia Martinez,
Director of Housing Development
Negotiating Parties: Waterford Property Co., California Statewide Communities
Development Authority



Under Negotiation: Price and Terms of Payment.

- 4.B. 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, and Sylvia Martinez, Director of Housing Development, Negotiating Parties: Alameda Hospitality, LLC; Under Negotiation: Price and Terms of Payment.
- 4.C. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8.
Property Location: 2615 Eagle, Alameda, CA 94501
Assessor's Parcel Numbers: 70-161-55-2
Agency Negotiators: Vanessa Cooper, Executive Director and Sylvia Martinez, Director of Housing Development
Negotiating Parties: Housing Authority of the City of Alameda and Mark Russell, Jeff Aguilar, Brian Hutcherson, CBRE.
Property Owner: Alameda Unified School District
Under Negotiation: Real estate transaction - price and terms
- 4.D. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8.
Property Location: 1825 Poggi Street Alameda, CA 94501
Assessor's Parcel Numbers: 74-451-1-8
Agency Negotiation: Vanessa Cooper, Executive Director and Sylvia Martinez, Director of Housing Development
Negotiating Parties: Housing Authority of the City of Alameda and Vue Alameda Owner L.P.
Property Owner: Vue Alameda Owner L.P.
Under Negotiation: Investment in Real Property, Price and Terms of Payment
- 4.E. Pursuant to Government Code Section 54956.9(a)
Conference with Legal counsel re existing litigation: Housing Authority of the City of Alameda v. Johnson, Alameda County Superior Court No. RG18933615
- 5. Adjournment of Closed Session

Chair Grob adjourned Closed Session at 7:00 p.m.

- 6. RECONVENE REGULAR MEETING - 7:00 p.m.

Chair Grob reconvened the Regular Meeting at 7:01 p.m.

- 7. Announcement of Action Taken in Closed Session, if any.

Chair Grob announced that the Board discussed and provided direction to staff



on items 4.A thru 4.E.

8. Public Comment (Non-Agenda)

None.

9. 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.

- *9.A. Approve Minutes of the Board of Commissioners Meetings held February 16, 2022.
- *9.B. Accept the Monthly Overview Report for Executive Department.
- *9.C. Approve the Proposed Temporary Policy Addressing COVID-19 Supplemental Paid Sick Leave and Authorize the Executive Director or Designee to Make any Necessary Changes to the Policy in order to Comply with State or Federal Law Without Returning to the Board for Approval.
- *9.D. Accept the Monthly Overview Report for the Housing Programs Department.
- *9.E. Accept the Monthly Overview Report for Emergency Housing Voucher (EHV).
- *9.F. Accept the Monthly Overview Report for the Alameda Rent Program and Approve the Executive Director to Take Steps Necessary to Start and Manage the Transfer Process, in the Event that the City Council Votes to Transfer the Rent Program to the City
- *9.G. Accept the Monthly Overview Report for Property Operations.
- *9.H. Accept the Monthly Overview Report for Housing Development.
- *9.I. Accept the Monthly Development Report for North Housing.
- *9.J. Accept the Monthly Development Report for Rosefield Village.
- *9.K. Accept the Monthly Overview Report on Procurement.
- *9.L. Accept Report on Housing Authority Records Disposition.
- *9.M. Accept 2021-2022 Strategic Plan Update.
- *9.N. Accept the LIHTC Portfolio Asset Management Fiscal Year to Date Financial Report through the Month of December 2021.

Items accepted or adopted are indicated by an asterisk.

In response to Vice-Chair Tamaoki, Vanessa Cooper, Executive Director stated that as previously presented to the Board, the original attempts to recruit a



“Deputy Executive Director,” attracted many candidates who were interested in a leadership position, rather than a direct management position. As the job description for this position includes the direct management of a number of administrative staff, who are currently being supervised by the Executive Director, staff readvertised the position as a recruitment for a “Director of Administrative Services.” The recruitment period for this position closes on Monday, March 21, 2022. Staff is budgeting to propose a recruitment at the “Deputy Executive Director” level in the next fiscal year. Ms. Basta also confirmed that vacancies at the Maintenance Specialist and Housing Specialist II level will not be filled, as many of the tasks previously assigned at these levels have been absorbed by the Resident Managers and the outsourcing of Property Management.

In response to Vice-Chair Tamaoki and Commissioner Sidelnikov, Ms. Cooper stated that the City Attorney has informed the Housing Authority of the City of Alameda (AHA) that in order to comply with the City bargaining agreements, the staff positions absorbed by the City, due to the reassignment of the Rent Program, will have to be posted and staff will have to apply for the positions. Individuals hired into these positions will be considered new employees and will not carryover the AHA vacation, sick leave, and FMLA benefits as such. While currently it is not expected that the transfer of the Rent Program will take place in sooner than seven months, understanding that due to a number of circumstances the City may not issue the 6 month notice of termination in a timely enough fashion after the vote, AHA is requesting that the Board approve the Executive Director to issue a 6 months' notice of termination of the agreement to the City, upon approval by the City Council of the transfer of the Rent Program to the City, if such notice is not promptly served by the City.

Due to his absence of the February 16, 2022 Regular Board of Commissioner Meeting, Commissioner Rickard abstained from voting on item 9.A. Due to this abstention, Chair Grob called item 9.A first.

Vice-Chair Tamaoki moved to accept Consent Calendar item 9.A, and Commissioner Sidelnikov seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 5 Chair Grob, Vice-Chair Tamaoki, Commissioner Hadid, Commissioner Mun, and Commissioner Sidelnikov

Abstention 1 Commissioner Rickard

Due to the recusal of Commissioner Mun, Chair Grob then called items 9.B, 9.C, 9.F, 9.H, 9.K, and 9.L.

Commissioner Sidelnikov moved to accept Consent Calendar items 9.B, 9.C, 9.F, 9.H, 9.K, and 9.L, and Vice-Chair Tamaoki seconded the motion. This



meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 6 Chair Grob, Vice-Chair Tamaoki, Commissioner Hadid,
Commissioner Mun, Commissioner Rickard,
and Commissioner Sidelnikov

In response to Vice-Chair Tamaoki, Lynette Jordan, Director of Housing Programs stated that as a result of AHA having opened both the PBV and HCV waitlists at the same time, which was only two months prior to the closing of the reporting period, the processing of vouchers took longer than expected which resulted in AHA receiving a HAP reserves utilization rate of 92.1%. Ms. Cooper stated that while the actual number of units leased has either remained steady or increased slightly, in response to being in shortfall HUD issued additional funds to AHA which resulted in the need to utilize more of the budgeted funds. Considering the rent freeze and softening of rents last year, AHA was unable to utilize the additional funds which contributed to AHA receiving this utilization rate.

Chair Grob called items 9.D, 9.E, 9.G, 9.I, 9.J, 9.M, and 9.N.

Vice-Chair Tamaoki moved to accept Consent Calendar items 9.D, 9.E, 9.G, 9.I, 9.J, 9.M, and 9.N, and Commissioner Hadid seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 5 Chair Grob, Vice-Chair Tamaoki, Commissioner Hadid,
Commissioner Rickard, and Commissioner Sidelnikov

Recusal 1 Commissioner Mun

10. AGENDA

- 10.A. Accept the Audit Report for Fiscal Year Ending June 30, 2021 and Authorize the Executive Director to Approve and Finalize with Minor Changes.

Louie So, Director of Finance, introduced Rich Larsen and Jason Blume, Novogradac & Company LLC who provided a presentation of the summarized Audit Report for Fiscal Year Ending June 30, 2021; highlighting the Report of Independent Auditors, Schedule of Expenditures of Federal Awards, Government Auditing Standards, and Uniform Guidance.

Commissioner Hadid moved to accept the Audit Report for Fiscal Year Ending June 30, 2021 and Authorize the Executive Director to Approve and Finalize with Minor Changes, and Commissioner Mun seconded the motion. This meeting



took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 6 Chair Grob, Vice-Chair Tamaoki, Commissioner Hadid, Commissioner Mun, Commissioner Rickard, and Commissioner Sidelnikov

10.B. Public Hearing to Hear Comments on Housing Authority Annual Plan for Fiscal Year Starting July 1, 2022.

Dan Mills, Management Analyst explained the process of updating the Annual Plan.

Chair Grob opened to the Public Hearing and hearing no comments from the Public, closed the Hearing at approximately 7:47 p.m.

10.C. Adopt the Annual Plan for Fiscal Year Starting July 1, 2022 and Authorize the Chair to Certify, By Resolution, that the Board of Commissioners has Approved Submission of the Agency Plan to HUD.

No discussion.

Vice-Chair Tamaoki moved to adopt the Annual Plan for Fiscal Year Starting July 1, 2022 and Authorize the Chair to Certify, By Resolution, that the Board of Commissioners has Approved Submission of the Agency Plan to HUD, and Commissioner Hadid seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 5 Chair Grob, Vice-Chair Tamaoki, Commissioner Hadid, Commissioner Rickard, and Commissioner Sidelnikov

Recusal 1 Commissioner Mun

10.D. Accept Alameda Family Services Presentation.

Ms. Cooper introduced Yunia Renteria, Alameda Family Services (AFS). AFS currently leases space at Esperanza Plaza to provide childcare and other services to the public and tenants of Esperanza Plaza.

Ms. Renteria provided a presentation which included a summary of AFS's Annual Report and details of the services provided to underserved families and seniors prior to and through the COVID pandemic.



Ms. Renteria expressed gratitude for the partnership with AHA.

AHA Staff and the Board expressed gratitude for the services provided and the ability to meet the various needs of families.

- 10.E. Adopt Resolution of the Board of Commissioners of the Housing Authority of the City of Alameda Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Commissioners Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361.

Commissioner Sidelnikov moved to adopt the Resolution of the Board of Commissioners of the Housing Authority of the City of Alameda Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Commissioners Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361, and Commissioner Mun seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes	6	Chair Grob, Vice-Chair Tamaoki, Commissioner Hadid, Commissioner Mun, Commissioner Rickard, and Commissioner Sidelnikov
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- 11. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)

None.

- 12. EXECUTIVE DIRECTOR'S COMMUNICATIONS

Ms. Cooper stated that AHA is preparing to celebrate the AUSD purchase which is expected to be finalized in the near future and AHA staff has begun working internally on MTW tasks and assignments.

- 13. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

Chair Grob expressed gratitude for the opportunity to tour Parrott Village and Parrott Gardens and recommended that all Commissioners tour these and other AHA properties.



14. CONTINUATION OF CLOSED SESSION OF HOUSING AUTHORITY BOARD OF COMMISSIONERS – IF NEEDED

N/A

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

N/A

16. ADJOURNMENT

Chair Grob adjourned the meeting at 8:20 p.m.

Vanessa M. Cooper
Secretary and Executive Director

Carly Grob, Chair
Board of Commissioners



**DRAFT MINUTES
SPECIAL MEETING OF THE BOARD OF COMMISSIONERS
WEDNESDAY, MARCH 30, 2022**

PLEDGE OF ALLEGIANCE

1. ROLL CALL

Present: Chair Grob, Vice-Chair Tamaoki,
Commissioner Hadid, Commissioner Mun,
and Commissioner Sidelnikov

Absent: Commissioner Rickard

2. COMMISSIONER RECUSALS

None.

Chair Grob called the meeting to order at 6:02 p.m.

3. Public Comment (Non-Agenda)

None.

4. AGENDA

- 4.A. Adopt Resolution of the Board of Commissioners of the Housing Authority of the City of Alameda Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Commissioners Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361.

Commissioner Sidelnikov moved to adopt the Resolution of the Board of Commissioners of the Housing Authority of the City of Alameda Ratifying the Proclamation of a State of Emergency by the Governor of the State of California



on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Commissioners Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361, and Commissioner Hadid seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 5 Chair Grob, Vice-Chair Tamaoki, Commissioner Hadid, Commissioner Mun, and Commissioner Sidelnikov

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

None.

6. EXECUTIVE DIRECTOR'S COMMUNICATIONS

None.

7. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

None.

8. ADJOURNMENT

Chair Grob adjourned the meeting 6:06 p.m.

Vanessa M. Cooper
Secretary and Executive Director

Carly Grob, Chair
Board of Commissioners





Housing Authority
of the
City of Alameda

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**DRAFT MINUTES
SPECIAL MEETING OF THE BOARD OF COMMISSIONERS
WEDNESDAY, APRIL 27, 2022**

PLEDGE OF ALLEGIANCE

1. ROLL CALL

Present: Chair Tamaoki, Commissioner Hadid
Commissioner Rickard, and Commissioner Sidelnikov

Absent: Chair Grob

2. COMMISSIONER RECUSALS

None.

Chair Tamaoki called the meeting to order at 6:10 p.m.

3. Public Comment (Non-Agenda)

None.

4. AGENDA

- 4.A. Adopt Resolution of the Board of Commissioners of the Housing Authority of the City of Alameda Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Commissioners Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361.

Commissioner Sidelnikov moved to adopt the Resolution of the Board of Commissioners of the Housing Authority of the City of Alameda Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote



Teleconference Meetings of the Board of Commissioners Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361, and Commissioner Rickard seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 4 Chair Tamaoki, Commissioner Hadid,
 Commissioner Rickard, and Commissioner Sidelnikov

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

None.

6. EXECUTIVE DIRECTOR'S COMMUNICATIONS

None.

7. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

None.

8. ADJOURNMENT

Chair Tamaoki adjourned the meeting 6:14 p.m.

Vanessa M. Cooper
Secretary and Executive Director

Kenji Tamaoki, Acting Chair
Board of Commissioners





Housing Authority
of the
City of Alameda

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To: Honorable Chair and Members of the Board of Commissioners

From: Janet Basta, Director of Human Resources and Operations

Date: May 18, 2022

Re: Accept the Quarterly Overview Report for Executive Department.

BACKGROUND

This memo provides a high-level overview of agency activities in the prior month for agency Operations, Human Resources, IT and Community Relations.

DISCUSSION

Human Resources and Operations

A summary of unfilled positions that are on the Schedule of Authorized positions is presented below. Positions are listed by department, and information about current and recent recruitment is included.

Department	Position	Number of Vacant Positions	Recruitment Status	Other Updates
Administration	Deputy Executive Director	0 FTE		Will repost after new budget and positions approved. Filled at Director level for current fiscal year.
	Director of Administrative Services	0 FTE	Position filled	Internal candidate selected
	Risk Manager; Reposted as Senior Management Analyst - Risk	1 FTE	Low response; will repost as Risk Manager	



	Services			
	Senior Management Analyst	1 FTE	Open due to promotion; not in active recruitment	Not scheduled to be filled until Jan 2023
	Administrative Manager	0 FTE	Position filled	
Finance		0 FTE		Department is fully staffed
Housing Programs	Assistant Director Housing Programs	1 FTE	Position posted, Interviews in process.	
Property Operations	Assistant Resident Manager: IP	0 FTE	Position filled	Department is fully staffed
Housing Development	Assistant Project Manager	0 FTE	Position filled	Department is fully staffed
	Project Manager	0 FTE	Position filled	.
Rent Program		1 FTE		One position open; will not recruit

Summary:

Total FTE's approved for FY 2022: 55

Number of vacancies: 4

Number of active recruitments: 2

While significant progress has been made in filling vacant positions, and AHA is looking forward to welcoming four new employees in early May, the job market remains challenging. A separate memo is being presented to the Board this month requesting authorization for the Executive Director to make certain limited changes during the recruiting process to help AHA respond more quickly when needed to attract and/or hire qualified candidates.

A "parking lot lunch", AHA's first in-person gathering for all staff since March 2020, was held on

March 31, 2022. Boxed lunches were provided, and tables were set up in the maintenance parking lot at the main office. The weather cooperated, and feedback from staff on the event was positive.

On April 27, Administrative Professionals Day was celebrated with an outdoor breakfast. We plan to continue to provide opportunities for similar in-person gatherings over the upcoming months, particularly as new staff are brought on and the weather permits outdoor events. Additionally, small group meetings, such as department meetings and 1-1 supervision meetings, are being held in-person as well, with masks and social distancing encouraged. Larger meetings, such as the monthly staff meeting, remain in virtual mode to reduce the possibility of COVID-19 transmission. Effective April 11, AHA employees are no longer required to wear masks at work in most situations; exceptions to this include times when staff are meeting with the public, including in-person job interviews, or a vendor or partner inside. Masks also must be worn by everyone (staff and visitors) when in the 701 Lobby. Additional restrictions may be implemented dependent on particular situations. Masks are still encouraged, and many staff are choosing to wear them while at work.

An RFP for a HRIS/Payroll system was released in early April. Responses are due by May 4, 2022. Once a vendor is selected, implementation plans include running the current and new systems parallel for several months prior to full implementation planned for January 1, 2023.

On May 19, 2022, Liebert Cassidy Whitmore, AHA's HR legal firm, will present a two-hour training on Harassment and Discrimination Prevention. This training is required every two years, and will be conducted by a live trainer in virtual mode rather than offering it on the online platform AHA typically uses for trainings to provide an opportunity for a higher level of interaction.

Reasonable Accommodations

The table below provides a summary of monthly and year-to-date statistics on Reasonable Accommodation (RA) processing as of May 3, 2022.

	Number of New Submissions in the Month	Number Received in the Current Month and Still in Process	Number Closed Out (Letter Sent) (due to prior approval or requestor change)	Running Total of New Submissions	Running Total of RAs Closed Out
January	29	0	29	29	29
February	10	0	10	39	39
March	17	2	15	56	54
April	34	21	13	90	67
May	2	2	0	92	67
TOTAL	92		67		

Below is a table of the decisions made on requests received during the month. For example, 29 requests were received during January 2022 and of those 29 requests that were completed, 41% were approved.

Month	Approved Percentage	Denied Percentage	Closed/Approved Prior Percentage
January	41	44	15
February	50	40	10
March	59	29	12
April	74	16	11

The following is a table of reasonable accommodation requests by type of accommodation. The "other" category includes any request that does not fall into the listed categories, so these requests could include extensions of time for completing a recertification, reinstating a voucher, and allowing an assistance animal, among other requests.

Categories	Year-To-Date
Extra Bedroom	15
Live-In-Aides	15
Parking	1
Unit Modifications/Requests	10
Voucher Extension	16
Other	35

Staff continue to accept requests via e-mail, fax, in person, by phone, and through the electronic form available on our website. Staff continue to quality control reasonable accommodation requests.

Information Technology (IT)

The IT service tickets for March were distributed across most categories. AHA did perform an audit of all laptops which created a spike in tickets related to Cyber Security; otherwise, there were no obvious trends besides an uptick in overall ticket volume compared to last month.

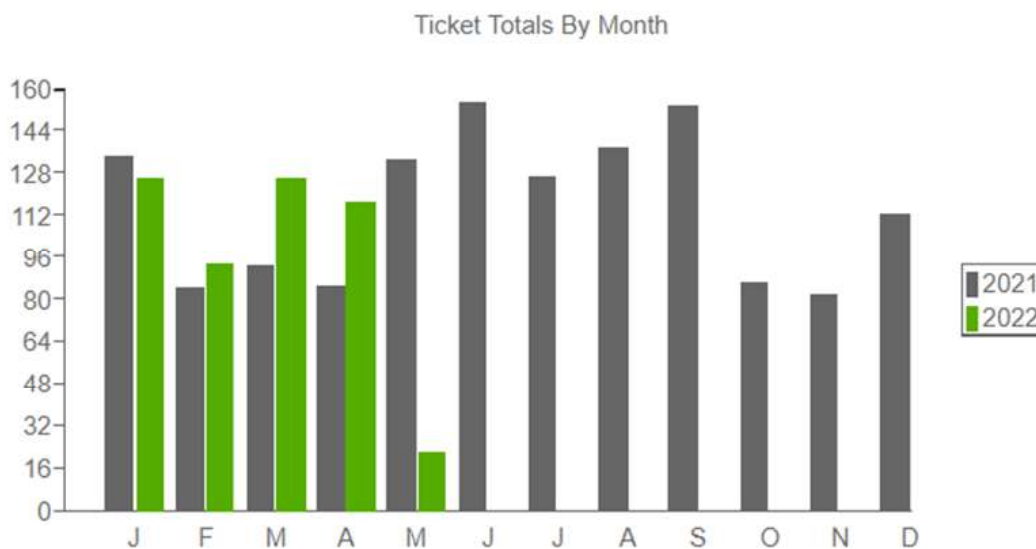
Techordia's ticketing system has a limitation on tracking response time when duplicate tickets are created and tied to the original ticket. If an AHA employee sends an e-mail without the ticket number in the e-mail header, the automated system creates a new ticket. Techordia staff then manually connect the two tickets together, but the system does not recognize the original response time, so the second ticket's response time is the time when the ticket is closed and creates a longer response time. These tickets are removed when calculating the average response time to tickets. The average response time for March tickets was only about 0.47 hours.

TECHORDIA SERVICE TICKET REQUESTS - March 2022

TYPE OF SERVICE REQUEST	NUMBER OF TICKETS
-------------------------	-------------------

Access Rights	15
Hardware	13
Software	27
On-Boarding/Off-Boarding	20
On-Site Visits	3
Cyber Security	34
TOTAL	112

As of May 4, 2022, there were 483 tickets in 2022, and, at that time, there were 42 open tickets. Below is a chart of tickets between 2021 and 2022. Techordia is now primarily covering all IT functions except the administration and troubleshooting for Yardi and Laserfiche. Onsite visits have been scaled back to once a week.



ADA Transition Plan

The Housing Authority of the City of Alameda is working with Sally Swanson Architects to update its ADA Transition Plan and ensure its policies, procedure, practices, and facilities are accessible to persons with disabilities.

Moving to Work (MTW) Designation

Staff are attending monthly trainings through HUD for the MTW program. Staff are also starting to implement the MTW functionality in Yardi in order to be prepared for April's VMS reporting on the MTW system by May 22, 2022. AHA will be joining the MTW Collaborative to have access to best practices, training and working groups for staff (e.g. finance). Staff is planning to start public meetings over the summer for the MTW Supplement to the Annual Plan which must be submitted to HUD prior to MTW activities being implemented.

Community Relations

In the month of April, LifeSTEPS staff reported attendance increasing every week for recreation activities (on Wednesdays) for AHA children via Alameda Recreation and Parks Department (ARPD) and Drawbridge. The Alameda Food Bank is now delivering water, fruit, and snacks for the youth programs held at Esperanza housing community. The food delivery coincides with the food packing and distribution event held every other Tuesday which provides fresh produce and hard goods to 130+ AHA households. On Wednesday, April 13, 2022, AHA hosted an event at 2615 Eagle Ave to celebrate the acquisition of Tilden Commons, which will eventually add 40 to 50 new affordable rental units to this great location on the island.

Website

The website re-design process is underway with staff currently working with the web development agency (Planeteria) to complete the website design and content organization process. AHA staff will meet the deadline for the website launch in late August 2022. With AHA's increased digital communications activity, AHA continues to track YTD (year to date) digital metrics. Data is presented in the tables below:

April	Total Followers	Monthly Unique Visitors (in April)	Impressions Delivered (Total page views by unique visitors in April)
LinkedIn	371	79	144

April	Total Followers	Post Reach (Number of people that saw any content on AHA Facebook page in April)
Facebook	649	1,474

April	Emails Sent out by AHA in April (to AHA landlords, program participants, tenants, vendors. Plus other contacts in AHA email database/contact lists)	Email Open Rate	Click Rate
Email	11,394	44%	2%

April	Total Visits	Unique Visitors	Page Views	Time Spent per Visit (in minutes)	Bounce Rate (percentage of website visitors that navigate away from the website after viewing only one page)
AHA Website	9,658	8,692	24,099	2:12	50%

Ombudsman

AHA's Ombudsman Program received six total contacts in the month of April, with four contacts related to AHA tenants and Reasonable Accommodations, one contact related to property condition, and one contact related to a property management dispute.

	January	February	March	April	YTD
Total Ombudsman Contacts	13	1	6	6	26
Contacts from the general public (Non AHA Landlord/tenant matter)	9	0	1	0	10
Contacts from the general public (Seeking Housing)	1	0	0	0	1
Contacts related to AHA tenant (Potential Lease violation)	2	1	0	0	3
Contacts related to AHA tenant (Neighbor/Property Management Dispute)	1	0	2	1	4
Contacts related to AHA tenant (Reasonable Accommodation)	0	0	0	4	4
Contacts related	0	0	0	1	0

to AHA tenant (Property Condition)					
Contacts related to AHA tenant (Rental Payment)	0	0	2	0	2
Contacts related to AHA tenants (and AHA private landlord)	0	0	1	0	1

Customer Survey Update

The deadline to submit surveys passed on March 18, 2022 and staff are currently tallying responses and performing data entry. The response data between the various channels will then be combined to generate similar reports to past years. Staff expect to present the comprehensive study during the June or August Board meeting. Staff will keep the Board updated.

FISCAL IMPACT

Report only, no financial impact.

CEQA

Not applicable to this item.

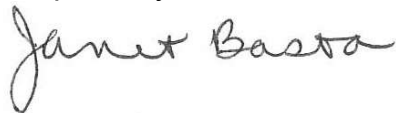
RECOMMENDATION

Accept the Monthly Overview Report for the Executive Department.

ATTACHMENTS

None

Respectfully submitted,



Janet Basta, Director of Human Resources and Operations



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: Lynette Jordan, Director of Housing Programs

Date: May 18, 2022

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

BACKGROUND

This memo is a high-level overview of Housing Programs Department (HPD) activities for the months of March and April.

DISCUSSION

Funding Update

A review of the Two-Year-Tool (TYT) updated April 27, 2022 year-end outcomes show AHA has \$2.7 mil in HAP reserves with a utilization rate of 92.2%. This could impact the ability to retain a High Performer rating in 2022, as Housing and Urban Development (HUD) has ended the waiver for SEMAP scores for 2022. Therefore, with only three months of HAP and utilization data entered into the projection tool, AHA will need to expend HAP funds and raise utilization by 5.8% to meet this goal. Therefore, staff have made the following recommendation to the Executive Director to increase utilization of HAP funds:

- * Issue Vouchers
- * Absorb Port-in vouchers
- * Increase the Payment Standards

Staff will continue to monitor AHA leasing efforts and make any further recommendations needed. Therefore, AHA staff plan to begin selecting applicants from the new Housing Choice Voucher (HCV) waitlist in the month of April, in order to meet our utilization goal.

Online Recertification Update

Since the Online Recertification portal launched in September 1, 2019, AHA has processed approximately 4K annual recertifications using the Yardi Rentcafe Portal system, unless a Reasonable Accommodation was filed. This online system has



allowed AHA participants to complete their annual recertifications online via cell phones, tablets, laptops, or home computers. Participants are proficient and are able to upload proof of income, assets, or other recertification documents directly onto the portal.

During the Health Emergency, AHA continued to assist our participants with the new online process using the virtual platform.

In April, AHA reinstated our in-person Rent Café Workshops to assist with the online recertification/ interim portal. AHA participants needing assistance or training on how to complete an annual or interim certification through the online portal can attend the workshop where staff can assist at the in-person workshop.

- Annual and Interim recertification processing
- Password and sign on issues
- Uploading documents
- Training on the Rent Cafe portal system
- The workshops will start effective Wednesday, May 11, 2022 and will be held every other week at 10 a.m. -11 a.m., at 703 Atlantic Avenue, Alameda, CA 94501 in the Ruth Rambeau Community Room.

Housing Quality Standards (HQS) Training

During the period of April 20, 2022 thru April 22, 2022, AHA hosted HQS virtual training for AHA staff and our Public Housing Authority (PHA) partners. The train was attended by AHA staff, as well as attendees from Monterey, Oakland, and Contra Costa PHA. Staff attended the 3-day training which included certification. AHA now has numerous staff that are trained and certified and can perform Quality Review Inspections as well as regular inspections if needed.

FISCAL IMPACT

For report only, no fiscal impact.

CEQA

N/A

RECOMMENDATION

Accept the Quarterly Overview of the Housing Programs Department.

ATTACHMENTS

1. 9-C Attachment Updated Implemented Waivers from 2020-33
2. 9-C Attachment 1 -HPD Performance

Respectfully submitted,



Lynette Jordan, Director of Housing Programs

**CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY (CARES) ACT (PUBLIC LAW 116-136) HOUSING CHOICE VOUCHER PROVISIONS
HOUSING AUTHORITY OF THE CITY OF ALAMEDA (CA062)**

**IMPLEMENTATION OF PIH NOTICE 2021-14 WAIVERS AND PIH NOTICE 2021-34 OPERATIONAL FLEXIBILITIES
UPDATED JANUARY 2022**

PIH Notice 2021-34 allows PHAs to continue with Operational Flexibilities that started with the CARES Act waiver included in PIH Notice 2021-14. PIH Notice also allows for an expedited waiver request process. If the AHA receives approval for a waiver, it will be listed below. As of January 3, 2022, the AHA will be using the following Operational Flexibility.

- PHA oral briefing: PHAs may continue to use alternative methods to provide oral briefings. The AHA will provide a combination of phone, webcast, in-person meetings, video calls, and other virtual methods to ensure equal access to briefings including compliance with all requirements in PIH Notice 2020-32.

The following waivers from PIH Notice 2021-14 are expired and no longer in use. In some cases, the alternative requirements may still be in process. Waiver HCV-2 has been removed from the below table due to it being implemented as an Operational Flexibility.

Item	Summary of alternative requirements	Date Implemented	Availability Period	Effect on Participants	Current Status on Waiver Alternative Requirements
PH and HCV-2: Family Income and Composition: Delayed Annual Examinations	<ul style="list-style-type: none"> • Permits the PHA to delay the annual reexamination of income and family composition • HCV PHAs must implement HCV-7 for impacted families if they implement this waiver 	4/28/2021	6/30/2021	Participants may have extra time to complete the annual process and avoid termination. All reexaminations due in FY 2021 must be completed by 12/31/2021.	All reexaminations due in FY 2021 were in process by December 31, 2021. Some resulted in termination notices for non-compliance.

Item	Summary of alternative requirements	Date Implemented	Availability Period	Effect on Participants	Current Status on Waiver Alternative Requirements
HQS-5: Biennial Inspections	<ul style="list-style-type: none"> Allows for delay in biennial inspections PHAs must require owner certification there are no life-threatening deficiencies PHAs must conduct all delayed biennial inspections from CY2020 as soon as reasonably possible but no later than 6/20/22, and must conduct all delayed biennial inspections from CY2021 as soon as reasonably possible but no later than 12/31/22 	7/2/2020	12/31/21	<p>HQS inspections will be delayed but missed inspections must be conducted by June 30, 2022 for CY2020 and by December 31, 2022 for CY 2021 missed inspections. Owner will need to make certification.</p>	<p>Owner certifications mailed to owners of units that were not inspected in accordance with the waiver. Still inspecting missed inspections, but all on track to be completed by June 30, 2022.</p>
HQS-6: Interim Inspections	<ul style="list-style-type: none"> Waives the requirement for the PHA to conduct interim inspection and requires alternative method Allows for repairs to be verified by alternative methods 	7/2/2020	12/31/21	<p>HQS inspections will be delayed and expanded use of self-certification.</p>	
HQS-8: PBV HAP Contract: HQS Inspections to Add or Substitute Unit	<ul style="list-style-type: none"> Allows for PBV units to be added or substituted in the HAP contract based on owner certification there are no life-threatening deficiencies Allows for delayed full HQS inspection NLT 6/30/22 	5/21/2020	12/31/21	<p>Minimal impact on existing participants as these are new units to a contract. Inspections must be completed by June 30, 2022 for all units added based on an owner's self-certification.</p>	<p>Owner certifications received by owners of units that were not inspected in accordance with the waiver. All units have been inspected at this time before the June 30, 2022 deadline.</p>

Item	Summary of alternative requirements	Date Implemented	Availability Period	Effect on Participants	Current Status on Waiver Alternative Requirements
HQS-9: HQS Quality Control Inspections	<ul style="list-style-type: none"> Provides for a suspension of the requirement for QC sampling inspections 	7/2/2020	12/31/21	Quality Control HQS inspections will be delayed but must resume with proper notice.	Quality Control inspections being currently conducted.
HCV-1: Administrative Plan	<ul style="list-style-type: none"> Establishes an alternative requirement that policies may be adopted without board approval until 9/30/21 Any provisions adopted informally must be adopted formally by 12/31/21 	6/24/2021	12/31/21	Changes to policies will not have a public process before implementation, but will have a public process before December 31, 2021.	All revisions under this waiver were presented to the Board of Commissioners in a public process before December 31, 2021.
HCV-3: Term of Voucher - Extensions of Term	<ul style="list-style-type: none"> Allows PHAs to provide voucher extensions regardless of current PHA policy 	7/2/2020	12/31/21	Would impact new admissions or transferring participants if 180-day voucher is about to expire. Would need to submit written request for extension.	
HCV-4: PHA Approval of Assisted Tenancy: When HAP Contract is Executed	<ul style="list-style-type: none"> Provides for HAP payments for contracts not executed within 60 days PHA must not pay HAP to owner until HAP contract is executed 	12/13/2021	12/31/2021	Would impact new admissions or transferring participants if HAP contract was not signed within 60 days of lease start.	

Item	Summary of alternative requirements	Date Implemented	Availability Period	Effect on Participants	Current Status on Waiver Alternative Requirements
HCV-5 Absence from Unit	<ul style="list-style-type: none"> Allows for PHA discretion on absences from units longer than 180 days PHAs must not make HAP payments beyond 12/31/20 for units vacant more than 180 consecutive days 	2/1/2021	12/31/21		
HCV-7: Increase in Payment Standard During HAP Contract Term	<ul style="list-style-type: none"> Provides PHAs with the option to increase the payment standard for the family at any time after the effective date of the increase, rather than waiting for the next regular reexamination. 	4/28/2021	12/31/21	Implemented in conjunction with PH and HCV – 2. Will implement increased payment standard at scheduled time of next annual reexamination.	
11 b: SEMAP	<ul style="list-style-type: none"> PHA to retain prior year SEMAP score unless requests otherwise 	7/2/2020	HUD will carry forward the most recent SEMAP score on record for any PHA with a fiscal year on or before December	Minimal impact on participants as this is a HUD-required audit performed by staff. Allows Agency to retain High Performer status when unable to complete HQS inspections.	

Item	Summary of alternative requirements	Date Implemented	Availability Period	Effect on Participants	Current Status on Waiver Alternative Requirements
11b-2: SEMAP Certification Timing	<ul style="list-style-type: none"> Waives the requirement for PHAs to submit an annual SEMAP certification in PIC within 60 days of FYE during the period of time that HUD will roll forward prior year SEMAP 	11/30/2020	1/1/22	Minimal impact on participants as this is a HUD-required administrative function.	
11c: Uniform Financial Reporting Standards: Filing of Financial Reports; Reporting	<ul style="list-style-type: none"> Allows for extensions of financial reporting deadlines 	3/31/21	9/30/22	Minimal impact on participants as this is a HUD-required administrative function.	Reporting submitted by deadlines.
MR-5: PHA Inspection Requirement: Annual Inspections	<ul style="list-style-type: none"> Waives the annual inspection requirement and allows PHAs to delay annual inspections for Mod Rehab units All delayed annual inspections must be completed as soon as reasonably possible but no later than one year after the date the annual inspection would have been required absent the waiver 	8/26/2020	12/31/21	HQS inspections will be delayed but missed inspections must be conducted within 1 year of due date.	Units inspected in 2021.

Attachment 1 - Housing Programs Department Performance Report
 Month of March and April 2022

Item	January	February	March	April	May	June	July	August	September	October	November	December	YTD
HAP spent for month	\$2,876,536	\$ 2,860,902	\$2,864,302	\$ 2,885,311									\$ 11,487,051
Vouchers under lease at start of month	1513	1524	1534	1545									n/a
Vouchers issued during the month	0	0	0	1									1
New units leased in private market	4	0	3	4									11
New units leased in affordable market	0	2	1	1									4
Seeking vouchers	36	43	61	69									209
Port outs leased	0	1	1	0									2
Port ins leased	0	2	4	0									6
Annuaals completed	98	120	135	172									525
Interims completed	41	43	48	82									214
Rent Increases completed	15	22	20	35									92
Inspections conducted	168	125	177	126									596
Inspections passed first time	37	25	37	56									155
Hearings requested	4	12	8	10									34
Hearings held	1	2	3	0									6
End of Participation *	0	1	1	0									2

* includes deaths, over income, voluntary surrender of voucher, etc.

To: Honorable Chair and Members of the Board of Commissioners

From: Tonya Schuler-Cummins, Senior Management Analyst

Date: May 18, 2022

Re: Accept the Monthly Overview Report for Emergency Housing Voucher (EHV).

BACKGROUND

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (P.L. 117-2, hereafter referred to in this memo as “the ARPA”) into law, which provides over \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses.

Section 3202 of the ARPA appropriates \$5 billion for new incremental Emergency Housing Vouchers (EHVs), the renewal of those EHVs, and fees for the cost of administering the EHVs and other eligible expenses defined by notice to prevent, prepare, and respond to the COVID-19 pandemic to facilitate the leasing of the emergency vouchers, such as security deposit assistance and other costs related to retention and support of participating owners.

Under PIH Notice 2021-15, in May 2021, the Department of Housing and Urban Development (HUD) allocated 70,000 EHVs to public housing authorities and issued guidance on the administration of these EHVs.

On May 10, 2021, HUD notified the AHA of its allocation of 57 EHVs and Vanessa Cooper, Executive Director, indicated to HUD an acceptance of the 57 EHVs on May 13, 2021. This acceptance resulted in the issuance of the budget authority and administrative fees to support 57 EHVs on July 1, 2021.

DISCUSSION

Updates

- EHV files are being quality checked to minimize errors.
- AHA has been awarded with 57 vouchers in total.
- AHA has received all referrals under the allocation set-aside for Domestic Violence (DV), which is six total vouchers.
- AHA has received three referrals out of five vouchers set-aside for the Transition Aged Youth (TAY) category.
- One family has already exited the program.



Category	Total	Notes
Vouchers Issued after Briefing 1. General Pool = 45 2. DV = 6 3. TAY = 3	54	(General Pool + Domestic Violence + Transitional Aged Youth)
Completed Applications Pending with the County	0	
Voucher Issuance Pending (Briefing Not Completed)	0	(Pending Voucher Issuance)
Total	54	(Vouchers Issued + Pending Issuance)

The below table is being updated due to recent voucher expirations and one family exiting the program to include how many referrals will be needed to reach 57 leased families.

Vouchers Awarded to AHA	57
Original Vouchers Issued	54
Original Voucher to be issued (pending referral)	3
Vouchers Expired	11
Families Terminated from Program (includes voluntary removals, program violations, and deaths)	1
Families Absorbed by other PHA	0
Referrals Needed to Reach 57 Leased	15

Below is a summary of the applicants who have found a unit after voucher issuance:

Request For Tenancy Approval Received (leasing in progress)	2
Lease-Up Completed in	17

Alameda with AHA Voucher	
Port-out Requests	22
Port-outs Leased Up with AHA Voucher	7

The AHA is receiving more requests to port-out than requests to port-in. Currently, all Housing Authorities in Alameda County have agreed to not absorb these port billing EHV families, but this agreement is being reviewed at least quarterly and could result in the above 7 families being billed being absorbed by another Agency.

The 11 vouchers expired above had used portability to move to Oakland (11 of the 22 port-outs) as a lot of these families were already leased in Oakland. The AHA is meeting regularly with the county to discuss further referrals needed, the processing of EHV families to try to ensure the family gets leased up before voucher expiration, and will be discussing the 11 expired vouchers at the next meeting.

FISCAL IMPACT

HUD has provided additional funds for the subsidy, services and administrative work to issue and lease up these vouchers.

CEQA

Not applicable.

RECOMMENDATION

Accept the Monthly Overview Report for EHV.

ATTACHMENTS

None

Respectfully submitted,



Tonya Schuler-Cummins, Senior Management Analyst

To: Honorable Chair and Members of the Board of Commissioners

From: Stephanie Shipe, Director of Portfolio Management

Date: May 18, 2022

Re: Accept the Quarterly Overview Report for Property Operations.

BACKGROUND

This memo provides a high-level overview of the Property Operations Department's activities for the last quarter and provides a snapshot of data as of the end of the quarter.

DISCUSSION

The attached table (Attachment 1) summarizes property performance of all sites including AHA owned and managed, affiliate owned, and managed by The John Stewart Company (JSCo). It excludes performance for Rosefield Village as the property is undergoing rehabilitation and construction.

For the month of April AHA managed Independence Plaza and Anne B Diamant. The remainder of the properties are third party managed by JSCo with staff paying close attention to rent reports, ledger updates, and vacancy applicant information.

VACANCY

The attached table (Attachment 1) reflects fifteen (15) vacancies out of five hundred eighty-four (584) units for all properties including: AHA owned and managed; affiliate owned; and third party managed by JSCo, as of the end of April. Progress is taking place in filling the vacancies. Twelve (12) have move-ins scheduled, twelve (12) are turned and ready for occupancy, seven (7) are to be filled by AHA and the remainder by JSCo.

Lease up coordination between AHA Property Management, JSCo, and AHA Housing Programs continues with a common goal to fill vacancies as expeditiously as possible. Vacancies that do not have a waitlist are posted on the AHA website and applications are available through contacting the resident managers, as well as GoSection 8, the Section 8 online search engine, and on Craig's List.



RENT COLLECTIONS

The attached table (Attachment 1) provides the collection rate versus budget for all AHA owned and managed, affiliate owned, and managed by The John Stewart Company (JSCo). An explanation for properties with a collection rate below 98% or above 101% is provided below.

The collection rate for Scattered Sites is 103.2% and is higher due to collecting on past due rents from residents and Emergency Rental Assistance Program (ERAP). Parrot Village & Gardens is 86.2% primarily due to units pending legal and Little John Commons is 95.2% the majority of these delinquencies are due to residents' income affected by COVID-19.

The total delinquency for the portfolio is \$260,529 which is cumulative rent that is passed due over the past two (2) years in the pandemic. As of April 2022, AHA properties have received \$145,477.07 in ERAP funds and approximately \$150,000 are either pending approval or resident applications are incomplete. Management and LifeSTEPS have been working closely with residents to get these resolved as quickly as possible. There are still a few residents that aren't responsive to the notices and referrals. Evictions due to non-payment of rent are currently prohibited by the County eviction moratorium.

RENT INCREASES

Payment standards for the City of Alameda have gone down in 2022. Therefore, staff do not anticipate seeing many rent increases for our subsidized units.

SOCIAL SERVICES

In April, LifeSTEPS continues in-person meetings. Staff continue to be in discussions with LifeSTEPS to ensure there is ongoing support for tenants. LifeSTEPS has been providing aid to tenants and households and continues to link them to financial service agencies, as needed.

AHA tenants continue to avail themselves of the Food Bank services during the Shelter in Place. AHA continues to manage the logistics of these services, including providing staff to package and deliver the food to the front door of 116 households on a bi-weekly basis. Staff from different departments participate in this activity.

MAINTENANCE

Routine work orders are being completed and protocols have been established to mitigate face-to-face interactions with tenants and staff when work takes place in the units. Given that most residents tend to be home when maintenance is to enter, there is a questionnaire and protocols that must be adhered to if work is to be completed in the occupied units.

In April 2022, maintenance staff began doing unit inspections and conducting preventative maintenance repairs at Independence Plaza in preparation for HQS inspections scheduled for July 2022. Anne B Diamant has completed its first round of

HQS inspections in April 2022 and anticipates wrapping up in May 2022.

The attached table (Attachment 1) shows the work orders completed for April 2022.

CAPITAL PROJECTS

The attached table (Attachment 2) summarizes Housing Authority budgeted Fiscal Year 2021-2022 capital projects currently underway.

FISCAL IMPACT

Report only, no financial impact.

CEQA

N/A

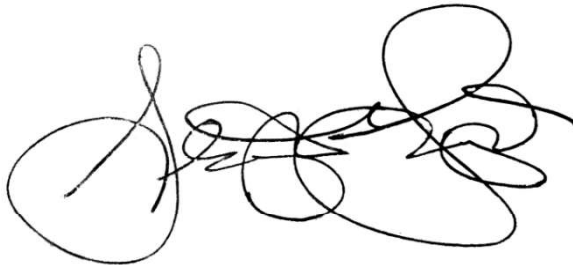
RECOMMENDATION

Accept the Quarterly Overview Report for Property Operations.

ATTACHMENTS

1. 1 - PM - Attachment 1 - Monthly Overview Report for Property Operations
2. Attachment 2 - CIP Update

Respectfully submitted,

A handwritten signature in black ink, consisting of several loops and flourishes, positioned above the name Stephanie Shipe.

Stephanie Shipe, Director of Portfolio Management

ATTACHMENT 1

End of April 2022

Property Name	Owned by	Managed by	Total units	Senior or Family	Manager units	Gross Potential Rent	Tenant Rent Collected	Subsidy collected	Total Rent Collected	% collected	Total Delinquency
* Anne B Diamant	AHHC	AHA	65	Senior	1	\$ 109,919	\$ 24,738	\$ 84,365	\$ 109,103	99.3%	\$ 7,138
* Independence Plaza	AAHC	AHA	186	Senior	1	\$ 212,915	\$ 129,135	\$ 81,936	\$ 211,071	99.1%	\$ 30,809
China Clipper	AHHC	JSCO	26	Family	1	\$ 46,647	\$ 12,338	\$ 34,284	\$ 46,622	99.9%	\$ 831
Eagle Village	AAHC	JSCO	36	Family	1	\$ 92,841	\$ 19,214	\$ 70,508	\$ 89,722	96.6%	\$ 11,191
Esperanza	AAHC	JSCO	120	Family	1	\$ 354,957	\$ 76,415	\$ 277,675	\$ 354,090	99.8%	\$ 34,996
Everett Commons	ICD	JSCO	20	Family	1	\$ 46,268	\$ 7,870	\$ 38,139	\$ 46,009	99.4%	\$ 32
Littlejohn Commons	ICD	JSCO	31	Senior	1	\$ 52,619	\$ 7,887	\$ 42,190	\$ 50,077	95.2%	\$ 10,588
Parrot Village & Gardens	AAHC/AHA	JSCO	58	Family	1	\$ 170,048	\$ 22,859	\$ 123,797	\$ 146,656	86.2%	\$ 164,308
Scattered Sites	AHA/AAHC	JSCO	42	Family	0	\$ 88,420	\$ 24,647	\$ 66,639	\$ 91,286	103.2%	\$ 637
TOTAL			584		8	\$ 1,174,634	\$ 325,103	\$ 819,533	\$ 1,144,636	97.4%	\$ 260,529

Property Name	Owned by	Vacant units at month end	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	Evictions pending with legal
* Anne B Diamant	AHHC	1	1.6%	0	1.6%	0	1	29	1
* Independence Plaza	AAHC	6	3.2%	0	3.2%	5	1	64	3
China Clipper	AHHC	1	4.0%	0	4.0%	0	0	7	
Eagle Village	AAHC	1	2.9%	0	2.9%	1	0	31	1
Esperanza	AAHC	2	1.7%	0	1.7%	2	1	24	
Everett Commons	ICD	0	0.0%	0	0.0%	0	0	3	
Littlejohn Commons	ICD	2	6.7%	0	6.7%	2	0	6	
Parrot Village & Gardens	AAHC/AHA	2	3.5%	0	3.5%	2	0	22	3
Scattered Sites	AHA/AAHC	0	0.0%	0	0.0%	0	0	7	
TOTAL		15	2.6%	0	2.6%	12	3	193	8

**ATTACHMENT 2
Capital Projects Update
FY 2021-2022 Capital Projects-Scheduled**

Property	Project	Original Contract or Budget Amount	Approved Change Orders	Current or Revised Budget Amount	Original Substantial Completion	Expected or Actual Substantial Completion	Status
AHA Office	Garage Partial Conversion	1,200,000				TBD	Architecture firm selected and initial work started
AHA Offices	Office Upgrades related to COVID-19	150,000					Ongoing
All Properties	Paint & Carpet 10% of Portfolio	420,000				ONGOING	Ongoing at unit turns; remainder of portfolio pending lifting Shelter in Place
Anne B Diamant	Balcony Repairs (44 Balconies)	100,000					Pending RFP issuance and award
Anne B Diamant	Roofing	50,000					Collecting bids for work.
Independence Plaza	Exterior Renovations (walkway lighting, trellis repairs)	150,000					Anticipate Issuance of RFP in 2021
Independence Plaza	Balcony Repairs (125 Balconies)	250,000					Pending RFP issuance and award
North Housing	Demolition and Related Costs	3,000,000		5,204,000			See HCD Report

FY 2019-20 Capital Projects Update (Scheduled)

Property	Project	Original Contract or Budget Amount	Approved Change Orders	Current or Revised Budget Amount	Original Substantial Completion	Expected or Actual Substantial Completion	Status
Anne B Diamond & Independence Plaza	Balcony Assessment	200,000	0	200,000	11/1/2019	12/15/2019	Inspections COMPLETE; ABD report received & currently under review; IP report scheduled for review
Sheman Street	Plumbing	25,000	0	80,000	11/1/2019	11/30/2020	COMPLETE
Lincoln House	Fire Damage	101,000	-	236,500	11/26/2019	10/30/20	COMPLETE
Independence Plaza	ADA Doors	160,000	0	68,000	8/2/2019	11/15/2019	COMPLETE
Independence Plaza	Sprinkler Inspectons/Repairs	14,995	0	14,995	10/15/2019	10/15/2019	COMPLETE
Sherman Street	Roofing	145,000	0	145,000	10/18/2019	10/18/2019	COMPLETE
Haight Avenue	Renovation Project (Pending Acquisition)	500,000	-	500,000	-	-	No update, project pending acquisition
Rosefield Village	Redevelopment Project	7,000,000	-	7,000,000	2020	2020	See HCD Report
North Housing	Demo/New Construction	3,000,000	-	3,000,000	2024	2024	See HCD Report

To: Honorable Chair and Members of the Board of Commissioners

From: Sylvia Martinez, Director of Housing Development

Date: May 18, 2022

Re: Accept the Quarterly Overview Report for Housing Development.

BACKGROUND

This memo provides an overview of the Housing Development departmental activities for the prior quarter.

DISCUSSION

Island City Development

The Housing Authority previously made two predevelopment loans to Island City Development (ICD) on behalf of two development projects: North Housing and Rosefield Village. In July 2021, the Alameda Affordable Housing Trust Fund awarded \$7,500,000 and a Letter of Intent for \$2,500,000 (contingent on an award from the Local Housing Trust Fund program of the State of California). In addition, in August 2021, ICD accepted a bridge loan from AHA to make a development advance to Rosefield Village, which is currently being repaid. Additional predevelopment and permanent loan awards are being contemplated at this meeting. The loan balance and project details are discussed in the subsequent project specific Board reports.

Affordable Housing Project Pipeline

Rosefield Village – An update report on the project is presented as a separate Board item.

North Housing – An update report on the project is presented as a separate Board item.

Feasibility Studies – Staff is working on feasibility for developments discussed in the Closed Session of January 20, 2021.

Acquisitions –

1. 2615 Eagle – AHA purchased this property on March 28, 2021 and is cleaning up and securing the site, including the purchase of liability and pollution liability insurance policies.



2. Pulte purchases – The twelfth condominium has been purchased as of May 18, 2022. Six more purchases will occur before the end of 2022. Previously purchased units have been leased to low income households, including housing choice voucher holders.
3. 1825 Poggi Street –An update to this acquisition was made in this month’s closed session.
4. Acquisition of Tax Defaulted Properties – The Board authorized staff to submit objections with offers to purchase two properties that were subject to auction for tax default via the County of Alameda Assessor’s office. AHA's objections were unsuccessful as both properties were redeemed by the current ownership.

Staff continues to evaluate potential real estate development and acquisition opportunities throughout Alameda as they become available.

New Funding Opportunities

The State of California Super NOFA (Notice of Funding Availability) has been released. Staff contemplates applying for up to four projects by June 28, 2022.

Construction in Progress

Staff is prioritizing three items in Construction in Progress (preparation for renovations on portfolio properties):

1. Balcony repair at Independence Plaza -The Request for Proposals (RFP) for the Balcony repairs was issued on March 15, 2022. We have received 2 proposals from qualified contractors. The anticipated “replace like for like” scope of work has changed due to a recommendation from Peoples Associates Structural Engineering as a result of the structural peer review they performed on the original drawings. They have recommended adding additional structural hardware to the new balcony guardrail posts to be in compliance with the current code. The staff are obtaining the cost of this additional work. We will be assessing the options and pricing and expect to begin work by July 1, 2022.
2. PNA’s (Physical Needs Assessments) for the property portfolio - The Request for Proposals (RFP) for the PNA’s was issued on February 28, 2022. Four (4) proposals were received by the deadline of March 25, 2022 and have been evaluated. AHA is scheduled to interview the (2) finalists on Wednesday, May 4, 2022 and Thursday, May 5, 2022. Once a selection is made and the contract is executed, we expect the PNA inspections to begin within 30 calendar days.
3. 26 15 Eagle Ave.- We have solicited and received bids for the following scope of work and anticipate finalizing contracts and contractors beginning work by June 7, 2022.
4. A. Concrete removal and replacement at the existing driveway due to neighboring tree roots are lifting the existing concrete, causing a safety/trip hazard.
B. Installation of a security/surveillance system with smoke/fire detection

- capability.
- C. The property has been re-keyed for security purposes.
5. The 701 Atlantic garage/office remodel - The RFQ Draft is being reviewed and is expected to be issued this summer.

Staffing

The HD department has two new staff starting in May; Nicole Guzman, Project Manager, and Marlene Reyes, Assistant Project Manager.

FISCAL IMPACT

N/A

CEQA

N/A

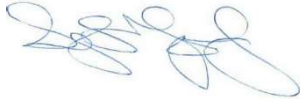
RECOMMENDATION

Accept the Monthly Overview Report for Housing Development.

ATTACHMENTS

None

Respectfully submitted,



Sylvia Martinez, Director of Housing Development



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: Tony Weng, Senior Project Manager

Date: May 18, 2022

Re: Accept the Quarterly Development Report for North Housing.

BACKGROUND

The North Housing Project is the redevelopment of approximately 12 acres of land at the former Alameda Naval Air Station (NAS) at the site known as Coast Guard Housing. The Housing Authority is leading the development under a homeless accommodation conveyance, alongside partners Alameda Point Collaborative (APC) and Building Futures. Island City Development (ICD) is the developer. On February 21, 2016, the Board authorized acceptance of the Quit Claim deed for conveyance of the property to the Housing Authority. On June 5, 2018, City Council approved the resolution to transfer the North Housing site to the Housing Authority. North Housing successfully transferred to Housing Authority ownership on May 30, 2019. The Board approved the Agency's Vision for the North Housing site at its August 2019 meeting. On August 17, 2020, the Planning Board approved the Development Plan, and on September 15, 2020, the City Council approved the Tentative Map.

Please see previous monthly Board reports for project details before this month's update. Documentation of the master planning process may be found at www.northhousing.org.

DISCUSSION

Funding

On January 19, 2022, staff submitted a No Place Like Home Program (NPLH) funding application to HCD for North Housing PSH I, the first phase of the 90 PSH unit development. The requested \$6.1 million NPLH funds will be used to assist fourteen (14) NPLH units. Funding awards are expected to be announced in June 2022.

On February 10, 2022, staff submitted a Community Development Block Grant (CDBG) and a HOME Investment Partnerships Program (HOME) to the City of Alameda for North Housing PSH I. The estimated total funds available from the City for CDBG and HOME funds is about \$1.25 million, and funding awards are expected to be announced



in June 2022.

On March 10, 2022, staff submitted an Affordable Housing Program (AHP) funding application to the Federal Home Loan Bank of San Francisco. Funding awards are expected to be announced in June 2022.

On March 30, 2022, the State of California Department of Housing and Community Development (HCD) published the Super Notice of Funding Availability (Super NOFA) which includes multiple HCD funding programs. Staff is reviewing the published guidelines and Super NOFA documents in preparation for the funding application that is due June 28, 2022.

Previously, AHA conditionally awarded twenty (20) and forty (40) Section 8 Project-Based Vouchers (PBV) for North Housing PSH I and North Housing PSH II, respectively. The initial Housing Assistance Payment (HAP) Contract for the total of sixty (60) PBVs over twenty (20) years is expected to be approximately \$15,000,000.

Design and Permit

On February 15, 2022, the City of Alameda Planning Department approved the SB 35 application and Design Review for North Housing Block A. The project is at one-hundred percent design development drawings and the general contractor is soliciting bids from subcontractors to provide a cost estimate for the 100% design development package.

FISCAL IMPACT

The Board previously authorized a predevelopment loan of \$6,238,000 for costs associated with master planning, carrying costs, demolition, and redevelopment work for the first phase of the North Housing project, which includes 90 units of permanent supportive housing. Funds are disbursed to ICD on an as-needed basis. The current available predevelopment loan balance is \$836,783. Please refer to the attached chart summarizing expenses through April 30, 2022 (Attachment 1).

The Board has made the following financial commitments to this development, per the 2021 Reserve Policy and the creation of the Alameda Affordable Housing Trust Fund in 2021: \$7,500,000 commitment to the first two permanent supportive housing phases, totaling 90 units; forward commitment of Local Housing Trust Fund matching grant funds of \$2,500,000, once available; approved an option to ground lease the property, at a subsidized rate in 2021.

Additional funding for the initial three phases of North Housing are contemplated in this month's agenda. Beginning in the next quarterly report, the three phases will be reported on separately, including any master plan costs and issues.

CEQA

Not Applicable.

RECOMMENDATION

Accept the Quarterly Development Report for North Housing.

ATTACHMENTS

1. North Housing Expenses Chart Through April 30, 2022

Respectfully submitted,

A handwritten signature in blue ink that reads "Tony Weng". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Tony Weng, Senior Project Manager

North Housing Predevelopment Expenses Chart Through April 30, 2022.

<u>North Housing</u>	<u>Total</u>
12 Acre Site Pre-Development (includes master planning and demolition)	\$4,150,257
First Phase Pre-Development (Block A, includes 90 PSH units)	\$773,017
Carrying Costs (see details below)	\$477,943
Grand Total	\$5,401,217

<u>Carrying Costs-Details</u>	
<i>Predevelopment Category</i>	<u>Total</u>
Administrative Expenses (including postage & advertising)	\$1,092
Furniture and Equipment - Fencing	\$65,043
Insurance	\$4,292
On Site Improvements	\$336,584
Legal Expense	\$18,816
Permit & Fees	\$722
Prepaid - Other	\$4,401
Professional Services (Other)	\$17,208
Survey	\$29,785
Grand Total	\$477,943



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To: Honorable Chair and Members of the Board of Commissioners

From: Allyson Ujimori, Senior Project Manager

Date: May 18, 2022

Re: Accept the Monthly Development Report for Rosefield Village.

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 Rosefield Village project includes new construction of 78 units and renovation of 14 units, totaling 92 units, located on the 700 block of Buena Vista Avenue. ICD is the developer. The overall project scope includes both the rehabilitation of existing structures and the construction of a new building in the middle of the site. In addition to the 78 units, the new central building includes onsite laundry facilities, property management offices, social service coordination offices, a community room, and central courtyard with recreation areas. Twelve existing units, in five buildings, on the east and west sides of the new building will be renovated, and one house will be converted into a duplex. Please see previous monthly Board Reports for project details prior to this month's update.

DISCUSSION

The overall project completion and billing percentage, through April 30, 2022, is approximately 91%. This month's construction activities included the continuation of the interior painting, flooring installation, appliance installation, elevator installation, rehab of some of the rehab units, and continuation of site work. The new construction building is wrapping up, with Owner approval of units and common areas underway. The new construction building, along with landscaping and a portion of the rehabs should be completed ahead of schedule, later this month. There may be delays in leasing up two non-tax credit units due to water connection issues, which are anticipated to resolve in early Fall 2022. These two units are not tax-credit units and thus do not substantially hold up the financing of the property. Staff is tracking the obligations to the investor and is working diligently with the utility company to resolve the issue as soon as possible.



There are no change orders this month. To date, the project has utilized approximately 23% of its hard cost contingency, which is well under the project's percent complete. Owner contingency funds are held separately from the contract and when change orders are approved, the original construction contract value will increase accordingly as shown in the table below.

Given the project cost savings, Staff proposed a few upgrades to the project. These upgrades include installation of solar photovoltaic system to offset common area electricity in the building, roofing upgrades, and landscaping upgrades on the east side of the property to evoke the design of the main courtyard.

Contingency Utilization

	Original Budget	Previous Revisions	Current Revisions	Revised Budget
Construction Contract	\$38,218,849	\$970,715	\$0	\$39,269,564
Hard Cost Contingency	\$4,586,262	-\$970,715	\$0	\$3,615,546
Soft Cost Contingency	\$300,000	-\$249,337	-\$6,031	\$44,632

General Construction Contract Utilization

Contract Total	Value of Work Completed to Date	Retention Withheld	Amounts Paid to Date	Balance to Finish
\$39,269,564	\$35,926,194	\$3,134,285	\$32,791,909	\$6,477,655

Staff continues to work with AHA Portfolio Management Department and the John Stewart Company (JSCo) on relocation needs for the one remaining household that has been temporarily relocated and the other household that remains in-place. Staff anticipates the temporarily relocated household will move back to its original home in early June. Below is an update on the relocation status through April 30, 2022:

Total Units	Vacant Units	Moves Completed	Currently Occupied	Remaining Units to Permanently Relocate	Remaining Units Temporarily Relocated
53	50	31	2*	0	1

* There is one tenant-occupied unit at 738A Eagle Ave. The John Stewart Company is using 738B as a temporary office.

Leasing

Project staff is working with the Portfolio Management and Housing Programs Departments and the John Stewart Company (JSCo) to lease-up the site. The project received over 8,700 applications. The team has set-up leasing goals and is working diligently to get the project leased up to meet its underwriting targets. In March 2022, the John Stewart Company began interviewing applicants and, as of early May, has 86 applicants in process. Earlier this month, the California Tax Credit Allocation Committee (TCAC) released 2022 rents, so project rents have been set and JSCo's compliance team will begin reviewing and approving applicants for move in. Staff anticipates that the property will be ready for occupancy in the first week of June and that all of the units will be occupied promptly.

FISCAL IMPACT

The current construction draw schedule is shown below. The “\$ Disbursed” includes the current draw amount.

	\$ Budget	\$ Disbursed	\$ Disbursed	\$ Balance
Land & Buildings	\$17,435,451	\$17,435,451	100%	\$0
Hard Costs	\$42,963,337	\$33,191,618	77%	\$9,771,718
Soft Costs	\$17,095,647	\$9,553,470	56%	\$7,530,114
Total	\$77,494,434	\$60,182,947	78%	\$17,311,487

Development Advance Status

On August 2, 2021, the Board approved a \$1.2 million unsecured loan from AHA to ICD to cover unanticipated costs observed by the project. In February 2022, the Board approved revised documents for the unsecured loan to include a lower loan amount and additional terms. Last month, the project received funding for the interest payment. HD staff is working with the Finance Department to fully close out the loan.

Total Loan Amount: \$1,026,000

Amount of Unutilized Funds for Contingency:	\$95,806
Refunds/credits received to date:	\$375,600
Loan Balance paid through Construction Loan (paid March 2022)	\$554,594
Development Advance Loan Interest Due (paid April 2022)	\$13,774

CEQA

This item is not applicable.

RECOMMENDATION

Accept the Monthly Development Report for Rosefield Village.

ATTACHMENTS

None

Respectfully submitted,

A handwritten signature in blue ink that reads "Allyson Ujimori". The signature is written in a cursive, flowing style.

Allyson Ujimori, Senior Project Manager



Housing Authority
of the
City of Alameda

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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Daniel Mills, Management Analyst

Date: May 18, 2022

Re: Accept the Quarterly Overview Report on Procurement.

BACKGROUND

This memo provides an overview of the procurement activities for the agency during the prior quarter.

DISCUSSION

Staff continues its internal status review of all department contracts and procedures to ensure compliance and address any deficiencies. A listing of recently closed, current and upcoming RFQs and IFBs can be found at the end of this overview.

Developing systems and processes to further automate and standardize procurement, both inter and intra-departmental, continues to be a focus. This includes, but is not limited to, centralizing and maintaining contractor lists, contract information and procurement documents, enhancing Yardi and Laserfiche utilization, and account reconciliation. Development and implementation will be a team effort within departments and AHA and we will inform the Board of all developments.

As a component of this focus on automation and standardization, AHA has introduced a procurement training curriculum. The "Basics 101" course held its first session and will have follow-up sessions scheduled for new employees and others who missed the first presentation. Two more courses on Purchase Orders and Document Management are planned for Q2. We will keep the Board informed of how this program progresses.

Other Procurement Notes:

- Staff recently opened up the RFP and Contract templates for feedback and plan on revisiting the format, details, and processes during Q2. Part of this process is researching procurement document management software. We are in the early stages of this process and will keep the Board informed.
- Staff is still conducting long-term internal testing for CivicClerk, the Board Management Software, to assist in generating and distributing the scheduled



Board memos. After discussions with the vendor, staff have revamped the training materials to improve document formatting and consistency. Simultaneously, staff is reviewing other options for Board Management solutions and are reaching out to other public agencies. We will keep the Board informed of the process and thank you for your patience.

- Staff has initiated a new Diversion, Equity, and Inclusion (DEI) initiative that will enable us to measure and focus on these aspects of our vendors and solicitations and to encourage minority-owned businesses to apply for our RFPs and other business opportunities. The initiative will help us to better reflect and serve our diverse communities. AHA has taken the next step in scheduling presentations to promote AHA's DEI procurement efforts. Meetings are ongoing and updates will be provided by the Community Relations Manager in the corresponding item.

AHA solicitations can be found here:

http://www.alamedahsg.org/working_with_us/business_opportunities.

A summary of current, past, and upcoming RFPs and ITBs is provided below:

RFP/IFB	DESCRIPTION	ORG	STATUS
Benefits Broker	For AHA personnel.	AHA	RFP to be issued in 2022.
Capital Needs Assessment	All properties.	AAHC	RFP closed, under review.
Copier Services	For the AHA office.	AHA	RFP to be modified and outreach conducted.
Cost Allocation Method	CAP alternative.	AHA	RFP closed, under review.
HRIS System	Including payroll.	AHA	RFP closed, under review.
PHA Housing Consulting	Comprehensive RFP.	AHA	RFP issued, deadline extended to May 20 with expanded outreach.
Property Management File Audit	Document review.	AHA	RFP re-issued with expanded outreach, closes on May 18.
Property Management Services Review	Contract performance.	AHA	RFP closed, awarded and contract under review.

FISCAL IMPACT

Reference each individual procurement event.

CEQA

N/A

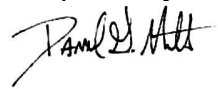
RECOMMENDATION

Accept the Quarterly Overview Report on Procurement.

ATTACHMENTS

None

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel Mills". The signature is written in a cursive style with a horizontal line extending from the end.

Daniel Mills, Management Analyst



Housing Authority
of the
City of Alameda

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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Janet Lee, Controller

Date: May 18, 2022

Re: Accept the Fiscal Year to Date Financial Report through the Month of March 2022.

BACKGROUND

This high-level, Finance and Budget Variance Report covers preliminary unaudited financial operating results compared to the FY 2021-22 budget for the month ending March 2022 (activity for the period from July through March 2022). Although the audited financial statements are on an accrual basis, the month-to-month financials are on a hybrid accrual and cash basis. The numbers presented are subject to change based on the adjustments from the final audited financial statement report. On June 24, 2021, the Board of Commissioners approved a one-year operating budget for the period covering fiscal year July 1, 2021 through June 30, 2022. The financial reports include the properties which were transferred to AHA's affiliate, Alameda Affordable Housing Corporation (AAHC) (Anne B. Diamant, China Clipper Plaza, Stanford House, Lincoln-Willow Apartments, Independence Plaza, Esperanza, Eagle Village and Parrot Village). All members of the Board of Commissioners also serve as the Board of Directors of AAHC. As part of the strategic plan, AHA staff has adopted a simplified format to track the financial performance of the authority on a quarterly basis and this financial report presents information for the period from July 2021 through March 2022 (fiscal year quarter 1, 2 & 3).

DISCUSSION

Overview

The following Financial Snapshot showcases Net Operating Income (Cash Flow of AHA) for the fiscal year to date. Further discussions on the cause of these variances are presented below. Please note that "Total Revenue" represented below only showcases a timing difference.



Financial Snapshot	PTD Actual	PTD Budget	Variance	% Variance
TOTAL REVENUE	40,746,413	42,377,659	-1,631,246	-3.85
LESS: OPERATING EXPENSES	36,863,890	39,884,049	3,020,158	7.57
NOI	3,882,523	2,493,610	1,388,913	55.70

The following Risk Indicator showcases whether AHA has sufficient cash and investments to meet its near-term obligations. Furthermore, the high level AHA Debt to AHA Assets percentage of 53% showcases that AHA is lowly leveraged. Additionally, some of the AHA debt are internal debt (i.e. seller note from the AHA to AAHC property transfers).

Performance Indicator	Cash	HAP	Months Covered
Cash and Investments/Total HAP	35,702,756	2,917,324	12.24
Cash and Investments/Operating Expense	35,702,756	4,298,934	8.31
Cash and Investments/HAP and Operating Expense	35,702,756	7,216,258	4.95
Percentage Debt to Assets	137,983,997	258,242,511	53%

Third Party Management

AHA has outsourced Eagle Village and Rosefield Village projects to The John Stewart Company (JSCO) prior to 2019. Additional AHA and AAHC properties were transferred to JSCO's management on July 1, 2020 including Parrot Gardens, Parrot Village, Detached Homes, Sherman Street, Lincoln House, Senior Condos, Stanford House, Lincoln Willow and China Clipper Plaza Apartments. Esperanza was outsourced to JSCO on January 1, 2021. Income and occupancy figures are provided in the Monthly Overview report for Property Operations for the properties managed by JSCO. AHA receives financial statement packages from JSCO for these properties on a monthly basis by the 3rd business week of the following month, and the financial activity of the properties are reviewed, consolidated and presented in the exhibits attached to this memorandum. Furthermore, Esperanza, Eagle Village and Parrot Village transferred

ownership from AHA to AAHC in July 2021. Finance staff is working with Asset Management on the planned transfer of the remaining scattered site properties from AHA to AAHC. Additionally, Finance staff will review financial statements for the acquisition of the Pulte BMR units.

Operations Budget – Revenue

Year-to-date - Rental income (Total Tenant Revenue) of \$10,650,837 is predominantly made up of Housing Assistance Payments (HAP) received for AHA units and tenant rents received. This is slightly higher than budget by \$133,262 (1.27%). Please note that the tax increment subsidy for Independence Plaza is received as one lump sum from the City of Alameda and recognized on a monthly prorated basis on the financial statements. Staff requested a higher amount from the City of Alameda than budgeted for due to additional property operating expenses, and the City of Alameda approved the disbursement for the 2nd calendar half of 2021 as well as the 1st calendar half of 2022. The tenant portion of rents received is higher than budget by \$266,019 (9.41%), with vacancies lower than budget by \$1,388 (0.48%), offset by a lower HAP subsidy received of \$333,188 (4.86%). Staff will continue to monitor tenant and HAP income closely, and a reconciliation of rents are completed internally for AHA managed properties. Additional tenant funding from the emergency rental assistance payment program was also received for the properties. Please see Monthly Overview Report for Property Operations for more information.

Total Other Income and Restricted Income is lower than budget by \$230,801 (15.21%). This is mostly attributable to account 711092 Professional Service Revenue as Rent Program and Housing Development reimbursements from the City of Alameda are billed in arrears. Additionally, \$100,000 in budgeted fee from the AHA/ICD services agreement was billed in December 2021. Interest earned from CAMP and LAIF are projected to be lower than the prior year due to the low interest rate environment, and LAIF investments are earned on a quarterly basis in arrears. Budgeted amounts for the current fiscal year has reflected a low rate of return on these investments. This is offset by additional interest income from the Jack Capon loan in FY 2022. Other Government Grants, most notably Alameda Unified School District Recognized Obligation Payments was billed for FY 2022 of \$1,930,400.

For the past several years, Administrative Fees from HUD have not fully funded the Housing Programs Department, and the Section 8 Program has been subsidized by income from AHA properties. HUD Administrative Fees are \$123,732 or 9.4% lower than budget.

Expenses

Total operating expenses, including HAP, are substantially lower than the year-to-date by \$3,020,158 (7.57%). This is mainly due to lower salary and benefit expenses, which are under budget due to vacant positions (resignations and retirement) and cost savings due to budgeted travel not utilized, offset by slightly higher maintenance costs in the properties due to deferred maintenance. Please see Monthly Overview Report for Operations, H.R. and I.T. for an overview of active recruitment. Staff expects these

operating expenses to increase as AHA becomes more staffed, with several positions in active recruitment. Housing Development, Finance, Portfolio Management and The John Stewart Company staff meet regularly to review the financial statements to monitor actuals versus budget amounts for properties under 3rd property management.

Housing Assistance Payments (HAP) Pass-through

The Housing Assistance Payments (HAP) pass-through includes all the Housing Choice Voucher/Section 8, Shelter Plus, and Bessie Coleman (SRO) programs. Year-to-date HAP revenue (8010000 HUD Operating Grants) is \$1,842,048 (6.81% below budget). It is expected that as AHA completes lease up from the wait list and increases utilization, additional funding from HUD to pass-through for HAP payments will occur in the next several months. Furthermore, additional funds for the Emergency Housing Vouchers were received from HUD in the months of June and July 2021 which are currently recorded as unearned revenue (not presented in the Budget Comparison) in the amount of \$99,750. Staff continues to make progress on \$338,600 (Account 9700800 Port-In AR Billings) in accounts receivable for Port-In billings from other public housing authorities. This amount is subject to change due to net Port-Outs. Port-In billing collections was not budgeted in the FY 2022 budget process as it's dependent on other housing authorities and participant portability. Shelter Plus Care revenue is paid in arrears by the Alameda County Housing and Community Development Department ("County"). Billing typically averages approximately \$40,000/month, and billings were provided to the County through the end of February 2022. Currently, AHA is owed the balance for July 2021 pending a review of the County's board to release the funds for the current fiscal year.

Statement of Net Position

The Housing Authority has adequate cash resources for operations. As of December 2021, AHA, AAHC and its affiliates have \$15,024 Million in cash, and \$20.6 Million held in LAIF and CAMP investments. Please see below to showcase a breakdown of AHA's cash position and restricted and unrestricted cash breakout. Please also refer to the Investment Memorandum which showcases the statements of the March 2022 LAIF and CAMP investments which are presented in the May 2022 Board of Commissioners meeting agenda.

I) Cash and Cash Equivalents Position	
Cash	15,023,949
LAIF (Local Area Investment Fund)	11,668,365
CAMP (California Asset Management Program)	9,010,443

Total Cash and Cash Equivalents	35,702,756
II) Restricted and Unrestricted Cash and Equivalents Breakout	
Restricted Property Funds (Security Deposit, Replacement Reserve, Escrow Deposits, etc.)	894,808
Restricted Federalized Funds (Section 8, Family Self Sufficiency, etc.)	264,333
Unrestricted Cash	34,543,615
Total Cash and Cash Equivalents	35,702,756

There were no fiscal year Board deemed restricted funds disbursed through the quarter ending March 2022.

OTHER ISSUES IMPACTING FINANCE DEPARTMENT

COVID-19 Mission Critical Tasks:

The finance management team has been prioritizing the following mission critical tasks during the current health situation.

1. Review new regulatory and tax pronouncements stemming from COVID-19 and how they may apply to AHA, AAHC, and its affiliates. This includes CARES Act administrative fee increases, reporting on CARES Act funds, and the American Rescue Plan Act (Passed in March 2021),
2. Continue to ensure Housing Assistance Payments are paid to landlords and AHA owned properties timely and to transfer landlords receiving a paper check to ACH for swifter payment and to reduce postage costs,
3. Continue to ensure payroll to our employees is paid timely and with no interruption,
4. Allow vendors the ability to submit invoices electronically through a web portal (Yardi VendorCafé) and allowing AHA the ability to pay via electronic funds transfer versus paper checks,
5. Continue to liaise with auditors remotely to ensure documents are transmitted, so the auditors can continue their review offsite.

Staffing

Nan McKay and Associates continues to provide limited consulting services, including HUD's monthly Voucher Management System (VMS) report and the annual unaudited Financial Data Schedule (FDS). Currently, the Finance Department is fully staffed. In anticipation of medium term staff absences in the upcoming months, an additional contractor was hired in January 2022.

Audit and Tax

AHA

The FY 2021 audited financial statements were presented to the Board of Commissioners in the March 2022 meeting and accepted. AHA staff and Novogradac (AHA's auditors) resubmitted the unaudited FY 2021 FDS to REAC in February 2022.

This report was accepted by HUD in late March 2022. AHA staff will submitted the audited FDS submission to REAC prior to the extension deadline of September 30, 2022. HUD granted AHA's staff request for an extension of time to file due to new and pending regulations.

AAHC

Although AHA is exempt from filing a federal tax return, AAHC is required to file a tax return. Novogradac & Company LLP is engaged to complete this work. For the fiscal year ending June 30, 2021, AAHC's tax return extension deadline is November 15, 2021. The final filing deadline is May 15, 2022 for the fiscal year ending June 30, 2021.

Please refer to the AAHC tax return in presented in this Board of Director's meeting for consent.

Island City Development

AHA is working with the CPA firm Holthouse, Carlin & Van Tright LLP (HCVT) for audit work of Island City Development and the three low-income housing tax credit (LIHTC) project partnerships (Sherman & Buena Vista, L.P. and Everett & Eagle, L.P., and Constitution & Eagle, L.P. the "LPs"). These have been submitted to stakeholders in late February 2022 and Early March 2022. Furthermore, tax extensions for all entities have been filed by the due date of March 15, 2022.

AHA staff prepared Request for Proposal for Audit and Tax Services for Island City Development and its affiliates by November 2021 and interviewed firms in December 2021. The staff recommendation was presented to the Island City Development Board of Directors in the December 2021 meeting. Staff has recommended HCVT to continue the audit and tax work for all the existing Island City Development projects (i.e. Island City Development, LLC entities, Everett & Eagle, L.P., Sherman & Buena Vista, L.P. and Constitution & Eagle, L.P.).

Additionally, staff has recommended Novogradac & Company LLP to the Island City Development Board of Directors for work as it relates to North Housing Block A and the upcoming low-income housing tax credit syndication. This includes 3 low-income housing tax credit partnerships, including agreed-upon procedures reports, audited

financial statements, tax returns and cost certifications. This work will be completed starting towards the end of 2022/beginning of 2023.

Unfunded Pension Liabilities

The actuarial results were presented in the January 2022 Board of Commissioners memorandum for the period ending June 30, 2021. The actuarial results for the period ending June 30, 2022 will be brought to the Board of Commissioners in the beginning of 2023. Although it is expected that the unfunded accrued pension liability will be fully paid within the next 15 years as projected by the soft fresh start mechanism, this is based on the assumption that the investment assets held at CalPERS as well as funding of the liabilities continue as projected. As previously presented to the Board of Commissioners, this will be reviewed on an annual basis within a 90%-110% guardrail and any substantial deviation will be reviewed and presented.

Budget

A detailed budget for the fiscal year July 1, 2021 through June 30, 2022 was brought to the Board of Commissioners at the June 24, 2021 meeting. The next budget cycle will occur prior to June 2022.

Banking Activities

No new accounts were closed and formed from the month of January through March 2022.

Quarterly Financial Reporting

As part of the strategic plan, AHA staff is migrating to a quarterly versus monthly financial reporting. As such, the next financial report will present information for the period from July 2021 through June 2022 and the next financial report will present information for the period from July 2021 through June 2022 (fiscal year quarters 1, 2, 3, & 4).

FISCAL IMPACT

None. This is for reporting purposes only.

CEQA

N/A

RECOMMENDATION

Accept the Fiscal Year to Date Financial Report through the Month of March 2022.

ATTACHMENTS

1. Attachment A - Balance Sheet as of March 31, 2022
2. Attachment B - Budget Comparison - March 2022
3. Attachment C - Budget Comparison Chart - March 2022

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Janet Lee', written in a cursive style.

Janet Lee, Controller

Balance Sheet

Period = Mar 2022

Book = Accrual

		Balance
1000000	ASSETS	
1100000	CURRENT ASSETS	
1101000	CASH	
1110010	Cash - Unrestricted	11,593,058.63
1110018	Cash - Operating Checking with 3rd Party	1,487,233.05
1110019	Petty Cash with 3rd Party	800.00
1110020	Cash - Petty cash	500.00
1110021	Cash - Benefit Account	82,770.00
1110030	Cash - FSS	164,583.13
1110040	Cash - Replacement Reserve Bldg	406,000.00
1130010	Cash - Restricted Other	99,750.00
1130030	Cash - Restricted Sec Dep	205,035.71
1140000	Cash - Tenant Security Deposits	-22.28
1140050	Cash - Tenant Security Deposits with 3rd Party	283,794.26
1190000	TOTAL CASH	14,323,502.50
1200000	ACCOUNTS RECEIVABLE	
1240010	Accounts Receivable - Government	359,776.29
1240050	HAP Rent Receivable	6,823.95
1240070	Accounts Receivable- HUD	7,562.33
1250010	Accounts Receivable - Other	302,367.52
1250050	Accounts Receivable - 3rd Party Management	123,340.09
1255000	Subsidy Suspense Receivable	-2,516.21
1260000	Accounts Receivable - Tenant	339,227.88
1260050	Accounts Receivable - Tenant Rent with 3rd Party	250,767.91
1261000	Allowance for Doubtful Accounts -Dwelling Rent	-122,417.92
1280000	Fraud Recovery	28,615.14
1281000	Allowance for Doubtful Accounts - Fraud	-28,837.04
1290000	Accrued Interest Receivable	-0.18
1299000	TOTAL ACCOUNTS RECEIVABLE	1,264,709.76
1300000	INVESTMENTS AND OTHER CURRENT NOTES	
1310000	Investments(LAIF)- Unrestricted	10,475,107.83
1320010	Investments - Other	202.00
1320020	Investments(LAIF) (Restricted) - FSS Escrow	89.32
1320030	Investments(LAIF)- Building Reserve	1,067,734.23
1320040	Investments(LAIF) - Equipment Reserve	123,822.39
1350000	Investments - Restricted	0.15
1350010	Investment(LAIF)-Restricted (Jack Capon Villa Trust)	1,408.91
1350031	Investments - CAMP	9,010,442.52
1350100	Mortgage Receivable	113,664,547.07
1350103	Mortgage Receivable-Jack Capon L. P.	71,180.66
1350105	Loan Receivable-Security Deposit Loan	94,275.84
1350106	Loan Receivable - ICD	18,573,482.00
1350107	Loan Receivable-RCD/Stargell/Tri Pointe	2,000,000.00
1350109	Loan Receivable - Section 8	1,790,000.00
1360000	TOTAL INVESTEMENTS AND OTHER CURRENT NOTES	156,872,292.92

Balance Sheet

Period = Mar 2022

Book = Accrual

		Balance
1400000	PREPAID EXPENSES	
1420020	Prepaid Insurance - Liability	0.00
1420040	Prepaid Insurance - Worker Comp	87,997.30
1420050	Prepaid - Other	9,470.78
1420051	Prepaid Rent	20,213.17
1420070	Escrow Deposits - Property	6,000.00
1420095	Prepaid Expense - Management Company	20,182.74
1430010	Replacement Reserve-NorthMarq Loan	694,446.06
1440099	TOTAL PREPAID EXPENSES	<u>838,310.05</u>
1440105	INTERPROGRAM	
1440110	Interprogram (Due From)	3,024,167.84
1440899	TOTAL INTERPROGRAM	<u>3,024,167.84</u>
1500000	TOTAL CURRENT ASSETS	176,322,983.07
1590000	LONG TERM ASSETS	
1600000	FIXED ASSETS	
1609999	LAND AND BUILDINGS	
1610000	Land	60,726,238.63
1620030	Buildings	33,254,672.79
1620031	Buildings Improvements	1,535,515.59
1629000	TOTAL LAND AND BUILDINGS	<u>95,516,427.01</u>
1630040	Furniture and Equipment - Dwelling	347,786.73
1630041	Furniture and Equipment - Other	142,036.80
1650000	Leasehold Improvements	14,819,591.01
1660030	Accumulated Deprecation	-32,274,526.41
1660060	Accumulated Depreciation - 3rd Party	-4,416.70
1699000	TOTAL FIXED ASSETS	<u>78,546,898.44</u>
1700000	ALL OTHER ASSETS	
1740000	Other Asset	177,510.02
1770000	TOTAL ALL OTHER ASSETS	<u>177,510.02</u>
1800000	DEFERRED OUTFLOW	
1800200	Deferred Outflow of Resources	2,381,066.01
1890000	TOTAL DEFERRED OUTFLOW	<u>2,381,066.01</u>
1900000	CONSTRUCTION IN PROGRESS	
1900040	CIP - Acquisition-Legal	10,524.00
1900060	CIP - Demolition & Remediation	3,000.00
1900100	CIP - On Site Improvement	415,494.40
1900200	CIP - Admin Expenses(including postage & advertising)	1,092.02
1900210	CIP - Architectural & Engineering Fees	91,087.50
1900216	CIP - Survey Fees	33,304.85
1900230	CIP - Professional Services (Other)	17,208.00
1900250	CIP - Costs of Insurance	6,507.14
1900280	CIP - Insurance Costs During Construction	18,494.38
1900290	CIP - Organization - Legal	6,009.50
1900335	CIP - Permanent Loan - Fees	186,000.00
1900410	CIP - Environmental Testing & Reports	24,270.00
1900420	CIP - Permit & Fees (plan'g,build'g,public work,school dist)	1,061.33
1919999	TOTAL CONSTRUCTION IN PROGRESS	<u>814,053.12</u>
1929999	TOTAL LONG TERM ASSETS	<u>81,919,527.59</u>
1999999	TOTAL ASSETS	<u>258,242,510.66</u>

Balance Sheet

Period = Mar 2022

Book = Accrual

		Balance
3000000	LIABILITIES AND EQUITY	
3005000	LIABILITIES	
3100000	CURRENT LIABILITIES	
3100500	ACCOUNTS PAYABLE	
3120010	Accounts Payable<= 90 Days	-69,346.14
3120011	Accounts Payable -CALPERS (employee portion)	14,808.90
3120012	Accounts Payable-Health Insurance (employee portion)	1,043.40
3120013	Accounts Payable-457b Plan (employee portion)	8,212.36
3120014	Accounts Payable-Garnishment (employee portion)	277.27
3120015	Accounts Payable-Vision Insurance (employee portion)	890.12
3120016	Accounts Payable-Life Insurance (employee portion)	678.74
3120018	Accounts Payable-PARS retirement (employee portion)	140.22
3120019	Accounts Payable-Flexible Spending Account(employee portion)	4,143.27
3120021	Employees Cobra	910.75
3120022	Accounts Payable-PERS 1959 Surv(Employee Portion)	81.84
3120023	Accounts Payable-FSA Transit Plan	647.85
3120024	Accounts Payable FSS	167,047.58
3120026	Accounts Payable FSS Interest	0.00
3120027	Accounts Payable-Roth IRA	315.00
3120029	Accounts Payable - 3rd Party Management Company	153,422.30
3120040	Accrued Compensated Absences - Current Portion	154,443.92
3120045	Accrued Vacation Payable - 3rd Party Management	10,248.46
3120070	Accrued Payables	321,924.67
3120075	Accrued Accounts Payable - 3rd Party Management	52,305.24
3330100	Tenants- Rents Payable	9,900.00
3339000	TOTAL ACCOUNT PAYABLE	832,095.75
3400000	SECURITY DEPOSITS HELD	
3410010	Tenant Security Deposits	176,776.12
3410015	Tenant Security Deposits - held with 3rd Party Management	283,773.83
3410020	Tenant Security Deposits - Pets	450.00
3410030	Tenant Security Deposits - Gate Opener	25.00
3410040	Tenant Security Deposits - Satellite Dish/Antenna	500.00
3410050	Tenant Security Deposits - Interest	0.43
3410999	Security Deposit Refund	-802.50
3419000	TOTAL SECURITY DEPOSITS HELD	460,722.88
3419900	OTHER LIABILITIES	
3420000	Prepay Tenant Rent	50,979.55
3421000	Prepay Tenant Rent - 3rd Party Management	128,334.70
3425000	Unearned Revenue	1,069,049.99
3426000	Prepaid Ground Lease Rent	16,175,870.97
3430000	Current Portion of Long Term Debt - Capital Projects	141,325.89
3449000	TOTAL OTHER LIABILITIES	17,565,561.10
3470000	INTERPROGRAM	
3470050	Interprogram (Due to)	2,979,173.20
3471000	Due To/Due From Suspense Account	-147.99
3480000	TOTAL INTERPROGRAM	2,979,025.21
3499000	TOTAL CURRENT LIABILITIES	21,970,738.27

Balance Sheet

Period = Mar 2022

Book = Accrual

		Balance
3500000	NON-CURRENT LIABILITIES	
3510100	Mortgage Loan Payable	25,350,614.65
3510130	Interest Payable - City of Alameda Loan	1,177,343.00
3510140	Home Fund Loan #1	216,363.20
3510143	\$3.6M Housing Authority Loan Payable	84,132,051.95
3510150	Housing Community Dev. Loan	916,399.98
3510157	Loan Payable - Esperanza	1,790,000.00
3510160	Home Fund Loan #2	282,700.00
3540000	Accrued Compensated Absences - Noncurrent	116,779.93
3570000	OPEB Liability	-128,123.28
3580000	Pension Liability	2,292,462.40
3599000	TOTAL NON-CURRENT LIABILITIES	<u>116,146,591.83</u>
3999000	TOTAL LIABILITIES	137,983,996.77
4000000	Equity/Net Assets	
4000001	EQUITY	
4000100	DEFERRED INFLOW	
4001000	Deferred Inflow of Resources	<u>1,601,572.00</u>
4900000	TOTAL DEFERRED INFLOW	1,601,572.00
4999999	CONTRIBUTED CAPITAL	
5010000	Net Investment in Capital Assets	24,337,631.97
5090000	Unrestricted	92,052,013.04
5120000	Unrestricted	2,265,986.24
5120010	Net Restricted Assets	<u>1,310.64</u>
5950000	TOTAL CONTRIBUTED CAPITAL	<u>118,656,941.89</u>
5999900	TOTAL EQUITY	<u>120,258,513.89</u>
6000000	TOTAL LIABILITIES AND EQUITY	258,242,510.66

Budget Comparison (with PTD)
 Period = Jul 2021-Mar 2022
 Book = Accrual

	PTD Actual	PTD Budget	Variance	% Var
7000000				
REVENUE				
TENANT REVENUE				
7020000 Tenant Rental Revenue	3,093,041.16	2,827,022.04	266,019.12	9.41
7030000 Maintenance Charges	13,783.47	0.00	13,783.47	N/A
7030030 Late Charges	40.00	0.00	40.00	N/A
7030040 Miscellaneous Other Charges (Accrual for Repayment Agreement)	30,945.00	0.00	30,945.00	N/A
7030050 Tax Increment Payments from the City of Alameda (Independence Plaza)	1,200,000.01	1,098,996.03	101,003.98	9.19
7030060 Tenant HAP Subsidy	6,522,913.17	6,856,101.09	-333,187.92	-4.86
7030100 Vacancy Loss	-288,059.03	-289,447.29	1,388.26	-0.48
7030110 Commercial Rents (Including Ground Lease)	59,811.00	24,903.00	34,908.00	140.18
7030300 Other Tenant Revenue	18,361.94	0.00	18,361.94	N/A
7040000 TOTAL TENANT REVENUE	10,650,836.72	10,517,574.87	133,261.85	1.27
7050000 FEDERAL GRANTS				
7060000 Shelter Plus Care Revenue (Pending July 2021 Receipt from Alameda County)	309,703.82	354,452.22	-44,748.40	-12.62
7060060 TOTAL FEDERAL GRANTS	309,703.82	354,452.22	-44,748.40	-12.62
7079000 OTHER GRANTS				
7080000 Other Government Grants (AUSD ROPS Income Billed and Pending Receipt)	1,860,440.24	1,523,999.97	336,440.27	22.08
7089000 TOTAL OTHER GRANTS	1,860,440.24	1,523,999.97	336,440.27	22.08
7100000 OTHER INCOME				
7110010 Investment Income - Unrestricted (Low Interest Rate Environment)	12,399.66	17,240.67	-4,841.01	-28.08
7110011 Interest Income (Jack Capon distribution in FY2022)	48,683.42	42,750.00	5,933.42	13.88
7110020 Interest on Equip. Reserve	146.55	0.00	146.55	N/A
7110060 Interest - Replacement Reserve	1,263.76	0.00	1,263.76	N/A
7110070 Other - Income	1,963.71	0.00	1,963.71	N/A
7110075 Laundry Commission	16,811.88	13,764.06	3,047.82	22.14
7110082 Land Fee/Ground Lease	4,022.91	120,037.50	-116,014.59	-96.65
7110090 Other Miscellaneous Revenue	674.00	0.00	674.00	N/A
7110092 Professional Service Revenue (City of Alameda Reimbursements - Billed in Arrears)	1,192,495.03	1,316,227.50	-123,732.47	-9.40
7150030 Miscellaneous Other Revenue	2,346.81	0.00	2,346.81	N/A
7150070 Administrative Fee	5,351.88	6,940.71	-1,588.83	-22.89
7159000 TOTAL OTHER INCOME	1,286,159.61	1,516,960.44	-230,800.83	-15.21
8000000 HUD GRANT				
8010000 HUD Operating Grants (Pass-through)	25,201,913.52	27,043,961.94	-1,842,048.42	-6.81
8020000 Administrative Fees from HUD	1,428,673.00	1,420,709.22	7,963.78	0.56
8020110 PORT-In Administrative Fees	14,920.81	0.00	14,920.81	N/A
8030000 Administrative Fees Paid (PORT-Outs)	12,434.89	0.00	-12,434.89	N/A
8100102 EHV Placement Fee	6,200.00	0.00	6,200.00	N/A
8100120 TOTAL HUD GRANT	26,639,272.44	28,464,671.16	-1,825,398.72	-6.41
8999000 TOTAL REVENUE	40,746,412.83	42,377,658.66	-1,631,245.83	-3.85

Budget Comparison (with PTD)
 Period = Jul 2021-Mar 2022
 Book = Accrual

	PTD Actual	PTD Budget	Variance	% Var
9000000				
EXPENSES				
9000900 OPERATING EXPENSES				
9100000 ADMINISTRATIVE				
9110010 Administrative Salaries (Due to Vacancies)	3,531,733.76	4,266,864.54	735,130.78	17.23
9110020 Temporary Help - Administrative	118,305.12	262,014.93	143,709.81	54.85
9120000 Auditing Fees	61,950.00	39,489.03	-22,460.97	-56.88
9130000 Outside Management Fees	234,540.55	217,948.77	-16,591.78	-7.61
9150010 Admin Employee Benefits - Medical/Dental	629,500.33	1,102,576.41	473,076.08	42.91
9150020 Admin Employee Benefits - PERS/PARS	303,669.84	411,941.25	108,271.41	26.28
9150030 Admin Employee Benefits - FICA	51,096.48	64,115.82	13,019.34	20.31
9150040 Admin Employee Benefits - SUI	10,579.40	11,592.00	1,012.60	8.74
9150060 Admin Employee Benefits - Life/LTD	23,684.84	27,636.93	3,952.09	14.30
9150090 Admin Employee Benefit - WC	75,309.76	83,718.00	8,408.24	10.04
9160010 Office Supplies/Equipment	51,891.68	195,095.07	143,203.39	73.40
9160030 Dues & Subscriptions Publications	1,232.00	0.00	-1,232.00	N/A
9160040 Postage	7,452.12	6,902.46	-549.66	-7.96
9160050 Telephone	49,425.26	44,405.10	-5,020.16	-11.31
9160060 Bank Charges and Check Supplies	35,660.72	29,230.92	-6,429.80	-22.00
9160080 Stationery Envelopes and Business Cards	1,797.03	0.00	-1,797.03	N/A
9160090 Forms and Copies/Printing	35,462.85	3,406.95	-32,055.90	-940.90
9160100 Classified Ads and Public Notices/outreach material	63,123.14	98,549.10	35,425.96	35.95
9160110 Legal Expense (Mostly from Esperanza, EV/PV Refinance and legal entity transfers)	482,343.14	423,168.39	-59,174.75	-13.98
9160111 Payroll charge	11,027.44	11,693.88	666.44	5.70
9160112 Survey/Title Fee	2,875.00	0.00	-2,875.00	N/A
9160113 Office Rent	125,122.29	138,681.99	13,559.70	9.78
9160114 Administrative Support	24,184.45	0.00	-24,184.45	N/A
9160115 Organization Cost	20.00	0.00	-20.00	N/A
9160120 Training/Conferences and Travel	10,778.32	99,487.17	88,708.85	89.17
9160130 Membership Dues and Fees	9,738.28	7,499.97	-2,238.31	-29.84
9160131 Taxes & Government Fees	38,886.11	23,693.31	-15,192.80	-64.12
9160160 Contracts - Accounting Services	26,730.00	71,640.00	44,910.00	62.69
9160170 Contracts - Administrative Services/Consultant	176,770.15	114,431.67	-62,338.48	-54.48
9160180 Contracts - Application Service Provider - Yardi	124,765.06	128,523.33	3,758.27	2.92
9160190 Contracts - Computer/Telephone Maintenance/Email	151,745.32	168,835.95	17,090.63	10.12
9160210 Contracts - Housing Program Services	3,694.12	0.00	-3,694.12	N/A
9160220 Contracts - Human Resource Services	554.19	19,545.75	18,991.56	97.16
9160230 Contracts - Housing Inspection Services	67,845.44	75,243.78	7,398.34	9.83
9160260 Contracts - Office Machine Lease	15,400.72	28,205.28	12,804.56	45.40
9160270 Contracts - Web Hosting/Maintenance/Web Ads	18,277.66	28,685.25	10,407.59	36.28
9160290 Contracts - HR Recruitment	104,168.94	0.00	-104,168.94	N/A
9160510 Association Dues	80,456.47	34,013.97	-46,442.50	-136.54
9169000 TOTAL ADMINISTRATIVE	6,761,797.98	8,238,836.97	1,477,038.99	17.93

Budget Comparison (with PTD)

Period = Jul 2021-Mar 2022

Book = Accrual

	PTD Actual	PTD Budget	Variance	% Var
9200000				
9210030	102,356.00	157,500.00	55,144.00	35.01
9210100	270,388.34	301,962.24	31,573.90	10.46
9219000	372,744.34	459,462.24	86,717.90	18.87
9219990				
9220000	14,654.04	0.00	-14,654.04	N/A
9229000	14,654.04	0.00	-14,654.04	N/A
9230005				
9230010	16,404.56	89,417.88	73,013.32	81.65
9230020	6,568.92	9,811.89	3,242.97	33.05
9230030	1,124.72	42,062.40	40,937.68	97.33
9230040	264.98	724.50	459.52	63.43
9230050	538.38	0.00	-538.38	N/A
9230071	-1,170.10	0.00	1,170.10	N/A
9230080	3,216.29	7,782.48	4,566.19	58.67
9230090	25,624.46	31,014.00	5,389.54	17.38
9239000	53,742.31	180,813.15	127,070.84	70.28
9240005				
9240020	226,477.75	175,758.75	-50,719.00	-28.86
9240030	502.53	0.00	-502.53	N/A
9240050	2,500.00	0.00	-2,500.00	N/A
9249000	229,480.28	175,758.75	-53,721.53	-30.57
9300000				
9310000	258,346.67	220,228.47	-38,118.20	-17.31
9320000	77,106.11	87,815.97	10,709.86	12.20
9330000	44,574.25	35,130.24	-9,444.01	-26.88
9380010	173,679.90	103,128.12	-70,551.78	-68.41
9380020	370,136.46	332,127.90	-38,008.56	-11.44
9399000	923,843.39	778,430.70	-145,412.69	-18.68
9400000				
9410010	443,310.15	512,838.45	69,528.30	13.56
9419000	443,310.15	512,838.45	69,528.30	13.56
9420005	139,538.70	59,036.04	-80,502.66	-136.36
9420010	0.00	1,820.61	1,820.61	100.00
9420020	2,248.65	637.56	-1,611.09	-252.70
9420030	141,787.35	61,494.21	-80,293.14	-130.57

Budget Comparison (with PTD)

Period = Jul 2021-Mar 2022

Book = Accrual

	PTD Actual	PTD Budget	Variance	% Var
MAINTENANCE CONTRACTS				
9429005				
9429015	25,556.14	41,854.50	16,298.36	38.94
9429030	22,148.00	12,993.75	-9,154.25	-70.45
9429040	17,014.53	0.00	-17,014.53	N/A
9429060	65,772.61	7,611.84	-58,160.77	-764.08
9429100	97,336.77	75,573.72	-21,763.05	-28.80
9430010	12,813.43	30,027.96	17,214.53	57.33
9430020	104,102.13	32,904.54	-71,197.59	-216.38
9430030	71,234.07	58,427.64	-12,806.43	-21.92
9430040	30,157.19	12,744.09	-17,413.10	-136.64
9430060	23,105.00	28,172.61	5,067.61	17.99
9430070	52,971.19	39,492.90	-13,478.29	-34.13
9430080	23,276.29	13,047.66	-10,228.63	-78.39
9430090	107,957.66	137,737.80	29,780.14	21.62
9430110	29,618.88	3,478.95	-26,139.93	-751.37
9430120	2,696.95	0.00	-2,696.95	N/A
9430130	212,800.94	13,270.05	-199,530.89	-1,503.62
9430140	10,613.64	2,064.15	-8,549.49	-414.19
9430150	126,774.19	93,931.74	-32,842.45	-34.96
9439000	1,035,949.61	603,333.90	-432,615.71	-71.70
TOTAL MAINTENANCE CONTRACTS				
MAINTENANCE EMPLOYEE BENEFITS				
9450005	118,698.18	120,868.29	2,170.11	1.80
9450010	37,033.75	40,419.63	3,385.88	8.38
9450020	30,959.21	5,289.12	-25,670.09	-485.34
9450030	931.72	1,207.53	275.81	22.84
9450040	1,076.25	2,976.75	1,900.50	63.84
9450050	2,169.40	1,442.97	-726.43	-50.34
9450070	9,191.17	46,968.75	37,777.58	80.43
9459000	200,059.68	219,173.04	19,113.36	8.72
9499000	1,821,106.79	1,396,839.60	-424,267.19	-30.37
GENERAL EXPENSES				
9500100	826,079.99	850,205.50	24,125.51	2.84
9500160	-3,268.70	0.00	3,268.70	N/A
9500200	-37,342.02	0.00	37,342.02	N/A
9500210	996.50	0.00	-996.50	N/A
9500300	-1,515.40	0.00	1,515.40	N/A
9520000	0.00	3,619.53	3,619.53	100.00
9610010	14,259.25	0.00	-14,259.25	N/A
9610020	8,246.75	12,188.97	3,942.22	32.34
9610030	235,307.75	251,708.76	16,401.01	6.52
9610040	2,877.30	7,479.99	4,602.69	61.53
9610060	38,833.81	24,510.24	-14,323.57	-58.44
9620010	35,750.00	0.00	-35,750.00	N/A
9660000	2,000.00	0.00	-2,000.00	N/A
9698000	1,121,055.13	1,149,712.99	28,657.86	2.49

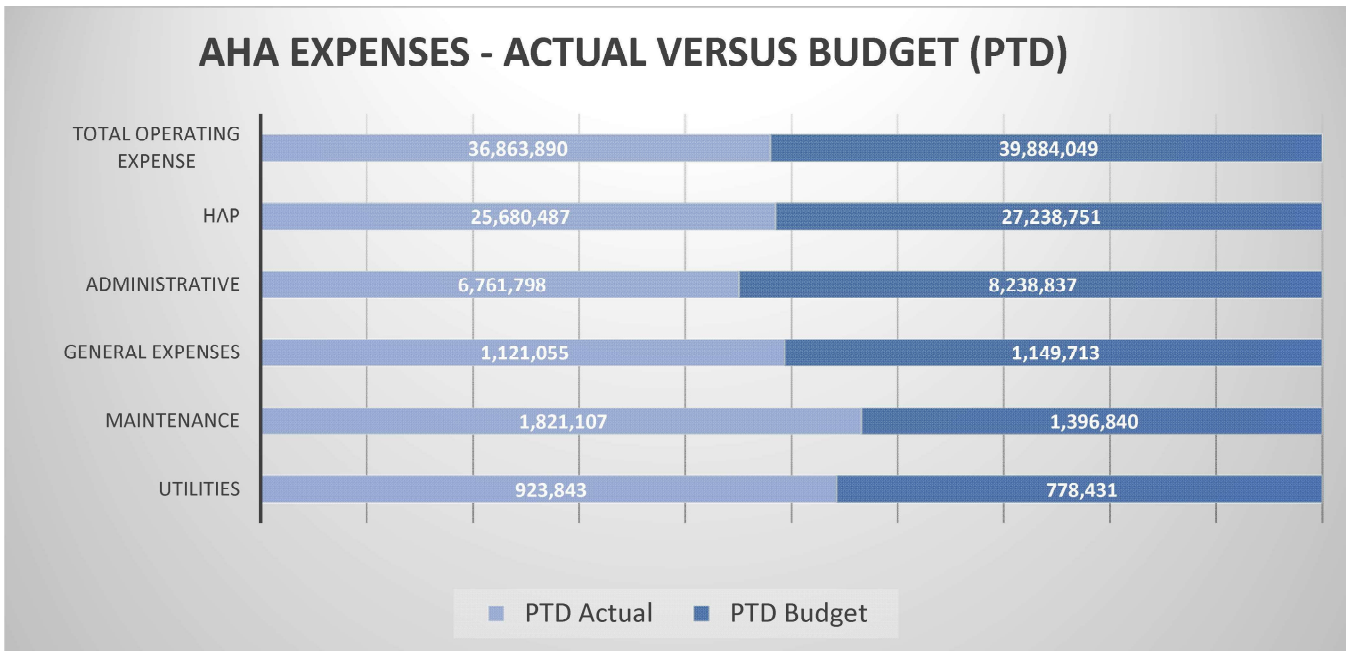
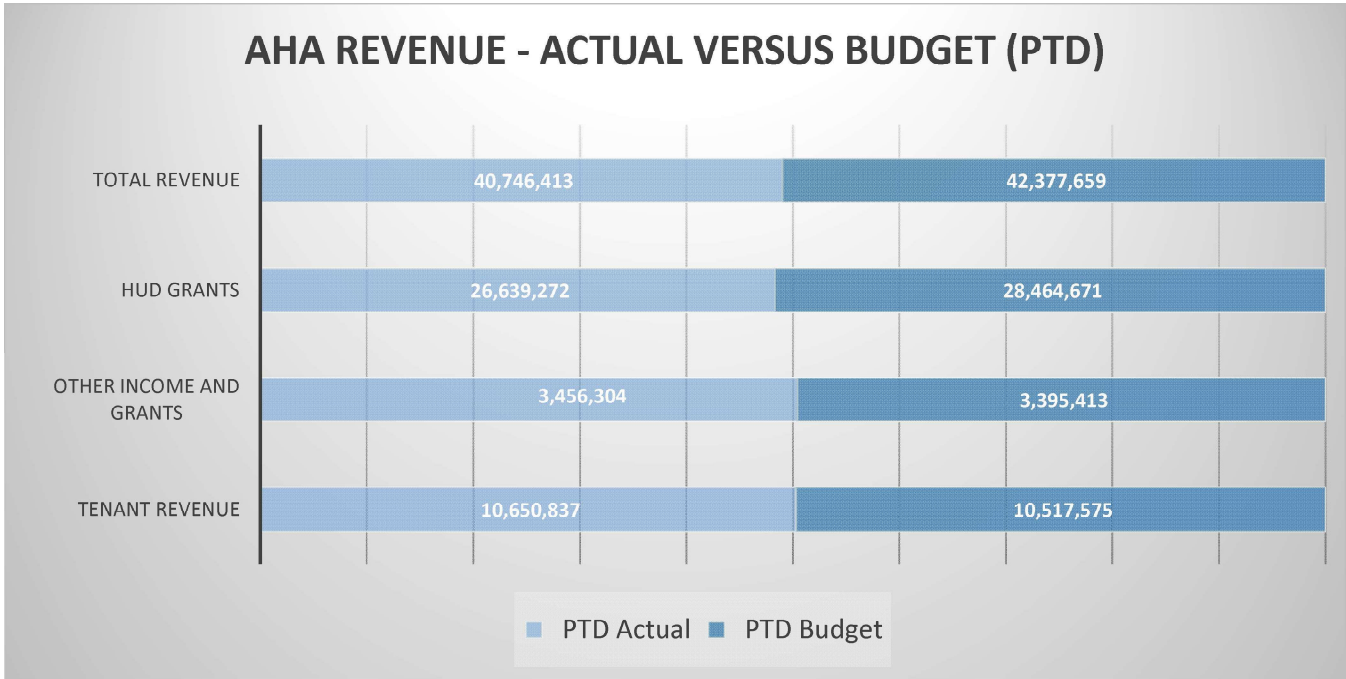
Budget Comparison (with PTD)
 Period = Jul 2021-Mar 2022
 Book = Accrual

	PTD Actual	PTD Budget	Variance	% Var
9700000 MOD REHAB AND SPC EXPENSES				
9700570 Rent to Owners - Bessie Coleman	149,668.00	190,442.97	40,774.97	21.41
9700800 PORT-In (A/R Billings) (Negative Represents Income from other Housing Authorities)	-338,600.00	0.00	338,600.00	N/A
9700900 TOTAL MOD REHAB AND SPC EXPENSES	-188,932.00	190,442.97	379,374.97	199.21
9710000 EXTRAORDINARY EXPENSES				
9710090 Pre-development Cost	8,710.00	75,000.01	66,290.01	88.39
9713001 HOUSING ASSISTANCE PAYMENTS (VOUCHER)				
9719000 TOTAL EXTRAORDINARY EXPENSES	8,710.00	75,000.01	66,290.01	88.39
9730001 HOUSING ASSISTANCE PAYMENTS (VOUCHER)				
9730010 Housing Assistance Payments - Landlords (Pass-through from HUD)	25,551,645.00	27,151,721.19	1,600,076.19	5.89
9730020 Housing Assistance Payments - FSS (Pass-through from HUD)	93,823.91	56,700.00	-37,123.91	-65.47
9730070 Utility Allowance to Tenants (Pass-through from HUD)	35,018.00	30,330.00	-4,688.00	-15.46
9739000 TOTAL HOUSING ASSISTANCE PAYMENTS (VOUCHER)	25,680,486.91	27,238,751.19	1,558,264.28	5.72
OPERATING EXPENSES	36,863,890.24	39,884,048.57	-3,020,158.33	-7.57
NET OPERATING INCOME BEFORE DEPRECIATION	3,882,522.59	2,493,610.09	1,388,912.50	55.70
9739500 OTHER EXPENSES				
9740000 Depreciation Expense	1,267,183.00	1,278,344.88	11,161.88	0.87
9996000 TOTAL EXPENSES	38,131,073.24	41,162,393.45	3,171,009.21	7.36
9998000 NET INCOME	2,615,339.59	1,215,265.21	1,400,074.38	115.21

Budget Comparison (with PTD)

July 2021 through March 2022

Book = Accrual



Note - Categories less than \$100,000 and Depreciation not presented



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: Janet Lee, Controller

Date: May 18, 2022

Re: Accept the Quarterly Investment Report for Period Ending March 30, 2022.

BACKGROUND

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

DISCUSSION

The quarter-end report reflects the investment of cash for the operating and reserve funds. Agency investments are covered by the provisions of the Housing Authority's Investment Policy that is approved annually by the Board of Commissioners. This memorandum includes both the Housing Authority of the City of Alameda and Island City Development's investments.

FISCAL IMPACT

As of March 31, 2022, AHA held **\$11,668,162** in Local Agency Investment Fund (**LAIF**). These funds are on demand and can be used for immediate needs. The prior quarter balance was **\$11,661,449**. Interest is posted quarterly to the account by LAIF and the 3 months of interest from January through March 2022 will be presented in the April 2022 LAIF statement.

As of March 31, 2022, AHA held **\$9,010,443** in the California Asset Management Program (**CAMP**). These funds are on demand and can be used for immediate needs. The prior quarter balance was **\$9,007,691**. Interest is posted monthly to the account by CAMP.

As of March 31, 2022, ICD held **\$14** in **CAMP**. These funds are on demand and can be used for immediate needs. The prior quarter balance was **\$14**. Interest is posted monthly to the account by CAMP.



AHA Balances as of March 31, 2022:
 LAIF \$ 11,668,162
 CAMP 9,010,443
Total AHA Investment \$ 20,678,605

ICD Balances as of March 31, 2022:
 CAMP \$ 14

The key changes in the balance for the period ending March 31, 2022 are:

Activity	AHA-LAIF	AHA-CAMP	ICD-CAMP
Beg. Balance - December 31, 2021	\$ 11,661,449	\$ 9,007,691	\$ 14
CAMP Interest Income		2,752	
LAIF Interest Income (paid in arrears)	6,713		
Ending Balance - March 31, 2022	\$ 11,668,162	\$ 9,010,443	\$ 14

The Housing Authority's ordinary expenditure requirements for the next six months are more than sufficiently covered by two sources, namely: (1) anticipated revenues, grants, and subsidies, and (2) liquidity of current investments. All investment actions executed since the last report have been made in full compliance with the Investment Policy. The Executive Director will maintain a complete and timely record of all investment transactions.

CEQA

N/A

RECOMMENDATION

It is recommended that the Board of Commissioners accept the Quarterly Investment Report for period ending March 31, 2022.

ATTACHMENTS

1. 1. LAIF Statement for the quarter ending March 31, 2022 - AHA
2. 2. CAMP statement for month ending March 31, 2022 - AHA
3. 3. CAMP Statement for month ending March 31, 2022 - ICD

Respectfully submitted,

A small, square, grey-tinted image containing a handwritten signature in blue ink. The signature appears to be 'Janet Lee' written in a cursive, flowing style.

Janet Lee, Controller

California State Treasurer **Fiona Ma, CPA**



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

April 05, 2022

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

ALAMEDA HOUSING AUTHORITY

EXECUTIVE DIRECTOR
701 ATLANTIC AVENUE
ALAMEDA, CA 94501

[Tran Type Definitions](#)

March 2022 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	11,668,162.67
Total Withdrawal:	0.00	Ending Balance:	11,668,162.67



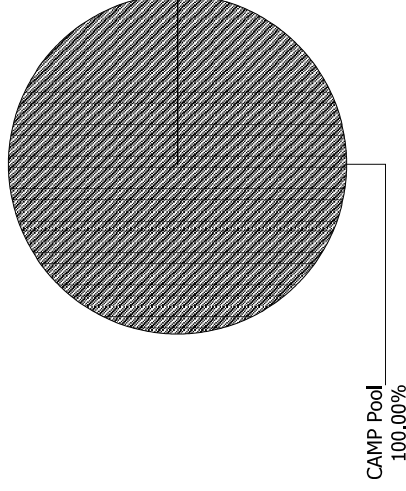
Account Statement - Transaction Summary

For the Month Ending **March 31, 2022**

Housing Authority of the City of Alameda (AHA) - Housing Authority of the City of Alameda (AHA)

CAMP Pool	
Opening Market Value	9,008,508.09
Purchases	1,934.43
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$9,010,442.52
Cash Dividends and Income	1,934.43

Asset Summary		
	March 31, 2022	February 28, 2022
CAMP Pool	9,010,442.52	9,008,508.09
Total	\$9,010,442.52	\$9,008,508.09
Asset Allocation		





Account Statement

For the Month Ending **March 31, 2022**

Housing Authority of the City of Alameda (AHA) - Housing Authority of the City of Alameda (AHA)

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					
03/31/22	04/01/22	Accrual Income Div Reinvestment - Distributions	1.00	1,934.43	9,010,442.52
Closing Balance					
Opening Balance					
Purchases					
Redemptions (Excl. Checks)					
Check Disbursements					
Closing Balance					
Cash Dividends and Income					

Closing Balance 9,010,442.52
Average Monthly Balance 9,008,570.49
Monthly Distribution Yield 0.25%

Fiscal YTD July-March
 6,005,549.77
 3,004,892.75
 0.00
 0.00



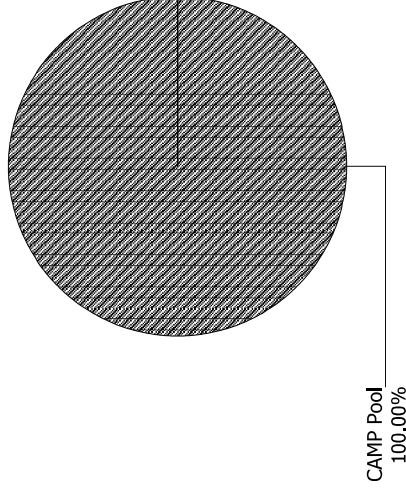
Account Statement - Transaction Summary

For the Month Ending **March 31, 2022**

Island City Development - Island City Development

CAMP Pool	
Opening Market Value	13.78
Purchases	0.00
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$13.78
Cash Dividends and Income	0.00

Asset Summary		
	March 31, 2022	February 28, 2022
CAMP Pool	13.78	13.78
Total	\$13.78	\$13.78
Asset Allocation		





Account Statement

For the Month Ending **March 31, 2022**

Island City Development - Island City Development

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					13.78

Closing Balance **13.78**

	Month of March	Fiscal YTD January-March	
Opening Balance	13.78	13.78	Closing Balance
Purchases	0.00	0.00	13.78
Redemptions (Excl. Checks)	0.00	0.00	0.25%
Check Disbursements	0.00	0.00	

Closing Balance **13.78**

Cash Dividends and Income 0.00



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: May 18, 2022

Re: Approve an increase in the financial consulting contract with Nan McKay and Associates of \$50,000 for a total not-to-exceed of \$300,000.

BACKGROUND

On April 1, 2019, the Housing Authority entered into a contract with Nan McKay and Associates for a period of five (5) years for an amount not to exceed \$180,000. The agreement is for consulting services for Finance and Housing Programs Departments and Yardi Assistance for those departments. On March 1, 2020, the contract was amended to increase the maximum contract amount by \$70,000 such that the new maximum contract amount shall be increased from \$180,000 to \$250,000.

DISCUSSION

The original Request for Proposal (RFP) was posted to the public in 2018. The consultant services agreement was executed on April 1, 2019 between Nan McKay and Associates and the Housing Authority. Currently, Nan McKay and Associates provide support with the monthly HUD Voucher Management System (VMS) submission, Financial Data Submission (FDS) submissions as well as various consulting and training to departments, including the Finance and Housing Programs Departments. In order to continue efforts to consult on the VMS, the Emergency Housing Voucher (EHV) program, the transition to Moving-to-Work (MTW), and provide support to the Housing Programs Departments, staff requests to increase the maximum contract amount by \$50,000 such that the new maximum contract amount shall be increased from \$250,000 to \$300,000.

FISCAL IMPACT

The current budget can cover this cost. The overall financial impact will be up to \$300,000 over the remaining approximately eighteen (18) months left in the current contract. As of March 21, 2022, the Housing Authority has paid to Nan McKay and Associates approximately \$233,000.



CEQA

N/A

RECOMMENDATION

Authorize the Executive Director to negotiate an increase to the contract between the Alameda Housing Authority and the Nan MacKay and Associates in the amount not to exceed \$300,000.

ATTACHMENTS

1. 1. Nan McKay 2019 - Consultant Services Agreement
2. 2. Nan McKay - First Amendment - 2020
3. 3. Nan McKay - Second Amendment - 2022 - DRAFT

Respectfully submitted,

A handwritten signature in blue ink that reads "Louie So". The signature is written in a cursive, slightly slanted style.

Louie So, Director of Finance

CONSULTANT SERVICES AGREEMENT

THIS AGREEMENT, entered into this 1st day of April 2019, by and between HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body corporate and politic (hereinafter referred to as "AHA"), and Nan McKay and Associates Inc. (a California corporation, partnership, sole proprietor, individual, joint venture) whose address is 1810 Gillespie Way, Suite 202 El, Cajon, CA 92020 (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 financial consultancy services.

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

1. **TERM:**

The time for Completion shall be by March 30, 2021 (the "Completion Date"), unless terminated earlier as set forth herein. The parties may choose by mutual agreement to extend the term of the Services Agreement up to October 29, 2023 and shall do so by executing a written amendment to the Agreement.

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 \$180,000.00.

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 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
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(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 venture 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.

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.

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 the City of Alameda
701 Atlantic Avenue
ALAMEDA CA 94501-2161
Attention: Vanessa Cooper, Executive Director

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

Nan McKay and Associates, Inc.
1810 Gillespie Way, Suite 202
El Cajon, CA 92020
Attn: Mike Petro, Vice President of Finance

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:**

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 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.

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

Nan McKay and Associates, Inc.

HOUSING AUTHORITY
OF THE CITY OF ALAMEDA



Michael Petro
Vice President of Finance



Vanessa M. Cooper
Executive Director



John McKay
CEO

Exhibit A - Scope of Work**Area One – Financial Management**

- Ongoing high-level consultant support in managing the AHA books, train staff and resolve accounting issues at least until December 31, 2019 (monthly 1- 3 weeks onsite, 1-3 weeks offsite)
- One on one training of Finance director and Controller (dates and times to be determined or during regular consultant visit)
- Monthly submission of VMS (up to three days offsite per month as needed)
- Biannual submission of FDS (additional time as needed in August and February each year)
- Yearend close process "Balance Sheet Analysis approach" for fiscal year ending June 30, 2019 and fiscal year ending June 30, 2020. Work to start at least 3 months before FDS is due to be submitted.
- Assistance with ICD reconciliation, audit and LIHTC cost certification as necessary
- Annual entries for OPEB and pension for the audit and liaison as necessary with AHA's auditor and actuaries.
- Review of cost allocation plan and proposal for changes Conversion from an indirect cost allocation system to a fee-for-service system. (not expected to start until 2020)
- Other accounting and advisory services as need

Consulting

Work will be agreed to using the following process: The initial "not to exceed" amount is for \$180,000.00. Nan McKay will issue a calendar/pricing for each quarter, or sooner if needed, detailing exact dates of consultancy services onsite and off-site as well as an approximate pricing, total amount invoiced to date for contract and a not to exceed amount for that period.

Short term additional needs will be agreed upon in writing between the Executive Director and Nan McKay. Nan McKay will issue a new modification if those services will exceed the new "not to exceed amount".

Exhibit B – Fee Schedule

Hourly rates does not include other direct costs.

Resource	Year 1 – 2 Hourly Rate	Year 3 Hourly Rate	Year 4 Hourly Rate	Year 5 Hourly Rate
Executive Consultant	\$250	\$258	\$265	\$273
Supervising Consultant	\$195	\$201	\$207	\$213
Technical Advisor	\$165	\$170	\$175	\$180
Sr. Consultant/Sr. Financial Consultant	\$150	\$155	\$159	\$164
Consultant II/Financial Consultant II	\$140	\$144	\$149	\$153
Consultant I/Financial Consultant I	\$130	\$134	\$138	\$142
IT Senior Consultant	\$175	\$180	\$186	\$191
IT Consultant	\$150	\$155	\$159	\$164
Sr. Project Manager	\$150	\$155	\$159	\$164
Project Manager	\$130	\$134	\$138	\$142
Project Coordinator	\$96	\$99	\$102	\$105
Training Consultant	\$115	\$118	\$122	\$126
Housing Analyst II	\$110	\$113	\$117	\$120
Housing Analyst I	\$105	\$108	\$111	\$115
Program Analyst	\$90	\$93	\$95	\$98
Program Assistant	\$80	\$82	\$85	\$87
Research Assistant	\$80	\$82	\$85	\$87
Housing Specialist II	\$55	\$57	\$58	\$60
Housing Specialist I	\$45	\$46	\$48	\$49
Administrative Assistant	\$28	\$29	\$30	\$31

Travel Accommodations Expense Requirements-Consultants (6-6-14)

Consultants are expected to use prudent planning in arranging business travel to control costs. Consultant is expected to exercise business judgment to align expenses with requirements of the Housing Authority (AHA). Only necessary and reasonable business expenditures will be reimbursed.

Any Consultant who incurs business expenses on behalf of AHA must submit an expense report with appropriate documentation explaining the business purpose of travel and itemizing expenses.

Air Transportation

In general, Consultants should fly at the lowest cost economy fare. As circumstances permit, air transportation should be booked in advance to achieve the lowest available advance-purchase fare.

Ground Transportation

When using ground transportation, Consultants should select the most economical mode of reliable and safe transportation. Reimbursement will be for the actual and reasonable expense incurred while on AHA business.

Rental cars are to be the lowest cost vehicle at a cost and class no greater than that which is necessary to conduct business.

Corporate Automobile Liability

Coverage shall be a minimum of \$1,000,000 per accident for Bodily Injury and Property Damage \$2,000,000 Annual aggregate. Automobile liability insurance shall be as broad as Insurance Services Office form number CA 00 01 covering Code 1 (any auto: owned, hired or leased).

In lieu of Corporate Automobile Liability Coverage, Consultant shall purchase rental car insurance for limits of not less than \$1,000,000 at no additional cost to the AHA. This rental car insurance provision shall apply when the Consultant's firm's auto liability policy does not include the above referenced insurance provisions (i.e. any auto Code 1).

Accommodations

Expenses for lodging are to be for a standard single room rate at the most reasonable priced mid-tier hotel available. Exceptions may be made for Consultants attending conventions and meetings with hotels; other exceptions require business rationale, which must be documented and approved by the AHA. Where extended travel is involved, reduced rates and/or extended-stay hotel options must be considered.

Out-Of-Pocket Expenses

Incidental expenses will be reimbursed for the actual and reasonable cost incurred unless otherwise stated by local county laws and regulations, (e.g. daily allowance instead of actual cost.) Receipts are required at an expenditure level to satisfy local tax requirements.

Non-reimbursable Expenses

Consultants may not be reimbursed for out-of-pocket expenses of a personal nature

FIRST AMENDMENT TO CONSULTANT SERVICES AGREEMENT

THIS FIRST AMENDMENT TO CONSULTANT SERVICES AGREEMENT
("Amendment") is entered into as of March 1, 2020, ("Amendment Effective Date") by and between the HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body corporate and politic ("Authority"), and NAN MCKAY AND ASSOCIATES, INC., a California corporation ("Consultant"). The Authority and the Consultant are individually referred to in this Amendment as a "Party" and collectively as the "Parties."

RECITALS

- A. The Authority and Consultant entered into that certain Consultant Services Agreement date April 1, 2019 ("Agreement") to provide financial consultant services to Authority as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.
- B. The Agreement term commenced on April 1, 2019 with a termination date of March 30, 2021, with an option to extend the term to October 29, 2023 upon the Parties execution of a written amendment to the Agreement.
- C. The compensation currently authorized under the Agreement is the not to exceed maximum total amount of One Hundred and Eighty Thousand Dollars (\$180,000).
- D. The Authority's financial department is in need of additional financial management and consultant services beyond March 31, 2021 which will also result in an increase in costs paid to Consultant in excess of the current contract amount.
- E. Authority desires to exercise the right to extend the term set forth in the Agreement from the March 30, 2021 termination date to October 29, 2023, and to increase the maximum contract amount by an additional Seventy Thousand Dollars (\$70,000) such that the new maximum contract amount shall be increased from One Hundred and Eighty Thousand Dollars (\$180,000) to the new proposed maximum amount of Two Hundred Fifty Thousand Dollars (\$250,000).
- I. The Authority and Consultant desire to amend the Agreement to provide for the following, (i) extension of the term to October 29, 2023 as permitted in Section 1. of the Agreement, (ii) increase the maximum contract amount by an additional Seventy Thousand Dollars (\$70,000) such that the new maximum contract amount shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Recitals**. The Recitals and attachments referenced above are incorporated in this Amendment by this reference and adopted by the Parties to be true and correct.
2. **Extension of Agreement Term**. The Completion Date set forth in the Agreement shall be extended from March 31, 2021 to October 29, 2023. Section 1. of the Agreement

titled, "TERM," is hereby deleted in its entirety and replaced with the following:

" **TERM**. The time for Completion shall be October 29, 2023 (the "Completion Date"), unless terminated earlier as set forth herein."

3. **Compensation to Consultant.** The maximum total amount to be paid by Authority to Consultant under the Agreement shall be increased from a maximum total amount of \$180,000 to \$250,000. The second sentence in Section 3. of the Agreement titled, "COMPENSATION TO CONSULTANT" which reads, "Total compensation under this contract shall not exceed \$180,000.00," is hereby deleted in its entirety and replaced with the following:

"Total compensation under this contract shall not exceed \$250,000.00."

6. **Miscellaneous.**

a. **Further Cooperation.** The Parties agree to execute such other instruments, Agreements and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.

b. **Interpretation.** This Amendment, when combined with the Agreement, sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.

c. **Attachments.** Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. **Effectiveness of Agreement.** Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.

e. **Counterparts.** This Amendment may be signed by the Parties in counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

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SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, Authority and Consultant have executed this Amendment as of the Amendment Effective Date.

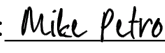
AUTHORITY:

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

By: 
Vanessa Cooper,
Executive Director

CONSULTANT:

NAN MCKAY AND ASSOCIATES, INC., a California corporation

DocuSigned by:
By:  4/6/2020
7FED244722E64A1...
Name: Mike Petro
Title: VP of Finance

**SECOND AMENDMENT TO
CONSULTANT SERVICES AGREEMENT**

THIS FIRST AMENDMENT TO CONSULTANT SERVICES AGREEMENT (“**Amendment**”) is entered into as of April X, 2022, (“**Amendment Effective Date**”) by and between the HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body corporate and politic (“**Authority**”), and NAN MCKAY AND ASSOCIATES, INC., a California corporation (“**Consultant**”). The Authority and the Consultant are individually referred to in this Amendment as a “**Party**” and collectively as the “**Parties.**”

RECITALS

- A. The Authority and Consultant entered into that certain Consultant Services Agreement date April 1, 2019 (“**Agreement**”) to provide financial consultant services to Authority as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.
- B. The Agreement term commenced on April 1, 2019 with a termination date of March 30, 2021, with an option to extend the term to October 29, 2023 upon the Parties execution of a written amendment to the Agreement.
- C. The compensation currently authorized under the Agreement is the not to exceed maximum total amount of One Hundred and Eighty Thousand Dollars (\$180,000).
- D. The Authority's financial department is in need of additional financial management and consultant services beyond March 31, 2021 which will also result in an increase in costs paid to Consultant in excess of the current contract amount.
- E. Authority desired to exercise the right to extend the term set forth in the Agreement from the March 30, 2021 termination date to October 29, 2023, and to increase the maximum contract amount by an additional Seventy Thousand Dollars (\$70,000) such that the new maximum contract amount shall be increased from One Hundred and Eighty Thousand Dollars (\$180,000) to the new proposed maximum amount of Two Hundred Fifty Thousand Dollars (\$250,000).
- I. The Authority and Consultant desired to amend the Agreement to provide for the following, (i) extension of the term to October 29, 2023 as permitted in Section 1. of the Agreement, (ii) increase the maximum contract amount by an additional Seventy Thousand Dollars (\$70,000) such that the new maximum contract amount shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Compensation to Consultant.** The maximum total amount to be paid by Authority to Consultant under the Agreement shall be increased from a maximum total amount of \$250,000 to \$300,000. The second sentence in Section 3. of the Agreement titled, "COMPENSATION TO CONSULTANT" which reads, "Total compensation under this contract shall not exceed \$250,000.00," is hereby deleted in its entirety and replaced

with the following:

"Total compensation under this contract shall not exceed \$300,000.00."

6. **Miscellaneous.**

a. **Further Cooperation.** The Parties agree to execute such other instruments, Agreements and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.

b. **Interpretation.** This Amendment, when combined with the Agreement, sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.

c. **Attachments.** Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. **Effectiveness of Agreement.** Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.

e. **Counterparts.** This Amendment may be signed by the Parties in counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

REMAINDER OF PAGE INTENTIONALLY BLANK

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, Authority and Consultant have executed this Amendment as of the Amendment Effective Date.

AUTHORITY:

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

By: _____

Vanessa Cooper

Executive Director

CONSULTANT:

NAN MCKAY AND ASSOCIATES, INC., a California corporation

By: _____

Mike Petro

VP of Finance

To: Honorable Chair and Members of the Board of Commissioners

From: Janet Basta, Director of Human Resources and Operations

Date: May 18, 2022

Re: Approve the Executive Director or designee to make certain limited changes to the recurring and hiring process and to return to the Board of Commissioners at the next routine Board meeting for ratification. Authorize the ED or designee to: A) advertise and/or make a hire at a pay range or title level lower than is approved by the Board in the schedule of authorized positions, provided the role still reports to the same supervisor and is in the same department; and/or B) change titles of approved positions provided they do not substantially change the job duties and do not change the pay range (notwithstanding item A above) and provided the role still reports to the same supervisor and is in the same department. This authorization would be valid through December 31, 2023 only due to the current tight job market.

BACKGROUND

Each year, during the budget process, the Board approves a Schedule of Authorized Positions which includes the total number of FTE's and titles of proposed positions. Periodically during the year, as needs for new positions or reduction of positions occur, Management returns to the Board for authorization of any changes. Corresponding pay schedules are also developed, and recruiting and hiring is done according to approved positions and wage ranges.

DISCUSSION

Presently, the job market is very tight; fewer applications are being received and qualified candidates often receive multiple offers in a short period of time, which requires quick turnaround times in the recruiting process so AHA can hire more rapidly than is typically required. Additionally, there have been instances where flexibility in the level that candidates are hired at would be advantageous. In particular, this situation arises when candidates may not have the full combination of experience and skills required for the position, but would be able to perform well in a lower-level position in a series, and thus provide needed bandwidth for AHA to carry out its work when other fully qualified candidates are not able to be identified. Examples of this would be



positions with levels I and II, or position series with senior level titles.

Management is requesting that the Board approve the Executive Director or designee to make limited changes to the recruiting and hiring process in order to address these situations in a timely manner, and to return to the Board of Commissioners at the next routine Board meeting for ratification of the changes. In particular, management is requesting authorization for the Executive Director or designee to:

- A. Advertise and/or make a hire at a pay range or title than is lower than the level approved by the Board in the Schedule of Authorized positions, and,
- B. Change the titles of positions approved in the Schedule of Authorized positions provided any change does not substantially change the job duties and does not change the pay range assigned to the position (unless the title change would be to a lower pay range as described in item A above).

In the event that changes were made, the Executive Director would return to the Board of Commissioners at the next routine board meeting for ratification. Changes will be memorialized on an updated Schedule of Authorized Positions.

FISCAL IMPACT

There is no fiscal impact.

CEQA

Not applicable to this item.

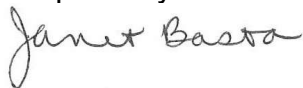
RECOMMENDATION

Approve the Executive Director or designee to make certain limited changes to the recurring and hiring process and to return to the Board of Commissioners at the next routine Board meeting for ratification. Authorize the ED or designee to: A) advertise and/or make a hire at a pay range or title level lower than is approved by the Board in the schedule of authorized positions, provided the role still reports to the same supervisor and is in the same department; and/or B) change titles of approved positions provided they do not substantially change the job duties and do not change the pay range (not withstanding item A above) and provided the role still reports to the same supervisor and is in the same department.

ATTACHMENTS

None

Respectfully submitted,



Janet Basta, Director of Human Resources and Operations



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: May 18, 2022

Re: Approve the Sixth Amendment to the Consultant Services Agreement dated 4/15/15 between Island City Development and the Housing Authority of the City of Alameda.

BACKGROUND

In 2015, a three-year Consultant Services Agreement was signed by and between ICD and AHA for the delivery of real estate development services. The scope and deliverables include the strategy, financing, and implementation of affordable housing development activities such as rehabilitation and new construction. In addition, ICD is asked to provide technical assistance on affordable housing opportunities in the City of Alameda. This contract has been renewed five times, extending the time period and additional fee by one year each time. The Fifth Amendment expires 12/31/2022.

DISCUSSION

ICD continues to be the development arm of the Housing Authority of the City of Alameda and has taken on the financing and development of Littlejohn Commons, Everett Commons, and Rosefield projects in the period from 2015 to the present. The Rosefield project is nearly complete. In addition, ICD has implemented entitlement and predevelopment activities on the North Housing site and plans to continue developing this site in phases. ICD anticipates that it will have four active projects starting in 2022 - three phases of North Housing and the Tilden Commons (2615 Eagle) site. Thus, staff proposes that the fee for staffing services from AHA increase to \$200,000. To support these efforts, staff proposes an extension of the services agreement until 12/31/2024.

FISCAL IMPACT

The AHA fee is typically paid in the second half of the year. In late 2022, ICD will pay AHA a total of \$200,000 per year for staffing services for housing development staff. The funds will come from previous developer fees. Payments of \$200,000 will continue in 2023 and 2024, supported by future developer fees.

CEQA



Not applicable

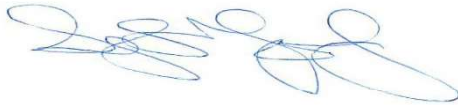
RECOMMENDATION

Approve the Sixth Amendment to the Consultant Services Agreement dated 4/15/15 between Island City Development and the Housing Authority of the City of Alameda.

ATTACHMENTS

1. Att 1 - Amendment 6 to ICD-AHA Services Agreement

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Sylvia Martinez', with a stylized flourish at the end.

Sylvia Martinez, Director of Housing Development

**SIXTH AMENDMENT TO THE
CONSULTANT SERVICES AGREEMENT
BETWEEN ISLAND CITY DEVELOPMENT AND
THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA**

THIS SIXTH AMENDMENT to the Consultant Services Agreement (the "Agreement"), entered into this 18th day of May 2022, by and between ISLAND CITY DEVELOPMENT, a California nonprofit public benefit corporation ("ICD) and the HOUSING AUTHORITY OF THE CITY OF ALAMEDA a public body corporation ("AHA"), is made with reference to the following:

- A. On April 15, 2015, the Agreement was entered into by and between ICD and AHA for delivery of real estate development services; and
- B. On December 5, 2017, the Agreement was amended to extend the completion date to December 31, 2018
- C. On December 20, 2018, the Agreement was amended to extend the completion date to December 31, 2019.
- D. On November 8, 2019, the Agreement was amended to extend the completion date to December 31, 2020.
- E. On December 16, 2020, the Agreement was amended to extend the completion date to December 31, 2021.
- F. On November 17, 2021, the Agreement was amended to extend the completion date to December 31, 2022.
- G. ICD and AHA desire to extend the term of the contract for one year with an increased annual contract amount of \$200,000 and a completion date of December 31, 2024.
- H. Consultant compensation shall be increased, pursuant to the Agreement, in the amount of \$200,000 annually for calendar years 2022, 2023 and 2024, for a total contract amount not to exceed \$1,200,000.

NOW, THEREFORE, in consideration of the foregoing, it is mutually agreed by and between and undersigned parties that paragraphs 1. TERM and 3. COMPENSATION TO CONSULTANT, shall be replaced in whole with the following paragraphs:

- 1. TERM: The time for Completion set forth in the contract is nine years, ending December 31, 2024, unless terminated earlier as set forth herein.
- 3. COMPENSATION TO CONSULTANT: Consultant shall be compensated for services performed pursuant to this Agreement in the amount of \$200,000 annually, for a contract total not to exceed \$1,200,000. Payment will be made based upon Consultant's submitted and approved invoice.

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

ISLAND CITY DEVELOPMENT

HOUSING AUTHORITY OF THE CITY OF
ALAMEDA

Vanessa Cooper
President

Vanessa Cooper
Executive Director



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: Tonya Schuler-Cummins, Senior Management Analyst

Date: May 18, 2022

Re: Approve Amendment of Administrative Plan for Chapters 8, 12, and 19.

BACKGROUND

The Administrative Plan for the Housing Choice Voucher Program (HCVP) for the AHA establishes the policies and procedures whereby the Housing Authority will administer HCVP tenant-based and project-based rental assistance programs under contract to HUD and in accordance with applicable statutes, HUD regulations, and state and local law.

DISCUSSION

This revision adds to Chapter 8, the Housing Quality Standards chapter, the prior HUD Field Office approval of an inoperable elevator at 1825 Poggi Street. Chapter 12, Terminations, is revised to comply with the interim final rule published in the Federal Register on October 7, 2021 affecting evictions from Moderate Rehabilitation units.

The final chapter revised is Chapter 19, the Emergency Housing Vouchers (EHV) chapter. Under the EHV program, housing authorities have some discretion over the operation of the EHV program and the expenditure of the additional administrative fees.

The Housing Authority of the City of Alameda (AHA) included the same incentive amount as used for other voucher households. Due to the number of EHV families still searching or whose voucher has expired, the AHA has revised this chapter to increase the incentive to \$2,000 per EHV lease-up. The AHA has also added reasonable moving expenses as eligible for use of the administrative fees for the EHV family. These include: moving expenses such as hiring a mover or renting a moving van, application fees, and security deposit assistance.

FISCAL IMPACT

This Amendment to the HCVP Administrative Plan will not have an immediate significant financial impact, but should result in the expenditure of Administrative Fees already received for the EHV program.



CEQA

N/A

RECOMMENDATION

Approve Amendment to the Administrative Plan by Revising Chapters 8, 12, and 19
(Amendment 2022-01)

ATTACHMENTS

1. 08 HQS
2. 12 Termination
3. 19 EHV

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Tonya Schuler-Cummins', written in a cursive style.

Tonya Schuler-Cummins, Senior Management Analyst

Chapter 8

HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits the AHA to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and AHA-established requirements. HQS inspections are required before the Housing Assistance Payments (HAP) Contract is signed and at least biennially during the term of the contract.

HUD also requires PHAs to determine that units rented by families assisted under the HCV program have rents that are reasonable when compared to comparable unassisted units in the market area.

This chapter explains HUD and AHA requirements related to housing quality and rent reasonableness as follows:

Part I. Physical Standards. This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.

Part II. The Inspection Process. This part describes the types of inspections the AHA will make and the steps that will be taken when units do not meet HQS.

Part III. Rent Reasonableness Determinations. This part discusses the policies the AHA will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction.

PART I: PHYSICAL STANDARDS

8.I.A. GENERAL HUD REQUIREMENTS

HUD Performance and Acceptability Standards

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials

- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors

A summary of HUD performance criteria is provided in Attachment 8-1. Additional guidance on these requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- HUD Notice 2010-26, Non-Discrimination and Accessibility for Persons with Disabilities
- HUD Notice 2003-31, Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988

Variance to the Acceptability Criteria:

On September 1, 2021, the HUD Field Office approved the AHA for a variance to Housing Quality Standards Acceptability Criteria pursuant to 24 CFR 982.401 (a)(4) for units at 1825 Poggi Street, Alameda. The variance is to allow the elevator to be inoperable. All other performance and acceptability standards for HCV-assisted housing must meet the guidelines at 24 CFR 982.401.

Tenant Preference Items

HUD requires the AHA to enforce minimum HQS but also requires that certain judgments about acceptability be left to the family. For example, the AHA must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic condition of the facilities is acceptable. Attachment 8-2 summarizes those items that are considered tenant preferences.

Modifications to Provide Accessibility

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest bearing escrow account over a reasonable period of time. The interest in any

such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained.[24 CFR 100.203; Notice 2003-31].

Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) [28 CFR 35.151(c) and Notice 2003-31]. See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.

8.I.B. ADDITIONAL LOCAL REQUIREMENTS

The AHA may impose additional quality standards as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choice. HUD approval is required if more stringent standards are imposed. HUD approval is not required if the AHA additions are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

Carbon Monoxide Detectors

State law requires all single-family homes and multi-family rental dwellings with an attached garage or a fossil fuel source to have a carbon monoxide device to be installed. HUD approval was granted and AHA will inspect for the presence of these devices during HQS inspections.

Thermal Environment [HCV GB p.10-7]

The AHA must define a "healthy living environment" for the local climate. This may be done by establishing a temperature that the heating system must be capable of maintaining, that is appropriate for the local climate.

The heating system (i.e., a working radiator, hot air register or baseboard heat) must be capable of maintaining an interior temperature of 65 degrees Fahrenheit between October 1 and May 1. A kitchen stove with a built-in heater or portable electric room heaters are not adequate.

Clarifications of HUD Requirements

As permitted by HUD, the AHA has adopted the following specific requirements that elaborate on HUD standards.

Windows

Window screens must be in good condition (applies only if screens are present).

Doors

All exterior doors must be lockable and have no holes.

Floors

Any loose or warped boards or loose carpet or linoleum must be resecured to eliminate trip hazards.

Security

If window security bars or security screens are present on emergency exit windows, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

8.I.C. LIFE THREATENING CONDITIONS [24 CFR 982.404(a)]

HUD requires the AHA to define life threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life threatening conditions within 24 hours of AHA notification.

The following are considered life threatening conditions:

- Any condition that jeopardizes the security of the unit

- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling

- Natural or LPgas or fuel oil leaks

- Any electrical problem or condition that could result in shock or fire

- Absence of a working heating system when outside temperature is below 50 degrees Fahrenheit at any point between 12:01 a.m. and the actual time of inspection on the day of the inspection. If there is a weather forecast predicting temperatures to be below 50 degrees Fahrenheit at any point within 48 hours of the actual time of the inspection, the absence of a working heating system will be addressed immediately as a health and safety issue on a case-by-case basis.

- Utilities not in service, including no running hot water

- Conditions that present the imminent possibility of injury

- Obstacles that prevent safe entrance or exit from the unit

- Absence of a functioning toilet in the unit

- Missing or inoperable smoke detectors

- Window bars in bedrooms with no release

- Combustible materials near the gas water heater or gas furnace.

If an owner fails to correct life threatening conditions as required by the AHA, the housing assistance payment will be abated and the HAP contract will be terminated. See 8-II-G.

If a family fails to correct a family caused life threatening condition as required by the AHA, the AHA may terminate the family's assistance. See 8-II.H.

Smoke Detectors

Inoperable smoke detectors are a serious threat to tenant safety and the AHA will treat the situation as an emergency (24 hour) fail item. If the smoke detector is not operating properly, the AHA will contact the owner by phone and request the owner to repair the smoke detector within 24 hours. The AHA will reinspect the unit the following day.

If the AHA determines that the family has purposely disconnected the smoke detector (by removing batteries or other means), the family will be required to repair the smoke

detector within 24 hours and the AHA will reinspect the unit the following day. The AHA will issue a written warning to any family determined to have purposely disconnected the unit's smoke detector. This warning will state that deliberate disconnection of the unit's smoke detector is a safety and fire hazard and is considered a violation of HQS.

8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice such as items that are depreciated out over time due to losing value due to age.

Owner Responsibilities

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

8-I-E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL [24 CFR 35.1225]

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, the AHA must complete a risk assessment of the dwelling unit. The risk assessment must be completed in accordance with program requirements, and the result of the risk assessment must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the risk assessment report from the AHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the "hazard reduction" as required, the dwelling unit is in violation of HQS and the AHA will take action in accordance with Section 8-II.G.

AHA reporting requirements, and data collection and record keeping responsibilities related to children with an environmental intervention blood lead level are discussed in Chapter 16.

8-I-F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.403]

If the AHA determines that a unit does not meet HQS space standards because of an increase in family size or a change in family composition, the AHA will issue the family a new voucher, and the family and AHA will try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the AHA must terminate the HAP contract in accordance with its terms.

PART II: THE INSPECTION PROCESS

8-II.A. OVERVIEW [24 CFR 982.405]

Types of Inspections

The AHA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections.* The AHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the HQS inspection before the effective date of the HAP Contract.

For units being added or substituted under a project-based HAP contract, these units must pass the HQS inspection before being added or substituted under the contract.

Self-certification cannot be used on failures of an initial inspection.

- *Annual (or bi-ennial) Inspections.* Under the tenant-based programs, the AHA will inspect each unit under lease at least once every two years to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately. The AHA may elect to inspect more frequently than bi-ennially if the owner or unit has a history of failing HQS inspections.

Under the project-based program, the AHA can inspect a random sample of units at each property, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. If more than 20 percent of the annual sample of inspected contract units in a building fail the first annual inspection, the AHA will inspect all of the contract units in the building.

If the units are owned or controlled by the AHA, the independent entity will follow this policy.

The AHA reserves the right to inspect any units on an annual basis rather than a bi-ennial basis including by not limited to units under programs other than the HCV (Mod Rehab and Shelter Plus Care).

- *Special Inspections.* A special inspection may be requested by the owner, the family, or a third party as a result of problems identified with a unit between biennial inspections.

- *Quality Control Inspections.* HUD requires that a sample of units be reinspected by a supervisor or other qualified individual to ensure that HQS are being enforced correctly and uniformly by all inspectors. A representative sample of both tenant-based and project-based units will be inspected.

Inspection of AHA-owned Units [24 CFR 982.352(b)]

The AHA has obtained the services of an independent entity to perform all HQS inspections in cases where a family is receiving assistance in an AHA-owned unit. An AHA-owned unit is defined as a unit that is owned by the AHA that administers the assistance under the consolidated ACC, including a unit owned by an entity substantially controlled by the AHA, or one where the AHA has an identity of interest (e.g., Breakers at Bayport or Shinsei Gardens). The independent agency must communicate the results of each inspection to the family and the AHA. The independent agency has been approved by HUD. The independent entity will provide the AHA and the San Francisco Field Office with the inspection reports.

The AHA may opt to schedule inspections to be completed at the anniversary date of the HAP contract or annually or biennially from the last annual inspection date.

The AHA cannot use self-certification on its own units.

Inspection Costs

The AHA will not charge the family or owner for unit inspections [24 CFR 982.405(e)]. In the case of inspections of AHA-owned units, the AHA will compensate the independent agency from ongoing administrative fees for inspections performed. The AHA and the independent agency may not charge the family any fee or charge for the inspection [24 CFR.982.352(b)].

Notice and Scheduling

The family must allow the AHA to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:30 a.m. and 5:00 p.m. Inspections will be conducted on business days only, Monday through Friday. In the case of a life threatening emergency, the AHA will give as much notice as possible, given the nature of the emergency.

Attendance at inspections by owner and family.

HUD permits the AHA to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

When a family occupies the unit at the time of inspection an adult family member or designated adult representative must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

Inspection Under Special Housing Types.

See Chapter 15 Part VIII for inspections of special housing types, including Shared Housing.

8-II.B. INITIAL HQS INSPECTION [24 CFR 982.405(a)]

Timing of Initial Inspections

A unit must pass HQS before the effective date of the lease and HAP Contract. To the extent practicable, the AHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 10 calendar days of submission of the Request for Tenancy Approval (RFTA). In all cases, the AHA will inspect the unit within 15 days of the submission of a request for approval of the tenancy. The 15-day period is suspended for any period during which the unit is not available for inspection [982.305(b)(2)].

Inspection Results and Reinspections

If any HQS violations are identified, the owner will be notified of the deficiencies and be advised to notify the AHA when they have been corrected. The AHA will reinspect the unit within 7 calendar days of the date the owner notifies the AHA that the required corrections have been made. The owner may not use self-certification.

If the unit fails HQS at the time of the reinspection, the AHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. The AHA may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Utilities

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying. Those utilities for which the family will be responsible for paying must have individual meters to determine individual family usage and costs. If a utility has a shared meter, the landlord is responsible for the cost.

If utility service is not available for testing at the time of the initial inspection, the AHA will allow the utilities to be placed in service after the unit has met all other HQS requirements. The AHA will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by the AHA.

Appliances

If the family is responsible for supplying the stove and/or refrigerator, the AHA will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by the AHA. The AHA will execute the HAP contract based upon a certification from the family that the appliances have been installed and are working. A confirmatory inspection will be scheduled within 30 days of HAP contract approval.

8.II.C. ANNUAL HQS INSPECTIONS [24 CFR 982.405(a)]

Scheduling the Inspection

Each unit under HAP contract must have an annual inspection no more than 24 months after the most recent inspection.

If an adult family member or other adult designated by the family cannot be present on the scheduled date for good cause, the family may request that the AHA reschedule the inspection. The AHA and family will agree on a new inspection date that generally should take place within 7 calendar days of the originally-scheduled date.

If the family misses a scheduled appointment for an inspection without notifying the AHA, the AHA will consider the family to have violated its obligation to make the unit available for inspection. Two “no-show” inspections where the family does not make the unit available after reasonable notice may result in termination of the family’s assistance in accordance with Chapter 12.

8-II.D. SPECIAL INSPECTIONS [HCV GB p. 10-30]

The AHA will conduct a special inspection if the owner, family, or another source reports HQS violations in the unit.

During a special inspection, the AHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the annual inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled the AHA may elect to conduct a full annual inspection.

8-II.E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b), HCV GB p. 10-32]

HUD requires a AHA supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample will include (1) each type of inspection (initial, annual, and special), (2) inspections completed by each inspector, and (3) units from a cross-section of neighborhoods.

8.II.F. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the AHA will determine (1) whether or not the failure is a life threatening condition and (2) whether the family or owner is responsible.

In the case of a project-based unit, the AHA will not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the AHA determines that a unit does not comply with HQS, the AHA will follow the same procedure for notice, corrective action, abatement and termination of PBV-assistance for

the HAP contract unit as provided for units in the tenant-based voucher program. (Also see Sections 16-III.D. and 16-IX.A.).

When life threatening conditions are identified, the AHA will immediately notify both parties. The first level of notice is in-person during the inspection, and this will begin the 24-hour correction period. If either party is not present at the inspection, the next level of notice will be by telephone at the telephone number of record, with a verbal message left if possible, and this will serve as the start of the 24-hour correction period. If the AHA has an email address for either or both parties, notice will be sent via email as well. As a last resort, the notice will be mailed, but this does not remove the 24-hour requirement for correction of the life-threatening condition. The notice will specify who is responsible for correcting the violation. The responsible party must correct the defect within 24 hours.

When failures that are not life threatening are identified, the AHA will send the owner and the family a written notification of the inspection results within seven calendar days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. The responsible party must correct the defect within 30 calendar days from the date of the failed inspection (or by the end of any AHA-approved extension).

The notice of inspection results will inform the owner that if life threatening conditions are not corrected within 24 hours, and non-life threatening conditions are not corrected within the specified time frame (or any AHA-approved extension), the owner's HAP will be abated in accordance with AHA policy (see 8-II.G.). Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any AHA-approved extension, if applicable) the family's assistance will be terminated in accordance with AHA policy (see Chapter 12).

Extensions

For conditions that are life-threatening, the AHA cannot grant an extension to the 24 hour corrective action period. For conditions that are not life-threatening, the AHA may grant an exception to the required time frames for correcting the violation, if the AHA determines that an extension is appropriate [24 CFR 982.404].

Extensions will be granted in cases where the AHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

A repair cannot be completed because required parts or services are not available.

A repair is expensive (e.g., exterior painting or roof repair) and the owner needs time to obtain funds.

A repair cannot be completed because of weather conditions.

A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case by case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved

sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

Owners must make requests for extensions in writing and include verification of the reason the extension is needed.

Reinspections and Self-Certification

For failures due to life-threatening conditions, the AHA will conduct a reinspection on the following day to document that the defect was corrected within 24 hours.

For non-life threatening defects, if there are fewer than five fail items in the first inspection, self-certification by the owner and tenant can be used to establish compliance with HQS. For a re-inspection with fewer than two fail items, self-certification can be used. Owner/Landlord must have a documented history of HQS compliance through AHA to qualify for the use of this Owner/Tenant Certification of Repairs form. AHA may verify the completeness of all repairs by a Quality Control Inspection within 90 days of the initial date of inspection.

If there are more than five fail items, the AHA will schedule a reinspection approximately one week before the end of the 30-day corrective period, or any AHA-approved extension. The family and owner will be given reasonable notice of the reinspection appointment.

If the deficiencies have not been corrected by the time of the reinspection or if the AHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the AHA will immediately schedule a second reinspection no later than the final day of the corrective period or any AHA-approved extension (or first business day thereafter) together with a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with AHA policies.

If the AHA is unable to gain entry to the unit at the time of the second scheduled reinspection, the AHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

8.II.G. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, the AHA must take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

If an owner fails to correct HQS deficiencies by the time specified by the AHA, HUD requires the AHA to abate HAP no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.3(f)]. AHA will terminate HAP on the 31st day after the inspection. No retroactive payments will be made to the owner for the period of time the rent was abated. Owner rents are not abated as a result of HQS failures that are the tenant-based voucher holder family's responsibility.

Owner rents are abated for project-based units regardless of fault. (See Sections 16-III.D. and 16-IX.A.).

The AHA will abate HAP beginning with the first day of the month after the AHA specified correction period (including any extension) has been reached and the owner has failed to make the correction.

The AHA will inspect abated units within seven calendar days of the owner's notification that the work has been completed. (Self-certification cannot be used with abated units.) Payment will resume effective on the day the unit passes inspection.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

HAP Contract Termination

The AHA must decide how long any abatement period will continue before the HAP contract will be terminated. The AHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time [HCV GB p. 10-29] and will give the owner reasonable notice of the termination. The AHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

The maximum length of time HAP may be abated is 90 days. Reasonable notice of HAP contract termination by the AHA is 30 days. In general, if HQS defects for which HAP is being abated are not corrected by the end of the first month of HAP abatement, the AHA will notify the owner that the HAP contract will be terminated no later than the end of the 90-day abatement period. The AHA will issue a voucher to the tenant family if this has not already been requested by the family. If the owner completes corrections and notifies the AHA before the termination date of the HAP contract, however, the AHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit, and (2) the unit passes inspection.

8.II.H. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]

Families are responsible for correcting any HQS violations listed in paragraph 8.I.D. If the family fails to correct a violation within the period allowed by the AHA (and any extensions), the AHA will terminate the family's assistance, according to the policies described in Chapter 12.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

PART III: RENT REASONABLENESS [24 CFR 982.507]

8-III.A. OVERVIEW

No HAP contract can be approved until the AHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises. This part explains the method used to determine whether a unit's rent is reasonable.

AHA-owned Units [24 CFR 982.352(b)]

In cases where an HCV family is receiving assistance in a AHA-owned unit, the AHA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A AHA-owned unit is defined as a unit that is owned by the AHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the AHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the AHA. The independent agency must be approved by HUD, and may be the unit of general local government for the AHA jurisdiction (unless the AHA is itself the unit of general local government or an agency of such government).

8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

Owner-initiated Rent Determinations

The AHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment. See 9-I.H. Changes in Lease or Rent for additional information about requesting rent adjustments.

The owner and family first negotiate the rent for a unit. The AHA (or independent agency in the case of AHA-owned units) will assist the family with the negotiations upon request. At initial occupancy the AHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the AHA may request owners to provide information about the rents charged for other units on the premises. In evaluating the proposed rents in comparison to other units on the premises the AHA will consider unit size and length of tenancy in the other units.

The AHA will determine whether the requested increase is reasonable within 30 calendar days of receiving the request from the owner. The owner will be notified of the determination in writing.

If the request for rent increase coincides with the annual reexam, the adjustment will be effective on the same date the annual reexam takes effect. All other rents adjustments will be effective the first of the month following 60 days after the AHA's receipt of the owner's request or on the date specified by the owner, whichever is later.

AHA- and HUD-Initiated Rent Reasonableness Determinations

HUD requires the AHA to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 10 percent decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct the AHA to make a determination at any other time. The AHA may decide that a new determination of rent reasonableness is needed at any time.

In addition to the instances described above, the AHA will always make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the AHA determines that the initial rent reasonableness determination was in error or (2) the AHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

8-III.C. HOW COMPARABILITY IS ESTABLISHED

Factors to Consider

HUD requires AHA to take into consideration the factors listed below when determining rent comparability. The AHA may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made.
- Amenities, services, and utilities included in the rent

Units that Must Not be Used as Comparables

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance.

Rents Charged for Other Units on the Premises

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting the AHA payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so,

the owner must give the AHA information regarding rents charged for other units on the premises.

8-III.D . AHA RENT REASONABLENESS METHODOLOGY

How Market Data is Collected

The AHA may collect and maintain data on market rents in the AHA's jurisdiction. Information sources include newspapers, realtors, market surveys, inquiries of owners and other available sources. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis and rent information that is more than 24 months old will be eliminated from the database. AHA is choosing to use an automated data base system at this time. If adequate information of unassisted units is not available in the automated data base AHA will use the aforementioned process to determine reasonable rents.

How Rents are Determined

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable units in the same market area. The AHA will develop a range of prices for comparable units by bedroom size within defined market areas. Units proposed for HCV assistance will be compared to the units within this rent range. Because units may be similar, but not exactly like the unit proposed for HCV assistance, the AHA may make adjustments to the range of prices to account for these differences.

The adjustment must reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).

Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).

The adjustment must reflect the rental value of the difference – not its construction costs (e.g., it might cost \$20,000 to put on a new roof, but the new roof might not make any difference in what a tenant would be willing to pay because rental units are presumed to have functioning roofs).

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent) reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of \$500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows: $\$500 \times 11 \text{ months} = 5500 / 12 \text{ months} = \text{actual monthly rent of } \488 .

The AHA will notify the owner of the rent the AHA can approve based upon its analysis of rents for comparable units. The owner may submit information about other comparable units in the market area. The AHA will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within 7 calendar days of the AHA's request for information or the owner's request to submit information.

EXHIBIT 8-1: OVERVIEW OF HUD HOUSING QUALITY STANDARDS

Note: This document provides an overview of HQS. For more detailed information, see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- PIH Notice 2017-13 Guidance on HUD's Lead Safe Housing Rules Pertaining to Elevated Blood Lead levels for the Public Housing, Housing Choice Voucher, and Project-Based Voucher Programs

Sanitary Facilities

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

Food Preparation and Refuse Disposal

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

Space and Security

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

Thermal Environment

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

Illumination and Electricity

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

Structure and Materials

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must

be working [if there is one]. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

Interior Air Quality

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

Water Supply

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

Lead-Based Paint

HUD's Lead Safe Housing Rule (LSHR) applies to "target housing," which, under the LSHR, is any housing constructed prior to 1978, except housing for households for the elderly or persons with disabilities or any 0- bedroom dwelling (unless any child who is less than 6 years of age resides or is expected to reside in such housing).

The key changes in the LSHR include revising HUD's "environmental investigation blood lead level" (EIBLL) to the "elevated blood lead level" (EBLL), enhancing the level of investigation required for a housing unit of a child with an EBLL to an "environmental investigation" and adding a requirement for testing in other covered units when a child is identified in a multiunit property.

A Housing Choice Voucher Owner is responsible for:

1. Initial notification of a confirmed case to HUD: Notifying the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes of the case within 5 business days.
2. If the owner is notified of the case by any medical health care professional other than the public health department, the owner shall notify the public health department of the name and address of the child within 5 business days.
3. Verification of the case, when necessary.
4. Control of lead-based paint hazards within 30 calendar days of an investigation, using a certified lead-based paint abatement firm or certified lead renovation firm.
5. In a multiunit property, the owner must notify all residents of lead evaluation and hazard control activities.
6. Ongoing maintenance.

For Housing Choice Voucher units, the AHA is responsible for:

1. Verification of the case. The PHA shall immediately verify the information with the public health department or other medical health care provider.
2. Environmental Investigation.
3. Monitoring the owner's compliance with the LSHR in accordance with the Housing Assistance Payments (HAP) contract between the PHA and the owner.
4. Control. Ensuring the owner completes and clears the control of lead-based paint hazards identified in the Environmental Investigation of the index unit and the common areas servicing that unit.

The AHA will assist the owner by providing contact information when requested. The AHA will collaborate with the owner on the response, including providing the names of qualified and certified lead hazard control contractors, providing for the clearance examination, and ensuring notification to other residents in a multi-unit property.

For project-based voucher units, the responsibilities of both the AHA and the owner change slightly. Please see the above referenced PIH Notice for these changes.

Access

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

Site and Neighborhood

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

Sanitary Condition

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

Smoke Detectors

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

Hazards and Health/Safety

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

EXHIBIT 8-2: SUMMARY OF TENANT PREFERENCE AREAS RELATED TO HOUSING QUALITY

Note: This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

Provided the minimum housing quality standards have been met, HUD permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- *Sanitary Facilities.* The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
 - *Food Preparation and Refuse Disposal.* The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
 - *Space and Security.* The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
 - *Energy conservation items.* The family may determine whether the amount of insulation, presence or absence of storm doors and windows and other energy conservation items are acceptable.
 - *Illumination and Electricity.* The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet HQS standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.
- (6) *Structure and Materials.* Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.
- (7) *Indoor Air.* Families may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet the family's needs. However, if screens are present they must be in good condition.
- (8) *Sanitary Conditions.* The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.

(9) *Neighborhood conditions.* Families may determine whether neighborhood conditions such as the presence of drug activity, commercial enterprises, and convenience to shopping will affect the livability of the unit.

Families have no discretion with respect to lead-based paint standards and smoke detectors.

Chapter 12

TERMINATION OF ASSISTANCE AND TENANCY

HUD regulations specify the reasons for which a PHA can terminate a family's assistance, and the ways in which such terminations must take place. They also dictate the circumstances under which an owner may terminate the tenancy of an assisted family. This chapter presents the policies that govern voluntary and involuntary terminations of assistance, and termination of tenancy by the owner. It is presented in three parts:

Part I: Grounds for Termination of Assistance. This part discusses various reasons that a family's assistance may be terminated, including voluntary termination by the family, termination because the family no longer qualifies to receive subsidy, and termination by the AHA based on the family's behavior.

Part II: Approach to Termination of Assistance. This part describes the policies that govern how an involuntary termination takes place. It specifies the alternatives that the AHA may consider in lieu of termination, the criteria the AHA must use when deciding what action to take, and the steps the AHA must take when terminating a family's assistance.

Part III: Termination of Tenancy by the Owner. This part presents the policies that govern the owner's right to terminate an assisted tenancy.

PART I: GROUNDS FOR TERMINATION OF ASSISTANCE

12-I.A. OVERVIEW

HUD requires the AHA to terminate assistance for certain offenses and when the family no longer requires assistance. HUD permits the AHA to terminate assistance for certain other actions family members take or fail to take. In addition, a family may decide to stop receiving HCV assistance at any time by notifying the AHA.

Termination of VASH participants will be in accordance with the VASH regulations, including for failing to comply with case management requirements.

12-I.B. FAMILY NO LONGER REQUIRES ASSISTANCE [24 CFR 982.455]

As a family's income increases, the amount of AHA subsidy goes down. If the amount of HCV assistance provided by the AHA drops to zero and remains at zero for 180 consecutive calendar days the family's assistance terminates automatically.

If a participating family receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero, the family must notify the AHA of the changed circumstances and request an interim reexamination before the expiration of the 180-day period.

12-I.C. FAMILY CHOOSES TO TERMINATE ASSISTANCE

The family may request that the AHA terminate the family's assistance at any time.

The request to terminate assistance should be made in writing and signed by the head of household, spouse, or cohead. Before terminating the family's assistance, the AHA will follow the notice requirements in Section 12-II.F.

12-I.D. MANDATORY TERMINATION OF ASSISTANCE

HUD requires the AHA to terminate assistance in the following circumstances.

Eviction [24 CFR 982.552(b)(2)]

The AHA must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. In keeping with provisions of the Violence Against Women Reauthorization Act of 2013 (VAWA), incidents of actual or threatened violence, dating violence, or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking.

Serious or repeated lease violations will include, but not be limited to, nonpayment of rent, unauthorized household members, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity. Generally, the criterion to be used is whether the reason for the eviction was through no fault of the tenant or guests.

A family will be considered *evicted* if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.

If a family moves after the owner has filed an unlawful detainer against the family, but before a legal eviction order has been issued, termination of assistance is not mandatory. However, the AHA will determine whether the family has committed serious or repeated violations of the lease based on available evidence and may terminate assistance or take any of the alternative measures described in Section 12-II.C and other factors as described in Sections 12-II.E. Upon consideration of such alternatives and factors, the AHA may, on a case-by-case basis, choose not to terminate assistance.

Failure to Provide Consent [24 CFR 982.552(b)(3)]

The AHA must terminate assistance if any family member fails to sign and submit any consent form they are required to sign for a reexamination. See Chapter 7 for a complete discussion of consent requirements.

Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]

The AHA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or (3) a family member, as determined by the AHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See Chapter 7 for a complete discussion of documentation requirements.

Failure to Provide Social Security Documentation [24 CFR 5.218(c)]

The AHA must terminate assistance if a participant family fails to provide the documentation or certification required for any family member who obtains a social security number, joins the family, or reaches 6 years of age.

Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]

The AHA must terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]

The AHA must deny or terminate assistance if any family member fails to meet the eligibility requirements concerning individuals enrolled at an institution of higher education as specified in 24 CFR 5.612. (See Chapter 3-II.E)

12-I.E. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS

Mandatory Policies [24 CFR 982.553(b) and 982.551(I)]

HUD requires the AHA to establish policies that permit the AHA to terminate assistance if the AHA determines that:

- Any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member has violated the family's obligation not to engage in any drug-related criminal activity
- Any household member has violated the family's obligation not to engage in violent criminal activity

Use of Illegal Drugs and Alcohol Abuse

The AHA may terminate a family's assistance if any household member, live-in aide, or guest is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

The AHA may terminate assistance if any household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Currently engaged in is defined as any use of illegal drugs during the previous six months.

The AHA will consider all credible evidence, including but not limited to, any record of arrests, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.

In making its decision to terminate assistance, the AHA will consider alternatives as described in Section 12-II.C and other factors described in Section 12-II.D. Upon consideration of such alternatives and factors, the AHA may, on a case-by-case basis, choose not to terminate assistance.

Drug-Related and Violent Criminal Activity [24 CFR 5.100]

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity is defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

The AHA may ~~will~~ terminate a family's assistance if any household member, live-in aide, or guest, has violated the family's obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program.

This includes drug related criminal activity, which may have occurred either on or off the premises and includes activities of any family member, live-in aide or guest.

Any family member who engages in drug-related criminal activity according to a preponderance of the evidence, or who allows a live-in aide or guest to engage in such activities, will have his or her assistance terminated. Evidence of such activity includes the following:

- Conviction of a felony involving drugs (e.g., felony possession of a controlled substance);
- Conviction of a misdemeanor for the same activity;
- An incident or pattern of arrests for drug use or possession or sale; or
- A preponderance of evidence exists that a pattern of drug use or possession or use of alcohol that interferes with the health and safety or disturbs the peaceful enjoyment of the premises of others.

In making its decision to terminate assistance, the AHA will consider alternatives as described in Section 12-II.C and other factors described in Section 12-II.D. Upon consideration of such alternatives and factors, the AHA may, on a case-by-case basis, choose not to terminate assistance.

Other Authorized Reasons for Termination of Assistance [24 CFR 982.552(c)]

HUD permits the AHA to terminate assistance under a number of other circumstances. It is left to the discretion of the AHA whether such circumstances in general warrant consideration for the termination of assistance. The Violence Against Women Reauthorization Act of 2005 explicitly prohibits PHAs from considering incidents or actual threatened domestic violence, dating violence, or stalking as reasons for terminating the assistance of a victim of such violence.

The AHA **will not** terminate a family's assistance because of the family's failure to meet its obligations under the Family Self-Sufficiency or Welfare to Work voucher programs.

The AHA may terminate a family's assistance if:

The family has failed to comply with any family obligations under the program. See Exhibit 12-1 for a listing of family obligations and related AHA policies.

Any family member has been evicted from federally-assisted housing in the last three years.

Any PHA has ever terminated assistance under the program for any member of the family.

Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

Any family member has committed any criminal activity which may threaten the health, safety or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity.

The family currently owes rent or other amounts to any PHA in connection with the HCV, Certificate, Moderate Rehabilitation or public housing programs. The family will not be terminated for owing rents to an owner of Moderate Rehabilitation units with less than a 30-day notice if 1) the HUD Secretary makes a requisite finding and provides housing providers with the requisite notice during a national emergency, 2) HUD provides information necessary to include in lease termination notices and this information was included in the notice to the tenant, and 3) there is funding available to assist tenants with nonpayment of rent during a national emergency.

The family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

The family has breached the terms of a repayment agreement entered into with the AHA.

A family member has engaged in or threatened violent or abusive behavior toward AHA personnel.

Abusive or violent behavior towards AHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

If the AHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program, the assistance of one or more families may be terminated. Families will have their assistance terminated in reverse order of receiving assistance from the Housing Choice Voucher program. The date of admission to the program will be

used to determine the order of termination. Families transferring from the PBV program to the HCV program will be ordered by the date of admission to the PBV program.

Participants in the following programs/categories will not be terminated due to overleasing, but may be terminated due to underfunding:

- Family Self-Sufficiency
- Welfare to Work
- Mainstream
- Families with Conversion vouchers
- Elderly/disabled families

In making its decision to terminate assistance, the AHA will consider alternatives as described in Section 12-II.C and other factors described in Section 12-II.D and Section 12-II.E. Upon consideration of such alternatives and factors, the AHA may, on a case-by-case basis, choose not to terminate assistance.

Family Absence from the Unit [24 CFR 982.312]

The family may be absent from the unit for brief periods. The AHA must establish a policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. Absence means that no member of the family is residing in the unit.

If the family is absent from the unit for more than 180 consecutive calendar days, the family's assistance will be terminated. Notice of termination will be sent in accordance with Section 12-II.E.

A family may be absent for a period of less than 30 calendar days without notifying the Housing Authority unless the absence will interfere with the scheduled annual recertification or annual unit inspection in which case the family must call and make appropriate arrangements.

When an absence will be for 30 calendar days or more, the family must notify the Housing Authority in writing as follows:

Planned Absences: The family must provide 14 calendar days advance written notice of planned absences (e.g., vacations, stays in convalescent care facilities, care or death of family members out of town, or other events which may require an extended time away from the residence.).

Unplanned Absences: The family must advise the Housing Authority in writing within the first 14 calendar days of the absence if the absence is expected to last 30 calendar days or more (e.g., hospital stays, jail, or prison sentences, care or death of family members out of town, or other events which may require an extended time away from the residence).

Notification must include documentation in support of the reason for the absence, the anticipated date of return to the unit, and an address and telephone number where the family can be reached during the absence. Such documentation may include but is not limited to

travel documents, letter from doctor or similar qualified professional in support of medically-required absence/support to family member, death certificate, long-term or in-patient care documentation. A reason must be given if the family is unable to anticipate a date of return to the unit. If the period of absence is expected to occur during the projected time frame for either annual re-examination or annual Housing Quality Standard (HQS) inspection, the family must make alternative arrangements to meet their family obligations that are acceptable to the AHA. If the assisted lease contains provisions regarding tenant absence from unit, the family must document that it has complied with these lease provisions.

Within 14 calendar days of receipt of this written notice, the Housing Authority will send to the family a written notification of approval or denial of the absence and will advise the family that housing assistance payments will terminate if the family is absent for more than 180 consecutive calendar days. The family must advise the Authority in writing within three calendar days of the family's return to the unit

The Housing Authority also may require additional information or certification that the family is absent from the unit or has returned to it. Failure to provide written notification or other requested information to the Authority related to a family's absence or return to the assisted unit are grounds for termination of housing assistance. The family may only have one long-term absence, i.e., of 180 days, away from the unit per year. The Executive Director has the discretion to limit any absences longer than 30 days at any time.

Housing assistance payments terminate if the family is absent for longer than the maximum period permitted. The term of the HAP contract and assisted lease also terminate. The owner must reimburse the AHA for any housing assistance payment for the period after the termination.

The Housing Authority must terminate the Housing Assistance Payment (HAP) contract for an assisted unit if the family is absent from the assisted unit for more than 180 consecutive calendar days. If this occurs, the family must submit a written request to continue in the Housing Choice Voucher (HCV) Program within 14 days of the termination of the HAP contract. This request must be made in writing, and the family must subsequently provide all required information and documents by the specified deadline in order for the AHA to recertify continuing eligibility and issue a new voucher. If a request is not received, or if the family does not provide required documents by deadlines, the family will be notified that the family has been deemed to have voluntarily given up HCV ~~their Section 8~~ assistance.

If the family's HAP contract was terminated after the 180 day limit for a previously approved absence and the family cannot submit or complete a request for recertification within 14 days due to special circumstances beyond the family's control, which include, but are not limited to, hospitalization, convalescent care, or disability, (but not including incarceration), the Executive Director may permit an additional period of time for the family to request readmission or resumption of assistance.

PART II: APPROACH TO TERMINATION OF ASSISTANCE

12-II.A. OVERVIEW

The AHA is required by regulation to terminate a family's assistance if certain program rules are violated. For other types of offenses, the regulations give the AHA the discretion to either terminate the family's assistance or to take another action. This part discusses the various actions the AHA may choose to take when it has discretion, and outlines the criteria the AHA will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notice that must be provided before terminating assistance.

12-II.B. METHOD OF TERMINATION [24 CFR 982.552(a)(3)]

The way in which the AHA terminates assistance depends upon individual circumstances. HUD permits the AHA to terminate assistance by:

- Terminating housing assistance payments under a current HAP contract,
- Refusing to approve a request for tenancy or to enter into a new HAP contract, or
- Refusing to process a request for or to provide assistance under portability procedures.

12-II.C. ALTERNATIVES TO TERMINATION OF ASSISTANCE

Change in Household Composition

As a condition of continued assistance, the AHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit [24 CFR 982.552(c)(2)(ii)].

As a condition of continued assistance, the head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon AHA request. Any further information received by the AHA that the culpable family member has returned to the unit, for any length of time, will be adequate documentation of a violation of this condition and will be grounds for termination of assistance for the entire family.

Repayment of Family Debts

If a family owes amounts to the AHA, as a condition of continued assistance, the AHA will require the family to be current on an existing payment agreement or repay the full amount or to enter into a repayment agreement if none currently exists, within 30 days of receiving notice from the AHA of the amount owed. See Chapter 15 for policies on repayment agreements.

12-II.D. CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE

Evidence

For criminal activity, HUD permits the AHA to terminate assistance if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted [24 CFR 982.553(c)].

The AHA will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Consideration of Circumstances [24 CFR 982.552(c)(2)(i)]

The AHA is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

The AHA will consider the following factors when making its decision to terminate assistance:

- The seriousness of the case, especially with respect to how it would affect other residents

- The effects that termination of assistance may have on other members of the family who were not involved in the action or failure

- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or (as discussed further in Section 12-II.E) a victim of domestic violence, dating violence, or stalking

- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future

- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

- The AHA may require the family to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]

If the family includes a person with disabilities, the AHA's decision to terminate the family's assistance is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, the AHA will determine whether the behavior is related to the disability. If so, upon the family's request, the AHA will determine whether alternative measures are appropriate as a reasonable accommodation. The AHA will only

consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance. See Chapter 2 for a discussion of reasonable accommodation.

12-II.E. TERMINATING THE ASSISTANCE OF DOMESTIC VIOLENCE, DATING VIOLENCE, OR STALKING VICTIMS AND PERPETRATORS [Pub.L. 113-114]

The Violence Against Women Reauthorization Act of 2013 (VAWA) provides that criminal activity directly relating to domestic violence, dating violence, sexual assault or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be a cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that domestic violence, dating violence, or stalking. Applicants and tenants may not be denied assistance or have assistance terminated under a covered housing program on the basis of or as a direct result of the fact that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

VAWA also gives the AHA the authority to terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant.

VAWA does not prohibit the AHA or owner from terminating assistance or evicting a tenant if the AHA or owner can demonstrate an actual and imminent threat to other tenants or those employed at or providing services to the property would be present if that tenant or lawful occupant is not evicted or terminated from assistance.

When a participant family is facing termination of assistance because of the actions of a participant, household member, guest, or other person under the participant's control and a participant or immediate family member of the participant's family claims that she or he is the victim of such actions and that the actions are related to domestic violence, dating violence, sexual assault or stalking, the claim will be addressed per VAWA regulations before the termination of assistance is completed.

Under most circumstances, a survivor need only to self-certify in order to exercise their rights under VAWA, ensuring third-party documentation does not cause a barrier in a survivor expressing their rights and receiving the protections needed to keep themselves safe.

In cases where both parties are claiming protection under VAWA AHA can require one of the following elements:

- Form HUD-5382; or
- A statement signed by an employee, agent, or volunteer of a victim service provider; an attorney, a medical professional or another knowledgeable professional from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking or the effects of abuse. The professional must attest under penalty of perjury that the professional believes in the occurrence of the incident that is the ground for protection and remedies under the VAWA Final Rule and that the incident meets the applicable definition

of domestic violence, dating violence, sexual assault, or stalking under 24 CFR 5.2003. The applicant or tenant must sign or attest to the statement. Or,

- A record from a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency documenting the situation.
- At the discretion of a covered housing provider, a statement or other evidence provided by the applicant or participant.

The required certification and supporting documentation must be submitted to the AHA within 14 business days after the PHA issues its written request. The 14-day deadline may be extended at the AHA's discretion. If the individual does not provide the required certification and supporting documentation within 14 business days, or the approved extension period, the AHA may proceed with assistance termination.

If the applicant or tenant fails to provide documentation that meets the criteria in 24 CFR 5.2007 within 14 business days after receiving the written request for that documentation, or within the designated extension period, nothing in VAWA Final Rule may be construed to limit the authority of the covered housing provider to:

- a) Deny admission by the applicant or tenant to the housing or program;
- b) Deny assistance under the covered housing program to the applicant or tenant;
- c) Terminate the participation of the tenant in the covered housing program; or
- d) Evict the tenant, or a lawful occupant that commits a violation of a lease.

If the AHA can demonstrate an actual and imminent threat to other participants or those employed at or providing service to the property if the participant's tenancy is not terminated, the AHA will bypass the standard process and proceed with the immediate termination of the family's assistance. In determining this course of action, the AHA will consider any possible actions that may reduce or eliminate an actual and imminent threat and, if possible, use an alternative measure to prevent or remedy the situation rather than terminate the victim's assistance.

Although VAWA provides assistance termination protection for victims of domestic violence, it does not provide protection for perpetrators. Members of the household may not engage in criminal activity or criminal activity directly related to domestic violence. AHA will process termination of the perpetrator for violations of the family obligations found at 24 CFR 982.551(l) Crime by household members. The VAWA Final Rule provides that a participant who receives assistance under a covered housing program will not be terminated or evicted from housing on the basis of or as a direct result of having been a victim of criminal activity related to domestic violence, dating violence, sexual assault, or stalking.

When the actions of a participant or other family member result in an AHA decision to terminate the family's assistance and another family member claims that the actions involve criminal acts of physical violence against family members or others, the AHA will request that the victim submit the above required certification and supporting documentation in accordance with the stated time frame. If the certification and supporting documentation are submitted within the required time frame, or any

approved extension period, the AHA will terminate the perpetrator's assistance. If the victim does not provide the certification and supporting documentation, as required, the AHA will proceed with termination of the family's assistance. If the AHA denies VAWA protections, it will follow its established procedures for grievance hearings, informal hearings, or informal reviews.

AHA Confidentiality Requirements

All information provided to the AHA regarding domestic violence, dating violence, sexual assault or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared data base nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to in writing by the individual (victim) in a time-limited release, (b) is required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program, or (c) is otherwise required by applicable law.

12-II.F. TERMINATION NOTICE [HCV GB, p. 15-7]

If a family's assistance is to be terminated, whether voluntarily or involuntarily, the AHA must give the family and the owner written notice that specifies:

- The reasons for which assistance has been terminated,
- The effective date of the termination,
- The family's right to an informal hearing as described in Chapter 15.46

If a criminal record is the basis of the termination, a copy of the record must accompany the notice. A copy of the criminal record also must be provided to the subject of the record [24 CFR 982.553(d)].

When termination is initiated by the AHA, the notice to terminate will be sent to the family and the owner at least 30 calendar days prior to the effective date of the termination. However, if a family vacates the unit without informing the AHA, 30 days notice will not be given. In these cases, the notice to terminate will be sent at the time the AHA learns the family has vacated the unit.

When a family requests to be terminated from the program they must do so in writing to the AHA (see section 12-I.C.). The AHA will then send a confirmation notice to the family and the owner within 14 calendar days of the family's request, but no later than the termination effective date (as requested by the family).

Notice of Termination Based on Citizenship Status [24 CFR 5.514 (c) and (d)]

The AHA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or eligible immigration status; (2) evidence of citizenship and eligible immigration status is submitted timely, but USCIS primary and secondary verification does not verify eligible immigration status of a family; or (3) the AHA determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent

basis) in the unit. For (3) above, such termination must be for a period of at least 24 months.

The notice of termination must advise the family of the reasons their assistance is being terminated, that they may be eligible for proration of assistance, the criteria and procedures for obtaining relief under the provisions for preservation of families, that they have the right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal, and that they have the right to request an informal hearing with the AHA either upon completion of the USCIS appeal or in lieu of the USCIS appeal. Informal hearing procedures are contained in Chapter 15.

The notice to terminate will be sent to the family and the owner at least 30 calendar days prior to the effective date of the termination.

12-II.G. HOW TERMINATION OF ASSISTANCE AFFECTS THE HAP CONTRACT AND LEASE

When the family's assistance is terminated, the lease and HAP contract terminate automatically [Form HUD-52641].

The owner may offer the family a separate unassisted lease [HCV GB, p. 15-8].

PART III: TERMINATION OF TENANCY BY THE OWNER

12-III.A. OVERVIEW

Termination of an assisted tenancy is a matter between the owner and the family; the AHA is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy and the reasons for which a tenancy is terminated dictate whether assistance also will be terminated.

12-III.B. GROUNDS FOR OWNER TERMINATION OF TENANCY [24 CFR 982.310 and Form HUD-52641-A, Tenancy Addendum]

During the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause.

Serious or Repeated Lease Violations

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease. This includes failure to pay rent or other amounts due under the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, or stalking against that participant. However, the AHA's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

Violation of Federal, State, or Local Law

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

Criminal Activity or Alcohol Abuse

The owner may terminate tenancy during the term of the lease if any *covered person*, meaning any member of the household, a guest or another person under the tenant's control commits any of the following types of criminal activity (for applicable definitions see 24 CFR 5.100):

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises);
- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises;
- Any violent criminal activity on or near the premises; or
- Any drug-related criminal activity on or near the premises.

The owner may terminate tenancy during the term of the lease if any member of the household is:

- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or
- Violating a condition of probation or parole imposed under federal or state law.

The owner may terminate tenancy for criminal activity by a household member in accordance with this section if the owner determines that the household member has committed the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity, regardless of arrest or conviction and without satisfying the standard of proof used for a criminal conviction; except when the violations are related to incidents of actual or threatened domestic violence, dating violence, or stalking against that participant.

Other Good Cause

During the initial lease term, the owner may not terminate the tenancy for "other good cause" unless the owner is terminating the tenancy because of something the family did or failed to do. During the initial lease term or during any extension term, other good cause

includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, “other good cause” for termination of tenancy by the owner includes:

- Failure by the family to accept the offer of a new lease or revision;
- The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent).

For PBV units, terminating tenancy for good cause does not include doing so for a business or economic reason or a desire to use the unit for personal or family use or other non-personal or family use or other non-residential purpose. [24 CFR 982.310]

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

Non-Compliance with Supportive Services Requirement [24 CFR 983.257(c)]

If a family is living in a PBV unit that is excepted from the 25 percent per project cap on project-basing because of participation in a supportive services program, and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

12-III.C. EVICTION [24 CFR 982.310(e) and (f) and Form HUD-52641-A, Tenancy Addendum]

The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action.

The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The owner may only evict the tenant from the unit by instituting a court action. The owner must give the AHA a copy of any eviction notice at the same time the owner notifies the family. The family is also required to give the AHA a copy of any eviction notice (see Chapter 5).

If the eviction action is finalized in court, the owner must provide the AHA with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 7 calendar days following the court-ordered eviction.

12-III.D. DECIDING WHETHER TO TERMINATE TENANCY [24 CFR 982.310(h)]

An owner who has grounds to terminate a tenancy is not required to do so, and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The nature of the offending action;
- The seriousness of the offending action;
- The effect on the community of the termination, or of the owner's failure to terminate the tenancy;
- The extent of participation by the leaseholder in the offending action;
- The effect of termination of tenancy on household members not involved in the offending activity;
- The demand for assisted housing by families who will adhere to lease responsibilities;
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;
- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 CFR 5.105.

An owner's decision to terminate tenancy for incidents related to domestic violence, dating violence, or stalking is limited by the Violence Against Women Reauthorization Act of 2013 (VAWA). (See Section 12-II.E.)

12-III.E. EFFECT OF TERMINATION OF TENANCY ON THE FAMILY'S ASSISTANCE

If a termination is not due to a serious or repeated violation of the lease, and if the AHA has no other grounds for termination of assistance, the AHA may issue a new voucher so that the family can move with continued assistance (see Chapter 10).

EXHIBIT 12-1: STATEMENT OF FAMILY OBLIGATIONS

Following is a listing of a participant family's obligations under the HCV program:

Providing Complete and Accurate Information

1. The family must supply all sources of income for all family members (including any money received on behalf of or by children, e.g., child support, social security, wages, etc.).
2. The family must supply all required forms and documentation including Social Security numbers and citizenship/immigration status as requested.
3. Any new family member must be reported within 14 calendar days of moving into the unit. Proposed additions to the household are subject to the AHA's approval and screening process. Anyone receiving mail at the assisted address or spending more than one week at a time (or 30 days/nights in a calendar year) is considered to be a member of the household.
4. The family must notify the Housing Authority in writing within 14 calendar days if any family member no longer lives in the unit. The family must provide verification of the new address if requested.
5. The family must supply, in a timely manner, any information the AHA requests for an annual, interim or special reexamination of family income or composition, or for an investigation of potential family obligation violations.
6. All information supplied by the family must be true and complete. Information submitted will be subject to third party verification.
7. The family must not owe rent or other monies to the AHA or to another Housing Authority, unless the family has signed and is current with payments on a Repayment Agreement.

Drugs, Alcohol or Violent Criminal Activity

8. The family must not commit fraud, bribery or any other corrupt or criminal act in connection with the program.
9. At any time, the AHA may terminate assistance if any member of the family, live-in aide or guest engages in:
 - a) Illegal drug related activity
 - b) Violent criminal activity
 - c) Criminal behavior that results in becoming a state-registered lifetime sex offender.
 - d) Alcohol use that interferes with the health and safety of others.
 - e) Other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

10. The AHA may deny or terminate assistance if the preponderance of evidence indicates that a family member, live-in aide or guest has engaged in such activity, regardless of whether the activity resulted in arrest or conviction.

Complying With the Lease

11. The family must not commit serious or repeated lease violations. The AHA will determine if a family has committed serious or repeated violations of the lease based on available evidence, including but not limited to, a court-ordered eviction, written notice from the owner of the serious/repeated lease violation, police reports, arrest logs, neighbor complaints, or other third party information. Violations can include: non-payment of rent, failure to allow the owner to make necessary repairs, unauthorized people in the household, disturbing the quiet and peaceful enjoyment of the premises by others, or criminal activity.
12. The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease.
13. The family must allow the AHA to inspect the unit at reasonable times and after reasonable notice.
14. The family is responsible for any Housing Quality Standards breach caused by the family, including failure to pay tenant-provided utilities or appliances or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.
15. The family must live in the unit for the lease term. The family must give proper notice to the owner, with a copy to the AHA, in order to move.
16. The family must give the AHA a copy of any eviction notice received from the owner.
17. The family must report all absences longer than 60 days in length.
18. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
19. The family must not receive housing assistance in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family. The family cannot own or have any interest in the unit.
20. The family cannot sublease, rent, assign or transfer the unit. Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.
21. An assisted family or member of the family must not receive program assistance while receiving another housing subsidy for the same unit or a different unit under any other federal, state or local housing assistance program.

Chapter 19
EMERGENCY HOUSING VOUCHERS
Effective July 21, 2021

INTRODUCTION

This chapter describes the HUD regulations and PHA policies related to the Emergency Housing Vouchers (EHVs) as outlined in PIH Notice 2021-15.

Part I: Overview of the Program. General overview of the EHV program and goals.

Part II: Eligibility and Admissions. Policies related to eligible families and admission into the EHV program.

Part III: Continued Occupancy. HCV Policies will govern the EHV program.

Part IV: Termination and Reissuance. Policies related to termination and reissuance of EHV program vouchers.

PART I. OVERVIEW OF THE PROGRAM

19-I.A. OVERVIEW

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (P.L. 117-2, hereafter referred to in this notice as “the ARP”) into law, which provides over \$1.9 trillion in relief to address the continued impact of the -COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses.

Section 3202 of the ARP appropriates \$5 billion for new incremental EHVs, the renewal of those EHVs, and fees for the cost of administering the EHVs and other eligible expenses defined by notice to prevent, prepare, and respond to coronavirus to facilitate the leasing of the emergency vouchers, such as security deposit assistance and other costs related to retention and support of participating owners.

Under PIH Notice 2021-15, in May 2021, HUD allocated 70,000 EHVs to public housing authorities and issued guidance on the administration of these EHVs. The AHA was allocated 57 EHVs. The AHA cannot reissue any turnover EHV after September 30, 2023.

All other sections of this Plan apply to EHV unless explicitly stated otherwise in this chapter or HUD regulation or guidance. COVID waivers applied to the regular HCV program that are eligible to the EHV program will be applied to EHV. These updates are posted on the AHA’s website if in effect.

19-I.B. FUNDING AND USES OF FUNDING

Funding and its approved uses are spelled out in PIH Notice 2021-15.

ADMINISTRATIVE FEES

Administrative fees received for EHV can only be used for EHV and must be recorded separately for the Administrative Fees of other AHA programs.

- **On-going monthly administrative fee:** received to administer the program calculated the same as under the Housing Choice Voucher program
- **Preliminary Fee:** single, one-time payment
- **Placement Fee/Expedited Issuance Reporting Fee:** one-time fee received for initial lease-up of each EHV. Amount depends on time to lease.
- **Service Fee:** one-time fee for each EHV allocated.

At the recommendation of the Director of Housing Programs and with the Approval of the Executive Director or designee, one-time administrative fees may be used for other eligible expenses (see next section).

QUALIFIED ACTIVITIES FOR ONE-TIME ADMINISTRATIVE FEES

Each EHV household shall be eligible for up to \$3500 of services; choice and provision of the services will be at the AHA's discretion.

1) Housing Search Assistance if unavailable through the CoC

- a) Identify and visit possible units including ADA accessible
- b) Transportation and directions
- c) Rental application assistance
- d) Expedite leasing process including payment of leasing related fees

2) Security Deposit if unavailable through the CoC

- a) Security Deposit Assistance
 - i) Cannot exceed the less of
 - (1) Two month's rent
 - (2) Maximum security deposit allowed under law
 - (3) Actual amount required by owner for other unassisted units
 - ii) The AHA will pay the security deposit directly to the owner
 - iii) The owner must refund the security deposit to the AHA at the end of the tenancy less any amounts retained by the owner in accordance with the lease and California State law.

3) Owner-related Uses

- a) Owner recruitment and outreach
- b) Owner incentive and/or retention payments
 - i) The AHA will make one-time incentive payments of \$5002,000 at the lease-up of an EHV family.

4) Other Eligible Uses

- a) Tenant-readiness services
 - i) Fees may be paid for customized plans to address or mitigate barriers such as negative credit, lack of credit, negative rental or utility history or to connect the family to other resources.

b) Moving Expenses

i) The AHA will pay some or all of the family's reasonable moving expenses when the family initially leases a unit with the program.

(1) The family must submit documentation of moving expenses for payment.

ii) The AHA will pay for application fees up to \$500 per family.

iii) The AHA will assist with the Security Deposit up to the lesser of the following

(1) Actual Security Deposit required by owner

(2) Maximum security deposit allowed under state or local law

(3) \$3,000

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19-I.C. RESPONSIBILITIES UNDER PROGRAM

Agencies with MOU's with the AHA will refer families according to the terms in the MOU. The AHA will issue and administer the EHV.

PART II. ELIGIBILITY AND ADMISSION

19-II.A. ELIGIBILITY

To be eligible a family must be:

- Homeless;
- At risk of homelessness;
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or
- Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

The definitions for eligibility are found in PIH Notice 2021-15 section 8.a. These definitions will be used rather than definitions provided in other parts of this Administrative Plan.

19-II.B. DENIAL OF ASSISTANCE

Section 3-III.B Mandatory Denial of Assistance [24 CFR 982.553(a)] does not apply to EHV, instead the following apply:

HUD requires the AHA to deny assistance to EHV in the following cases:

- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing
- Any household member is subject to a lifetime registration requirement under a state sex offender registration program

Abusive or violent behavior towards AHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to deny assistance, the AHA will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, the AHA may, on a case-by-case basis, decide not to deny assistance.

19-II.C. REFERRAL TO PROGRAM

The AHA will receive direct referrals from Alameda County's Coordinated Entry System (CES) and other non-profit partners only if the CES does not meet MOU deadlines; therefore, since HUD waived sections of 24 CFR 982.204, the sections (mostly Chapter 4) of this Plan relating to wait list selection do not apply.

A Memorandum of Understanding (MOU) must be executed before the AHA will receive referrals from partner agencies. These partner agencies will provide to the AHA a verification that the family meets the criteria of one of the four above categories.

19-II.D. PREFERENCES

- The AHA will not apply the HCV preferences to the EHV vouchers. The referring agencies will be responsible for determining order of referrals. Wait list will be ordered by date and time referred. Admission to the EHV program will be on a first ready, first served basis.

19-II.E. VERIFICATIONS AND CORRECTION OF OMISSIONS AND ERRORS

Since HUD has waived program requirements under 24 CFR 982.201 for verifications of applicants under the EHV program, the AHA will accept documents dated over 60-days as valid verifications for EHV applicants.

EIV requirements remain in affect for applicants such as searching the Existing Tenant Search and running a report within 90 days of admission to verify reported income.

If it is discovered that the EHV family did not report income at admission into the program, the AHA will terminate the family's assistance. If is discovered that the EHV family did not correctly report income and the family would still have been eligible for the program, the AHA will offer the option to repay all overpaid assistance prior to terminating assistance.

Acceptance of verifications older than 60-days and a certification will not require additional verification until the family experiences a change in income or family composition or until the next regular reexamination.

19-II.F. HOUSING SEARCH

To obtain assistance with an initial (first lease-up) housing search, EHV referrals will be given contact information for this service once the voucher has been issued.

The AHA will use payment standards set at 120% of the area fair market rents (FMR). As of June 26, 2021, this sets the payment standards at:

Unit Size	FMR	120% of FMR (EHV Payment Standard)
Studio	\$1,595	\$1,914
1-bedroom	\$1,934	\$2,320
2-bedroom	\$2,383	\$2,859
3-bedroom	\$3,196	\$3,835
4-bedroom	\$3,863	\$4,635
5-bedroom	\$4,442	\$5,330

The selected unit must still comply with all Rent Reasonableness tests performed by AHA prior to move in.

The AHA would prefer an initial lease for 12 months to assist with housing stability but will accept a lesser term.

19-II.G. VOUCHER ISSUANCE

The AHA will issue an EHV family a voucher for an initial term of 180 days. If an extension for a voucher term of more than 180 days is needed, the regular HCV extension requirements apply. Please see Chapter 5 Section 5-II.E *Voucher Term, Extensions, and Suspensions* subpart *Extensions of Voucher Term* for additional information. The AHA will follow its normal suspension procedures found in Section 5.II.E of Chapter 5 of its Administrative Plan.

19-II.H. PORTABILITY

Portability, moving outside the City of Alameda, will not be restricted on nonresident applicants, so all applicants may move prior to initial lease-up to any jurisdiction operating a housing choice voucher program.

The AHA's briefing for EHV families will include, along with the normal portability information, information on how portability will impact the EHV services and assistance that may be available to the family.

PART III. CONTINUED OCCUPANCY

19-III.A. APPLICABILITY OF ALL REQUIREMENTS FOR CONTINUE OCCUPANCY

All HCV rules will apply to EHV households, including adding family members.

Waivers in place for the HCV program will apply to EHV if the waiver is eligible to be applied to the EHV program under PIH Notice 2021-15.

PART IV. TERMINATION AND REISSUANCE

19-IV.A. REISSUANCE

EHV turnover vouchers will not be reissued after September 30, 2023 per PIH Notice 2021-15.

19-IV.B. TERMINATION

All HCV rules will apply to EHV households in reasons for termination by action or inaction of the family. All HCV rules will apply in the noticing and procedures of terminations such as offering an Informal Hearing of the termination if the family's action or inaction caused the termination.

19-IV.C. TERMINATION OF ASSISTANCE DUE TO UNDER FUNDING

The program has been allocated its full funding through the ARP. When the remaining EHV HAP renewal funding is no longer sufficient to fully fund all PHAs' EHV renewal funding eligibility, HUD will prorate EHV renewal funding allocations. If EHV funding received from HUD is not sufficient to cover the HAP of the remaining families, the AHA will follow all procedures to secure more EHV funding. If after all procedures are followed to obtain more funding, the funding is still insufficient to cover EHV HAP expenses, the AHA will terminate assistance in the following order:

- In consultation with any agencies providing supportive services, those families deemed the most self-sufficient with the resources to maintain housing.
- Families with the smallest EHV HAP payment.
- Families with the longest tenure in the program.

EHV families are not eligible for conversion to a Housing Choice Voucher while residing in the AHA's jurisdiction. EHV families are eligible to apply to any open wait lists the AHA administers, but the EHV does not guarantee the family a place on the wait list. The EHV family must apply and be processed in the same manner as all other applicants.



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: Cheley Quiambao, Asset Manager

Date: May 18, 2022

Re: Accept the LIHTC Portfolio Asset Management Fiscal Year to Date Financial Report through the Month of March 2022.

BACKGROUND

The portfolio includes seven Low Income Housing Tax Credit (LIHTC) Partnership properties: Breakers at Bayport, Shinsei Gardens, Park Alameda, Jack Capon Villa, Littlejohn Commons, Stargell Commons, and Everett Commons. The projects were built between 2006 and 2018 with a cumulative unit count of 255 units (80% family, 12% senior, and 8% special needs), of which, 50% of the units are supported by a combination of various Section 8 rental subsidy programs (Project Based Voucher, Housing Choice Voucher, and Veterans Affairs Supportive Housing.)

The Housing Authority of the City of Alameda (AHA) owns all the land; thus, all partnerships include a land lease, and AHA's role varies from Co-General Partner (Co-GP), General Partner (GP), and Special Limited Partner. Island City Development (ICD) is the developer for Littlejohn Commons and Everett Commons and co-developer for Stargell Commons.

DISCUSSION

This memo provides an overview of the Low-Income Housing Tax Credit (LIHTC) partnership properties' year- to- date financial report through the month of March 2022. This report tracks performance per the budget and includes achievements, items of note, and upcoming events or changes. Please note the properties' fiscal year end is December, and the figures used in this report may change and not match the audit.

Statements that apply to all properties:

Operating Revenue - Tenant rent, rental subsidy, vacancy loss, laundry income, and interest on accounts

Tenant Receivables - Outstanding rent and damages

Operating Expense - Marketing, administrative, property management fees, salaries and benefits, utilities, operating and maintenance, taxes and insurance, and resident



services

Total Operating Income - Operating Revenue minus Operating Expense

Total Net Cash Flow - Will be distributed per the waterfall in accordance with the LPA, lender, and regulatory agreements

Breakers at Bayport- 459 Neptune Gardens Avenue

Breakers at Bayport is a 52-unit Low Income Housing Tax Credit (LIHTC) development for families. Resources for Community Development (RCD) is the General Partner (GP) and the Limited Partner (LP). The Housing Authority of the City of Alameda (AHA) owns the land. John Stewart Company (JSCo) provides property management services. Operation Dignity provides resident services. The project was placed in service on March 29, 2006.

Unit matrix: 2Bed- 34 units, 3Bed- 18 units

Section 8 PBV: 20 units

Income and rent limits: 50%-60% AMI

-Operating Revenue is \$272,035, which is 4% (\$9,285) higher than budget

-Occupancy is 98% (1 vacant unit)

-Tenant Receivables are \$22,261 and Subsidy Receivables are \$4,111

-Operating Expenses are \$126,386, which is 10% (\$13,489) lower than budget

-Total Operating Income is \$145,649, which is 19% (\$22,774) higher than budget

-Mandatory hard debt service and reserve deposit requirements are \$45,700 and Debt Service Coverage Ratio is 3.19

-Total Net Cash Flow is \$100,018, which is 30% (\$22,843) higher than budget

Shinsei Gardens- 401 Willie Stargell Avenue

Shinsei Gardens is a 39-unit Low Income Housing Tax Credit (LIHTC) development for families. RCD is the GP, Operation Dignity is the Sp-LP, and National Equity Fund (NEF) is the LP. AHA owns the land, and also holds an Option/ Right of First Refusal. JSCo provides property management services. Operation Dignity also provides resident services. The project was placed in service on September 03, 2009.

Unit matrix: 1Bed- 6 units, 2Bed- 18 units, 3Bed- 12 units, 4Bed- 3 units

Section 8 PBV: 21 units

Income and rent limits: 20%-60% AMI

-Operating Revenue is \$221,455, which is 3% (\$6,444) lower than budget

-Occupancy is 97% (1 vacant unit)

-Tenant Receivables are \$2,695 and Subsidy Receivables are \$28,122. Per RCD, high subsidy receivables are an accounting issue, where funds were received by the property but have not been applied to the appropriate ledgers. RCD is working to make all necessary adjustments to the ledgers.

-Operating Expenses are \$109,954, which is 5% (\$5,450) higher than budget

- Total Operating Income is \$111,502, which is 10% (\$11,895) lower than budget
- Mandatory hard debt service and reserve deposit requirements are \$9,528 and Debt Service Coverage Ratio is 11.66
- Total Net Cash Flow is \$101,939, which is 10% (\$11,929) lower than budget

Park Alameda- 2428 Central Avenue

Park Alameda is a 62-unit Low Income Housing Tax Credit (LIHTC) development for families. RCD is the managing Co-GP, AHA is the Co-GP, and Union Bank (UB) is the LP. AHA also holds an Option/ Right of First Refusal. JSCo provides property management services. Operation Dignity provides resident services. The project was placed in service on December 27, 2012.

Unit matrix: 0Bed- 61 units, 2Bed- 1 unit

Section 8 PBV: 15 units

Income and rent limits: 50%-120% AMI

- Operating Revenue is \$196,229, which is 1% (\$2,281) higher than budget
- Occupancy is 92% (5 vacant units)
- Tenant Receivables are \$70,051 and Subsidy Receivables are \$43,630
- Operating Expenses are \$147,328, which is 3% (\$4,880) lower than budget
- Total Operating Income is \$48,901, which is 17% (\$7,160) higher than budget
- Mandatory hard debt service and reserve deposit requirements are \$7,982 and Debt Service Coverage Ratio is 6.13
- Total Net Cash Flow is \$40,919, which is 21% (\$7,161) higher than budget

Stargell Commons- 2700 Bette Street

Stargell Commons is a 32-unit Low Income Housing Tax Credit (LIHTC) development for families. RCD is the GP, Wells Fargo Bank (WFB) is the LP, and ICD is the Sp-LP. AHA holds an Option/ Right of First Refusal. JSCo provides property management services. Operation Dignity provides resident services. The project was built in May 2017.

Unit matrix: 1Bed- 5 units, 2Bed- 17 units, 3Bed- 10 units

Section 8 PBV: 7 units

Income and rent limits: 30%-60% AMI

- Operating Revenue is \$140,529, which is 2% (\$2,511) lower than budget
- Occupancy is 97%. (1 vacant unit)
- Tenant Receivables are \$0 and Subsidy Receivables are \$3,110
- Operating Expenses are \$95,663, which is less than 1% (\$384) lower than budget
- Total Operating Income is \$44,866, which is 5% (\$2,127) lower than budget
- Mandatory hard debt service and reserve deposit requirements are \$27,853 and Debt Service Coverage Ratio is 1.61
- Total Net Cash Flow is \$17,013, which is 11% (\$2,123) lower than budget

Jack Capon Villa- 2216 Lincoln Avenue

Jack Capon Villa is a 19-unit Low Income Housing Tax Credit (LIHTC) development for Persons with Developmental Disabilities. Satellite Affordable Housing Associates (SAHA) is the managing Co-GP, AHA is the Co-GP, and Bank of America (BofA) is the LP. AHA also holds an Option/ Right of First Refusal. SAHA Property Management provides property management services. Housing Consortium East Bay (HCEB) provides resident services. The project was placed in service on January 09, 2014.

Unit matrix: 1Bed- 16 units, 2Bed- 3 units

Section 8 PBV: 19 units

Income and rent limits: 50% AMI

- Operating Revenue is \$116,129, which is 5% (\$5,704) higher than budget
- Occupancy is 100%
- Tenant Receivables are \$961 and Subsidy Receivables are \$16,298
- Operating Expenses are \$88,744, which is 11% (\$11,221) lower than budget
- Total Operating Income is \$27,385, which is 162% (\$16,925) higher than budget
- Mandatory hard debt service and reserve deposit requirements are \$10,010 and Debt Service Coverage Ratio is 2.74
- Total Net Cash Flow is \$17,375, which is 3,761% (\$16,925) higher than budget

Littlejohn Commons- 1301 Buena Vista Avenue

Littlejohn Commons is a 31-unit Low Income Housing Tax Credit (LIHTC) development for Seniors. ICD is the GP and NEF is the LP. ICD also holds an Option/ Right of First Refusal. JSCo provides property management services. LifeSteps provides resident services. The project was placed in service on July 31, 2018.

Unit matrix: 1Bed- 30 units, 2Bed- 1 unit

Section 8 PBV: 25 units

Income and rent limits: 30%-50% AMI

- Operating Revenue is \$158,627, which is 9% (\$14,806) lower than budget due to high vacancy loss
- Occupancy is at 94% (2 vacant units)
- Tenant Receivables are \$18,104 and Subsidy Receivables are \$0
- Operating Expenses are \$87,875, which is 13% (\$10,093) higher than budget due to the sewer service charge invoice from the previous year and mulch for the rainstorm water drain system planter boxes.
- Total Operating Income is \$70,752, which is 26% (\$24,900) lower than budget
- Mandatory hard debt service and reserve deposit requirements are \$63,001 and Debt Service Coverage Ratio is 1.12
- Total Net Cash Flow is \$7,751, which is 76% (\$24,887) lower than budget
- Staff is working with JSCo to reduce variance, maximize revenue, and implement cost-

savings strategies.

Everett Commons- 2437 Eagle Avenue

Everett Commons is a 20-unit Low Income Housing Tax Credit (LIHTC) development project for families. ICD is the GP and Enterprise is the LP. ICD also holds an Option/Right of First Refusal. JSCo provides property management services. LifeSteps provides resident services. The project was placed in service on December 17, 2018.

Unit matrix: 1Bed- 4 units, 2Bed- 11 units, 3Bed- 5 units

Section 8 PBV: 12 units

VASH PBV: 5 units

Income and rent limits: 30%-60% AMI

- Operating Revenue is \$143,908, which is 3% (\$4,038) higher than budget
- Occupancy is 100%
- Tenant Receivables are \$0 and Subsidy Receivables are \$9,278
- Operating Expenses are \$83,243, which is 31% (\$19,864) higher than budget, due to sewer service charges that weren't budgeted, property insurance expenses from the previous year, plumbing expenses (\$8,900) from the previous year, unit replacement (\$4,200), and expenses charged for a different property (\$2,700.) Reclasses will be implemented on the next month's financials which will significantly reduce the variance.
- Total Operating Income is \$60,665, which is 21% (\$15,826) lower than budget
- Mandatory hard debt service and reserve deposit requirements are \$72,088 and Debt Service Coverage Ratio is 0.84
- Total Net Cash Flow is -\$11,423, which is 360% (\$15,819) lower than budget
- Staff is working with JSCo to reduce variance, maximize revenue, implement cost-savings strategies, and improve timely booking and payment of expenses.

Overall, the portfolio is performing strongly and stabilized. All the assets are able to fulfill mandatory hard debt service and deposit reserves with a debt service coverage ratio averaging at 2.16, ranging from 0.84 to 11.66. Also, all assets produce surplus cash/residual receipts for distribution. Reserve balances are attached.

FISCAL IMPACT

None.

CEQA

N/A

RECOMMENDATION

Accept the LIHTC Portfolio Asset Management Fiscal Year to Date Financial Report through the Month of March 2022.

ATTACHMENTS

1. LIHTC Portfolio Snapshot 0322
2. LIHTC Portfolio Reserves 0322
3. LIHTC Portfolio Asset Management Fiscal Year to Date Report through March 2022

Respectfully submitted,

Cheley Quiambao

Cheley Quiambao, Asset Manager

LIHTC Portfolio Financial Performance
01/22-03/22

	Breakers at Bayport		Shinsei Gardens		Park Alameda		Stargell Commons		Jack Capon Villa		Littjohn Commons		Everett Commons		Portfolio	
	Family	52	Family	39	Family	62	Family	32	Senior/Sp	19	Senior	31	Family	20	LIHTC	255
	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals
Rental Revenue	133,221	140,104	89,119	101,321	125,937	125,523	82,322	92,316	21,562	24,678	38,645	44,935	34,128	29,607	524,954	558,484
Subsidy Revenue	133,473	136,427	140,774	128,415	74,379	87,071	61,492	50,619	91,698	93,016	136,298	124,685	105,658	114,300	743,773	734,533
Vacancy Loss	(3,999)	(6,577)	(3,193)	(9,684)	(5,129)	(16,438)	(2,274)	(4,280)	(3,398)	(2,324)	(1,785)	(11,447)	-	-	(19,780)	(50,750)
Other Income	55	2,081	1,200	1,403	(1,238)	73	1,500	1,874	543	759	275	454	84	1	2,419	6,645
Effective Gross Income	\$ 262,750	\$ 272,035	\$ 227,899	\$ 221,455	\$ 193,949	\$ 196,229	\$ 143,040	\$ 140,529	\$ 110,425	\$ 116,129	\$ 173,433	\$ 158,627	\$ 139,870	\$ 143,908	\$ 1,251,366	\$ 1,248,912
Administrative and Marketing	18,078	17,228	17,346	14,914	21,214	28,169	13,208	13,869	15,941	16,976	21,935	19,096	14,451	10,351	122,172	120,604
Property Management Fee	10,920	10,920	8,073	8,073	13,020	13,020	6,720	6,720	3,990	3,990	6,933	6,001	4,186	4,189	53,843	52,913
Payroll, Benefits, Taxes	35,671	31,910	19,015	19,227	45,313	23,474	16,910	19,196	8,763	7,156	15,771	16,831	14,624	10,664	158,066	128,459
Utilities	23,198	24,811	17,033	23,137	18,073	21,769	11,474	12,673	6,043	7,068	5,560	13,619	2,978	7,293	83,960	110,370
Operating and Maintenance	29,839	22,748	21,417	26,288	21,347	26,073	16,055	23,568	39,554	29,917	11,757	18,865	7,226	26,532	147,196	173,992
Taxes and Insurance	19,591	15,996	15,224	12,195	15,899	12,619	19,925	12,937	8,422	6,385	10,753	8,365	8,549	12,417	98,914	80,914
Resident services	2,578	2,773	6,396	6,119	17,342	22,205	9,755	6,697	17,252	17,252	5,073	5,098	11,763	11,797	70,159	71,941
Total Operating Expense	\$ 139,875	\$ 126,386	\$ 104,503	\$ 109,954	\$ 152,208	\$ 147,328	\$ 96,046	\$ 95,663	\$ 99,965	\$ 88,744	\$ 77,782	\$ 87,875	\$ 63,379	\$ 83,243	\$ 733,758	\$ 739,193
Net Operating Income	\$ 122,875	\$ 145,649	\$ 123,396	\$ 111,502	\$ 41,741	\$ 48,901	\$ 46,994	\$ 44,866	\$ 10,460	\$ 27,385	\$ 95,651	\$ 70,752	\$ 76,491	\$ 60,665	\$ 517,608	\$ 509,720
Debt Service, Reserve Depos	45,700	45,631	9,528	9,562	7,983	7,982	27,857	27,853	10,010	10,010	63,014	63,001	72,095	72,088	236,187	236,128
Net cash flow	\$ 77,175	\$ 100,018	\$ 113,868	\$ 101,939	\$ 33,758	\$ 40,919	\$ 19,136	\$ 17,013	\$ 450	\$ 17,375	\$ 32,638	\$ 7,751	\$ 4,395	\$ (11,423)	\$ 281,421	\$ 273,591
Debt Service Coverage Ratio	2.69	3.19	12.95	11.66	5.23	6.13	1.69	1.61	1.04	2.74	1.52	1.12	1.06	0.84	2.19	2.16
Operating Expense PUPY	\$ 2,690	\$ 2,430	\$ 2,680	\$ 2,819	\$ 2,455	\$ 2,376	\$ 3,001	\$ 2,989	\$ 5,261	\$ 4,671	\$ 2,509	\$ 2,835	\$ 3,169	\$ 4,162	\$ 2,877	\$ 2,899
Operating Expense PUPM	\$ 224	\$ 203	\$ 223	\$ 235	\$ 205	\$ 198	\$ 250	\$ 249	\$ 438	\$ 389	\$ 209	\$ 236	\$ 264	\$ 347	\$ 240	\$ 242

LIHTC Portfolio Reserve Balances
01/22-03/22

	Breakers at Bx	52	Shinsei Garde	39	Park Alameda	62	Stargell Comm	32	Jack Capon Vi	19	Littlejohn Com	31	Everett Commc	20
	Balance	Reserve/ Unit	Balance	Reserve/ Unit	Balance	Reserve/ Unit	Balance	Reserve/ Unit	Balance	Reserve/ Unit	Balance	Reserve/ Unit	Balance	Reserve/ Unit
Replacement Reserve	\$ 576,133	\$ 11,079	\$ 273,764	\$ 7,020	\$ 364,406	\$ 5,878	\$ 80,225	\$ 2,507	\$ 126,865	\$ 6,677	\$ 46,500	\$ 1,500	\$ 31,000	\$ 1,550
Operating Reserve	\$ 218,439	\$ 4,201	\$ 596,482	\$ 15,294	\$ 329,048	\$ 5,307	\$ 202,066	\$ 6,315	\$ 110,341	\$ 5,807	\$ 245,668	\$ 7,925	\$ 255,080	\$ 12,754
Other Reserve	\$ 51,174	\$ 984	\$ 80,717	\$ 2,070	\$ 96,352	\$ 1,554	\$ 194,297	\$ 6,072	\$ 22,301	\$ 1,174			\$ 14,839	\$ 742

**LIHTC PORTFOLIO
ASSET MANAGEMENT FINANCIAL REPORT
FISCAL YEAR TO DATE THROUGH
THE MONTH OF MARCH 2022**

**PREPARED BY
CHELEY QUIAMBAO
ASSET MANAGER**

LIHTC PORTFOLIO

Breakers at Bayport

Shinsei Gardens

Park Alameda

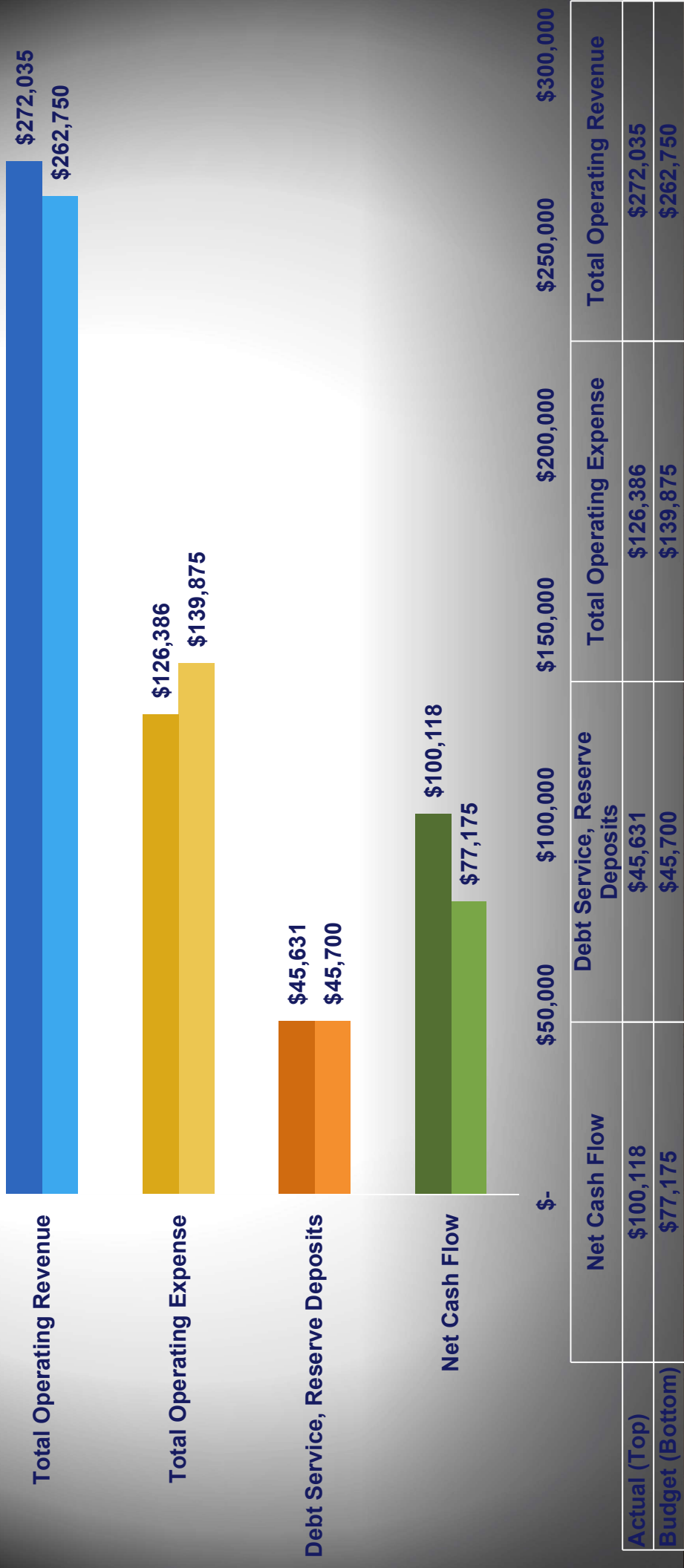
Stargell Commons

Jack Capon Villa

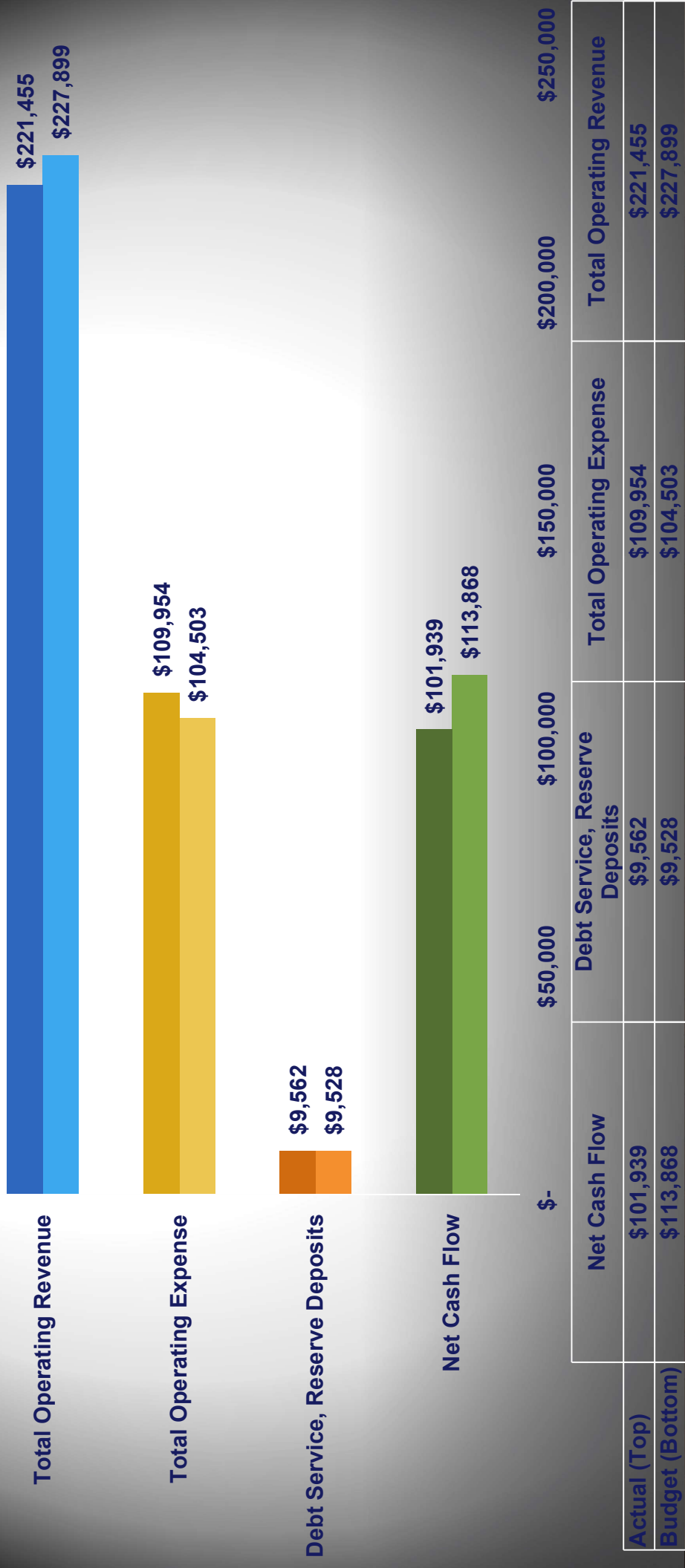
Littlejohn Commons

Everett Commons

Breakers at Bayport 52 Family



Shinsei Gardens 39 Family

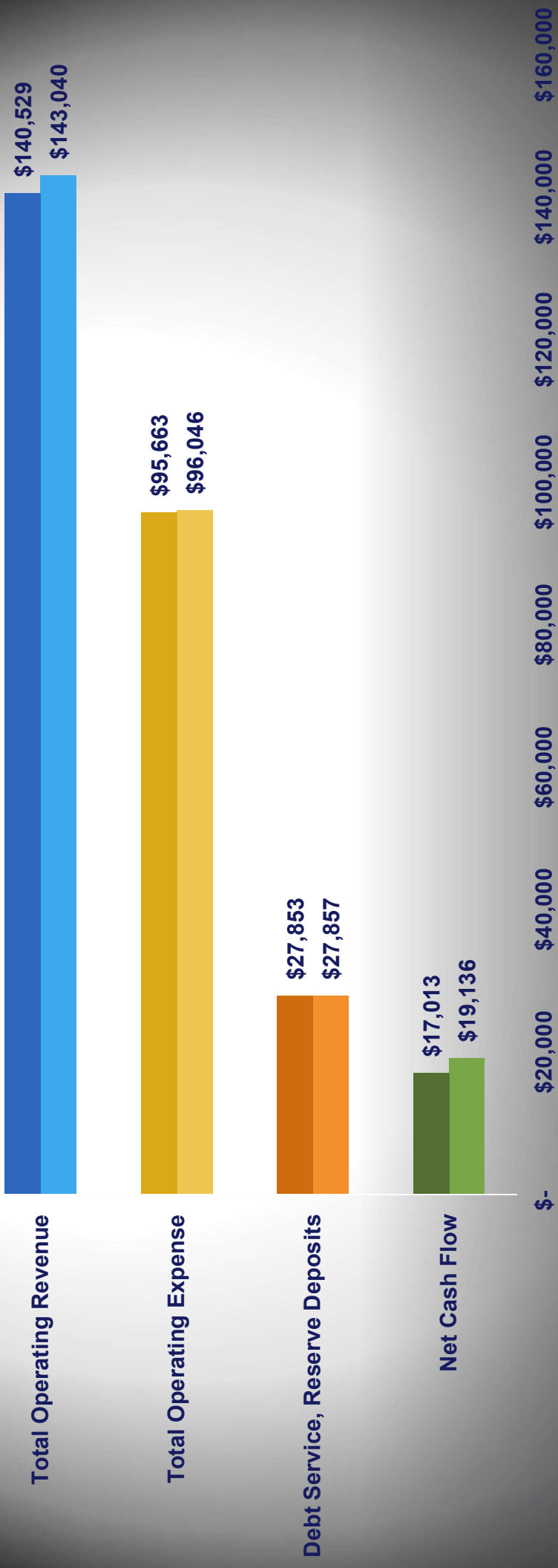


Park Alameda 62 Family



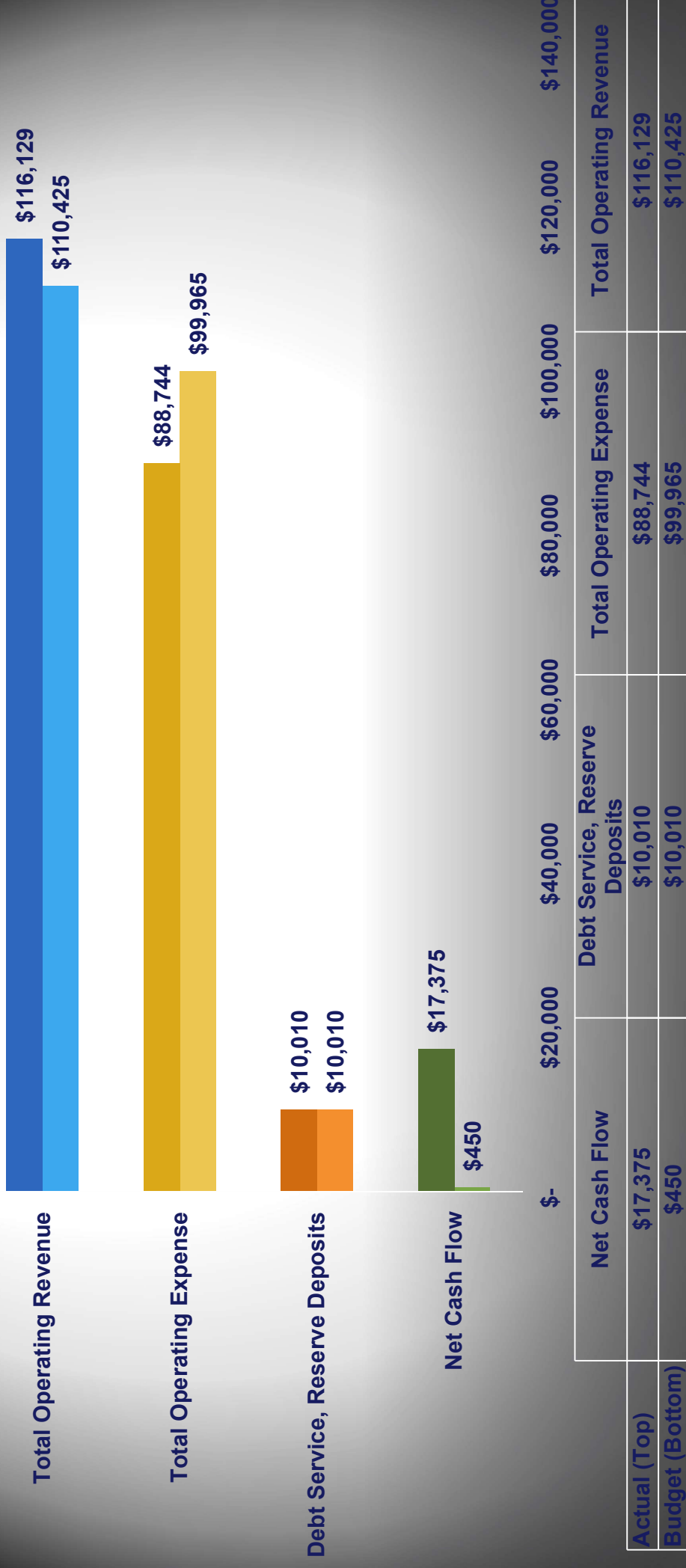
	\$-	\$50,000	\$100,000	\$150,000	\$200,000	\$250,000
Net Cash Flow						
Actual (Top)	\$40,919					
Budget (Bottom)	\$33,758					
			Debt Service, Reserve Deposits		Total Operating Expense	Total Operating Revenue
			\$7,982	\$147,328	\$196,229	
			\$7,983	\$152,208	\$193,949	

Stargell Commons 32 Family

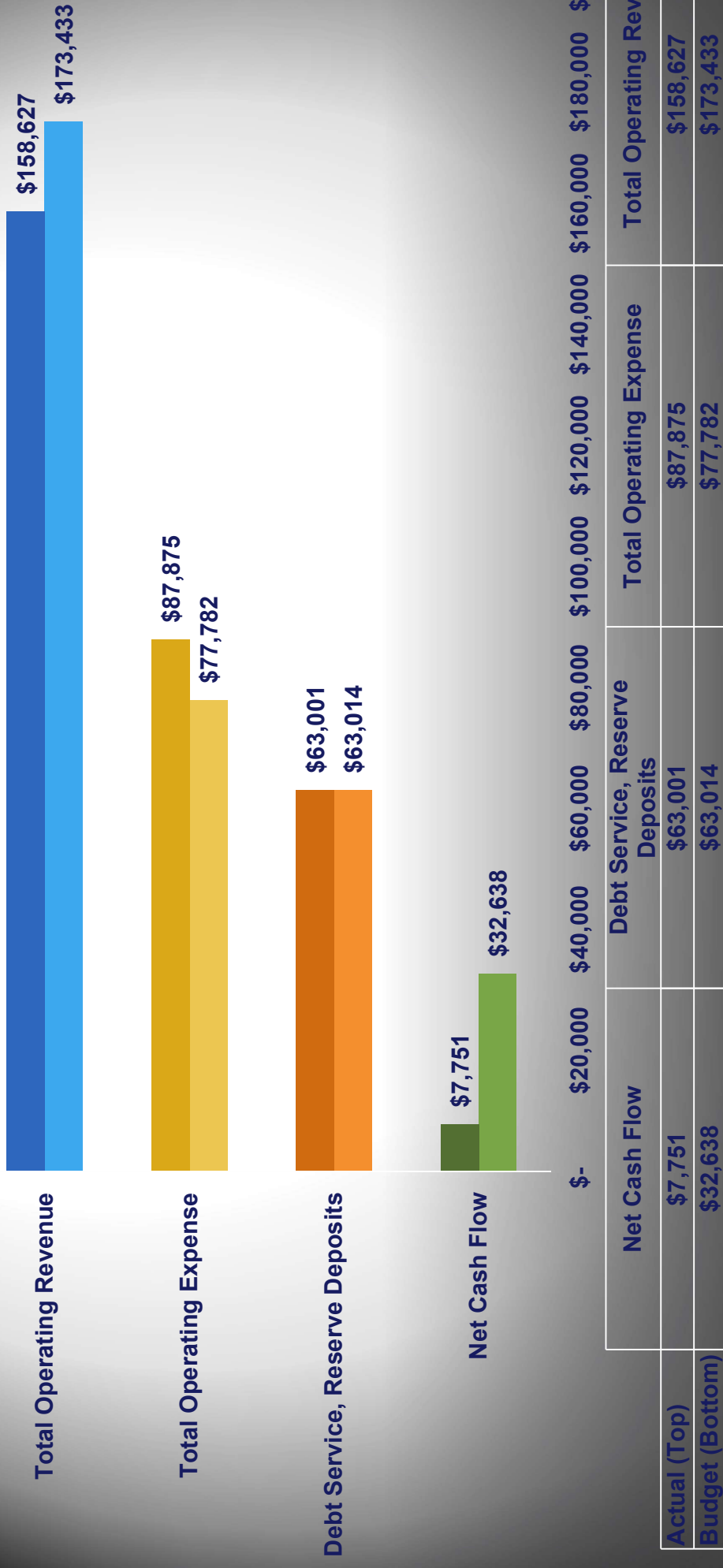


	Net Cash Flow	Debt Service, Reserve Deposits	Total Operating Expense	Total Operating Revenue
Actual (Top)	\$17,013	\$27,853	\$95,663	\$140,529
Budget (Bottom)	\$19,136	\$27,857	\$96,046	\$143,040

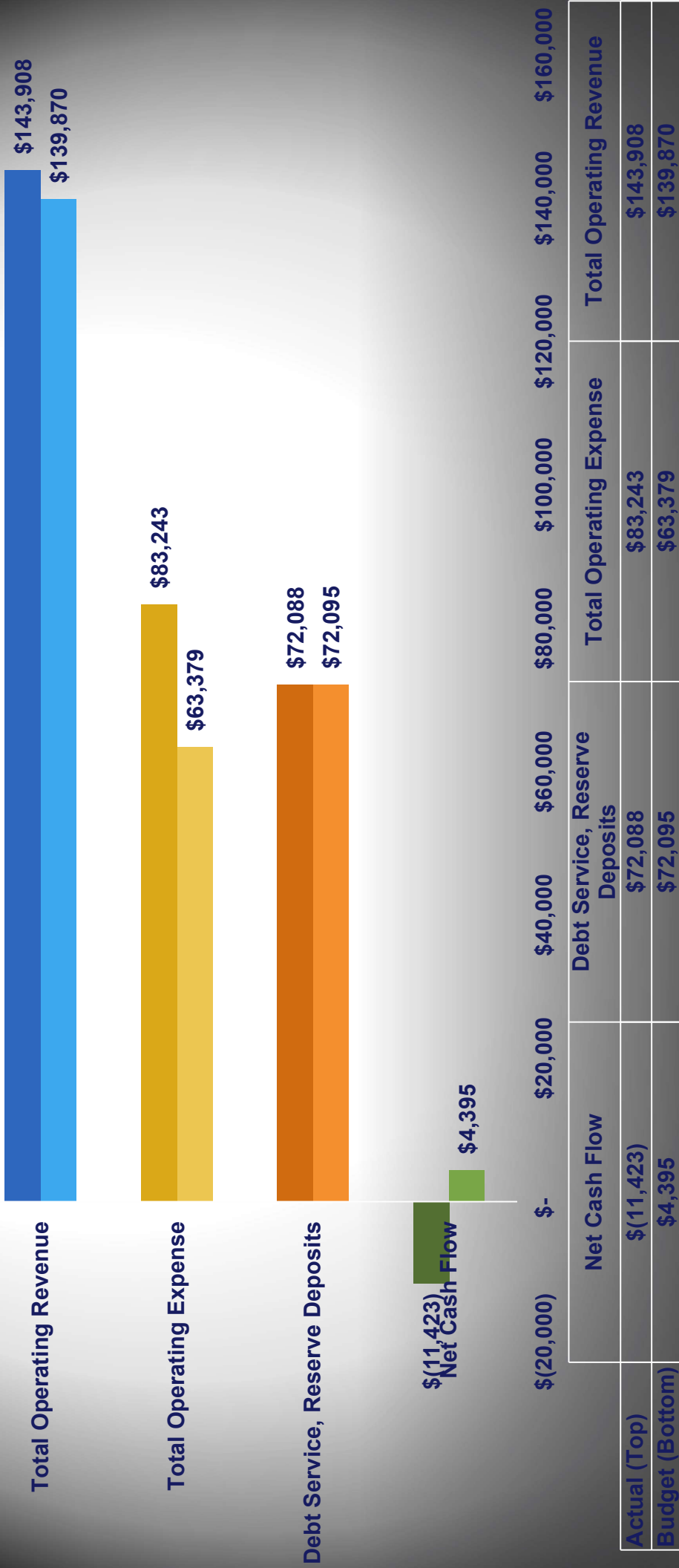
Jack Capon Villa 19 Special Needs



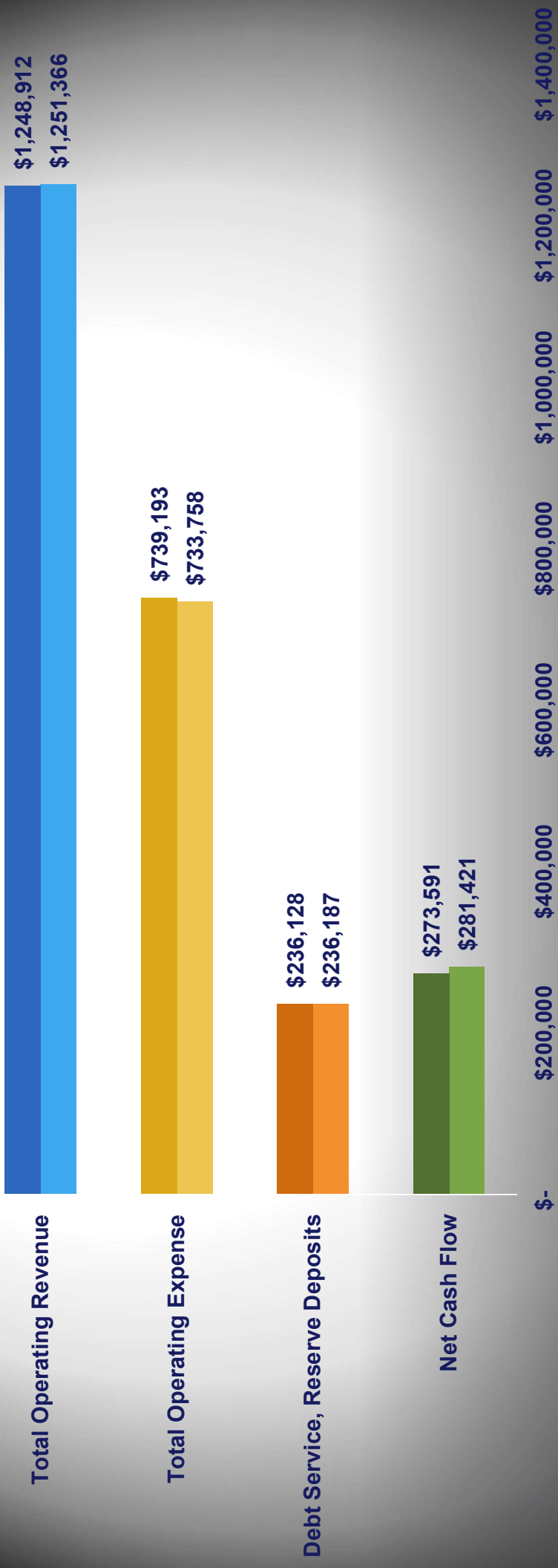
Littlejohn Commons 31 Senior



Everett Commons 20 Family

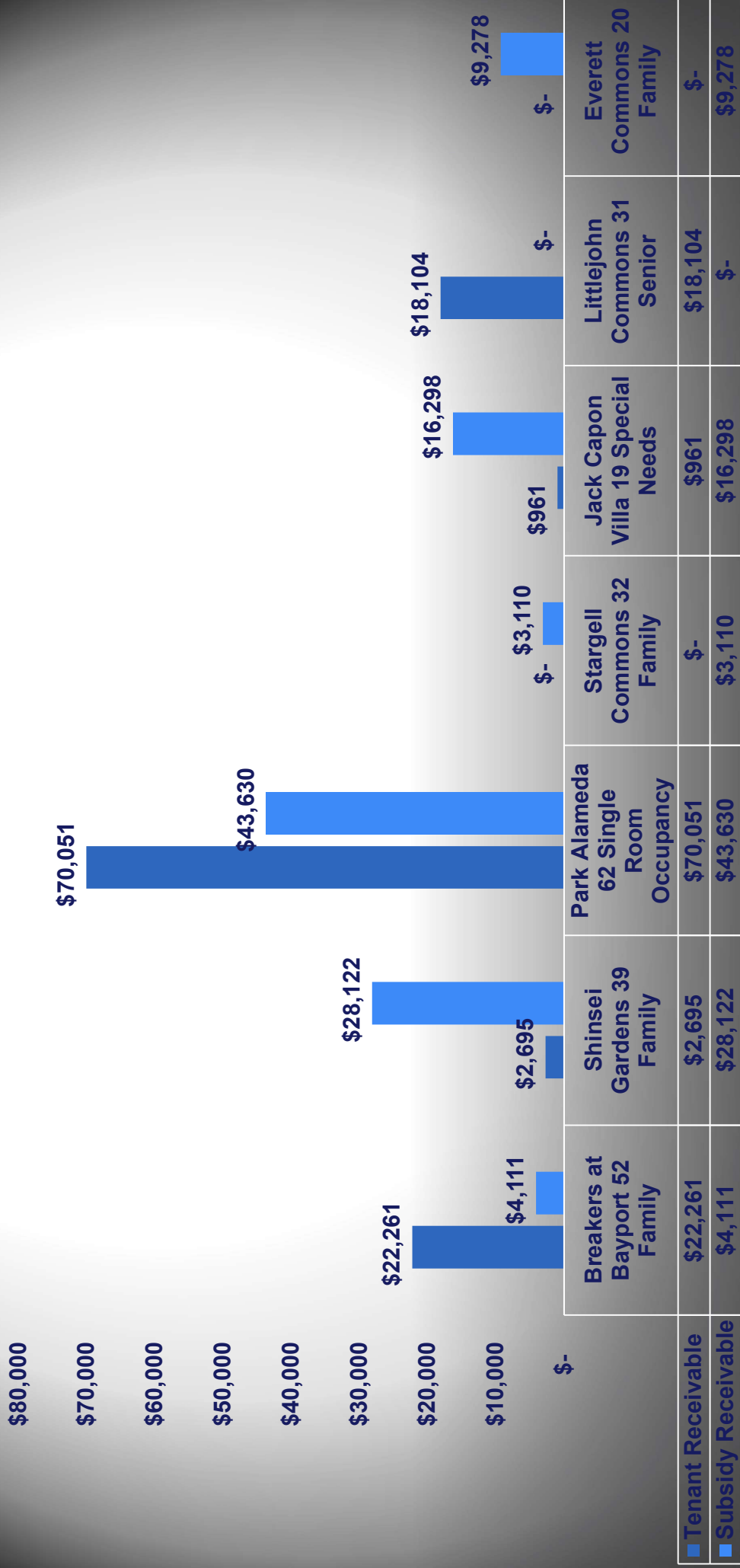


Portfolio Performance

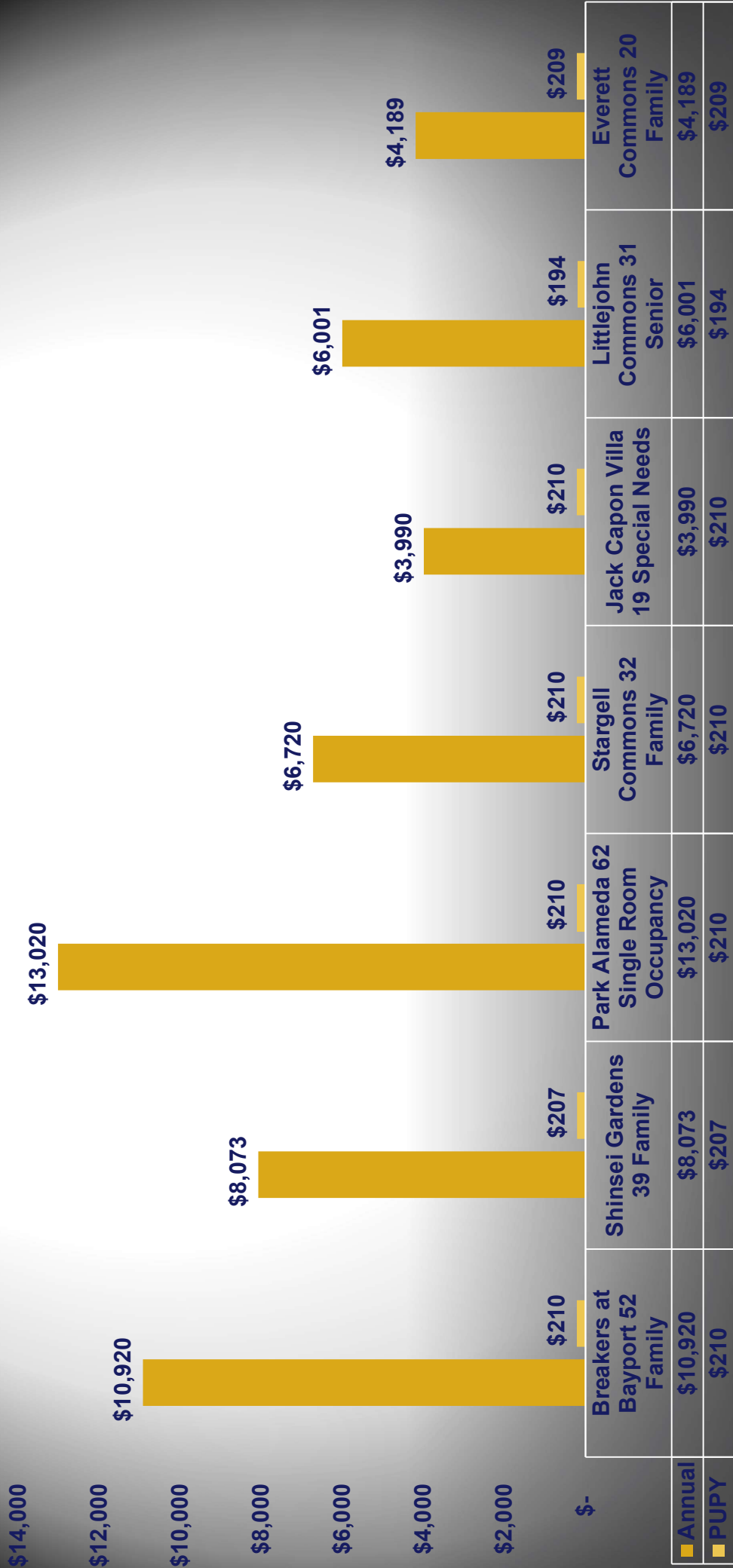


	Net Cash Flow	Debt Service, Reserve Deposits	Total Operating Expense	Total Operating Revenue
Actual (Top)	\$273,591	\$236,128	\$739,193	\$1,248,912
Budget (Bottom)	\$281,421	\$236,187	\$733,758	\$1,251,366

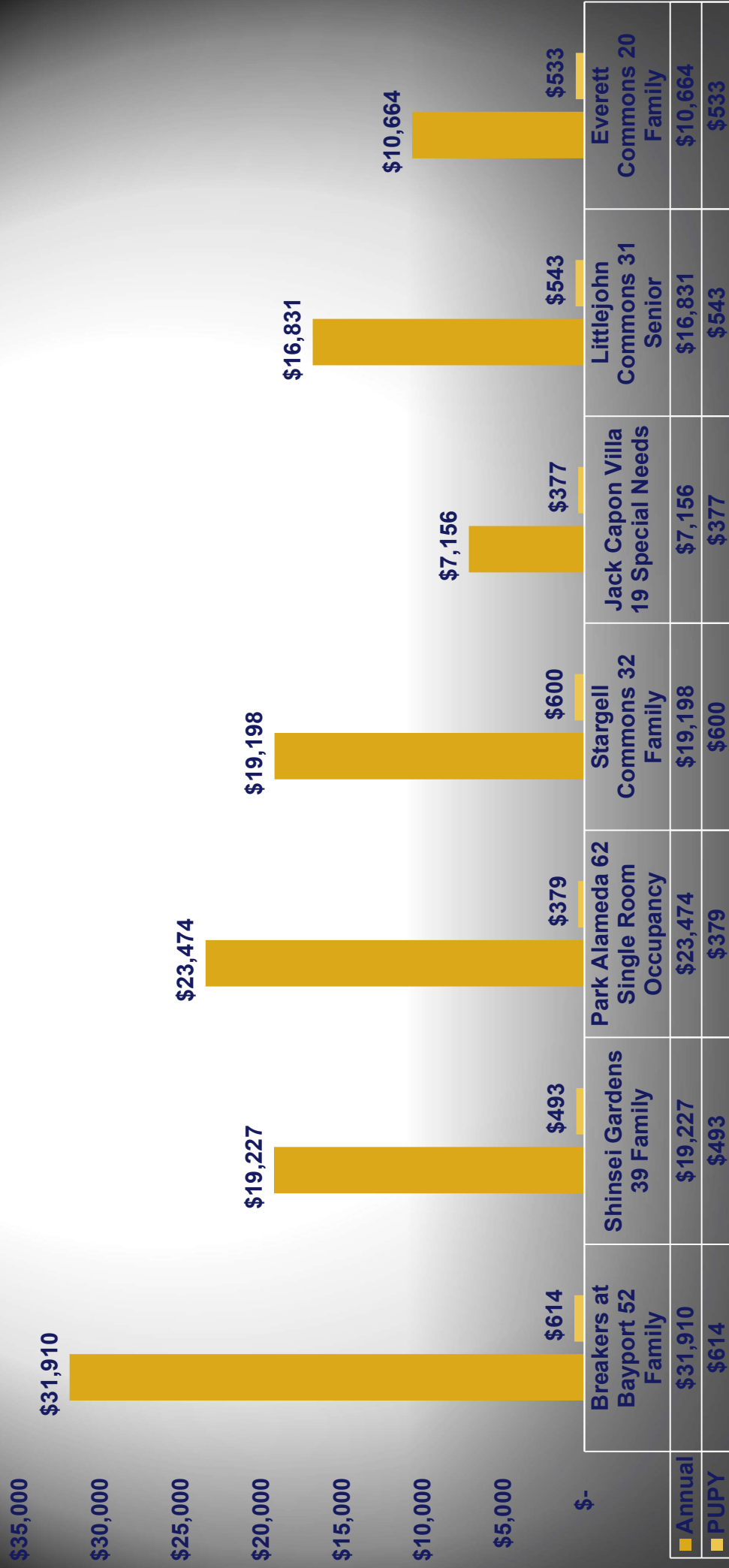
Tenant Receivables



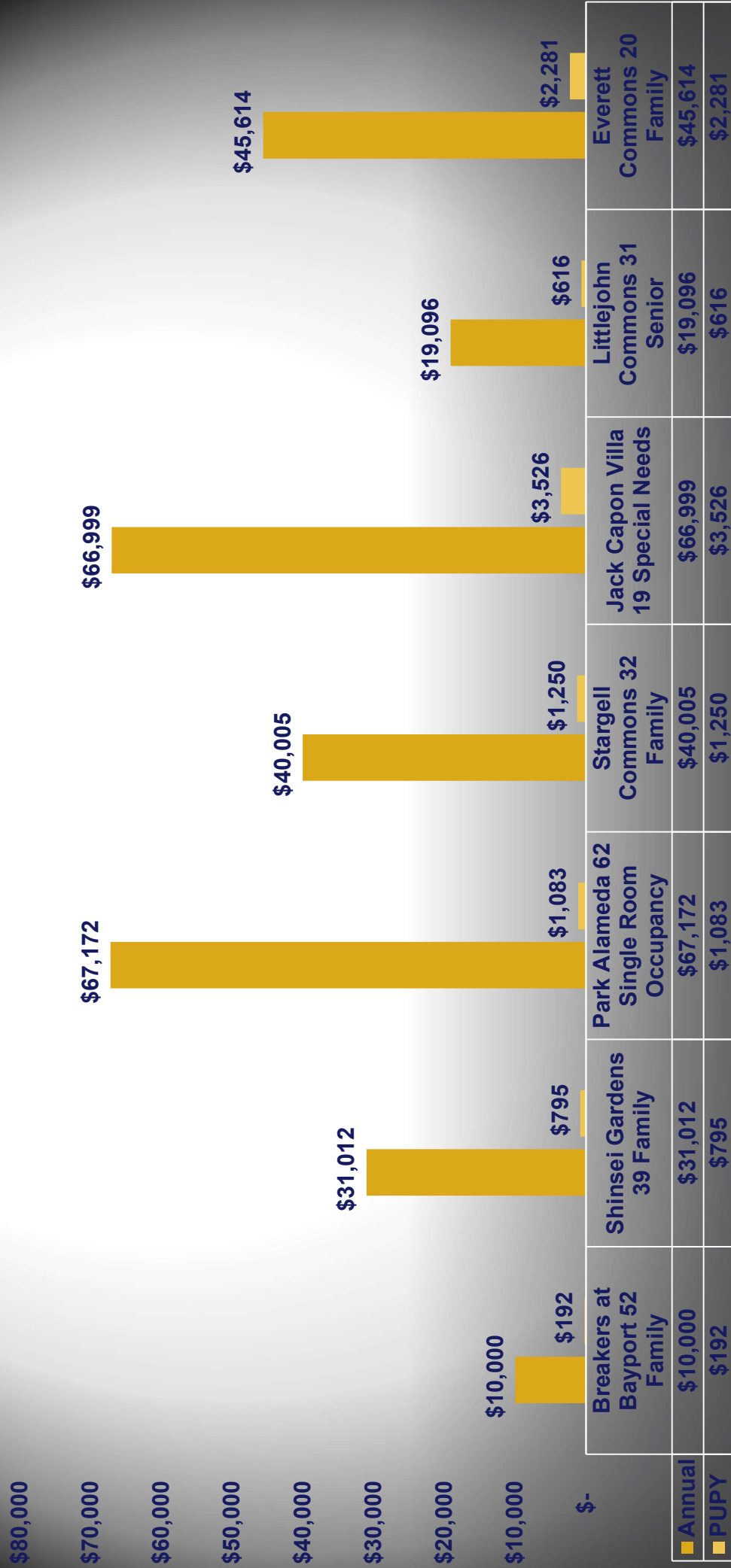
Property Management Fees



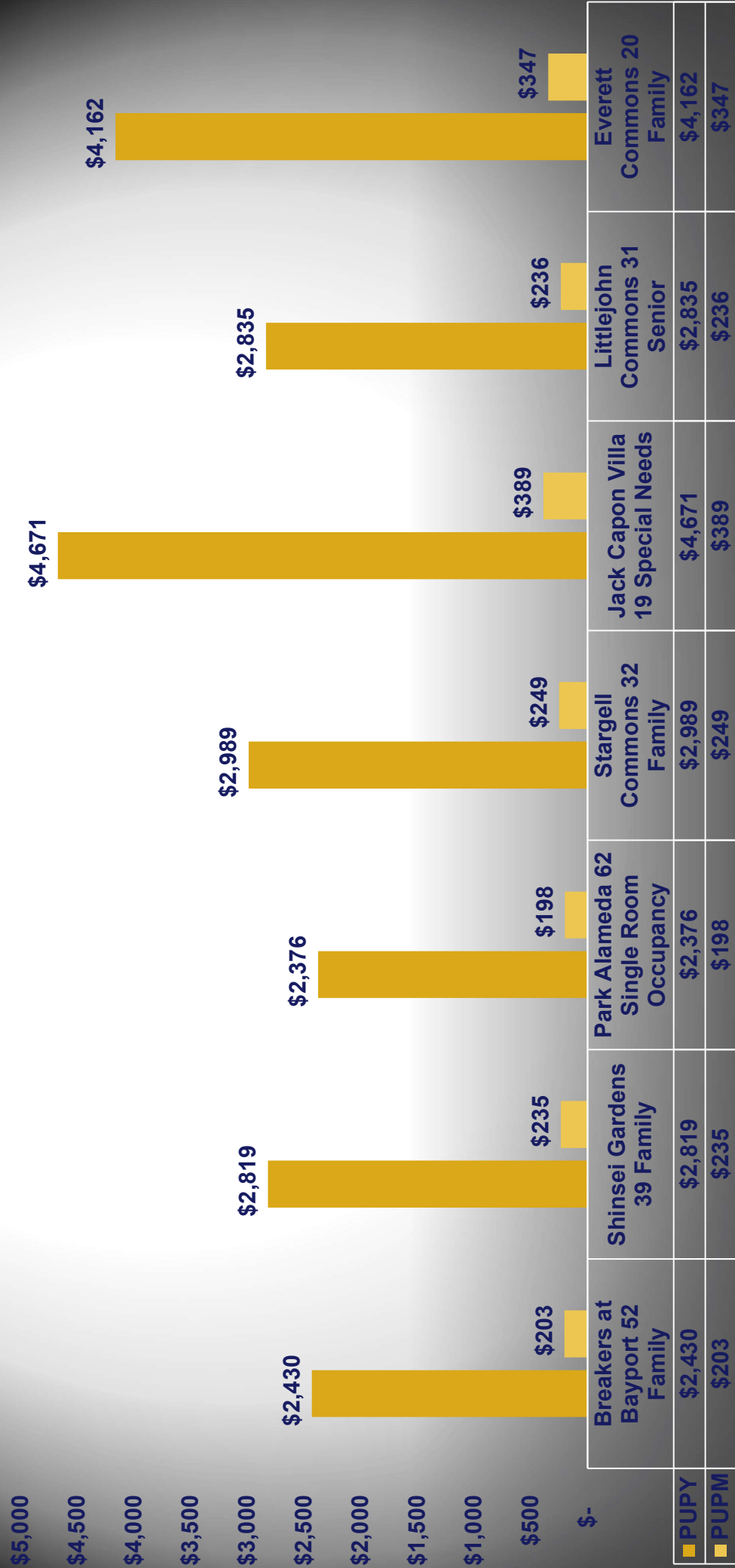
Property Staff Salaries and Benefits



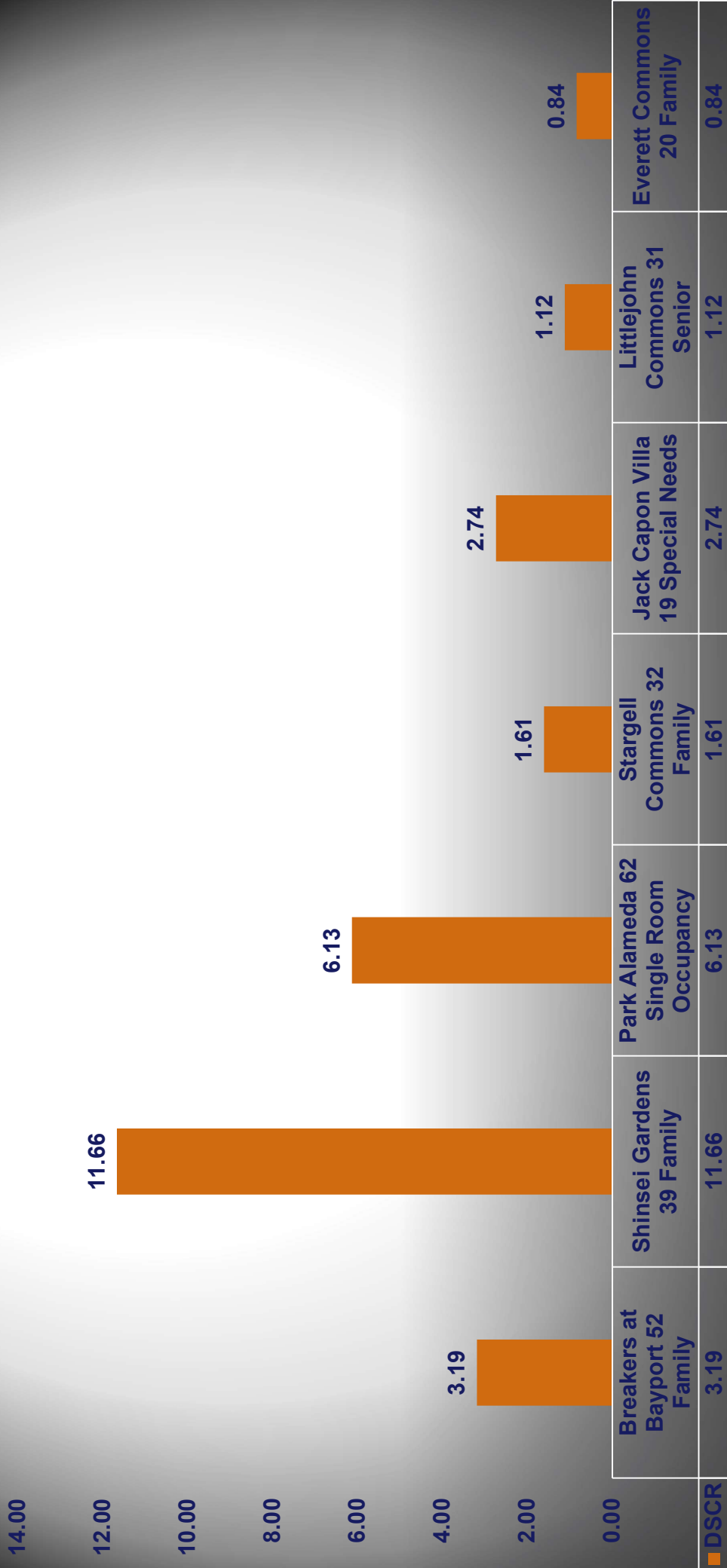
Resident Services



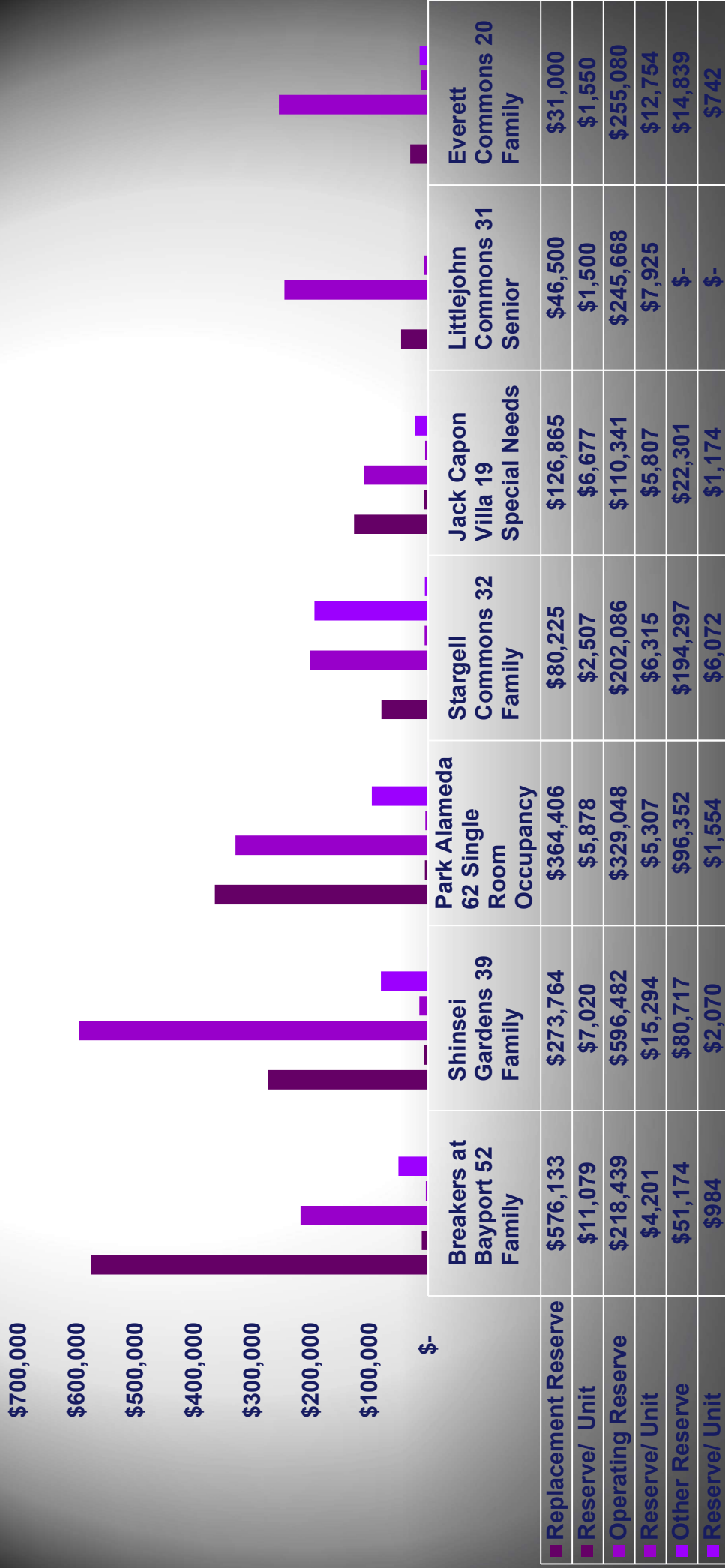
Operating Expense PUPY (Operating Expense/ Unit)



Debt Service Coverage Ratio (Total Operating Income/ Debt Service)



Reserve Balances



Thank you!



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: May 18, 2022

Re: Adopt the Resolution to Approve the Housing Authority's One-Year Budget for Fiscal Year July 1, 2022 to June 30, 2023 including approval of: A) Summary of the FY2022-23 Budget and related income and expenses; B) Housing Assistance Payment (HAP) Budget and related expenditure of HUD-held HAP reserves; C) Capital Improvement Project (CIP) Budget and related use of property and agency reserves and any surplus operating cash from Fiscal Year 2022-23 to cover these expenses; D) Transfer by the Executive Director of up to \$1,325,697 in this budget year, as needed, from AHA property reserves to cover losses in the Housing Programs Department administrative operating budget and E) Revised Schedule of Authorized Positions effective July 1, 2022.

BACKGROUND

The Housing Authority adopts its annual budget in the last quarter of each Fiscal Year. AHA is currently ending the budget for the one-year budget period starting July 1, 2021 and ending June 30, 2022 (FY2021-22).

This memorandum documents the proposed budget for Fiscal Year July 1, 2022 to June 30, 2023. A detailed process for all programs, including substantial input from all departments and operating property budgets from The John Stewart Company were incorporated in the proposed budget.

It is also important to note, that this is the combined budget for AHA and Alameda Affordable Housing Corporation (AAHC) as these are defined as blended component units per HUD. This includes the four properties that transferred ownership to AAHC in May 2018. These properties are Anne B. Diament, China Clipper Plaza, Stanford House, and Lincoln-Willow Apartments. Furthermore, in May 2020, Independence Plaza was transferred from AHA to AAHC. In July 2021, 3 additional properties: Esperanza, Eagle Village and Parrot Village, transferred from AHA to AAHC. In Fiscal Year 2021-2022, AAHC acquired eleven below market homes from Pulte Homes. In



July 2022, it is planned that AHA’s Scattered Site properties and Parrot Village will transfer to AAHC. This budget does not include income and expenses for Island City Development. That budget is presented to the ICD Board towards the end of the year as the fiscal year runs on the calendar year.

The AAHC budget will be presented for approval in the joint AAHC Board meeting following this meeting’s Agenda items, but it is included here on a consolidated basis for ease of comparison. All members of the Board of Commissioners also serve as the Board of Directors for AAHC.

It is also important to note that the advent of the Moving to Work designation may require some budget adjustments, including in presentation. If that is necessary, staff will return to the Board.

A: OVERVIEW

Key highlights for this FY2022-23 budget include the following.

Net position:

Total income is \$59,821,487 inclusive of HAP and other sources of income and total expenses, including depreciation, are \$58,884,461 resulting in a Net Income Before Depreciation of \$1,450,049.

Attachment A shows the proposed budget for the Fiscal Year July 1, 2022 to June 30, 2023 (FY2022-23), projected actuals and budget for FY 2021-22 (July 1, 2021 to June 30, 2022).

Below is an abbreviated table of income and expenses from Attachment A.

Housing Authority of the City of Alameda & Alameda Affordable Housing Corporation				
Attachment A: Summary FY2022-2023 Budget				
	A FY21-22 Budget	B FY22-23 Budget	B less A: FY22-23 Budget vs. FY22-21 Budget	
			\$	%
Operating Income	19,972,326	21,208,412	1,236,086	6%
Operating Expenses	16,641,820	18,571,386	1,929,566	10%
Net Operating Income (Cash Flow)	3,330,506	1,450,049	(1,880,456)	-130%
HAP Income	36,510,905	38,613,075	2,102,170	5%

HAP Expenses	36,510,905	38,613,075	2,102,170	5%
Net Housing Assistance Payments	-	-	-	N/A
Net Income Before Depreciation	3,330,506	1,450,049	(1,880,456)	-130%
Less: Depreciation	1,704,460	1,700,000	(4,460)	0%
Net Income (Loss) After Depreciation	1,626,046	(249,951)	(1,875,997)	751%
Total Income	56,483,231	59,821,487	3,338,256	6%
Total Expenses	54,857,185	58,884,461	4,027,276	7%

As in prior years, the FY2022-23 budget provides budget schedules in three (3) key areas:

- Attachment A: Operating Income and Expenses
- Attachment B: Housing Assistance Payments (HAP Pass-through)
- Attachment C: Capital Improvement Projects (CIP)

B: HOUSING ASSISTANCE PAYMENTS (HAP pass-through)

Please note that the Moving-To-Work (MTW) Annual Contribution Contract Amendment between the Housing Authority and HUD was executed March 23, 2022. At this time, the Housing Authority budget showcases the distinction between Housing Assistance Payments (HAP) and Administrative Fees. The Moving-To-Work designation allows the Housing Authority to report their HAP and Administrative Fees fungibly on a total basis rather than strictly separated from each other, but these federal funds must still be separated out from other Housing Authority funds. Actual results as the Housing Authority migrates reporting to Moving-To-Work will alter how the financial results are presented.

Attachment B shows the Housing Choice Voucher Program (and other assisted programs) Housing Assistance Payment (HAP) subsidy that is paid to landlords on behalf of assisted participants. These are government restricted “pass-through” funds and must be kept separate from all other Housing Authority funds.

Income: AHA anticipates receiving \$38,613,075 funding for Housing Assistance

Payments (HAP), which compares with the budgeted amount of \$36,510,905 from the last period. This includes HAP payments and Rental Assistance received from HUD or the County under the following programs:

- Tenant-Based and Project-Based Housing Choice Vouchers including Family Unification Program (FUP), Non-Elderly Disabled (NED) and Veteran Affairs Supportive Housing (VASH) (HUD program)
- Shelter Plus Care (County program)
- Mod-Rehab Program (HUD program)
- 57 Emergency Housing Vouchers (EHV) (HUD program) In May 2021, additional vouchers were available through the American Rescue Plan Act of 2021. AHA has a Memorandum of Understanding with our community partners, including other local housing authorities, to administer services for this program.

Expenses: HAP expense to participating landlords is expected to be \$38,613,075 in FY 2022-23. HAP is AHA’s largest single expense item and is generally offset dollar-for-dollar by the HAP subsidy received. It is important to note that Budget Authority for HAP is provided by HUD on a calendar year basis versus a fiscal year.

In 2014, HUD moved the cash reserves from all Housing Authorities into a HUD-held account. These HUD-held HAP reserves can be used anytime. Reserves can be used to cover HAP costs as long as AHA does not exceed its baseline number of units in any calendar year. AHA’s baseline number of units is 22,620 (or 1,885 x 12 months) without the 57 EHV’s or 23,304 with EHV. The FY 2022-23 budget assumes leasing of 18,630 in the year (or an average of 1,553 per month),

As of May 2022, AHA had \$2,681,735 in its HUD-held HAP Reserve which can be used to cover a FY2022-23 deficit. However, circumstances may change, and if that were to occur, the Board of Commissioners will be informed.

C: OPERATING BUDGET

The operating budget includes the income and expenses for AHA/AAHC rental housing and commercial use properties, Housing Programs Department administration, the Housing Successor Assets, Housing Development, and the Alameda Rent Program (City of Alameda reimbursable programs). It is important to note that a number of the services AHA provides are not income generating – the Rent Program, Resident Services, Ombudsman Program etc. The operating budget does not include HAP pass-through to private landlords; however, it does include current HAP and tenant rent income for units where AHA/AAHC is the owner/landlord.

OPERATING INCOME

Total budgeted operating income for FY2022-23 is \$21,208,412, which compares to a budgeted \$19,972,326 for FY2021-22.

Rental Income includes:

- **Rent payments from tenants and HAP payments from AHA on behalf of HUD** in all AHA/AAHC-owned properties. This is budgeted at \$14,054,544 which is above last year's budget of \$12,558,105 but is in line with the expected year-end projection.
- **Tax Increment Funding (also known as CIC)** from the City of Alameda for Independence Plaza is estimated to be \$2,886,976 for FY2022-23. The approved request is larger than in prior years and the income is expected to be offset in part by approximately \$1,400,000 in capital improvements including the balcony repair project. These CIC funds must be used by 2026.
- **Commercial lease income** from Sherman Buena Vista Ground Lease, Alameda Family Services, HeadStart Childcare Center, and the parking lease at Esperanza is estimated to be \$68,000.

Grant Income: This income is received through the Family Self Sufficiency (FSS) program and can only be used to support that program. The grant operates on a calendar year and the grant for 2022 is approximately \$75,000. For FY 2022-23, staff has budgeted 12 months of new grant income based on the 2022 funding. If the grant is not forthcoming for 2023 as the program is funded by calendar year, staff will review with the Board whether to continue with the FSS program.

Administrative Fee Income: The majority of the Administrative Fee income is paid by HUD and can only be used by AHA to cover the cost of administration of the Housing Choice Voucher (HCV) program and all the special programs funded under this Annual Contributions Contract (ACC). The budgeted Administrative Fee income also includes the fees for the Shelter Plus Care (from the County) and Mod Rehab (from HUD) programs. The Administrative Fee for the HCV ACC is included at a proration of 90% for the full Fiscal Year. It should be noted that HUD has proposed to change the method for calculating the fee that could negatively impact the budget in the future. Port in/port out admin fees are not included as they are minimal and unpredictable. In the event of major changes to Administrative Fee and/or HAP with the new budget in the fall, staff will return to the Board for a budget adjustment if necessary.

Staff has used a base number of 1,533 leased units per month as units for the coming year (which is the current rate of leased units) in the calculation of the Administrative Fees, versus 1,517 units for FY2021-22. This assumes that AHA can continue to offer rents at or close to 100% FMR and there is no significant loss of units. Any changes in market rents resulting in a lower lease-up rate could negatively impact this assumption.

Based on this, total Administrative Fees are expected to be \$2,502,519. This is an increase from \$1,465,328 budgeted in FY 2021-22, driven primarily by HUD's payment of a higher-than-normal Admin Fee (at a 90% proration) and the EHV fees. Staff continues to use the landlord lease-up incentive for voucher holders in order to maintain or increase lease up in Alameda.

Other Income: Other income includes maintenance fees and late fees, laundry commission, reimbursement billing from the City of Alameda for managing the Housing Services Agreement, land trust rents for Regent Street and Santa Clara Avenue properties, Island City Development Annual Services Agreement fee, Developer Fee from low-income housing tax credit projects and interest income. In 2022-23, interest income is expected to increase slightly as interest rates rise. Also, the Island City Development Annual Services Agreement fee is expected to increase to \$200,000 per year. This amount has fallen from \$4.1M to \$1.8M due to two factors: Less developer fee (which is always a fluctuating number dependent on the cycles of development) and reduced income from the Rent Program.

OPERATING EXPENSES:

Total operating expenses for FY2022-23 is \$18,571,386 compared to the prior year budget of FY2021-22 of \$16,641,820.

- **Personnel Expenses:** AHA personnel direct costs and The John Stewart Company personnel costs are \$10,567,403 and consist of 57% of the operating budget and is presented under Administrative – Salaries, Tenant/Social Services – Salaries and Maintenance - Salaries.
- This budget for FY2022-23 also includes the following positions which are currently vacant and not yet at the employment offer stage: Risk Manager, Housing Programs Supervisor/Assistant Housing Programs Director and Senior Management Analyst (the latter is not scheduled to be filled prior to January 1, 2023)
- Additional positions incorporated for 2022-23 include: Deputy Executive Director (budgeted after January 1, 2023), a Management Analyst assigned to work on MTW, a Housing Specialist III assigned to work on MTW, and the equivalent of 1 FTE Program Assistant.
- The following positions have been removed in this budget: Maintenance Specialist and one Housing Specialist II, both in Property Operations; these were removed from the Schedule of Authorized positions in FY2021-22 when the Principal Management Analyst and Assistant Project Manager positions were added.

The budget includes a proposed cost of living adjustment (COLA) of up to 4.2% per the December 2021 consumer price index (CPI) for the San Francisco area as reported from the Bureau of Labor Statistics. AHA has historically used the June data and proposed any final COLA adjustment to the Board in August, and will plan to bring a final proposal again this year in August. The COLA, if approved, is implemented in accordance with policies contained in AHA's Employee Policies and Procedures Handbook.

AHA provides a maximum flat rate payment for medical and one for dental/vision insurance. This contribution is approved by the Board in August, and goes into effect in

January of each year, as premium amounts change on a calendar year (rather than a fiscal year). Therefore, this budget includes an estimate of expected changes.

Last year, the maximum AHA contribution beginning January 1, 2022 was equivalent to the 2022 Kaiser “employee plus two or more” premium cost of \$2,228.36 per employee per month plus comparable coverage for dental insurance at a cost of \$241.08 per employee per month. This year, staff has budgeted the full amount for medical and dental. The budget also assumes all employees take the medical allowance at the level of the employee plus two or more dependents. Staff has assumed a 10% increase in the cost of medical insurance and a 5% increase in other benefit costs over the 2022 rates. Although the Board is approving the budget for these additional funds at this time, the final employer contribution for FY 2023 will be brought to the Board for approval in August 2022, along with the COLA request, after 2023 premiums are released by CalPERS in July.

In addition to the budgeted COLA, a compensation study is in progress. This budget provides for an allowance in salary costs up to \$100,000 to address potential increases to identified positions for the upcoming fiscal year. Any additional salary increases will be reviewed by the Board along with the COLA in August 2022. The COLA will be applied to all positions, if a COLA is approved by the Board.

Non-Personnel Expenses: These expenses include costs other than employee and tenant costs which include such costs as telephone and computer expenses, recruitment, temporary employees, audits, contracted services, and supplies.

Human Resource costs: This number is relatively flat and is expected to be fully utilized due to both the need for temporary staff for temporary projects and to fill-in vacancies and extended staff absences. In this last category, salary and/or benefits often continue to be paid to the employee, depending on the type and length of leave, while temporary staffing is often needed for coverage due to the extended period of the leave, so salary savings cannot be used to cover the costs of temporary staff as has been used in the past. Note that the use of paid sick leave had gone down, but as the health situation improves, increased use of vacation leave is expected as the country and overseas travel resumes.

Recruiting fees are included to address the need to fill positions, including the vacant Deputy Executive Director position. In most cases, utilizing recruitment firms in the current market has resulted in success at filling vacant exempt positions.

Legal Expenses: Legal expenses for general operations is budgeted at \$580,000. These costs include terminations of tenancy, personnel matters, and legal advice on actual and potential claims against the agency.

IT Services: A number of IT related lines have increased reflecting increased technology needs in each program. Staff has budgeted for some hardware replacements as well as software updates needed for MTW and to support our remote

working and online client services. The budget increase is to \$740,000 which includes all software program licenses to allow the agency to operate with expanded online solutions.

Training and Conferences: These budgeted expenses are \$132,650. The budget for FY2021-22 was underutilized due to COVID-19 but is expected to be fully utilized in FY2022-23 due to the filling of vacancies, especially at the management level, the availability of in-person training and conferences and the need for online training. Best practices for staff training require regularly scheduled professional and housing re-certification training to address changing regulations, and staff will focus some additional agency time and resources on general staff and supervisor training needs. The budget also includes funds for Board training and conferences. Furthermore, additional training on Diversity, Equity and Inclusion in the amount of \$50,000 has been budgeted for the FY2022-23.

Tenant/Social Services: The salaries for Resident Managers and Assistant Resident Managers are included in this line item (see above under Personnel Costs). Their benefits are also shown here.

Tenant Activities include a \$25,000 scholarship fund for the Alameda Boys and Girls Club for children and youth who live in Housing Authority complexes or whose families are on a program operated by the Housing Programs Department. The budget also includes funds for two full-time social workers through the LifeSTEPS social services provider, as in prior years.

Utilities: The amounts budgeted for utilities are based on actual utility expenditures in the current Fiscal Year with a 4% escalator increase.

Facilities & Maintenance: Maintenance expenditures include salaries and benefits for maintenance employees (see above under Personnel Costs), maintenance materials, and maintenance contract costs. For AHA/AHC directly managed properties (i.e., Independence Plaza and Anne B. Diament), the projected cost of maintenance materials is based on current usage and an approximate 3% expected vendor price increase where applicable. Contract costs include landscaping, tree trimming, sprinkler & fire service, floor covering, plumbing, and painting, these have been budgeted per their contracts and the agreed upon increases. The total capital improvements planned for Independence Plaza and Anne B. Diament total \$1,686,976 for balcony and exterior renovations. Staff also reviewed the annual operating budgets for the properties under The John Stewart Company and consolidated their maintenance budgets. The John Stewart Company presented an additional \$150,000 in capital improvements in their operating budgets that includes appliances, interior replacements; such as flooring, cabinets, countertops if needed and plumbing upgrades which are presented in Attachment C.

General/Police Services/Insurance/Interest Expense: This line item includes the cost of community policing, auto/property/liability/cybersecurity insurance and mortgage

payments. The cost for community policing is budgeted the same at \$210,000 for FY 2021-22 under the Services Agreements with the City of Alameda. The agreement expires June 30, 2023. Insurance costs have increased substantially year over year.

Hard mortgage payments include those to lenders from Independence Plaza, Esperanza, Eagle Village and Parrot Village.

Ombudsman, Community Relations and Communication Costs: AHA created the Ombudsman Program in FY2020-21 to act as a liaison to tenant, participants, landlords and community organizations. As per last year, costs for this program and marketing/communication/community relations are budgeted at \$50,000.

Predevelopment Costs are expenses associated with a project under consideration for development (building or extensive rehabilitation) prior to the formal approval process of approving a development and the needed funding. Predevelopment costs for projects that have been green-lighted to move forward are paid by Island City Development (ICD), which was formed to manage real estate development on behalf of AHA. Feasibility studies may be conducted by AHA prior to ICD involvement. AHA Predevelopment Costs that are not covered by ICD are budgeted to be approximately \$100,000 in FY2022-23 as in prior years. This category is included under General/Other in Attachment A.

D: CAPITAL IMPROVEMENT PROJECT (CIP) BUDGET

Attachment C shows the one-year capital budget along with additional information on the FY2022-23 estimated costs. The proposed Capital Projects budget for FY2022-23 includes major repair, acquisition and replacement projects from AHA/AAHC directly managed properties and The John Stewart Company managed properties.

The identified projects include capital work that is proposed to be contracted in the next Fiscal Year. Work will be done according to urgency and availability of funds and staff capacity. Once approved in this budget, these projects will be funded from the following sources:

- Cash flow from the specific property, including approved ROPS funding for Independence Plaza
- Replacement reserves held by lenders/bond holders which are generally specific to specific properties subject to their approval Reserves held by AHA or AAHC for specific properties.

OPERATING BUDGET BY PROGRAM

Property Management: Almost all AHA/AAHC owned properties are managed by The John Stewart Company with the exception of Anne B. Diament Plaza and Independence Plaza. ICD properties are not included here.

Housing Programs Department (HPD): The Housing Programs Department has budgeted a loss of \$1,325,697 for FY2022-23 as there is insufficient administrative fee income received from HUD for the program. While this loss is not new, staff will continue to seek ways to keep these costs under budget in the coming year and this is also a goal for the Strategic Plan. Under the designation of Moving To Work, the administrative deficit can be covered by HAP funds going forward, but it is not anticipated that the department will have an excess of funds for the first couple years due to the commitment to offer Landlord Incentives.

Housing Development (HD): The Housing Development budget includes real estate, asset management, and City Housing Programs.

The City maintains two affordable housing funds that are restricted for eligible housing-related purposes that the AHA oversees under the Services Agreement. The income is derived from repayment of prior down payment-assistance loans and the in-lieu or linkage fees paid by developers to meet the requirements of the City's Inclusionary Housing Ordinance. In FY2022-23, sufficient funds (\$305,000) have been budgeted to pay for staffing and professional consultants to support affordable housing services and development projects. These costs are partially offset by reimbursable income from the City of Alameda. This agreement expires June 30, 2023. Other costs for the HD are met from income from the properties.

In FY2022-23, HD staff will be working on two large development projects –North Housing and 2615 Eagle Avenue. Predevelopment funding for these projects is being requested in May 2022 (North Housing will need an increase of funds and 2615 Eagle will need new funds), with ICD as the developer. As such, these costs are not shown in the budget.

Housing Successor: In 2012, after the dissolution of redevelopment in the state of California, the City of Alameda became the Successor Agency to the Community Improvement Commission (CIC) and authorized the assumption by the AHA of the rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the CIC, known as the Housing Successor Assets. The expenses associated with managing the Housing Successor for FY2022-23 is estimated at almost \$200,000 to be paid from existing Housing Successor funds. Salary and benefit costs are limited by State law to \$200,000 annually for Successor Agency Housing Assets administration.

Local Housing Trust Fund (Alameda Affordable Housing Trust Fund – AAHTF): In 2021, in an effort to create a source of long-term funding for affordable home creation, and to leverage local financing, the Housing Authority of the City of Alameda (AHA) and its affiliate Alameda Affordable Housing Corporation (AAHC) created the Alameda Affordable Housing Trust Fund (AAHTF). In July of 2021, AAHC, with the partnership of AHA, passed and approved resolution 2021-05 establishing and funding the AAHTF. The creation of the AAHTF secures an important source of financing for payment of predevelopment costs, acquisitions, or construction eligible projects. The AAHTF was

established with a \$7,500,000 grant from the Housing Authority for capital purposes and \$300,000 of ongoing revenue over five years for operating purposes. The Housing Authority committed an additional \$330,000 of ongoing revenue over an additional five-year period for operating purposes if the trust fund obtained matching funding from the State of California. In December 2021, the State of California Department of Housing and Community Development awarded \$2.5 Million in capital funds to AHA via the AAHTF. This \$2.5 million-dollar award matches the existing \$7.5 million-dollar commitment made by AHA. This trust supports the creation of 90 affordable rental homes focused on housing formerly homeless households and seniors with extensive on-site supportive services. These funds are monitored separately (an annual report is due every year). AHA will be required to transfer funds in FY2022-23 of \$60,000 in an ongoing revenue grant and \$7,500,000 in capital funds to AAHC to fulfill its commitment to the AAHTF. The Housing Authority will receive an annual fee for administering this fund for AAHC, equal to the grant for ongoing revenue.

Reserve Policy: In October 2021, the Board of Commissioners adopted a framework Reserve Policy, setting aside funds for Operating Reserves, Preservation, and Production activities. The Board earmarked \$30 million of Housing Authority reserves for various purposes and instructed staff to continue to update the Board on the use of these funds per the Reserve Policy guidelines. Funds that are committed to Production of new affordable housing are typically lent to Island City Development either as a predevelopment or permanent loan. These commitments are carried on AHA’s balance sheet as a loan to ICD or the limited partnership once a loan is made. This is for information only.

Alameda Rent Program (RP): In FY2022-23, the Rent Program will receive up to \$834,473 to administer the Rent Review, Rent Stabilization, and Limitations on Evictions Ordinance for the City. The budget assumes the COLA change in benefits allocation to match the agency-wide costs and full staffing. With the exception of the administrative overhead costs, the program is a reimbursement-only program from the City of Alameda. It is anticipated that the Rent Program will be transferred to the management of the City of Alameda by early fall 2022. As a precaution, salaries, benefits and other expenses including office rent have been budgeted through December 2022.

DISCUSSION OF ACCOUNTING ISSUES

Cost Allocation Plan: The Cost Allocation Plan (CAP) (available on request) is normally completed at least once a year and allocates costs based on metrics. The metrics range from the number of hours worked on a project to the number of bedrooms in a complex to the amount of expenses paid for an item the prior year. The metrics are mostly pulled from AHA’s database, Yardi, or from verifiable data (such as the number of units in a specific complex). The CAP explains the logic behind the distribution of different costs including legal costs, audit costs, travel and training, and salaries and benefits. Staff calculates out a salary distribution for every position in the Agency based on the position’s primary duties and functions. Some positions are

allocated to only one department while others are allocated across numerous departments.

Fund Transfers: The General Fund does not generate its own cash flow. The only mechanism to get cash into the General Fund is to make transfers from other programs and properties with available excess cash reserves. Staff will make reimbursement transfers as necessary during the budget year in accordance with the agency's interfund transfer policy.

Depreciation: Depreciation is an accounting method to recognize the cost of buildings and equipment over time. Per the Capitalization Policy, which was effective July 1, 2016, AHA uses the straight-line method of depreciation. When an asset is purchased, a cash expense is incurred. Depreciation is not a cash expense, but an accrual expense to financially match the expense with the period of usage. The FY2022-23 depreciation expense is budgeted at \$1,700,000, which is slightly less than the FY2021-22 budget.

Other: Certain items are not budget items but will impact available cash in FY 2022-23.

- **Jack Capon Villa:** AHA expects to receive approximately \$26,400 principal payment from Jack Capon Villa for the loan it made to the limited partnership.
- **Payments to CalPERS for Outstanding Liabilities:** As a local government agency, AHA has to maintain its books by standards set by the Government Accounting Standards Board (GASB). Each year the GASB sets guidelines for accounting practices and identifies them by number. Starting in FY16, AHA has had to operate by new GASB rules relating to pension, and post-employment liabilities. These rules require all government agencies (States, Counties, Cities, and Special Purpose Local Governments) to report pension and post-employment liabilities up front which had historically been reported on a pay-as-you go basis by all government entities. Since AHA is a member of the CalPERS retirement system, AHA is required to report each year on any unfunded pension liability.

Please note that this budget does not include further pension or OPEB contributions beyond the regular payments made to service the annual payments of the unfunded accrued liabilities. It is noted that AHA has made prior contributions to the pension and OPEB liabilities. The first was a \$1,000,000 contribution in 2016 for pension retirement costs and second a payment of \$1,000,000 made in late June 2020 for CalPERS unfunded liability, as well as the payment of \$981,940 made in June 2017 to open the AHA's CERBT 115 trust account for OPEB. No funds are included here to adjust the pension liabilities. Staff returns to the Board annually after the audit to discuss pension liability funding needs.

DISCUSSION

N/A

FISCAL IMPACT

The operating budget for FY2022-23 reflects net operating income of \$1,450,049 and a net loss after depreciation of \$-249,951. The CIP work will be paid from accumulated operating reserves if project-specific funding or property reserves are not available.

AHA's unrestricted operating reserves as of March 2022 were in excess of \$24.8 million and held at US Bank, CAMP and LAIF.

CEQA

N/A

RECOMMENDATION

The Executive Director and staff recommend the Board of Commissioners of the Housing Authority of the City of Alameda approve the Housing Authority's Budget for Fiscal Year 2022-23 including approval of:

- A. Summary of the FY2022-23 Budget and related income and expenses
- B. Housing Assistance Payment (HAP) Budget and related expenditure of HUD-held HAP reserves
- C. Capital Improvement Project (CIP) Budget and related use of property and agency reserves and any surplus operating cash from Fiscal Year 2022-23 to cover these expenses
- D. Transfer by the Executive Director of up to \$1,325,697 in this budget year, as needed, from AHA property reserves to cover losses in the Housing Programs Department administrative operating budget
- E. Revised Schedule of Authorized Positions effective July 1, 2022.

Staff will return to the Board for a budget adjustment if necessary if significant variances from actuals are presented (e.g., variance of net income is lower by 10%).

ATTACHMENTS

1. Attachment A Summary FY2022-2023
2. Attachment B HAP Pass-through for FY2022-2023
3. Attachment C Capital Improvement Projects for FY2022-2023
4. Attachment D Budget Resolution-6-24-22 DRAFT
5. Schedule of Authorized Positions FY 2022-2023 Final

Respectfully submitted,

Louie So, Director of Finance

Housing Authority of the City of Alameda & Alameda Affordable Housing Corporation
***Does not include Island City Development and Low-Income Housing Tax Credit Partnerships**
Attachment A: Summary FY2022-2023 Budget

NOTE: Tax Increment Payment - City of Alameda for Independence Plaza - Split between Operations and Capital Work

	Account Name	A	B	C	D		E		F		G		H		I	
		CURRENT YEAR FY 2022 Projected Actuals	CURRENT YEAR FY 2022 Budget	NEXT YEAR FY 2023 Budget	A less: B (Current Year Projected Actuals Versus Current Year		Next Year Budget versus Current Year Budget		C less: A (Next Year Budget versus Current Year Projected Actuals)							
					\$	%	\$	%	\$	%						
1	AHA as Landlord Rental Income and HAP Income	12,559,701	12,558,105	14,054,544	1,596	0%	1,496,439	11%	1,494,844	11%						
2	Tax Increment Payment - City of Alameda for Independence Plaza (OPERATIONS)	1,600,000	1,465,328	1,700,000	134,672	8%	234,672	14%	100,000	6%						
3	Tax Increment Payment - City of Alameda for Independence Plaza (CAPITAL WORKS)	0	0	1,186,976	0	N/A	1,186,976	100%	1,186,976	100%						
4	HAP Administrative Fees	1,833,559	1,894,279	2,502,519	-60,720	-3%	608,240	24%	668,960	27%						
5	Other Income	3,794,197	4,054,614	1,764,373	-260,417	-7%	-2,290,241	-130%	-2,029,824	-115%						
6	Operating Income	19,787,456	19,972,326	21,208,412	-184,870	-1%	1,236,086	6%	1,420,956	7%						
7	Administrative	2,772,113	2,677,836	3,662,891	94,277	3%	985,054	27%	890,778	24%						
8	Administrative - Salaries*	7,054,227	8,307,280	8,702,776	-1,253,053	-18%	395,496	5%	1,648,548	19%						
9	Tenant/Social Services	270,465	234,345	277,432	36,120	13%	43,087	16%	6,967	3%						
10	Tenant/Social Services - Salaries*	518,414	633,324	936,701	-114,910	-22%	303,377	32%	418,287	45%						
11	Utilities	1,089,536	1,037,908	1,119,725	51,629	5%	81,818	7%	30,189	3%						
12	Maintenance	1,253,075	886,437	969,513	366,638	29%	83,076	9%	-283,562	-29%						
13	Maintenance - Salaries*	905,744	976,015	927,926	-70,271	-8%	-48,089	-5%	22,182	2%						
14	General/Insurance/Interest Expense	1,874,364	1,888,675	1,974,423	-14,311	-1%	85,748	4%	100,059	5%						
15	Operating Expenses	15,737,938	16,641,820	18,571,386	-903,882	-6%	1,929,566	10%	2,833,448	15%						
17	LESS: Tax Increment Payment - City of Alameda for Independence Plaza (CAPITAL WORKS)	0	0	1,186,976	0	N/A	1,186,976	100%	1,186,976	100%						
18	Net Operating Income (Cash Flow)	4,049,518	3,330,506	1,450,049	719,012	18%	-1,880,456	-130%	-2,599,469	-179%						
19	HAP Income	35,079,759	36,510,905	38,613,075	-1,431,146	-4%	2,102,170	5%	3,533,316	9%						
20	HAP Expenses	35,079,759	36,510,905	38,613,075	-1,431,146	-4%	2,102,170	5%	3,533,316	9%						
21	Net Housing Assistance Payments	0	0	0	0	100%	0	N/A	0	N/A						
22	Net Income Before Depreciation	4,049,518	3,330,506	1,450,049	719,012	18%	-1,880,456	-130%	-2,599,469	-179%						
23	Less: Depreciation	1,696,479	1,704,460	1,700,000	-7,981	0%	-4,460	0%	3,521	0%						
24	Net Income (Loss) After Depreciation	2,353,040	1,626,046	-249,951	726,994	31%	-1,875,997	751%	-2,602,990	1041%						
25																
28	Total Income	54,867,216	56,483,231	59,821,487	-1,616,015	-3%	3,338,256	6%	4,954,271	8%						
29	Total Expenses	52,514,176	54,857,185	58,884,461	-2,343,009	-4%	4,027,276	7%	6,370,286	11%						
30																
31	Net Operating Income (Cash Flow)	4,049,518	3,330,506	1,450,049	719,012	18%	-1,880,456	-130%	-2,599,469	-179%						
32	Less: Must Pay Mortgage Payments	1,067,276	1,067,276	1,180,665	0	0%	113,390	10%	113,390	10%						
33	Free Cash Flow	2,982,243	2,263,230	269,384	719,012	24%	-1,993,846	-740%	-2,712,859	-1007%						

Housing Authority of the City of Alameda & Alameda Affordable Housing Corporation
Attachment B: HAP Passthrough for FY2022-2023

	HAP	Shelter Plus Care	Bessie Coleman SRO	Emergency Housing Vouchers	Total	FY 21-22	Increase/ (Decrease)	
		17 Units	30 Units	57 Units		Budget	\$	%
HUD subsidy revenue	36,757,957		325,050	1,097,970	38,180,977	36,038,302	2,142,675	5.9%
Rental Assistance (Alameda County)		432,098			432,098	472,603	(40,505)	-8.6%
Total HUD Subsidy Revenue	36,757,957	432,098	325,050	1,097,970	38,613,075	36,510,905	2,102,170	5.76%
HAP Payments to Landlords	36,757,957	432,098	325,050	1,097,970	38,613,075	36,510,905	2,102,170	5.76%
Total Expenses	36,757,957	432,098	325,050	1,097,970	38,613,075	36,510,905	2,102,170	5.76%
Operating Income/Loss	-	-	-	-	-	-	-	-

Housing Authority of the City of Alameda & Alameda Affordable Housing Corporation
ATTACHMENT C: Capital Improvement Projects ("CIP") for Fiscal Year 2022-2023

Legal Entity	AAHC	AAHC	AAHC	AAHC	AAHC	AAHC	AAHC	AAHC	AAHC	AHA	AHA/AAHC	AHA	AAHC	
Project Description	Esperanza	Scattered Sites	Parrot Village	Parrot Gardens	Eagle Village	China Clipper	Anne B. Diament	Independence Plaza	AHA Main Office	All Properties	AUSD Site	Pulte Homes	Total	
Independence Plaza Balcony								1,186,976					1,186,976	
AUSD Site Development Costs											3,000,000		3,000,000	
Balance of Pulte BMR Units												1,350,000	1,350,000	
Paint & Carpet (10% of Portfolio)										420,000			420,000	
Garage Partial Conversion									1,200,000				1,200,000	
Exterior Renoations								150,000					150,000	
Balcony Repairs							100,000	250,000					350,000	
Appliance Replacements	3,000	4,500	4,500	1,500	6,500	6,500							26,500	
Interior Replacements	10,000	3,200	10,500	3,500	20,800	9,000							57,000	
Furniture Replacement	20,000												20,000	
Plumbing Replacements	60,000												60,000	
HVAC Replacements			5,000		5,796								10,796	
Total Reserve Expenditures	93,000	7,700	20,000	5,000	33,096	15,500	100,000	1,586,976	1,200,000	420,000	3,000,000	1,350,000	7,831,272	

**Does Not Include Island City Development Properties (Littlejohn Commons, Everett Commons, Rosefield Village and North Housing)*

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Resolution No. _____

APPROVING AND ADOPTING
HOUSING AUTHORITY’S ONE YEAR BUDGET
FOR THE FISCAL YEAR ENDING JUNE 30, 2023

WHEREAS, the Executive Director has submitted a one year proposed budget to the Board of Commissioners of the Housing Authority of the City of Alameda; and

WHEREAS, the Housing Authority has sufficient operating reserves to meet the working capital needs of its properties; and

WHEREAS, the proposed budget includes expenditures that are necessary for the efficient and economical operation of the housing for the purpose of serving low-income residents; and

WHEREAS, the proposed budget indicates a source of funds adequate to cover all proposed expenditures; and

WHEREAS, the Housing Authority will comply with all state and federal wage rate requirements where applicable and requirements for access to records and audits.

WHEREAS, the proposed FY2022-23 budget includes approval of:

- i. Summary of the FY2022-23 Budget and related income and expenses
- ii. Housing Assistance Payment (HAP) Budget and related expenditure of HUD-held HAP reserves
- iii. Capital Improvement Project (CIP) Budget and related use of property and agency reserves and surplus operating cash from Fiscal Years 2022-23 to cover these expenses
- iv. Transfer by the Executive Director of up to \$1,325,697 in this budget year, as needed, from AHA property reserves to cover losses in the Housing Programs operating budget
- v. Revised Schedule of Authorized Positions effective July 1, 2022.

NOW, THEREFORE. BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the City of Alameda hereby adopts the Housing Authority’s Budget Resolution for the fiscal year ending June 30, 2023.

ATTEST:

Vanessa M. Cooper
Secretary/Executive Director

Kenji Tamaoki, Acting Chair
Board of Commissioners

Adopted: _____

**Housing Authority of the City of Alameda
Schedule of Authorized Positions
July 1, 2022**

Exhibit 1

Department/Position Title	2021-2022 approved	Proposed change	Year on Year
	FTE 2021-2022	FTE 2022 - 2023	Difference
Executive Department			
Executive Director	1.00	1.00	
Deputy Executive Director/Chief Administrative Officer (See Note E)	0.00	1.00	
Executive Assistant	1.00	1.00	
Principal Management Analyst	1.00	1.00	
Management Analyst (MTW)	0.00	1.00	
Sub-Total	3.00	5.00	2.00
Administration Department			
Director of Administrative Services	1.00	1.00	
Risk Manager	1.00	1.00	
Community Relations Manager	1.00	1.00	
Administrative Manager	1.00	1.00	
Senior Management Analyst (General) (See Note E)	2.00	2.00	
Management Analyst	2.00	1.00	
Program Assistant	0.00	0.50	
Sub-Total	8.00	7.50	-0.50
Human Resources Department			
Director of HR and Operations	1.00	1.00	
HR Manager	1.00	1.00	
Program Assistant	1.00	0.50	
Sub-total	3.00	2.50	-0.50
Finance Department			
Director of Finance	1.00	1.00	
Controller	1.00	1.00	
Accounting Officer (See Note C)	1.00	0.00	
Accounting Specialist I & II (See Note B)	2.00	3.00	
Sub-total	5.00	5.00	0.00
Housing Programs Department			
Director of Housing Programs	1.00	1.00	
Assistant Director of Housing Programs (See Note C)	0.00	1.00	
Housing Programs Supervisor	2.00	1.00	
Management Analyst	0.00	1.00	
Housing Specialist III	1.00	2.00	
Housing Specialist I & II (See Note B)	7.00	7.00	
Program Assistant (See Note D)	2.50	2.50	
Sub-total	13.50	15.50	2.00
Property Operations Department			
Director of Portfolio Management (prior title Property Operations)	1.00	1.00	
Property Management Supervisor	1.00	1.00	
Asset Manager	1.00	1.00	
Maintenance Technician I & II (See Note B)	4.00	4.00	
Resident Manager I and II (See Notes A and B)	2.00	2.00	
Assistant Resident Manager (See Note A)	1.00	1.00	
Program Assistant	0.00	0.50	
Sub-total	10.00	10.50	0.50
Housing Development Department			
Director of Housing Development (prior title Housing and Community Development)	1.00	1.00	
Senior Project Manager	2.00	2.00	
Project Manager (See Note F)	1.00	1.00	
Construction Project Manager	1.00	1.00	
Assistant Project Manager	1.00	1.00	
Program Assistant	0.50	1.00	
Sub-total	6.50	7.00	0.50
Rental Program Department			
Director of Rent Program	1.00	1.00	
Management Analyst	1.00	1.00	
Rent Program Specialist	3.00	3.00	
Program Assistant	1.00	1.00	
Sub-total	6.00	6.00	0.00
Total	55.00	59.00	4.00

Note A: Resident employees are contracted employees and are required to reside on-site at assigned Housing Authority complexes. Each Resident employee has an individual at will employment contract.

Note B: Positions at the I and II levels are combined as a total count to allow for flexibility in staffing.

Note C: Position may be renamed or filled at a lower level

Note D: Position may be filled at the Program or Housing Assistant level.

Note E: Vacant position budgeted for one-half year

Note F: May be filled at the Senior level



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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: May 18, 2022

Re: Approve the Update to the 2022-23 Reserve Policy.

BACKGROUND

The Housing Authority is an 80-year old entity, with over six hundred rental homes in its portfolio, and an active pipeline of an additional seven hundred affordable rental apartments. It is the largest multifamily owner in the City of Alameda and supports an additional 3,000 renter households through its housing choice voucher program. To maintain the stability of the organization, and continue its mission of providing safe, decent, affordable housing, the Housing Authority must be careful stewards of its assets with an eye to protecting, preserving, and producing affordable housing.

In April 2021, the Board Retreat focused on the opportunities and requirements of an updated Reserve Policy. The Board discussed the goals of a reserve policy as providing security for the organization, maintenance of its existing portfolio over the property lifecycle, and planning for growth through land banking, predevelopment for new projects, and long-term subsidy to affordable developments. A list of some of the tools and considerations is below:

1. An operating reserve – following best business practices
2. Liquidity – following best business practices and the requirements of the AHA lenders and investors.
3. Re-investment and maintenance of the existing portfolio – Immediate and major recapitalizations are needed throughout the portfolio
4. Land banking for new housing developments – AHA needs to acquire property for future developments.
5. Predevelopment investment in new construction sites – Projects need to be designed and prepared to apply for state, federal and private financing to build.
6. Subsidy, in the form of residual receipts loans, subsidized ground leases, and other long-term investments in affordable housing – Local investment is required to leverage state, federal and private financing.



Since the April 2021 meeting, the Board has established the Alameda Affordable Housing Trust Fund (AAHTF), which can continue to be a part of the assets that AHA and its affiliate, the Alameda Affordable Housing Corporation (AAHC), utilize toward the goals of the reserve policy.

In October 2021, the Board approved a Reserve Policy delineating how assets should be directed and committed. The Board also directed that at least mid-year updates be provided on the Policy. Particularly in the area of Production investments, the Board has been alerted each time a project has utilized funds.

DISCUSSION

As staff prepared the Fiscal Year 2022-23 budget, it assessed both the need for reserves in the various categories, as well as the funds that might be available for further allocation. The Reserve Policy allocation in October 2021 is shown in the attachment in comparison with the proposed 2022-2023 allocation.

Reserves funding of \$34,140,000 has been identified as of the end of February 2022 (see attached chart). Staff proposes the following updates to allocate these funds.

Proposed updates:

1. Operating Reserve: Staff proposes to update the agency operating and liquidity reserve from \$6 million to \$7.5 million dollars:
 - a. This funding level assumes one month's operations, including payments that would be needed for the housing assistance payments that the AHA makes to landlords on behalf of tenants.
 - b. The amount is higher because in the 2022-23 budget, staff projects an increase in costs for operations and HAP budgets.
 - c. A \$7.5 million reserve will meet funder and regulatory operating and liquidity requirements.
2. Preservation Fund – No change. In 2021, the Board agreed to dedicate \$9 million over the next five years to construction in progress (CIP) work on the existing portfolio, and identified in excess of \$10 million of work. The Portfolio Management Department updates the Board regularly on the CIP activities of the organization and expects to update further in October 2022.
 - a. Staff is currently undertaking Physical Needs Assessments (PNAs) for the entire portfolio, as well as assessing the needs for the IP balcony repairs and other upgrades. It is anticipated that the IP balcony repairs will need a bridge loan of \$800,000 (see AAHC report May 2022) that will come from this portion of the Reserve Policy.
 - b. As part of the October update, staff will identify project level reserves or outside sources for the additional CIP expenses needed over the five-year plan.
3. Production Fund – Allocations of \$17,640,000 for new and previously committed

investments in affordable housing opportunities in Alameda during 2022 and beyond.

- a. All existing project commitments, such as the first two permanent supportive housing phases of North Housing, the purchase of the remaining homes at Pulte/Bay 27, and the recent purchase of Tilden Commons (the AUSD maintenance yard, 2615 Eagle) are continued. Recently, the Housing Authority received notice that the State Department of Finance had approved approximately \$1,400,000 to the Tilden site, which staff reallocates and reinvests in this proposal.
- b. Proposed new allocations to North Housing PSH I, North Housing Senior, Tilden Commons, and a proposed acquisition adaptive reuse project are shown in the attached chart under the following general terms:

1. Tilden Commons -

- a. Available as predevelopment funding for demolition, design and application readiness.
- b. The remainder is available as needed for a long-term investment and leverage to secure local, state and federal funding.
- c. With this funding, Tilden can begin applying for state and federal funding in 2023.
- d. Further conditions are spelled out in the action item on the agenda.

2. Additional long term investment in North Housing PSH I and II.

- a. This is a conditional award for long term funding.
- b. The first phase of Block A will need to advance costs for infrastructure and sitewide soil stabilization that assist the entire Block. In addition, it is critical that the Housing Authority succeeds in moving forward on its commitment to building homeless housing. With the current high stage of competitiveness, this additional funding provides greater assurance that at least the initial phase can move forward in 2023.
- c. Further conditions are spelled out in the action item on the agenda.

3. Long term investment in NH Seniors

- a. Predevelopment for NH Seniors was included in previous predevelopment requests. Thus, this is a conditional award for long term funding.
- b. With this commitment, NH Seniors can immediately begin applying for local, state and federal funding.
- c. Further conditions are spelled out in the action item on the agenda.

4. Predevelopment design and feasibility for recapitalizing three high-need portfolio projects: Independence Plaza, Esperanza, China Clipper.

5. Funding for acquisition and financing of an adaptive reuse development of fifty units.

The pro formas for the June 2022 Super NOFA are currently being developed, and may not be complete until mid-June. Staff would like to ask permission to re-allocate any funds that are deemed unnecessary in order to meet the tight timelines and competitiveness of this one-time application as follows:

- 1) If North Housing PSH I does not need its entire \$3,000,000, staff requests authority to spring up to \$1 million in funds to either North Housing PSH II or North Housing Senior.
- 2) If the Acquisition Adaptive Reuse development does not compete in the Super NOFA, staff requests authority to spring these funds as follows:
 - a. \$3.9 million to Tilden Commons
 - b. \$500,000 to portfolio ref and syndication
 - c. \$1.5 million to NH PSH II
 - d. \$2.1 million to NH Seniors

In both preservation and production activities, staff are charged with minimizing the Housing Authority investment by leveraging other local, state, and federal sources of funds. These applications may include applying for additional matching funds from the State Local Housing Trust Fund Program, which may require depositing funds into the Alameda Affordable Housing Trust Fund. Such a process would come before the Board at the appropriate time.

A critical part of the reserve policy is ongoing monitoring and updates to the Board on progress and opportunities. The CIP update will continue to be an important report from Portfolio Management. The Housing Department will continue to report on the new construction pipeline and any need for new investments. Any refinancing opportunities will be brought to the Board for approval. If new resources are identified, staff will update the Board on the application process, and any new conditions or obligations that may be required.

FISCAL IMPACT

The proposed update to the 2021-2026 AHA Reserve Policy clearly delineates how current funds could be used to forward AHA’s mission and responsibilities. If approved, the Policy outlines the next 12 months of investments. Moving funds into long-term investments means that the Housing Authority’s liquidity is decreased. The Policy also indicates that the Board and staff must be diligent to pursue outside leverage and resources to grow AHA’s impact and pipeline of affordable housing.

CEQA

Not applicable.

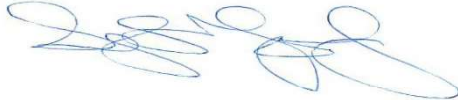
RECOMMENDATION

Approve the Update to the 2022-23 Reserve Policy.

ATTACHMENTS

1. Att 1 2022 Reserve Policy Calculations and Background_May BOC

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Sylvia Martinez', with a stylized flourish at the end.

Sylvia Martinez, Director of Housing Development

ment 1 - Calculations and Background Numbers
 g Authority of the City of Alameda
 026 Reserve Policy - May 2022 Update

Cash as of 2/29/22

Rounded	\$34,140,472
	\$34,140,000
	\$4,362,624
	\$3,048,165
	\$7,410,789
Rounded	\$7,500,000

Operating and Liquidity Reserve

- a. One Month operations (per approved 22-23 budget)
- b. One Month housing assistance payments (per approved 22-23 budget)

Preservation - Construction in Progress 2021-2026

\$9,000,000

Production - Previously made commitments/Proposed Commitments

Project	2021 awards Amount	2022 Proposed Amount	Maximum Authority	Type	Notes:
1. North Housing - Phase I and II (PSH units)	\$700,000	\$1,262,000	\$1,262,000	Perm	BOC awarded \$7.5 mm; \$6.238 mm utilized in a predev loan
2. Bay 37/Pulte	\$1,340,000	\$1,340,000	\$1,340,000	Perm	BOC awarded \$3.75 mm; \$1.4 mm already utilized for 11 acquisitions
3. Tilden Commons (2615 Eagle)	\$2,500,000	\$1,100,000	\$1,100,000	Acq	BOC awarded \$2.5 mm; ROPS will repay \$1.4 million in FY22-23
4. North Housing PSH I * unused funds spring to NH Senior	\$0	\$3,000,000	\$3,000,000	Perm	Predevelopment to 55-year loan
5. North Housing PSH II	\$0	\$2,438,000	\$1,500,000	Perm	Predevelopment to 55-year loan
6. North Housing Senior	\$0	\$4,538,000	\$4,538,000	Perm	Predevelopment to 55-year loan
7. Tilden Commons (2615 Eagle)	\$0	\$500,000	\$4,400,000	Perm	Predevelopment to 55-year loan
8. Portfolio refit and syndication	\$0	\$0	\$500,000	Predev	Up to 5 years
9. Acquisition Adaptive Reuse - 50 units * unused springs to others	\$0	\$8,000,000	\$8,000,000	Perm	Predevelopment to 55-year loan
		\$17,640,000	\$25,640,000		

* unused funds will snap back to NH PSHI or NH Senior

* unused funds will snap back to AUSD, NH and renovations

AUSD	\$ 3,900,000
Renov	\$ 500,000
NH PSH2	\$ 1,500,000
NH Sr	\$ 2,100,000
	<u>\$ 8,000,000</u>

Uncommitted
 TOTAL RESERVE USES

\$0
\$34,140,000

Elements and Percentages

AHA RESERVE POLICY OVERVIEW	2021		Proposed	
	Funding	Pct	Funding	Pct
Operating Reserve	\$6,000,000	20%	\$7,500,000	22%
Preservation Fund	\$9,000,000	30%	\$9,000,000	26%
Production Fund	\$15,000,000	50%	\$17,640,000	52%
	\$30,000,000		\$34,140,000	



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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: May 18, 2022

Re: Adopt Resolution to Loan Island City Development Up To a) Up to \$8 million for an adaptive reuse acquisition and an Option to Ground Lease to Island City Development, b) Up to \$4.4 million for 2615 Eagle Avenue and an Option to Ground Lease to Island City Development, b) Up to \$3 million for North Housing PSH I, c) Up to \$1.5 million for North Housing PSH II, d) Up to \$4.538 million for North Housing Senior to Island City Development and authorize the Executive Director or her designee to sign options to ground lease and loan award letters and other documents for State of California funding applications.

BACKGROUND

In order to enact the updated 2022 Reserve Policy, a resolution to loan the proposed funds to Island City Development needs to be approved by the Board of Commissioners.

DISCUSSION

A total of \$15,038,000 in new funding commitments to affordable housing development are contemplated in the updated 2022 Reserve Policy. The resolution documents these loans, as well as the ability for staff to spring unused funds to other projects as described in the Policy. Thus, the resolution references 'up to' amounts that staff may allocate to projects per the 2022 Policy approved by the Board of Commissioners.

FISCAL IMPACT

The financial impact of this resolution has been contemplated in the 2022 Reserve Policy.

CEQA

Not Available

RECOMMENDATION



Adopt Resolution to Loan Island City Development Up To a) Up to \$8 million for an adaptive reuse acquisition and an Option to Ground Lease to Island City Development, b) Up to \$4.4 million for 2615 Eagle Avenue and an Option to Ground Lease to Island City Development, b) Up to \$3 million for North Housing PSH I, c) Up to \$1.5 million for North Housing PSH II, d) Up to \$4.538 million for North Housing Senior to Island City Development and authorize the Executive Director or her designee to sign options to ground lease and loan award letters and other documents for State of California funding applications.

ATTACHMENTS

- 1. Att 1 Draft Resolution 2022 Updated Reserve Policy Loans

Respectfully submitted,



Sylvia Martinez, Director of Housing Development

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Resolution No. _____

NORTH HOUSING PSH I, NORTH HOUSING PSH II, NORTH HOUSING SENIOR, TILDEN COMMONS, ACQUISITION ADAPTIVE REUSE PROJECT

WHEREAS, the Housing Authority of the City of Alameda (the “**Housing Authority**”) is the owner of certain real property located at 501 Mosley Avenue and 2615 Eagle Avenue in the City of Alameda (the “**Properties**”);

WHEREAS, the Housing Authority and Island City Development, a California nonprofit public benefit corporation (“**ICD**”), are parties to that certain Option Agreement, dated effective as of July 21, 2021 (the “**Option Agreement**”), pursuant to which the Housing Authority has granted an option to ICD to ground lease the Property in connection with the development and construction of a one hundred fifty-five (155) unit, including two (2) unrestricted manager’s units, affordable housing development on the Property to be commonly known as North Housing Block A (the “**Project**”);

WHEREAS, the Housing Authority has provided a pre-development loan to ICD in the amount of \$6,238,000 (the “**Housing Authority Loan**”), which will be repaid at the time of the construction loan closing and evidenced by a Promissory Note;

WHEREAS, the Housing Authority wishes to provide an additional loan to ICD in the amount up to \$3,000,000 (the “**Housing Authority Predevelopment Loan - NH PSH I**”), which will be repaid at the time of the construction loan closing and evidenced by a Promissory Note;

WHEREAS, the Housing Authority wishes to provide an additional loan to ICD in the amount up to \$1,500,000 (the “**Housing Authority Predevelopment Loan - NH PSH II**”), which will be repaid at the time of the construction loan closing and evidenced by a Promissory Note;

WHEREAS, the Housing Authority wishes to provide a permanent loan to ICD in the amount up to \$4,538,000 (the “**Housing Authority Permanent Loan - NH Seniors**”), which will be repaid from operations and evidenced by a Promissory Note and Deed of Trust;

WHEREAS, the Housing Authority wishes to provide a permanent loan to ICD in the amount up to \$4,400,000 (the “**Housing Authority Permanent Loan - Tilden Commons**”), which will be repaid from operations and evidenced by a Promissory Note and Deed of Trust;

WHEREAS, the Housing Authority wishes to provide a permanent loan to ICD in the amount up to \$8,000,000 (the “**Housing Authority Permanent Loan - Acquisition Adaptive Reuse Project**”), which will be repaid from operations and evidenced by a Promissory Note and Deed of Trust;

WHEREAS, the Housing Authority wishes to provide an option to ground lease to ICD to the 2615 Eagle Avenue property,

WHEREAS, the Housing Authority wishes to provide an option to ground lease to ICD to the Acquisition Adaptive Reuse Project property, if it is able to secure site control,

WHEREAS, the Board of Commissioners of the Housing Authority (the “**Board**”) deemed it to be in the best interest of the Housing Authority to provide the Housing Authority Loans and options to ground lease to ICD.

WHEREAS, the Housing Authority desires to act as the developer of the Project, and desires to enter into a Development Services Agreement with ICD (the “**Development Agreement**”);

WHEREAS, the Board deems it to be in the best interests of the Housing Authority to assist in the acquisition, construction and development of the Project

WHEREAS, in connection with the construction and development of the Project, the Housing Authority entered into several service contracts and agreements for professional services with various vendors and professionals and intends to assign its right, title and interest in and obligations under the various service contracts and agreements to the Partnership pursuant to an assignment and assumption of service contracts (the “**Assignment of Contracts**”);

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 in connection with the Housing Authority’s fee interest in the Property and the Housing Authority Loan (owner and lender policies) for the Project and for any waiver of entitlement or similar fees (collectively, the “**Title Documents**”); and

WHEREAS, the Board deems it to be in the best interests of the Housing Authority to execute and deliver, and to perform its obligations under, any and all documents or agreements necessary or advisable in furtherance of ICD’s acquisition, development, financing, construction, operation, management and maintenance of the Project, including, but not limited to, the Option Agreement, the Ground Lease, all grant deeds and any other document required to transfer the leasehold interest in the Property and the fee interest in the Improvements to ICD, the Housing Authority Loan Documents,

and any and all other agreements, documents or instruments, necessary to allow ICD to consummate the Housing Authority Loan, the Development Agreement, the Amended Partnership Agreement, the Guaranty Agreement, the Guaranties, the Security Assignments, the Assignment of Contracts, the Title Documents, and the HAP Documents and any similar or related agreements for housing subsidies, regulatory agreements, assignments of rents, leases, income and profits, general assignments, management agreements and any resolution required by any lender or Investor, with the advice counsel, deemed to be consistent with the resolutions contained herein (collectively, the “**Project 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. Project Documents; and
- 2. Such other agreements, certificates, contracts, documents, and instruments 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 each of (a) the Executive Director, (b) the Director of Housing Development, or (c) any designee of the foregoing 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, the Director of Housing Development, any designee of the foregoing and the Secretary of the Housing Authority are hereby further authorized and directed to take such further actions 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

Kenji Tamaoki, Chair
Board of Commissioners

Adopted:

Date



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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Board of Directors

From: Sylvia Martinez, Director of Housing Development

Prepared By: Sylvia Martinez, Director of Housing Development

Date: May 18, 2022

Re: Accept Report for Balcony Replacements at Independence Plaza and Approve Executive Director to Procure, Negotiate, and Sign a Contract for Repairs and Related Costs Not to Exceed \$1,850,000; Approve Internal AHA Loan to AAHC for Independence Plaza not to exceed \$800,000 to Bridge Other Sources.
10.D.

BACKGROUND

On September 17, 2018, the California Legislature passed Senate Bill 721, Chapter 455. This bill was passed in response to the June 16, 2015, tragedy in Berkeley, California where a balcony collapsed and 6 people died while 7 others suffered serious injuries.

This law, SB 721, requires an inspection of exterior elevated elements, including decks and balconies, for buildings with 3 or more multifamily dwelling units by a licensed architect, licensed civil or structural engineer, a building contractor holding specified licenses, or an individual certified as a building inspector or building official, as specified. The bill requires the inspections, including any necessary testing, to be completed by January 1, 2025, with certain exceptions, and would require subsequent inspections every 6 years, except as specified.

DISCUSSION

There was an additional balcony inspection completed in late 2019 at the Independence Plaza property by Applied Materials & Engineering, Inc. In general, the report noted that 17 balconies were severely decayed, making the balconies and patios below unsafe to use. Additionally, there were other balconies on the property in various stages of disrepair.

Due to the restrictions put in place in response to the COVID-19 outbreak, the repairs recommended in that report were not executed immediately, although any balconies considered hazardous were made off limits, and tenants were issued a renter's credit for the



inability to use the balconies.

Since that time, two years, staff have noted that the repair scope has grown, and these repairs are now of the highest priority. The existing elevated balconies and guardrails are in various stages of disrepair and will require extensive repairs, and/or full replacement in the very near future, some immediately.

In January 2022, staff provided an update to the Board seeking guidance on beginning this work. The staff also met with the residents at Independence Plaza to discuss the upcoming work, answer questions and address residents' concerns.

There are 61 ground floor patios and 125 elevated balconies on this property. The elevated balconies with guardrails are on a variety of 2nd , 3rd, and 4th floor configurations consisting of Type 5 (wood) construction, supported by a concrete slab on grade.

A staff assessment of the existing conditions of the residential balconies at the Independence Plaza community was completed in January and found 53 balconies and an additional 25 guardrails in need of immediate replacement.

Staff prepared and issued an RFP (Request for Proposals) soliciting bids for the work identified above and received 2 bids from qualified contractors. The bid specifically requires pre-negotiated unit costs for additional work. As of this date, it is not expected that any of the residents will need to relocate overnight, as all work is exterior work and will be done during the day.

The staff expects to negotiate the contract, secure funding and have the contractor mobilize and begin the remediation work by the end of July.

Prior to contractor mobilization, the staff and contractor will host another meeting with the residents to update them on the schedule as well as address what to expect during the process. The duration of time for the work on site is expected to be six months. A schedule will be published, posted in a public place, and (4) notices (2 week, 1 week, 48 hrs.) will be posted on residents and adjacent neighbors' doors prior to repairs being made, as well as a notice of completion once the work is done.

The goal of this renovation is to address current and urgent needs. It is anticipated that this will include full or partial replacement of approximately 40% of the current balconies. At that point, additional work can be performed on an annual or biannual basis to keep the structures in good condition.

FISCAL IMPACT

Independence Plaza has multiple sources of reserves and funds to cover the costs of these repairs, as shown on the attachment. However, some of these funds are not immediately available, as the CIC funds can only be requested in tranches every six months. We expect the CIC funds to become available between July 1, 2022 and December 31, 2023 in up to three tranches. The staff requests the use of an internal bridge loan from the Housing Authority, using the funds set aside in the Preservation section of the Reserve Policy, to cover costs until repaid. Staff will update the Board on the progress of bridge fund utilization and repayment.



The cost of the repairs, plus a 10% contingency for unanticipated costs or additional scope, is anticipated to be \$1,850,000. As of November 2021, Independence Plaza has access to \$186,000 in replacement reserves held by the Housing Authority, as well as \$496,000 held by the lender. Use of lender reserves will require written approval by the lender and are only available on a reimbursement basis. Permission from the lender will be sought if the Board of Directors approves this item.

In addition, the City of Alameda and State Department of Finance have approved \$1,387,000 in redevelopment proceeds. These funds can be drawn down in late 2022 and early 2023 to paydown the anticipated AHA-AAHC Bridge loan of \$800,000.

Because it is anticipated that the work will be initiated before the City has completed its approval process, staff proposes that the following permanent sources be identified for this work:

With the Board of Director's approval, staff will use current cash flow and the AHA reserves for the work and seek reimbursement from the lender reserves as available.

CEQA

Not Applicable

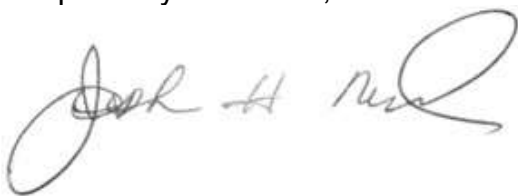
RECOMMENDATION

Accept Report for Balcony Replacements at Independence Plaza and Approve Executive Director to Procure, Negotiate, and Sign a Contract for Repairs and Related Costs Not to Exceed \$1,850,000; Approve Internal AHA Loan to AAHC for Independence Plaza not to exceed \$800,000 to Bridge Other Sources.

ATTACHMENTS

1. Att 1 IP Balconies - Sources and Uses

Respectfully submitted,



Sylvia Martinez, Director of Housing Development



IP Balconies - Uses

	BASE BID COMPLETE- 53 Balconies, +25 Guardrails, Patio, Joists & Blocks
53 Balconies Complete	\$ 1,142,866
25 Guardrails	\$ 295,373
25 Balcony Frames	
DTT2Z (Engineer Add)	\$ 25,972
Barricades	incl.
Paint	incl.
Patio	\$ 14,910
Joists and Blocks	\$ 108,815
Subtotal	
GC & Bond	\$ 81,572
Insurance	
Overhead	
Profit	
Permits, labor monitoring, legal	\$ 40,000
SubTotal	\$ 1,669,508
10% Contingency	\$ 180,492
Total	\$ 1,850,000

Sources - IP Balconies

AHA IP - Reserve	\$ 186,000	
CIC funds	\$ 1,387,000	Avail. 7/1/22-23 in two tranches. Approved by CA DOF
Bank reserves	\$ 248,000	50% of reserves accumulated - \$496,000 TO BE REQUESTED
AHA short term loan	\$ 29,000	See below

\$ 1,850,000

AHA short term loan	\$ 722,500	To bridge CIC funds 7/1/22-12/31/23
Rounded	\$ 800,000	REQUESTED SHORT TERM LOAN

Sources - IP Balconies

AHA IP - Reserve	\$	186,000	
CIC funds	\$	1,387,000	Avail. 7/1/22-23 in two tranches. Approved by CA DOF
Bank reserves	\$	248,000	50% of reserves accumulated - \$496,000 TO BE REQUESTED
AHA short term loan	\$	29,000	See below

\$ 1,850,000

AHA short term loan	\$	722,500	To bridge CIC funds 7/1/22-12/31/23
Rounded	\$	800,000	REQUESTED SHORT TERM LOAN



PHONE: (510) 747-4300
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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Gregory Kats, Director of Rent Stabilization Programs

Date: May 18, 2022

Re: Accept the Monthly Overview Report for the Alameda Rent Program and Authorize the Executive Director or Designee to take all actions necessary to transfer the Program to the City and Provide Direction to Staff on whether to issue a 180 day notice to the City.

BACKGROUND

For outcomes of submissions reviewed, please see the attached monthly report for the Alameda Rent Program. Archived monthly reports are available at www.alamedarentprogram.org.

DISCUSSION

The Alameda Rent Program resumed limited in-person Informational Workshops in October 2021. Currently, Informational Workshops are offered twice a month, with one daytime and one evening session provided monthly. Starting in October 2021, at least one of these monthly workshops has been held in person at the Independence Plaza Community Room, while the other workshop is held remotely via Zoom. In an effort to expand the Program's outreach efforts to the diverse Alameda community, the Rent Program is offering a series of special Informational Workshops targeting monolingual landlords and tenants. These workshops offer sessions in Spanish, Vietnamese and Chinese. Staff has also posted an Informational Workshop video on the program website, in order to provide remote viewers with greater access to program information.

As a result of extensive outreach and enforcement efforts during the 2021-22 registration period, the Rent Program has finally achieved a registration compliance rate of 93%.

On March 15, 2022, the Alameda City Council lifted the City's local rent increase moratorium. Beginning May 1, 2022, landlords of most Alameda rental units may serve their tenants with a rent increase notice of no more than 2.7%. This change applies to multi-unit properties built prior to February 1995, which are subject to a cap on the annual amount of a rent increase, known as the Annual General Adjustment, or AGA,



which is currently set at 2.7%. Units exempt from rent control under state law, including single-family homes and condos rented to tenants, are not subject to local limits on rent increases. The use of previous years' "banked" rent increases remains prohibited. The local moratorium on "no fault" terminations of tenancy will remain in effect until the local Declaration of Emergency is lifted. Staff sent out updated Maximum Allowable Rent (MAR) letters to both owners and tenants in early April, advising them of their revised MAR amounts, based on the new rent increase cap which prohibits the use of banked rent increases. Staff are currently fielding calls from the public regarding this recent change to the rent increase process for rent-controlled units.

Rent Program staff will continue to work with our stakeholders to process new registration submissions, assist with fee payment issues, and update changes to tenancy or ownership status. Program staff will also continue to work with a smaller subset of landlords, in order to assist them in remedying cases of non-compliance with program requirements, particularly in regards to invalid rent increases, which were discovered through the registration process and the recent MAR mailing.

In May, staff will produce new enforcement reports documenting unresolved cases involving invalid rent increases, failure to pay program fees, and additional cases of failure to register rental units for the 2021 registration period. These cases will also be referred to the City Attorney's Office with the expectation that enforcement action will be taken to bring unregistered properties into compliance, resolve invalid rent increase issues and recoup any uncollected annual program fees.

In February 2022, Rent Program staff also initiated a targeted outreach campaign to contact the landlords of the twenty non-compliant properties with the most unregistered units. Staff are attempting to directly engage with these unresponsive landlords, in a proactive effort to bring their properties into compliance. Staff has already begun communication with several of these non-compliant owners, in an effort to resolve their cases. The remainder of these cases, for which the owners refuse to engage with staff or bring their property into compliance, have already been referred to the City Attorney's Office for enforcement.

Move Update

In October 2021, the City requested that the Rent Program relocate to a City-owned space in order to save on office rental costs. The license for the Rent Program's current office space is set to expire at the end of July 2022. The City has identified a new site for the program at City Hall West, but has agreed with AHA that the physical move will align be coterminous with the termination of the Services Agreement. The license at the current location can be renewed month-to-month or for a longer period. The current budget for rent is underspent, and budgeted funds are available to support any extension of the license.

Early Termination of Services Agreement

On February 2, 2022, AHA Executive Director Vanessa Cooper and Alameda Rent Program Director Gregory Kats met with Alameda City Attorney Yibin Shen and Mayor Marilyn Ezzy Ashcraft to discuss the future of the Rent Program. The Mayor and City Attorney informed AHA that the Alameda City Council would hear a referral, at their upcoming February 15, 2022 meeting, to transition the Rent Program into the City Attorney's Office. The three-year agreement would normally expire on June 30, 2023.

AHA Management met with the Rent Program staff on February 3, 2022 to inform them of the discussion. The City Attorney subsequently informed AHA that there would not be a direct transfer of staff to the City. Instead, Rent Program staff who want to move with the program will be required to reapply for their positions and, if hired, will need to restart probation periods with the City. The job classifications, expected salary and benefit packages are not yet available for these City positions.

The City Council did not hear this item at their Council meetings in February and March. This referral was finally heard at the April 12, 2022 City Council meeting where it passed with a vote of 3 to 2. The motion that was approved by the City Council indicated that City staff would bring back a proposal to the City Council, by the end of summer 2022, to bring the Rent Program "in-house." Rent Program staff were informed of the referral results on the morning of April 13, 2022.

At this time, the City has indicated that it will put the item on the June 7, 2022 Council consent agenda with a mutually agreed upon termination date of September, 30, 2022. The City has still not issued the six-month notice, so in the event of a delay or the item not being heard on June 7, the transfer date might be further pushed out. In the event of a delay, AHA may wish to issue a 180 days' notice in order to establish a firm end date for the program.

The Board will be updated regarding any proposed changes at each regularly scheduled Board meeting prior to the transfer.

Staffing

Effective June 1, 2022, Greg Kats will assume a new position with AHA as the Director of Administrative Services, and Rent Program Analyst Bill Chapin will step in as the Acting Rent Program Director.

FISCAL IMPACT

The program is operating within its budget for 2021-22.

CEQA

N/A

RECOMMENDATION

Accept the Monthly Overview Report for the Alameda Rent Program and Authorize the

Executive Director or Designee to take all actions necessary to transfer the Program to the City and Provide Direction to Staff on whether to issue a 180 day notice to the City.

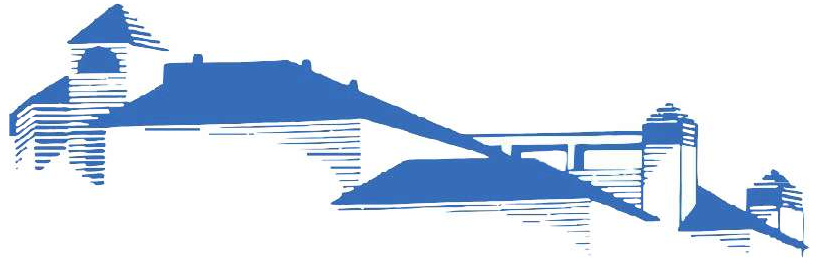
ATTACHMENTS

1. 2022.04- MONTHLY REPORT

Respectfully submitted,

A handwritten signature in black ink that reads "Greg Kats". The signature is written in a cursive, slightly slanted style.

Gregory Kats, Director of Rent Stabilization Programs



ALAMEDA RENT PROGRAM

APRIL 2022 REPORT

FY 2021 -2022

TABLE OF CONTENTS

Outreach

Page 1

Rent Increase Submissions & Petitions

Pages 2-3

Termination of Tenancy Submissions

Page 4

Buyout Agreement Submissions

Page 5

**Monitoring Unit Restrictions /
Capital Improvement Plans**

Page 6

Rent Registry / Other Appeals

Page 7



www.alamedarentprogram.org

Email: rentprogram@alamedahsg.org • Phone: 510-747-4346 • Fax: 510-764-7555

Outreach

Staff serves individuals in the community via telephone, email, and in-person appointments. Informational workshops are currently offered online.

Contacts

	PERSONALIZED SERVICE		INFORMATIONAL WORKSHOPS	WEBSITE	
	INDIVIDUALS CONTACTED	TOTAL INQUIRIES	ATTENDEES	USERS	TOTAL SESSIONS
JUL 2021	334	608	4	1,953	2,622
AUG 2021	278	495	2	1,817	2,493
SEP 2021	502	816	4	2,247	3,025
OCT 2021	296	445	3	1,842	2,665
NOV 2021	542	962	3	1,597	2,231
DEC 2021	470	854	7	1,559	2,210
JAN 2022	470	853	5	1,951	2,697
FEB 2022	403	810	4	1,763	2,536
MAR 2022	442	824	3	2,818	3,897
APR 2022	479	904	6	4,780	5,898
MAY 2022					
JUN 2022					
TOTAL	4,216	7,571	41	22,327	30,274

Activities

Participated in the City of Alameda’s second annual Fair Housing Workshop, presenting an overview of the Rent Ordinance and services offered by the Rent Program.	Assisted the Alameda City Attorney’s Office in conducting outreach sessions with landlord and tenant groups to solicit feedback on proposed changes to the City’s Capital Improvement Plan policy.	Housing Authority offices are now open to the public from 8:30 a.m. to noon Monday through Thursday; contact the Rent Program to schedule an appointment with staff.
Presented Vietnamese-language Information Workshop on April 21, 2022.		

Rent Increase Submissions & Petitions

Multi-family units built prior to February 1, 1995, are subject to a cap on the annual amount of a rent increase, known as the Annual General Adjustment (AGA). Landlords may petition for an upward adjustment in the rent, and tenants may petition for a downward adjustment. Petitions are heard by hearing officers who issue binding decisions.

In addition, tenants and landlords may request that program staff conduct a review of a) the calculation of the maximum allowable rent allowed by the AGA, b) the base rent and/or housing services included with the base rent that the landlord reported when registering the rental unit, or c) previous or pending rent increase notices to determine if they complied with all rent ordinances and regulations. Staff will work with the landlord to correct any registration errors. If the review shows the tenant has been paying more than the maximum allowed by the AGA, staff will direct the landlord to reset the rent and refund the overpayment. If the tenant received an invalid notice that is not yet effective, staff will direct the landlord to rescind the notice. Annually, the Rent Program sends letters to the landlord and tenant informing them of the maximum allowable rent and providing a deadline by which to file a request for review.

When a landlord issues a rent increase of more than 10 percent (typically for those units not subject to the AGA), the notice must be filed with the Rent Program. If the tenant chooses to vacate within 90 days, the tenant is entitled to a relocation payment.

SUBMISSIONS BY TYPE						
MONTH	LANDLORD INITIATED			TENANT INITIATED		TOTAL
	PETITION FOR UPWARD ADJUSTMENT	REQUEST FOR STAFF REVIEW	RENT INCREASE > 10%	PETITION FOR DOWNWARD ADJUSTMENT	REQUEST FOR STAFF REVIEW	
JUL 2021	0	0	0	2	1	3
AUG 2021	0	0	0	1	1	2
SEP 2021	1	0	0	2	3	6
OCT 2021	0	0	0	0	0	0
NOV 2021	1	0	0	1	1	3
DEC 2021	0	0	0	1	11	12
JAN 2022	0	2	0	6	12	20
FEB 2022	0	1	0	1	4	6
MAR 2022	0	2	0	0	4	6
APR 2022	1	2	0	3	23	29
MAY 2022						
JUN 2022						
TOTAL	3	7	0	17	60	87

PETITION OUTCOMES

MONTH	UPWARD RENT ADJUSTMENT	DOWNWARD RENT ADJUSTMENT	PETITION DENIED	PETITION WITHDRAWN	PENDING	TOTAL
JUL 2021	0	1	0	1	0	2
AUG 2021	0	0	0	0	1	1
SEP 2021	0	0	1	1	1	3
OCT 2021	0	0	0	0	0	0
NOV 2021	1	0	0	1	0	2
DEC 2021	0	0	0	1	0	1
JAN 2022	0	3	0	1	2	6
FEB 2022	0	0	1	0	0	1
MAR 2022	0	0	0	0	0	0
APR 2022	0	0	0	0	4	4
MAY 2022						
JUN 2022						
TOTAL	1	4	2	5	8	20

STAFF REVIEW OUTCOMES

MONTH	NO VIOLATION	REGISTRATION ERROR CORRECTED	RENT RESET & TENANT REFUNDED	INVALID NOTICE RESCINDED	REQUEST WITHDRAWN	PENDING	TOTAL
JUL 2021	0	0	0	1	0	0	1
AUG 2021	0	0	0	1	0	0	1
SEP 2021	2	0	0	1	0	0	3
OCT 2021	0	0	0	0	0	0	0
NOV 2021	1	0	0	0	0	0	1
DEC 2021	1	1	2	1	0	6	11
JAN 2022	2	4	0	0	3	5	14
FEB 2022	0	2	1	0	0	2	5
MAR 2022	1	3	0	0	2	0	6
APR 2022	2	8	0	0	4	11	25
MAY 2022							
JUN 2022							
TOTAL	9	18	3	4	9	24	67

Termination of Tenancy Submissions

Rent Ordinance 3250 prevents landlords from terminating a tenancy except for certain allowable grounds and requires a relocation payment in cases where the termination is not the fault of the tenant. Terminations based on these “no fault” grounds must be filed with the Rent Program. There are no filing requirements for terminations based on “for cause” grounds.

	ACTIVE			WITHDRAWN		PENDING	TOTAL
	OWNER MOVE-IN*	WITHDRAWAL FROM RENTAL MARKET	OTHER	FOR DEFICIENCY IN THE NOTICE	LANDLORD CHOSE TO RESCIND		
JUL 2021	0	1	0	2	0	0	3
AUG 2021	0	1	0	2	2	0	5
SEP 2021	0	1	0	0	0	0	1
OCT 2021	0	2	0	1	0	0	3
NOV 2021	0	2	0	0	0	0	2
DEC 2021	0	2	0	1	0	0	3
JAN 2022	0	1	0	3	0	0	4
FEB 2022	0	1	0	2	0	0	3
MAR2022	0	0	0	2	0	0	2
APR2022	0	0	0	1	0	2	3
MAY 2022							
JUN 2022							
TOTAL	0	11	0	14	2	2	29

*The City Council adopted an urgency ordinance on April 21, 2020, that prohibits landlords from taking action to terminate a tenancy based on Owner Move-In until 30 days after the end of the Declaration of Local Emergency for the COVID-19 pandemic.

RELOCATION PAYMENT SUMMARY FOR ACTIVE CASES			
AVERAGE AMOUNT	TIME IN THE UNIT		
	0 to 5 years	5+ to 10 years	10+ years
n/a	n/a	n/a	n/a

Buyout Agreement Submissions

A buyout agreement is a written agreement between a landlord and a tenant, by which a tenant agrees to vacate, usually in return for money. Rent Ordinance 3250 affords protection to tenants who are offered buyout agreements. Buyout agreements must be filed with the Rent Program. Staff review submissions to ensure that tenants have been advised of their rights. An agreement that does not satisfy all requirements of the Rent Ordinance is not effective, and the tenant may rescind the deficient agreement at any time.

	ACTIVE	DEFICIENT	TENANT CHOSE TO RESCIND	TOTAL
JUL 2021	3	0	0	3
AUG 2021	2	0	0	2
SEP 2021	1	1	0	2
OCT 2021	0	0	0	0
NOV 2021	1	0	0	1
DEC 2021	0	0	0	0
JAN 2022	2	0	0	2
FEB 2022	1	0	0	1
MAR 2022	2	1	0	3
APR 2022	2	0	0	2
MAY 2022				
JUN 2022				
TOTAL	14	2	0	16

BUYOUT AGREEMENT SUMMARY FOR ACTIVE CASES			
<u>AVERAGE AMOUNT</u>	<u>TIME IN THE UNIT</u>		
	0 to 5 years	5+ to 10 years	10+ years
\$11,100.00	1	0	1

Monitoring of Unit Restrictions

Certain restrictions are imposed on rental units after a tenancy is terminated based on grounds for which the tenant is not at fault. These restrictions apply regardless of a change in ownership. On an annual basis, program staff initiates monitoring of the unit to verify compliance with the restrictions while they remain in effect. These annual monitoring cases remain “ongoing” until staff receives sufficient documentation from the property owner.

	CASES INITIATED		ONGOING CASES		TOTAL UNITS MONITORED
	OWNER MOVE-IN	WITHDRAWAL FROM RENTAL MARKET	OWNER MOVE-IN	WITHDRAWAL FROM RENTAL MARKET	
JUL 2021	0	2	2	2	6
AUG 2021	0	6	0	1	7
SEP 2021	0	3	0	4	7
OCT 2021	2	4	0	1	7
NOV 2021	0	1	2	2	5
DEC 2021	1	0	0	0	1
JAN 2022	0	4	2	2	8
FEB 2022	0	0	1	3	4
MAR 2022	0	1	1	2	4
APR 2022	2	3	0	1	6
MAY 2022					
JUN 2022					

Capital Improvement Plans

To encourage landlords to improve the quality of the City’s rental housing stock, Resolution 15138 allows landlords to recover from tenants the cost of certain substantial improvements, amortized over time. In addition, landlords are required to file a Capital Improvement Plan whenever a tenant must be temporarily relocated or a tenancy terminated because of the work associated with capital improvements; however, landlords are currently prohibited from doing so by an urgency ordinance passed by the City Council in response to the COVID-19 pandemic.

No new applications for a Capital Improvement Plan were submitted in April 2022.

Rent Registry

Open registration using the online Rent Registry has concluded. To date, 89% of properties have completed registration, representing 93% of rental units in Alameda. Staff continues to work with landlords to update information in the registry and process submissions.

RENT REGISTRY SUBMISSIONS PROCESSED						
MONTH	LATE REGISTRATION	UPDATED UNIT INFORMATION SHOWING AN INVALID RENT INCREASE	REQUEST TO EXEMPT UNIT FROM ANNUAL FEE	DOCUMENTATION SHOWING PROPERTY IS EXEMPT FROM REGULATION	CHANGE IN OWNERSHIP	TOTAL
JUL 2021	98	28	36	11	13	186
AUG 2021	8	2	21	5	20	56
SEP 2021	8	3	40	60	21	132
OCT 2021	19	4	11	11	14	59
NOV 2021	72	30	37	34	28	201
DEC 2021	72	17	13	6	35	143
JAN 2022	25	159	17	18	7	226
FEB 2022	36	153	17	10	12	228
MAR 2022	15	90	17	17	24	163
APR 2022	21	97	19	6	11	154
MAY 2022						
JUN 2022						
TOTAL	374	583	228	178	185	1,548

Other Appeals

A landlord or tenant may appeal a determination by the Rent Program Administrator concerning other matters under the Rent Ordinance, such as whether the ordinance applies to a particular dwelling unit or whether a tenant who has been displaced is entitled to relocation payments. Appeals are heard by hearing officers who issue binding decisions, subject to judicial review.

In April 2022, no new appeals were filed, no hearings held, and no decisions issued by hearing officers.



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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Cheley Quiambao, Asset Manager

Date: May 18, 2022

Re: Adopt Authorizing Resolution for the Real Property Transfer of Properties to a, Limited Liability Company, Amend the Property and Asset Management Agreement, and Authorize the Executive Director, or Designee, to Negotiate and Execute Related Documents.

BACKGROUND

The Housing Authority of the City of Alameda (AHA) is the contract administrator for the Section 8 program in the City of Alameda, which includes Housing Assistance Payment (HAP) contracts for both the Housing Choice Voucher (HCV) and Project Based Voucher (PBV) programs. Additionally, AHA owns real property which is assisted by the HCV and PBV programs.

In 2017, the U.S. Department of Housing and Urban Development (HUD) published PIH Notice 2017-21 that clarifies HAP contract requirements for Public Housing Authority-owned units. Attachment A, Section 5, of the Notice states: "Because the HAP contract administrator and the owner cannot be the same legal entity (i.e., the PHA acting as contract administrator cannot execute a contract with itself as the owner of the PBV or HCV units), the PHA must establish a separate legal entity to serve as the owner."

On October 18, 2017, the Board of Commissioners authorized the Executive Director to create a new, wholly controlled, nonprofit entity that will serve as owner of certain AHA properties in order to comply with HUD's contracting requirements. This entity is Alameda Affordable Housing Corporation (AAHC). The governing Board of AAHC is the same Board as AHA's, as defined in the bylaws. On November 20, 2019, the Board authorized staff to prepare documents to transfer each of AHA- owned properties to AAHC.

Since 2018, over 90% of the properties have been successfully transferred from AHA to AAHC, consistent with the HUD directive. Properties that have transferred are a total of 492 units: Anne B Diament Plaza (65 units), China Clipper Plaza (26 units), Eagle Village (36 units), Esperanza (120 units), Independence Plaza (186 units), Lincoln



Willow (5 units), Parrot Village (50 units), and Stanford House (4 units).

AHA has been transferring properties in batches and is now working to transfer the remaining properties to another entity; however, we will now be transferring and combining our Scattered Sites portfolio into a Limited Liability Company (LLC) with AHA as the sole member of the LLC.

The remaining properties are a total of 33 units and are expected to transfer as of July 1, 2022.

1. Parrot Gardens - 8 units – to Alameda Parrot, LLC (all LLCs are to-be-formed; actual entity names are subject to change)
2. Sherman House - 9 units – to Alameda Scattered Sites, LLC
3. Lincoln House - 4 units – to Alameda Scattered Sites, LLC
4. Paru House - 1 unit – to Alameda Scattered Sites, LLC
5. Mulberry Condos - 4 units – to Alameda Scattered Sites, LLC
6. Family Condos - 7 units – to Alameda Scattered Sites, LLC

DISCUSSION

The successful transfer of the properties from AHA to a secondary entity includes various cross-departmental coordination across a number of months. Parrot Gardens, Paru House, and Mulberry Condos have no existing debt. Sherman House and Lincoln House have soft debt with the County of Alameda, and Family Condos have soft debt with the City of Alameda. It is the strong preference of staff to transfer at the beginning of the fiscal year, July 1, 2022, for audit purposes.

Transfer Transaction

For Sherman House, Lincoln House, Paru House, Mulberry Condos, and Family Condos, the property will be conveyed to Alameda Scattered Sites, LLC, through a Grant Deed, for as-is values substantiated by the appraisals. For Parrot Gardens, the improvements will be conveyed to Alameda Parrot, LLC, through a Grant Deed, for as-is values substantiated by appraisal.

AHA will provide seller financing in the form of a Seller Promissory Note, secured with a Deed of Trust. This loan will be at 0% interest rate, a 30-year term, and paid with 75% of residual cash flow. This structure is more desirable than a donation because it is least disruptive to the Housing Authority's operating budget. Currently, any cash flow from the properties comes to the Housing Authority as the owner. Under the new structure, the cash flow will come to AHA in the form of soft loan payments. As the sole member of the respective LLCs, any remaining net cash flow after payment on soft debt also can be distributed to AHA as the sole member of the LLC.

In addition to the seller financing, AHA will record an Affordable Housing Agreement to provide additional assurance of the properties' continued use as low-income housing. New household eligibility will be restricted to 80% of the Area Median Income for the term of 20 years.

For properties with soft debt, staff is working with the County and City on the administrative review and consent to Assignment and Assumption Agreements of existing loan and regulatory agreements.

Budget

Currently, these properties are part of AHA’s budget cycle and the Cost Allocation Plan. The budget for the properties will follow the same Cost Allocation Plan methodology. This budget plan will be written into the Property and Asset Management Agreement between AHA and each LLC. In addition to the budget, any residual cash flow will come back to the Housing Authority through each LLC’s obligations under the Seller Loan. The AAHC budget will be brought in June for review once this issue has been decided by the AHA Board.

Currently, AHA maintains a replacement reserve for the properties, invested with either CAMP or LAIF. As part of the transfer, replacement reserve funds in the amount of \$1,000/unit will be transferred to each LLC from AHA’s LAIF replacement reserve account.

Additionally, the third-party property management, John Stewart Company (JSCo) will open new bank accounts for the regular operating checking account and security deposit account for each LLC.

Property Management

Unlike previous transfers, these properties are already managed by John Stewart Company (JSCo), which will streamline some facets of the transfer. AHA already has a property and asset management services agreement with JSCo, and these properties will be added to that contract through an amendment.

All properties to be included in the transfer on July 1, 2022 are:

Property Name	Currently Owned	New Ownership
Detached Homes	AHA	Alameda Scattered Sites, LLC
Lincoln House	AHA	Alameda Scattered Sites, LLC
Lincoln Willow	AAHC	Alameda Scattered Sites, LLC
Pulte Homes	AAHC	Alameda Scattered Sites, LLC
Senior (Family) Condos	AHA	Alameda Scattered Sites, LLC
Sherman House	AHA	Alameda Scattered Sites, LLC
Stanford House	AAHC	Alameda Scattered Sites, LLC
Parrot Gardens	AHA	Alameda Parrot, LLC

FISCAL IMPACT

The seller note will be added to AHA’s balance sheet, along with the corresponding loan obligations on the respective LLC’s balance sheet. The net balance sheet impact will be eliminated on the audited financial statement. AHA will pay all expenses related to this real property transfer from the properties’ operating funds. Staff estimates the cost to total \$50,000 for appraisals, legal fees, and other transaction fees, and an additional \$33,000 for the capitalized reserve account.

CEQA

N/A

RECOMMENDATION

Adopt Authorizing Resolution for the Real Property Transfer of Properties to a, Limited Liability Company, Amend the Property and Asset Management Agreement, and Authorize the Executive Director, or Designee, to Negotiate and Execute Related Documents.

ATTACHMENTS

1. AHA Resolution 0522 - LLC

Respectfully submitted,

Cheley Quiambao

Cheley Quiambao, Asset Manager

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Resolution No. _____

REAL PROPERTY TRANSFER

At a duly constituted meeting of the Board of Directors (the "**Board**") the Housing Authority of the City of Alameda, a public body, corporate and politic (the "**Authority**"), held on May 18, 2022, the following resolutions were adopted:

WHEREAS, Authority, is the owner of that certain real property known as 1) Parrot Gardens, located at 1845 Bay Street, 2) Sherman House, located at 1416 Sherman Street, 3) Lincoln House, located at 745 Lincoln Avenue 4) Paru House, located at 1825 Paru Street, 5) Mulberry Condos, located at 1911 Mulberry Street, 2101 Eagle Avenue, 2102 Clement Avenue, 2116 Clement Avenue, and 6) Family Condos, located at 2137 Otis Drive #213, 2209 Otis Drive #C, 1825 Shoreline Drive #105, 955 Shorepoint Court #108, 955 Shorepoint Court #114, 955 Shorepoint Court #213, 965 Shorepoint Court #113, in the City of Alameda, County of Alameda, California (the "**Property**" or collectively "**Properties**");

WHEREAS, the Board of Commissioners of the Authority (the "**Board**") authorized the Executive Director to execute documents to create a Nonprofit Ownership Entity or a Limited Liability Company, (the "**Company**") at the October 18, 2017 meeting, with the goal of having a separate entity own properties of the Authority with Housing Choice Vouchers and Project-Based Vouchers so that the Authority is not both the property owner and the contract administrator for the Housing Assistance Payments contracts (the "**HAP Contracts**");

WHEREAS, the Board deems it in the best interests of the Authority to remain property manager at the Properties, or delegate that responsibility to a third party agent, through a Property and Asset Management Agreement;

WHEREAS, the Board deems it in the best interests of the Authority to convey the Property to one or more Limited Liability Companies, as necessary (collectively, the "**LLC**"), thereby maintaining the required separation between owner and contract administrator for the HAP Contracts;

WHEREAS, staff has contracted for property appraisals of each of the Properties, to gain an understanding of the as-is value of each property's land and improvements;

WHEREAS, the Board deems it to be in the best interests of the Authority to assist in the acquisition of the Properties by providing seller carryback financing to the LLC for the land and improvements at each Property, secured by a recorded Deed of Trust at each Property, and to be paid from no more than seventy five (75%) percent of the net cash flow of each Property;

WHEREAS, the Board deems it to be in the best interests of the Authority to record a twenty (20)-year Affordable Housing Agreement against each of the Property (the "**Affordable Housing Agreement**"), at the time of acquisition by the LLC,, to restrict occupancy to low-income households (80% of Area Median Income) at affordable rents;

WHEREAS, the Board deems it to be in the best interests of the Authority and each of the Properties for the Authority to fund a capitalized replacement reserve to be held by the LLC, at One Thousand Dollars (\$1,000) per unit, at the time of acquisition by the LLC;

WHEREAS, the Board deems it to be in the best interests of the Authority to assign the existing Housing Choice Vouchers ("HCV") HAP Contract to the LLC;

WHEREAS, the Board deems it to be in the best interests of the Authority to execute and deliver, and to perform its obligations under, any and all documents or agreements necessary or advisable in furtherance of the acquisition by the LLC of each of the Properties, including, without limitation, the grant deed and any other document required to transfer the Property to the LLC, the Authority seller loan documents and deed of trust, the Affordable Housing Agreement, the Ground Lease Agreement, the HAP assignment and contract, and any similar or related agreements for housing subsidies, assignment of regulatory agreements and loan documents, assignments of rents, leases, income and profits, and property management agreements and amendments, with the advice counsel, deemed to be consistent with the resolutions contained herein (collectively, the "**Property Transfer Documents**").

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves and authorizes the Authority to enter into the Property Transfer Documents and such other agreements, certificates, contracts, documents, and instruments deemed necessary to assist in the transfer of the Property and to complete all activities contemplated by this Resolution.

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or any designee of the foregoing, acting alone, to record a twenty (20)-year Affordable Housing Agreement against each of the Properties at the time of sale to the LLC;

BE IT FURTHER RESOLVED, that the Board hereby approves the seller carry back financing in the form of Seller Note and Deed of Trust for each of the Properties based on the as-is value of the land and improvements, as substantiated by an appraisal;

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or any designee of the foregoing, acting alone, to capitalize a replacement reserve account for the Properties at One Thousand Dollars (\$1,000) per unit, totaling Thirty Three Thousand Dollars (\$33,000);

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or any designee of the foregoing, acting alone, to assign the existing HAP contracts to the LLC;

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, or any designee of the foregoing, acting alone, to negotiate, accept and execute the Property Transfer Documents subject to any minor conforming, technical or clarifying changes approved by the Executive Director, or any designee, and Authority counsel. The Executive Director, any designee of the foregoing, and the Secretary of the Authority are hereby further authorized and directed to take such further actions and execute and record such documents as are necessary to negotiate, accept and execute the Property Transfer Documents.

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

[SIGNATURE PAGE FOLLOWS]

ATTEST:

Vanessa M. Cooper
Executive Director/Secretary

Kenji Tamaoki, Vice Chair
Board of Commissioners

Adopted:

Date: May 18, 2022



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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Vanessa Cooper, Executive Director

Date: May 18, 2022

Re: Adopt Resolution of the Board of Commissioners of the Housing Authority of the City of Alameda Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Commissioners Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361.

BACKGROUND

On March 17, 2020, Governor Newsom issued Executive Order N-29-20 which allowed for relaxed provisions of the Ralph M. Brown Act (Brown Act) that allowed legislative bodies to conduct meetings through teleconferencing without having to meet the strict compliance of the Brown Act. All provisions of Executive Order N-29-20 concerning the conduct of public meetings via teleconferencing expired on September 30, 2021.

DISCUSSION

Assembly Bill 361(Chapter 165,Statutes of 2021) (AB 361) was signed into law by the Governor on September 16, 2021, and went into effect immediately. It amends the Brown Act to allow local legislative bodies to continue using teleconferencing and virtual meeting technology after the September 30, 2021 expiration of the current Brown Act exemptions as long as there is a "proclaimed state of emergency" by the Governor. This allowance also depends on state or local officials imposing or recommending measures that promote social distancing or a legislative body finding that meeting in person would present an imminent safety risk to attendees. Though adopted in the context of the pandemic, AB 361 will allow for virtual meetings during other proclaimed emergencies, such as earthquakes or wildfires, where physical attendance may present a risk. AB 361 will sunset on January 1, 2024.

AB 361 requires the following to continue to conduct teleconferenced meetings:

1. Notice of the meeting must still be given in compliance with the Brown Act, and the notice must include the means by which the public may access the meeting



- and provide public comment remotely.
2. The public must be provided access to the meeting via a call-in option or internet-based service option and allowed to “address the legislative body directly.” The Alameda Affordable Housing Corporation does not have to provide an in-person option for the public to attend the meeting.
 3. The meeting must be conducted “in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body.”
 4. If there is a disruption to the meeting broadcast or in the ability to take call-in or internet-based public comment, no further action can be taken on agenda items until the issue is resolved, even if this means stopping the meeting at that point and continuing all remaining items.
 5. The Board of Directors cannot require comments to be submitted before the start of the meeting. The public must be allowed to make “real time” public comment.
 6. Reasonable time for public comment must be provided. If the Board provides a timed public comment period, the public comment period must be left open until the time expires.
 7. All votes must be taken by roll call.
 8. The Board of Directors must approve a resolution making findings by majority vote within 30 days of the first teleconferenced meeting under AB 361 and every 30 days thereafter to continue to conduct teleconference meetings under AB 361. The body must find it has reconsidered the circumstances of the state of emergency and either 1) the emergency continues to impact the ability to meet safely in person, or 2) State or local officials continue to impose or recommend social distancing.

In light of AB 361, the continuing COVID-19 State of Emergency declared by the Governor, the continuing Local Emergency declared by the City of Alameda, the continuing recommendations by the County of Alameda Health Officer of social distancing as a mechanism for preventing the spread of COVID-19, and the continued threats to health and safety posed by indoor public meetings, staff recommends the Board of Directors adopt the proposed Resolution making the findings required to initially invoke AB 361.

The procedures currently set up for Board of Directors' meetings, which provide public attendance and comment through a call-in or internet-based service option, satisfy the requirements of AB 361. The Executive Director, or designee, will work with the Board to ensure that meeting procedures for all teleconferenced meetings comply with AB 361. Continued reliance will require the Board of Directors to adopt a new resolution making required findings every 30 days.

FISCAL IMPACT

None.

CEQA

N/A

RECOMMENDATION

Adopt Resolution of the Board of Directors of the Alameda Affordable Housing Corporation Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Directors Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361.

ATTACHMENTS

1. DRAFT RESOLUTION No. 1033 - AB 361 Resolution (05.18.22)
2. AB 361.pdf 2021_danprint

Respectfully submitted,



Vanessa Cooper, Executive Director

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
Resolution No. 1033

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR OF THE STATE OF CALIFORNIA ON MARCH 4, 2021, AND MAKING FINDINGS AUTHORIZING CONTINUED REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF COMMISSIONERS PURSUANT TO BROWN ACT PROVISIONS, AS AMENDED BY ASSEMBLY BILL NO.

361

WHEREAS, the Housing Authority of the City of Alameda ("Housing Authority") is committed to preserving and nurturing public access and participation in meetings of the Board of Commissioners; and

WHEREAS, all meetings of the Housing Authority's Board of Commissioners are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the Housing Authority's Board of Commissioners conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist within the jurisdiction of the Housing Authority which includes the City of Alameda, specifically, on March 17, 2020 the Governor of the State of California proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS, as a result of the COVID-19 pandemic the California Department of Health and the Health Officer of the County of Alameda continue to recommend measures to promote social distancing. Additionally, On March 17, 2020, in response to the COVID-19 pandemic, the City Council of the City of Alameda, declared a local emergency as set forth in Ordinance No. 3267; and

WHEREAS, the Board of Commissioners does hereby find that the COVID-19 pandemic has caused, and will continue to cause, imminent risk to the health and safety of attendees meeting in person for a Board of Commissioners' meeting, and the COVID-19 pandemic has caused conditions of peril to the safety of persons within the jurisdiction of the Housing Authority that are likely to be beyond the control of services, personnel, equipment, and facilities of the Housing Authority, and desires to ratify the proclamation of a local emergency by the City of Alameda, ratify the proclamation of a state of emergency by the Governor of the State of California and ratify the California Department of Health and the Health Officer of the County of Alameda's recommended measures to promote social distancing; and

WHEREAS, as a consequence of the local emergency and state of emergency the Board of Commissioners does hereby find that the Board of Commissioners of the Housing Authority shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that the Board of Commissioners shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of Government Code section 54953; and

WHEREAS, when holding teleconferenced meetings under abbreviated teleconferencing procedures permitted under the Brown Act, the Housing Authority will ensure access for the public by complying with all requirements set forth in Government Code section 54953(e), including, but not limited to, giving notice of the meeting and posting agendas, to allow members of the public to access the meeting and address the legislative body, to give notice of the means by which members of the public may access the meeting and offer public comment, including an opportunity for all persons to attend via a call-in option or an internet-based service option, and to conduct the meeting in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Reconsideration. The Board hereby reconsiders the circumstances of the state of emergency.

Section 3. Ratification of the City of Alameda's Proclamation of a Local Emergency. The Board hereby ratifies the City of Alameda's proclamation of a Local Emergency as set forth in Ordinance No. 3267 adopted on March 17, 2020.

Section 4. Ratification of the California Department of Health and the Health Officer of the County of Alameda's recommended measures to promote social distancing. The Board hereby finds that state and local officials continue to recommend measures to

promote social distancing. The Board further hereby ratifies the California Department of Health and the Health Officer of the County of Alameda's recommended measures to promote social distancing and finds that, as a result of the state of emergency, meeting in person would present imminent risk to the health or safety of attendees.

Section 5. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020, and hereby finds that the state of emergency continues to directly impact the ability of the Board of Commissioners and members of the public to meet safely in person.

Section 6. Remote Teleconference Meetings. The Housing Authority's Executive Director, and designee, and the Board of Commissioners are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continued teleconferencing and conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 7. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) 30 days from the adoption of this Resolution, or, (ii) such time as the Board of Commissioners adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Commissioners of the Housing Authority may continue to teleconference without compliance with Government Code section 54953(b)(3).

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the City of Alameda this 18th day of May, 2022, by the following vote:

AYES: _____ NOES: _____ ABSTENTIONS: ____ ABSENT: ____

ATTEST:

Vanessa M. Cooper
Secretary Board of Commissioners

Kenji Tamaoki, Acting Chair
Board of Commissioners

Adopted: May 18, 2022

Assembly Bill No. 361

CHAPTER 165

An act to add and repeal Section 89305.6 of the Education Code, and to amend, repeal, and add Section 54953 of, and to add and repeal Section 11133 of, the Government Code, relating to open meetings, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 16, 2021. Filed with
Secretary of State September 16, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

AB 361, Robert Rivas. Open meetings: state and local agencies: teleconferences.

(1) Existing law, the Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act contains specified provisions regarding the timelines for posting an agenda and providing for the ability of the public to directly address the legislative body on any item of interest to the public. The act generally requires all regular and special meetings of the legislative body be held within the boundaries of the territory over which the local agency exercises jurisdiction, subject to certain exceptions. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. The act authorizes the district attorney or any interested person, subject to certain provisions, to commence an action by mandamus or injunction for the purpose of obtaining a judicial determination that specified actions taken by a legislative body are null and void.

Existing law, the California Emergency Services Act, authorizes the Governor, or the Director of Emergency Services when the governor is inaccessible, to proclaim a state of emergency under specified circumstances.

Executive Order No. N-29-20 suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic provided that notice and accessibility requirements are met, the public members are allowed to observe and address the legislative body at the meeting, and that a legislative body of a local agency has a procedure for receiving and swiftly

resolving requests for reasonable accommodation for individuals with disabilities, as specified.

This bill, until January 1, 2024, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency, as that term is defined, when state or local health officials have imposed or recommended measures to promote social distancing, during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided.

This bill would require legislative bodies that hold teleconferenced meetings under these abbreviated teleconferencing procedures to give notice of the meeting and post agendas, as described, to allow members of the public to access the meeting and address the legislative body, to give notice of the means by which members of the public may access the meeting and offer public comment, including an opportunity for all persons to attend via a call-in option or an internet-based service option, and to conduct the meeting in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body. The bill would require the legislative body to take no further action on agenda items when there is a disruption which prevents the public agency from broadcasting the meeting, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments, until public access is restored. The bill would specify that actions taken during the disruption are subject to challenge proceedings, as specified.

This bill would prohibit the legislative body from requiring public comments to be submitted in advance of the meeting and would specify that the legislative body must provide an opportunity for the public to address the legislative body and offer comment in real time. The bill would prohibit the legislative body from closing the public comment period and the opportunity to register to provide public comment, until the public comment period has elapsed or until a reasonable amount of time has elapsed, as specified. When there is a continuing state of emergency, or when state or local officials have imposed or recommended measures to promote social distancing, the bill would require a legislative body to make specified findings not later than 30 days after the first teleconferenced meeting pursuant to these provisions, and to make those findings every 30 days thereafter, in order to continue to meet under these abbreviated teleconferencing procedures.

Existing law prohibits a legislative body from requiring, as a condition to attend a meeting, a person to register the person's name, or to provide other information, or to fulfill any condition precedent to the person's attendance.

This bill would exclude from that prohibition, a registration requirement imposed by a third-party internet website or other online platform not under the control of the legislative body.

(2) Existing law, the Bagley-Keene Open Meeting Act, requires, with specified exceptions, that all meetings of a state body be open and public and all persons be permitted to attend any meeting of a state body. The act requires at least one member of the state body to be physically present at the location specified in the notice of the meeting.

The Governor’s Executive Order No. N-29-20 suspends the requirements of the Bagley-Keene Open Meeting Act for teleconferencing during the COVID-19 pandemic, provided that notice and accessibility requirements are met, the public members are allowed to observe and address the state body at the meeting, and that a state body has a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified.

This bill, until January 31, 2022, would authorize, subject to specified notice and accessibility requirements, a state body to hold public meetings through teleconferencing and to make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the state body. With respect to a state body holding a public meeting pursuant to these provisions, the bill would suspend certain requirements of existing law, including the requirements that each teleconference location be accessible to the public and that members of the public be able to address the state body at each teleconference location. Under the bill, a state body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically would satisfy any requirement that the state body allow members of the public to attend the meeting and offer public comment. The bill would require that each state body that holds a meeting through teleconferencing provide notice of the meeting, and post the agenda, as provided. The bill would urge state bodies utilizing these teleconferencing procedures in the bill to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to existing law, as provided.

(3) Existing law establishes the various campuses of the California State University under the administration of the Trustees of the California State University, and authorizes the establishment of student body organizations in connection with the operations of California State University campuses.

The Gloria Romero Open Meetings Act of 2000 generally requires a legislative body, as defined, of a student body organization to conduct its business in a meeting that is open and public. The act authorizes the legislative body to use teleconferencing, as defined, for the benefit of the public and the legislative body in connection with any meeting or proceeding authorized by law.

This bill, until January 31, 2022, would authorize, subject to specified notice and accessibility requirements, a legislative body, as defined for purposes of the act, to hold public meetings through teleconferencing and

to make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the legislative body. With respect to a legislative body holding a public meeting pursuant to these provisions, the bill would suspend certain requirements of existing law, including the requirements that each teleconference location be accessible to the public and that members of the public be able to address the legislative body at each teleconference location. Under the bill, a legislative body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically would satisfy any requirement that the legislative body allow members of the public to attend the meeting and offer public comment. The bill would require that each legislative body that holds a meeting through teleconferencing provide notice of the meeting, and post the agenda, as provided. The bill would urge legislative bodies utilizing these teleconferencing procedures in the bill to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to existing law, as provided.

(4) This bill would declare the Legislature's intent, consistent with the Governor's Executive Order No. N-29-20, to improve and enhance public access to state and local agency meetings during the COVID-19 pandemic and future emergencies by allowing broader access through teleconferencing options.

(5) This bill would incorporate additional changes to Section 54953 of the Government Code proposed by AB 339 to be operative only if this bill and AB 339 are enacted and this bill is enacted last.

(6) The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

(7) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(8) This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 89305.6 is added to the Education Code, to read:
89305.6. (a) Notwithstanding any other provision of this article, and subject to the notice and accessibility requirements in subdivisions (d) and (e), a legislative body may hold public meetings through teleconferencing

and make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the legislative body.

(b) (1) For a legislative body holding a public meeting through teleconferencing pursuant to this section, all requirements in this article requiring the physical presence of members, the clerk or other personnel of the legislative body, or the public, as a condition of participation in or quorum for a public meeting, are hereby suspended.

(2) For a legislative body holding a public meeting through teleconferencing pursuant to this section, all of the following requirements in this article are suspended:

(A) Each teleconference location from which a member will be participating in a public meeting or proceeding be identified in the notice and agenda of the public meeting or proceeding.

(B) Each teleconference location be accessible to the public.

(C) Members of the public may address the legislative body at each teleconference conference location.

(D) Post agendas at all teleconference locations.

(E) At least one member of the legislative body be physically present at the location specified in the notice of the meeting.

(c) A legislative body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, consistent with the notice and accessibility requirements in subdivisions (d) and (e), shall have satisfied any requirement that the legislative body allow members of the public to attend the meeting and offer public comment. A legislative body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

(d) If a legislative body holds a meeting through teleconferencing pursuant to this section and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the legislative body shall also do both of the following:

(1) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and resolving any doubt whatsoever in favor of accessibility.

(2) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to paragraph (2) of subdivision (e).

(e) Except to the extent this section provides otherwise, each legislative body that holds a meeting through teleconferencing pursuant to this section shall do both of the following:

(1) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by this article, and using the means otherwise prescribed by this article, as applicable.

(2) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in the means of public observation and comment, or any instance prior to the effective date of this section in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of the means of public observation and comment, a legislative body may satisfy this requirement by advertising the means of public observation and comment using the most rapid means of communication available at the time. Advertising the means of public observation and comment using the most rapid means of communication available at the time shall include, but need not be limited to, posting such means on the legislative body's internet website.

(f) All legislative bodies utilizing the teleconferencing procedures in this section are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the otherwise applicable provisions of this article, in order to maximize transparency and provide the public access to legislative body meetings.

(g) This section shall remain in effect only until January 31, 2022, and as of that date is repealed.

SEC. 2. Section 11133 is added to the Government Code, to read:

11133. (a) Notwithstanding any other provision of this article, and subject to the notice and accessibility requirements in subdivisions (d) and (e), a state body may hold public meetings through teleconferencing and make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the state body.

(b) (1) For a state body holding a public meeting through teleconferencing pursuant to this section, all requirements in this article requiring the physical presence of members, the clerk or other personnel of the state body, or the public, as a condition of participation in or quorum for a public meeting, are hereby suspended.

(2) For a state body holding a public meeting through teleconferencing pursuant to this section, all of the following requirements in this article are suspended:

(A) Each teleconference location from which a member will be participating in a public meeting or proceeding be identified in the notice and agenda of the public meeting or proceeding.

(B) Each teleconference location be accessible to the public.

(C) Members of the public may address the state body at each teleconference conference location.

(D) Post agendas at all teleconference locations.

(E) At least one member of the state body be physically present at the location specified in the notice of the meeting.

(c) A state body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically

or otherwise electronically, consistent with the notice and accessibility requirements in subdivisions (d) and (e), shall have satisfied any requirement that the state body allow members of the public to attend the meeting and offer public comment. A state body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

(d) If a state body holds a meeting through teleconferencing pursuant to this section and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the state body shall also do both of the following:

(1) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and resolving any doubt whatsoever in favor of accessibility.

(2) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to paragraph (2) of subdivision (e).

(e) Except to the extent this section provides otherwise, each state body that holds a meeting through teleconferencing pursuant to this section shall do both of the following:

(1) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by this article, and using the means otherwise prescribed by this article, as applicable.

(2) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in the means of public observation and comment, or any instance prior to the effective date of this section in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of the means of public observation and comment, a state body may satisfy this requirement by advertising the means of public observation and comment using the most rapid means of communication available at the time. Advertising the means of public observation and comment using the most rapid means of communication available at the time shall include, but need not be limited to, posting such means on the state body's internet website.

(f) All state bodies utilizing the teleconferencing procedures in this section are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the otherwise applicable provisions of this article, in order to maximize transparency and provide the public access to state body meetings.

(g) This section shall remain in effect only until January 31, 2022, and as of that date is repealed.

SEC. 3. Section 54953 of the Government Code is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(B) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.

In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(C) The legislative body shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body of a local agency.

(D) In the event of a disruption which prevents the public agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption which prevents the public agency from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(G) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) For the purposes of this subdivision, “state of emergency” means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

(f) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 3.1. Section 54953 of the Government Code is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency in person, except as otherwise provided in this chapter. Local agencies shall conduct meetings subject to this chapter consistent with applicable state and federal civil rights laws, including, but not limited to, any applicable language access and other nondiscrimination obligations.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body

shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter

2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(B) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3. In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(C) The legislative body shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body of a local agency.

(D) In the event of a disruption which prevents the public agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption which prevents the public agency from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for

the public to address the legislative body and offer comment in real time. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(G) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) For the purposes of this subdivision, “state of emergency” means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

(f) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 4. Section 54953 is added to the Government Code, to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting

of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting,

members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) This section shall become operative January 1, 2024.

SEC. 4.1. Section 54953 is added to the Government Code, to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, in person except as otherwise provided in this chapter. Local agencies shall conduct meetings subject to this chapter consistent with applicable state and federal civil rights laws, including, but not limited to, any applicable language access and other nondiscrimination obligations.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the

legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint

powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) This section shall become operative January 1, 2024.

SEC. 5. Sections 3.1 and 4.1 of this bill incorporate amendments to Section 54953 of the Government Code proposed by both this bill and Assembly Bill 339. Those sections of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2022, but this bill becomes operative first, (2) each bill amends Section 54953 of the Government Code, and (3) this bill is enacted after Assembly Bill 339, in which case Section 54953 of the Government Code, as amended by Sections 3 and 4 of this bill, shall remain operative only until the operative date of Assembly Bill 339, at which time Sections 3.1 and 4.1 of this bill shall become operative.

SEC. 6. It is the intent of the Legislature in enacting this act to improve and enhance public access to state and local agency meetings during the COVID-19 pandemic and future applicable emergencies, by allowing broader access through teleconferencing options consistent with the Governor's Executive Order No. N-29-20 dated March 17, 2020, permitting expanded use of teleconferencing during the COVID-19 pandemic.

SEC. 7. The Legislature finds and declares that Sections 3 and 4 of this act, which amend, repeal, and add Section 54953 of the Government Code, further, within the meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes of that constitutional section as it relates to the right of public access to the meetings of local public bodies or the writings of local public officials and local agencies. Pursuant to paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the Legislature makes the following findings:

This act is necessary to ensure minimum standards for public participation and notice requirements allowing for greater public participation in teleconference meetings during applicable emergencies.

SEC. 8. (a) The Legislature finds and declares that during the COVID-19 public health emergency, certain requirements of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code) were suspended by Executive Order N-29-20. Audio and video teleconference were widely used to conduct public meetings in lieu of physical location meetings, and public meetings conducted by teleconference during the COVID-19 public health emergency have been productive, have increased public participation by all members of the public regardless of their location in the state and ability to travel to physical meeting locations, have protected the health and safety of civil servants and the public, and have reduced travel costs incurred by members of state bodies and reduced work hours spent traveling to and from meetings.

(b) The Legislature finds and declares that Section 1 of this act, which adds and repeals Section 89305.6 of the Education Code, Section 2 of this act, which adds and repeals Section 11133 of the Government Code, and Sections 3 and 4 of this act, which amend, repeal, and add Section 54953 of the Government Code, all increase and potentially limit the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

(1) By removing the requirement that public meetings be conducted at a primary physical location with a quorum of members present, this act protects the health and safety of civil servants and the public and does not preference the experience of members of the public who might be able to attend a meeting in a physical location over members of the public who cannot travel or attend that meeting in a physical location.

(2) By removing the requirement for agendas to be placed at the location of each public official participating in a public meeting remotely, including from the member's private home or hotel room, this act protects the personal, private information of public officials and their families while preserving the public's right to access information concerning the conduct of the people's business.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that state and local agencies can continue holding public meetings while providing essential services like water, power, and fire protection to their constituents during public health, wildfire, or other states of emergencies, it is necessary that this act take effect immediately.

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