



Housing Authority
of the
City of Alameda

PHONE: (510) 747-4300
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701 Atlantic Avenue • Alameda, California 94501-2161

AGENDA

DATE & TIME

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

Wednesday, May 21, 2025 - 7:00 PM

LOCATION

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

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

To Attend In-Person -

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

Join Zoom Meeting

<https://us06web.zoom.us/j/82617583123?pwd=BM3TenEVxEayocip8V0NHIZ9Qi0nYb.1>

Meeting ID: 826 1758 3123

Passcode: 406791

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

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

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

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

PLEDGE OF ALLEGIANCE



1. ROLL CALL
2. AB2449 COMPLIANCE "AB2449 Compliance: The Chair will confirm that there are 4 members in the same, properly noticed meeting room within the jurisdiction of the City of Alameda. Each board member who is accessing the meeting remotely must disclose verbally whether they are able to be remote under AB2449: (1) just cause (max. 2 per year), or (2) emergency circumstances." For Emergency Circumstances, the request must be approved by a majority vote of the Board of Commissioners for the emergency circumstances to be used as a justification to participate remotely. Remote Commissioners must provide a general description of the circumstances relating to need to appear remotely at the given meeting. Commissioner must also publicly disclose at the meeting, prior to any action, whether any other individuals 18 years or older are present in the room with the member at the remote location, and the general nature of the member's relationship with such individuals. Note: A Commissioner cannot participate in meetings of the Board of Commissioners solely by teleconference from a remote location for a period of more than 3 consecutive months or 20% of the regular meetings for AHA within a calendar year, or more than 2 meetings if the Board of Commissioners regularly meets fewer than 10 times per calendar year.
3. COMMISSIONER RECUSALS
4. Public Comment (Non-Agenda)
5. 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.
 - 5.A. Approve Minutes of the Regular Board of Commissioners Meeting held on April 16, 2025. **Page 5**
 - 5.B. Accept the Monthly Overview Report for the Housing Programs Department. **Page 13**
 - 5.C. Accept the Monthly Overview Report for Property Operations. **Page 16**
 - 5.D. Accept the Monthly Update on Construction in Progress (CIP). **Page 21**
 - 5.E. Accept the Monthly Construction Report for The Estuary I. **Page 26**
 - 5.F. Accept the Monthly Construction Report for Linnet Corner. **Page 32**
 - 5.G. Accept the Monthly Report for North Housing Offsites. **Page 43**
 - 5.H. Accept the Quarterly Overview Report for the Housing Development Department. **Page 47**
 - 5.I. Accept the Quarterly Development Report for The Estuary II. **Page 53**
 - 5.J. Accept the Quarterly Overview Report for the Executive/Data and Policy and HR Departments. **Page 58**
 - 5.K. Accept the Quarterly Overview Report For the Administration and Services Department. **Page 62**



- 5.L. Accept the Quarterly Overview Report for the Asset Management Department. **Page 71**
- 5.M. Accept the Quarterly Financial Report for the month ended March 31, 2025. **Page 73**
- 5.N. Accept the Quarterly Investment Report for the Period Ending March 31, 2025. **Page 87**
- 5.O. Accept Quarterly Family Self Sufficiency (FSS) Report. **Page 98**
- 5.P. Approve the Quarterly Write-off to March 31, 2025, of Uncollectible Accounts Receivable from Former Residents. **Page 101**
- 5.Q. Accept an Update on Camera Systems at North Housing. **Page 104**
- 5.R. Authorize the Executive Director to execute the third amendment to the agreement with Techordia, LLC. for security camera cloud backup storage. **Page 110**
- 5.S. Accept a report on the Second Amended and Restated Limited Partnership Agreement of Shinsei Gardens Apartments, L.P. (an ICD Affiliate). **Page 118**
- 6. AGENDA
- 6.A. Adopt the Resolution to Approve the Housing Authority of the City of Alameda One-Year Budget for Fiscal Year July 1, 2025 to June 30, 2026 including approval of: A) Summary of the Fiscal Year 2025-2026 Budget and related income and expenses; B) Housing Assistance Payment (HAP) Passthrough Budget and related expenditure of HUD-held HAP reserves; C) Capital Improvement Plan (CIP) Budget and related use of property and agency reserves and any surplus operating cash from Fiscal Year 2025-2026 to cover these expenses; D) Transfer by the Executive Director of up to \$1,200,000 in this budget year, as needed, from AHA/AAHC property reserves or from Moving-To-Work fungible funds to cover deficits in the Housing Programs Department administrative operating budget; and E) Approve the Board Chair to execute HUD Form 52574 PHA Board Resolution Approving Operating Budget. **Page 195**
- 6.B. Adopt the Resolution to amend the Housing Authority of the City of Alameda's revised Employee Policies and Procedures Handbook, last revised 5/16/2024, effective immediately. **Page 217**
- 6.C. Approve a Project-Based Voucher Allocation Policy and direct staff to review and provide an annual update on this policy. **Page 343**
- 6.D. Authorize the Executive Director to Negotiate and Execute the Second Amendment to the Bay's Future Fund Loan from Capital Impact Partners for The Poplar property; Approve and Authorize the Executive Director to Execute Contract Amendment No.3 Not to Exceed \$401,582.50 with Rincon Consultants, Inc.; Approve and Authorize the Executive Director to Execute Contract Amendment No.2 Not to Exceed \$300,000 with Downs Pham and Kuei LLP; Authorize the Executive Director or its Designee to Negotiate and Execute Contracts up to \$500,000 with a Remediation and Demolition Contractor; Approve up to \$885,368 in other Deposits and Retainers; and Accept the Monthly Development Report for The Poplar. **Page 356**
- 7. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
- 8. WRITTEN COMMUNICATIONS



9. EXECUTIVE DIRECTOR'S COMMUNICATIONS
10. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)
11. ADJOURNMENT

* * * Note * * *

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



**DRAFT MINUTES
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
WEDNESDAY, APRIL 16, 2025**

PLEDGE OF ALLEGIANCE

Greg Kats, Director of Administrative Services, called the meeting to order at 6:30 p.m.

1. ROLL CALL

Present: Chair Grob, Vice-Chair Sidelnikov, Commissioner Decoy,
Commissioner Joseph-Brown, and
Commissioner Kaufman

Absent: Commissioner Husby and Commissioner Tamaoki

Note: Vanessa Cooper, Executive Director, was also present. Greg Kats, Director of Administrative Services, functioned as the meeting host

- 2. AB2449 COMPLIANCE** "AB2449 Compliance: The Chair will confirm that there are 4 members in the same, properly noticed meeting room within the jurisdiction of the City of Alameda. Each board member who is accessing the meeting remotely must disclose verbally whether they are able to be remote under AB2449: (1) just cause (max. 2 per year), or (2) emergency circumstances." For Emergency Circumstances, the request must be approved by a majority vote of the Board of Commissioners for the emergency circumstances to be used as a justification to participate remotely. Remote Commissioners must provide a general description of the circumstances relating to need to appear remotely at the given meeting. Commissioner must also publicly disclose at the meeting, prior to any action, whether any other individuals 18 years or older are present in the room with the member at the remote location, and the general nature of the member's relationship with such individuals. Note: A Commissioner cannot participate in meetings of the Board of Commissioners solely by teleconference from a remote location for a period of more than 3 consecutive months or 20% of the regular meetings for AHA within a calendar year, or more than 2 meetings if the Board of Commissioners regularly meets fewer than 10 times per calendar year.



Chair Grob confirmed that there were more than 4 Commissioners present in the noticed meeting room and that no Commissioners were attending virtually.

3. COMMISSIONER RECUSALS

None.

4. Public Comment (Non-Agenda)

Maureen Cadigan, tenant of Anne B. Diament Plaza, expressed concern regarding the lack of fire evacuation procedures for residents, particularly disabled residents.

In response to Ms. Cardigan, Chair Grob stated that the Board will direct staff to investigate this matter and respond to Ms. Cardigan.

Ana Rojas, Regent Street Homeowner and Member of Regent Street Homeowners Association (HOA) stated that it is difficult coordinating the HOA, as it is composed of only 3 members. Thus, the repairs in progress have been difficult. However, she has signed the repair and indemnity agreement. Ms. Rojas expressed appreciation for the Board's patience.

Abbey Nicola, Daughter of Nichola Petochis, Regent Street Homeowner, stated that her father has had the stairs repaired several times, which has caused him financial hardship. As a low-income senior, when the problem occurred last year, he was unable to afford the repairs needed, so he sought financial assistance from the City of Alameda. He has been granted the requested financial assistance, but one member of the HOA is refusing to allow the work to proceed. As a result, her father has been out of his home for over one year. Ms. Nicola presented pictures of the stairs to the Board.

The Board appreciated the public comments.

5. Closed Session - 6:30 p.m. - Adjournment to Closed Session to Consider:

Chair Grob adjourned to Closed Session at 6:40 p.m.

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

Property Location: 1129 Regent Street, Alameda, CA 94501-5330 Units A through C.

Assessor's Parcel Number 070-0182-075-00

Agency Negotiators: Vanessa Cooper, Executive Director, Sylvia Martinez, Director of Housing Development, Negotiating Parties: Owners: Petochis, N,



Rojas A, and Fikre, A
Under Negotiation: Price and Terms

5.B. **Conference with Real Property Negotiations**

(Government Code § 54956.8)

Property: 500-520 Mosely and 2000 Lakehurst Circle, and remainder, Alameda, CA 94501, APN 074-0905-012-09, Portion of 074-0905-010-12 and Portion 074-0905-010-03, 074-1384-1, 174-1384-2, 074-1384-4, 074-1384-5

Agency Negotiation: Vanessa Cooper, Executive Director, Sylvia Martinez, Director of Housing Development, Alison Torbitt (Nixon and Peabody - counsel)

Negotiating Parties: Housing Authority of the City of Alameda

Under Negotiation: Price and terms of payment.

5.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, Sylvia Martinez, Director of Housing Development, Alicia Southern, Director of Human Resources, Alison Torbett (Nixon Peabody – Counsel)

Negotiating Parties: Housing Authority of the City of Alameda

Under Negotiation: Potential litigation

5.D. **Conference with Legal Counsel-Anticipated Litigation:** Significant exposure to litigation pursuant to subdivision (d)(2) of Government Code Section 54956.9: One potential case. Counsel Goldfarb & Lipman LLP.

5.E. **Conference with Legal Counsel-Anticipated Litigation:** Anticipated litigation pursuant to subdivision (d)(2) of Government Code Section 54956.9: One potential case. Counsel Liebert Cassidy Whitmore.

6. **Adjournment of Closed Session**

Chair Grob adjourned Closed Session at 7:46 p.m.

7. **RECONVENE REGULAR MEETING**

Chair Grob reconvened the Regular Meeting at 7:46 p.m.

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

Chair Grob stated that during the Closed Session the Board discussed items 5.A, 5.B, and 5.C and the Board will return to Closed Session after the Regular Meeting.

9. **Public Comment (Non-Agenda)**



None.

10. CONSENT CALENDER

Consent Calendar items are considered routine and will be approved or accepted by one motion unless a request for removal for discussion or explanation is received from the Board of Commissioners or a member of the public.

- *10.A. Approve Minutes of the Regular Board of Commissioners Meeting held on March 19, 2025.
- *10.B. Accept the Monthly Overview Report for the Housing Programs Department.
- *10.C. Accept the Monthly Overview Report for Property Operations.
- *10.D. Accept the Monthly Update on Construction in Progress (CIP).
- *10.E. Accept the Monthly Construction Report for The Estuary I.
- *10.F. Accept the Monthly Construction Report for Linnet Corner.
- *10.G. Accept the Monthly Report for North Housing Offsites.
- *10.H. Authorize the Executive Director or Designee to sign an amendment with Goldfarb & Lipman LLP for general counsel to increase the budget by \$400,000 in an amount not to exceed \$850,000 and to extend the contract for two additional years to 2028.
- 10.I. Authorize the Executive Director or designee to negotiate and execute the purchase of one or both of the two townhomes located at 1129 Regent Street, Alameda, CA 94501-5330 Units A and B. Assessor's Parcel Numbers 70-182-75 and 70-182-74. Approve expenses of up to \$150,000 from AHA for the improvement of the property including repairs of stairs and balcony to be levied against the respective homeowners and recoupable at sale.

Items accepted or adopted are indicated by an asterisk.

Chair Grob removed item 10.I and continued the item indefinitely.

Chair Grob moved to accept the Consent Calendar items, with item 10.I being continued indefinitely, and Commissioner Kaufman seconded. The motion passed unanimously.

Yes	5	Chair Grob, Vice-Chair Sidelnikov, Commissioner Decoy, Commissioner Joseph-Brown, and Commissioner Kaufman
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11. AGENDA

- 11.A. Accept a Report for The Poplar (2615 Eagle Avenue) and Presentation from TWM Architects + Planners.



Jenny Wong, Senior Project Manager, invited the Board Commissioners to community meetings scheduled as part of the design and environmental cleanup process for The Poplar project. The memo for item 11.A includes the list of community meeting dates, which are primarily scheduled to take place on Wednesday evenings. However, the date of the first meeting, currently listed as April 30th, will be rescheduled to take place on May 6th.

Ms. Wong stated that after extensive evaluation of the proposals received, in response to the Request for Qualifications for an architect, The Housing Authority of the City of Alameda (AHA) selected TWM Architects + Planners to serve as the lead architect for The Poplar (2615 Eagle Avenue) project. TWM Architects + Planners were also selected to serve as the ADA redesign architects for Parrot Village and Independence Plaza. Ms. Wong introduced Derek Dutton, Principal, and Brenda Joy Gabbac, Project Designer, from TWM Architects + Planners, who provided a presentation that included an overview of the work performed by the firm, including work being performed in the City of Alameda.

The Board appreciated the presentation and the firm's goal of designing projects according to the historical architecture of the respective communities, while maximizing the number of housing units on the sites.

Chair Grob moved to accept a Report for The Poplar (2615 Eagle Avenue) and Presentation from TWM Architects + Planners, and Commissioner Joseph-Brown seconded. The motion passed unanimously.

Yes	5	Chair Grob, Vice-Chair Sidelnikov, Commissioner Decoy, Commissioner Joseph-Brown, and Commissioner Kaufman
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11.B. Accept a presentation of the 2024 Social Services Report.

Joshua Altieri, Community Relations Manager, provided a presentation that included an overview of the 2024 Social Services Report; noting that AHA's social service partnerships are the result of the collaboration and coordinated efforts of many agencies. These partnerships aim to enhance the lives of AHA residents and participants beyond providing the four walls of housing.

In response to Commissioner Joseph-Brown, Mr. Altieri stated that after-school services provided by the City of Alameda Recreation and Parks Department (ARPD), at the Esperanza Apartments, are open to all AHA youth. ARPD has piloted the after-school program at Parrot Village and, when staffing numbers allow, is willing to pilot at a second property.

The Board appreciated the presentation and encouraged Mr. Altieri to pursue partnerships with the various Bay Area minor league teams.



Chair Grob moved to accept a presentation of the 2024 Social Services Report, and Commissioner Joseph-Brown seconded. The motion passed unanimously.

Yes 5 Chair Grob, Vice-Chair Sidelnikov, Commissioner Decoy,
Commissioner Joseph-Brown, and
Commissioner Kaufman

11.C. Approve a Resolution to Quitclaim an Access Easement at PanAm Way.

Sylvia Martinez, Director of Housing Development, stated that the memo for item 11.C included a lot of detail to provide an outline of the historical agreement for the respective easement. Ms. Martinez provided the Board with a picture that depicts the exact location of the easement; noting that an easement is the legal right to enter/exit a building, which is meaningful if you own the land under or adjacent to it. AHA no longer owns any land where the easement will exist. The request for this Resolution is to clean up the title and to adhere to the City's request to Quitclaim the easement. AHA legal counsel has reviewed the Quitclaim.

Vice-Chair Sidelnikov moved to approve a Resolution to Quitclaim an Access Easement at PanAm Way, and Commissioner Joseph-Brown seconded. A roll call vote was taken and the motion passed unanimously.

Yes 5 Chair Grob, Vice-Chair Sidelnikov, Commissioner Decoy,
Commissioner Joseph-Brown, and
Commissioner Kaufman

11.D. Approve Changes to the Administrative Plan.

On behalf of Sepideh Kiumarsi, Senior Management Analyst, Tonya Schuler-Cummins, Senior Programs Director, provided a presentation that summarized the Administrative Plan revisions; noting that additional revisions made in response to the April 15, 2025, PIH Notice will be presented at a future Board meeting.

Commissioner Joseph-Brown moved to approve changes to the Administrative Plan, and Commissioner Kaufman seconded. The motion passed unanimously.

Yes 5 Chair Grob, Vice-Chair Sidelnikov, Commissioner Decoy,
Commissioner Joseph-Brown, and
Commissioner Kaufman

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

None.

13. WRITTEN COMMUNICATIONS

None.



14. EXECUTIVE DIRECTOR'S COMMUNICATIONS

Greg Kats, Director of Administrative Services stated that the waitlist application period for Linnet Corner is closing at 11 a.m. on Friday, April 18, 2025. Linnet Corner is located at 2000 Lakehurst Circle and is a senior housing community for people aged 62 years or older. Linnet Corner consists of 64 total units, 23 of the studio units are available to the public via the waitlist process, which will be decided through a lottery. Sixteen units, 10 studios and 6 one-bedroom units, are available for senior, unhoused, disabled veterans of any discharge status, and will be filled through referral from the Alameda County Coordinated Entry System (CES). Tenants for the remaining units will be drawn from AHA's existing PBV waitlist. Move-ins are projected to begin in September 2025.

Mr. Kats stated that AHA has distributed home care kits to 27 Emergency Housing Voucher (EHV) households. Extensive outreach, including mailers, emails, and phone calls, was performed for these households. The home care kits include helpful household items such as cleaning supplies, kitchen utensils, and hygiene products. Mr. Kats stated that AHA has received emails from tenants expressing their appreciation for the home care kits, noting that they would not have been able to afford to purchase the needed items.

Mr. Kats stated that staff from the Mastic Senior Center continued their quarterly visits to Independence Plaza (IP) and Anne B. Diamant Plaza (ABD). Fifty-two AHA households engaged with Matic Senior Center staff during the outreach sessions that were held at IP and ABD on February 25, 2025, and March 20, 2025, respectively.

Mr. Kats also stated that AHA staff hosted the City's Department of Housing and Homeless Services monthly Collaboration Advancing Resources Efforts and Supports (CARES), for Alameda's homeless, Meeting on March 20, 2025. This meeting was hosted at IP and attended by representatives from over 25 community organizations and government agencies. AHA staff provided a presentation that included an overview of AHA, with a highlight of North Housing, and requested that meeting attendees spread the word about the North Housing project.

15. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

Vice-Chair Sidelnikov requested that Mr. Altieri please spread the word about the Alameda Bike Festival that is scheduled to take place on Saturday, April 19, 2025, between the hours of 11:30 a.m. – 2:30 p.m., at Paden Elementary School located on Central Avenue. Free bike repairs and helmets will be available to bikers of all ages.



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

Chair Grob reconvened the Regular Meeting at 8:27 p.m. and adjourned to Closed Session to discuss items 5.D and 5.E.

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

N/A

18. ADJOURNMENT

Chair Grob adjourned the meeting at 8:25 p.m.

Chair Grob readjoined the Regular Meeting at approximately 9:05 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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To: Honorable Chair and Members of the Board of Commissioners

From: Ron Babiera, Assistant Director of Housing Programs

Date: May 21, 2025

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

BACKGROUND

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

DISCUSSION

Wait list

The Housing Authority of the City of Alameda (AHA) staff are still working to get the wait list updated and ready to pull names for the Housing Choice Voucher Program and for the Project Based site list. One additional software program is needed from AHA's vendor and then AHA will be ready to do a random lottery for the wait lists. After this, staff will verify the applicants' stated preferences and then contact all those who applied to let them know if they were added to the list and, if so, which list(s).

Leasing

AHA worked with the Oakland Housing Authority and the Housing Authority of the County of Alameda to re-allocate 36 vouchers under the Veteran Affairs Supportive Housing (VASH) program. The Department of Veteran Affairs Medical Center (VA) and AHA have worked hand-in-hand and all vouchers are either issued or leased. The success rate of referred veterans was high. In March 2025, six (6) HUD-VASH families leased up. Five (5) vouchers remain to be leased up.

The lease-up process of 40 Project-Based Vouchers at The Estuary I and an additional 40 Project-Based Vouchers at Linnet Corner has started with the receipt of 40 referrals and 12 back-up referrals from the Coordinated Entry System (CES). As of the writing of this report, twenty-three (23) applicants have been determined eligible.

FISCAL IMPACT

For report only, no fiscal impact.



CEQA

N/A

RECOMMENDATION

Accept the Monthly Overview of the Housing Programs Department.

ATTACHMENTS

1. March 2025 HPD BOC Dashboard

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ron P. Babiera".

Ron Babiera, Assistant Director of Housing Programs

Housing Programs Department Dashboard for March 2025

Total NON-ACC Vouchers Leased By Type		
Program	Vouchers Leased	Amount Awarded/Funded
Shelter Plus Care	18	18
Moderate Rehabilitation SRO	29	30

Total ACC Vouchers Leased By Type		
Voucher Program	Vouchers Leased	Amount Awarded
Housing Choice Vouchers (HCV)	1003	Not Applicable
Project Based Vouchers (PBV)	321	Not Applicable
AHA-Owned HCV (FUP)	231	Not Applicable
	43	50
Veterans Affairs Supportive Housing (VASH)	66	76
Stability Vouchers (SV)	2	10
Total Vouchers Leased	1664	
Units on ACC	2059	
ACC Vouchers Not Leased	395	

Budget Authority (For March 2025 - Average Across 12 months)	
\$	3,642,856.17
Total HAP expended	
\$	3,961,311.91
HAP/Budget Authority	
108.7%	

Emergency Housing Vouchers*	
EHV (7760) in Alameda	35
EHV Port Outs	16
Total Leased	51
Total Awarded	57
*vouchers will decrease over time due to the sunset of the program and HUD's prohibition on issuing new EHVs	

Average Duration from voucher issuance to those leased up in March 2025 (days)	
	96.0
Average Tenant Rent to Owner	
\$	542.51
Average TTP	
\$	610.81
Average HH income	
\$	25,187.55
Percentage of Inspections Passed First-Time (03/2025)	
	1%
Inspections Completed (03/2025)	
	75

Average of HAP per Bedroom size		
Bedroom Size	Average HAP	Count of Households
0	\$ 682.78	477
1	\$ 1,801.62	594
2	\$ 2,134.01	529
3	\$ 2,754.43	186
4	\$ 3,136.08	30
5	\$ 5,128.00	1



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To: Honorable Chair and Members of the Board of Commissioners

From: Nancy Gerardin, Director of Property Operations

Date: May 21, 2025

Re: Accept the Monthly Overview Report for Property Operations.

BACKGROUND

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

DISCUSSION

The attached table (Attachment 1) summarizes property performance for all sites, including Housing Authority of the City of Alameda (AHA) and affiliate-owned sites, and all properties FPI Management (FPI) manages, for the month of March. AHA continues to work closely with FPI to improve overall property operations.

VACANCY

The attached table (Attachment 1) reflects the end-of-month occupancy and leased rate per site. Staff are working with FPI to improve the timeliness of the leasing efforts and review vacancy loss weekly with FPI to reduce vacancies and improve the unit turn process. The average days to make ready for the month of March was 16 (this reflects an increase over the prior month due to a unit that became available as a result of a legal matter which delayed work commencing).

In Q3 of 2024, AHA implemented a pre-screening process to assist with the leasing efforts of PBV units at Anne B. Diament, Parrot Village, and Littlejohn Commons. The intent is to minimize the amount of downtime during the outreach and review of the initial resident selection criteria with staff performing the outreach, initial review of occupancy and income qualifications, and mailing of disposition letters to families and the Housing Programs Department. Once applications have been identified as pre-qualified, the files will be sent to FPI for final criteria review to include background and landlord reference confirmation. Thus far, this process has proven to be beneficial, and AHA included the pre-screening process for Independence Plaza and Parrot Village 4-bedroom units effective in September 2024 and all remaining PBV units within the portfolio were added to this process effective November 2024. This practice will be used



for the lease-up efforts for Estuary I and Linnet Corner. As part of the resident screening, FPI is also requesting a copy of their rent ledger from new applicants to ensure that they pass the landlord reference portion. This is not required from those who are homeless or living with family.

Vacancies that do not have a waitlist are posted on the AHA website and applications are available through the Resident Managers, as well as affordablehousing.com, [GoSection 8](#) (the Section 8 online search engine), and on Craigslist.

RENT COLLECTIONS

The attached table (Attachment 1) provides the rent collection rate versus budget for all AHA-owned and affiliate-owned sites managed by FPI. Overall portfolio rent collection rate for month of March was 88.9%.

Properties with collection rates in excess of 95% are due to higher market rents achieved vs. budget coupled with increased subsidy payments. The lower collection rates for March are primarily due to the units pending legal action, past due balances for residents (some properties are still affected by non-payment of rent during the COVID-19 pandemic), the pending reconciliation of both HAP and resident payments due to the conversion at Independence Plaza to the RAD program, and lower subsidy collected due to abatement of payments due to failed HQS inspections. Failed inspections and potential abatement is reviewed and audited weekly with subsidy payments that are withheld over 30 days the responsibility of FPI and applied as a credit to the management fee in future months. Such credits can be expected to be reflected in Q1 of 2025 for Eagle Village, Esperanza, China Clipper, and AAHC scattered sites.

Like many owners, especially non-profit owners, there remains a fairly large payment issue stemming from the COVID era. The total delinquency (unpaid rent) for the portfolio for current residents is \$468,913. Of this, the total delinquency for residents in legal (i.e. subject to a 30-day notice of termination) is \$302,275.

All residents with a past due balance are referred to LifeSTEPS for assistance. Property Management and LifeSTEPS continue to engage residents and encourage them to enter into a repayment agreement. Residents who owe over \$100 are issued a 30-day notice to pay or quit and are referred to legal counsel for review of their cases and, where necessary, the 30-day notice to pay or quit has been filed with the court. LifeSTEPS, FPI, and the Ombudsman are working with these families to enter into a "stay and pay" stipulated agreement, although a very small number have not complied and will be evicted if they do not leave before the lock out.

Residents who only owe back rent from prior to December 2022 cannot be issued a 30-day notice, so some fairly significant balances will remain on the ledger until the resident moves out. A small number of other legal cases are ongoing for nuisance behavior.

Rent collections, pending legal/eviction matters, and overall account receivable collection efforts are reviewed in detail weekly by AHA with FPI.

RENT INCREASES

Rent increases have been and will continue to be issued at all sites in the coming months, in accordance with the new payment standards implemented in November 2024. This will result in increases to the total contract rent going up, but these rent increases are raised to the level of the new Payment Standards and generally will not impact subsidized residents' rent portion, as long as they are not over-housed. Rent increase notices are served at least 60 days in advance of the effective date to provide ample notice to residents.

SOCIAL SERVICES

LifeSTEPS has been providing aid to tenants and households and continues to link them to financial and social service agencies, as needed. LifeSTEPS is also actively engaged in resident functions, including participation in the Town Hall meetings that were conducted in October 2024, along with the FPI and AHA management teams. In the month of November 2024, FPI and LifeSTEPS collaborated to engage with residents to introduce and encourage online and automated payment options through the resident portal such as WIPS (walk-in payment system) and Flex. Flex is a new payment option that allows residents to pay rent on a bi-monthly schedule. However, landlords receive rent payments as they are due per the lease terms. This new option was well received by the residents based on feedback received during Town Hall meetings.

The LifeSTEPS team and FPI continue to work with residents to participate in the online options available and enrollment in Rent Café/the resident portal.

MAINTENANCE

Unit by unit inspections were conducted by FPI for each community in June 2024 and annual HQS inspections were completed in December 2024. These inspections allow management and ownership to proactively address any repairs needed, evaluate overall property condition, and assist residents that may need social services to address personal needs.

AHA continues to conduct bi-weekly site inspections to assess all common areas, vacant units, and potential life safety matters.

HIRING

The department is in the process of hiring a Property Management Supervisor.

FISCAL IMPACT

Not applicable.

CEQA

Not applicable.

RECOMMENDATION

Accept the Monthly Overview Report for Property Operations.

ATTACHMENTS

1. May Board Memo Attachment 1

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'NG', is positioned below the text 'Respectfully submitted,'.

Nancy Gerardin, Director of Property Operations

ATTACHMENT 1

Apr-25

Property Name	Owned by	Managed by	Total units	Senior or Family	Manager units	Gross Potential Rent (Budgeted)	Resident Rent Collected	Subsidy collected	Total Rent Collected (Actual)	% collected	Current Total Unpaid Charges April Month End	0-30 Day AR	31-60 Day AR	61-90 Day AR	90 + Day AR	Eviction Status AR - April Month End
China Clipper	AAHC	FPI	26	Family	0	\$53,626.00	\$23,880	\$ 37,360	\$ 61,240	114.2%	\$ 14,827	\$ 1,498	\$ 75	\$ 642	\$ 12,612	\$ 21,803
Esperanza	AAHC	FPI	120	Family	1	\$392,959.00	\$90,331	\$ 301,043	\$ 391,374	99.6%	\$ 77,090	\$ 7,806	\$ 5,357	\$ 1,637	\$ 62,290	\$ 3,382
Littlejohn Commons	ICD	FPI	31	Senior	1	\$74,345.00	\$14,097	\$ 57,828	\$ 71,925	96.7%	\$ 622	\$ 300	\$ 273	\$ 10	\$ 39	\$ 0
Parrot Garden	AHA	FPI	8	Family	1	\$25,384.00	\$6,984	\$ 11,966	\$ 18,950	74.7%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Parrot Village	AAHC	FPI	50	Family	1	\$183,063.00	\$33,896	\$ 168,211	\$ 202,107	110.4%	\$ 21,548	\$ 773	\$ 1,469	\$ 144	\$ 19,162	\$ 16,428
Everett Commons	ICD	FPI	20	Family	1	\$59,529.00	\$12,578	\$ 30,628	\$ 43,206	72.6%	\$ 6,418	\$ 2,167	\$ 3,366	\$ 25	\$ 860	\$ 0
Scattered Sites	AHA	FPI	25	Family	0	\$53,482.00	\$4,305	\$ 43,638	\$ 47,943	89.6%	\$ 2,167	\$ 131	\$ 356	\$ 85	\$ 1,595	\$ 0
Scattered Sites	AAHC	FPI	27	Family	0	\$64,222.00	\$26,569	\$ 38,763	\$ 65,332	101.7%	\$ 37,127	-\$ 117	\$ 279	\$ 2,394	\$ 34,571	\$ 0
Rosefield Village	ICD	FPI	92	Family	1	\$188,980.00	\$64,578	\$ 79,601	\$ 144,179	76.3%	\$ 8,122	\$ 94	\$ 872	\$ 939	\$ 6,216	\$ 140,373
Eagle Village	AAHC	FPI	36	Family	1	\$94,381.00	\$13,927	\$ 80,443	\$ 94,370	100.0%	-\$ 2,285	-\$ 43	\$ 25	\$ 17	-\$ 2,284	\$ 55,213
Independence Plaza	AAHC	FPI	186	Senior	2	\$460,813.00	\$86,982	\$ 294,083	\$ 381,065	82.7%	\$ 13,581	\$ 3,118	-\$ 45	-\$ 956	\$ 11,464	\$ 11,343
Anne B Diamant	AAHC	FPI	65	Senior	1	\$138,986.00	\$36,479	\$ 101,427	\$ 137,906	99.2%	\$ 6,792	\$ 1,875	\$ 2,125	\$ 25	\$ 2,767	\$ 0
TOTAL			686		10	\$1,789,770.00	\$414,606.00	\$1,244,991.00	\$1,659,597.00	92.7%	\$ 186,009	\$17,602	\$14,152	\$4,962	\$149,292	\$248,542

Month Ending April 2025

Property Name	Owned by	Total Vacant 04/30/2025	Occupancy	Leased %
China Clipper	AAHC	3	91.93%	91.93%
Esperanza	AAHC	7	94.30%	96.74%
Littlejohn Commons	ICD	0	100.00%	100.00%
Parrot Garden	AHA	1	87.50%	87.50%
Parrot Village	AAHC	5	90.00%	92.00%
Everett Commons	ICD	2	90.00%	95.00%
Scattered Sites	AHA	2	92.30%	92.30%
Scattered Sites	AAHC	0	100.00%	100.00%
Rosefield Village	ICD	7	92.39%	95.65%
Eagle Village	AAHC	0	100.00%	100.00%
Independence Plaza	AAHC	15	91.93%	91.93%
Anne B Diamant	AAHC	2	96.92%	100.00%
TOTAL		44	93.6%	95.07%



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: Joseph Nagel, Senior Construction Project Manager

Date: May 21, 2025

Re: Accept the Monthly Update on Construction in Progress (CIP).

BACKGROUND

The Housing Authority of the City of Alameda (AHA) and its affiliate, the Alameda Affordable Housing Corporation (AAHC), own and operate several multifamily properties throughout Alameda. Periodically, work is scheduled to maintain and upgrade existing buildings, or to improve properties that are anticipated to be redeveloped in the future. In 2022, AHA and AAHC obtained Physical Needs Assessments (PNA) on all properties over 5 years old. These assessments delineated capital needs over a 15-year period, but also highlighted any health and safety needs and items for short-term attention. AHA and AAHC have completed or begun all health and safety items, and plan to address short-term needs through the annual budgeting process for every property.

Staff prioritize work that is health and safety-related, lender-required, or provides risk mitigation. Priority tasks are divided between onsite FPI staff and contracting, and larger projects where there may be additional planning and permit submissions, which are undertaken by AHA staff.

There are multiple sizable projects being planned or underway at this time. This report serves to provide updates on these projects.

DISCUSSION

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

1. HazMat Remediation and Demolition of Existing Structures at The Poplar, 2615 Eagle Ave. (Formerly AUSD Maintenance)

Site: The Poplar

Total cost: To be determined

Source of funds: Poplar pre-development sources

Purpose: Remediate, demolish and dispose of the existing physical improvements at 2615 Eagle Ave., for the purposes of future development.

Timeline: To be determined

Status: The demolition permit is currently under review by the City of Alameda Planning



Department and on February 19, 2025, AHA issued a Request For Proposal (RFP) for remediation, demolition, and monitoring services. A mandatory bid walk for interested vendors was conducted on March 4, 2025, and nine (9) potential contractors attended. Only one (1) proposal for services was received in response to this RFP. The RFP was re-issued with a simplified, streamlined scope and bid walk attendance was not mandatory. AHA, has requested proposals with a single mobilization for remediation and demolition. The latest RFP was issued on April 3, 2025. A bid walk was conducted on April 21, 2025, and 3 new proposals were received by the submission deadline on May 5, 2025.

2. China Clipper Balcony Repairs

Site: China Clipper

Estimated total cost: \$110,000

Source of funds: Property Operating Budget

Purpose: Repair balconies in compliance with Senate Bill 721 recommended repairs.

Timeline: This scope of work is expected to take 9 months to complete.

Status: Barry and Wynn Architects have been chosen to design the two (2) replacement balconies and provide the permit documents at a cost of \$29,876.67. A contract was signed on April 9, 2025, and a design walk was performed on May 1, 2025, with the architect and engineer. The architect is now working on the design and it is expected to take about 4 to 5 weeks.

3. Lincoln House Balcony Repairs

Site: Lincoln House

Estimated total cost: \$65,000

Source of funds: Property Operating Budget

Purpose: Repair balconies in compliance with Senate Bill 721 recommended repairs.

Timeline: This scope of work is expected to take 9 months to complete.

Status: Barry and Wynn Architects have been chosen to design the two (2) replacement balconies and provide the permit documents at a cost of \$14,938.33. A contract was signed on April 9, 2025, and a design walk was performed on May 1, 2025, with the architect and engineer. The architect is now working on the design and it is expected to take about 4 to 5 weeks.

4. Independence Plaza Community Room Kitchen ADA Accessibility Renovation

Site: Independence Plaza

Estimated total cost: \$58,121.92

Source of funds: Property Operating Budget

Purpose: HUD required accessibility renovations.

Timeline: Work is expected to take 3 to 4 weeks.

Status: The permit has been received. New Generation Builders, Inc. mobilized and began renovations on March 31, 2025. The renovations were originally expected to take up to 4 weeks to complete, but now it is expected to take 6 weeks. This work was delayed by supply chain issues related to the delivery of the new door and jamb.

5. Independence Plaza Lobby and Restrooms ADA Accessibility Renovations.

Site: Independence Plaza

Estimated total cost: To be determined

Source of funds: Property Operating Budget

Purpose: HUD required accessibility renovations.

Timeline: To be determined

Status: TWM Architects have been chosen to design the two (2) restrooms and lobby and provide the permit documents at a cost of \$33,000.00. A contract was signed on April 16, 2025, and a design walk was performed on April 29, 2025, with the architect. The architect is now working on the design and it is expected to take about 4 to 5 weeks.

6. Parrot Garden/ Parrot Village Office ADA Accessibility Renovation

Site: Parrot Garden/ Parrot Village

Estimated total cost: To be determined

Source of funds: Property Operating Budget

Purpose: Code Compliant Required accessibility renovations.

Timeline: Work is expected to take 3 to 4 weeks.

Status: Barry and Wynn Architects have been chosen to design the office and parking accessibility renovation and provide the permit documents at a cost of \$44,000.00. A contract was signed on April 16, 2025, and a design walk was performed on May 1, 2025, with the architect. The architect is now working on the design and is expected to take about 5 to 6 weeks.

7. Portfolio Seismic Assessment and Remediation Reports

Sites: AHA, AAHC Portfolio.

Total cost: To be determined

Source of funds: AHA General Fund

Purpose: Review and analyze the potential seismic vulnerability to earthquake damage to structures within the existing portfolio and outline necessary repairs or modifications needed to improve their structural integrity and minimize potential damage during an earthquake.

Timeline: To be determined

Status: An RFQ for Engineering and Consulting Services was published on April 7, 2025. Proposals are due on May 16, 2025.

8. ADA Compliant Signage

Site: Independence Plaza, Lincoln House, Sherman House, and Stanford House

Estimated total cost: \$45,820.00

Source of funds: Property Operating Budgets

Purpose: ADA Required Accessibility Renovations.

Timeline: To be determined

Status: The signage is in design and expected to be fabricated by May 30, 2025.

9. Parrot Garden/Parrot Village Parking Lot Asphalt Resurfacing (by FPI Management)

Site: Parrot Garden/Parrot Village

Estimated total cost: \$39,000

Source of funds: AHA General Fund

Purpose: Resurfacing and pothole repair in the Parrot Garden/Parrot Village parking lot.

Timeline: The existing parking lot surface was in poor condition and created a trip hazard.

This work was completed on April 18, 2025.

10. Everett Common Domestic Water Leaks

Site: Everett Common

Estimated total cost: To be determined

Source of funds: To be determined

Purpose: Investigating multiple leaks of the domestic water supply lines in the PEX water lines.

Timeline: AHA is investigating the reoccurring water leaks in multiple residential units over the last more than 2 years. These are typically in the PEX supply lines. AHA staff are working with the developer, JHF and the property management team, FPI, to determine possible causes of these leaks. Samples of the PEX material have been removed from the existing buildings and will be sent to a material testing lab for analysis.

11. North Housing Soil Off-haul

Site: North Housing

Estimated Cost: Not to Exceed \$3,000,000

Source of Funds: AHA

Purpose: Off-haul and dispose of excess soil created by civil work at North Housing,

Timeline: The soil removal and off-haul to the approved Vasco Road facility in Alameda County began with 111 truckloads on May 6, 2025, and is expected to take 2 to 3 weeks to complete.

FISCAL IMPACT

Funding for repairs and maintenance on existing properties owned by either AHA or AAHC is from either property reserves or the 2024 Reserve Policy Preservation Budget, as adopted by the AHA Board of Commissioners. Funding for the Poplar is being supported by redevelopment funds through the Alameda Unified School District and the City of Alameda. Costs for the initial North Housing soil stabilization work, the current off-site work, and this proposed additional soil off-haul activity are expected to be reimbursed by the respective construction loans held by Lakehurst and Mosely LP and Mabuhay and Lakehurst LP. Estuary II will utilize its previously approved pre-development loan from AHA to offset its pro rata share of these off-haul costs. As has been the practice with other costs funded by the Reimbursement Agreements, AHA will not pre-pay or carry the costs of this work. AHA will instead collect amounts from the projects due before paying the general contractor's application for these costs.

CEQA

None

RECOMMENDATION

Accept the Monthly Update on Construction in Progress (CIP).

ATTACHMENTS

None

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joseph Nagel". The signature is fluid and cursive, with the first name "Joseph" and last name "Nagel" clearly distinguishable.

Joseph Nagel, Senior Construction 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: Jocelyn Layte, Acting Associate Project Manager

Date: May 21, 2025

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

BACKGROUND

The Housing 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 the developer and provides performance guarantees.

The Estuary I project is located at 500 Mosley Avenue. ICD is the developer. The project scope includes 45 new construction permanent supportive housing units for homeless or formerly homeless individuals or households, including one manager's unit. Amenities include property management offices, social service coordination offices, a community room, a mail room, central laundry, central courtyard, and secure bike parking. J.H. Fitzmaurice, Inc. (JHF) initiated construction on January 30, 2024, and is scheduled to achieve completion on or before August 8, 2025.

Please see previous monthly Board Reports for project details prior to this month's update.

DISCUSSION

Construction:

The overall project completion and billing percentage, through April 30, 2025, is approximately 94%. All units have been completed and are receiving appliances at the end of the month and will continue to have contractor punch walks. The AHA team and the General Contractor, JH Fitzmaurice (JHF), completed the 1st through 4th floor pre-punch unit walks that identified common fixes and adjustments to finished units that would be carried out across the project in preparation for sign-offs.

The lobby received its tile and laminate flooring along with ceiling T-bar work. Office spaces have complete finishes and doors with hardware installed. Pavers have been placed in the courtyard along with sidewalks; curbs and gutters were completed.



Closed Circuit Television (CCTV) cameras and the live guard, patrolling the site after hours and on weekends, provide security at the site as JH Fitzmaurice (JHF) continues to make good construction progress. The project has been energized and is now on permanent power. Staff are working with AMP to create accounts. Currently, there are 44 rain days used due to the rain's impact on site work and offsite items. This means an additional 17 days were used on top of the allotted contractual 27 rain delay days. The interior common areas received most finishes and will be completed in May. Exterior work is ongoing with landscaping being the largest portion of pending work. At this time, the GC still anticipates early completion despite the rain delays, so long as electrical and elevator trades move forward on time. Staff are tracking this and continue to monitor delays, weather, and project schedule to consider if acceleration would be needed to finish on time. There is an allowance reserved for site work acceleration if needed. Temporary certificate of occupancy (TCO) is dependent on the completion of specific offsite scopes which staff are tracking.

April's active construction activities include: installation of corridor flooring and tiling, remaining doors and door hardware, electrical lighting fixtures in hallways, punch walk fixes on interior units, appliance delivery and installation, flooring and tile in community spaces, painting of community and office spaces, continuing excavation and installation of bio-retention areas and drains, exterior courtyard and pathway work on the west and north elevations, pet relief area installation, and irrigation and topsoil delivery. The AHA team looks to have final punch walks for interiors in late May. Interior and exterior work this month is moving forward according to schedule.

A change order was approved over the past month for \$70,337, increasing the total approved change orders to \$497,555. An Owner's hard cost contingency and a General Contractor's contingency (already budgeted within the GC contract) are available for upgrades, master-plan cost overruns, as well as unexpected costs detailed below. Owner contingency funds are held separately from the contract. Executed change orders have utilized 36% of the owner's hard cost contingency and a General Contractor's contingency combined.

The total projected use of owner contingency (including General Contractor's Contingency and soft cost savings) is 100%. This includes conservative soil off-haul estimates. Only the Executive Director can approve additional costs to the contract and staff closely review all prospective change orders at the site. All supplies needed to finish the project have been bought so there is not expected to be a significant impact from the recently announced tariffs.

Operation and Lease Up Activities:

Staff are working with cross-agency departments and external partners to prepare the project for leasing and operations in 2025. Weekly all-hands meetings and task coordination have begun and will continue throughout the projects lease up and transition to property operations. This month, the team walked through the office spaces to allocate rooms for leasing effort logistics.

All units will be filled from referrals – there are no units open to the general public at Estuary I and 40 of the 44 units will also receive Project-based vouchers (PBV). FPI Management staff are on board working on lease-up reviews as of April 1, 2025. As of April 30, 2025, AHA has received all 44 referrals from the Alameda County Coordinated Entry System (CES) and has scheduled final interviews for all referrals. As of the end of April, 24 people were approved for the Estuary I Project Based Voucher (PBV) units. Property Management is working to approve referrals on their end for the LIHTC compliance requirements. The focus continues to be on finalizing the Memorandum of Understanding with the County of Alameda for referrals from the CES, finalizing lease-up and operating budgets, and executing contracts with property management (FPI) and services (Building Futures). All units are leased fully furnished. Furnishings for units have been ordered, and model units will be set up for viewing during pre-leasing activities and move-ins.

FISCAL IMPACT

AHA and ICD have completion and lease-up guarantees on this development. The construction is currently trending a few weeks early and is on budget. Operations and lease up planning activities are meeting project milestones. See Attachment 2 for the monthly budget update.

CEQA

Not Applicable.

RECOMMENDATION

Accept the Monthly Construction Report for The Estuary I.

ATTACHMENTS

1. Att2_Estuary I Photo updates BOC May 2025
2. Att1_Estuary I Monthly Budget Update 05 2025

Respectfully submitted,



With support from Neil Saxby, Renew Urban, Consultant
Jocelyn Layte, Acting Associate Project Manager

The Estuary I Progress Photos April 2025



Aerial photo looking south showing the northern and western elevation exterior walls.



Corridor and Unit lighting is now powered.



Unit appliances delivered to the site.



Exterior courtyard Pavers and fencing have gone in.

The Estuary I
Monthly Update - as of April 30, 2025

Total Development Costs to Date				
	\$ Budget	\$ Disbursed	% Disbursed	\$ Balance
Land & Holding Costs	\$2,461,115	\$2,444,510	99%	\$16,605
Hard Costs	\$28,987,749	\$22,396,777	77%	\$6,590,972
Soft Costs	\$11,516,407	\$4,151,345	36%	\$7,365,062
Total	\$42,965,271	\$28,992,633	67%	\$13,972,639

General Contract Status	
Total Contract Value	\$24,898,007
Change Orders	\$497,555
Revised Contract Value	\$25,395,562
Value of Work Completed to Date	\$23,765,003
Retention Withheld	\$2,325,131
Amount Paid to Date	\$21,439,872
Balance to Finish less retention	\$1,630,559
% Construction Complete	94%

Contingency Utilization		
	Hard Cost	Soft Costs
Total Contingency Approved	\$1,394,525	\$250,000
Approved Change Orders to Date	\$497,555	
Remaining Balance of Contingency	\$896,970	\$250,000
% of Contingency Used	36%	0%
Anticipated Soil Off-Haul Costs	\$687,700	
Remaining Balance of Contingency	\$209,270	
Projected Use of Contingency	\$896,970	
Remaining Balance After Projected Use	\$0	
% of Contingency Projected	100%	



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of the
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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Paris Howze, Project Manager

Date: May 21, 2025

Re: Accept the Monthly Construction Report for Linnet Corner.

BACKGROUND

The Housing 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.

Linnet Corner is located at 2000 Lakehurst Circle, Alameda, CA 94501. The project is the new construction of a single, four (4) story residential building, with 64 units. There will be 40 studio units and 23 one-bedroom units targeting seniors aged 62 and over. There will also be one two-bedroom unit dedicated as a manager's unit. Affordability levels will range between 30% and 40% of the Area Median Income (AMI). The project will also have 25% or 16 units serving formerly homeless or currently homeless senior veterans. Amenities will include a community room, onsite property management and service provider offices, shared unassigned parking, a laundry room, a resident garden, and a roof terrace.

Staff delivered a notice to proceed on March 6, 2024, and J.H. Fitzmaurice, Inc. (JHF), commenced construction activities on March 14, 2024. The project is expected to achieve completion on or before October 30, 2025.

Please see previous Board of Commissioner reports for project details before this month's update.

DISCUSSION

Construction:

The overall project completion and billing percentage, through April 30, 2025, is approximately 88%. This month's construction activities included both building and unit meter energization which is a major critical path milestone that results in permanent power to the building. Additionally, installation of unit and corridor flooring on the fourth floor has been completed. Ongoing construction activities include landscaping items such as parking lot lighting fixture installation, parking lot camera base and foot



installation, paver installation in the courtyard areas, and drip irrigation installation in surrounding landscaped areas. The contractor continues to install unit and corridor flooring on the lower floors.

The General Contractor (GC) and their team of subcontractors have commenced soil off-haul activities. The scope of work is estimated to take between 20 and 30 business days. Staff are working closely with the GC and the City of Alameda Building and Planning Department to ensure smooth operations as well as communicating with adjacent neighbors to keep them informed of the activity. Please see previous Board memos for additional details on soil off-haul activities.

The project currently has 20 rain delays, attributable to the rain's impact on site work and offsite items. The interiors are on or ahead of schedule. At this time, the GC still anticipates early completion despite the rain delays so long as electrical and elevator trades move forward on time. Staff are reserving an allowance for site work acceleration if needed.

Change orders over the past month totaled \$22,219 keeping the total approved change orders at \$488,466. Owner contingency funds are held separately from the contract. Executed change orders have utilized 28% of the available hard cost contingency. Only the Executive Director can approve additional costs to the contract, within the planned contingency amounts, and staff closely review all prospective change orders at the site. Staff are also tracking soft cost savings and the use of contingencies, which can also be applied to hard cost uses later in the project's cycle.

Additional funding update:

The Home Depot Foundation (THDF) awarded the project a \$200,000 grant to be used towards construction costs which will help offset overall project costs. Funds will be granted to Island City Development, who will then loan the proceeds back to the partnership. Like the Infill Infrastructure Grant (IIG) funding on the project, it will be subordinate to all other existing senior financing. Additionally, as part of the project's commitment to The Home Depot, staff will host a resident garden day and partner with future residents and volunteers to enhance the project's resident community garden.

Deferred Developer Fee:

At the time of construction loan closing in March 2023, the project anticipated approximately \$3.7 million in permit and impact fees and an 8.50% interest rate. Since then, the project has realized a \$1.2M reduction in permit and impact fees, and is projecting \$650k in interest fee savings due to a slightly reduced interest rate environment (the interest rate has fluctuated down to 7.42% on average). However, staff continue to watch the recent economic changes for potential interest changes. All supplies needed to finish the project have been bought, so there is not expected to be a significant impact by the recently announced tariffs. The project is also anticipating to spend less than the available hard and soft cost contingencies on typical line items.

However, Linnet Corner is bearing a significant portion of the anticipated soil-off haul

costs, which may reduce the amount of eligible basis, and thus reduce the equity investment from the tax credit limited partner, resulting in a considerable gap. The majority of the gap will be filled by an additional \$1.7 million in deferred fees. However, using conservative estimates, staff calculate that the worst-case scenario may require an additional infusion of funds as equity from AHA in 2026, at the project's conversion. This will help support the future payout of the developer fee and allow the closing of the permanent financing. This is being watched closely. If necessary, staff will return to the Board in 2026 to request the additional funds.

There are multiple factors that could reduce the need for AHA funds. The Home Depot grant will benefit the project and additional cost savings beyond the current conservative estimates could be realized. A swift lease-up could reduce the time to conversion and lower interest costs. If fully leased, the project could use income from operations to fund part of this gap and reduce the need for more ICD or AHA funds.

At the time of closing, the project was expected to defer \$1,284,044 of developer fees, which was projected to be paid off by year 12. The project must pay off the deferred fee by year 15 or the owner must contribute the funds to the project. After year 15, the deferred fee is no longer a preferred payment, and other funders will take a significant part of the cash flow. For this reason, staff are working diligently to reduce any need for ICD/AHA cash flow or extra deferred fees.

Operation and Lease-Up Activities:

Starting in January 2025, staff across different agency departments and external partners worked to prepare Linnet Corner for lease-up commencement in April 2025. The team has initiated a weekly all-hands meeting to coordinate the deliverables required for a smooth lease-up and transition to property management upon commencement of operations. Linnet Corner's lease-up will utilize a combination of three different sources to lease its 63 units (excluding the manager's unit):

1. Coordinated Entry System (CES) units: 16 one-bedroom and studio units are reserved for un-housed, disabled senior veterans referred by Alameda County Health Services Agency's (HCSA) Coordinated Entry System (CES) or through other social services agencies. These units all have Project-Based Vouchers (PBVs). Referrals from CES are expected soon. An interest list has also been stated in case CES is unable to provide 16 referrals.
2. PBV units: 24 one-bedroom and studio units will be filled through AHA's existing Project-Based Voucher (PBV) waiting list; lease-up will begin in May 2025 for these units, and
3. Lottery Units: 23 studio units will be filled through a public lottery for the units not tied to PBV subsidy or CES. In April 2025, staff ran a two-week application period and received over 1,700 applications. At the beginning of May 2025, staff conducted a public lottery and throughout the month will continue to work with property management to identify eligible applicants. Additional project information on Linnet Corner can be found on Linnet Corner's new leasing website at www.linnetcorner.com.

Outreach efforts for both the public lottery and units reserved for veterans have included social media campaigns and lease-up presentations at City Board Meetings and community organizations in Alameda and extensive in-person outreach with various veterans organizations such as Swords, the Veterans Affairs, etc. To conduct leasing activities, property management staff have temporarily moved into AHA's offices to conduct intake applications and coordinate with AHA's Housing Programs Department for a seamless review period. Eligibility and compliance verification will be ongoing through the start of move-ins with all eligible residents anticipated to be identified upon receipt of a temporary certificate of occupancy (TCO) at the end of September 2025.

Staff also continue to work closely with agency departments on the finalization of first-year operating budgets, lease-up agreements, property operations contracts, and supportive services contracts.

FISCAL IMPACT

The Home Depot grant will provide additional funds to the Linnet project and potentially allow it to defer less developer fee. The grant to ICD will be lent to the Linnet Corner partnership.

AHA and ICD have completion and lease-up guarantees on this development. To date, the construction is on time, and may deliver one month early, weather permitting. At this time, any cost overruns are covered by contingencies, savings, and deferred developer fees. Linnet Corner is a 4% tax-credit project which is reliant on basis-eligible costs for part of its financing. In a conservative scenario, the project may lose tax credit equity because of the changes during construction (including the soil offhaul cost, basis-eligible cost savings, and interest savings due to lower interest rates). This loss will be covered by cost savings, and also by an additional deferred developer fee. The project has a \$3,000,000 developer fee in total of which \$1,295,000 was deferred at closing. The maximum additional deferred fee is \$1,705,000. Staff will continue to review and come back to the Board if additional ICD or AHA funding is needed.

CEQA

Not applicable.


RECOMMENDATION

Accept the Monthly Construction Report for Linnet Corner

ATTACHMENTS

1. 25_05_Linnet Corner - Budget Tracking
2. 25_05_Linnet Corner - Progress Photos

Respectfully submitted,



Paris Howze, Project Manager

Linnet Corner
Monthly Update - as of April 30, 2025

Total Development Costs to Date				
	\$ Budget	\$ Disbursed	% Disbursed	\$ Balance
Land & Holding Costs	\$640,864	\$526,338	82%	\$114,526
Hard Costs	\$36,513,061	\$27,491,006	75%	\$9,022,055
Soft Costs	\$16,118,331	\$4,978,751	31%	\$11,139,580
Total	\$53,272,256	\$32,996,096	62%	\$20,276,160

General Contract Status	
Total Contract Value	\$29,561,507
Change Orders	\$488,466
Revised Contract Value	\$30,049,973
Value of Work Completed to Date	\$26,484,608
Retention Withheld	\$2,588,629
Amount Paid to Date	\$23,895,978
Balance to Finish	\$6,153,995
% Construction Complete	88%

Contingency Utilization		
	Hard Cost	Soft Costs
Total Contingency Approved	\$1,738,717	\$450,000
Approved Change Orders to Date	\$488,466	(\$41,190)
Remaining Balance of Contingency	\$1,250,251	\$491,190
% of Contingency Used	28%	109%
Anticipated Master Plan Costs	\$573,433	
Projected Use of Contingency	\$676,818	
Remaining Balance of Contingency	\$0	
% of Contingency Projected	100%	

Linnet Corner
Progress Photos
(April 30, 2025)



Figure 1: Bird's-eye view of Linnet Corner & Estuary I

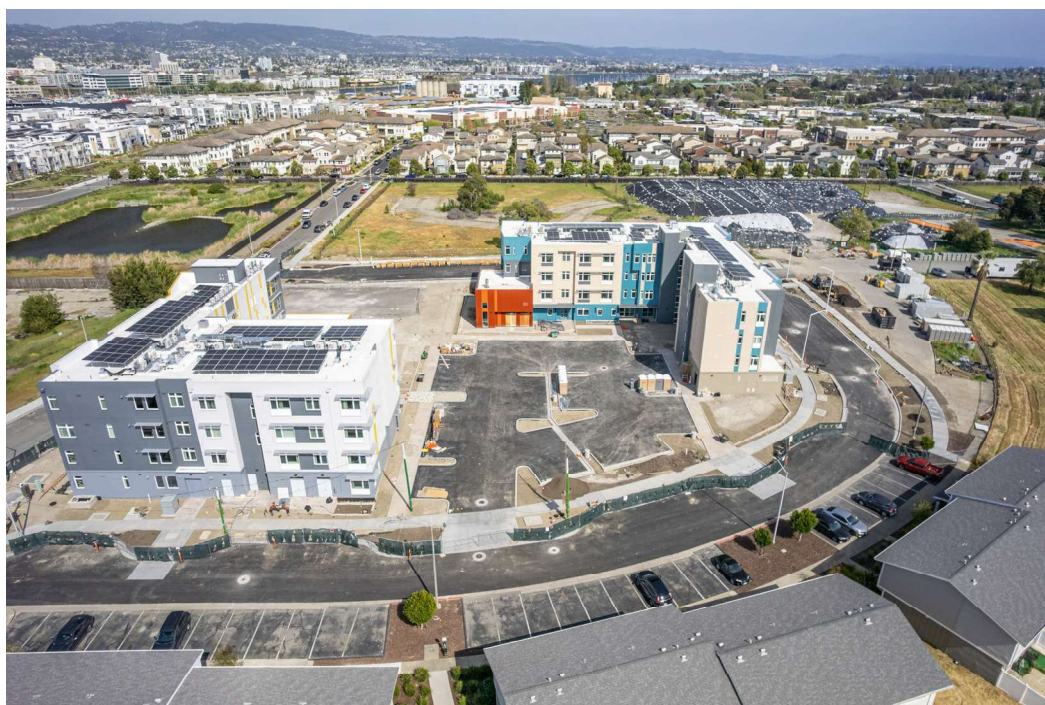


Figure 2: Bird's-eye view from Lakehurst Circle

Linnet Corner
Progress Photos
(April 30, 2025)



Figure 3: View from Mosley and Mabuhay Avenue



Figure 4: View from corner of Lakehurst Circle & Mabuhay Street

Linnet Corner
Progress Photos
(April 30, 2025)



Figure 5: 4th floor unit flooring installation



Figure 6: Paver installation at exterior courtyard

Linnet Corner
Progress Photos
(April 30, 2025)



Figure 7: Elevator Installation showcasing permanent power

Linnet Corner
Progress Photos
(April 30, 2025)



Figure 8: Installation of lighting fixtures within parking lot



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: Jocelyn Layte, Acting Associate Project Manager

Date: May 21, 2025

Re: Accept the Monthly Report for North Housing Offsites.

BACKGROUND

The Housing Development Department provides monthly reports on projects under construction. The Housing Authority of the City of Alameda (AHA) is leading the North Housing Master-Plan work to prepare the sites and provide infrastructure for Linnet Corner and Estuary I. This report provides updates on the North Housing Block A offsite work.

DISCUSSION

Site: North Housing Block A Offsite Improvements, 501 Mosley Avenue, Alameda, CA 94501

Total cost: \$6,172,202.96 (per Change Order 4 dated April 29, 2025)

Source of funds: Budgeted within the North Housing Block A projects, with Estuary I covering 23%, Linnet Corner covering 60%, and Estuary II covering 17% of the offsite improvement costs.

Purpose: AHA contracted with J.H. Fitzmaurice, Inc. (JHF) for offsite improvements for North Housing Block A, such as the realignment of Lakehurst Circle, the new water main extension, and the new Mabuhay Street. Offsite improvement work is expected to be on a parallel track to the two active housing development projects (Estuary I and Linnet Corner). Therefore, the contract end date is October 2025, which aligns with the later of the two housing projects' expected completion date. The contracted value for the offsite improvements is budgeted for each of the housing developments in Block A and funding was approved by the Board of Commissioners in December 2023. There is a 'contractor's contingency' of \$150,000 in the contract that is 99% used. To project for the completion, staff have added \$450,000 in owner's contingency that is held outside the construction contract. Pro rata shares of all costs are planned for in the contingency trackers of Estuary I, Linnet Corner, and Estuary II.



Soil Off haul: In March 2025, the Board of Commissioners approved \$3,000,000 for soil off haul costs, which staff have utilized for up to \$2,156,456.18 in change orders this month. All the additional stockpiles have been re-tested, as required by the Soil Management Plan and landfills, and current results have come in as expected. Soil off haul has begun as of May 7th and staff anticipate it being completed by June 30, 2025. Staff hired a third party consultant who actively manages the off haul process, including dust control and any soil management plan requirements.

Offsite completion tied to Estuary I:

The City of Alameda has approved a phasing plan so that appropriate levels of offsites are delivered with Estuary I and the remainder completed concurrent with Linnet Corner so that there is no hold up on certificates of completion for the earlier project. As Estuary I is to be completed first, staff have continued diligently pursuing the required offsite, which includes site fencing, egress to public sidewalks, and grading of the adjacent U.S. Navy -held parcel.

Timeline: February 2024 to October 2025.

Status: As of April 30, 2025, offsite improvement work has gone from 68% complete to 60% complete because of the addition of the soil offhaul work as part of the overall contract. Contractor billing for April 2025 is \$153,689 and consists of landscape, irrigation, site work concrete for curbs and sidewalks, and contractor fees. The site completed the rebuilding of the existing Lakehurst Circle, which involved displacing Admiral Cove tenants for several weeks. Lakehurst Circle is now open to these tenants. As of April 30, 2025, there have been 46 rain delay days that affected site work. This means that there were an additional 13 days of weather delays in addition to the contract budgeted days. The project is on schedule and staff are monitoring the project schedule closely. Details on the contract status and contingency used are attached.

FISCAL IMPACT

The Board of Commissioners approved the funding for the North Housing Master-Plan in August and December 2023.

CEQA

Not Applicable

RECOMMENDATION

Accept the Monthly Report for North Housing Offsites.

ATTACHMENTS

1. Att1_OFFSITE monthly budget report May 2025

Respectfully submitted,



With support from Sylvia Martinez, Director of Housing Development
Jocelyn Layte, Acting Associate Project Manager

North Housing Block A - Offsite Improvements Contract Tracking
Update - as of April 30 2025

General Contract Status	
Total Contract Value	\$4,015,747
Change Orders	\$2,156,784
Revised Contract Value	\$6,172,531
Value of Work Completed to Date	\$3,686,293
Retention Withheld	\$359,071
Amount Paid to Date	\$3,327,221
Balance to Finish	\$2,845,310
% Construction Complete	60%

Contract Contingency Utilization	
	Hard Cost
Total Contract Contingency	\$150,000
Approved Contract Contingency Usage To Date	\$148,457
Remaining Balance of Contract Contingency	\$1,543
% of Contract Contingency Used	99%

Owner Contingency Utilization	
Total Owner Contingency Outside of Contract	\$450,000
Approved Owner Contingency Usage To Date	\$0
Remaining Balance of Owner Contingency	\$450,000
% of Owner Contingency Used	0%



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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 21, 2025

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

BACKGROUND

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

DISCUSSION

Island City Development

Currently, the Housing Authority of the City of Alameda (AHA) has a non-active pre-development loan to Island City Development (ICD) for The Poplar, and another loan to Estuary II through its affiliate Alameda Affordable Housing Corporation (AAHC) via the Alameda Affordable Housing Trust Fund (AAHTF). The AHA has also provided options for ground leases for ICD pipeline projects (Estuary II & The Poplar). The loan balance and project details are discussed in the subsequent project-specific Board reports.

In September 2023, ICD signed two Agreement to Enter Into a Housing Assistance Payments Contract (AHAP) with the AHA for forty Project-Based Vouchers at Estuary I and for forty Project-Based Vouchers at Linnet Corner. There is a conditional Project-Based Voucher commitment for Estuary II, for forty Project-Based Vouchers, pending full financing of the project.

Affordable Housing Project Pipeline

- ***Rosefield Village*** – Rosefield has received its IRS form 8609s, which is a major final milestone for development. It has requested an equity contribution of \$100,000 from the Limited Partner, Enterprise, which, in combination with held development funds, should pay the deferred developer fee to Island City Development, an amount likely to be several hundred thousand dollars. The project has already paid AHA its share of the deferred developer fee.
- ***Estuary I, Linnet Corner*** – Estuary I and Linnet Corner are both under construction. An updated report on these projects is presented as separate



Board items. The Housing Development (HD) department is convening a weekly AHA All-Hands meeting to discuss the leasing and start-up operations for these two projects.

- **Estuary II** – Staff has submitted three funding applications for this project in 2025, and will submit a fourth in May 2025. The limiting factors in terms of competitiveness have been twofold: (1) not being in a high opportunity area, and (2) reliance on limited state tax credits.
- **North Housing Master Plan** – The AHA has contracted offsite work to support Block A of the North Housing Master Plan and an update report is presented as a separate Board item.
- **The Poplar (2615 Eagle)** – An updated report on the project is presented as a separate Board item.
- **Feasibility Studies** – None at present.

New Funding Opportunities

The outlook for funding opportunities for new construction in the State of California is increasingly constrained, with only two major programs (The SuperNOFA and Homekey+) with limited available funding for 2025. Estuary II is vulnerable to losing existing financing commitments if it does not receive tax credits in early 2025. The Poplar will not come online for a few more years, allowing this funding slowdown to clear.

Construction in Progress

A separate report to the Board tracks the many different activities that are underway to improve the portfolio and prepare sites for development. Housing Development, Asset Management, and Property Management staff brought an update on the overall Capital Improvements Plan to the Board in October 2024 and are currently working on the priorities for the Fiscal Year 2025 to 2026 budget cycle.

Community Relations

All Project Managers (PMs) are assigned to City of Alameda working groups (Design Review Team, Human Services, Sustainability) and are encouraged to participate and report on important and relevant information. HD and Community Relations staff attended the Human Services Board to present information to local social service agencies regarding the Estuary I and Linnet Corner projects. HD Staff also held a community sidewalk event in the North Housing neighborhood on April 5 to publicize the lease-up of these projects and inform the community about the anticipated soil offhaul.

Two AHA staff members are serving as part of the working group to update the City of Alameda Inclusionary Housing Policy, which is scheduled to be completed in 2025.

Staff have provided notices to immediate neighbors, as well as an onsite sidewalk board notice at The Poplar to explain recent soil and geotechnical testing at the site. Staff publish a periodic pipeline newsletter to communicate with interested parties. The most recent newsletter was released in March 2025.

Staffing

The HD department has one position, Associate Project Manager, open at this time. The Housing Development Department has helped coordinate staff training for multiple departments in the last quarter. Nixon Peabody led a training session on Environmental Soil Conditions in February 2025. In April 2025, The Scherer Group held a training session on federal Section 3 hiring requirements for HD, Asset, Portfolio and Administration staff. These trainings will result in the updating of protocols on these issues.

FISCAL IMPACT

Not applicable.

CEQA

Not applicable.

RECOMMENDATION

Accept the Monthly Overview Report for Housing Development.

ATTACHMENTS

1. Q1 2025 Quarterly Development Newsletter

Respectfully submitted,



Sylvia Martinez, Director of Housing Development

Housing Development



DEVELOPMENT PIPELINE QUARTERLY UPDATE

In Development:

The Estuary I is 89% complete as of February 2025. The building's exterior has been completed and is now weather tight, interior finishes, flooring, cabinets, and paint are being finalized on all four floors. The Estuary I will also have the first onsite resident pet relief area available to residents and their companions to enjoy an enclosed area outdoors. Lease-up efforts will begin in Q2 of 2025 with move ins starting around August. This is a great time to sign up for the Housing Authority of the City of Alameda (AHA) newsletter to be informed of leasing activities. To sign-up for AHA's email newsletter, please visit www.ahagroup.click. All units will be leased via Alameda County Coordinated Entry System, providing homes to formerly homeless individuals and families. All units will be fully furnished.



Linnet Corner is 80% complete as of February 2025. Standing on Mabuhay Street you see the bright soothing colors of Linnet Corner and begin to see the exterior grounds take shape as construction moves closer to completion. The project will host various amenities and in particular residents have access to a resident garden, patio lounge areas, roof top patio on the 3rd floor with sweeping views, and workout stations in the outdoor patio areas. Linnet Corner will start lease activities early in Q3 of 2025. These homes will be leased via three criteria, Housing Authority of the City of Alameda's Project Based Voucher Waitlist, Alameda County's Coordinated Entry System (CES), and a Property Management managed interest list. All leasing information will be provided via the AHA website (www.alamedahsg.org) and AHA newsletters. AHA is looking for formerly homeless elderly veterans for sixteen reserved apartments. As projects move forward AHA's housing development team continues to conduct weekly progress site visits and inspections of the properties with the General Contractor and Architect.

The Estuary II continues to apply for funding this year. The Development team submitted a HOME application to the City of Alameda in January. If funding can be established from additional sources the project hopes to start construction in early 2026.

The Poplar development team has completed procurement for civil engineer, environmental consulting, and NEPA consultant. Other procurements for The Poplar are actively closing out or starting and we encourage interested parties to visit and register onto our bonfire portal to review and submit bids. (see “other news” section below for details on how to register) As environmental testing and site assessment occurs, AHA Housing Development team is ramping up to host community meetings that will begin in the coming months. The details of these meetings, including timing and attendance, will be posted on the project webpage at (<https://www.alamedahsg.org/project/poplar/>) and Island City Development (ICD) (<https://www.islandcitydevelopment.org/project/the-poplar/>) websites.

Construction In Progress:



1. Siding work at IP in progress.



2. IP Community Room exterior wall repairs completed

Construction Management remains busy with multiple projects underway and upcoming procurement opportunities. The construction in progress (CIP) work includes a variety of property maintenance and building updates. Over the last year CIP projects completed over \$ 3,000,000.00 of work.

The balcony repairs on apartment homes at Anne B. Diamant (ABD) are complete. Stanford House and Sheman House are receiving property signage updates. China Clipper and Lincoln house are starting balcony renovations. Parrot Garden’s leasing office will undergo an office ADA renovation and have a perimeter fence installed.

Independence Plaza (IP) underwent a myriad of updates to the property and has completed all work to date, with exception to a renovation of the community room kitchen, Fence painting and property signage updates. AHA submitted and closed on the property’s Faircloth to RAD conversion, also called the Restore-Rebuild transaction, which assists in the preservation of the asset for the future service of residents in Alameda. AHA’s housing development department contributed by completing multiple upgrades and renovations to the site, prepared a mixed finance development application for the transaction, and managed the real estate transaction through closings and recording. The Development team is submitting awards to Novogradac’s Development of Distinction award and NAHRO’s Affordable Housing Award of Merit in March for IP’s Restore-Rebuild transaction, celebrating the success of the preservation of affordable housing at the property.

Electric Vehicle Charging

In partnership with the City of Alameda and third-party vendors, AHA has been exploring different opportunities to bring Electric Vehicle charging to its portfolio. This work continues under the Asset Management department. Staff are working to host the electrical connection, at Everett Commons, for the public street EV charging stations to be installed along Eagle Avenue, in cooperation with the City of Alameda. These spots will be open to the public but will benefit tenants who have lacked access to charging infrastructure.

Procurement

AHA continues to actively procure various services. Vendors and consultants will need to register with Bonfire to submit qualifications, proposals, or bids for AHA, AAHC, and ICD solicitations. To register onto Bonfire, please visit this webpage <https://www.alamedahsg.org/contracting-with-aha> Currently a RFP for The Poplar - Remediation and Demolition of the Existing Property Improvements is due March 26th and future opportunities include SB 35 entitlement consultation, ADA amenity and restroom renovations, balcony renovations, seismic assessments, general contractor predevelopment consultation services, and Office ADA renovations and fencing.

Sign up for our e-newsletter to receive project updates and news from the comfort of home or on the go! <https://www.alamedahsg.org/about-us/news/>

Contact Us: 510-747-44321, Joshua Altieri, Community Relations Manager & Press/Media Contact, jaltieri@alamedahsg.org



Housing Authority
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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 21, 2025

Re: Accept the Quarterly Development Report for The Estuary II.

BACKGROUND

The Estuary II is one of the three projects within North Housing Block A. Block A is the first phase of the larger 12-acre North Housing parcel redevelopment at the former Alameda Naval Air Station (NAS) site known as Coast Guard Housing. The Estuary II is expected to have 46 units of permanent supportive housing for formerly homeless households.

The Housing Authority of the City of Alameda (AHA) is leading the development of a homeless accommodation conveyance, alongside partners Alameda Point Collaborative and Building Futures. Island City Development (ICD) is the developer.

The North Housing parcel was successfully transferred to AHA ownership on May 30, 2019. The AHA Board of Commissioners (the Board) approved the AHA's Vision for the North Housing site at its August 2019 meeting. All entitlements were approved in 2020. In October 2023, the first phase of the Final Map was recorded to create the parcels and the streets within Block A. Estuary II was designed and planned as a condominium project for vertical construction on vacant land. The building permit is ready to be issued upon payment of the building permit fees. Once issued, the permit is good for 12 months or 12 months from the last approved inspection by the Building Department.

Please see previous Board reports for project details before this month's update.

DISCUSSION

Funding

AHA has made a funding commitment through its Reserve Policy of \$3,750,000 which is flowing through the Alameda Affordable Housing Trust Fund (AAHTF) administered by the Alameda Affordable Housing Corporation (AAHC). The AAHTF commitment has been awarded matching funds from the State Local Housing Trust Fund (LHTF) Program with \$1,250,000 of the matching funds committed to The Estuary II project. Together, the AAHTF commitment is \$5 million. Per the Standard Agreement, the final



disbursement request for this funding is due by March 31, 2031. The Board also approved an option to ground lease the land at a subsidized rate in 2021. If and when the State of California Department of Housing and Community Development (HCD) funding is awarded to this project and requires a below-market land lease or land donation, the ground lease for up to the Fair Market Value (FMV) evidenced by the seller's carryback financing may be converted to land contribution to the project for a nominal fee of \$1 per year for 99 years. This similar financing structure was used on the Linnet Corner project with HCD funding.

On June 23, 2023, the Federal Home Loan Bank of San Francisco awarded \$690,000 in Affordable Housing Program (AHP) funds to the project. Projects with an AHP award have 4 years from the award to use the AHP funds, and our AHP award will expire on or about June 23, 2027.

On April 4, 2024, HCD awarded \$9,761,541 from the National Housing Trust Fund (NHTF) program for this project. On October 24, 2024, the Standard Agreement was signed to allow HCD to secure the NHTF from the Department of Housing and Urban Development (HUD). Per the terms of the commitment and milestones, HCD allows the proposed project to commence construction by January 31, 2026. This timeline allows the project to apply for tax credits and other anticipated HCD Notice of Funding Availability (NOFA) in 2025. However, if tax credits are not received by mid-2025, the NHTF award may be rescinded.

On June 10, 2024, the City of Alameda awarded approximately \$550,000 in Permanent Local Housing Allocation (PLHA) funding to this project. On October 28, 2024, the City of Alameda awarded this project approximately \$89,000 in HOME loan funding. Together, the City of Alameda combined funding commitment is approximately \$641,000. The commitment from the City is valid through June 30, 2025. City of Alameda staff has recommended an additional \$170,000 in HOME funds for the May 6, 2025 Council session.

On December 13, 2021, AHA conditionally awarded forty (40) Section 8 Project-Based Vouchers (PBV) for this project. The initial Housing Assistance Payment (HAP) Contract for a total of forty (40) PBVs over twenty (20) years is expected to bring in funding of approximately \$10 million. In March 2025, AHA approved an extension for the project to enter into an Agreement To Enter Into A Housing Assistance Payment Contract (AHAP) to December 31, 2025.

Estuary II continues to need its final tax credits and/or bonds. It is applying actively to tax credit and other soft loan sources. It currently has pending applications submitted to the City of Alameda and the State of California for additional soft funding as well.

Timing

This development will not start construction until 1st quarter 2026 at the earliest, as it is still waiting for its final financing commitments.

As shown in the applications submitted and the awards received to date, staff are actively pursuing all viable options. Similar to 2024, there are overlapping application timelines that will sometimes require AHA/ICD to make a decision to withdraw a pending application, such as a 4%, in order to pursue another application, such as a 9%. Staff will keep the Board informed and will closely monitor how each competition is developing in order to make the best decision possible, given much uncertainty.

The project could be funded by \$20 million in tax credits and bond financing from CTCAC/CDLAC. The Board should be aware that the chances of being funded are low relative to prior projects, due to the state funding outlook and other changes outlined above. It is very possible that development may need to wait several years. Other financial challenges include:

- Without SuperNOFA funding, the 4% scenario has a \$5 million gap.
- Some conditional funding awards will start to expire in 2026.
- Although the project has normal inflation estimates built in, any import tariffs would add a financial cost burden to the project. A 25% tax on soft lumber has been discussed, along with a 10% tax on other construction materials. Materials are typically 65% of the cost of construction, so a 10% increase in all material costs is approximately \$1.6 million.

The Estuary II project has sufficient pre-development funding for the expected soil off-haul costs to be split pro rata between the North Housing Block A projects, with Estuary II responsible for 17% of the costs (estimated to be approximately \$510,000). These costs are built into the pro forma budget.

FISCAL IMPACT

The total pre-development loan available for the Estuary II project is \$5,250,000, of which \$3,358,3916 has been spent. Funds are disbursed to ICD on an as-needed basis. The Board previously approved \$1,500,000 in AHA funding commitment for the pro rata share of the site preparation and offsite costs for this project which is included in the total pre-development loan amount above. Please refer to the attached chart summarizing expenses through April 30, 2025 (Attachment 1).

CEQA

Not applicable.

RECOMMENDATION

Accept the Quarterly Development Report for The Estuary II.

ATTACHMENTS

1. Att1_Monthly Budget update for Predevelopment Estuary II May 2025

Respectfully submitted,



Sylvia Martinez, Director of Housing Development

Predevelopment Expenses Chart Through April 30, 2025

The Estuary II	Uses	Sources
Predevelopment loan funds (AAHTF) available for the Estuary II project		\$3,750,000
AHA funded site preparation costs as the master developer for the pro rata share costs of ground improvement and offsite improvement for Estuary II. *Shown for informational purposes only		\$1,500,000
Predevelopment expenses to-date includes predevelopment costs, pro rata shares of master plan, demolition, and land carrying costs)	\$3,358,916	
Anticipated Soil Off Haul Costs - Estuary II's Pro Rata Share	\$510,000	
Predevelopment Funds Remaining	\$1,381,084	
Cumulative Total AHA Funds for Estuary II		\$5,250,000



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701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Alicia Southern, Director of Human Resources

Date: May 21, 2025

Re: Accept the Quarterly Overview Report for the Executive/Data and Policy and HR Departments.

BACKGROUND

This memo provides a high-level overview of agency activities in the prior three-month period for the Executive Department, including Human Resources, Data and Policy, and Moving to Work (MTW).

DISCUSSION

Human Resources and Operations

A summary of open positions and recently hired positions is presented below. Positions are listed by department, and information about current and recent recruitment is included. Information is current from February 2025 through May 2025.

Department	Position	Number of Vacant Positions	Recruitment Status	Other Updates
Executive	No positions open			
Administration	Facilities & Maintenance Tech I	1 FTE		Candidate to start May 19.
Finance	No positions open			
Housing	No positions open			



Programs				
Property Operations	Property Management Supervisor	1 FTE	Closed; to open soon.	New position
Housing Development	Senior Project Manager	1 FTE	Recruiting candidates as Associate Project Manager	Opened due to staff turnover
Asset Management	No positions open			
Data and Policy	No positions open			
Human Resources	Human Resources Manager/Management Analyst	1 FTE	Closed	Candidate to start May 27
	Program Assistant	1 FTE	Closed	Filled April 7

Summary:

Total FTE's approved for FY 2024/25: 53

Number of vacancies: 10 FTE's

Vacancy rate (AB 2561): 19%

Acting assignments in higher classifications: 2

Number of active recruitments: 1

The Housing Authority of the City of Alameda (AHA) has welcomed two new staff members since the last quarterly report, including a Senior Programs Director (internal promotion), and a Program Assistant in Human Resources. Candidates for the Facilities and Maintenance Technician I and Human Resources Manager will start in May. Interviews are in process for the Associate Project Manager position with the Property Management Supervisor position to open soon. While the candidate pool for most positions is smaller than in the past, Management anticipates filling additional positions in the upcoming months. HR has also retained temporary HR staff to support Human Resources. Three interns should be joining AHA in May and June.

The AHA currently has the following positions unfilled but not currently under active recruitment:

- Deputy Executive Director (Executive)
- Management Analyst (Finance and Data & Policy)
- Director of Housing Programs (Housing Programs)
- Housing Specialist II - Family Self Sufficiency (Housing Programs)
- Assistant Director of Housing Development (Housing Development)
- Associate Asset Manager (Asset Management)

The Board of Commissioners granted AHA hiring flexibility through March 2026 with the understanding that changes would be brought to the Board for ratification. AHA is considering the following changes:

- Hiring the Senior Project Manager as an Associate Project Manager. If filled internally, AHA may not fill the respective vacated position.
- Temporarily utilizing the vacant Director of Housing Programs for an Assistant Director position.

During this period, staff attended conferences for MTW and NAHRO. Staff attended training on: Trauma Informed Care, How To Add User's To Outlook, Office 365 portal access, and other IT trainings.

Annual Plan, 5-Year Plan, and Significant Amendment

The Annual Plan for Fiscal Year 2025-2026 and the 5-Year Plan for Fiscal Years 2025-2030 were submitted to HUD prior to the April 17, 2025 deadline. AHA is awaiting HUD's response.

Staff have posted a Significant Amendment to revise preferences due to Emergency Housing Voucher (EHV) holders and to revise the order of the termination due to program cuts. This will be presented to the Board at its June meeting for Public Hearing.

Language Access Plan

Data and Policy staff performed the 5-year update to the Language Access Plan as required under the plan. No new languages were added for written translation. AHA provides verbal translation, through its 3rd party contractor, for all languages.

Moving to Work (MTW) Cohort Study Update

The MTW study for the landlord incentives cohort is drawing to a close. The research team plans to visit AHA for one final on-site evaluation.

FISCAL IMPACT

Report only, no financial impact.

CEQA

Not applicable to this item.

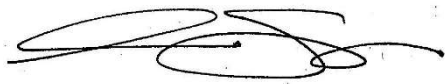
RECOMMENDATION

Accept the Quarterly Overview Report for the Executive/Data and Policy and HR Departments.

ATTACHMENTS

None

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'AS', with a stylized flourish at the end.

Alicia Southern, Director of Human Resources



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: Greg Kats, Director of Administration and Services

Date: May 21, 2025

Re: Accept the Quarterly Overview Report For the Administration and Services Department.

BACKGROUND

The Administration and Services Department manages a number of areas within the Housing Authority of the City of Alameda (AHA), including procurement, information technology, facilities, support services, reasonable accommodations, community relations, and risk management. This report serves to provide the Board with a quarterly overview of notable developments within these areas of the agency.

DISCUSSION

Procurement

The following are some highlights of the AHA's current procurement initiatives:

Bonfire: AHA staff continue to utilize the new online procurement platform, Bonfire, and the contract has been renewed for another year. The Bonfire system is used to post solicitations, gather proposals and bids, evaluate proposals, correspond with vendors, and award contracts. Additionally, Bonfire acts as a repository for contracts and insurance documents to allow staff to collect and review all documents in one centralized location moving forward. The system also allows staff to send out notifications of expiring insurance documentation and to send messages to vendors regarding their agreements.

AHA staff will continue to promote the use of Bonfire by vendors, by including information regarding registration in publications, such as the annual vendor newsletter and periodic outreach emails. Staff will also be adding agency templates to the system, to improve consistency of use, by early June.

Internal Training: Comprehensive procurement training is offered on a bi-annual basis for AHA staff, with the last training occurring in December 2024 and the next session scheduled for June 2025. Admin staff also initiated a monthly procurement review



meeting starting in January 2025. These meetings are intended to discuss best practices related to AHA procurement processes and to review components of the Bonfire platform. Once the pending internal procurement manual has been completed, training will be provided to all exempt staff.

AHA solicitations can be found at the following

link: <https://alamedahsg.bonfirehub.com/portal/?tab=openOpportunities>

A summary of recently issued RFPs and ITBs is provided below:

RFP/ITB DESCRIPTION	ORG	STATUS	ISSUE DATE
Window and Gutter Cleaning Services	AHA	ITB open	April 24, 2025
Annual Solar Panel Cleaning	AHA	ITB closed; contract pending	March 13, 2025
As-needed Plumbing Services	AHA	ITB closed; contract awarded	January 27, 2025
Video Production	AHA	ITB closed; contract awarded	January 9, 2025

The number of agreements and amendments executed from January 1, 2025, to March 31, 2025, is provided below:

Agreements Executed	Amendments Executed	Intergovernmental Cooperation Agreements
5	7	2

Reasonable Accommodations

The table below provides a summary of monthly and year-to-date statistics on Reasonable Accommodations (RA) processed as of April 24, 2025.

Month	New submissions by month	Requests still in process	Completed RAs (letter sent)	Submissions YTD	Completed RAs YTD
January	21	0	21	21	21
February	18	0	18	39	39
March	18	0	18	57	57

The subsequent table displays the percentage of approved, denied, and closed RA

requests that have been finalized, by month. For example, during January 2025, there were twenty-one RA requests that were finalized. Of those twenty-one requests, four requests were approved, resulting in a 19% approval rate. Please note that there was an unusually high number of denials issued in January, due to the opening of the waitlist in December, which resulted in a greater number of invalid RA requests (e.g., non-participant/non-applicant requests, no contact information for knowledgeable professionals provided, etc.)

Month	Approved	Denied	Closed	
January	19%	81%	0%	
February	33%	67%	0%	
March	33%	67%	0%	

The following table provides a year-to-date total of the type of accommodation requests received. The "other" category includes requests such as extensions of time for completing a recertification, reinstating a voucher, and/or providing approval for an assistance animal.

Categories	YTD
Extra Bedroom	20
Live-In Aides	15
Parking	1
Unit Modifications/requests	2
Voucher extension	8
Other - Misc.	11
Total	57

Staff continue to accept RA requests via e-mail, fax, in person, by phone, and through the electronic form available on the AHA website and continue to complete quality control reviews of reasonable accommodation processes and outcomes.

Community Relations

Below is a summary of AHA's community relations activities during the first quarter of 2025:

- In partnership with the Alameda Food Bank and LifeSteps, residents at AHA's largest senior communities (Independence Plaza and Anne B. Diament) receive free food deliveries on an alternating bi-weekly basis. Food is distributed via a

“Farmer's Market” style event.

- The Alameda Food Bank also provides free snacks, fruit, and water for AHA youth recreational programs, hosted on a bi-weekly basis, at Esperanza Apartments (AHA's largest family property).
- The City of Alameda's Recreation and Parks Department (ARPD) has been providing free, bi-weekly, after-school recreational programming on Wednesdays for AHA youth via ARPD's mobile recreational unit at Esperanza Apartments.
- Drawbridge (www.drawbridge.org) has been providing bi-weekly art activities on Wednesdays at Esperanza Apartments. The goal of the Drawbridge and ARPD programs is to provide a safe space for AHA youth at Esperanza Apartments on a weekly basis.
- The City of Alameda's Recreation and Parks Department (ARPD) continues its senior-focused recreational programming offerings with staff from Mastick Senior Center visiting AHA's largest senior properties, such as Independence Plaza on February 25, 2025 (32 residents engaged) and Anne B. Diamant on March 20, 2025 (20 residents engaged).
- In an effort to reduce waste at AHA properties, staff and contractors from the City of Alameda's Zero Waste Program conducted two resident education events, one at Rosefield Village on March 20, 2025, and one at Parrot Village/Gardens on March 25, 2025. Feedback from residents and City staff has been very positive. To date, seven AHA properties have been visited by the City's Zero Waste Outreach Team.
- LifeSteps staff continue to enroll residents of Anne B. Diamant, Rosefield Village, Everett Commons, and Lincoln Willow into AC Transit's EasyPass Program, so they can obtain a free bus pass. AHA thanks LifeSteps staff for their continuing efforts in enrolling residents.
- In March, AHA, in partnership with LifeSteps, launched an AHA resident rewards program. AHA residents will receive an attendance card that will be punched at each LifeSteps class or session attended by the resident. Then, in July, the recipient can redeem the points earned for a gift card. The program aims to increase the participation of AHA residents in LifeSteps programming, such as classes, workshops, and community-building activities, and to ensure that LifeSteps is customizing and developing programming that garners interest and attendance from AHA residents and program participants.
- In March, AHA staff concluded efforts to distribute home care kits to Emergency Housing Voucher holders. Twenty-seven kits were distributed, with extensive outreach conducted to follow up with the remaining EHV holders, who have been non-responsive to the emails, calls, and mailed home care kit offer letters.
- On March 20, 2025, AHA staff hosted the City's Department of Housing and Human Services monthly Collaboration Advancing Resources, Efforts, and Supports (CARES) meeting at Independence Plaza. This meeting included representatives from over 25 community organizations and government agencies.

Communications Summary

AHA's efforts to increase community awareness of agency activities during this reporting period included the following:

1) **Press Releases:** During Q1, no press releases were published.

2) **AHA newsletters:** During Q1, AHA Housing Choice Voucher program participants and AHA tenants were mailed and emailed the Quarterly Tenant Newsletter. AHA Landlords were mailed and emailed the Quarterly Landlord Newsletter.

3) **Public Outreach:** During Q1, AHA's Community Relations Manager conducted the monthly Landlord Portal Meeting for AHA landlords, the monthly meeting for AHA's internal Environmental Committee, the quarterly meeting for legal advocates, the monthly meeting with LifeSTEPS and FPI Management, and the quarterly meeting with the City of Alameda's Mayor to provide updates on AHA's various initiatives.

Website Management

During Q1, both agency websites (www.alamedahsq.org and www.islandcitydevelopment.org) continued to undergo content updates, to reflect accurate and timely information. Also, both websites are reviewed monthly for ADA accessibility (WCAG 2.1 level AA) and any required content updates. Staff also conducted daily scans for any broken links listed on www.alamedahsq.org. Both websites continue to feature full ADA-compliant features, intuitive navigation, accurate content, and are optimized for mobile devices.

Online Data Metrics

The information below tracks AHA's growing digital presence by capturing website analytics, social media metrics, and email activity in Q1 2025:

Website Data (for www.alamedahsq.org):

Total unique visitors: 24,186

Total page views by unique visitors: 83,507

Average engagement per active unique visitor: 1 minute 09 seconds

Facebook Data:

Total followers: 1,163 (64 new followers during Q1)

Post reach (number of people that saw any content on AHA's Facebook page): 3,301

LinkedIn Data:

Total followers: 1,447 (191 new followers added during Q1)

Unique visitors: 463

Impressions delivered (total AHA LinkedIn profile page views by unique visitors): 1,055

Email Data:

Agency marketing emails sent out by AHA during Q1: 32,486
Email contact list growth (from previous quarter): 713
Total contacts: 50,331
Email open rate: 60%
Click rate: 12%

Ombudsperson Data

Since May 2021, AHA's Ombudsperson Program has served as a solution-oriented community resource available to all AHA tenants, AHA program participants, AHA landlords, and other community-based organizations. The Ombudsperson is a community liaison and provides an array of duties, including:

- Resolving AHA tenant or participant complaints;
- Identifying AHA staff members to answer specific questions;
- Developing and expanding community partnerships;
- Serving as a neutral AHA representative to help our clients find solutions; and
- Ensuring that tenant and/or landlord concerns are fully addressed.

Total Q1 2025 Ombudsperson Contacts 17

Public Non-AHA landlord/tenant matter	3
Tenant - Potential lease violation	0
Neighbor dispute	1
Property management dispute	3
Reasonable accommodation	0
Rental payment, ledger review	3
Voucher related	1
Lease up	3
Complaint related to FPI staff	0
Complaint related to AHA staff	1
Contacts related to landlord (landlord - Portal, HAP, etc.)	2

IT Project Updates

Yardi: AHA's IT Team worked with Yardi on the roll-out of the waiting list opening. IT is also currently working with the Data and Policy Department and Yardi to prepare the waiting list data for the lottery process.

Camera System: AHA's IT Team worked with Techordia on Littlejohn Commons' camera system. The broken network video recorder was replaced and the camera system is now back online.

Staff training: AHA's IT Team continues to provide agency-wide training at monthly All-Staff Meetings. Topics including "How to identify phishing emails", "How to send encryption emails using Zix" and "How to use SharePoint" were covered in Q1.

IT support Tickets

IT Support Tickets	October	November	December	Quarter 1
Access Rights	51	37	43	131
Hardware	10	15	15	40
Software	59	53	61	173
Onboarding/Off Boarding	5	0	1	6
On-Site Visits	8	5	8	21
Cybersecurity	6	5	4	15
Total	139	115	132	386

Brief analysis of Q1:

Access rights remain a frequent subject of IT tickets, as AHA has tight security measures.

Risk Management Summary

AHA Claim Management: In this quarter, the AHA Risk Management team received 19 Incident Reports

Incident Type by Quarter	Q1
Other (tenant related)	2
Property	14
Public Safety	0
Vehicle	0
Tenant Injury	3
Grand Total	19

Three property incidents were converted into insurance claims.

The total expenditure amount associated with the reported incidents during this quarter is currently estimated at approximately \$48,004.00, with an expected recovery rate of roughly 47% from claim reimbursements (subtracting deductibles and non-reimbursable expenses). The AHA Risk Management Analyst (RMA) expects the recovery rate to increase before these three claims are finalized, due to vendor warranty coverage.

Approximate expenditures by type:

- Abatement costs (not covered): \$6,167.00
- Remediation and repairs (covered): \$41,837.00

AHA Risk Prevention Program Activities for Q1:

- AHA staff, including the RMA, completed bi-weekly property visits at all residential sites. Staff offered recommendations for improvements regarding security, health and safety, ADA compliance, inspection and permit compliance, hazard correction, and overall quality of properties.
- Performed daily and monthly inspections of AHA's main office (701 Atlantic Ave.), monthly inspections of the maintenance garage at AHA's main office, and monthly inspections of AHA's office at South Shore Center.
- Coordinated the renewal of AHA's Cyber Liability insurance policy.
- Coordinated the renewal of AHA's Pollution Liability insurance policy for the Poplar site.
- Backup generators were tested monthly, in compliance with AHA's written Standard Operating Procedure (SOP).
- Reviewed vendor contracts for appropriate insurance coverage.

Emergency Management:

- The AHA Safety Committee met and discussed various safety items, such as considerations for improved evacuation routes, improved fire drill procedures and backup training, inclusion of Naloxone in workplace first aid kits, and the scheduled annual office inspection of 701 Atlantic.
- Emergency preparedness supplies were inventoried, consolidated, and labeled.
- The Anne B. Diamant Plaza (ABD) emergency plans and preparedness binder were updated, revised, and consolidated.
- The updated ABD tenant emergency plans were distributed to ABD tenants.

FISCAL IMPACT

The fiscal details involved in individual solicitations can be found here: <https://www.alamedahsg.org/contracting-with-aha/>.

Non-procurement costs are covered under the approved AHA budget.

CEQA

Not applicable.

RECOMMENDATION

Accept the Quarterly Overview Report for the Administration and Services Department.

ATTACHMENTS

None

Respectfully submitted,

Gregory Kats

Greg Kats, Director of Administration and Services



Housing Authority
of the
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To: Honorable Chair and Members of the Board of Commissioners

From: Shanon Lampkins, Director of Asset Management

Date: May 21, 2025

Re: Accept the Quarterly Overview Report for the Asset Management Department.

BACKGROUND

This memo provides a high-level overview of the Asset Management Department's activities for January through March 2025.

DISCUSSION

Staffing

The Asset Management Department had a staff change and currently has two staff members: the Director of Asset Management and the Asset Manager. The portfolio and related tasks have been reassigned between current staff and the Executive Director and/or the Director of Housing Development.

Portfolio Oversight Update

- Work performed by Asset Management during the period included conducting site inspections, submitting project reports to lenders and investors, reviewing monthly property financials and drafting 2025-2026 operating budgets for the non-tax credit properties. The following are some highlights from this quarter:
- Staff continued discussions with the County of Alameda Assessor's Office to push for necessary documentation confirming property tax exemptions for the Housing Authority of the City of Alameda (AHA)/Alameda Affordable Housing Corporation (AAHC) and tax credit properties along with the status of refunds for prior property tax payments. Asset Management received confirmation letters of exemption approval for all AAHC sites. The county tax collector will process refunds. The total amount of the refund requests is just below \$1M.
- Staff negotiated the host license agreement to install an EV charging station along the sidewalk area in front of Everett Commons. The EV charging station vendor, Itselectric, has been working with AHA and the City of Alameda on this



project. The property is not projected to incur any costs associated with this project, which will benefit the residents and the broader community. A memo on this project will be brought to the Board for review and approval at an upcoming meeting.

- Compliance reporting and compliance inspections were completed for the City of Alameda and California Debt Limit Allocation Committee (CDLAC).
- There were continued negotiations on the Second Amended and Restated Limited Partnership Agreement for the Shinsei Year 15 tax credit exit with the exiting co-General Partner. A recommendation to approve the agreement will be brought to the Board for review at this meeting.

FISCAL IMPACT

None

CEQA

Not Applicable.

RECOMMENDATION

Accept the Quarterly Overview Report for the Asset Management Department.

ATTACHMENTS

None

Respectfully submitted,



Shanon Lampkins, Director of Asset Management



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

From: Louie So, Chief Financial Officer

Date: May 21, 2025

Re: Accept the Quarterly Financial Report for the month ended March 31, 2025.

BACKGROUND

This high-level, Finance and Budget Variance Report covers preliminary unaudited financial operating results from July 1, 2024 through March 31, 2025 compared to the Fiscal Year 2024-2025 budget for the same period. In June 2024, the Housing Authority of the City of Alameda (AHA) Board of Commissioners approved a one-year, Fiscal Year 2024-2025, operating budget for the period covering July 1, 2024 through June 30, 2025. Although the audited financial statements are on an accrual basis, the month-to-month financial statements 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 by the independent financial auditors (Novogradac and Company LLP), including information that is provided in arrears such as the pension calculation from AHA actuaries and any adjustments proposed by the independent financial auditors.

AHA financial reports incorporate the financial activities of the properties which were transferred to AHA's affiliate, Alameda Affordable Housing Corporation (AAHC). All members of the AHA Board of Commissioners also serve as the Board of Directors of AAHC and, due to this common control, the Department of Housing and Urban Development (HUD) has opined that AAHC is a blended component unit of AHA. Please note that the activity of AHA's affiliate, Island City Development (ICD), and related low-income housing tax credit partnerships (which owns Rosefield Village, Everett Commons and Littlejohn Commons, and is developing the North Housing sites including Estuary I and Linnet Corner, as well as The Poplar), are not included in this memorandum with the exception of holdings costs on AHA's financial records. Financial activity of ICD is presented at a separate ICD Board of Directors Meeting. HUD has opined that ICD is a discretely presented component unit of AHA, and presented separately in the audited financial statements of the agency.

DISCUSSION



Overview

The following financial snapshot showcases Net Operating Income for the fiscal year to date (July 1, 2024 through March 31, 2025). Further discussions on the cause of these variances are presented below.

Financial Snapshot	PTD Actual	PTD Budget	Variance (+/-)	Variance (%)
Total Revenue	\$49,513,442	\$46,864,145	\$2,649,297	6%
LESS: Operating Expenses	-48,833,014	-47,129,091	-1,703,923	4%
Net Income (Accrual Basis)	\$680,428	\$-264,946	\$945,374	4%

Adjusting for Net Income (Accrual Basis) by removing depreciation and adding must pay principal on mortgages, cash flow from operations is \$1,145,770 (\$1,006,215 higher than the budget period to date). Operating cash flow was utilized to support the Independence Plaza Restore-Rebuild (formerly known as Faircloth-to-RAD) conversion in conjunction with AHA-held reserves in November 2024 by paying off the mortgage and funding a required replacement reserve.

Although projected actual Cash Flow/Net Operating Income is substantially higher than budgeted, a portion of budgeted revenue is non-recurring local funds (e.g. Alameda Unified School District Recognized Obligation Payment Schedule (AUSD ROPS) Grants) and the budget is highly dependent on federal funds (Housing Assistance Payments (HAP) and administrative fee income). Additionally, the annual Independence Plaza Tax Increment of \$2.5 million is expected to sunset in 2026, although through the Restore-Rebuild conversion that closed in November 2024, additional vouchers were added in December 2024 to start to stabilize the rental income of that property.

The following indicators showcase whether AHA has sufficient cash and investments to meet its near-term obligations (operating expenses). The months of cash divided by Housing Assistance Payments are showcased as an indicator only; HAP to landlords will not be funded if there is no HUD disbursements to AHA. There are currently substantial cost savings as the agency has vacant budgeted positions, but as AHA fills these positions, the expectation is that the "Month Covered" column will be lower as additional funding will be deployed due to commitments to Estuary I, Linnet Corner, The Poplar, and the North Housing parcel.

Indicator	Cash and Investments	YTD Expenses divided by 9 months	Months Covered
Cash and Investments <u>divided by</u> 1 Month Average HAP Expense	\$23,931,270	\$3,712,809	6.45
Cash and Investments <u>divided by</u> 1 Month Average Operating Expenses	\$23,931,270	\$1,713,082	13.97
Cash and Investments <u>divided by</u> 1 Month Average HAP and Operating Expenses	\$23,931,270	\$5,425,891	4.41

Furthermore, the leverage ratio of AHA/AAHC Debt (\$86,556,083) to AHA Assets (\$237,465,838) percentage of 36%, showcases that AHA is lowly leveraged and does not utilize substantial borrowings to fund AHA/AAHC operations. Additionally, some of the AHA debt is related party, internal debt (e.g. seller note from the AHA to AAHC property transfers which is a mechanism for AAHC properties to repatriate operating cash flow to AHA).

Third Party Management

AHA's Finance team and the Accounting team from FPI Management, Inc., (FPI) continues to work closely for reporting, and staff from both parties continue to monitor for critical invoices to be paid on time (mortgages, insurance, utilities, vendors etc.). Additionally, AHA Finance staff have access to view FPI bank account activity online, and FPI Yardi financial statements, and online access to view accounting and ledger transactions in real time. Monthly financial packages are received approximately 15 days after the month-end of our properties and are reviewed by AHA Finance, AHA Property Management, and AHA Asset Management.

Operations Budget – Revenue

Year-to-date - Rental Income (Total Tenant Revenue) of \$13,346,611 is predominantly made up of Housing Assistance Payments (HAP) received for AHA/AAHC units and

tenant rents received for these properties. Please note that the tax increment subsidy for Independence Plaza (which will sunset in 2026) is generally received as two lump sums from the City of Alameda every fiscal year, and recognized on a monthly prorated basis on the financial statements for budget purposes (accrual basis). The next increment is expected to be received prior to the June 30, 2025, fiscal year-end. The tenant portion of rents received is lower than budget by \$659,442 (15%), with vacancies lower than budget by \$48,322 (8%), with a higher HAP subsidy received of \$727,970 (10%). Staff will continue to monitor tenant and HAP income closely, and a reconciliation effort continues to be in progress for all properties under FPI's management. Total Federal Grants (7069000) represents Shelter Plus Care Revenue from the County of Alameda, and these payments are passed through as housing assistance payments and a small portion as administrative fee income. Other Grants (7089000) is lower than budgeted as the budgeted AUSD ROPS Grant is still pending; staff is in touch with AUSD with support for the reimbursement of costs spent. As of May 2025, \$882,239 was received for the AUSD ROPS Grant and will be reported in the next finance memorandum. Again, these types of revenue are non-recurring and are submitted after the recorded expenditures (whether hard costs or salary costs). Total Other Income (7159000) is slightly lower than budgeted, due to a lower interest rate on AHA's reserve balance. It is expected that interest income will continue to be lower or on par in the upcoming months due to planned deployment of reserves as well as lower interest rates expected.

Expenses

Total operating expenses, including HAP and mortgage principal payments to AHA/AAHC lenders are higher period-to-date budget by \$1,703,923 (4%). Aside from HAP which is higher than budget (discussed in the following paragraph), additional maintenance costs paid through excess cash flow (deferred maintenance costs and planned capital costs that were budgeted to be paid from reserves but spent via available cash flow instead), and year-end fees associated with Independence Plaza Restore-Rebuild (formerly known as Faircloth-to-RAD) is partially offset by lower paid out salary and benefit expenses (due to vacancies) and some costs savings due to budgeted travel not heavily utilized during the fiscal year.

Housing Assistance Payments (HAP) Pass-through

The Housing Assistance Payments (HAP) pass-through includes all the Housing Choice Voucher, Project Based Vouchers, Shelter Plus, Bessie Coleman ("SRO") programs and other boutique voucher types (i.e. Stability Vouchers and Emergency Housing Vouchers). Year-to-date HAP revenue (8100120 Total HUD Grant) is higher than budgeted by \$4,110,084. HUD has released additional HUD held cash reserves due to the shortfall in funding in 2024 which depleted this reserve. In January 2025, the Shortfall Prevention Team recommended a shortfall award of \$1,274,563 to the agency. It is anticipated that AHA will again be in HAP shortfall by year-end 2025.

Statement of Net Position as of 3/31/2025

AHA, AAHC and its affiliates have adequate cash resources for operations and reserves. As of March 31, 2025, AHA, AAHC, and its affiliates have \$8.8 million in

cash, and \$15.2 million held in Local Area Investment Trust Fund ("LAIF") and California Asset Management Program ("CAMP") investments. Additional operating cash funds will be into LAIF and CAMP investments, although certain reserves must remain at a FDIC insured financial institution per HUD, lender and/or investor rules.

Please see below to showcase a breakdown of AHA's cash and investment position, quarter over quarter, and a breakdown between restricted and unrestricted funds, quarter over quarter.

Cash and Investment Position Breakout:

Cash and Investment Position	3/31/2025	12/31/2024	Increase/Decrease
Cash held at FDIC insured bank, with securities collateralization	\$8,756,187	\$9,808,894	-\$1,052,707
LAIF (Local Area Investment Fund)	\$12,767,011	\$12,620,237	\$146,774
CAMP (California Asset Management Program)	\$2,408,071	\$1,134,153	\$1,273,918
[1] Total Cash and Investments	\$23,931,270	\$23,563,284	\$367,986

Restricted and Unrestricted Funds Breakout:

Restricted and Unrestricted Funds	3/31/2025	12/31/2024	Increase/Decrease
Restricted Property Funds (Security Deposits, Replacement Reserves, Escrow Deposits, etc.)	\$2,762,983	\$3,111,526	-\$348,546
Restricted Federalized Funds	\$1,028,890	\$1,027,242	\$1,648
Cash - Subject to AHA Reserves Policy	\$20,139,397	\$19,424,516	\$714,881
[2] Total Restricted and Unrestricted	\$23,931,270	\$23,563,284	\$367,986

Funds			
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In May 2022, the Reserves Policy was approved by the Board of Commissioners on the medium term plan to maintain adequate operating and HAP reserves and also for acquisition and development purposes. This Reserves Policy has been expanded since then (with the latest presented in May 2024) and it is expected that additional changes will be needed in the latter half of fiscal year 2025. Within the Cash - Subject to AHA Reserves Policy amount above includes the undisbursed proceeds from The Poplar's predevelopment loan of approximately 2.3 Million, which was used to repay AHA's original outlay for acquisition and due diligence of The Poplar site from Alameda Unified School District.

OTHER ISSUES IMPACTING FINANCE DEPARTMENT

Federal Public Policy

In January 2025, the OMB issued and rescinded a memorandum directing federal agencies to temporarily pause federal grants, loans and other financial assistance programs by the current administration's executive orders. As AHA's grant revenue is directly and indirectly tied to federal funds, staff was in communication with authorities due to the material impacts if the contracted grant revenues were not available timely.

Although federal funding was available in February 2025 after the rescinding of the memo, staff will continue to monitor cash levels and federal actions internally and with our external partners.

In May 2025, the OMB issued the current administration's Fiscal Year 2026 budget proposals, including changes to federal subsidies impacting affordable housing. Staff will continue to monitor this and legislative priorities for any potential impacts, including the upcoming federal budget in the Fall of 2025.

Satellite Office and Finance Staffing

The satellite office's lease has been extended through 2027 (with a possible extension to 2029), which currently houses the finance and asset management departments. The Board of Commissioners approved the extension in the month of April 2024.

The Finance Department is fully staffed with no turnover since 2019. Nan McKay and Associates, AHA's PHA Financial Consultants, continues to provide limited consulting services to AHA Finance and AHA Housing Programs Departments, including HUD's monthly Voucher Management System (VMS) report submittal and support of the annual unaudited Financial Data Schedule ("FDS"). A part-time financial consultant is providing assistance with reconciliation efforts and financial review support, and will support the department during a planned medium term leave of a Finance team member.

Alameda Housing Authority Audit

AHA's independent financial auditors (Novogradac and Company LLP) presented the financial audit with no findings in the March 2025 Board of Commissioners meeting. A

final submittal to HUD (approved in April 2025) and an upload to the Federal Clearinghouse was completed. AHA is not required to file an entity tax return.

Alameda Affordable Housing Corporation Tax

AAHC's financial information is consolidated with AHA, and therefore there are no separate audited financial statements. The AAHC tax return was brought to the Board of Directors and submitted to the Federal and California tax authorities in April 2025, ahead of the May 2025 extended due date for the June 30, 2024 year-end reporting.

Island City Development Audit and Tax

Staff is working with the CPA firm Holthouse, Carlin & Van Tright LLP (HCVT) for audit work of Island City Development (ICD) and the three stabilized low-income housing tax credit (LIHTC) project partnerships (Sherman and Buena Vista, L.P., Everett and Eagle, L.P., and Constitution & Eagle, L.P. ((the "LPs") with preliminary meetings held for the 2024 reporting. The 2024 ICD audited financial statements and tax returns will be brought to the ICD Board of Directors by November 2025, and its activity will be presented in the AHA consolidated audited financial statements that is due to HUD in March 2026. The federal and California tax extension was filed by HCVT in May 2025.

The individual LIHTC project partnership audited financial statements will be brought to the ICD Board of Directors.

ICD is under a separate contract with Novogradac & Company LLP (San Francisco Office) as it relates to North Housing Block A. This includes limited liability companies associated with ICD, low-income housing tax credit partnerships (two in active construction including Estuary I and Linnet Corner) and pre-development work for Estuary II. Reports to be issued includes agreed-upon procedures reports, audited financial statements, tax returns and cost certifications.

Unfunded Pension Liabilities

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 previously presented to the Board of Commissioners by AHA's actuary, Nicolay, this is based on the assumption that the investment assets held at CalPERS as well as funding of the liabilities continue as projected. In July 2024, CalPERS stated that there is a preliminary positive 9.3% net return on investments for the 12-month period that ended June 30, 2024. Finance staff included actuarial reporting in the audited financial statements presented in March 2025. Finance staff will fund the annual accrued unfunded liability principal payment in the Summer 2025. 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. By June 2025, Finance staff will request a withdrawal from the CalPERS Other Post-Employment Benefit Section 115 Trust to pay back direct and implicit costs of retirees for the fiscal year.

Budget

AHA's Fiscal Year 2025-2026 budget is presented as an agenda item in this May 2025 Board of Commissioners meeting agenda.

Banking Activities

Check fraud occurred with some checks, and staff have alerted law enforcement and the bank to recoup the funds. Staff have made another big push to vendors and landlords to receive payments via electronic funds transfer, which will mitigate the risk of check and mail fraud.

Property Taxes

California Assembly Bill AB 1528, enacted in 2023, amends Housing Authorities Law in California that properties held by non-profit corporations that are controlled by housing authorities are exempt from property taxation. As AHA's affiliate, Alameda Affordable Housing Corporation (AAHC), has that legal structure due to common control through the related Boards, all AAHC's previously paid property taxes are to be refunded. As of the date of this memorandum, an estimate of \$473,168 is due from the County of Alameda, mostly for Pulte Homes acquired condominiums and Independence Plaza.

This amount does not include any potential transfer taxes incurred when assets were transferred from different legal affiliates. Asset Management staff met with the County of Alameda Office of the Assessor's staff in January 2025 and the next steps include receiving the official approval letter from the Assessor, which will include next steps regarding property tax refunds.

Upcoming Mortgage Maturities of AHA and AAHC Properties

As mentioned earlier in the Overview section, AHA and AAHC financial position are lowly leveraged, which means there is a low ratio between the use of debt as it relates to the total assets. In the medium term (within the next 5 years), the following mortgages are set to mature. Staff is tracking these loan maturities and have begun strategizing on refinancing these loans.

(1) PNC Bank, N.A. loan for the Parrot Village and Eagle Village properties - Maturity in August 2026 with a balloon payment of \$8.2 Million. Early refinancing may be permitted without a fee starting in May 2026.

(2) Community Housing Fund, LLC (Capital Impact) predevelopment loan for The Poplar property - Maturity in January 2028 with a balloon payment of \$3,337,000. As of the date of this memorandum, the loan is not fully drawn upon, and the loan proceeds are held in reserves in the amount of \$2.3 Million

(3) City of Alameda loan for the Anne B. Diamant property - Maturity in November 2028 with a balloon payment of \$96,000.

FISCAL IMPACT

For reporting only.

CEQA

N/A

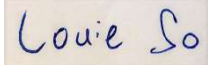
RECOMMENDATION

Accept the Quarterly Financial Report for the month ended March 31, 2025.

ATTACHMENTS

1. EXHIBIT B - MARCH 2025 BALANCE SHEET
2. EXHIBIT A - FISCAL YEAR PTD - MARCH 2025

Respectfully submitted,

A handwritten signature in blue ink that reads "Louie So". The signature is written on a light-colored, rectangular background that appears to be a piece of paper or a digital stamp.

Louie So, Chief Financial Officer

Balance Sheet (With Period Change)

Mar-25

Book = Accrual

		Current Period
1000000	ASSETS	
1100000	CURRENT ASSETS	
1101000	CASH	
1110010	Cash - Unrestricted	4,861,346
1110012	Cash - Reserve for Building	207,750
1110018	Cash - Operating Checking with 3rd Party	790,469
1110019	Petty Cash with 3rd Party	3,500
1110020	Cash - Petty cash	1,250
1110021	Cash - Benefit Account	-
1110030	Cash - FSS	128,890
1110040	Cash - Replacement Reserve Bldg	1,889,700
1130010	Cash - Restricted Other	79,231
1130030	Cash - Restricted Sec Dep	-
1140050	Cash - Tenant Security Deposits with 3rd Party	483,185
1199000	TOTAL CASH	8,445,321
1200000	ACCOUNTS RECEIVABLE	
1240010	Accounts Receivable - Government	156,409
1240070	Accounts Receivable- HUD	33,544
1250010	Accounts Receivable - Other	152,238
1250011	Accounts Receivable - Leases	295,416
1250050	Accounts Receivable - 3rd Party Management	20,898
1255000	Subsidy Suspense Receivable	25,584
1260000	Accounts Receivable - Tenant	347,264
1260050	Accounts Receivable - Tenant Rent with 3rd Party	474,537
1261000	Allowance for Doubtful Accounts -Dwelling Rent	(468,672)
1280000	Fraud Recovery	88,878
1281000	Allowance for Doubtful Accounts - Fraud	(87,722)
1290000	Accrued Interest Receivable	(1)
1299000	TOTAL ACCOUNTS RECEIVABLE	1,038,373
1300000	INVESTMENTS AND OTHER CURRENT NOTES	
1310000	Investments(LAIF)- Unrestricted	12,766,707
1320010	Investments - Other	304
1320020	Investments(LAIF) (Restricted) - FSS Escrow	0
1320030	Investments(LAIF)- Building Reserve	-
1320040	Investments(LAIF) - Equipment Reserve	-
1350010	Investment(LAIF)-Restricted (Jack Capon Villa Trust)	-
1350031	Investments - CAMP	2,408,071
1350100	Mortgage Receivable	83,604,032
1350103	Mortgage Receivable-Jack Capon L. P.	-
1350105	Loan Receivable-Security Deposit Loan	16,561
1350106	Loan Receivable - ICD	30,956,568
1350107	Loan Receivable-RCD/Stargell/Tri Pointe	2,000,000
1350109	Loan Receivable - Section 8	1,790,000
1360000	TOTAL INVESTMENTS AND OTHER CURRENT NOTES	133,542,243
1400000	PREPAID EXPENSES	
1420010	Prepaid Insurance - Property	7,673

Balance Sheet (With Period Change)

Mar-25

Book = Accrual

		Current Period
1420040	Prepaid Insurance - Worker Comp	58,617
1420050	Prepaid - Other	2,910
1420051	Prepaid Rent	5,813
1420070	Escrow Deposits - Property	18,350
1420095	Prepaid Expense - Management Company	199,953
1430010	Replacement Reserve-NorthMarq Loan	310,866
1440099	TOTAL PREPAID EXPENSES	604,182
1440105	INTERPROGRAM	
1440110	Interprogram (Due From)	5,706,314
1440111	Interprogram Due From Sherman St FACSA	20,189
1440899	TOTAL INTERPROGRAM	5,726,503
1500000	TOTAL CURRENT ASSETS	149,356,623
1590000	LONG TERM ASSETS	
1600000	FIXED ASSETS	
1609999	LAND AND BUILDINGS	
1610000	Land	60,726,239
1620030	Buildings	36,317,895
1620031	Buildings Improvements	3,193,447
1620060	Construction In Progress	2,500
1629000	TOTAL LAND AND BUILDINGS	100,240,080
1630040	Furniture and Equipment - Dwelling	280,727
1630041	Furniture and Equipment - Other	150,762
1650000	Leasehold Improvements	15,000,714
1660030	Accumulated Deprecation	(36,041,144)
1699000	TOTAL FIXED ASSETS	79,631,140
1700000	ALL OTHER ASSETS	
1740000	Other Asset	(79,403)
1740002	Other Asset - Lease	191,313
1770000	TOTAL ALL OTHER ASSETS	111,910
1800000	DEFERRED OUTFLOW	
1800200	Deferred Outflow of Resources - Pension	2,794,429
1800201	Deferred Outflow of Resources - OPEB	418,164
1890000	TOTAL DEFERRED OUTFLOW	3,212,593
1900000	CONSTRUCTION IN PROGRESS	
1900020	CIP - Building Improvements	1,868,188
1900030	CIP - Land Improvements	42,202
1900040	CIP - Acquisition-Legal	60,909
1900045	CIP - Acquisition-Title & Escrow Fee	7,883
1900050	CIP - Appraisal (Land or Property)	8,000
1900060	CIP - Demolition & Remediation	3,094
1900070	CIP - Others Acquisition Costs	1,540
1900100	CIP - On Site Improvement	574,473
1900101	CIP - GC Gen Requirements/OH/Profit	587,129
1900110	CIP - Offsite Improvement	1,334,399
1900125	CIP - Relocation cost-Temp	4,854
1900200	CIP - Admin Expenses(including postage & advertising)	710

Balance Sheet (With Period Change)

Mar-25

Book = Accrual

		Current Period
1900210	CIP - Architectural & Engineering Fees	73,995
1900213	CIP - Architectural Construction Admin	(533)
1900216	CIP - Survey Fees	34,628
1900217	CIP - Engineering Fees	36,130
1900230	CIP - Professional Services (Other)	44,262
1900250	CIP - Costs of Insurance	25,856
1900270	CIP - Financing Cost-Inspection Fees	89,951
1900280	CIP - Insurance Costs During Construction	26,901
1900290	CIP - Organization - Legal	4,892
1900300	CIP - Construction Loan-Legal	19,871
1900315	CIP - Construction Loan - Fees	(2,501)
1900350	CIP - Loan Interest - Soft	59,210
1900370	CIP - Syndication-Consultant	2,050
1900407	CIP - Bond Issuance Fees	9,070
1900410	CIP - Environmental Testing & Reports	200,943
1900420	CIP - Permit & Fees (plan'g,build'g,public work,school dist)	13,330
1900430	CIP - Utilities Fees	7,580
1900440	CIP - Marketing Cost	11,096
1900450	CIP - Furnishings & Equipment	3,463
1919999	TOTAL CONSTRUCTION IN PROGRESS	5,153,572
1929999	TOTAL LONG TERM ASSETS	88,109,215
1999999	TOTAL ASSETS	237,465,838
3000000	LIABILITIES AND EQUITY	
3005000	LIABILITIES	
3100000	CURRENT LIABILITIES	
3100500	ACCOUNTS PAYABLE	
3120010	Accounts Payable<= 90 Days	286,669
3120011	Accounts Payable -CALPERS (employee portion)	550
3120014	Accounts Payable-Garnishment (employee portion)	(129)
3120015	Accounts Payable-Vision Insurance (employee portion)	789
3120016	Accounts Payable-Life Insurance (employee portion)	(45)
3120018	Accounts Payable-PARS retirement (employee portion)	(1,564)
3120019	Accounts Payable-Flexible Spending Account(employee portion)	(1,060)
3120021	Employees Cobra	(262)
3120022	Accounts Payable-PERS 1959 Surv(Employee Portion)	41
3120023	Accounts Payable-FSA Transit Plan	338
3120024	Accounts Payable FSS	124,789
3120029	Accounts Payable - 3rd Party Management Company	79,287
3120030	Accrued Wage/Payroll Taxes Payable	-
3120040	Accrued Compensated Absences - Current Portion	204,488
3120070	Accrued Payables	164,412
3120075	Accrued Accounts Payable - 3rd Party Management	-
3120080	Contracts - Retentions	77,286
3330100	Tenants- Rents Payable	9,200
3339000	TOTAL ACCOUNT PAYABLE	944,790
3400000	SECURITY DEPOSITS HELD	

Balance Sheet (With Period Change)

Mar-25

Book = Accrual

		Current Period
3410015	Tenant Security Deposits - held with 3rd Party Management	474,433
3419000	TOTAL SECURITY DEPOSITS HELD	474,433
3419900	OTHER LIABILITIES	
3420000	Prepay Tenant Rent	45,580
3421000	Prepay Tenant Rent - 3rd Party Management	24,838
3425000	Unearned Revenue	709,139
3430000	Current Portion of Long Term Debt - Capital Projects	8,299,352
3440000	Current Portion of Long Term Debt - Operating Borrowing	220,024
3449000	TOTAL OTHER LIABILITIES	9,298,933
3470000	INTERPROGRAM	
3470050	Interprogram (Due to)	5,654,196
3471000	Due To/Due From Suspense Account	(5,978)
3480000	TOTAL INTERPROGRAM	5,648,218
3499000	TOTAL CURRENT LIABILITIES	16,366,374
3500000	NON-CURRENT LIABILITIES	
3510100	Mortgage Loan Payable	15,177,312
3510130	Interest Payable - City of Alameda Loan	1,229,629
3510140	Home Fund Loan #1	206,252
3510143	\$3.6M Housing Authority Loan Payable	45,518,417
3510150	Housing Community Dev. Loan	916,400
3510154	Housing Comm.- LEAD loan	1,605,000
3510157	Loan Payable - Esperanza	1,790,000
3510160	Home Fund Loan #2	282,700
3540000	Accrued Compensated Absences - Noncurrent	151,636
3570000	OPEB Liability	(128,123)
3580000	Pension Liability	3,440,486
3599000	TOTAL NON-CURRENT LIABILITIES	70,189,709
3999000	TOTAL LIABILITIES	86,556,083
4000000	Equity/Net Assets	
4000001	EQUITY	
4000100	DEFERRED INFLOW	
4001000	Deferred Inflow of Resources - Pension	474,895
4001001	Deferred Inflow of Resources - OPEB	(580,233)
4001002	Deferred Inflow of Resources - Leases	(17,839,855)
4900000	TOTAL DEFERRED INFLOW	18,894,982
4999999	CONTRIBUTED CAPITAL	
5010000	Net Investment in Capital Assets	24,337,632
5090000	Unrestricted	105,420,396
5120000	Unrestricted	2,255,434
5120010	Net Restricted Assets	1,311
5950000	TOTAL CONTRIBUTED CAPITAL	132,014,773
5999900	TOTAL EQUITY	150,909,755
6000000	TOTAL LIABILITIES AND EQUITY	237,465,838

Property = hpdprops sl bcu
Budget Comparison (with PTD)
Period = Jul 2024-Mar 2025
Book = Accrual

		PTD Actual	PTD Budget	Variance	% Var
7050000	TOTAL TENANT REVENUE	13,346,611	13,235,650	110,961	1
7069000	TOTAL FEDERAL GRANTS	335,934	352,231	(16,297)	(5)
7089000	TOTAL OTHER GRANTS	18,373	1,500,000	(1,481,627)	(99)
7159000	TOTAL OTHER INCOME	1,112,166	1,192,500	(80,334)	(7)
8100120	TOTAL HUD GRANT	34,700,483	30,583,764	4,116,719	13
8989000	TOTAL OTHER REVENUE	(125)	-	(125)	N/A
8999000	TOTAL REVENUE	49,513,442	46,864,145	2,649,297	6
9169000	TOTAL ADMINISTRATIVE	9,072,922	13,019,039	3,946,117	30
9249000	TOTAL TENANT SERVICES	190,485	252,272	61,787	24
9399000	TOTAL UTILITIES	918,757	1,047,511	128,754	12
9499000	TOTAL MAINTENANCE	1,972,830	759,309	(1,213,521)	(160)
9698000	TOTAL GENERAL EXPENSES	1,207,037	1,150,829	(56,209)	(5)
9699000	TOTAL OPERATING EXPENSES	13,891,834	16,228,960	2,337,127	14
9700900	TOTAL MOD REHAB AND SPC EXPENSES	(564,807)	(300,000)	264,807	88
9739000	TOTAL HOUSING ASSISTANCE PAYMENTS (VOUCHER)	33,980,086	29,718,484	(4,261,602)	(14)
9859999	TOTAL OTHER EXPENSES	1,525,901	1,481,646	(44,255)	(3)
9996000	TOTAL EXPENSES	48,833,014	47,129,091	1,703,923	4
9998000	TOTAL NET INCOME	680,428	(264,946)	945,374	(357)
LESS:	DEPRECIATION EXPENSE (NON-CASH AND ADDED BACK)	1,290,000	1,290,000	0	0
ADD:	MORTGAGE PRINCIPAL REPAYMENTS	-824,658	-885,499	60,840	-7
	CASH FLOW FROM OPERATIONS	1,145,770	139,556	1,006,215	721

SUMMARY OF CASH FLOW FROM OPERATIONS					
	TOTAL REVENUE	49,513,442	46,864,145	2,649,297	6
	TOTAL EXPENSES (ADJUST NON-CASH DEPRECIATION + PRINCIPAL REPAYMENT)	48,367,672	46,724,590	-1,643,083	-4
	CASH FLOW FROM OPERATIONS	1,145,770	139,556	1,006,215	721



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: Janet Lee, Asst. Director of Finance

Date: May 21, 2025

Re: Accept the Quarterly Investment Report for the Period Ending March 31, 2025.

BACKGROUND

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

DISCUSSION

The quarter-end report reflects the investment of the Agency and affiliates. 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 (AHA) and Island City Development's (ICD) investments.

FISCAL IMPACT

Local Area Investment Fund (LAIF) funds are on demand and can be used for immediate needs. Interest is posted quarterly to the account by LAIF and the 3 months of interest from January 2025 through March 2025 earned will be presented in the April 2025 LAIF statement. California Asset Management Program (CAMP) funds are on-demand and can be used for immediate needs. Interest is posted monthly to the account by CAMP.

Although AHA and ICD investment accounts in LAIF and CAMP earn higher interest, HUD requires maintaining certain cash in FDIC-insured accounts and/or banking institutions that collateralized public funds with securities (e.g. The mandated Replacement Reserve in connection with the Independence Plaza Restore-Rebuild conversion(formerly known as Faircloth to RAD). Staff are actively managing and rebalancing cash holdings to optimize returns and manage daily operating cash flow, while remaining compliant with these HUD requirements and the AHA Investment Policy.



In March 2025, the second tranche of AUSD ROPs for Independence Plaza was received and invested in AHA-CAMP to maximize interest earnings.

Investment changes for the quarter ending March 31, 2025 are:

Activity	AHA-LAIF	AHA-CAMP	ICD-CAMP
Beg. Balance - December 31, 2024	\$12,619,934	\$1,134,153	\$35,624
Interest Income	146,773	13,278	2,596
Deposits	-	1,260,640	1,000,000
Withdrawals	-	-	-
Ending Balance - March 31, 2025	\$12,766,707	\$2,408,071	\$1,038,220

AHA'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 revised Investment Policy was approved by the Board of Commissioners in January 2025. The Executive Director and Chief Financial Officer will maintain a complete and timely record of all investment transactions.

CEQA

Not applicable.

RECOMMENDATION

Accept the Quarterly Investment Report for the Period Ending March 31, 2025.

ATTACHMENTS

1. LAIF Statement for Quarter ending March 2025
2. CAMP Statement for month ending March 2025 - AHA
3. CAMP Statement for month ending March 2025 - ICD

Respectfully submitted,



Janet Lee, Asst. Director of Finance

California State Treasurer
Fiona Ma, CPA



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

April 07, 2025

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

ALAMEDA HOUSING AUTHORITY

EXECUTIVE DIRECTOR
701 ATLANTIC AVENUE
ALAMEDA, CA 94501

[Tran Type Definitions](#)

Account Number:

March 2025 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	12,766,707.04
Total Withdrawal:	0.00	Ending Balance:	12,766,707.04



Customer Service
PO Box 11813
Harrisburg, PA 17108-1813

ACCOUNT STATEMENT

Housing Authority of the City of Alameda (AHA)

For the Month Ending
March 31, 2025

Client Management Team

Monique Spyke

Managing Director
1 California Street Ste. 1000
San Francisco, CA 94111-5411
415-393-7270
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Rachael Miller

Client Consultant
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Cover/Disclosures
Summary Statement
Individual Accounts

Accounts included in Statement

Housing Authority of the City of Alameda (AHA)

Important Messages

CAMP will be closed on 04/18/2025 for Good Friday.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA (AHA)
VANESSA COOPER
701 ATLANTIC AVENUE
ALAMEDA, CA 94501

Online Access www.camponline.com

Customer Service 1-800-729-7665



Important Disclosures

Account Statement

For the Month Ending **March 31, 2025**

Important Disclosures

This statement is for general information purposes only and is not intended to provide specific advice or recommendations. PFM Asset Management ("PFMAM") is a division of U.S. Bancorp Asset Management, Inc. ("USBAM"), a SEC-registered investment adviser. USBAM is direct subsidiary of U.S. Bank National Association ("U.S. Bank") and an indirect subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, services or performance of PFMAM. PFMAM maintains a written disclosure statement of our background and business experience. If you would like to receive a copy of our current disclosure statement, please contact Service Operations at the address below.

Proxy Voting PFMAM does not normally receive proxies to vote on behalf of its clients. However, it does on occasion receive consent requests. In the event a consent request is received the portfolio manager contacts the client and then proceeds according to their instructions. PFMAM's Proxy Voting Policy is available upon request by contacting Service Operations at the address below.

Questions About an Account PFMAM's monthly statement is intended to detail our investment advisory activity as well as the activity of any accounts held by clients in pools that are managed by PFMAM. The custodian bank maintains the control of assets and executes (i.e., settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. PFMAM recognizes that clients may use these reports to facilitate record keeping and that the custodian bank statement and the PFMAM statement should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

Account Control PFMAM does not have the authority to withdraw funds from or deposit funds to the custodian outside the scope of services provided by PFMAM. Our clients retain responsibility for their internal accounting policies; implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

Market Value Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services. There may be differences in the values shown for investments due to accrued but uncollected income and the use of differing valuation sources and methods. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.

Amortized Cost The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.

Tax Reporting Cost data and realized gains / losses are provided for informational purposes only. Please review for accuracy and consult your tax advisor to determine the tax consequences of your security transactions. PFMAM does not report such information to the IRS or other taxing authorities and is not responsible for the accuracy of such information that may be required to be reported to federal, state or other taxing authorities.

Financial Situation In order to better serve you, PFMAM should be promptly notified of any material change in your investment objective or financial situation.

Callable Securities Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented.

Portfolio The securities in this portfolio, including shares of mutual funds, are not guaranteed or otherwise protected by PFMAM, the FDIC (except for certain non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested. Actual settlement values, accrued interest, and amortized cost amounts may vary for securities subject to an adjustable interest rate or subject to principal paydowns. Any changes to the values shown may be reflected within the next monthly statement's beginning values.

Rating Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed.

Shares of some local government investment programs and TERM funds are distributed by representatives of USBAM's affiliate, U.S. Bancorp Investments, Inc. which is registered with the SEC as a broker/dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Municipal Securities Rulemaking Board ("MSRB"). You may reach the FINRA by calling the FINRA Hotline at 1-800-289-9999 or at the FINRA website address

<https://www.finra.org/investors/investor-contacts>. A brochure describing the FINRA Regulation Public Disclosure Program is also available from FINRA upon request.

Key Terms and Definitions

Dividends on local government investment program funds consist of interest earned, plus any discount ratably amortized to the date of maturity, plus all realized gains and losses on the sale of securities prior to maturity, less ratably amortization of any premium and all accrued expenses to the fund. Dividends are accrued daily and may be paid either monthly or quarterly. The monthly earnings on this statement represent the estimated dividend accrued for the month for any program that distributes earnings on a quarterly basis. There is no guarantee that the estimated amount will be paid on the actual distribution date.

Current Yield is the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical fund account with a balance of one share over the seven-day base period including the statement date, expressed as a percentage of the value of one share (normally \$1.00 per share) at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by

365 and dividing the result by 7. The yields quoted should not be considered a representation of the yield of the fund in the future, since the yield is not fixed.

Average maturity represents the average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. The stated maturity date of mortgage backed or callable securities are used in this statement. However the actual maturity of these securities could vary depending on the level or prepayments on the underlying mortgages or whether a callable security has or is still able to be called.

Monthly distribution yield represents the net change in the value of one share (normally \$1.00 per share) resulting from all dividends declared during the month by a fund expressed as a percentage of the value of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

YTM at Cost The yield to maturity at cost is the expected rate of return, based on the original cost, the annual interest receipts, maturity value and the time period from purchase date to maturity, stated as a percentage, on an annualized basis.

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Managed Account A portfolio of investments managed discretely by PFMAM according to the client's specific investment policy and requirements. The investments are directly owned by the client and held by the client's custodian.

Unsettled Trade A trade which has been executed however the final consummation of the security transaction and payment has not yet taken place.

Please review the detail pages of this statement carefully. If you think your statement is wrong, missing account information, or if you need more information about a transaction, please contact PFMAM within 60 days of receipt. If you have other concerns or questions regarding your account, or to request an updated copy of PFMAM's current disclosure statement, please contact a member of your client management team at PFMAM Service Operations at the address below.

PFM Asset Management
Attn: Service Operations
213 Market Street
Harrisburg, PA 17101

NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE



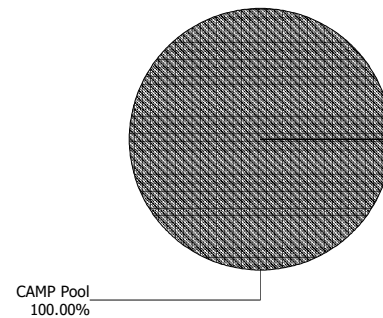
Account Statement - Transaction Summary

For the Month Ending **March 31, 2025**

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

CAMP Pool	
Opening Market Value	1,142,478.22
Purchases	1,265,592.88
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$2,408,071.10
Cash Dividends and Income	4,952.88

Asset Summary		
	March 31, 2025	February 28, 2025
CAMP Pool	2,408,071.10	1,142,478.22
Total	\$2,408,071.10	\$1,142,478.22
Asset Allocation		





Account Statement

For the Month Ending **March 31, 2025**

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					1,142,478.22
03/28/25	03/28/25	Purchase - Incoming Wires	1.00	1,260,640.00	2,403,118.22
03/31/25	04/01/25	Accrual Income Div Reinvestment - Distributions	1.00	4,952.88	2,408,071.10

Closing Balance **2,408,071.10**

	Month of March	Fiscal YTD July-March		
Opening Balance	1,142,478.22	5,054,013.10	Closing Balance	2,408,071.10
Purchases	1,265,592.88	4,354,058.00	Average Monthly Balance	1,305,301.22
Redemptions (Excl. Checks)	0.00	(7,000,000.00)	Monthly Distribution Yield	4.47%
Check Disbursements	0.00	0.00		
Closing Balance	2,408,071.10	2,408,071.10		
Cash Dividends and Income	4,952.88	93,418.00		



Customer Service
PO Box 11813
Harrisburg, PA 17108-1813

ACCOUNT STATEMENT

Island City Development

For the Month Ending
March 31, 2025

Client Management Team

Jeremy King

Key Account Manager
213 Market Street
Harrisburg, PA 17101-2141
717-232-2723
kingj@pfmam.com

Rachael Miller

Client Consultant
213 Market Street
Harrisburg, PA 17101-2141
1-855-678-5447 (1-855-OST-LGIP)
millerr@pfmam.com

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Cover/Disclosures
Summary Statement
Individual Accounts

Accounts included in Statement

Island City Development

Important Messages

CAMP will be closed on 04/18/2025 for Good Friday.

ISLAND CITY DEVELOPMENT
VANESSA COOPER
701 ATLANTIC AVENUE
ALAMEDA, CA 94501

Online Access www.camponline.com

Customer Service 1-800-729-7665



Important Disclosures

Account Statement

For the Month Ending **March 31, 2025**

Important Disclosures

This statement is for general information purposes only and is not intended to provide specific advice or recommendations. PFM Asset Management ("PFMAM") is a division of U.S. Bancorp Asset Management, Inc. ("USBAM"), a SEC-registered investment adviser. USBAM is direct subsidiary of U.S. Bank National Association ("U.S. Bank") and an indirect subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, services or performance of PFMAM. PFMAM maintains a written disclosure statement of our background and business experience. If you would like to receive a copy of our current disclosure statement, please contact Service Operations at the address below.

Proxy Voting PFMAM does not normally receive proxies to vote on behalf of its clients. However, it does on occasion receive consent requests. In the event a consent request is received the portfolio manager contacts the client and then proceeds according to their instructions. PFMAM's Proxy Voting Policy is available upon request by contacting Service Operations at the address below.

Questions About an Account PFMAM's monthly statement is intended to detail our investment advisory activity as well as the activity of any accounts held by clients in pools that are managed by PFMAM. The custodian bank maintains the control of assets and executes (i.e., settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. PFMAM recognizes that clients may use these reports to facilitate record keeping and that the custodian bank statement and the PFMAM statement should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

Account Control PFMAM does not have the authority to withdraw funds from or deposit funds to the custodian outside the scope of services provided by PFMAM. Our clients retain responsibility for their internal accounting policies; implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

Market Value Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services. There may be differences in the values shown for investments due to accrued but uncollected income and the use of differing valuation sources and methods. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.

Amortized Cost The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.

Tax Reporting Cost data and realized gains / losses are provided for informational purposes only. Please review for accuracy and consult your tax advisor to determine the tax consequences of your security transactions. PFMAM does not report such information to the IRS or other taxing authorities and is not responsible for the accuracy of such information that may be required to be reported to federal, state or other taxing authorities.

Financial Situation In order to better serve you, PFMAM should be promptly notified of any material change in your investment objective or financial situation.

Callable Securities Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented.

Portfolio The securities in this portfolio, including shares of mutual funds, are not guaranteed or otherwise protected by PFMAM, the FDIC (except for certain non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested. Actual settlement values, accrued interest, and amortized cost amounts may vary for securities subject to an adjustable interest rate or subject to principal paydowns. Any changes to the values shown may be reflected within the next monthly statement's beginning values.

Rating Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed.

Shares of some local government investment programs and TERM funds are distributed by representatives of USBAM's affiliate, U.S. Bancorp Investments, Inc. which is registered with the SEC as a broker/dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Municipal Securities Rulemaking Board ("MSRB"). You may reach the FINRA by calling the FINRA Hotline at 1-800-289-9999 or at the FINRA website address

<https://www.finra.org/investors/investor-contacts>. A brochure describing the FINRA Regulation Public Disclosure Program is also available from FINRA upon request.

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Harrisburg, PA 17101

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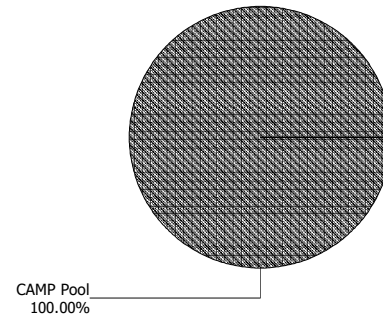
Account Statement - Transaction Summary

For the Month Ending **March 31, 2025**

Island City Development - Island City Development

CAMP Pool	
Opening Market Value	35,884.61
Purchases	1,002,335.36
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$1,038,219.97
Cash Dividends and Income	2,335.36

Asset Summary		
	March 31, 2025	February 28, 2025
CAMP Pool	1,038,219.97	35,884.61
Total	\$1,038,219.97	\$35,884.61
Asset Allocation		





Account Statement

For the Month Ending **March 31, 2025**

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					35,884.61
03/14/25	03/14/25	Purchase - Incoming Wires	1.00	1,000,000.00	1,035,884.61
03/31/25	04/01/25	Accrual Income Div Reinvestment - Distributions	1.00	2,335.36	1,038,219.97
Closing Balance					1,038,219.97

	Month of March	Fiscal YTD January-March		
Opening Balance	35,884.61	35,624.20	Closing Balance	1,038,219.97
Purchases	1,002,335.36	1,002,595.77	Average Monthly Balance	616,605.11
Redemptions (Excl. Checks)	0.00	0.00	Monthly Distribution Yield	4.47%
Check Disbursements	0.00	0.00		
Closing Balance	1,038,219.97	1,038,219.97		
Cash Dividends and Income	2,335.36	2,595.77		



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: Ron Babiera, Assistant Director of Housing Programs

Date: May 21, 2025

Re: Accept Quarterly Family Self Sufficiency (FSS) Report.

BACKGROUND

The Family Self Sufficiency (FSS) program is a Department of Housing and Urban Development (HUD) funded program established in 1990 by Section 554 of the National Affordable Housing Act which amended Title I of the U.S. Housing Act of 1937 by adding Section 23 for the FSS program. The FSS program is for individuals that have a Housing Choice Voucher (HCV) or Project-Based Voucher (PBV) with the Housing Authority of the City of Alameda (AHA). In June 2022, HUD expanded FSS eligibility to include participants in the Moderate Rehabilitation program. The FSS Program is designed to assist families and individuals in becoming financially stable through education and employment by providing individualized case management services and financial incentives. Participation in the FSS program is voluntary and requires a five-year personal commitment from participants.

DISCUSSION

AHA completes several events annually, both in-person (town hall meetings and on-site recruitment events) and virtually for individuals with income changes and those receiving Unemployment or participating in the TANF program. The AHA also conducts outreach, utilizing quarterly newsletters, to recruit participants for the FSS program. To enroll in the FSS program, participants complete an FSS application, an assessment, and an intake interview. The participant and AHA FSS Coordinator collaborate to create an Individualized Training and Services Plan (ITSP) and sign the FSS Contract of Participation. HUD mandates a minimum of twenty-six participants to fund an FSS Coordinator position.

During this reporting period, staff re-enrolled a participant and reinstated another in the program. In December 2024, AHA re-posted the job announcement for the FSS Coordinator position. However, AHA was unable to make a selection.

Staff will continue to meet with interested applicants and enroll them in the FSS program to maintain and sustain an acceptable and manageable number of participants.



Due to the large number of submitted applications, AHA has created a wait list, and will reach out to those applicants on the wait list as soon as a permanent FSS Coordinator is hired. Approximately forty-five families are on the wait list.

Below is a chart showing the number of participants enrolled, graduation(s), and determination(s) from January 1, 2025 through March 31, 2025.

Program data	Oct 1, 2024 to Dec 31, 2024	Jan 1, 2025 to Mar 31, 2025
Enrollees at end of last period	26	25
New FSS participants in this period*	2	2
Graduated in this period	0	0
Terminations/withdrawals/port outs	3	0
Port ins	0	0
TOTAL ENROLLED AT END OF PERIOD	25	27
Minimum enrollees required by HUD grant for One Coordinator Position	26	26
Enrollees with increased income during this period	0	0
Average escrow account balance at end of period	\$4,328.64	\$5,212.98
Percentage of enrollees with an escrow balance at end of period	44%	44%
Total escrow balance on last day of the period for all enrollees	\$107,898.96	\$125,111.63
Total withdrawals for this quarter	2	0

*One (1) re-enrollment and one reinstatement,

Services provided this quarter

During this quarter, the services provided to participants included: personal coaching on life skills, tenant and landlord communication, re-certifications, and income change procedures; referrals made to legal and mediation services, the College of Alameda Career & Employment Center, and Alameda County Social Services; and monthly check-ins completed either one-on-one and/or in virtual group meetings held in the evenings on the third Tuesday of the month.

This quarter there were three virtual meetings held monthly on the third Tuesday evenings, from 6:00 pm – 7:30 pm. There were between four and six attendees for all the meetings.

This program accepts new enrollees continually. Participants from all voucher and moderate rehabilitation programs are eligible. For more information, contact Housing Programs at 510-747-4300. Please also see the website

<https://www.alamedahsg.org/housing-programs/family-self-sufficiency-program/>.

FISCAL IMPACT

For report only, no fiscal impact.

CEQA

Not applicable.

RECOMMENDATION

Accept Quarterly Family Self Sufficiency (FSS) report.

ATTACHMENTS

None

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ron Babiera".

Ron Babiera, Assistant Director of Housing Programs



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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Board of Directors
From: Nancy Gerardin, Director of Property Operations

Prepared By: Nancy Gerardin, Director of Property Operations

Date: May 21, 2025

Re: Approve the Quarterly Write-off to March 31, 2025, of Uncollectible Accounts Receivable from Former Residents.
5.P.

BACKGROUND

Periodically, the Housing Authority of the City of Alameda (AHA) or its affiliates, Alameda Affordable Housing Corporation (AAHC) and Island City Development (ICD), write-off uncollectible rent and miscellaneous charges from its resident ledgers. The term "write-off" indicates a procedure where past due amounts from former residents of an AHA, AAHC, or ICD community are removed from the resident ledgers after the usual means of collection have been exhausted. This procedure does not preclude the AHA, AAHC, or ICD from continuing to pursue collection through a collection agency or other legal actions. Future collection of amounts previously written-off will reduce these expenses.

DISCUSSION

This request is to write-off accounts receivable for residents who have voluntarily vacated, passed, or were evicted and had outstanding balances due to the Alameda Affordable Housing Corporation, the Housing Authority of the City of Alameda, or Island City Development. A final notice will be sent to the respective resident(s) before the outstanding balance is written off. The total amount to be written off is \$202,349.65 and is presented in the attachment to this memorandum. This amount is a combination of past rents due, late fees, damages, and miscellaneous maintenance charges.

FISCAL IMPACT

This resident account write-off will result in an expense to the Alameda Affordable Housing Corporation of \$96,012.88, ICD of \$92,364.77, and the Housing Authority of the City of Alameda of \$13,972.00.

CEQA

N/A



RECOMMENDATION

Approve the Quarterly Write-off to March 31, 2025, of Uncollectible Accounts Receivable from Former Residents.

ATTACHMENTS

1. BOC Attachment Item 5.C Q1 2025 Write Off 05.06.2025

Respectfully submitted,



Nancy Gerardin, Director of Property Operations

Legal Entity	Property Name	Reason for Move Out	Move Out Date	Amount of Bad Debt per reconciliation
AAHC	Esperanza	Relocating	1/7/2025	\$420.00
AAHC	Esperanza	Relocating	3/25/2025	\$769.00
AAHC	Esperanza	Eviction	1/8/2025	\$27,084.23
AAHC	Esperanza	Eviction	1/8/2025	\$32,651.65
AAHC	Parrot Village	Eviction	1/3/2025	\$35,088.00
			TOTAL AAHC	\$96,012.88
ICD	Rosefield	Eviction	1/3/2025	\$18,966.14
ICD	Rosefield	Eviction	1/16/2025	\$14,002.90
ICD	Rosefield	Eviction	2/21/2025	\$45,489.15
ICD	Rosefield	Eviction	1/19/2025	\$13,906.58
			TOTAL ICD	\$92,364.77
AHA	Independence Plaza	Eviction	3/12/2025	\$13,972.00
			TOTAL AHA	\$13,972.00
			TOTAL	\$202,349.65



Housing Authority
of the
City of Alameda

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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Sylvia Martinez, Director of Housing Development

Date: May 21, 2025

Re: Accept an Update on Camera Systems at North Housing.

BACKGROUND

As a building operator, the Housing Authority of the City of Alameda (AHA) is responsible for the security of its residents, their guests, and staff on its sites. In April 2020, the Board approved a policy on the Release of Tenant, Participant, Applicant, Vendor, and Landlord Personally Identifiable Information. In June 2021, the Board approved a Video Camera Policy to clarify the handling of video surveillance equipment and footage (attached). Video surveillance is installed at many properties and at various office properties, managed by AHA, for the protection and safety of employees, residents, visitors, assets, and property of the agency and its clientele.

In August 2023, the Board heard and discussed security issues for permanent supportive housing sites, such as those contemplated at Estuary I and Linnet Corner, including the potential use of remote guarding systems.

DISCUSSION

The Estuary has been physically designed for the security of the residents. For instance, there is a single street facing the main entry, that requires an electric key fob and is monitored by cameras. Access to the secondary entry, through the parking lot and courtyard, can be turned off during evening and weekend hours to ensure further security. The courtyard is fenced and landscaped with shrubs along the fence, unlike the design of other Island City Development (ICD) developments.

There is a welcoming lobby that includes a desk which can be staffed by property management, services, or resident volunteers to greet individuals entering and leaving and also monitors the community. ICD expects that all staff will be staggered to provide a greater window of presence than a typical 8:00 AM to 5:00 PM, Monday to Friday workweek. For evenings, weekends, and at times when additional presence is needed, ICD proposes a remote guarding system that has been used with success by other owners of similar developments, even in much more urban locations, to provide a non-intrusive but safe environment. These systems have voice-down capabilities that can



help direct residents or building visitors as needed. The systems also provide reporting that can assist emergency personnel, property management, and service staff to respond to resident issues in an appropriate manner. Some individuals with experiences of trauma find the cameras to be a less-intrusive system, as it avoids the perception that they are being watched. The protocol for the remote guarding system (i.e., deescalation, information on who to call for emergencies or for urgent items, type of voice down requests or activities) has been developed in collaboration with property management and services. It is very typical for the team to have 24/7 responsiveness due to the nature of the development and population. There is also an understanding that responsiveness is a shared responsibility and while some incidents are lease violations, others may reflect a mental or health concern. The operation of permanent supportive housing is always a very hands-on, multi-team member activity.

The alternative to a remote guarding system is a 'front desk system.' These are typically used for transitional housing or shelters, and every individual, whether they are staff, residents, guests, vendors, service providers, etc., is required to sign in and sign out. Front desk staff are typically hired by a third-party security company and are generally a low-paid and low-trained workforce. There are frequent issues with absenteeism and inappropriate responsiveness. More and more, respected owners and managers such as BRIDGE, Wakeland Housing, Affirmed, McCormack Baron, Mercy, and John Stewart Company are utilizing remote guarding systems or equivalent as part of their response to safety. This system is being used successfully in San Francisco, Oakland, and San Jose.

In Fall 2024, staff held a competitive procurement for camera systems at North Housing Block A and selected a vendor who has been working with both the onsite construction and operations teams to finalize the systems. The proposed systems at Estuary I and Linnet Corner include approximately 70 to 85 cameras each, including exterior cameras, cameras in the hallways on all floors, and cameras in common spaces such as all entries, exits, lobby, community room, laundry, bike rooms, and courtyards. All cameras will record 24/7. In addition, approximately 80% of the cameras at Estuary I and 25% of the cameras at Linnet Corner will be live-monitored through a contract with a vendor that specializes in permanent supportive housing and residential sites. This vendor will respond to incidents via a protocol developed by AHA and ICD, working with FPI Management. The protocol will be in compliance with the 2021 Video Camera Policy.

FISCAL IMPACT

The costs of the installation and monitoring for the remote guard systems at Estuary I and Linnet Corner are included in the development and operation budgets.

CEQA

Not Applicable

RECOMMENDATION

Accept an Update on Camera Systems at North Housing

ATTACHMENTS

1. 3-G Approve the Video Camera Policy

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



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: Stephanie Shipe, Director of Portfolio Management

Date: June 24, 2021

Re: Approve the Video Camera Policy

BACKGROUND

In April 2020 the Board approved a policy on the Release of Tenant, Participant, Applicant, Vendor, and Landlord Personally Identifiable Information. This policy further clarifies the handling of video surveillance equipment and footage.

DISCUSSION

Video Surveillance Policy

The purpose of this policy is to clarify how video surveillance is to be administered at Housing Authority of the City of Alameda (AHA) managed properties and offices. Video described herein may include images or images and audio.

Video Surveillance Policy - Overview

Many of the properties managed by AHA have video surveillance. Video surveillance is also installed at various office properties as well. Video surveillance is only used for the protection and safety of employees, residents, visitors, assets and property of the agency and its clientele.

While the primary reason for the video surveillance is for crime prevention and safety, there are occasions when video will be used during an employee or criminal investigation or the investigation of damage or destruction of property on AHA premises. Video surveillance will not occur in areas where there is an expectation of privacy (e.g., restrooms, change rooms, etc.). Covert surveillance (i.e., hidden cameras without signage) is not permitted without express written permission of the Executive Director or AHA Board of Commissioners. Areas subject to surveillance will be identified by signage where required by law. Video surveillance will be administered by authorized personnel only, and any records produced by surveillance systems shall be kept in a secure manner and managed appropriately.

The use of enhanced security features, such as license plate recognition, person recognition, and facial recognition shall be used only under specific circumstances and explicitly approved in writing by either the Board of Commissioners or the Executive Director.

Video Surveillance Policy - On-site Security Systems

Security Video Cameras have been placed in some of the common areas and grounds of some properties managed or owned by the Housing Authority of the City of Alameda. Video is



maintained by each security camera system for different periods of time depending on the features and capabilities of the particular system in use at the site.

Any video captured and maintained by the Housing Authority of the City of Alameda or its vendors from these security systems is subject to the following policies:

1. The Board approved policy on Personally identifiable Information (PII).
2. All video records are the property of the site Owner (AHA or one of its affiliates) and the responsibility of the Housing Authority of the City of Alameda as agent and/or its respective principal and may not be copied, published or disseminated outside of the agency without the express written consent of the Executive Director or designee.
3. Employees of the Housing Authority of the City of Alameda may not copy, publish or disseminate any portion of any video for any use not directly related to AHA's business activities for any reason.
4. Any recording must be on an AHA approved device and/or approved technology.
5. Housing Authority of the City of Alameda employees shall not record audio at any property or office or land owned or managed by the Housing Authority of the City of Alameda or in any other meeting/encounter under any circumstances without the express written consent of the Executive Director or designee.
6. Video security cameras may only be located in places where privacy is not generally expected such as common areas, residential hallways, which may include unit doorways, exteriors of complexes or offices, walkways, breezeways, parking lots, fitness center/gym areas, community rooms, mail rooms, office areas, etc. They may not be in places such as public bathrooms, inside private units, or inside private backyards fenced off from the common areas or places where privacy is expected.
7. All video security systems (other than cameras) shall be maintained in locked and secured areas and accessible only to authorized employees of the Housing Authority of the City of Alameda or authorized property management contractors. Only authorized employees and Director level staff are authorized to view recorded video footage. All other employees must have written authorization from the Executive Director or designee. When approved by a Director or above, a video security system monitor may also be placed in a Property Manager's office.
8. When the security system allows, video from the video security system shall be saved, copied and maintained by authorized Housing Authority of the City of Alameda Staff or authorized property management contractors concerning any incident involving possible criminal activity; lease violations; property damage; injury; enforcement, fire department or other emergency services; or other misconduct by any resident, visitor, staff member or vendor.
9. Video from the security system may be viewed remotely only with written permission of the Executive Director.
10. If available and within the storage limitations of the particular video security system, video from the video security system shall be saved, although the duration the video is saved will vary from property to property based on the variation in system capabilities.
11. The Housing Authority of the City of Alameda requires service of a subpoena or other court order before permitting viewing and/or copying of any portion of video from on-site video security systems by any third party including, but not limited to, law enforcement, private investigators, civil or criminal attorneys, and/or members of the media, or in the event the aforementioned parties received prior written notice from the Executive Director, in her sole discretion (see also the Board approved PII policy).



12. Where required by law, properties with video security systems shall prominently post signs giving notice that common areas are subject to continuous video security surveillance.
13. The house rules or lease of any property with a video security system shall notify tenants in writing and through posted notices of the existence of the security system.
14. The video from the security system will not be made available to any resident or third party without subpoena or other court order. All subpoena, court orders or written requests from third parties shall promptly be forwarded to the Executive Director.

FINANCIAL IMPACT

None.

RECOMMENDATION

Approve the Video Camera Policy

Respectfully submitted,

DocuSigned by:
Stephanie Shipe
067A82C02F5F4B1...

Stephanie Shipe
Director of Portfolio Management



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: Greg Kats, Director of Administration and Services

Date: May 21, 2025

Re: Authorize the Executive Director to execute the third amendment to the agreement with Techordia, LLC. for security camera cloud backup storage.

BACKGROUND

In February 2023, the Housing Authority of the City of Alameda (AHA) staff issued a Request for Proposals (RFP) for qualified technology consultants. Techordia, LLC., was selected through that RFP process and AHA entered into an agreement to begin providing technology consultant services in May 2023. The annual amount of \$250,000 was projected to be a sufficient amount to cover an initial period of three years, for a total not-to-exceed amount of \$750,000, to provide services including user IT setup and support, vendor liaison services, physical and virtual server maintenance and support, as well as firewall and network management. Additional services are now required for the administration and management of surveillance systems at AHA-owned properties.

DISCUSSION

Since the execution of the original agreement, additional support has been needed for the management of the surveillance equipment at both the main office as well as the AHA-owned properties. The first amendment to this agreement included the addition of the administration and monitoring of the Coram AI Management system to the scope of services, which included the installation of twelve new cameras at AHA's main office. That amendment also included changes to the fee schedule to reflect the additional tasks associated with the administration and monitoring of the system.

The second amendment to this agreement approved additional tasks to be added to the scope of services related to the administration and management of the surveillance systems and an updated fee schedule to reflect these additional responsibilities. The additional tasks included surveillance management services for the following properties: the AHA main office (701 Atlantic Ave.), the satellite office (2217 South Shore Center), Suite #250, Anne B. Diamant Plaza (920 Park Street), Independence Plaza (703 Atlantic Ave.), Esperanza Apartments (1903 3rd St.), Eagle Village (2615 Eagle Ave.), Rosefield Village (727 Buena Vista Ave.), Everett Commons (2437 Eagle Ave.), and



Littlejohn Commons (1301 Buena Vista Ave).

The proposed third amendment to this agreement would update the fee schedule to include the cost of the cloud backup storage for an additional four years. The cloud storage would be for the twelve devices at the main office (701 Atlantic Ave.) and will provide six months of storage for all recordings. This would provide ample time for AHA to review past footage as needed.

FISCAL IMPACT

There is no anticipated adverse financial impact as these services are included in the annual budget.

CEQA

Not applicable.

RECOMMENDATION

Authorize the Executive Director to execute the third amendment to the agreement with Techordia, LLC. for security camera cloud backup storage.

ATTACHMENTS

1. Amendment 3 - Techordia Consultant Services

Respectfully submitted,

A handwritten signature in cursive script that reads "Gregory Kats".

Greg Kats, Director of Administration and Services

THIRD AMENDMENT TO AGREEMENT

This Amendment of the Agreement, entered into this 21st day of May, 2025, by and between the HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body corporate and politic (hereinafter referred to as "AHA") and Techordia, LLC. (a California corporation) whose address is 887 Island Drive Suite C, Alameda, CA 94502 (hereinafter referred to as "CONTRACTOR") is made with reference to the following:

RECITALS:

- A. On May 9, 2023, an agreement was entered into by and between AHA and Contractor (hereinafter "Agreement").
- B. On July 22, 2024, the Agreement between AHA and Contractor was amended to replace Exhibit A of the Original Agreement with Exhibit A-1 to the first amendment to reflect additional tasks included in the Scope of the Services. Exhibit B to the Original Agreement was also replaced with Exhibit B-1 to reflect additional fees.
- C. On November 21, 2024, the Agreement between AHA and Contractor was amended to replace Exhibit A-1 with Exhibit A-2 to reflect additional tasks included in the Scope of Services and replace Exhibit B-1 with Exhibit B-2 to reflect additional fees.

AHA and Contractor desire to modify the Agreement on the terms and conditions set forth herein.


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

- 1. Exhibit B-2 to the second amendment has been replaced with Exhibit B-3 within this amendment to reflect additional fees.

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

Techordia, LLC.

Housing Authority of the City of Alameda

Signed by:

 8E11C493DF2D49F...
 Wilson Lee
 Owner

 Vanessa Cooper
 Executive Director

 Greg Kats
 Director of Administrative Services

EXHIBIT B-3
FEE SCHEDULE

Managed Services “Fixed Fee”

Techordia calculates the fixed monthly fee at the beginning of each month based on the number of users under management services in arrears (as determined via the client’s directory, such as Microsoft Active Directory) or client support ticket, email, or telephone for user additions and deletions.

- Includes anti-virus software for up to two computers per user using Webroot SecureAnywhere
 - AHA currently pays \$1,859.65 annually (~\$154.97/month)
- Includes server and network monitoring using ConnectWise Automate
 - AHA currently pays \$645.00/month
- Includes desktop monitoring using ConnectWise RMM
- 5% annual rate increase

Managed Services Cost

Service	Pricing	Notes	Total
Users	\$150.00/mo per user	Per User	\$6,750.00
Vendor Services	\$50.00/mo	Per 10 Users (ie 60 users is 6 units, 61 users is 7 units)	\$1,550.00
Physical Server	\$750.00/mo		\$2,250.00
Virtual Server	\$750.00/mo		\$4,500.00
Firewall	\$150.00/mo		\$600.00
Network	\$50.00/mo		\$1,500.00

Managed Services Unit Cost

Location	Item	Description	Users	Vendor	Physical	Virtual	Firewall	Network
Users	Users	Employees	45					
Vendor services	AT&T Voice - ABD	AT&T Voice		1				
	JumpCloud	JumpCloud for RADIUS VPN MFA		4				
	Microsoft 365	Microsoft 365		5				
	RingCentral	RingCentral VoIP		6				
	T-Mobile	T-Mobile Mobile Service		5				
	Zix	Zix Email Encryption		5				
	Zix File Share	Zix File Share		3				
HQ	AHAF1	LaserFiche Server				1		
	AHAF1E1	File Server				1		
	AHAD1	Domain Controller				1		
	AHAD2	Domain Controller				1		
	AHASM1P1	SMTP Relay Servers				1		
	AHAW1E1	WebServer				1		
	AHAEX11	VMware ESXi Host Server			1			
	AHAEX12	VMware ESXi Host Server			1			
	AHAV1	VMware vCenter Server						1
	AHAPC1	AFC PowerChute Network Shutdown Server						1
	APCUPS1	AFC Smart-UPS 1500J						1
	APCUPS2	AFC Smart-UPS 1400						1
	APCUPS3	Tripp Lite SmartOnline BU2200ATXLSUp						1
	AHASWA1	Ubiquiti UniFi Switch 48 500W PoE						1
	AHASWA2	Ubiquiti UniFi Switch 48 500W PoE						1
	AHASWA3	Ubiquiti UniFi Switch 8 60W PoE (Vantasia Cooper)						1
	AHAVN1W1	Dell PowerConnect 6224 Switch						1
	AHAN1	Synology r12-d1 NAS						1
	AHASAN1	Dell EMC VNet 1600			1			
	AHAAP1	Ubiquiti UniFi AP AC Pro						1
	AHAVP2	Ubiquiti UniFi AP AC Pro						1
	AHAAP3	Ubiquiti UniFi AP AC Pro						1
	AHAK1	Ubiquiti UniFi Cloud Key G2 Plus						1
	SonicWall TZ400	SonicWall TZ400					1	
	AHA1PR1V1	Tripp Lite NetDirector B022-10S-1F						1
	AHA1POL1	Digital Loggers Rheumat Power Controller 6						1
	AHA1POL2	Digital Loggers Rheumat Power Controller 6						1
	AHASWY1 (100)	Dell Networking N4032F						1
	AHASWY1 (Bottom)	Dell Networking N4032F						1
	Ario Security Camera System	Ario Security Camera System						1
SSC	SonicWall TZ400	SonicWall TZ400					1	
	Ario Security Camera System	Ario Security Camera System						1
	SSCAP1	Ubiquiti UniFi AP AC Pro						1
	SSCAP2	Ubiquiti UniFi AP AC Pro						1
	SSCAP3	Ubiquiti UniFi Beacon HD						1
	SSCPDU1	Digital Loggers Web Power Switch Pro v9						1
	SSCPWAL	Ubiquiti UniFi Switch 8 60W PoE						1
Dagle	SonicWall TZ210	SonicWall TZ210					1	
	EG1-SWA1	Ubiquiti UniFi Switch 8 Lite PoE						1
AED	SonicWall SDH1	SonicWall SDH1					1	
	ABDSWA1	Ubiquiti UniFi Switch 8 60W PoE						1
	ABDAP1	Ubiquiti UniFi AP AC Pro						1
	ABDAP2	Ubiquiti UniFi AP AC Pro						1
Total Units			45	32	3	6	4	30
Monthly Unit Cost			\$150.00	\$50.00	\$750.00	\$750.00	\$150.00	\$90.00
Monthly Category Cost			\$6,750.00	\$1,650.00	\$2,250.00	\$4,500.00	\$600.00	\$1,500.00

Surveillance Management Fee Schedules

Item	Qty	Unit Price	Unit Total
Coram AI management - Addition to managed service unit cost Exhibit B <ul style="list-style-type: none"> Location - 701 Atlantic Ave, Alameda, CA 94501 Equipment includes (1) Coram Point 64 Channel NVR and (12) SMP Dome Cameras Liaison between AHA and Coram AI for monitoring and maintenance, software updates and patches, performance optimization, Data backup and recovery verifications End user support on all devices Account management and access Special request for download and sharing of data when requested 24/7 oncall support for down equipment Management of all warranty type returns. Request for movement of focus area 	1	\$375.00	\$375.00
*Shipping amount in proposal is an estimate. Exact shipping will be shown on invoice.			Taxable \$0.00
			Non-Taxable \$375.00
			Sub-Total \$375.00
			Tax (10.75%) \$0.00
			Shipping*
			Labor \$0.00
			Total \$375.00

Item	Qty	Unit Price	Unit Total
Surveillance management - Addition to managed service unit cost Exhibit B <ul style="list-style-type: none"> Location: South Shore Center 2217 South Shore Center #250, Anne B. Diamant Plaza 920 Park Street, Independence Plaza 703 Atlantic Avenue, and Esperanza Center 1903 3rd Street Equipment includes current surveillance systems. ABD and IP being Arlo Security Cameras and Esperanza using Verkada Security Camera's. Liaison between AHA and solution provider for maintenance, software updates and patches, performance optimization End user support on all devices Account management and access Special request for download and sharing of data when requested Support for down equipment Management of all warranty type returns 	4	\$375.00	\$1,500.00
*Shipping amount in proposal is an estimate. Exact shipping will be shown on invoice.			Taxable \$0.00
			Non-Taxable \$1,500.00
			Sub-Total \$1,500.00
			Tax (10.75%) \$0.00
			Shipping*
			Labor \$0.00
			Total \$1,500.00

Item	Qty	Unit Price	Unit Total
Surveillance management - Addition to managed service unit cost Exhibit B <ul style="list-style-type: none"> Location - Eagle location 2615 Eagle Avenue, Rosefield Village 727 Buena Vista Ave, Everett Commons 2437 Eagle Ave and Littlejohn Commons 1301 Buena Vista Ave all Alameda California Equipment includes current surveillance systems. EGL having Alibi Vigilant, Rosefield/Everett being Guarding Vision Security Cameras and Littlejohn Commons being Honeywell. Liaison between AHA and solution provider for maintenance, software updates and patches, performance optimization End user support on all devices Account management and access Support for down equipment Management of all warranty type returns 	4	\$375.00	\$1,500.00
Request for camera footage (Billed at T&M rate) <ul style="list-style-type: none"> All site visits to manage the systems above will be billed on T&M rates Request to download and share video footage will be billed on T&M rates T&M rates onsite \$175.00/hr during business hours 	0	\$0.00	\$0.00
*Shipping amount in proposal is an estimate. Exact shipping will be shown on invoice.			Taxable \$0.00
			Non-Taxable \$1,500.00
			Sub-Total \$1,500.00
			Tax (10.75%) \$0.00
			Shipping*
			Labor \$0.00
			Total \$1,500.00

Item	Qty	Unit Price	Unit Total
Coram AI Cloud Backup (VF-C-180) <ul style="list-style-type: none"> 6 month storage 4 year license Remaining 4 year of 5 year term 	12	\$1,854.00	\$22,248.00
*Shipping amount in proposal is an estimate. Exact shipping will be shown on invoice.			Taxable \$0.00
			Non-Taxable \$22,248.00
			Sub-Total \$22,248.00
			Tax (10.75%) \$0.00
			Shipping*
			Labor
			Total \$22,248.00

Guidelines and Limitations

Some support and services are not covered under managed services.

Billable work can include:

- Discovery and development of project estimates.
- Time to specify parts not purchased through us.
- Meetings, planning, and equipment relocation, deinstallation and installation for office relocation.
- Labor for projects not included as part of "Managed Services."
- Upgrades to IT infrastructure not related to daily server or server application maintenance or end user support.
- Major server software upgrades.
- Home visits and home systems.
- Travel cost over 35 miles from Techordia's office at ½ onsite support hourly rates.

Time and Materials Hourly Rates

Business Hours

Remote Support - \$150.00/hr
Onsite Support - \$175.00/hr

After Hours

Remote Support - \$175.00/hr
Onsite Support - \$200.00/hr

Support Request Submissions

Users are encouraged to submit requests to Techordia's ticketing system. Users may also contact Techordia's support phone line.



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: Shanon Lampkins, Director of Asset Management

Date: May 21, 2025

Re: Accept a report on the Second Amended and Restated Limited Partnership Agreement of Shinsei Gardens Apartments, L.P. (an ICD Affiliate).

BACKGROUND

Shinsei Gardens is a 39-unit family property developed by our non-profit partner, Resources for Community Development (RCD). This project was established with Low-Income Housing Tax Credits (LIHTC), part of a widespread redevelopment of the former Naval Air Station. The Housing Authority of the City of Alameda (AHA) owns the land and entered into a 75-year ground lease with Shinsei Gardens Apartments Limited Partnership in 2006.

The property is owned by Shinsei Gardens Apartments, L.P. (Partnership), which consists of Resources for Community Development's (RCD) affiliate, 112 Alves Lane Inc. as the General Partner (0.009% ownership), and ICD Shinsei LLC, an affiliate of Island City Development as the Limited Partner (99.991% ownership).

21 of the property's 39 units are subject to a Project-Based Voucher (PBV) Housing Assistance Payments contract. 1 unit is reserved for the resident manager, which is considered a 'common area' from a LIHTC perspective. Shinsei Gardens is subject to multiple use restrictions. The Ground Lease limits all 38 units to rents affordable to households at 60% Area Median Income (AMI). The property's financing sources require more extensive affordability requirements: the Tax Credit Allocation Committee (TCAC) and Housing and Community Development (HCD) Regulatory Agreements include complex leasing requirements incorporating six different tiers, from 20% AMI to 60% AMI. The restrictions are in effect for 55 years (commencing in 2010).

DISCUSSION

The overall goal for AHA is to gain greater control of the partnership tax credit properties in the portfolio as part of the Year 15 tax credit compliance exit process, thus ensuring the affordability restrictions continue for the property. This is one of 5 LIHTC partnerships with non-AHA developers.



Shinsei Gardens' operational performance has been good, but there were challenges with filling one vacant 3-bedroom unit. For the year ending December 31, 2024, operating revenue was \$977,079, which was 6% lower than budget due to one vacant 3-bedroom unit. The unit became vacant in June 2024 and is currently still unoccupied. Referrals were sent in June 2024 and August 2024, but a qualified household was not identified. Overall economic occupancy was 93% for the year. Operating expenses were \$538,144. Net Operating Income was \$432,014. The PBV waitlist is expected to be ready between May and June 2025, providing more referrals to fill the vacant 3-bedroom PBV unit.

The Second Amended and Restated Limited Partnership Agreement (LPA) has been adapted to reflect the purchase made by ICD in March 2024 and ongoing operational needs now that the private investor has been replaced. As noted in the Board Memo on May 17, 2023, this agreement clarifies definitions as stated in Article 1. The amendment corrects the General Partner's Contributions and Limited Partner's Contributions as stated in Article 3. The amendment also revises the requirement for deposits in FDIC-insured accounts in Article 6, Section 6.3, as well as adds the maintenance plan. The amendment also prevents the transfer of the property to a Prohibited Actor as defined in Article 9, Section 9.1. Some additional clean-up language has been proposed. The LPA changes have been reviewed by AHA real estate counsel and by RCD.

FISCAL IMPACT

Staff estimates total fees at around \$50,000 for standard transaction fees and legal fees.

CEQA

Not applicable.

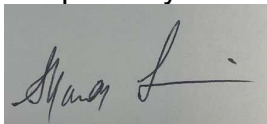
RECOMMENDATION

Accept a report on the Second Amended and Restated Limited Partnership Agreement of Shinsei Gardens Apartments, L.P. (an ICD Affiliate).

ATTACHMENTS

1. Shinsei BOC Presentation May 21 2025
2. Redline (v10 to v7)_Shinsei Gardens Apartments L P - Second AR LPA_v11 SL052025

Respectfully submitted,



Shanon Lampkins, Director of Asset Management

Shinsei Gardens Year 15 Tax Credit Exit

Board of Commissioners Meeting
May 21, 2025

Property Overview

- Property Name: Shinsei Gardens
- Address: 401 Stargell Avenue
- Placed In Service: September 3, 2009
- Property Type: Family
- Land Owner: City of Alameda Housing Authority
- Resident Services: Operation Dignity
- Property Management: The John Stewart Company,
under direction from Resources for Community Development
- AMI: 20% - 60%
- # PBV Units: 21, including 12 for disabled
- Unit Size and Count: 6 – 1 Bedrooms, 8 - 2 Bedrooms, 12 – 3 Bedrooms, 3 – 4 Bedrooms, 1 Manager's unit

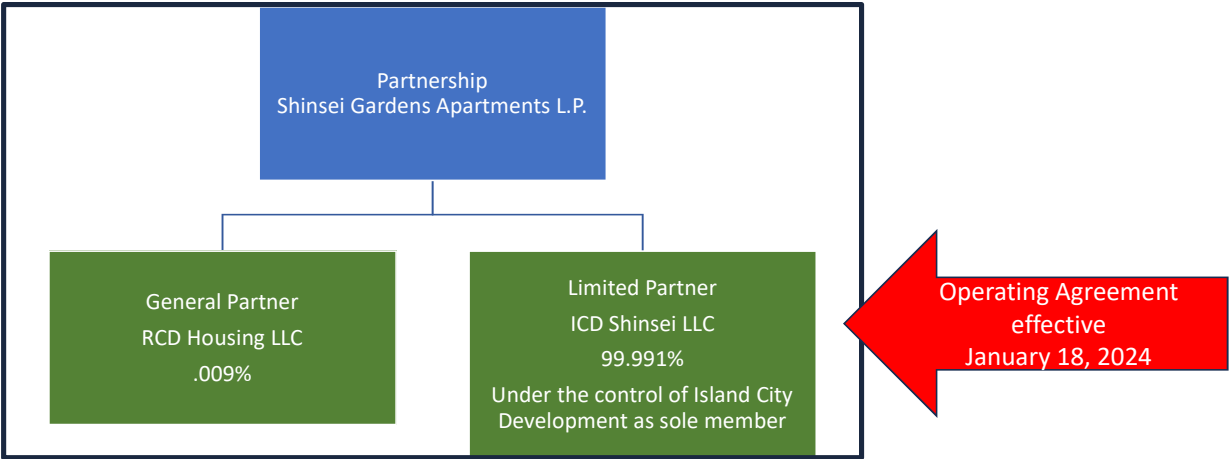


Project Funding Sources

Funding Source	Original Amount	Terms	Maturity Date
HCD MHP	\$3,503,853	Annual .42% payment + residual receipts	06/09/2065
AHA CIC	\$4,000,000	Deferred balloon payment at maturity, residual receipts	03/23/2063
City of Alameda 2007 HOME Loan	\$806,719	Deferred balloon payment at maturity, residual receipts	06/30/2066
City of Alameda 2004 HOME Loan	\$600,000	Deferred balloon payment at maturity, residual receipts	02/10/2063
County of Alameda HOME	\$365,000	Deferred balloon payment at maturity, residual receipts	03/01/2063* Must remain CHDO

Year 15 Exit Event Overview

- National Equity Fund (NEF) has exited the partnership the tax credit investor.
- Current ownership structure:



Revised LPA Key Changes

- Article 1 – Clarifies definition for Credit Period.
- Article 6.3 – Added Cyber Liability Insurance minimum requirement of \$1M.
- Article 6.4:
 - Added requirement that amounts held at any one FDIC-insured banking institution shall not be in excess of maximum insured limits.
 - Added the Partnership will maintain the operating reserve.
 - Added date of HAP contract.
 - Added funds remaining in the Services Reserve Account at the end of the compliance period shall be released..
- Article 8.4:
 - Revised Quarterly unaudited financial statements due date to be within 20 days after each calendar quarter.
 - Revised Audited financials due date for draft form by March 1 and final form by March 15.
 - Revised Tax Returns due date for draft form by March 15 and final form by March 30.
- Additional clean-up language as needed for clarity.

Operations Overview

- As of December 31, 2024 (audited):
 - Operating Revenue: \$977,079
 - Operating Expenses: \$538,144
 - Economic Occupancy: Averaging 93% for fiscal year, which is less than 2 units
 - Net Operating Income: \$438,935
 - Replacement Reserve: \$327,915
 - Services Reserve: \$9,562
 - Operating Reserves: \$157,684
- AHA and the general partner entered into a Continuing Operations and Acquisition Agreement effective as of 07/01/2023.
- Concurrently, AHA and the general partner entered into a Maintenance Plan. This plan uses available project cash, including surplus cash after residual receipts and replacement reserve funds to complete capital improvements as identified in a Capital Needs Assessment dated October 12, 2022.
- The property recently completed an exterior paint capital improvement project.

Recommendation

- Accept a report on approve of the Second Amended and Restated Limited Partnership Agreement for Shinsei Gardens (an ICD Affiliate)

**SECOND AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT**

OF

SHINSEI GARDENS APARTMENTS, L.P.

August 1, 2024

GENERAL PARTNER:

112 Alves Lane, Inc.
2220 Oxford Street
Berkeley, California 94704

LIMITED PARTNER

ICD Shinsei LLC
701 Atlantic Avenue
Alameda, CA 94501

SECOND AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF
SHINSEI GARDENS APARTMENTS, L.P.
a California limited partnership
(the “Partnership”)

[_____], 2024 (“Effective Date”)

THIS SECOND AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (this “Partnership Agreement”) is entered into as of the date first set forth above by and between 112 ALVES LANE, INC., a California nonprofit public benefit corporation, as the General Partner, and ICD SHINSEI LLC, a California limited liability company, as the Limited Partner.

BACKGROUND

RCD Housing, LLC, as general partner (“Prior GP”), NEF Assignment Corporation, an Illinois not-for-profit corporation (“Prior LP”), as limited partner, and Operation Dignity, Inc., a California nonprofit public benefit corporation (“Prior SLP”), as special limited partner, entered into that certain Amended and Restated Agreement of Limited Partnership dated as of May 30, 2008 (the “Prior Partnership Agreement”). Pursuant to that certain Assignment and Substitution Agreement and First Amendment to Amended and Restated Agreement of Limited Partnership dated May 1, 2010, the Prior GP assigned its rights, title and interests as general partner in the Partnership to the General Partner. The Prior Partnership Agreement has been further amended by:

- (1) First Amendment to Agreement of Limited Partnership dated as of December 17, 2010, by and among Prior GP, Prior LP and Prior SLP (the “First Amendment”).
- (2) Assignment, Withdrawal and Amendment Agreement (Shinsei Gardens Apartments, L.P., dated as of March 31, 2024, by and among Prior LP, as the withdrawing limited partner, General Partner, Prior SLP, Partnership, and Limited Partner (the “Second Amendment”).
- (3) Assignment, Withdrawal and Amendment Agreement (Shinsei Gardens Apartments, L.P.) dated as of March 31, 2024, by and among General Partner, Prior SLP, as the withdrawing special limited partner, Partnership and Limited Partner (the “Third Amendment,” and collectively with the Prior Partnership Agreement, the First Amendment and the Second Amendment, the “Original Partnership Agreement”).

As of the Effective Date, the General Partner and the Limited Partner are the only partners in the Partnership. This Partnership Agreement amends and restates the Original Partnership Agreement in its entirety.

STATEMENT OF AGREEMENT

The parties to this Partnership Agreement, each in consideration of the acts and promises of the others, agree as follows:

ARTICLE 1: DEFINITIONS

The capitalized words and phrases used in this Second Amended and Restated Limited Partnership Agreement for Shinsei Gardens Apartments, L.P. shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of such words and phrases):

“**Accountant**” means [Lindquist von Husen and Joyce, 90 New Montgomery, 11th Floor, San Francisco, California 94105], or such certified public accountant as is selected by the General Partner with the prior written approval of the Limited Partner; provided, however, that the General Partner need not obtain the Limited Partner’s consent if the General Partner selects a “Big 4” accounting firm as the Accountant.

“**Act**” means the California Revised Limited Partnership Act, as the same may be amended from time to time (or any corresponding provisions of any successor law).

“**Adjusted Capital Account Deficit**” means, with respect to any Partner, the deficit balance, if any, in such Partner’s Capital Account as of the end of the relevant fiscal period after giving effect to the following adjustments: (a) the credit to such Capital Account of (i) any amounts which such Partner is obligated to restore under this Partnership Agreement or is deemed to be obligated to restore pursuant to the penultimate sentences of §1.704-2(g)(1) and §1.704-2(i)(5) of the Regulations and (ii) the Partner’s share (as determined pursuant to §4.4(a) hereof) of “excess nonrecourse liabilities”; and (b) the debit to such Capital Account of the amounts described in §1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Regulations. The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of §1.7044(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

“**Affiliate**” means, with respect to any Person: (a) any Person directly or indirectly controlling, controlled by or under common control with such Person; (b) any Person owning or controlling ten percent (10%) or more of the outstanding voting securities of such Person; (c) any officer, director or general partner of such Person; or (d) any Person who is an officer, director, general partner, trustee or holder of ten percent (10%) or more of the voting securities of any Person described in clauses (a) through (c) of this subparagraph.

“**Applicable Federal Rate**” means the minimum interest rate that can be charged without attribution of interest under Code §1274(d).

“Asset Manager” means the Housing Authority of the City of Alameda.

“Asset Management Fee” means an annual fee of \$2,500.00 payment to the Asset Manager.

“Assignee” means a Person to whom all or any part of a Limited Partner’s Partnership Interest has been transferred in a manner permitted under or contemplated by this Partnership Agreement, but who has not been admitted to the Partnership as a Substituted Limited Partner with respect to the transferred Partnership Interest.

“Capital Account” means, with respect to any Partner, the capital account maintained for such Partner pursuant to §3.5.

“Capital Contribution” means, with respect to any Partner, the amount of money and the fair market value of property a Partner agrees to contribute to the Partnership.

“Captive” means an insurance company that only insures all or part of the risks of its parent.

“Cash Flow” means, with respect to any fiscal year of the Partnership, the gross cash receipts of the Partnership, not including insurance proceeds or awards, reduced by the sum of the following: (a) all principal and interest payments and sums paid on or with respect to the Permanent Loan, Subordinate Loans (which have required payments from gross cash receipts) other than loans to the Partnership from the General Partner, including loans made pursuant to §3.7 or §6.4(f)(i) or §6.4(f)(ii) hereof, or the Limited Partner; (b) all cash expenditures incurred incident to the operation of the Partnership’s business other than those that are funded out of the Lease-Up Account (if any), the Operating Reserve Account or any other reserve account that is set up for the Project, including, without limitation, any capital expenditures in excess of funds (i) withdrawn from the Replacement Reserve for such purpose, (ii) paid from insurance proceeds or condemnation awards, or (iii) paid from equity or development financing proceeds; (c) a Property Management Fee of up to 5% of the gross cash receipts of the Partnership; (d) all required replacement reserves deposits, including any arrearages, that must be funded; and (e) such cash as is necessary to (i) pay all accrued, outstanding trade payables, and (ii) establish any additional reserves as the Partners shall from time to time agree to establish. Net Cash from Sales and Refinancing and the proceeds of the Capital Contributions shall be excluded from gross cash receipts for this purpose.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq.

“Code” means the Internal Revenue Code of 1986, as the same may be amended from time to time (or any corresponding provisions of any successor law).

“Compliance Period” means, with respect to the Project Property, the 15 taxable years beginning with the first taxable year of the Credit Period as defined in §42(i)(1) of the Code.

“Credit Period” means, with respect to any building the period of one hundred and twenty (120) taxable months beginning with (a) the first full taxable month after the month in which the building is placed in service or (b) at the election of the taxpayer, the first month of the succeeding taxable year, but only if the building is a qualified low-income building (as defined in the Code) as of the close of the first year of such period. Special rules apply to the determination of the Credit Period for multiple building Projects.

“Disposition Fee” means the fee equal to the greater of \$50,000.00 or 1% of the gross sales proceeds to be paid to the Asset Manager out of the net sales proceeds at the time of closing of the sale of the Project or the Limited Partner’s interest in the Project.

“Environmental Law” means (i) CERCLA, (ii) the Hazardous Materials Transportation Act, as amended, 39, U.S.C. Section 1801 et seq., (iii) the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq., (iv) any similar state or local law, or (v) any regulation adopted or publication promulgated pursuant to any such law.

“Extended Use Agreement” means the extended low-income housing commitment entered into between the Partnership and the State Housing Finance Agency pursuant to §42(h)(6) of the Code.

“General Partner” means 112 Alves Lane, Inc., a California nonprofit public benefit corporation, or any other Person who becomes a successor general partner pursuant to §10.1, §10.2 or §10.3. If there is more than one General Partner, they are referred to herein singularly and collectively as the General Partner, as the context may require or suggest.

“Ground Lease” means that certain Ground Lease Agreement entered into by the Sponsor, as Ground Lessee, and the Housing Authority, as Ground Lessor, dated as of October 4, 2006, for the land on which the Project is located, as amended by that certain First Amendment to Ground Lease Agreement dated as of March 24, 2008 and as evidenced by that certain Memorandum of Ground Lease dated as of March 24, 2008 and recorded in the Official Records of Alameda County, California on March 25, 2008 as Instrument No. 2008-100568. The Ground Lessee’s interest under the Ground Lease has been assigned to and assumed by the Partnership pursuant to that certain Assignment and Assumption Agreement (Ground Lease) entered into by the Ground Lessor, the Sponsor and the Partnership dated as of March 24, 2008, and recorded in the Official Records of Alameda County, California on March 25, 2008, as Instrument No. 2008-100582

“Ground Lessor” means the Housing Authority.

“Hazardous Substance” means any substance defined as a hazardous substance, hazardous material, hazardous waste, toxic substance or toxic waste in (i) CERCLA, (ii) the Hazardous Materials Transportation Act, as amended, 39 U.S.C. Section 1801 et seq., (iii) the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq., (iv) any similar applicable state or local law, or (v) any regulation adopted or publication promulgated pursuant to any such law.

“**HOME**” means the HOME Investment Partnership Act authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, 42 U.S.C. Section 12701, et seq.

“**Housing Authority**” means the Housing Authority of the City of Alameda, a public body, corporate and politic.

“**Implementation Agreement**” means that certain Implementation Agreement dated as of September 1, 2006, entered into by the Sponsor, the Special Limited Partner, the Housing Authority, the City of Alameda, the Community Improvement Commission of the City of Alameda and the Alameda Reuse and Redevelopment Authority.

“**Indemnitee**” is defined in §6.8(b).

“**Involuntary Event**” means, with respect to any Partner any one of the following events: (a) the making of an assignment for the benefit of creditors by the Partner; (b) the filing of a voluntary petition in bankruptcy by the Partner; (c) the adjudication of the Partner as a bankrupt or insolvent; (d) the filing of a petition or answer by the Partner seeking for itself a reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or rule; (e) the seeking, consenting to or acquiescence of the Partner in the appointment of a trustee, receiver, or liquidator of the Partner or of all or any substantial part of the Partner’s properties; (f) the death of any Partner who is a natural person; or (g) the termination of the legal existence of any Partner who is other than a natural person.

“**Involuntary Transfer**” means any transfer of any Partner’s Partnership Interest effected by operation of law as a result of the occurrence of an Involuntary Event.

“**IRS**” means the Internal Revenue Service.

“**Limited Partner**” means ICD Shinsei LLC, a California limited liability company, or any Person who becomes a Substituted Limited Partner pursuant to §9.1, §9.2, §9.3 or 9.7. if there is more than one Limited Partner, they are referred to herein singularly and collectively as the Limited Partner, as the context may require or suggest.

“**Liquidation Manager**” means any Person selected by the Limited Partner.

“**Maintenance Plan**” means the Shinsei Gardens Maintenance Plan attached hereto as Exhibit A.

“**Maintenance Reserve Account**” means a segregated Partnership bank account established to hold the Maintenance Reserve.

“**Management Agent**” means initially [The John Stewart Company, a California corporation], or such other Management Agent as is selected by the General Partner from time to time with the prior written consent of the Asset Manager.

“Management Agreement” means the agreement between the Partnership and the Management Agent to manage the Project. Without Asset Manager’s written consent, under the Management Agreement: (a) the Management Agent shall in no event earn greater than five percent (5%) of the Project’s gross collected rents; and (b) all fees to any Management Agent related to the General Partner shall be subordinated to the payment of Operating Deficits.

“Market Rate Units” means Project units, if any, that are not subject to income limitations.

“Net Cash from Sales and Refinancings” means, with respect to any fiscal year of the Partnership, the cash proceeds from Partnership sales or refinancings reduced by (a) all reasonable costs and expenses incurred by the Partnership in connection with such sale (not including disposition fees, if any) or refinancing, and (b) all principal and interest payments and other sums paid on or with respect to any indebtedness of the Partnership, other than amounts treated as loans pursuant to this Partnership Agreement from the General Partner or the Limited Partner. Net Cash from Sales and Refinancing shall include all principal and interest payments with respect to any note or other obligation received by the Partnership in connection with the sale or other disposition of Project Property.

“Nonrecourse Deduction” has the meaning set forth in §1.704-2(b)(1) of the Regulations. The amount of Nonrecourse Deductions for any fiscal year of the Partnership equals the excess, if any, of the net increase, if any, in the amount of Partnership Minimum Gain during that fiscal year reduced (but not below zero) by the aggregate amount of any distributions during that fiscal year of proceeds of a Nonrecourse Liability that are allocable to an increase in Partnership Minimum Gain, determined in accordance with §1.704-2(c) of the Regulations.

“Nonrecourse Liability” has the meaning set forth in §1.704-2(b)(3) of the Regulations.

“Operating Deficit” means the amount by which the revenues of the Partnership from rental payments made by tenants of the Project, and all other revenues of the Partnership (other than proceeds of any loans to the Partnership and investment earnings on funds on deposit in the reserve fund for replacements and other such reserve or escrow funds or accounts) for a particular period of time is exceeded by the sum of all of the operating expenses, including all debt service, operating and maintenance expenses, required deposits into the reserve fund for replacements and other reserve accounts, any fees to lenders and/or any applicable mortgage insurance premium payments and all other Partnership obligations or expenditures, excluding payments for construction of the Project and fees and other expenses and obligations of the Partnership to be paid from the Capital Contributions of the Limited Partner to the Partnership pursuant to this Agreement and other financing sources, during the same period of time. In computing the Operating Deficits, all cash expenditures or amounts budgeted to be spent for capital improvements during the period described above shall, also be taken into account, unless such amounts are funded from Project reserves: Operating Deficits shall be measured on a monthly basis.

“Operating Reserve Account” means a segregated Partnership bank account established to hold the Operating Reserve.

“Operating Reserve Target Amount” means \$150,000.00. To the extent funds are available, a balance at least equal to the Operating Reserve Target Amount shall be maintained in the Operating Reserve Account.

“Partner” means a Person who owns an interest in and who has been admitted to the Partnership, including without limitation the General Partner and the Limited Partner.

“Partners” means two or more Partners.

“Partner Minimum Gain” means an amount, with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with §1.704-2(i) of the Regulations.

“Partner Nonrecourse Debt” has the meaning set forth in §1.704-2(b)(4) of the Regulations.

“Partner Nonrecourse Deductions” has the meaning set forth in §1.704-2(i)(2) of the Regulations. The amount of Partner Nonrecourse Deductions with respect to a Partner Nonrecourse Debt for a Partnership fiscal year equals the net increase during that fiscal year in Partner Nonrecourse Debt reduced (but not below zero) by the proceeds of the Partner Nonrecourse Debt distributed during that fiscal year to the Partner bearing the economic risk of loss for the Partner Nonrecourse Debt that are both attributable to the Partner Nonrecourse Debt and allocable to an increase in Partner Minimum Gain, as determined in accordance with §1.704-2(i)(2) of the Regulations.

“Partnership” means Shinsei Gardens Apartments, L.P., a California limited partnership.

“Partnership Agreement” means this Second Amended and Restated Limited Partnership Agreement, as the same may be amended from time to time. Words such as “herein,” “hereinafter,” “hereof,” “hereto” and “hereunder” refer to this Partnership Agreement as a whole, unless the context otherwise requires.

“Partnership Interest” means the entire ownership interest of a Partner, including, without limitation, the rights and obligations of such Partner under this Partnership Agreement and the Act.

“Partnership Management Fee” means the portion of Cash Flow that is paid to the General Partner pursuant to §5.1(a)(viii) hereof for managing the affairs of the Partnership.

“Partnership Minimum Gain” has the meaning set forth in §1.704-2(d) of the Regulations.

“Partnership Property” means all real and personal property acquired by the Partnership and any improvements thereto, and shall include both tangible and intangible property.

“Person” means any individual, partnership, limited liability company, corporation, trust, or other entity.

“Qualified Occupancy” means the occupancy of 100% of the residential units in the Project.

“Regulations” means the Federal Income Tax Regulations (including without limitation, Temporary Regulations) promulgated under the Code, as the same may be amended from time to time (including corresponding provisions of successor regulations).

“Replacement Reserve” means the amount required by this Partnership Agreement, the Permanent Loan or other loan documents to be reserved by the Partnership, equal to not less than \$600 per unit per year, funded ratably on a monthly basis, with credit given for any amount funded into any lender-controlled replacement reserve, commencing in the month following the month in which Breakeven Operations occurs. After the seventh (7th) anniversary of the completion of construction of the Project, the Limited Partner shall have the right to require a physical assessment of Project Property pursuant to which the amount reserved on a monthly basis may be increased.

“Replacement Reserve Account” means a segregated Partnership bank account established to hold the Replacement Reserve controlled by the General Partner, except as otherwise set forth in §6.4(g)(iii).

“Revenue Deficit Reserve Account” means a segregated Partnership bank account established and controlled as set forth in §6.4(g)(iv) as a Special Purpose Reserve.

“Service” means the Internal Revenue Service.

“Services Reserve Account” means a segregated Partnership bank account established and controlled as set forth in §6.4(g)(v) as a Special Purpose Reserve.

“Special Purpose Reserve” means a reserve, such as the Revenue Deficit Reserve described in §6.4(g)(iv) below and the Services Reserve described in §6.4(g)(v) below, that has been established by the Partnership to hold funds for special Partnership purposes.

“Sponsor” means Resources for Community Development, a California nonprofit public benefit corporation, which appoints the directors of the General Partner’s sole member, 112 Alves Lane, Inc.

“State Housing Finance Agency” means the California Tax Credit Allocation Committee controlling the allocation of Tax Credits and administering the Tax Credits.

[“**Subordinate Loans**” means the following loans from the following lenders in the principal amounts set forth after their names:

<u>Lender</u>	<u>Loan Amount</u>
CA Dept of Housing and Community Development (MHP)	\$3,503,853
Community Improvement Commission, City of Alameda (“CIC”)	up to \$4,000,000
City of Alameda – HOME funds (2007)	\$806,719
City of Alameda – HOME funds (2004)	\$600,000
County of Alameda – HOME funds	\$365,000]

“**Substituted Limited Partner**” means a Person who is admitted as a Limited Partner to the Partnership pursuant to §9.2 or §9.3 in place of and with all the rights of a limited partner under the Partnership Agreement and the Act.

“**Tax Credit**,” “**Tax Credits**” or “**Credit**” means the low income housing tax credit under §42 of the Code.

“**Tax Credit Units**” means Project units that are subject to the Tax Credit income limitations.

“**Voluntary Transfer**” means any sale, assignment, transfer, pledge, or hypothecation of any Partnership Interest by a Partner, except for an Involuntary Transfer.

ARTICLE 2: ORGANIZATION

§ 2.1 Continuation of Partnership. The Partnership was formed as of December 28, 2007 by the filing of the Partnership’s Certificate of Limited Partnership, Form LP-1, with the California Secretary of State, filing no. 200736300013, as modified by that certain (i) Amendment to Certificate of Limited Partnership, Form LP-2, filed with the California Secretary of State on February 6, 2008, (ii) Amendment to Certificate of Limited Partnership, Form LP-2, filed with the California Secretary of State on May 30, 2008, (iii) Amendment to Certificate of Limited Partnership, Form LP-2, filed with the California Secretary of State on May 28, 2010, and (iv) Amendment to Certificate of Limited Partnership, Form LP-2, filed with the California Secretary of State on February 7, 2011. The Partners desire to continue the Partnership under and pursuant to the provisions of the Act. By executing this Partnership Agreement, the parties hereto agree that the Original Partnership Agreement is hereby amended and restated in its entirety.

§ 2.2 Character and Purpose of Business. The general character and purpose of the business of the Partnership is: (a) to acquire, construct, own, finance, lease and operate the Project Property as a qualified low income housing project within the meaning of §42 of the Code; (b) to eventually sell or otherwise dispose of the Project Property in a manner consistent with the provisions of this Partnership Agreement; and (c) to engage in all other activities incidental or related thereto.

§ 2.3 Name of Partnership. The name of the Partnership is “Shinsei Gardens Apartments, L.P.”

§ 2.4 Principal Place of Business. The address of the principal place of business of the Partnership shall be 2220 Oxford Street, Berkeley, California 94704, or such other address as the Partners may select from time to time.

§ 2.5 Principal Office. The address of the principal office of the Partnership is 2220 Oxford Street, Berkeley, California 94704, or such other address as the Partners may select from time to time.

§ 2.6 Agent for Service of Process. The Partnership’s agent for service of process is Daniel Sawislak, or such other agent as the General Partner may select from time to time with written notice to the Limited Partner. The address of the agent for service of process is 2220 Oxford Street, Berkeley, California 94704.

§ 2.7 Name and. Address of General Partner. The name and address of the General Partner is:

112 Alves Lane, Inc.
2220 Oxford Street
Berkeley, California 94704

§ 2.8 Names and Addresses of Limited Partner. The name and address of the Limited Partner is:

ICD Shinsei LLC
701 Atlantic Avenue
Alameda, CA 94501

§ 2.9 Governmental Filings. The General Partner shall make all governmental filings as are necessary or appropriate to qualify the Partnership (a) to do or continue to do business in the Project State and any other jurisdiction or (b) to otherwise carry out the purposes and intent of this Partnership Agreement.

§ 2.10 Term of Partnership. The term of the Partnership began on December 28, 2007 (the date on which the Partnership’s Certificate of Limited Partnership was first filed with the Secretary of State of the Project State) and the Partnership will continue in existence until December 31, 2081, or such later date as the Partners agree, unless it is earlier dissolved and terminated in accordance with the provisions of this Partnership Agreement.

§ 2.11 Compliance with Laws. The Partnership shall comply with all applicable provisions of the Act, and any other applicable statutes and local ordinances governing limited partnerships in the Project State, as well as any other applicable laws of any federal, state, or

local government or agency having legal jurisdiction over the Partnership and the Project (including without limitation, Environmental Laws).

§ 2.12 Statutory Record Keeping. The Partnership shall keep at its principal place of business the following and any and all other items required by the Act:

(a) a current list of the full name and last known address of each Partner, separately identifying each general partner and all limited partners in alphabetical order and setting forth the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Partners and that each Partner has agreed to contribute in the future, and the date on which each became a Partner;

(b) a copy of the certificate of limited partnership of the Partnership, as amended or restated from time to time, together with executed copies of any powers of attorney pursuant to which any such certificate has been executed;

(c) copies of the Partnership's federal, state and local income tax returns and reports, if any, for the three (3) most recent years;

(d) a copy of the Partnership Agreement, any original or prior written partnership agreements of the Partnership, and any amendments thereto;

(e) financial statements of the Partnership for the three (3) most recent years.

§ 2.13 Related Party Debt. The Partners agree that any entity that is a lending institution having a direct or indirect ownership or beneficial interest in the Limited Partner (a "**Related Lender**"), may at any time make, guarantee, own, acquire or otherwise credit-enhance, in whole or in part, a loan secured by a mortgage, deed of trust or other security instrument encumbering the Project (a "**Related Lender Loan**"). Under no circumstances shall a Related Lender be considered to be acting on behalf or as an agent or the alter ego of the Limited Partner or any of its members, partners or beneficiaries. A Related Lender may in its discretion take any actions that it determines advisable in connection with a Mortgage Loan, including enforcement actions. The Partners hereby acknowledge that no Related Lender owes the Partnership or any Partner any fiduciary duty or other duty or obligation whatsoever by virtue of such Related Lender's direct or indirect ownership or beneficial interest in the Partnership (the "**Related Lender's Equity Interest**"). Neither the Partnership nor any other Partner shall make any claim against a Related Lender, or against the Limited Partner or any other entity through which the Related Lender owns the Related Lender's Equity Interest, relating to a Related Lender Loan and alleging any breach of fiduciary duty, duty of care or any other duty whatsoever to the Partnership, the Limited Partner, or such other Partner, based in any way upon the Related Lender's Equity Interest. As used herein, the term "**Limited Partner**" includes its successors and assigns, as applicable.

§ 2.14 Non-Confidential Tax Shelter. Any obligations of confidentiality contained in or applicable to this Partnership Agreement shall not apply to the federal tax structure or federal tax treatment of the Partnership or the transactions contemplated herein. Each Partner and its

employees, representatives and agents may disclose to any and all persons, without limitation of any kind, such federal tax structure and treatment and such transactions. The Partnership interest shall not be treated as having been issued under conditions of confidentiality for purposes of Treasury Regulations Section 1.6011-4(b)(3) or any successor provision. Each Partner agrees that it has no proprietary or exclusive rights to the federal tax structure of the Partnership, the transactions contemplated herein, or federal tax matters or ideas related to such transactions.

The General Partner shall promptly notify the Limited Partner if it learns that the Partnership has participated in any reportable transaction within the meaning of Treasury Regulations Section 1.6011-4(b)(3).

§ 2.15 Definitions. All capitalized words and phrases used in this Partnership Agreement (other than the full names and addresses of the Partners and governmental subdivisions and agencies) have the meanings set forth in Article 1.

ARTICLE 3: CAPITAL CONTRIBUTIONS AND PARTNER LOANS

§ 3.1 General Partner's Contributions.

(a) In exchange for a 0.009% General Partner Interest, the General Partner has previously made a cash Capital Contribution to the Partnership in the amount of \$ \$941,063.00.

(b) The General Partner has assigned and hereby assigns, and has caused and shall cause its Affiliates to assign, to the Partnership all of its respective rights, title and interest in, to and under all agreements, licenses, approvals, permits, Tax Credit allocations and any other tangible or intangible personal property related to the Project Property or required to permit the Partnership to pursue its business and carry out its purposes as contemplated in this Partnership Agreement. The General Partner's Capital Account will not be credited with any amount as a result of its assignment to the Partnership of the various items referred to in the immediately preceding sentence.

§ 3.2 Limited Partner's Capital Contributions. The Limited Partner has made a cash Capital Contribution to the Partnership in the amount of \$1 for its acquisition of the limited partnership interest in the Partnership. The Limited Partner's predecessor-in-interest has previously made a Capital Contributions to the Partnership in the aggregate amount of \$6,994,834.00 in exchange for a 99.99% Limited Partnership Interest in the Partnership.

§ 3.3 Reserved.

§ 3.4 Interest on Capital Contributions. The Partnership shall not pay any Partner interest on its Capital Contribution.

§ 3.5 Withdrawal and Return of Capital Contributions. Except as provided elsewhere herein, no Partner has the right: (a) to withdraw any part of its Capital Contribution from the Partnership; (b) to demand a return of its Capital Contribution; or (c) to receive property other than cash in return for its Capital Contribution.

§ 3.6 Capital Accounts.

(a) The Partnership shall maintain for each Partner a separate capital account in accordance with §1.704-1 (b) of the Regulations. The Capital Account of each Partner consists of the amount of its Capital Contribution, and will be (1) increased by (i) the fair market value of any property contributed by it to the Partnership, (ii) the amount of any Partnership liability assumed by such Partner or which is secured by any Partnership Property, distributed to such Partner, and (iii) its allocable share of Profits and any items of income or gain specially allocated to it pursuant to §§4.2 (d) through (l), and (2) decreased by (i) the amount of any cash distributed to it, (ii) the fair market value of any Partnership Property distributed to it, (iii) the amount of any liability of such Partner assumed by the Partnership or which is secured by any property contributed by such Partner to the Partnership, and (iv) its allocable share of Losses and any items of loss or deduction specially allocated to it pursuant to §§4.2 (d) through (l).

(b) If any Partnership Interest is transferred in accordance with the terms of this Partnership Agreement, then the transferee will succeed to the Capital Account of the transferor to the extent it relates to the transferred Partnership Interest. Upon the occurrence of any of the following events, the Partnership shall revalue the Partnership Property and adjust the Partners' Capital Accounts to reflect the gain (or loss) that would have been allocated to each Partner if all the Partnership Property had been sold at its fair market value immediately prior to the occurrence of any of the following events, and if required to cause the provisions herein regarding the maintenance of Capital Accounts to comply with §1.704(b) of the Regulations.

(i) Any new or existing Partner acquiring an additional interest in the Partnership in exchange for more than a de minimis Capital Contribution;

(ii) The Partnership distributing to a Partner more than a de minimis amount of property or money in consideration for an interest in the Partnership; or

(iii) The "liquidation" of the Partnership within the meaning of §1.704-1(b)(2)(ii)(g) of the Regulations, other than a "liquidation" resulting from a termination under §1.708-1(b)(1)(ii) of the Regulations.

The revaluation of the Partnership Property referred to in the immediately preceding sentence will be made in accordance with §1.704-1(b)(2)(iv)(f) of the Regulations.

The foregoing provisions and all other provisions of this Partnership Agreement relating to the maintenance of Capital Accounts are intended to comply with §1.704-1 (b) of the Regulations and will be interpreted and applied in a manner consistent with such Regulations.

§ 3.7 Loans. Subject to the limitations set forth in §6.2(f), if from time to time the Partnership needs funds in excess of those provided by the Permanent Loan, Subordinate Loans, Capital Contributions of the Partners, Grants and funds required to be provided by the General Partner or any Affiliate of the General Partner pursuant to any obligation hereunder or any other agreement (such as pursuant to §§6.4(f)(i) and §6.4(f)(ii)), any Partner or other person,

organization, or institution may loan such additional funds to the Partnership at an interest cost to the Partnership and upon such terms, as agreed upon by the General Partner in its reasonable discretion, subject to compliance with the terms of existing loan agreements and this Partnership Agreement. Any loan made by a General Partner or an Affiliate of a General Partner will not bear interest in excess of 1.0% per annum below the long term Applicable Federal Rate. Any Partner making any loan to the Partnership will be considered a general creditor of the Partnership and not as a Partner. Any loan made hereunder by a Partner will be paid as provided in §5.1 and §5.2 hereof.

§ 3.8 Additional Capital Contributions. Except as expressly provided in this Partnership Agreement, no Partner is required to make contributions to the capital of the Partnership.

§ 3.9 Reserved.

ARTICLE 4: ALLOCATION OF PROFITS, LOSSES AND TAX CREDITS

§ 4.1 Profit and Loss Allocations. Except as otherwise provided in §4.2, Profits and Losses for any fiscal year of the Partnership are allocated among the Partners in accordance with the following percentages:

Partner:	Primary Percentages
Limited Partner	99.991%
General Partner	.009%
Total	100%

Profits and Losses under this §4.1 shall be allocated among the Partners in accordance with their Primary Percentages.

§ 4.2 Special Allocations. Notwithstanding anything to the contrary contained in §4.1, the following special allocations in all events apply in determining the allocation of Profits and Losses among the Partners and are made prior to the allocations required under §4.1:

(a) **Depreciation.**

(i) Depreciation (cost recovery) deductions are allocated 0.009% to the General Partner, and 99.991% to the Limited Partner.

(ii) Any recapture of Tax Credits is allocated to the Partners that were allocated (or whose predecessors-in-interest were allocated) the depreciation/cost recovery deduction and Tax Credits associated therewith.

(b) **Limitation on Allocations of Losses.** To the extent the allocation of any Losses to a Limited Partner would cause that Limited Partner to have an Adjusted Capital

Account Deficit at the end of any fiscal year of the Partnership, then those Losses will not be allocated to that Limited Partner, but rather will be specially allocated to the General Partner.

(c) **Profit Chargeback.** To the extent any Losses are allocated to the General Partner in accordance with subparagraph (b) of this §4.2, then Profits will thereafter first be specially allocated to the General Partner in proportion to and in an amount (1) up to but not exceeding the amount of any such allocations of Losses made to the General Partner under such subparagraph (b) but (2) not to the extent that Losses would be allocated to the Limited Partner in excess of the amount permitted by such subparagraph (b).

(d) **Partnership Minimum Gain Chargeback.** Notwithstanding any other provision of this Article 4, if there is a net decrease in Partnership Minimum Gain during any Partnership fiscal year; then each Partner will be specially allocated items of Partnership income or gain for such fiscal year (and, if necessary, subsequent fiscal years) in an amount equal to the portion of such Partner's share of the net decrease in the Partnership Minimum Gain (determined in accordance with §1.704-2(g) of the Regulations). Any allocations made pursuant to this subparagraph (d) are to be made in proportion to the respective amounts required to be allocated to each of the Partners pursuant thereto. The items of Partnership income or gain specially allocated under this subparagraph (d) are to be determined in accordance with §1.704-2(1) of the Regulations. This subparagraph (d) is intended to comply with the minimum gain chargeback requirements of §1.704-2(f) of the Regulations and will be interpreted consistently therewith.

(e) **Partner Minimum Gain Chargeback.** Notwithstanding any other provision of this Article 4 (except subparagraph (d) of this §4.2), if there is a net decrease in Partner Minimum Gain attributable to a Partner Nonrecourse Debt during any Partnership fiscal year, then each Partner who has a share of the Partner Minimum Gain attributable to such Partner Nonrecourse Debt (as determined in accordance with §1.704-2(i)(5) of the Regulations) will be specially allocated items of Partnership income and gain for such fiscal year (and if necessary, subsequent fiscal years) in an amount equal to the portion of such Partner's share of the net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt (as determined in accordance with §1.704-2(i)(4) of the Regulations). Any allocations made pursuant to this subparagraph (e) will be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items of Partnership income or gain specially allocated under this subparagraph (e) will be determined in accordance with §1.704-2(i)(4) of the Regulations. This subparagraph (e) is intended to comply with the minimum gain chargeback requirements of §1.704-2(i)(4) of the Regulations and will be interpreted consistently therewith.

(f) **Qualified Income Offset.** If a Limited Partner unexpectedly receives any adjustments, allocations, or distributions described in §1.704-1 (b)(2)(ii)(d)(4), (5) or (6) of the Regulations, then items of Partnership income or gain will be specially allocated to that Limited Partner in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of that Limited Partner as quickly as possible. The special allocations required pursuant to this subparagraph (f) are made only if and to the extent that that Limited Partner would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 4 have been tentatively made as if this subparagraph (f) were not in the Partnership Agreement. This subparagraph (f) is intended to comply with the

qualified income offset requirements of §1.704-1(b)(2)(ii)(d) of the Regulations and will be interpreted consistently therewith.

(g) **Gross Income Allocation.** If a Limited Partner has a deficit balance in its Capital Account at the end of any Partnership fiscal year which exceeds the sum of (1) the amount that Limited Partner is obligated to restore pursuant to any provision of this Partnership Agreement and (2) the amount that Limited Partner is deemed to be obligated to restore pursuant to the penultimate sentences of §1.704-2(g)(l) and 1.704.2(i)(5) of the Regulations, then that Limited Partner will be specially allocated items of Partnership income or gain in the amount of such excess as quickly as possible. The special allocations required pursuant to this subparagraph (g) are made only if and to the extent that that Limited Partner would have a deficit Capital Account in excess of the aforementioned sum after all of the allocations provided for in this Article 4 have been tentatively made as if subparagraph (f) and this subparagraph (g) were not in the Partnership Agreement.

(h) **Nonrecourse Deductions.** Nonrecourse Deductions are specially allocated among the Partners in accordance with the same percentages set forth in §4.1 with respect to Profits and Losses.

(i) **Partner Nonrecourse Deductions.** Partner Nonrecourse Deductions are specially allocated to the Partner who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with §1.704-2(i) of the Regulations.

(j) **§754 Adjustment.** To the extent an adjustment to the adjusted tax basis of any Partnership Property undertaken pursuant to §734(b) or 743(b) of the Code is required to be taken into account in determining the Capital Accounts of the Partners under §1.704-1 (b) (2)(iv)(m) of the Regulations, then the amount of such adjustment to the Capital Accounts will be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss will be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to the aforementioned section of the Regulations.

(k) **Imputed Interest.** To the extent the Partnership has taxable interest income with respect to any Capital Contribution pursuant to §483 or §§1271 through 1288 of the Code, then (i) such interest income will be specially allocated to the Partner to whom such Capital Contribution relates, and (ii) the amount of such interest income will be excluded from the Capital Contributions credited to such Partner's Capital Account in connection with the payments of principal with respect to such Capital Contribution.

(l) **Curative Allocations.** The special allocations set forth in subparagraphs (d) through (i) of this §4.2 are intended to comply with the requirements of §1.704-1(b) of the Regulations. These special allocations may lead to results which are inconsistent with the Partners' intentions concerning their sharing in Partnership distributions. Accordingly, the General Partner is hereby authorized and directed to specially allocate other items of Partnership income, gain, loss, and deduction among the Partners so as to prevent the special allocations

required under subparagraphs (d) through (i) of this §4.2 from distorting the Partners' understanding of the manner in which Partnership distributions are to be made to the Partners upon the dissolution and termination of the Partnership. In general, it is anticipated that the special allocations, if any, made under this subparagraph (l) are made by specially allocating other items of Partnership income, gain, loss, and deduction among the Partners so that the sum of the special allocations made to each Partner pursuant to subparagraphs (d) through (i) of this §4.2 equals the sum of the special allocations made under this subparagraph (l).

(m) **Matching Income Allocation of Income or Gain from Sales and Refinancing Proceeds.** All items of Partnership income or gain arising from events resulting in Net Cash from Sales or Refinancings are allocated:

(i) first, as specified in §4.2(d) through (g), (j) and (l) and §4.4(c) of this Agreement;

(ii) second, if after the allocation of Profits and Losses for the fiscal year in which the gain arose, any Limited Partner has a negative Capital Account balance, 99.991% to the Limited Partner, and 0.009% to the General Partner, until the Limited Partner's negative Capital Account is equal to zero;

(iii) third, to any General Partner that has a negative Capital Account balance after the allocation of Profits and Losses for the fiscal year in which the gain arose, until its Capital Account balance is equal to zero;

(iv) fourth, 99.991% to the Limited Partner and 0.009% to the General Partner, until each Limited Partner's positive Capital Account balance equals any amount to be distributed to the Limited Partner pursuant to §§5.2(a)(i) and 5.2(a)(ii); and

(v) fifth, to the Partners in accordance with the percentages specified in §5.2(b)

(n) **Grant Income.** Any income recognized as a result of any receipt of grants by the Partnership shall be allocated one hundred percent (100%) to the General Partner, except that this provision shall not apply to the extent that the Project will be financed with tax-exempt bond proceeds. In addition, if the General Partner is a tax exempt entity, the allocations to the General Partner under this §4.2 shall be limited to the highest percentage of the Partnership's property treated as tax-exempt use property.

(o) **Special Adjustment.** Notwithstanding any provision of this Partnership Agreement to the contrary, and prior to making any special allocations set forth in this §4.2, items of expenses and other deductions (other than depreciation, amortization, cost recovery deductions and Nonrecourse Deductions) equal to the sum of the amount of any loans to the Partnership made by the General Partner or any of its Affiliates pursuant to or for the purposes described in §§3.7, 6.4(f)(i) (but only after achievement of Construction Completion) and 6.4(f)(ii) are specially allocated to the General Partner in each tax year in which any such loan is made.

§ 4.3 Timing of Allocations. Except as otherwise expressly provided in this Partnership Agreement, all allocations of Profits, Losses, Energy Tax Credits and Tax Credits are to be made as of the last day of each fiscal year of the Partnership.

§ 4.4 Other Allocation Rules. The following rules apply for the purpose of interpreting and applying the provisions of this Article 4 relating to the allocation of Profits, Losses, Energy Tax Credits and Tax Credits among the Partners:

(a) **Excess Nonrecourse Liabilities.** Solely for purposes of determining a Partner's proportionate share of the "excess nonrecourse liabilities" of the Partnership within the meaning of §1.752-3(a)(3) of the Regulations, the Partners' respective interests in Partnership Profits shall be those percentage interests set forth in §4.1 (determined without regard to §4.2).

(b) **Effect of Cash Distributions.** To the extent permitted by §1.704-2(h) and §1.704-2(i)(6) of the Regulations, the General Partner shall endeavor to treat distributions of Cash Flow as having been made from the proceeds of a Nonrecourse Liability or a Partner Nonrecourse Debt only to the extent that such distributions would cause or increase an Adjusted Capital Account Deficit for any Limited Partner.

(c) **Recharacterization of Fee as Distribution.** If any fee or portion thereof payable to any Partner or any Affiliate thereof is determined to be a nondeductible distribution from the Partnership to a Partner for federal income tax purposes, there will be allocated to such Partner an amount of gross income equal to such distribution.

§ 4.5 Tax Effect of Allocations. Except as otherwise required under the second paragraph of this §4.5, the allocation of Profits, Losses, Energy Tax Credits and Tax Credits to any Partner under this Article 4 is deemed an allocation to that Partner of the same proportionate part of each separate item of Partnership taxable income, gain, loss, deduction, or credit comprising such Profits, Losses, Energy Tax Credits and Tax Credits, including, without limitation, any "unrealized receivable" or "substantially appreciated inventory item" under §751 of the Code. The Partners are aware of the income tax consequences of the allocations made pursuant to this Article 4 and hereby agree to be bound by the provisions of this Article 4 in reporting their respective shares of Partnership income, gain, loss, deduction, and credit for income tax purposes.

Notwithstanding anything to the contrary contained in this Article 4, income, gain, loss, deduction and credit with respect to any Partnership Property contributed to the capital of the Partnership by any Partner is, solely for tax purposes, allocated among the Partners so as to take into account any variation between the adjusted tax basis of such Partnership Property to the Partnership for federal income tax purposes and the value assigned to such Partnership Property for the purposes of the computation of the Partners' Capital Accounts. If any revaluation of the Partnership Property is made by the General Partner (which revaluation may only be made with the consent of the Limited Partner) then any subsequent allocations of income, gain, loss, deduction, and credit with respect to such Partnership Property will take into account any variation between the adjusted tax basis of such Partnership Property for federal income tax

purposes and the value assigned to such Partnership Property as a result of such revaluation. All allocations required under this paragraph of §4.5 are solely for purposes of federal, state, and local income taxes. These allocations do not affect and must not in any way be taken into account in computing any Partner's Capital Account or any Partner's share of Profits, Losses, Energy Tax Credits, Tax Credits or other items or distributions required or permitted to be made pursuant to any provision of this Partnership Agreement.

ARTICLE 5: DISTRIBUTIONS

§ 5.1 Distribution of Cash Flow.

(a) Cash Flow is, prior to the making of any distributions pursuant to §5.1(b) hereof, paid out in the following order and priority:

(i) ~~(i)~~ **First**, to payment of any accrued and payable Asset Management Fees to the Asset Manager, on a cumulative basis; =

(ii) ~~(ii)~~ **Second**, to the Operating Reserve Account until such time as such account is equal to the Operating Reserve Target Amount; =

(iii) ~~(iii)~~ **Third**, to pay any accrued and unpaid interest and unpaid principal on loans made by the ~~Limited Partner~~ pursuant to §3.7;

(iv) ~~(iv)~~ **Fourth**, to repay any accrued and unpaid interest and unpaid principal on loans made by the ~~General Partner~~ pursuant to §3.7;

(v) ~~(v)~~ **Fifth**, to the General Partner (in the order of loans made, with earlier loans repaid in full before subsequent loans are repaid) to repay any amounts treated as loans to the Partnership (without interest) by the General Partner pursuant to §6.4(f)(i) or §6.4(f)(ii) and not yet repaid;

(vi) ~~(vi)~~ **Sixth**, \$25,000.00, to the General Partner as a Partnership Management Fee on a cumulative basis; and

(viii) ~~(vii)~~ **Seventh**, the Maintenance Plan Fee and the PMF Surplus Fee to the General Partner, as applicable.

(b) After making the payments described in §5.1(a), the remaining Cash Flow, if any, shall be distributed to the Partners in accordance with the following percentages:

General Partner	0.009%
Limited Partner	<u>99.991%</u>

Total

100.00%

(c) As of June 30, 2023, the General Partner shall no longer be entitled to receive and retain any incentive management fee, regardless whether such fee is set forth in any other external oral or written agreement between Partners of the Partnership. Any amount of incentive management fee received by the General Partner relating to any period on or after June 30, 2023 (the “Surplus Fee”), regardless of when received by the GP, shall be held in trust by the General Partner upon receipt, and shall be contributed by General Partner to the Partnership as of the date of this Agreement, or such later date as designated by the Housing Authority. Such Surplus Fee contributed to the Partnership by the GP shall be earmarked for the Maintenance Reserve Account. Any incentive management fee paid to GP for 2023 may not exceed \$110,000 in aggregate.

§ 5.2 Net Cash from Sales and Refinancings. Except as otherwise provided in Article 11 of this Partnership Agreement (pertaining to the liquidation and dissolution of the Partnership), Net Cash from Sales and Refinancings is paid or distributed to the Partners as provided in this §5.2.

(a) **Payments.** Net Cash from Sales and Refinancings is, prior to making any distributions pursuant to §5.2(b), paid out in the following order and priority:

(i) First, to the Limited Partner to the extent of any amount which the Limited Partner is entitled to receive to satisfy any Credit Reduction Payment required pursuant to §6.9;

(ii) Second, to the Limited Partner an amount equal to the amount of taxes which would be imposed upon the Limited Partner as a result of the sale or refinancing, assuming that the Limited Partner is subject to the highest marginal federal, state and local income tax rates in effect at such time for corporations;

(iii) Third, to the Sponsor to pay any unpaid balance, if any, on the Deferred Developer Fee;

(iv) Fourth, to the payment of current and accrued Asset Management Fees to the Asset Manager, if outstanding;

(v) Fifth, to the Asset Manager the Disposition Fee;

(vi) Sixth, to the General Partner to pay any accrued and unpaid interest and unpaid principal on loans made by the General Partner pursuant to §3.7;

(vii) Seventh, to the General Partner to pay any accrued and unpaid Partnership Management Fee; and

(viii) Eighth, to the General Partner to pay (in the order of loans made, with earlier loans repaid in full before subsequent loans are repaid) any amounts treated as loans

to the Partnership (without interest) by the General Partner pursuant to §6.4(f)(i) or §(6.4)(f)(ii) and not yet repaid.

(b) After making the payments specified in §5.2(a), the balance of Net Cash from Sales and Refinancings, if any, shall be distributed 94.001% to the Limited Partner, and 5.999% to the General Partner.

§ 5.3 Timing of Distributions. Distributions of Cash Flow shall be made annually within 90 days after the issuance of the audited annual financial statements of the Partnership. The determination of the amount of Cash Flow distributable annually to the Partners under this Article 5 shall be based upon the state of facts existing on the last day of each fiscal year of the Partnership.

§ 5.4 Treatment of Distributions. Distributions to a Partner of Cash Flow are considered draws against such Partner's allocable share of the Partnership's Profits and Losses.

ARTICLE 6: RIGHTS AND DUTIES OF GENERAL PARTNER

§ 6.1 Management of Partnership. The Partnership is managed by the General Partner, who exercises full and exclusive control over the affairs of the Partnership, subject, however, to the limitations on its authority set forth in this Partnership Agreement (including, without limitation, §§6.2 and 6.3). The General Partner is under a fiduciary duty to conduct and manage the affairs of the Partnership in a prudent, businesslike and lawful manner and will devote such part of its time to the affairs of the Partnership as is deemed necessary and appropriate to pursue the business and carry out the purposes of the Partnership as contemplated in this Partnership Agreement. The General Partner shall use its best efforts and exercise good faith in all activities related to the business of the Partnership. Except as set forth in the proviso hereinbelow, the General Partner shall manage the Partnership in accordance with the terms of the Implementation Agreement and cause the Partnership to conduct its activities in accordance with the applicable rights, entitlements and obligations set forth in the Implementation Agreement; provided, however, that if the General Partner believes that there is an action required of it or of the Partnership in order to comply with the terms of the Implementation Agreement which action would (i) violate any provision of this Agreement and/or (ii) adversely affect the interests of the Limited Partner, the General Partner shall, before taking any such action, promptly bring such contemplated action to the attention of the other Partners, and the General Partner must obtain the Limited Partner's approval, in the Limited Partner's sole discretion, of any such action before the General Partner undertakes the same. The General Partner acknowledges and agrees that compliance with the terms of the Implementation Agreement shall not in and of itself constitute a defense to conduct that is otherwise an Event of Default under the terms of this Agreement.

§ 6.2 Restrictions on General Partner's Authority. Notwithstanding anything to the contrary contained in this Partnership Agreement, the General Partner does not have the authority to take any of the actions set forth below without the prior written consent of the Limited Partner:

- (a) Do any act in contravention of or inconsistent with this Partnership Agreement or any other agreement to which the Partnership is a party (including, without limitation, those relating to the Permanent Loan and Subordinate Loans);
- (b) Do any act making it impossible to carry on the ordinary business of the Partnership;
- (c) Confess a judgment against the Partnership;
- (d) Use Partnership Property or assign rights in specific Partnership Property for other than a Partnership purpose;
- (e) Sell or otherwise transfer any interest in the Project Property (other than leases of residential units or, where applicable, commercial space, in the ordinary course of the Partnership's business);
- (f) Incur any liability on behalf of the Partnership in the ordinary course of the Partnership's business in excess of \$25,000 (or enter into any agreement resulting in any such liability being incurred), other than the Permanent Loan and the Subordinate Loans, and those liabilities (or agreements relating thereto) which have been disclosed to and approved in writing by the Limited Partner;
- (g) Acquire any interest in real property or acquire any item of personal property on behalf of the Partnership having a purchase price of more than \$10,000, unless such acquisition is part of the development budget or annual operating budget that has been approved in writing by the Limited Partner;
- (h) Refinance, prepay or modify any mortgage or long-term liability of the Partnership, including, without limitation the Permanent Loan or the Subordinate Loans;
- (i) Compromise any claim or liability in excess of \$25,000 owed by or to the Partnership;
- (j) Make, amend or revoke any tax election required of or permitted to be made by the Partnership under the Code or the Regulations, including, without limitation, any election under §42 or §754 of the Code. In this regard, the General Partner shall make (and the Limited Partner consents thereto) any elections required or permitted under §42 of the Code requested in writing by the Asset Manager;
- (k) Change any accounting method or practice of the Partnership;
- (l) Take any action which would cause the termination of the Partnership for federal income tax purposes or the dissolution of the Partnership for state law purposes;

(m) Construct any improvements on the Project Property other than those contemplated in the Plans and Specifications (or any modification thereof if such modification is expressly approved in writing by the Limited Partner);

(n) Use or cause the Project Property to be used for any purpose other than as a low income housing development as contemplated under §42 of the Code;

(o) Except for the Permanent Loan and Subordinate Loans, mortgage, pledge or encumber any interest in any Partnership Property, including, without limitation, the Project Property;

(p) Loan any money on behalf of the Partnership or guarantee on behalf of the Partnership the indebtedness of any other Person;

(q) Change the nature of the business or purpose of the Partnership;

(r) Hire or retain any Person to manage the Project Property or the Partnership's business other than the Management Agent. The management agreement with Management Agent as the Project Property manager will contain the provisions specified in this Agreement, including those specified under "Management Agent" in Article 1 hereof;

(s) Take any action (or fail to take any action) causing or resulting in a breach of any of the representations, warranties or covenants of the General Partner set forth in this Partnership Agreement, including, without limitation, those set forth in §6.3;

(t) Admit any other person or entity as a Partner;

(u) Except as permitted by §11.1 (pertaining to dissolution of the Partnership), take any action that may cause the dissolution of the Partnership;

(v) Perform any act subjecting any Limited Partner to liability as a general partner in any jurisdiction;

(w) Deposit any Partnership funds in any bank, savings and loan or other financial institution whose accounts are not fully insured by the Federal Deposit Insurance Corporation;

(x) Commingle any Partnership funds with the funds of (1) any other partnership or limited liability company in which a General Partner is a partner or managing member, as the case may be, or (2) a General Partner or any of its affiliates;

(y) Execute or deliver any assignment for the benefit of creditors; or

(z) Enter into any lease or other occupancy agreement with respect to any commercial, child care or other non-residential use of any space within the Project Property, amend, modify or terminate any such lease or occupancy agreement or approve or consent to any

assignment, sublease or change in use under any such lease or occupancy agreement, or amend, modify or terminate the Ground Lease.

§ 6.3 Representations, Warranties and Covenants of the General Partner. As an inducement to the Limited Partner to enter into this Partnership Agreement, and in addition to the representations, warranties and covenants set forth elsewhere in this Partnership Agreement, each of the General Partners (if there is more than one) hereby makes the following representations, warranties and covenants to and with the Limited Partner. All of the representations and warranties are deemed given as of the date hereof and as of every date thereafter throughout the term of the Partnership's existence and may be relied upon by counsel to the Limited Partner in connection with the Limited Partner's investment in the Partnership. The General Partner shall fully comply with and abide by all of these covenants at all times throughout the term of the Partnership's existence.

(a) The Partnership has received an allocation or a reservation (and has or will timely comply with all requirements necessary to receive an allocation) of Tax Credits in an amount no less than the Projected Tax Credits. The General Partner will construct and operate the improvements on the Project Property so as to qualify for the Energy Tax Credits in an amount no less than the Projected Energy Tax Credits.

(b) At all times following the completion of the contemplated improvements to the Project Property, the General Partner shall operate the Project Property in order to qualify all of the Tax Credit Units for the Tax Credit with 100% of the tenants who occupy such units qualifying under the appropriate income and rent restrictions of §42 of the Code as the same may be modified pursuant to the Extended Use Agreement (assuming no repeal or amendment of §42 of the Code renders such qualification impracticable).

(c) To the best of the General Partner's knowledge after due inquiry, there are no actions, suits or proceedings pending or threatened by any person or governmental authority against or affecting the Project Property, the General Partner or any of its Affiliates that may have a material adverse effect on the Project Property or the Partnership or on the ability of the General Partner to perform its obligations hereunder.

(d) The Partnership is not liable (nor has any claim been made against it) for any expense, debt, cost, liability or other charge other than costs incurred in connection with the acquisition and construction of the Project Property, operating expenses arising in the normal course of business, and those relating to the Permanent Loan and Subordinate Loans.

(e) All current leases (if any) for residential units in the Project Property are, and all future leases will be, for an initial term of at least six (6) months.

(f) The General Partner hereby represents and warrants as follows:

(i) To the best of its knowledge, after due inquiry and investigation, except to the extent, if any, disclosed to the Limited Partner or except to the extent encased, encapsulated or otherwise corrected in a manner consistent with federal, state or local law:

(A) the Project does not contain any substance known to be hazardous, including without limitation hazardous waste, lead-based paint, asbestos, methane gas, urea formaldehyde insulation, oil, toxic substances, underground storage tanks, polychlorinated biphenyls (PCBs), or radon and the Project is not affected by the presence of oil, toxic substances, or other pollutants that could be a detriment to the Project;

(B) the Project is not in violation of any Environmental Law, and no violation of the Clean Air Act, Clean Water Act, Toxic Substance Control Act, Safe Drinking Water Act, Lead-Based Paint Poisoning Prevention Act, or Occupational Safety and Health Act, or any amendments of these acts or successor statutes, has occurred or is continuing; and

(C) the General Partner has no knowledge and has not received any notice from any source whatsoever of the existence of any of the foregoing hazardous conditions or substances on the Project, or of a violation of any such federal, state, or local law or regulation with respect to the Project, and the General Partner shall throughout the term of the Partnership, notify the Limited Partner in writing of any notice it may receive that such a condition or violation exists.

(ii) If any such hazardous condition or the presence of any hazardous substance is disclosed in the aforesaid environmental report(s) for the Project and such condition or substance has not already been properly encased, encapsulated or otherwise corrected in a manner consistent with federal, state or local law:

(A) the Project budget includes an amount necessary for recommended removal, encapsulation, or other remediation of such condition or substance; and

(B) the General Partner will verify that rehabilitation or construction of the Project has been or is being completed in accordance with the recommendations for removal, encapsulation, or remediation of such conditions or substances and will certify to such in writing to the Limited Partner, upon completion of the rehabilitation or construction.

(iii) The General Partner will deliver to the Limited Partner copies of all test results of materials or soils that are indicated in the environmental report(s) for the Project to be potentially hazardous or copies of any supplemental environmental report(s) that discuss the results of such tests.

(iv) The General Partner will take all actions within its control necessary to comply with and continue to comply with all ongoing or newly arising monitoring, maintenance, inspection, reporting, and remediation requirements of any applicable federal, state, or local environmental laws and regulations.

(v) If the Project has received project-based or tenant-based Section 8 rental subsidies, the Project operating budget shall include sufficient funds for the Project to comply with all applicable federal, state and local lead based paint laws and regulations.

(vi) Unless otherwise approved by the Limited Partner in writing, the aforesaid environmental report(s) are based on assessments of the Project that were performed or recertified not more than one hundred eighty (180) days prior to the date of execution of the Partnership Agreement by the Limited Partner.

For purposes of the representations contained in this §6.3(f), substances known to be hazardous shall not include small amounts of chemicals, cleaning agents, or similar substances employed in routine household uses in a manner typical of occupants in other residential properties, or incidental cleaning supplies, provided that they are used at all times in strict compliance with all applicable laws and regulations and industry standards.

(g) The Partnership is a duly organized limited partnership, validly existing under the Act, and has complied with all filing requirements necessary under the Act for the preservation of the limited liability of the Limited Partner.

(h) No event has occurred that has caused and the General Partner will not act in any manner that will cause (1) the Partnership to be treated for federal income tax purposes as an “association” taxable as a corporation, rather than as a partnership, or (2) any Limited Partner to be liable for Partnership obligations in excess of its Capital Contribution, plus the limited dollar amount of any deficit restoration obligation agreed to by such Limited Partner pursuant to §11.4 and any amount required to be repaid by such Limited Partner to the Partnership pursuant to §7.1 hereof and the Act.

(i) The Partnership holds a leasehold interest in the real property on which the Project is located pursuant to the Ground Lease and owns such leasehold interest and the improvements located thereon free and clear of all liens and encumbrances other than mortgages and other security instruments securing any of the Permanent Loan or the Subordinate Loans and those liens and encumbrances expressly agreed to in writing by the Limited Partner and the General Partner.

(j) The Project Property conforms (or will timely conform) in all respects to all applicable laws, including, without limitation, all zoning, building, health, fire and environmental rules and regulations and there are no laws, planning rules, regulations, ordinances, requirements or environmental laws, regulations or procedures applicable to the Project Property that would materially inhibit or materially adversely affect the operation of the Project Property as a low income housing development.

(k) The General Partner has caused and will cause the Partnership to maintain, with financially sound insurers with an A.M. Best Co. rating of A-VI or better, as designated by A.M. Best & Company, all insurance coverage required by the Limited Partner. The General Partner shall furnish Limited Partner with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage in compliance

with the requirements below. Such certificates, which do not limit General Partner's indemnification requirements in this Agreement. The Limited Partner's insurance requirements are applicable to the Partnership must name the Limited Partner as an additional insured, and as of the date of this Agreement are as follows:

(1) Workers' Compensation: Statutory coverage as required by the State of California.

(2) Liability: Commercial general liability coverage in the following minimum limits:

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

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

(3) Automotive: Comprehensive automobile liability coverage in the following minimum limits:

Bodily Injury:	\$1,000,000	per accident
	\$2,000,000	aggregate
Property Damage:	\$1,000,000	per accident
	\$2,000,000	aggregate
OR		
Combined Single Limit:	\$1,000,000	per accident

(4) Cyber Liability insurance in the minimum amount of \$1,000,000, covering, but not limited to, data breaches, cyber extortion, business interruption, and identity theft.

(l) Neither of the Permanent Loan, Subordinate Loans nor any other loan or agreement to which the Partnership is a party, nor the General Partner's performance of its obligations thereunder or hereunder, violates or constitutes a default under any provision of law, order of court, indenture, or other instrument affecting the General Partner, the Partnership or the Project Property or, except for the Permanent Loan and Subordinate Loans, result in the creation or imposition of any lien, charge or encumbrance on the Project Property.

(m) The General Partner has provided to the Limited Partner the Plans and Specifications (including, without limitation, all working drawings) and all construction schedules, approved construction draws, certifications concerning occupancy, lien notices, project inspection reports, proposed changes and modifications to the Plans and Specifications,

all available documents pertaining to the Permanent Loan, and Subordinate Loans and any other information which is relevant to the construction and development of the Project Property.

(n) All material information concerning the Project Property known to the General Partner or any of its Affiliates, or which should have been known to any of them in the exercise of reasonable care, has been disclosed by the General Partner to the Limited Partner and there are no facts or information known to the General Partner or any of its Affiliates, or which should have been known to any of them in the exercise of reasonable care, which would make any of the facts or information submitted by the General Partner to the Limited Partner with respect to the Project Property inaccurate, incomplete or misleading in any material respect.

(o) Neither the Partnership nor any Partner has or will have direct or indirect personal liability as maker, guarantor, partner or otherwise with respect to the payment of principal or interest or any other sum due under the Permanent Loan or Subordinate Loans.

(p) The execution and delivery of all instruments and the performance of all acts heretofore or hereafter made or taken or to be made or taken pertaining to the Partnership by the General Partner have been or will be duly authorized by all necessary corporate, limited liability company or other action and the consummation of any such transactions with or on behalf of the Partnership will not constitute a breach or violation of; or a default under, the articles of organization or operating agreement of the General Partner or any agreement by which the General Partner or any of its properties is bound, nor constitutes a violation of any law, administrative regulations or court decree.

(q) Neither the Partners nor any Affiliate of a Partner is a lender to the Partnership unless, based upon the advice of tax counsel or adviser satisfactory to the Limited Partner, such loan will not likely adversely affect or cause a material re-allocation among the Partners of Tax Credits, or Profits and Losses.

(r) The General Partner has no knowledge of, and has not received any notices with respect to, any violations by the Partnership or the Project of federal or state law or municipal ordinances or orders or requirements of any governmental body or authority in whose jurisdiction the Project Property is subject.

(s) There is no default existing, pending or threatened under any provision of the Permanent Loan, Subordinate Loans or any other agreement to which the Partnership is a party and the General Partner shall take all requisite action to comply with the provisions of all such loans and agreements; and, if any such default is alleged, the General Partner shall notify the Limited Partner and the Limited Partner of such actions, and will not result in the breach of or default under any agreement, mortgage or other instrument to which any General Partner is a party or by which any General Partner is bound.

(t) All appropriate roadway and public utilities, including, without limitation, telephone, sewer, water, electricity and, if applicable, gas are available to the Project Property, and all easements required in connection therewith have been obtained and filed of public record

and the General Partner shall use its best efforts to keep all such utilities operating in a manner sufficient to service the Project Property and the residential units contained therein

(u) Intentionally Omitted.

(v) All building permits, environmental permits or other clearances, easements and governmental permits, licenses, and approvals required in connection with the construction, ownership, operation, use and occupancy of the Project Property and all residential units contained therein, have been or will be timely obtained and the General Partner shall take all actions necessary to maintain such approvals in full force and effect;

(w) Six percent (6%) of the Project Property is treated as “tax-exempt use property” as defined in §168(h) of the Code.

(x) No General Partner is under any commitment to any real estate broker, rental agent, finder, syndicator or other intermediary with respect to the Project or any portion thereof, except for arrangements disclosed in writing to the Limited Partner prior to the date hereof.

(y) Intentionally Omitted.

(z) The General Partner is a limited liability company duly organized and validly existing under the laws of the Project State.

(aa) The General Partner has previously provided a true, complete and current copy of the Partnership’s original limited partnership agreement, together with all amendments thereto, to the Limited Partner, which original limited partnership agreement and amendments reflect all agreements among the Partners of the Partnership prior to its amendment hereby.

(bb) The execution and delivery of this Partnership Agreement and each of the other documents and agreements described in or contemplated by this Partnership Agreement by the General Partner, and the performance of the transactions contemplated herein and in each such other document, have been -duly authorized by all requisite corporate actions, and will not result in the breach of or default under any agreement, mortgage or other instrument to which any General Partner is a party or by which any General Partner is bound.

(cc) This Partnership Agreement is binding upon and enforceable against the General Partner in accordance with its terms.

(dd) The General Partner will not transfer a controlling interest in itself without the consent of the Limited Partner.

(ee) The General Partner shall not, and shall cause the Management Agent not to, (1) cause or permit any waste or damage to the Project Property, or (2) allow any tenant to use a residential unit, or, if applicable, commercial space, within the Project Property or any of the

common areas in any manner which is unlawful, hazardous, unsanitary, noxious or offensive or which unreasonably interferes with the use of the Project Property by the other tenants.

(ff) The General Partner shall maintain the Project Property in a decent, safe and sanitary condition.

(gg) The General Partner shall operate the Project Property in accordance with, and lease residential units within the Project Property in compliance with, §6.3(b) and the terms of the Extended Use Agreement. In connection with such leasing of the Project's residential units, the General Partner and the Limited Partner shall form a committee comprised of one representative of each for the purpose of advising the General Partner on matters concerning tenant selection as well as property management. The members of such committee shall meet not less than once every three (3) months at a location and time which is mutually convenient. Upon the mutual consent of the General Partner and the Limited Partner, the committee may also include one representative from each of the Housing Authority or its designee.

(hh) Intentionally Omitted.

(ii) Intentionally Omitted.

(jj) The General Partner has determined that neither the General Partner, the Sponsor, the Limited Partner nor any of the officers, directors, principals, employees or owners of the General Partner, the Sponsor or the Limited Partner are on the list of Specially Designated Nationals and Blocked Persons promulgated by the U.S. Department of the Treasury and located on the internet at <http://www.treas.gov/offices/eotffc>.

§ 6.4 Specific Obligations of General Partner. The General Partner shall, on behalf of and in the name of the Partnership and in addition to any obligations placed upon it elsewhere in this Partnership Agreement, have the following specific obligations:

(a) **Securities Law Matters.** The General Partner shall prepare and file all appropriate reports for the Partnership with the Securities and Exchange Commission and state securities administrators.

(b) **Limited Partnership Status.** The General Partner shall (1) file such certificates and do such other acts as may be required to qualify and maintain the Partnership as a limited partnership under the Act and to qualify the Partnership to transact business in all such jurisdictions as may be required under applicable provisions of law and (2) take or cause the Partnership to take all reasonable steps deemed necessary by counsel to the Partnership to assure that the Partnership is at all times classified as a partnership for federal and state income tax purposes.

(c) **Governmental Filings.** The General Partner shall prepare, sign and submit to the IRS, the State Housing Finance Agency and any other governmental authority having jurisdiction over the Project Property, on a timely basis, any and all annual reports, information returns and other certifications and information required by any such governmental

agency. The General Partner shall comply with all other applicable requirements of any federal, state or local agency having jurisdiction over the Project Property, including, without limitation, any requirements of any such governmental agency with respect to the funding and maintenance of any operating or replacement reserves for the Project Property.

(d) **Bank Accounts.** The General Partner shall establish in the name and on behalf of the Partnership such bank accounts as shall be required to facilitate the operation of the Partnership's business. The Partnership's funds shall not be commingled with any other funds of the General Partner or any of its Affiliates, including without limitation, any other partnership in which a General Partner is a general partner. Funds of the Partnership held in bank accounts shall be deposited in one or more interest-bearing accounts maintained in FDIC-insured banking institutions, with no such account, or accounts in aggregate at any one FDIC-insured banking institution, having a balance in excess of the maximum insured amount, or in such other investment vehicle as shall be approved in writing by the Limited Partner. If the Partnership incurs any loss due to any Partnership funds being deposited in FDIC-insured accounts with balances in excess of the maximum insured amount, the General Partner and the Sponsor (pursuant to the Guaranty Agreement) shall be absolutely and unconditionally liable to the Partnership and the Limited Partner with respect to any such loss, unless the Limited Partner had pre-approved in writing the General Partner's written request to maintain a balance in excess of the maximum insured amount. Promptly upon the request of the Limited Partner, the General Partner shall obtain and deliver to the Limited Partner full, complete and accurate statements of the amount and status of all Partnership bank accounts and all withdrawals therefrom and deposits thereto.

(e) **Required Reserves.**

(i) **Lease-up Reserve.** Intentionally Omitted.

(ii) **Operating Reserve.** The General Partner shall establish the Operating Reserve Account and fund it with the Operating Reserve Target Amount out of loan and/or equity proceeds. The General Partner shall also be obligated, to the extent funds are available, to replenish the Operating Reserve Account up to the Operating Reserve Target Amount out of Cash Flow or the proceeds of sales or refinancing in accordance with §5.1 and §5.2 hereof. The Operating Reserve will be held in the Operating Reserve Account, under the control of the General Partner (or a Project lender, if required), and the Partnership will maintain this account. Withdrawals from the Operating Reserve Account will require the written approval of the General Partner and the Asset Manager (except in cases where the Account is under the control of one of the Project lenders in which case the General Partner shall, within five (5) business days of such withdrawal, notify the Asset Manager in writing of any withdrawal from the Operating Reserve Account and the purpose for which such withdrawal was made). If applicable, within five (5) business days of receipt by the Asset Manager of such requests, the Asset Manager shall notify the General Partner whether the request has been approved, disapproved or whether additional information is needed to evaluate the request. If the Asset Manager does not respond within such five (5) business day period, the withdrawal request will be deemed to be approved. So long as funds remain in the Operating Reserve, such funds will be used to fund Project operating and debt service deficits.

(iii) **Replacement Reserve.** The General Partner shall establish the Replacement Reserve. The Replacement Reserve will be held in the Replacement Reserve Account, under the control of the General Partner (unless the Account is under the control of one of the Project lenders). Withdrawals from the Replacement Reserve Account in excess of \$5,000.00 in the aggregate in any given month (unless such withdrawal was provided for in the approved Project budget) will require the written approval of the General Partner and the Asset Manager (except in cases where the Account is under the control of one of the Project lenders, in which case the General Partner shall notify the Asset Manager in writing of any withdrawals from the Replacement Reserve Account and the purpose for which such withdrawal was made). Within five (5) business days of receipt by the Asset Manager of such requests, the Asset Manager shall notify the General Partner whether the request has been approved, disapproved or whether additional information is needed to evaluate the request. If the Asset Manager does not respond within such five (5) business day period, the withdrawal request will be deemed to be approved. The General Partner will be required to fund the Replacement Reserve Account on a cumulative basis in the annual amount of \$600 per unit per year (to be increased annually by -0-%) from Project Cash Flow. The Replacement Reserve will be utilized to make capital improvements and repairs to the Project.

(iv) **Revenue Deficit Reserve.** The General Partner shall establish and fund the Revenue Deficit Reserve Account. The Revenue Deficit Reserve will be held in the Revenue Deficit Reserve Account, under the control of the General Partner (unless the Account is under the control of one of the Project lenders). The funds in the Revenue Deficit Reserve Account are to be used solely for the purpose of payment of Operating Deficits which occur or are projected to occur if the existing Housing Assistance Payments Contract for the Project, [dated](#), [2024](#) (the “HAP Contract”) is not renewed or housing assistance payments thereunder are terminated or curtailed during the term of the HAP Contract; the funds in the Revenue Deficit Reserve Account are not available to fund Operating Deficits during the term of the HAP Contract that occur as a result of any other cause. Withdrawals from the Revenue Deficit Reserve Account will require the written approval of the General Partner and the Asset Manager (except in cases where the Revenue Deficit Reserve Account is under the control of one of the Project lenders, in which case the General Partner shall notify the Asset Manager in writing of any withdrawals from the Revenue Deficit Reserve Account and the purpose for which such withdrawal was made). Within five (5) business days of receipt by the Asset Manager of such requests, the Asset Manager shall notify the General Partner whether the request has been approved, disapproved or whether additional information is needed to evaluate the request. If the Asset Manager does not respond within such five (5) business day period, the withdrawal request will be deemed to be approved.

If the HAP Contract is fully funded during each of the first five (5) years of the term of the HAP Contract, then at the end of each calendar year following the end of the fifth (5th) year of the term of the HAP Contract an amount equal to ten percent (10%) of the amount of the funds that were in the Revenue Deficit Reserve Account as of the end of the fifth (5th) year of the term of the HAP Contract may be withdrawn and ~~used by the General Partner (A) first, to pay any outstanding Deferred Development Fee and (B) second, any remaining funds to be deposited~~

into the Operating Reserve, the Replacement Reserve and/or the Services Reserve, as elected by the General Partner but with the consent of the Asset Manager as to such election.

(v) **Services Reserve.** The General Partner shall establish the Services Reserve Account and fund it in the amount of at least \$100,000.00. The Services Reserve Account will be held under the control of the General Partner (unless the Account is under the control of one of the Project lenders) and the Partnership will maintain this account until the end of the Compliance Period (without any requirement to replenish the Account). Withdrawals from the Services Reserve Account shall require the written approval of the General Partner and the Asset Manager (except in cases where the Account is under the control of one of the Project lenders, in which case the General Partner shall notify the Asset Manager in writing of any withdrawals from the Services Reserve Account and the purpose for which such withdrawal was made). Within five (5) business days of receipt by the Asset Manager of such requests, the Asset Manager shall notify the General Partner whether the request has been approved, disapproved or whether additional information is needed to evaluate the request. If the Asset Manager does not respond within such five (5) business day period, the withdrawal request will be deemed to be approved. Notwithstanding the foregoing, in the event that the annual operating budget that has been approved by the Asset Manager includes the planned withdrawal of funds from the Services Reserve Account to pay for required services for residents of the Project (as described in the following paragraph), then the approval of the Asset Manager shall not be required again at the time of such withdrawal of funds in accordance with the approved operating budget.

(f) Funds in the Services Reserve Account shall be used solely to pay for required services for residents of the Project when there is a shortfall of funds called for in the approved operating budget to pay for such services; such funds in the Services Reserve Account may be used prior to using funds in the Operating Reserve Account and regardless of whether there is an Operating Deficit. Any excess funds remaining in the Services Reserve Account at the end of the ~~_____~~ Compliance Period shall be released from the Services Reserve Account and applied by the Partnership in accordance with §5.2 hereof, in the case of a sale of the Project, or in accordance with §11.2 hereof, in the case of the dissolution of the Partnership.

(g) **Property Management.** The General Partner, on behalf of the Partnership, shall enter into a Management Agreement with the Management Agent for the physical property management and leasing of the Project, in form and of content as set forth in a separate document approved in writing by the General Partner and Asset Manager. The General Partner, on behalf of the Partnership, shall diligently enforce all of the obligations of the Managing Agent thereunder and shall perform all of the Partnership's obligations as owner thereunder, subject to the following terms and conditions:

(i) **Renewal or Successor Agreements.** Upon the termination of such Management Agreement or any subsequent Management Agreement, the General Partner shall renew the same or enter into an agreement that does not differ materially from the initial Management Agreement in Management Agent obligations and owner remedies, or in any other respect, with the same Management Agent or another Managing Agent of at least comparable ability and experience who can reasonably be expected to perform at least as well, subject to the requirements of subparagraphs (ii) and (iii) hereinbelow.

(ii) Notice and Consultation. If the General Partner wishes to enter into a new form of management agreement or retain the services of a different Managing Agent, it shall give the Asset Manager at least thirty (30) business days' prior written notice of the proposed change, accompanied by a copy of any proposed new Management Agreement and a written description of the identity and qualifications of any proposed new Management Agent, and the General Partner shall consult with the Asset Manager regarding the proposed change.

(iii) Asset Manager Consent. Under any circumstances, the General Partner shall not enter into a new Management Agreement materially different from the initial Management Agreement in any respect without the prior written consent of the Asset Manager as to the form and content of such new Management Agreement, nor shall the General Partner retain the services of a Management Agent other than a Management Agent previously approved by the Asset Manager without the prior written consent of the Asset Manager as to the identity and qualifications of such new Management Agent.

(iv) Termination of Non-Performing Management Agent. If the Management Agent fails to perform any of its obligations under the Management Agreement, whether general or specific obligations, in any material respect, including without limitation failure to capably manage the Project as measured by sustained high Project vacancies, delinquent rents, or operating deficits, inadequate maintenance, or failure to qualify tenants under low-income housing tax credit requirements, or repeated failure to provide or unreasonable delay in providing accurate financial or operating reports to the General and Limited Partners, the General Partner shall promptly comply with the terms of the Management Agreement regarding notice to the Management Agent and its opportunity to cure. The General Partner shall also simultaneously provide the Asset Manager with a copy of this notice and any documentation explaining why the Management Agent should not be terminated for cause. Upon expiration of the applicable cure period, and the failure of the Management Agent to cure its breach of the Management Agreement, the General Partner shall consult with the Asset Manager as to whether or not the Management Agent should be retained and, if so, under what terms and conditions. Unless within ten (10) business days of the delivery of this notice the Asset Manager consents in writing to the retention of the managing agent, the General Partner shall terminate the Management Agent for cause, in accordance with the terms of the Management Agreement. The General Partner shall also immediately enter into a new Management Agreement with a substitute Management Agent, subject to the prior written consent of the Asset Manager.

(v) Removal of Management Agent. The General Partner shall, either on its own or upon the written request of the Asset Manager, promptly remove the Management Agent if cause for such removal exists. As used herein, "cause" shall include, but not be limited to, any one of the following: (a) failure to promptly and competently perform (after any applicable notice and cure period) all duties of the Management Agent under the Management Agreement with the Partnership, (b) failure to materially comply with the record keeping, tenant qualification and rental requirements of the Extended Use Agreement and §42 of the Code and the Regulations, rulings, and policies related thereto, or (c) material mismanagement of the Project.

(vi) Removal of Non-Complying General Partner. If the General Partner fails to comply with any of the requirements of this §6.4(g) and such failure continues beyond applicable notice and cure periods, it may be removed for cause pursuant to §10.6 hereof.

All Management Agreements shall contain specific provisions requiring the Management Agent to rent to low-income tenants at the level required to maintain Qualified Occupancy, to obtain prior written approval of the General Partner for any deviation from such level, to obtain tenant income certifications and employer and/or other relevant verifications of tenant income, to determine low-income tenant eligibility for tax credit purposes, to deliver certifications of its compliance with these requirements and of Project rent rolls upon Qualified Occupancy and annually prior to the times such information is required for low-income housing tax credit purposes, to keep records of such low-income rental and occupancy and deliver copies of leases, certifications, and verifications to the Partnership, and to prepare elections, certifications, and any other materials contemplated by §6.4(i) hereof, to the extent necessary or advisable to qualify for and maintain the low-income housing tax credit and any other available tax benefits in connection with such rental and occupancy. In addition to the foregoing, all Management Agreements shall require the Management Agent to impose the maximum allowable rents for the residential units, as prescribed by the Code or State applicable law, unless such non-conforming lower rents are otherwise approved by the Limited Partner.

Where the Management Agent is the General Partner or its affiliate, each management agreement shall provide that the Management Agent's monthly fees are accrued and subordinated to payment of Operating Deficits until funds are available to pay such fees.

(h) Cooperation with Asset Manager. The General Partner shall cooperate and shall cause the Management Agent to cooperate fully with the Asset Manager so that the Asset Manager may carry out its duties and obligations.

(i) Rental Program. The General Partner shall cause to be kept all records of rental and occupancy and shall take such other actions required under §6.4(l) hereof to claim all available tax benefits in connection therewith. The General Partner and Project Management Agent shall comply with all income certification or other record-keeping requirements of the Code and Regulations, and of prudent management accounting practices, to support the claim of a low-income housing tax credit based on the occupancy requirements for the Project and any other material tax benefits resulting from such low-income occupancy of the Project.

(j) Tax Benefits Requirements. The General Partner acknowledges that it is of great importance that the Tax Credits and all other tax benefits contemplated herein be achieved and maintained. Accordingly, the General Partner agrees as follows:

(i) Record-Keeping. The General Partner shall cause records to be kept, and cause all elections and certifications to be made, pertaining to the number and size of apartment units, occupancy thereof by tenants, income levels of tenants, set-aside for low-income tenants, and any other matters now or hereafter required to qualify for and maintain the Tax Credits and any other available tax benefits in connection with low-income occupancy of the Project.

(ii) Set-Aside Election. The General Partner shall elect the minimum low-income set-aside requirement as may hereafter be required by the Code or regulations thereunder for the Tax Credits; provided, however, that in the event it becomes reasonably certain that such set-aside either will not be met or will be exceeded, the General Partner shall promptly so notify the Partners in writing and shall proceed to elect such other minimum set-aside requirement as will best protect or enhance the projected tax benefits to the Partners under the circumstances.

(iii) Annual Compliance Procedures. As soon as feasible after Qualified Occupancy has occurred and annually thereafter, prior to the times such information is required for Tax Credit reporting purposes, the General Partner shall:

(A) cause the Partnership's Management Agent to submit to the Partnership the certifications and all other applicable materials related to low-income leasing described in §6.4(k) hereof;

(B) check and verify the same against leases, certifications, and other appropriate back-up materials to the extent necessary or advisable to determine with reasonable assurance that the low-income leasing requirements have been met for Tax Credit purposes; and

(C) execute and deliver to the Limited Partner a certification, in form reasonably acceptable to the Limited Partner, stating that the General Partner has complied with the foregoing requirements and attaching copies of the managing agent's certification and rent roll in a format reasonably acceptable to the Limited Partner.

(iv) Local Code Compliance. The General Partner shall maintain the Project in compliance with rules prescribed by the Secretary of Treasury pursuant to §42(i)(3)(B)(ii) of the Code. The General Partner shall also promptly provide the Limited Partner with any notice or other documentation sent by any federal, state or local governmental agency that the Project may be in violation of any health, environmental, safety, building, or other federal, state or local statute, regulation, or ordinance.

(k) Mold Inspections. The General Partner agrees to inspect the Project Property at least once annually for the presence of any mold, fungus or moisture buildup in or on the Project Property. In the event any mold, fungus or moisture buildup is identified in or on the Project Property, the General Partner shall notify the Limited Partner within ten (10) business days and shall consult with the Limited Partner regarding the need to hire an environmental consultant to evaluate the mold, fungus or moisture buildup and the need to prepare and implement a remediation plan, and the General Partner shall implement, or shall cause the implementation, of such remediation plan to eradicate the mold, fungus or moisture buildup.

(l) Maintenance Reserve Plan. General Partner and Limited Partner have entered into the Maintenance Plan, attached hereto as Exhibit A, that requires General Partner to use available Cash Flow after the distributions set forth in Section 5.1(b) (including, but not

limited to surplus cash after residual receipt loan payments) and replacement reserves to make life safety improvements, address deferred maintenance and, perform unit upgrades. The Maintenance Plan addresses all items referenced in that certain Capital Needs Assessment (the “CNA”) for Shinsei Gardens dated October 12, 2022, which identifies life safety and deferred maintenance issues. In addition to addressing the safety and deferred maintenance issues identified in the CNA, the Maintenance Plan requires the General Partner to commission a separate capital needs assessment (the “New CNA”) which was completed September 12, 2023, with a scope of work that includes inspection of all units and the development of a detailed assessment of the condition of each unit’s fixtures, flooring and appliances. The Maintenance Plan includes a scope of work, schedule, sources and uses, and any and all General Partner fees scheduled for payment, whether currently existing under this Agreement or as compensation for the additional General Partner responsibilities associated with implementing the Maintenance Plan. The Parties agree that the Maintenance Plan may be updated from time to time to include additional work deemed necessary by the Limited Partner. To the extent required by the City of Alameda or any other applicable regulatory or governmental body with jurisdiction over the Project, work completed or commissioned under the Maintenance Plan must be completed by licensed contractors, pursuant to validly issued permits from the appropriate governing departments in the City of Alameda.

§ 6.5 Fees for Services Rendered. The Partnership shall pay the following described fees to the Partners or Affiliates of one or more Partners indicated below:

(a) **Maintenance Plan Fee.** The Partnership shall pay to the General Partner “**Maintenance Plan Fees**” for the General Partner’s good faith and commercially reasonable implementation of the Maintenance Plan, to be paid solely from the “Borrower’s Share” of distributable cash as defined in the HCD Regulatory Agreement and as reflected in the Partnership’s audited financial statements. The Maintenance Plan Fees shall be limited to the amounts for the respective years as follows:

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

For calendar year 2024 and 2025, the Maintenance Plan Fee shall be deemed earned on a quarterly basis by GP, in the amount of twenty-five percent (25%) of the applicable fee set forth above per quarter, and shall be paid annually from distributable cash as set forth in Section 5.1(a). For calendar year 2026 and after, the Maintenance Plan Fee shall be deemed earned on a semi-annual basis by General Partner, in the amount of fifty percent (50%) of the applicable fee set forth above per quarter, and shall be paid annually from distributable cash as set forth above. General Partner’s failure to implement the Maintenance Plan in good faith and a commercially reasonable manner, as determined by the Limited Partner in its reasonable discretion, shall be deemed a “GP Nonperformance Event.” Limited Partner shall notify of any

GP Nonperformance Event in writing (the “**Notice of Default**”). The Maintenance Plan Fee shall not be earned for any period of time in which a GP Nonperformance Event has occurred and is continuing, and the annual Maintenance Plan Fee shall be reduced for such nonperformance. If a GP Nonperformance Event occurs and is not cured within 15 days after the date of the Notice of Default, the Limited Partner may exercise its option to acquire the GP Interest as set forth in Section 9.7 below, provided the Limited Partner may elect to specify a date for the acquisition of the GP Interest on any date that is at least 30 days from the date of the Notice of Default.

(b) **Partnership Management Fee.** The Partnership shall pay to the General Partner a Partnership Management Fee in the amount and priority specified in §5.1(a)(vii) hereof to compensate the General Partner for managing the Partnership’s operations and assets and coordinating the preparation of the required State Housing Finance Agency, federal, state and local tax and other required filings and financial reports. In addition to the Partnership Management Fee, the General Partner shall earn annually a “**PMF Surplus Fee**,” to be paid solely from the “Borrower’s Share” of distributable cash as defined in the HCD Regulatory Agreement and as reflected in the Partnership’s audited financial statements and in the amount and priority specified in §5.1(a)(viii). The PMF Surplus Fee shall be limited to the amounts for the respective years as follows:

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

(c) **Asset Management Fee.** The Partnership shall pay the Asset Management Fee annually to the Asset Manager for property management oversight, tax credit compliance monitoring, and related services. The Asset Manager will not incur any liability to the General Partner or the Partnership as a result of the Asset Manager’s performance of or failure to perform its asset management services. The Asset Manager owes no duty to the General Partner or the Partnership and may only be terminated by the Limited Partner.

(d) **Disposition Fee.** The Partnership shall pay the Asset Manager the Disposition Fee out of the net sales proceeds at the time of closing of the sale of the Project or the Limited Partner’s interest in the Project.

None of the payments or reimbursements to any of the Persons indicated above will be considered a distribution of Cash Flow to any Partner and, except as otherwise specifically provided herein, the General Partner may make any such reimbursement or payment prior to any distribution of any Cash Flow to the Partners.

§ 6.6 Outside Ventures of Partners. Any Partner may engage in or possess an interest in any other business venture of any type or description, independently or with others (including, without limitation, any venture which may be competitive with the business being conducted by the Partnership) and neither the Partnership, nor any Partner will, by virtue of this Partnership Agreement, have any right, title or interest in or to such outside ventures or the income or other benefits derived therefrom.

§ 6.7 With Affiliates. The General Partner may employ or retain in any capacity any Partner or Affiliate of any Partner so long as the terms upon which such Partner or such Affiliate is employed or retained are commercially reasonable under the circumstances and comparable to those terms which could be obtained from an independent person for comparable services in the area where the Project is located or the Partnership has its principal office.

§ 6.8 Indemnification by General Partner.

(a) The General Partner hereby agrees to defend, indemnify and hold harmless each of the Partnership and the Limited Partner and its successors and assigns, from and against any loss, claims, demands, liabilities, lawsuits and other proceedings, judgments, awards, costs and expenses including, without limitation, attorneys' fees or damages (including foreseen and unforeseen damages and consequential damages), arising directly or indirectly out of the presence on, under or about the Project Property of any Hazardous Substance, or the use, release, generation, manufacture, storage or disposal of any Hazardous Substance on, under or about the Project Property.

(b) In the event the Partnership and/or the Limited Partner (each, an "**Indemnitee**") becomes liable, due to the presence of any Hazardous Substance in the Project, under any statute, regulation, ordinance or other provision of federal, state or local law pertaining to the protection of the environment or otherwise pertaining to public health or employee health and safety, including without limitation protection from hazardous waste, lead-based paint, asbestos, methane gas, urea formaldehyde insulation, oil, toxic substance, underground storage tanks, PCBs and radon, the General Partner shall indemnify and hold harmless each Indemnitee from any and all actual out of pocket costs, expenses (including reasonable attorneys' fees), damages or liabilities incurred by the Indemnitee upon demand by the Indemnitee at any time and from time to time, to the extent that the Indemnitee is required to discharge such costs, expenses, damages or liabilities in whole or in part from any source. The foregoing indemnification obligations of the General Partner shall be limited if and to the extent the Indemnitee participates in the control of the Partnership's business after the formation of the Partnership and such participation is the direct cause of the conditions affecting the Project that resulted in such liability under applicable law and the consequent costs, expenses, damages or liability of the Indemnitee. References in this §6.8(b) to an Indemnitee shall include the Indemnitee's assignee(s) (and their respective partners, if any). The foregoing indemnification shall be a recourse obligation of the General Partner and shall survive the dissolution of the Partnership and/or the death, retirement, incompetency, insolvency, bankruptcy or withdrawal of the General Partner.

(c) The General Partner shall indemnify, defend and hold harmless the Limited Partner and its successors and assigns from and against any claims, demands, losses, damages, liabilities, lawsuits and other proceedings, judgments, awards, costs and expenses including, without limitation, attorneys' fees, arising directly or indirectly, in whole or in part, out of a breach of any or all of the representations, warranties and covenants contained in this Partnership Agreement, including, without limitation, those contained in §6.3 hereof. In addition to the foregoing indemnification, the Limited Partner may pursue any other available legal or equitable remedy against the General Partner with respect to the General Partner's breach of any of the representations, warranties or covenants contained herein.

The General Partner's obligations described in this §6.8 shall survive the termination and/or liquidation of the Partnership.

§ 6.9 Intentionally Omitted.

§ 6.10 Intentionally Omitted.

§ 6.11 Co-General Partners. If there is more than one General Partner, or if the General Partner is a joint venture or partnership in which there is more than one general partner, then all general partners of the partnership or of such joint venture of partnership shall be jointly and severally liable to the Partnership, to the Limited Partner, and to its successors and assigns for all obligations of the General Partner, and for any damages that may arise from the acts or omissions of any of such general partners in their performance or breach of the guaranties, management, and all other obligations and the representations and warranties of the General Partner, whether now existing or hereafter created, under this Partnership Agreement as the same may from time to time be amended and under applicable law. Notwithstanding anything to the contrary herein, no General Partner shall be liable to the Partnership or to the Limited Partner for the fraud of any other General Partner.

§ 6.12 Partnership Representative Rules.

(a) Subject to the terms and conditions of this Section 6.12, for the period commencing January 1, 2018, General Partner shall serve as the partnership representative of the Partnership ("**Partnership Representative**") pursuant to Section 6223(a) of the Code for all taxable years for which it remains general partner of the Partnership, provided that it qualifies as a partnership representative under Section 6223(a) of the Code. General Partner will nominate an individual through whom the Partnership Representative proposes to act at any time for all purposes of the Revised Audit Procedures, which nominated individual shall be subject to the Limited Partner's review and approval in its sole discretion (as approved by the Limited Partner, the "Designated Individual"). The Limited Partner in its sole discretion shall appoint a Partnership Representative or replacement Partnership Representative and Designated Individual of the Partnership for all taxable years of the Partnership if, at any time, General Partner does not qualify as a partnership representative under the Code. Subject to the limitations set forth in this Agreement, the Partnership Representative and Designated Individual shall have all of the power and authority of a partnership representative and designated individual, respectively, under the Revised Partnership Audit Procedures and shall represent the Partnership in all dealings with the

IRS and state and local taxing authorities for all taxable years during which they serve in in such positions in accordance with this Section 6.12, provided that (a) the Partnership Representative and Designated Individual shall give prior written notice to the Limited Partner of any administrative or judicial proceeding (“Proceedings”) involving the adjustment of any tax items affecting the Partnership or the Limited Partner and obtain the prior written consent of the Limited Partner regarding the course of action to be taken in such Proceedings, and (b) neither the Partnership Representative nor the Designated Individual shall enter into or consent to a settlement with the IRS that binds the Partnership or the Limited Partner with respect to any Partnership item without obtaining the prior written consent of the Limited Partner. If the Partnership Representative or Designated Individual, or both, resign, or if the General Partner is removed in accordance with any provision of this Agreement, or if for any other reason General Partner no longer serves as general partner of the Partnership, then the Limited Partner in its sole discretion shall designate a replacement Partnership Representative and Designated Individual for all taxable years of the Partnership for which Limited Partner held an interest in the Partnership. If the Partnership Representative or Designated Individual fails to obtain the Limited Partner’s prior written consent as to any filing, election, or course of action in accordance with this Section 6.12 or if the Partnership Representative or Designated Individual fails to perform or observe any other covenant, term or condition to be performed or observed by the Partnership Representative or Designated Individual, respectively, under this Section 6.12, then the Limited Partner, whether or not it exercises its right to remove the General Partner under Section 10.6 in connection with such Event of Default, shall have the right any time thereafter to remove and replace General Partner as Partnership Representative and the individual serving as the Designated Individual for any and all taxable years of the Partnership for which Limited Partner held an interest in the Partnership. The timing of any change in the Partnership Representative and Designated Individual pursuant to this Section 6.12 shall be subject to all applicable requirements of the Code and Regulations. The Partnership Representative or Designated Individual shall provide to the Limited Partner prompt notice of any communication to or from, or agreements with, any federal, state, or local tax authority regarding any Partnership tax return or other Partnership tax matter, including a summary of the provisions thereof. The terms and conditions of this Section 6.13 also shall apply to state and local income tax matters affecting the Partnership to the extent that the terms and conditions hereof have any application to audit procedures at the state and local level.

(b) The Partnership Representative and Designated Individual shall comply with any written direction given by the Limited Partner at any time with regard to making an Opt-Out Election, Push-Out Election, Administrative Adjustment Request or any other tax decisions and elections on behalf of the Partnership or the Limited Partner for any taxable year and shall not make an Opt-Out Election, Push-Out Election, Administrative Adjustment Request or any other tax decisions and elections on behalf of the Partnership or the Limited Partner for any taxable year for which the Limited Partner owned an interest in the Partnership without obtaining the Limited Partner’s prior written consent.

(c) In addition to the other limitations on the Partnership Representative’s authority set forth herein, the Partnership Representative shall not take any of the following actions without obtaining the prior written consent of the Limited Partner for any taxable year during which the Limited Partner owned an interest in the Partnership:

(i) Extend the statute of limitations for assessing or computing any tax liability against the Partnership (or the amount or character of any Partnership tax item);

(ii) Settle any audit or Proceeding with the IRS or any state or local taxing authority;

(iii) File a request for an administrative adjustment of any kind with the IRS or any state or local taxing authority at any time or file a petition for judicial review with respect to any adjustment made by the IRS or any state and local taxing authority;

(iv) Initiate or settle any judicial review or action concerning the amount or character of any Partnership tax item;

(v) Intervene in any action brought by any other Partner for judicial review of a final adjustment of any Partnership tax item; or

(vi) Take any other action that would have the effect of finally resolving a tax matter affecting the rights of the Partnership and its Partners or otherwise have a material effect on any tax matters affecting the Partnership and its Partners.

(d) General Partner shall cooperate with the Limited Partner to amend this Agreement if, after promulgation of final or amended Regulations or other guidance or rules issued by the IRS implementing the Revised Partnership Audit Procedures, the Limited Partner determines in good faith that an amendment to this Agreement is required in order to maintain the intent of the Partners as expressed in this Section 6.12 with respect to any issues raised by such final or amended Regulations or other guidance or rules.

(e) General Partner shall keep Limited Partner advised of any dispute the Partnership may have with the IRS or any state or local taxing authority pertaining to any taxable year for which the Limited Partner owned an interest in the Partnership, and, to the extent permitted by applicable rules of procedure adopted by such taxing bodies, shall afford Limited Partner the right to participate directly in negotiations with any such taxing authority in an effort to resolve any such dispute. In addition, within ten (10) business days after the receipt of any correspondence or communication relating to the Partnership or Partners of the Partnership from the IRS or any state or local taxing authority pertaining to any taxable year for which the Limited Partner owned an interest in the Partnership, General Partner or Partnership Representative shall forward to Limited Partner a photocopy of all such correspondence or communication(s). General Partner or Partnership Representative shall, within ten (10) business days thereafter, advise Limited Partner in writing of the substance and form of any conversation or communication held with any representative of the IRS or any state or local taxing authority.

(f) The Partnership shall indemnify and reimburse the Partnership Representative and the Designated Individual for all expenses, including legal and accounting fees, claims, liabilities, losses and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Partnership or its Partners, provided that the Partnership Representative and Designated Individual will not be entitled to

indemnification for fraud, gross negligence, willful misconduct, breach of fiduciary duty or breach of its obligations under this Section 6.12.

(g) For purposes of this Section 6.12 the following terms shall have the following meanings:

“Administrative Adjustment Request” means an administrative adjustment request under Section 6227 of the Code.

“Final Partnership Adjustment” means a notice from the IRS of a final partnership adjustment under Section 6231 of the Code.

“Imputed Underpayment” shall have the meaning assigned to such term in Section 6225 of the Code.

“Opt-Out Election” means action by the Partnership Representative that causes the Partnership to elect out of the Revised Partnership Audit Rules if such election is available to the Partnership under Section 6221(b) of the Code and Regulations or other guidance issued by the IRS.

“Push-Out Election” means an election by the Partnership Representative under Section 6226 of the Code with respect to any Imputed Underpayment(s) identified in a Final Partnership Adjustment for the Partnership.

“Revised Partnership Audit Procedures” means the revised partnership audit rules contained in Subchapter 63-C of the Code, as amended by the Bipartisan Budget Act of 2015, P.L. 114-74 and the Protecting Americans from Tax Hikes Act of 2015, P.L. 114-113, and the Regulations promulgated thereunder.

(h) General Partner acknowledges and agrees that all rights granted to Limited Partner pursuant this Section 6.12 concerning the rights and obligations of Partnership Representative shall be deemed to be granted to and exercisable by NEF Assignment Corporation, as nominee (**“NEFAC”**), with respect to all taxable years of the Partnership during which the NEFAC held an interest in the Partnership.

ARTICLE 7: POWERS, RIGHTS AND DUTIES OF LIMITED PARTNERS

§ 7.1 Limitation of Liability. Except as otherwise required under the Act (relating to a limited partner’s liability under certain circumstances to refund to the Partnership distributions of cash previously made to it as a return of capital), the Limited Partner shall not be personally liable for any loss or liability of the Partnership beyond the amount of such Limited Partner’s agreed-upon Capital Contribution.

§ 7.2 No Participation in Management. Except as otherwise expressly provided in this Partnership Agreement, the Limited Partner shall not participate in the operation,

management or control of the Partnership's business, transact any business in the Partnership's name, or have any power to sign documents for or otherwise bind the Partnership.

ARTICLE 8: ACCOUNTING AND FISCAL AFFAIRS

§ 8.1 Books of Account. The General Partner shall keep proper books of account for the Partnership. Such books of account shall be kept at the principal office of the Partnership and the General Partner shall make them available during normal business hours for examination and copying by the Limited Partner or its authorized representatives. The General Partner shall retain such books of account for six (6) years after the termination of the Partnership. All decisions as to the fiscal year and accounting methods to be used by the Partnership shall be made only with the prior written consent of the Limited Partner.

The General Partner shall retain all documentation with respect to initial qualification of the Project as a qualified Tax Credit project until the later of six (6) years after completion of the Project's Compliance Period or as long as is required under applicable law. The General Partner shall retain such other documentation relating to the continuing Tax Credit qualification of the Project for at least 6 years, unless requested by the Asset Manager or required by applicable law to retain such documentation for a longer period.

The General Partner shall cooperate fully and in good faith, and shall instruct and cause the Management Agent to cooperate fully and in good faith, with the Asset Manager and the Limited Partner with respect to their monitoring of the Partnership's operation of the Project Property, including the review of and compliance with Tax Credit related laws and regulations.

§ 8.2 Management Reports. The General Partner shall deliver or cause to be furnished to the Asset Manager and the Limited Partner any periodic financial or performance report provided by the Partnership to any federal, state or local governmental agency or to any Partnership lender or any compliance monitoring report provided to the Partnership by the State Housing Finance Agency or its designee. The General Partner shall deliver any such report to the Asset Manager within 20 days after such report is filed with any such governmental agency, a Partnership lender or provided to the Partnership.

The General Partner shall also prepare and deliver to or shall cause to be prepared and delivered to the Asset Manager:

(a) **Intentionally Omitted**

(b) As soon as practicable after the end of each calendar quarter but in no event later than fifteen (15) days thereafter, the General Partner shall provide a management report on the Project and any other Partnership affairs, containing such information as is reasonably necessary to advise the Asset Manager about its investment in the Partnership and the development or operation of the Project (including, to the extent now or hereafter requested by the Asset Manager, a rent roll containing tenant names and addresses, monthly rent, security deposit, lease renewal date; an income and expense statement with budget comparison and a

balance sheet). The General Partner shall also submit such additional documentation or supporting documentation as the Asset Manager may reasonably request.

(c) **Annual Budget.** Annually, no later than October 15th of each calendar year, throughout the term of the Partnership, the General Partner shall prepare and submit, for approval by the Asset Manager, a proposed operating budget for the Project that provides budget projections based upon anticipated Project revenues and expenses. The proposed budgets shall include without limitation an itemized account of projected operating income, expenses, an analysis of reserve sufficiency for the period covered by the budget and a copy of the most recent rent roll for the Project.

(i) The Asset Manager shall review and approve or disapprove the proposed budget based on the financial statements for preceding operating years, the anticipated increases in operating expenses, the current and projected operating income, and the completeness of the documentation provided by the General Partner.

(ii) The Asset Manager shall submit to the General Partner, in writing, any comments on the proposed budget within thirty (30) days after receipt of same. If the Asset Manager does not submit comments on the proposed budget within said 30 day period, the proposed budget shall be deemed to be approved by the Asset Manager.

(iii) The General Partner shall have fifteen (15) days to submit a response, in writing, to the Asset Manager's comments on the proposed budget. If the Asset Manager does not respond in writing to the General Partner's comments within 30 days after receipt of same, the proposed budget shall be deemed approved by the Asset Manager.

(iv) If the Asset Manager responds in writing to the General Partner's comments within thirty (30) days after receipt of same, the General Partner shall submit a revised proposed budget within 15 days after receipt of the Asset Manager's comments, responding to same.

(d) **Other Information.** Upon request from time to time, the General Partner shall provide such information as may be reasonably requested by the Limited Partner with respect to the Partnership and the Project.

§ 8.3 General Disclosure.

(a) The General Partner shall deliver to the Asset Manager a detailed report of any of the following events or receipt of the following information as quickly as possible but no later than five (5) days after the occurrence of such event or receipt of such information:

(i) a material default by the Partnership under any loan, grant, subsidy, construction or property management documents or in payment of any mortgage, taxes, interest or other obligation on secured or unsecured debt;

(ii) receipt by the General Partner of any information regarding any lawsuits to which the Partnership has been made a party, any claims against the Project's hazard or liability insurance, any tax liens filed against the Project or the Partnership, or any notices of violations of any federal, state or local statute or regulation pertaining to the Project or the Partnership and not cured within the time period permitted by the statute, regulation or notice;

(iii) receipt of any notice, including any Form 8823, Report of Noncompliance or Building Disposition from the State Housing Finance Agency, together with a copy of any such notice; accountants to advise all Partners properly about their investment in the Partnership for federal income tax reporting purposes.

(iv) receipt of any notice of any IRS or State Housing Finance Agency audit or proceeding involving the Partnership, together with a copy of any such notice; and

(v) the occurrence of any natural disaster or incident of widespread property damage having an impact on the Project, containing the following information to the extent available: (A) the extent of the damage to the Project, (B) any expected delays in construction or rehabilitation, (C) the effect that the damage sustained, if any, may have on marketing and lease-up activity, and (D) the amount that is anticipated to be recoverable under available insurance policies.

(b) The General Partner shall deliver to the Asset Manager a detailed report of any of the following events with 10 days after the end of any calendar quarter during which such event occurred:

(i) any reserve has been reduced or terminated by application of funds therein for purposes materially different from those for which such reserves was established; or

(ii) any General Partner has received any notice of a material fact which may substantially affect further distributions.

§ 8.4 Tax Information.

(a) **Intentionally Omitted.**

(b) **Financial Reports.** The General Partner shall, within ~~thirty~~twenty (30~~20~~) days after each calendar quarter, submit or cause to be submitted to the Asset Manager unaudited financial statements for the Partnership. With respect to each taxable year of the Partnership, the General Partner shall ~~within 120 days,~~ after each taxable year ends, make or cause to be prepared by the Accountant a written report ~~to each Partner,~~ including a Schedule K-1 or its successor form for preparing federal income tax returns and audited financial statements certified by the Accountant, and deliver said report and audited financial statements to each Partner in draft form by March 1 and in final form by March 15 of each taxable year. The report shall include a balance sheet of the Partnership as at the end of such year; an itemized statement of income, expenses, surplus and deficits; a financial summary which reconciles and summarizes the financial statements and bank statements as of the end of such year; changes in fund balances

and changes in financial position for such year; supporting schedules; a statement of Partners' capital; and such additional statements with respect to the status of the Partnership and the distribution of profits and losses therefrom as are considered necessary by the General Partner or such accountants to advise all Partners properly about their investment in the Partnership for federal income tax reporting purposes.

(c) **Tax Returns.** With respect to each taxable year of the Partnership, the General Partner shall cause to be prepared and filed ~~within 120 days~~ after each taxable year ends, Form 1065 and Schedule K-1 or any successor federal return of income forms required to be filed on behalf of the Partnership, and any and all other forms, schedules, materials required in connection therewith. ~~in~~ All such forms shall be delivered to each Partner in draft form by March 15 and in final form by March 30 of each taxable year, unless tax returns are filed on extension by mutual agreement of the Partners. In addition, the General Partner shall comply with all requirements of §6.3(b) hereof with respect to anticipated Tax Credits and other tax benefits.

(d) **Intentionally Omitted.**

§ 8.5 Review of Compliance. The General Partner shall, 75 days after the end of each fiscal year of the Partnership, certify to the Asset Manager in the same scope and manner that it is required to certify, if requested, to the applicable State Housing Finance Agency that the Partnership is in compliance with all regulations and procedures relating to the operation of the Project as a qualified Tax Credit project within the meaning of §42(h) of the Code. No more frequently than annually, the Limited Partner may, at the Partnership's expense, conduct or cause to be conducted an audit or review of the Partnership's compliance with all regulations and procedures relating to the operation of the Project as a qualified Tax Credit project within the meaning of §42(h) of the Code. This audit or review will be conducted upon not less than 30 nor more than 90 days prior written request. The General Partner shall cooperate with any such audit by making appropriate personnel of the General Partner and Management Agent and all books and records of the Project and Partnership available to the Limited Partner or its representatives at the offices of the Partnership during regular business hours.

§ 8.6 Failure to Provide Information.

(a) Failure by the General Partner to provide the reports required under this Article 8 will result in the assessment of a \$100 per day penalty, due and payable to the Limited Partner, until the reports are received in a form that is acceptable to the Limited Partner. This penalty will not be applicable if (1) waived by the Limited Partner, or (2) the required information is received within seven (7) business days of receipt of a written notice of demand from the Limited Partner (including notice sent by facsimile).

(b) If the General Partner fails to provide in a timely manner any information, report or data required to be provided by the General Partner under this Article 8, or otherwise fails to perform its obligations under this Article 8, then, in addition to any remedies the Limited Partner may have under this Partnership Agreement or applicable law, the Partnership shall not make any distributions or payments to the General Partner pursuant to §5.1 or §5.2 hereof until

such time as such information, report, or data have been provided or such other obligations have been fulfilled.

(c) Regardless of whether the penalties are paid or waived, the Limited Partner shall have the right to request the General Partner to remove the Accountant and the right to approve a replacement accountant if any of the above applicable reporting requirements are not met. The failure on the part of the General Partner to remove the accountant and replace it with an accounting firm that is acceptable to the Limited Partner within thirty (30) days of a written request to do so from the Limited Partner shall be an Event of Default under §10.6(a) hereof.

(d) If the General Partner causes or suffers repeated or unreasonable delay in providing any reports or information required to be submitted to the Limited Partner under Article 8, it shall be an Event of Default under §10.6(a) hereof.

ARTICLE 9: TRANSFER OF LIMITED PARTNER'S PARTNERSHIP INTERESTS

§ 9.1 Voluntary Transfers.

(a) A Limited Partner may at any time make a Voluntary Transfer of all or any part of its Partnership Interest, so long as such Voluntary Transfer complies with the following conditions: (a) the General Partner has received a written instrument of transfer of all such Partnership Interest, which instrument shall be signed by the transferor Limited Partner and the transferee and shall contain the name and address of the transferee and the transferee's express acceptance of and agreement to be bound by all of the terms and conditions of this Partnership Agreement; (b) all requirements of applicable state and federal securities laws have been complied with; (c) such Voluntary Transfer will not result in the Partnership's loss of any exemption (federal or state) from the registration of the sale of securities relied upon in its offering of the Partnership Interest; and (d) such Voluntary Transfer will not result in the Partnership being classified as an "association" which is taxable as a corporation for federal income tax purposes. Upon compliance with all of the conditions of this §9.1, such Voluntary Transfer of a Limited Partner's Partnership Interest binds the Partnership and the General Partner. No such transfer may cause the dissolution and termination of the Partnership and the transferee shall automatically be deemed to be an Assignee with respect to such Partnership Interest. If any transfer of a Partnership Interest, including the transfer of beneficial interests, results in a tax termination of the Partnership, the Limited Partner shall be responsible for the cost of preparing and filing any additional tax returns. The Limited Partner may not transfer to a Prohibited Actor. "Prohibited Actor" shall mean (a) any Person that (i) is the subject of any conviction, order, judgment, decree, suspension, expulsion, or bar with respect to any program administered by a State Housing Finance Agency from participating in any such program, or (ii) has, within the prior five (5) years, instituted an unsuccessful lawsuit against a developer of an Affordable Housing Project (defined below) or a syndicator investing in such Affordable Housing Project, for the purpose of, or having the effect of, prohibiting a developer of an Affordable Housing Project from exercising said developer's rights under (x) an option to purchase an Affordable Housing Project or an investor's interest in the owner of an Affordable Housing Project and/or (y) a right of first refusal to purchase an Affordable Housing Project The

Limited Partner shall pay all costs, including any transfer taxes, in connection with the transfer of its interest.

§ 9.2 General Partner's Consent to Substitution as a Limited Partner.

(a) In addition to the requirements set forth in §9.1, an Assignee of a Limited Partner's Partnership Interest, other than an Assignee of a beneficial interest, will not become a Substituted Limited Partner, unless and until the General Partner consents in writing to such substitution, which consent may not be unreasonably withheld; provided that no such consent shall be required for the substitution of an Assignee that is an Affiliate of the Limited Partner. The General Partner shall duly file for record any required amended certificate of limited partnership reflecting such substitution in such public offices as shall be required under the Act. The effective date of the substitution of the Assignee as a Substituted Limited Partner shall be the date on which the General Partner provides its consent if required or the date of the assignment to such Affiliated Assignee, as the case may be.

(b) If the General Partner's consent is required but the General Partner does not consent to the substitution of an Assignee of a Limited Partner's Partnership Interest, then the transferor Limited Partner retains all the rights of a transferor of a limited partnership interest under the Act and, except as otherwise provided in §9.4, the Assignee shall not be treated as owning any interest in the Partnership. In particular, an Assignee of a Limited Partner's Partnership Interest, other than an Assignee of a beneficial interest, who is not admitted as a Substituted Limited Partner under this §9.2 shall not be entitled to: (1) require any accounting of the Partnership's transactions; (2) inspect the Partnership's books and records; (3) require any information from the Partnership; or (4) exercise any privilege or right of a Limited Partner which is not specifically granted to a nonsubstituted transferee of a limited partnership interest under the Act.

§ 9.3 Involuntary Transfers. The Involuntary Transfer of all or any part of any Limited Partner's Partnership Interest will not cause the dissolution and termination of the Partnership, but rather the business of the Partnership is continued without interruption in accordance with the provisions of this §9.3. Upon an Involuntary Transfer of all or any part of any Limited Partner's Partnership Interest, such Limited Partner's successor or legal representative shall automatically be deemed to be a Substituted Limited Partner.

§ 9.4 Distributions and Allocations with Respect to Transferred Partnership Interests. If any transfer (whether a Voluntary or Involuntary Transfer) of the Limited Partner's Partnership Interest is recognized by the Partnership under this Article 9, then all allocations of Profits and Losses attributable to the transferred Partnership Interest shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during such fiscal period, using any convention or method of allocation selected by the General Partner which is then permitted under §706 of the Code and the Regulations promulgated hereunder. All distributions of Cash Flow made prior to the effective date of any such transfer shall be made to the transferor and any such distributions made after the effective date of such transfer shall be made to the transferee.

§ 9.5 Disposition of Project. Subject to the restrictions set forth below, the General Partner may cause the sale of all or any portion of the assets or business of the Partnership for their fair market value upon such terms as it shall determine in the exercise of reasonable discretion and prudent business judgment. After the payment of or provision for creditors, the net proceeds of sale shall in the discretion of the General Partner either in whole or in part be distributed among the Partners as provided in §5.2 or §11.2 hereof, as applicable, or in whole or in part be retained by the Partnership and utilized in the business of the Partnership. Any such sale shall cause the dissolution and liquidation of the Partnership only if required by the provisions of Article 11 hereof. Notwithstanding the foregoing, upon any sale of the Project (which term, as used in this §9.5, shall include any portion of the Project containing one or more rental units and any related assets or business of the Partnership), the net proceeds thereof shall be distributed in accordance with §5.2 or §11.2 hereof; as applicable. Except as specifically provided below, the General Partner shall not sell the Project without the prior written consent of the Limited Partner, and shall comply with the following requirements in any proposed sale or refinancing:

The General Partner may in its discretion begin advertising the Project for sale and entertaining third-party purchase offers at any time during the last twelve (12) months of the Compliance Period and shall forward copies of all inquiries and purchase offers as and when received by it to the Limited Partner, but shall have no right or obligation to pursue any sale to a third party except as described further herein below. If the Purchase Option and Right of First Refusal described in §9.6 hereof is exercised and all conditions thereof are met in full to the satisfaction of the Limited Partner, then in lieu of any sale to an unrelated third party, the General Partner shall cause the Project to be sold as provided and within the time specified therein, after the expiration of the Compliance Period. If, however, such Purchase Option and Right of First Refusal is not exercised or the Project is not sold as provided and within the time specified therein, the General Partner shall, commencing upon expiration of the Purchase Option and Right of First Refusal, begin advertising the Project for sale and entertaining third-party purchase offers, as described above.

§ 9.6 Purchase Option and Right of First Refusal. The provisions of §9.5 hereof shall be subject to that certain Purchase Option and Right of First Refusal Agreement between the Partnership, as grantor, and the Housing Authority, as grantee, dated on or about the date hereof, pursuant to which the Partnership has granted to the Housing Authority an option to purchase the Project or the Limited Partner's Partnership Interest and a right of first refusal to purchase the Project, on the terms and conditions set forth therein, provided that the General Partner remains in good standing as General Partner without the occurrence of any event described in §10.6 hereof.

§ 9.7 Acquisition of General Partner Interest. The Limited Partner shall have an option to acquire the General Partner's Interest in the Partnership (the "**Limited Partner GP Purchase Option**") for a period of ten (10) years (the "**Option Period**") following the date of this Agreement, upon the following terms:

(a) The Limited Partner shall give written notice to the General Partner of the exercise of the Limited Partner GP Purchase Option. Such notice shall specify a date for the

acquisition of the General Partner Interest, which date shall not be less than 180 days nor more than three hundred sixty (360) days after the date on which Limited Partner has delivered said notice to the General Partner.

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

(c) The Limited Partner shall cause any unpaid and accrued Partnership Management Fee and PMF Surplus Fee occurring during the Option Period, and any advances, General Partner loans and any other amounts due to be paid to the General Partner.

(d) In the event the Limited Partner GP Purchase Option is not exercised within the Option Period, the Limited Partner GP Purchase Option shall automatically terminate unless otherwise mutually extended by the Parties.

(e) General Partner agrees to timely execute such assignment agreement, amendment to the Partnership Agreement or other documentation as may be necessary to implement such Limited Partner GP Purchase Option, including an orderly transfer of Partnership records, in a timely manner.

(f) The Limited Partner shall obtain all required approvals from any lender or agency prior to assignment of the General Partner Interest.

§ 9.8 General Partner Put Option. At any time during the Option Period, General Partner shall have the right to require that the Limited Partner (or its designee) purchase the entire interest of the General Partner (the “**Put Option**”), for a purchase price equal to \$100 plus any accrued and unpaid Partnership Management Fee (occurring during the Option Period) and other fees due and owing the General Partner (the “**Put Option Price**”). The General Partner may exercise the Put Option by giving written notice to the Limited Partner (the “**Put Option Notice**”). The Put Option Notice shall provide General Partner’s desired closing date for the closing of the purchase pursuant to this section, which date shall not be less than 180 days nor more than three hundred sixty (360) days after the date on which General Partner has delivered said notice to the Limited Partner. As of the effective date of such closing, the General Partner shall withdraw from the Partnership and shall have no further interest in or obligation to the Partnership, and the Limited Partner shall promptly file an amendment to the Certificate of Limited Partnership in the Filing Office reflecting the withdrawal of the General Partner.

ARTICLE 10: TRANSFER OF GENERAL PARTNER’S PARTNERSHIP INTERESTS

§ 10.1 Voluntary Transfers. The Partnership shall not recognize any Voluntary Transfer of a General Partner’s Partnership Interest and any such attempted Voluntary Transfer shall be invalid and ineffective as to the Partnership and the Limited Partner, unless and until: (a) the proposed transfer is of all the Partnership Interest owned by such General Partner; (b) the Limited Partner has received a written instrument of transfer of all such Partnership Interest, which instrument shall be signed by the General Partner and the transferee and shall contain the name and address of the transferee and the transferee’s express acceptance of an agreement to be

bound by all of the terms and conditions of this Partnership Agreement; (c) the General Partner has paid or caused to be paid all costs related to such Voluntary Transfer, including, without limitation, the reimbursement of all legal fees and expenses incurred by the Partnership in connection with such transfer; (d) such Voluntary Transfer will not result in the termination of the Partnership for Federal income tax purposes; (e) such Voluntary Transfer will not result in the Partnership being classified as an “association” which is taxable as a corporation for Federal income tax purposes; (f) the Partnership receives an opinion of legal counsel to the effect of clause (e); and (g) the Limited Partner has consented in writing to such Voluntary Transfer, which consent may be withheld or given, in the sole discretion of the Limited Partner.

Upon compliance with this §10.1, such transfer of a General Partner’s Partnership Interest shall bind the Partnership and all the Limited Partners and no such Voluntary Transfer shall cause the termination of the Partnership. In addition, effective as of the date of full compliance with the requirements of this §10.1, the transferee of a General Partner’s Partnership Interest shall be admitted as a new General Partner of the Partnership and shall be vested with all the powers and obligations with respect to the management of the Partnership as are granted to and placed upon the transferor General Partner under this Partnership Agreement.

§ 10.2 Involuntary Transfers. An Involuntary Transfer of a General Partner’s Partnership Interest at such time as there is more than one General Partner shall not dissolve the Partnership, but rather the business of the Partnership shall be continued without interruption and all of the management powers and authority granted herein to the General Partner making such Involuntary Transfer shall automatically be placed upon the remaining General Partner(s), unless the Limited Partner otherwise elects within 30 days after the occurrence of such Involuntary Transfer to dissolve the Partnership and have the Partnership’s affairs and business wound up and terminated pursuant to Article 11. An Involuntary Transfer of a General Partner’s Partnership Interest when there is no other General Partner in existence shall dissolve the Partnership and the Partnership’s affairs and business shall be wound up and terminated under Article 11, unless the Limited Partner agrees in writing to the continuation of the business of the Partnership and the appointment of a new General Partner pursuant to the provisions of §10.3.

§ 10.3 Continuation of Partnership After Involuntary Transfer of General Partner’s Partnership Interests. Upon an Involuntary Transfer of the last remaining General Partner’s Partnership Interest, the Partnership will dissolve and the affairs and business of the Partnership will be wound up and terminated under Article 11, unless within 90 days after the occurrence of such Involuntary Transfer, the Limited Partner agrees in writing to the continuation of the business of the Partnership and the appointment of a new General Partner. Unless such an election is made within such 90-day period, the Partnership may conduct only those activities, which are necessary to wind up and terminate its affairs and business. If such an election is made within such 90-day period, then: (a) the reconstituted partnership will continue until the end of the term of the Partnership’s existence set forth in this Partnership Agreement; and (b) immediately upon its receipt of cash in an amount equal to the greater of (1) \$100 or (2) the then positive balance in its Capital Account, the former General Partner is automatically (and without the need for the execution of any further documentation) deemed to have relinquished its entire Partnership Interest, with such relinquished Partnership Interest being automatically allocated to the new General Partner.

§ 10.4 Distributions and Allocations with Respect to Transferred Partnership Interests. If any transfer (whether a Voluntary or Involuntary Transfer) of a General Partner's Partnership Interest is recognized by the Partnership under this Article 10, then all allocations of Profits and Losses attributable to the transferred Partnership Interest are divided and allocated between the transferor and the transferee by taking into account their varying interests during such fiscal period, using any convention or method of allocation selected by the Limited Partner which is then permitted under §706 of the Code and the Regulations promulgated thereunder. Any distributions of Cash Flow made prior to the effective date of any such transfer are made to the transferor and any such distributions made after the effective date of such transfer shall be made to the transferee. Neither the Partnership nor the Limited Partner will incur any liability for making allocations and distributions in accordance with the provisions of this §10.4.

§ 10.5 Voluntary Withdrawal. A General Partner may not voluntarily withdraw from the Partnership.

§ 10.6 Removal of General Partner. The Limited Partner may remove the General Partner, or at its election any individual general partner if there is more than one general partner, for any of the following Events of Default:

(a) **Events of Default.**

(i) Any fraud, gross negligence or intentional misconduct of the General Partner that has a material adverse effect on the Partnership or the Project; •or

(ii) Any act by the General Partner outside the scope of its duties or obligations under this Partnership Agreement or any breach by the General Partner of any fiduciary duty to the Partnership or the Limited Partner, that has a material adverse effect on the Partnership or the Project; or

(iii) The material inaccuracy of any representation or warranty of the General Partner contained in this Partnership Agreement, including, without limitation, those contained in §6.3 hereof that has a material adverse effect on the Partnership or the Project; or

(iv) The breach by the General Partner of any covenant of the General Partner contained in this Partnership Agreement, including without limitation those contained in §6.3 hereof which has a material adverse effect on the Partnership or the Project; or

(v) Any action or inaction by the General Partner or any Affiliate of the General Partner that does, or with the passage of time would, (i) cause the termination of the Partnership for federal income tax purposes (except to the extent such action is expressly authorized herein), (ii) cause the Partnership to be treated for federal tax purposes as an association taxable as a corporation, (iii) violate any federal or state securities laws (as they relate to the Partnership or the Partnership Interest), (iv) cause the Partnership to fail to qualify as a limited partnership under the Act, (v) cause the Limited Partner to be liable for Partnership obligations in excess of its Capital Contribution, (vi) qualify as an event of removal or

withdrawal with respect to the General Partner under the Act, or (vii) otherwise substantially reduce tax benefits or substantially increase tax liabilities of the Limited Partner; or

(vi) Any operating deficits are incurred by the Partnership and not funded by loans or other sources of funds on terms that do not adversely affect or financial viability of the Project or the Partnership; or

(vii) A material default occurs under the Permanent Loan or a Subordinate Loan and such default is not cured or waived by the lender within thirty (30) days after the occurrence of such default or, if such default takes more than thirty (30) days to cure and the applicable documentation permits, the General Partner has not promptly begun to cure such default and continued to diligently pursue the same until the default is fully cured; or

(viii) The Project or Partnership is substantially mismanaged and such mismanagement has a material adverse effect on the Partnership; or

(ix) Any lender to the Partnership or other creditor of the Partnership files a foreclosure or other creditor's action for exercise of control over the Project or the rents therefrom, or the filing of a bankruptcy petition or similar creditor's action by or against the Partnership, and any such action is not dismissed within thirty (30) days; or

(x) The Partnership fails to achieve 80% of Projected Tax Credits with respect to any calendar year; or

(xi) The General Partner fails to timely and promptly discharge the Management Agent if at any time cause (as such term is defined in §6.4(i)(v) hereof) for such removal exists; or

(xii) The General Partner fails to remove the Accountant and replace it with an accountant that is approved by the Limited Partner in accordance with the requirements of §8.6(c) hereof;

(xiii) Any payment required to be made to the Limited Partner or the Partnership by the General Partner pursuant to §§6.4(f)(i), 6.4(f)(ii) and 6.4(f)(iii) and §6.9 is not timely made by or on behalf of the General Partner or any guarantor of such obligation; or

(xiv) The occurrence of an "Event of Default" under the Guaranty Agreement; or

(xv) A General Partner transfers a controlling interest in itself without the consent of the Limited Partner as required in §6.3 of this Partnership Agreement; or

(xvi) Failure by the General Partner to prepare or cause to be prepared properly and to deliver or cause to be delivered in its entirety any reporting required under this agreement; or

(xvii) The commencement by a General Partner of a proceeding in bankruptcy or insolvency seeking a compromise, adjustment or other relief under the laws of the United States or of any state relating to the relief of debtors; or

(xviii) The failure of the General Partner to obtain the dismissal of any case commenced against a General Partner (i) for the appointment of a trustee for such General Partner, or any of its property or (ii) in bankruptcy or insolvency or for compromise adjustment or other relief under the laws of the United States or any state relating to the relief of debtors; or

(xix) A material default occurs on the part of the Partnership under the Ground Lease or on the part of the borrower under any lien encumbering the real property on which the Project is located (or any other loan document related to such lien), which is not cured within the applicable cure period under the Ground Lease or such other lien or loan documentation.

(b) **Effectiveness.** Prior to removing and replacing any general partner for an Event of Default, the Limited Partner shall give such general partner reasonable prior written notice setting forth in detail the Event of Default(s) providing the basis for such possible removal and a reasonable opportunity to -cure such default(s); provided, however, that no opportunity to cure such default(s) shall be given where the extent or nature of the default is such that there is a likelihood of material loss, liability, or prejudice to the Partnership or the Limited Partner, or both, from any delay in removal and replacement. If the grounds for removal justify an immediate removal under the preceding sentence, such removal shall be effective upon the delivery of a notice thereof to the specified address in accordance with §12.1 hereof. Under all other circumstances, such removal shall be effective only after:

(i) failure by the General Partner to cure the default(s) set forth in the notice of removal within the prescribed cure period,

(ii) a decision by the Limited Partner, in its sole discretion, to remove the General Partner, and

(iii) the Limited Partner provides the General Partner with written notice of its removal as General Partner, which notice shall specify the date on which such removal shall become effective.

Notwithstanding such removal, the General Partner shall remain liable to the Partnership and the Limited Partner for (i) all obligations and liabilities (including, without limitation, its obligations to make any payments pursuant to §§6.4(f)(i), 6.4(f)(ii), 6.4(f)(iii) and 6.9 of the Partnership Agreement and liabilities resulting from any breach of any of the representations and warranties set forth in §6.3 of this Partnership Agreement) incurred by it as a General Partner before the effective date of such removal but is free of any obligations and liabilities incurred on account of Partnership activities from and after the time of such removal, and (ii) all damages and other amounts recoverable or payable hereunder or under applicable law by or to the Partnership or the Limited Partner as a result of the occurrence of the event giving rise to such removal.

ARTICLE 11: DISSOLUTION, WINDING UP AND TERMINATION

§ 11.1 Dissolution. The Partnership will dissolve upon the occurrence of any of the following events:

- (a) The expiration of the term of the Partnership's existence;
- (b) The sale or other disposition of all or substantially all of the Partnership Property and the Partnership's receipt of all or substantially all of the proceeds therefrom;
- (c) The Partners' mutual election to dissolve the Partnership;
- (d) The Limited Partner's election to dissolve the Partnership made at any time that is more than three years after the end of the Compliance Period;
- (e) The failure of the Limited Partner to agree in writing at the time and in the manner provided in §10.3 to the continuation of the business of the Partnership and the appointment of a new General Partner upon the occurrence of an Involuntary Transfer of the last remaining General Partner's Partnership Interest or the removal of the General Partner; or
- (f) The Limited Partner's election pursuant to §10.2 to dissolve the Partnership upon the occurrence of an Involuntary Transfer of a General Partner's Partnership Interest, notwithstanding the fact that one or more other General Partner is in existence at such time.

§ 11.2 Winding Up and Termination. Upon the dissolution of the Partnership, the affairs and business of the Partnership will be wound up and terminated, the Partnership's liabilities discharged and the Partnership Property liquidated and distributed in the manner hereinafter described. A reasonable time will be allowed for the orderly winding up of the affairs and business of the Partnership so as to enable the Partnership to minimize the normal losses attendant to the winding up and termination period. The winding up and termination of the affairs and business of the Partnership shall be supervised and conducted by the Liquidation Manager. The Liquidation Manager has the exclusive power and authority to act on behalf of the Partnership to wind up and terminate the affairs and business of the Partnership, to sell and convey the Partnership Property to such Persons (including, without limitation, any Partner or any Affiliate thereof) for such consideration and upon such terms and conditions as it deems necessary or appropriate, to discharge the Partnership's liabilities, to establish any reserves that it deems necessary or appropriate for any contingent or unforeseen liabilities or obligations of the Partnership, and to distribute the liquidation proceeds in the manner hereinafter described.

Upon completion of the winding up of the affairs and business of the Partnership, the liquidation proceeds will be distributed by the Liquidation Manager in the following manner and order of priority:

- (a) First, such liquidation proceeds will be applied to the payment of debts and liabilities of the Partnership (excluding any loans the General Partner or its Affiliates made

pursuant to §6.4(f)(i), §6.4(f)(ii) and the Guaranty Agreement and any unpaid Development Fee) and the payment of expenses of the winding up of the affairs and business of the Partnership;

(b) Second, such liquidation proceeds will be applied to the setting up of any reserves (to be held by the Liquidation Manager in an interest-bearing account) which the Liquidation Manager may deem necessary or appropriate for any contingent or unforeseen liabilities or obligations of the Partnership; provided, however, that at the expiration of such time as the Liquidation Manager deems necessary or appropriate, the balance of such reserves remaining after payment of such liabilities or obligations will be distributed by the Liquidation Manager in the manner hereinafter set forth in this §11.2; and

(c) Third, such liquidation proceeds will be paid to satisfy debts and liabilities owed to Partners and their Affiliates described in §5.2(a) and in accordance with the priority set forth therein; and

(d) Fourth, such liquidation proceeds will be distributed in compliance with §1.704-1(b)(2)(ii)(b) (2) of the Regulations to the Partners in accordance with their positive Capital Accounts, after giving effect to all contributions, distributions and allocations for all periods, including, without limitation, the allocations to be made under §4.2(m) hereof.

§ 11.3 Compliance with Liquidation Requirements of Regulations. If the Partnership is “liquidated” within the meaning of §1.704-1(b)(2)(ii)(g) of the Regulations, then:

(a) Distributions will be made pursuant to §11.2 (if such “liquidation” constitutes a dissolution and termination of the Partnership) to the Partners who have positive balances in their Capital Accounts in compliance with §1.704-1(b)(2)(ii)(b)(2) of the Regulations;

(b) If a General Partner has a deficit balance in its Capital Account (after giving effect to all contributions, distributions and allocations for all taxable years, including, without limitation, the taxable year in which such liquidation occurs), then such General Partner will contribute to the capital of the Partnership the amount necessary to restore the balance in its Capital Account to zero;

(c) If a Limited Partner has a deficit balance in its Capital Account (after giving effect to all contributions, distributions and allocations for all taxable years, including, without limitation, the taxable year in which such liquidation occurs), then such Limited Partner will contribute to the capital of the Partnership the lesser of (1) such deficit balance in its Capital Account or (2) the limited dollar amount, if any, of its Capital Account deficit which the Limited Partner has expressly agreed in writing to restore to the capital of the Partnership pursuant to §11.4; and

(d) Any such contribution by a Partner shall be made on or before the later of (1) the end of the taxable year of the “liquidation” or (2) ninety (90) days after the date of the “liquidation”.

Notwithstanding anything to the contrary contained in this §11.3, in the event the Partnership is “liquidated” within the meaning of §1.704-1 (b)(2)(ii)(g) of the Regulations, but such “liquidation” does not constitute a dissolution and termination of the Partnership pursuant to this Partnership Agreement, then no distributions shall be made pursuant to §11.2. Instead, the Partnership shall be deemed to have distributed the Partnership Property in kind to the Partners, who shall be deemed to have assumed and taken subject to all Partnership liabilities, all in accordance with their respective Capital Accounts. Immediately thereafter, the Partners shall be deemed to have recontributed the Partnership Property in kind to the Partnership, which shall be deemed to have assumed and taken subject to all such liabilities.

§ 11.4 Rights and Obligations of Limited Partner Upon Dissolution. Except as otherwise expressly provided in §11.3(b), the Limited Partner shall look solely to the assets of the Partnership for the return of its Capital Contribution. Except as otherwise elected by the Limited Partner pursuant to this §11.4, the Limited Partner shall not have any obligation to restore any deficit in its Capital Account upon the liquidation of the Partnership. Notwithstanding anything to the contrary contained in this Partnership Agreement, the Limited Partner may from time to time elect to be obligated to restore a deficit in its Capital Account up to a limited dollar amount. Such election shall be made by the Limited Partner’s delivery of a written notice of election to the General Partner no later than April 15 following the taxable year for which such election is to be effective and shall specify the dollar amount of the deficit in its Capital Account that the Limited Partner agree(s) to restore. Such election shall be irrevocable and shall be binding on subsequent transferees of the Limited Partner’s Partnership Interest.

§ 11.5 Waiver of Partition. Each Partner hereby waives any right to partition or cause a partition of the Partnership Property.

§ 11.6 Final Accounting. Liquidation Manager shall furnish each of the Partners with a statement setting forth the assets and liabilities of the Partnership as of the date of the completion of the winding up and termination of the affairs and business of the Partnership. Upon completion of the distribution plan set forth in this Article 11, the Liquidation Manager shall cause to be executed by the appropriate parties and filed in such public offices as shall be required under the Act a cancellation of the certificate of limited partnership of the Partnership and any and all other documents which the Liquidation Manager deems necessary or appropriate to effect the dissolution and termination of the Partnership.

ARTICLE 12: MISCELLANEOUS

§ 12.1 Notices and Addresses. All notices, consents, demands, requests or other communications which may or are required to be given hereunder shall be in writing and shall be sent by telefax, overnight courier or United States mail, registered or certified, return receipt requested, postage prepaid to the Partnership at the address of the Partnership’s principal office and to the Partners at the addresses set forth after their respective names in Article 2. The Partnership and any Partner may change its or his address for the giving of notices, consents, demands, requests or other communications by delivering written notice to the Partnership and to all the Partners of its or his new address for such purpose. Notices, consents, demands, requests or other communications shall be deemed given or served on the day when sent by telefax, one

business day after deposit with an overnight courier or three business days after deposit in the United States mail.

§ 12.2 Pronouns and Plurals. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or persons may require.

§ 12.3 Counterparts. This Partnership Agreement may be executed in several counterparts all of which shall constitute one agreement, binding on all parties hereto, notwithstanding that all the parties are not signatories to the same counterpart.

§ 12.4 Applicable Law. This Partnership Agreement and the rights of the Partners hereunder shall be interpreted in accordance with the laws of the State of California.

§ 12.5 Successors. This Partnership Agreement shall inure to the benefit of, be binding upon, and be enforceable by and against the parties hereto, their heirs, executors, administrators, successors and assigns.

§ 12.6 Severability. The invalidity or unenforceability of any provision of this Partnership Agreement in a particular respect shall not affect the validity and enforceability of any other provisions of this Partnership Agreement or of the same provision in any other respect.

§ 12.7 Exhibits. All exhibits attached hereto or referred to herein are incorporated herein by this reference.

§ 12.8 Limitation of Benefits. Except with respect to those provisions hereof that confer rights to CUSA, it is the explicit intention of the Partners that no person or entity other than the Partners and the Partnership is or shall be entitled to bring any action or enforce any provision of this Partnership Agreement against any Partner or the Partnership, and that the covenant, undertakings and agreements set forth in this Partnership Agreement shall be solely for the benefit of and shall be enforceable only by the Partners and the Partnership and theirs or its respective successors and assigns as permitted hereunder).

§ 12.9 Entire Agreement. This Partnership Agreement contains the entire agreement among the Partners with respect to the transactions contemplated herein, and supersedes all prior or written agreements, commitments, or understandings with respect to the matters provided for herein and therein.

§ 12.10 Broker's Commission and Indemnity. Each of the parties to this Partnership Agreement warrants and represents to the others that it has not been introduced to the other party by any broker, nor has it been in contact with any real estate or business broker or consultant otherwise than as specified in this Partnership Agreement regarding the Project Property; and each party to this Agreement agrees to indemnify and hold the other party harmless from all suits, claims, actions, loss or expenses (including reasonable attorney's fees) arising from the claim of any person to a brokerage or other commission in connection with this

transaction and resulting from contact with or other action, alleged or actual, of the indemnifying party.

§ 12.11 Amendment of Partnership Agreement. Except as otherwise provided for herein, this Partnership Agreement may not be amended in whole or in part except by a written instrument signed by the General Partner and Limited Partner.

§ 12.12 Power of Attorney

(a) **Generally.** The Limited Partner, by the execution hereof, hereby irrevocably constitutes and appoints the General Partner its true and lawful attorney-in-fact, with full power and authority in its name, place and stead, to execute and acknowledge under oath, swear to, deliver, file and record at the appropriate public offices such documents as may be required by law to carry out the provisions of this Partnership Agreement, other than the provisions of §10.6 hereof, including without limitation:

(i) all certificates and other instruments, including any certificate of limited partnership and any amendment thereto, that are required to form, continue or qualify the Partnership as a limited partnership or to transact business under the Act; and

(ii) all amendments to the certificate of limited partnership or other instruments that are required to be filed under applicable law.

The appointment by the Limited Partner of the General Partner as attorney-in-fact shall be deemed to be a power coupled with an interest in recognition of the fact that each of the Partners under the Partnership Agreement will be relying upon the power of the General Partner to act as contemplated by the Partnership Agreement in any filing and other action by it on behalf of the Partnership. The foregoing power of attorney shall survive the dissolution and termination of the Limited Partner or the assignment by the Limited Partner of the whole or any part of its interest hereunder. Nothing contained herein shall be construed to limit the authority of the General Partner under Article 6 hereof to execute documents and act on behalf of the Partnership without execution or action by the Limited Partner.

(a) **Removal for Cause.** The General Partner, by its execution hereof, hereby irrevocably constitutes and appoints the Limited Partner its true and lawful attorney-in-fact, with full power and authority in its name, place and stead, to execute and acknowledge under oath, swear to, and, if necessary, deliver, file and record at the appropriate public offices such documents as may be required by law to carry out the provisions of §10.6 of this Partnership Agreement, including without limitation:

(i) all certificates and other instruments, including any certificate of limited partnership and any amendment thereto, that are required to remove the General Partner from its role as general partner and replace it with a substitute general partner;

(ii) all amendments to this Partnership Agreement required to remove the General Partner from its role as general partner and replace it with a substitute general partner; and

(iii) all other certificates, documents, amendments and instruments required to effectuate the provisions of §10.6 hereof.

The appointment by the General Partner of the Limited Partner as attorney-in-fact shall be deemed to be a power coupled with an interest in recognition of the fact that each of the Partners under this Partnership Agreement will be relying upon the power of the Limited Partner to act as contemplated by §10.6 hereof in any filing and other action by it on behalf of the Partnership. The foregoing power of attorney shall survive the dissolution and termination of the General Partner or the assignment by the General Partner of the whole or any part of its interest hereunder.

[SIGNATURE PAGE FOLLOWS]

The Partners have executed this Partnership Agreement as of the date first set forth at the beginning hereof.

GENERAL PARTNER:

RCD HOUSING LLC,
a California limited liability company

By: 112 Alves Lane, Inc.,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Dan Sawislak
Executive Director

LIMITED PARTNER:

ICD SHINSEI LLC,
a California limited liability company

By: Island City Development,
a California nonprofit public benefit corporation,
its sole member

By: _____
Vanessa Cooper
President

EXHIBIT A

Shinsei Gardens Maintenance Plan

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

The initial phase of this work, Phase I, is informed by the Capital Needs Assessment performed by Physical Property Analysis, LLC and dated October 12, 2022, as well as by RCD Asset

Management, John Stewart Company, and Alameda Housing Authority observations and input.

Most of these items are ones that can be expensed as routine operational expenses of the property.

The second phase of this work, Phase II, are items that need further investigation to determine scope and cost as well as projects of a more capital improvement nature, which informs the

source of funds to pay for the work. RCD shall report all incidents resulting in property damage exceeding \$15,000 or potential legal exposure to AHA within 48 hours of the incident or of RCD's having been informed of the incident. RCD shall review with AHA such incidents for potential insurance claim submittals and upon approval by AHA, shall promptly submit a claim to insurance. Any proceeds received from insurance claims shall be used solely as a source of funds to pay for work completed under this Maintenance Plan.

The scope of work identified in this Maintenance Plan shall be paid for by either operating cash (expensed), the Replacement Reserve (for capitalized items per State HCD guidelines), and

surplus cash captured as Borrower's Share of the distributions per the audit.

Negotiations may

be needed with State HCD in order to increase the annual Replacement Reserve Deposit in order to maximize the amount of operating cash that can be directed towards maintenance, repairs, and improvements.

As part of the ongoing administration of this Maintenance Plan, AHA and RCD shall meet at least

monthly until June 30, 2024, and thereafter quarterly, to review progress, discuss the scope of work, and modify the scope, budget, and/or schedule. The discussions and

decisions made at the meetings will be documented in writing and must be confirmed as to accuracy by both AHA and RCD staff within 30 days after each meeting.

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

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

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

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

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

Shinsei Gardens Attachment 2: Vendor Selection and Approval Plan

RCD and JSCo will continue to apply the procedures defined by RCD and included in the Management Agreement with JSCo. The procedure is outlined below.

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

Summary report: Litera Compare for Word 11.7.0.54 Document comparison done on 5/1/2025 2:23:35 PM	
Style name: Default Style	
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Original filename: Shinsei Gardens Apartments L.P. - Second AR LPA v7.docx	
Modified filename: Shinsei Gardens Apartments L.P. - Second AR LPA v10.docx	
Changes:	
<u>Add</u>	30
Delete	24
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	54



Housing Authority
of the
City of Alameda

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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Louie So, Chief Financial Officer

Date: May 21, 2025

Re: Adopt the Resolution to Approve the Housing Authority of the City of Alameda One-Year Budget for Fiscal Year July 1, 2025 to June 30, 2026 including approval of: A) Summary of the Fiscal Year 2025-2026 Budget and related income and expenses; B) Housing Assistance Payment (HAP) Passthrough Budget and related expenditure of HUD-held HAP reserves; C) Capital Improvement Plan (CIP) Budget and related use of property and agency reserves and any surplus operating cash from Fiscal Year 2025-2026 to cover these expenses; D) Transfer by the Executive Director of up to \$1,200,000 in this budget year, as needed, from AHA/AAHC property reserves or from Moving-To-Work fungible funds to cover deficits in the Housing Programs Department administrative operating budget; and E) Approve the Board Chair to execute HUD Form 52574 PHA Board Resolution Approving Operating Budget.

BACKGROUND

The Housing Authority of the City of Alameda (AHA) adopts its annual budget in the last quarter of each Fiscal Year. AHA is currently ending the budget cycle for the one-year budget period starting July 1, 2024, and ending June 30, 2025 (Fiscal Year 2024-2025). Fiscal Year reporting is mandated by the Department of Housing and Urban Development (HUD).

This memorandum documents the proposed agency-wide budget for Fiscal Year July 1, 2025, to June 30, 2026 (Fiscal Year 2025-2026). A detailed process for all programs, including substantial input from all departments (Executive, Data and Policy, Administration and Services, Housing Programs, Housing Development, Human Resources, Property Operations, Asset Management and Finance) and operating property financial analysis from FPI Management, Inc. (third-party property management company) were considered in the agency-wide proposed budget. AHA staff utilized a conservative approach in developing the annual budget due to AHA's reliance on federal sources for substantial parts of its income and a softening of the San



Francisco Bay Area economic activity and rental markets.

Per HUD, there is a great deal of uncertainty about when Congress will complete the final Fiscal Year 2025-2026 Appropriations Bill or what the final Housing Choice Vouchers program funding levels will be for calendar years 2025 and 2026. Staff are monitoring the various budget proposals and executive actions and will keep the Board informed as final funding decisions are made by HUD.

The annual budget is also a tool to track actual receipts and disbursements for budget variances, and is also reviewed by our independent financial auditors, Novogradac and Company LLP, during their annual audit of the AHA financial statements. It is also important to note that this is the combined budget of the AHA and Alameda Affordable Housing Corporation (AAHC), AHA's real estate nonprofit affiliate and administrator of the Alameda Affordable Housing Trust Fund, as AAHC is defined as a blended component unit of the AHA per HUD regulations. AHA also includes the Housing Successor Agency to the Community Improvement Commission of the City of Alameda.

All members of the AHA Board of Commissioners also serve as the Board of Directors for AAHC and, as such, both legal entities have common control by the same individuals. Some real estate assets are owned by AAHC, and some owned by AHA (Scattered Site properties, Independence Plaza and Parrot Gardens). This budget does not include operating income and expenses for Island City Development (ICD), a nonprofit corporation, and its related low-income housing tax credit projects. The ICD budget is presented to the ICD Board of Directors towards the end of the calendar year in line with its fiscal year.

The AAHC-specific budget will be presented for approval in the AAHC Board of Directors meeting separately, but AAHC's information is included here on a combined basis with AHA for ease of comparison in this memorandum.

Staff will return to the Board of Commissioners via a budget amendment if there is a negative material change to the overall budgeted cash flow with a greater than 10% variance.

AHA staff are presenting a balanced operating cash budget for Fiscal Year 2025-2026 where revenues are equal to or greater than total expenses.

DISCUSSION

Key highlights for this Fiscal Year 2025-2026 budget include the following:

Net position: The total income is budgeted at \$77,580,831 inclusive of Housing Assistance Payments (HAP) and other sources of income and total expenses. The total expense is budgeted at \$76,290,624. Adjusting out for non-cash depreciation expense and soft loan interest not currently payable, and adding back must-pay principal on mortgages and reserve deposits, the Fiscal Year 2025-2026 cash flow is budgeted at a net positive of \$2,391,713.

Attachment A shows:

- (i) The projected actuals versus budget for Fiscal Year 2024-2025 (July 1, 2024, to June 30, 2025);
- (ii) The Board approved budget for Fiscal Year 2024-2025. Please note that Fiscal Year 2024-2025 budget amounts have been reclassified for presentation purposes only and the net budget did not change.
- (iii) The proposed budget for the Fiscal year July 1, 2025, to June 30, 2026 (Fiscal Year 2025-2026)

As in prior years, the Fiscal Year 2025-2026 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 Plan (CIP)

Attachment A: Operating Income and Expenses

The operating budget includes the income and expenses for AHA and AAHC rental housing and commercial use properties, the Housing Successor Assets, Housing Development, AHA staff salaries and benefits, back office, Information Technology (IT) infrastructure and administrative expenses. It is important to note that a number of the services that AHA provides are not income-generating but further the mission of AHA (e.g. Resident Services and Ombudsman Program).

The operating budget includes HAP pass-through to private landlords which is also presented separately in the HAP budget. The HAP budget, however, does include current HAP and tenant rent income for units where AHA/AAHC is the owner/landlord.

To clarify, AHA, as HUD's contracted HAP administrator, receives funds from HUD and then passes these funds to Alameda landlords. As AHA/AAHC also act as landlords of affordable units, AHA also remits HAP funds to the properties that are owned by AHA/AAHC.

Operating Income: Total budgeted operating income for Fiscal Year 2025-2026 is \$24,752,215, which compares to a budgeted operating income \$24,500,602 for Fiscal Year 2024-2025.

Rental Income includes: Rent payments from tenants and HAP payments from AHA on behalf of HUD to all AHA/AAHC-owned properties. This is budgeted for Fiscal Year 2025-2026 at \$15,934,985, which is 6% above last year's budget of Fiscal Year 2024-2025 of \$15,085,811. This is in line with the expected Fiscal Year 2024-2025 year-end projection and rent roll review per tenant. With the softening of economic conditions, it is expected that payment standards will remain flat. Budgeted rental income is derived from a detailed review of maximum rents that are allowed to be charged to the tenant, with no annual percentage escalator to be conservative, and estimates of vacancy loss.

Commercial lease income from prepaid ground leases earned from the low-income housing tax credit projects ground leases, Alameda Family Services, HeadStart Childcare Center is estimated to be \$36,000.

Tax Increment Funding from the City of Alameda for Independence Plaza is estimated to be \$2,661,856 for Fiscal Year 2025-2026 and will be drawn and used in that fiscal year. This subsidy will expire in calendar year 2026. AHA converted Independence Plaza using the Restore-Rebuild program (formerly known as Faircloth to Rental Assistance Demonstration (RAD) program) in November 2024, which awarded 120 additional project-based vouchers to Independence Plaza. This will aid in stabilizing the cash flow at the property in advance of the expiration of the Tax Increment Funding. As of May 2025, 67 vouchers are currently leased, with 8 additional vouchers waiting for referrals. To close this transaction in short order in November 2024, AHA reserves or operating funds were utilized to pay off the mortgage with Northmarq in the approximate amount of \$1,300,000 and to fund a HUD required replacement reserve of approximately \$1,900,000.

Administrative Fee Income: The majority of the Administrative Fee income is paid by HUD and is 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 of Alameda through its partnership with HUD) and the Moderate Rehabilitation (from HUD) program for Bessie Coleman Court.

The Fiscal Year 2025-2026 Administrative Fee for the HCV ACC is budgeted at a proration of 93.3% for the full Fiscal Year, which is higher than the Fiscal Year 2024-2025 budgeted Administrative Fee proration amount of 91%. For reference, the 93.3% proration is based on the draft Senate Bill, whereas 100% proration is based on the draft House Bill; the lower proration was utilized for budget purposes. The Administrative Fee income for the Moderate Rehabilitation and Shelter Plus Care programs must be used for the administration of those programs. As part of its Moving-To-Work (MTW) flexibility, the AHA can use its Administrative Fees from the HCV program flexibly. However, since the AHA has been running an operating deficit in the administrative costs of the HCV program for many years, AHA does not anticipate being able to use Administrative Fee income for anything but program costs for the Fiscal Year 2025-2026. There is also an expectation that AHA may be in shortfall again by late 2025 and will need to utilize HUD-held cash reserves. Portability Administrative Fees and income are not included as they are minimal and unpredictable. Staff are monitoring federal public policy and HUD regulations for funding and possible program changes. In the event of major changes from HUD to Administrative Fee income and/or HAP proration with the new federal budget in the fall 2025, staff will return to the Board for a budget adjustment if necessary.

To be conservative, staff have used a base number of 1,790 leased units per month as units for the coming Fiscal Year 2025-2026 (which is the current rate of leased units) in

the calculation of the Administrative Fees, versus 1,672 units for Fiscal Year 2024-2025. For reference, there were 1,789 units leased in May 2025. Staff anticipate increasing leasing during the coming months due to the wait lists being almost ready to use and the leasing at The Estuary I and Linnet Corner. Staff anticipate that by the end of the Fiscal Year we will be at 1,961 units leased. The assumption that units will not decrease is contingent that AHA can continue to offer rents at or above 120% Fair Market Rents (FMR) and there is no significant loss of units due to landlord withdrawal from the voucher program. These assumptions are estimates that may vary based on a number of funding and market conditions. Any changes in market rents resulting in a lower lease-up rate could negatively impact this assumption. HUD has communicated that AHA and other public housing authorities should continue to evaluate whether their voucher payment standards are set at a level appropriate to local market conditions and whether they could be reduced while still enabling families to successfully lease units.

Based on this, total Administrative Fees for Fiscal Year 2025-2026 are expected to be \$3,463,417. This is an increase from the \$2,696,541 budgeted in Fiscal Year 2024-2025, driven primarily by HUD's payment of a higher-than-normal Administrative Fee (at a 93.3% proration). Additionally, as part of the Moving-To-Work Landlord Incentive Cohort, it is expected that AHA will disburse approximately \$220,000 in landlord incentives in Fiscal Year 2025–2026 based on the historical trend. The goal of the landlord incentive cohort is to offer encouragement to new landlords to lease with the program, so this may positively affect units leased.

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 calendar year 2025 is approximately \$135,000. For Fiscal Year 2025-2026, staff have budgeted 12 months of new grant income based on the 2025 funding. If the federal grant is not forthcoming for 2025 as the program is funded by calendar year, and another source is not provided by state and local funds, staff will review with the Board of Commissioners whether to continue with the FSS program or whether it wishes to utilize Moving-To-Work flexibility to continue the program.

Other Income: Other income includes maintenance fees and late fees, laundry commission, land trust rents for Regent Street and Santa Clara Avenue properties, Rica Vista management fees, Playa Del Alameda asset management fee, Island City Development Annual Services Agreement fee of \$300,000, developer fee from low-income housing tax credit projects, Alameda Unified School District Recognized Obligation Payments (AUSD ROPS) of \$1,000,000, State environmental grants of \$400,000 (for The Poplar), and interest income from AHA's investment in Local Area Investment Fund (LAIF) and California Asset Management Program (CAMP). The Alameda Affordable Housing Trust Fund Annual Services Agreement fee of \$100,000 is not specifically showcased in this line item, due to the net effect of the expense to zero between AHA and AAHC.

In Fiscal Year 2025-2026, interest income is expected to be lower than in the prior year,

including the reduction of invested income due to the planned usage of cash and investments to fund the capital improvement plan and acquisition and development per the Board of Commissioners' approved Reserves Policy (as amended in May 2024).

Operating Expenses: Total operating expenses for Fiscal Year 2025-2026 are \$21,742,008 compared to the prior year budget for Fiscal Year 2024-2025 of \$21,894,142.

Personnel Expenses and Benefits: Fiscal Year 2025-2026 budgeted AHA personnel direct costs are \$11,060,696 compared to \$14,327,764 for Fiscal year 2024-2025.

In March 2025, staff brought to the Board of Commissioners the status of the State of California Assembly Bill 2561 (AB 2561) effective January 1, 2025, which declares job vacancies in local government agencies may undermine labor relations between public sector agencies and their employees. Staff presented, and the Board of Commissioners accepted, the Schedule of Authorized Positions and Pays Schedule, which reduced the budgeted Full-Time Equivalent (FTE) from 60 FTE in the Fiscal Year 2024-2025 Budget to 53 FTE for the current budget year.

The Schedule of Authorized Positions, effective July 1, 2025, had the following changes:

- Exclusion of the Data and Policy positions from the Executive Department and establishing it as a standalone Department.
- Removal of the Director of Data and Policy, as this position has been filled internally as the Senior Programs Director.
- Transfer of the Housing Programs Management Analyst as a third Management Analyst in Data and Policy to support agency data and policy work, including quality control and Moving to Work analytical requirements.
- Elimination of unfilled positions: Construction Project Manager, Housing Specialist III, Program Assistant (Finance), and Senior Asset Manager.
- Retitling of the Housing Specialist I position in Data and Policy and Property Operations to Data and Policy Specialist I and Property Operations Specialist I, respectively, to remain consistent with AHA naming conventions.
- Underfilling of current positions: to allow for budgeting flexibility, AHA is underfilling existing higher-level vacancies at a lower level if they become vacant, including: Assistant Director of Housing Development, Data and Policy Specialist I, Director of Housing Programs, and Property Operations Specialist I.
- Please note that two positions, Program Assistant (Data and Policy) and Program Assistant (Property Operations), that are proposed for deletion are currently filled. They will be budgeted with the vacant specialist positions in their respective departments to allow for more flexibility.

No layoff actions are intended to come with the elimination of these positions in the Schedule of Authorized positions.

In addition to this reduction in FTE, the proposed budget will allow for 14 (fourteen) temporary staff, including at least 2 (two) year-long fellows and 6 (six) interns. This will allow for staffing at various levels, flexibility for special projects, quicker onboarding and offboarding and for out-of-classification assignments for staff who may be on leave.

Temporary staff are not included in AB 2561. Due to AB2561, the Board should expect to see changes in the schedule of authorized positions come for approval more frequently to meet business needs and to comply with the law. Additional flexibility was provided to the Executive Director in hiring.

The budget includes a proposed cost of living adjustment (COLA) of up to 4% to salaries. AHA has historically used the June data from the Consumer Price Index (CPI) for the San Francisco Bay Area as reported by the Bureau of Labor Statistics and proposed any final COLA adjustment to the Board of Commissioners on or around August 2025 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. For reference, the latest CPI as of February 2025 is 2.7%.

AHA provides a maximum flat rate payment for medical and one for dental and vision insurance at the "employee plus two or more" level. This contribution is typically approved by the Board of Commissioners in August, and goes into effect in January of each year, as premium amounts change on a calendar year basis (rather than a fiscal year basis). Therefore, this budget includes an estimate of expected changes. Staff have budgeted the full amount for medical and dental assuming that all employees take the benefits at the level of the "employee plus two or more dependents" (\$2,893.54). Staff also assumed an estimated 20% increase in the cost of medical insurance and an estimated 7% for dental and vision insurance, 2.5% for Employee Assistance Programs, and 5% increase in other benefits' costs starting in the fiscal year (although any increases will be effective January 1, 2026). Although the Board of Commissioners is approving the budget for these additional funds at this time, the final employer contribution will be brought to the Board of Commissioners for approval on or around September 2025, along with the COLA request, after the 2025 premium information is released by CalPERS on or around August 2025.

Human Resource costs: This is expected to be fully utilized due to both the need for temporary staff for temporary projects and to fill-in for 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 leave, so salary savings cannot be used to cover the costs of temporary staff as has been used in the past. Eligible AHA staff may also request a cash-in-lieu payment for payout of accrued vacation time per the Board-approved policy.

Non-Personnel Expenses: These expenses include costs other than employee and tenant costs, which include such costs as audits, contracted services and office supplies. Additionally, this includes the leasing cost of AHA's additional office at

Southshore Center, with the lease extended through 2027.

Legal Expenses: Legal expenses for general operations are budgeted at \$600,000 (on par with \$600,000 from the budgeted Fiscal Year 2024-2025). These costs include terminations of tenancy, personnel matters, and legal advice on actual and potential claims against the agency. Additionally, staff anticipate that legal work on acquisition and development, Year-15 work for low-income housing tax credit properties, and other HUD topics will require legal attention. Additionally, it is expected some preliminary legal costs will be incurred due to the planned refinance of the mortgage of Eagle Village and Parrot Village, slated for a balloon payment on August 1, 2026.

Information Technology Services: Staff have budgeted for some hardware replacements as well as software updates needed for procurement, cybersecurity, server upgrade, asset management software, to support remote working and online client services. The budget increase from \$1,019,500 (Fiscal Year 2024-2025) to \$1,133,800 (Fiscal Year 2025-2026) includes all software program licenses to allow the agency to operate with expanded online solutions (e.g. Yardi, Laserfiche, AHA website, etc.) and cloud computing (e.g. virtual private networks) that enables secured connectivity and defense against bad online actors who may attempt attacks on AHA's information technology infrastructure. This also includes the budget for continued information technology services with Techordia and server upgrades.

Training and Conferences: These budgeted expenses are approximately \$300,000 and are on par with budget. 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. Any out-of-state travel will be brought to the Board of Commissioners for approval, and staff are encouraged to attend local trainings whenever possible versus traveling out of the area. Also, in 2023, the Board of Commissioners approved a pilot program of training for hourly, exempt and Director-level staff that has been extended through 2026. The budget also includes funds for Board training and conferences.

Tenant Activities/Social Services include a \$30,000 scholarship fund for the Alameda Boys and Girls Club for children and youths who live in AHA complexes or whose families are on a program operated by the Housing Programs Department. The budget also includes approximately \$300,000 for social workers through the LifeSTEPS social services provider, as in prior years, which is paid for by property operations.

Utilities: The Fiscal Year 2025–2026 amounts budgeted for utilities are based on actual utility expenditures in the current Fiscal Year 2024-2025 with a 3% escalator increase.

Facilities & Maintenance: Maintenance expenditures include salaries and benefits for one (1) AHA maintenance/facilities employee (see above under Personnel Costs). Fiscal Year 2024-2025 maintenance materials and contract costs were escalated by 3% for the Fiscal Year 2025-2026 operating budget. Capital improvements outside the

scope of regular maintenance are presented in the Capital Improvement Plans section.

General/Insurance/Interest Expense: This line item includes the cost of auto, property, liability and cybersecurity insurances, and mortgage interest payments. Insurance costs have increased substantially year over year. Must-pay interest expenses include those to lenders from Esperanza (Northmarq), Eagle Village (PNC) and Parrot Village (PNC). The Poplar received predevelopment funding from Capital Impact Partners during Fiscal Year 2024-2025, and due to a cash interest reserve built into the loan no must-pay interest expense is projected in Fiscal Year 2025-2026. As part of Restore-Rebuild (formerly known as Faircloth-to-RAD), Independence Plaza is required to fund a replacement reserve of approximately \$90,000, escalating every year pursuant to the Operating Cost Adjustment Factor (OCAF).

Pursuant to the State of California Assembly Bill 1528, AHA and AAHC are exempt from property taxes. AHA staff have been in discussions with the County Assessor's office regarding the refund of property taxes previously remitted to Alameda County for AAHC over the prior 4 years as permitted by AB 1528. Any refunds (projected to be less than \$500,000) will benefit the cash flow operations of the properties and are not reflected in the budget's attached exhibits to be conservative.

Ombudsman, Community Relations and Communication Costs: AHA created the Ombudsman Program in Fiscal Year 2020-2021 to act as a liaison to tenants, participants, landlords and community organizations. As per the prior Fiscal Year 2024–2025, costs for this program and marketing/communication/community relations are budgeted at \$75,000. This also includes additional funding for the agency's 85th year anniversary celebration.

Attachment B: Housing Assistance Payments (HAP) pass-through

Please note that the Moving-To-Work (MTW) Annual Contributions Contract Amendment between AHA and HUD was executed March 23, 2022. At this time, the AHA's budget showcases the distinction between Housing Assistance Payments (HAP) and Administrative Fees. The Moving-To-Work designation allows the AHA 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. The AHA is still reporting these funds separately since it does not anticipate using its Administrative Fee funding for HAP expenses fungibility authorization due to the agency expecting a HAP shortfall and its continued practice of augmenting the Administrative Fees from non-federal funds.

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 accounted for separately from all other AHA funds.

The budget shows the HAP funds received from HUD will be paid to landlords through HAP payments, but under the Landlord Incentives Cohort, these funds may also be

used to pay the landlord varying incentives as outlined in the Moving-To-Work Supplement.

Income: AHA anticipates receiving \$52,828,616 in funding for Housing Assistance Payments (HAP) for Fiscal Year 2025-2026, which compares with the budgeted amount of \$38,384,925 for Fiscal Year 2024-2025. For reference, the projected actuals for Fiscal Year 2024-2025 are at approximately \$44,000,000. In Fiscal Year 2025-2026, there will be a major focus on the lease-up of AHA's affiliate properties Estuary I and Linnet Corner, and filling all vacancies in Project-Based Voucher units. This includes HAP payments and Rental Assistance received directly from HUD and the County of Alameda under the following programs:

(i) 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)

(ii) Shelter Plus Care (County of Alameda program administered on behalf of HUD)

(iii) Moderate Rehabilitation Program (HUD program)

(iv) 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. Under current regulations, this program started to sunset in September 2023. Families leased up will continue to receive assistance, but the AHA is unable to issue new vouchers as families move out after September 2023. HUD has indicated that this program will run out of funding by 2026 and the HAP budget reflects this through Fiscal Year 2025-2026. The AHA was originally awarded 57 EHVs, but the program continues to decrease in leasing due to families departing from the program. The current lease up rate is included in the Housing Programs Monthly Overview report.

(v) 10 Stability Vouchers (HUD program)

Expenses: HAP expense to participating landlords is expected to be \$52,828,616 in Fiscal Year 2025-2026. 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 the 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 may be used anytime assuming there are sufficient cash reserves for any potential shortfalls. 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 was 23,268 (or 1,939 x 12 months) without the 57 EHVs. The amount will change during Fiscal Year 2025-2026 due to the 120 vouchers awarded under the Restore Rebuild program. These units are not yet reflected in HUD's system, but it is anticipated that AHA's baseline will become 24,708. The Fiscal Year 2025-2026 budget assumes conservative leasing of 22,170 in the year (or an average of 1,848 per month).

As of May 2025, AHA's HUD held reserves are projected to be at \$2,000,000. These amounts are estimates and AHA is not able to immediately withdraw the reserves. HUD has also indicated that some of these funds are subject to offset from AHA's use.

However, based on internal analysis of HUD's two-year-tool, it is anticipated that AHA will be in shortfall by the end of the calendar year.

Attachment C: Capital Improvement Plan (CIP) Budget

Attachment C shows the one-year capital budget along with additional information on the Fiscal Year 2025-2026 estimated costs. The proposed Capital Projects budget for Fiscal Year 2025-2026 includes major repair, acquisition and replacement projects from AHA/AAHC. This schedule also showcases the funding needs of AHA/AAHC for Island City Development projects.

The identified projects include capital work that is proposed to be contracted in the next Fiscal Year 2025-2026. 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:

- 1) Operating cash flow from the specific property, including approved tax increment funding for Independence Plaza
- 2) Replacement reserves held by lenders/bondholders which are generally specific to specific properties subject to their approval
- 3) Reserves held by AHA or AAHC for specific properties

Additional funds required for Island City Development properties are also showcased via predevelopment and/or acquisition loans from AHA or AAHC. The Capital Improvement Plan also envisages continued predevelopment work for The Poplar (located at the former Alameda Unified School District Maintenance site) and Estuary II (located at the North Housing site).

Operating Budget Summarized by Major Components

Property Management: All AHA/AAHC-owned properties continue to be managed by FPI Management, Inc. Island City Development properties (Everett Commons, Littlejohn Commons, Rosefield Village, Estuary I, Linnet Corner, and the predevelopment work for North Housing and The Poplar) are not included in these exhibits but are and will be managed by FPI Management, Inc.

Housing Programs Department (HPD): The Housing Programs Department has budgeted an operating loss of \$1,200,000 for Fiscal Year 2025-2026 as there is insufficient administrative fee income received from HUD for AHA to operate the

program on a standalone basis. 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 HUD HAP funds going forward if HUD HAP is underutilized, although it is not anticipated that the department will have an excess of funds for the first four years due to the commitment to offer Landlord Incentives, so we are requesting the Board of Commissioners allow fungibility of the HAP as well as from AHA property reserves to fill this operating deficit if needed.

Housing Development (HD): The Housing Development budget includes real estate development. In Fiscal Year 2025-2026, Housing Development staff will continue with the development of multiple large development projects, including the North Housing projects (Estuary I and Linnet Corner) and The Poplar, along with preservation of the AHA/AAHC portfolio and potential acquisitions in the City of Alameda.

Asset Management (AM): The Asset Management budget includes the long-term management of AHA's assets and the administration of the Housing Successor Agency, Alameda Affordable Housing Trust Fund and other initiatives, such as acting on AHA's right of first refusal for low-income housing tax credit projects, or regulatory monitoring of properties. This includes Shinsei Gardens, Park Alameda, Rica Vista and Playa Del Alameda.

Housing Successor Agency: 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 (of approximately \$13 million in original loans). The expenses associated with managing the Housing Successor Agency for FY 2025-2026 are 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). These funds are monitored separately (an annual report is due every year). AHA will receive an annual fee for administering this fund for AAHC, equal to the grant for ongoing revenue. AAHTF requested matching funds for Independence Plaza from the State of California for \$1,000,000. The proposed Fiscal Year 2025-2026 budget does not include this amount as grant income, as it is not certain AAHTF will be awarded these funds.

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 AHA reserves for various

purposes (funding reserves and deployment for future development) 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 the production of new affordable housing are typically lent to Island City Development either as a predevelopment or permanent loan, or pass through as a grant through AAHTF, which then lends to Island City Development. These commitments are carried on AHA's balance sheet as a loan to ICD or a limited partnership once a loan is made. The last Reserve Policy amendment was approved by the Board of Commissioners in May 2024. This is for information only. A separate agenda item in a future meeting will revisit and amend the Reserve Policy.

Accounting Notes

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 include the number of bedrooms in the portfolio, the number of staff working on projects related to the cost center, and the properties that a position oversees directly. The metrics are pulled from verifiable data such as the number of units in a specific complex or AHA's organizational chart. The CAP explains the logic behind the distribution of different costs, including legal costs, audit costs, travel and training, and salaries and benefits. Staff calculate 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 cost center while others are allocated across numerous cost centers.

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 operating 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 Expense: Depreciation is strictly an accounting method to recognize the cost of buildings and equipment over time. There is no current-year cash impact, as the cash outlay has already been incurred previously. 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 Fiscal Year 2025-2026 depreciation expense is budgeted at \$1,720,000.

Other: Certain items are not operational budget items but may impact available cash in Fiscal Year 2025-2026. Soft loan repayment to AHA as lender and related fees are dependent on the project partnerships' ability to disburse residual cash flow

Littlejohn Commons: AHA expects to receive a \$58,000 debt service payment for the loan AHA made to the legal entity, Sherman and Buena Vista, L.P., which owns Littlejohn Commons. The developer fee has all been paid off to ICD and AHA.

Everett Commons: AHA does not expect any payments of debt service for the loan AHA made to the legal entity, Everett and Eagle, L.P., which owns Everett Commons. The

developer fee has all been paid off to ICD and AHA.

Rosefield Village: AHA does not expect any payments of debt service for the loan AHA made to the legal entity, Constitution and Eagle, L.P., which owns Rosefield Village.

However, it is expected that development sources of funds and operating cash flow will pay down the deferred developer fee to Island City Development in an amount in excess of \$150,000 in the next calendar year. Once the remaining \$2,073,742 in deferred developer fees to ICD are paid off sometime in future years, cash should start flowing back to AHA as it relates to AHA as the soft lender.

Shinsei Gardens: AHA does not expect any payments of debt service for the loan AHA made to the legal entity, Shinsei Gardens Apartments, L.P., which owns Shinsei Gardens. Furthermore, an Island City Development affiliate, ICD Shinsei, LLC, now owns the 99.99% limited partner interest in the legal entity Shinsei Gardens, L.P., which was purchased from National Equity Fund on March 31, 2024. The AHA left the management of the property the same. It is also expected that AHA will earn a \$2,500 asset management fee from this property on an annual basis.

Jack Capon Villa: AHA expects to receive approximately \$58,934 debt service payment from Jack Capon Villa for the loans AHA and CIC made to the legal entity Jack Capon Villa, L.P., which owns Jack Capon Villa.

Stargell Commons: AHA expects to receive a \$15,000 debt service payment from Stargell Commons for the loan AHA made to the legal entity, Stargell Commons, L.P., which owns Stargell Commons.

Park Alameda: AHA does not expect to receive soft debt service payment from Park Alameda for the loan from AHA. AHA expects to continue discussion of the purchase of the limited partner interest for this property in the Fiscal Year 2025-2026.

Estuary I: AHA does not expect to receive a substantial developer fee or soft debt service payment for the loans AHA made to Lakehurst and Mosley, L.P., which owns Estuary I. Annual management fees are expected to be paid once project stabilization has been reached in 2027.

Linnet Corner: AHA does not expect to receive a substantial developer fee or soft debt service payment for the loans AHA made to Mabuhay and Lakehurst, L.P., which owns Linnet Corner. Annual management fees are expected to be paid once project stabilization has been reached in 2027.

The Poplar: Predevelopment work for The Poplar property will continue in Fiscal Year 2025-2026. Currently, the project is financed by AHA and ICD predevelopment sources, as well as the aforementioned Capital Impact Loan. Additional sources include the Alameda Unified School District Recognized Obligation Payment reimbursement (ROPS) projected at \$1,000,000 in Fiscal Year 2025-2026; ROPS received in prior years; and the California Department of Toxic Substances Control Equitable Community

Revitalization Grant (projected at \$400,000). Demolition of the existing buildings is expected in Fiscal year 2025-2026. AHA staff will also submit an application for low-income housing tax credits to the California Tax Credit Allocation Committee (TCAC).

Estuary II and North Housing Master Plan: Predevelopment work for the Estuary II property, including soil removal and offsite work, will continue in Fiscal year 2025-2026.

Currently, the project and North Housing Master Plan are financed by AHA, AAHC (through the Alameda Affordable Housing Trust Fund) and ICD. Currently, AHA staff expect to reapply for low-income housing tax credits to TCAC in the Summer of 2025. If Estuary II is able to start construction in the Fiscal Year 2025-2026, approximately \$1,200,000 of already approved funding would be used to fund construction and financing costs.

Payments to CalPERS for Outstanding Liabilities

As a local government agency, AHA has to maintain its financial records according to standards set by the Government Accounting Standards Board (GASB). Each year, the GASB sets guidelines for accounting practices and identifies them by number. These rules (GASB 68 and 75) require all government agencies (States, Counties, Cities, and Special Purpose Local Governments) to report pension and post-employment liabilities up front, which have 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.

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 the second was a payment of \$1,000,000 made in late June 2020 for CalPERS unfunded liability. The third was the payment of \$981,940 made in June 2017 to open the AHA's Section 115 trust account for Other Post Employment Benefits (OPEB Trust). No funds are included in this budget to adjust the pension liabilities above the required annual payment of unfunded accrued liabilities as the recently completed audit did not indicate a need. Staff will return to the Board of Commissioners for the financial audit to present pension liability funding needs if any additional funding is required.

The regular annual payments of the unfunded accrued liabilities are approximately \$113,000 to be paid in the summer of 2025. In the summer of 2025, staff will be drawing from the OPEB Trust's earnings only to repay the costs of retirees' subsidized benefits, which will mostly offset the payment of unfunded accrued liability.

Fiscal Year 2026-2027

Although this memorandum encompasses budget planning for Fiscal Year 2025-2026, please note that the balloon payment of mortgage principal for Eagle Village and Parrot Village is due August 1, 2026 (1 month after the end of the fiscal year budget reporting).

The principal balloon will be approximately \$8,000,000 on that date. Asset Management is slated to review lenders' underwriting requirements in the upcoming months, and any costs associated (such as legal or staff review) are expected to be disbursed concurrently during the refinancing event or in the months ahead. If the

refinancing event does occur in Fiscal Year 2025-2026 (with the earliest date of the refinancing anticipated as of May 1, 2026, at this time), the budget will be amended and brought to the Board of Commissioners if the impact is materially negative to the bottom line adjusted cash flows (i.e. variance of 10%).

FISCAL IMPACT

The budget presents positive operating cash flow for Fiscal Year 2025-2026.

CEQA

N/A

RECOMMENDATION

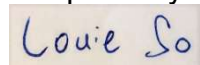
Staff recommend the Board of Commissioners to adopt the Resolution to Approve the Housing Authority of the City of Alameda One Year Budget for Fiscal Year July 1, 2025 to June 30, 2026 including approval of: A) Summary of the Fiscal Year 2025-2026 Budget and related income and expenses; B) Housing Assistance Payment (HAP) Budget and related expenditure of HUD-held HAP reserves; C) Capital Improvement Plan (CIP) Budget and related use of property and agency reserves and any surplus operating cash from Fiscal Year 2025-2026 to cover these expenses; D) Transfer by the Executive Director of up to \$1,200,000 in this budget year, as needed, from AHA/AAHC property reserves or from Moving-To-Work fungible funds to cover deficits in the Housing Programs Department administrative operating budget; and E) Approve the Board Chair to execute HUD Form 52574 PHA Board Resolution Approving Operating Budget.

Staff will return to the Board for a budget adjustment if necessary if significant negative variances from actuals are presented (i.e. variance of 10% of total adjusted cash flows).

ATTACHMENTS

1. 01 ATTACHMENT A - FY 2025-2026 OPERATING BUDGET - 5.12.25
2. 02 ATTACHMENT B - FY 2025-2026 HAP BUDGET - 5.12.25
3. 03 ATTACHMENT C - FY 2025-2026 CAPITAL IMPROVEMENT PLAN - 5.12.25
4. 04 ATTACHMENT D - BOARD RESOLUTION
5. 05 ATTACHMENT E - HUD FORM 52574

Respectfully submitted,

A handwritten signature in blue ink that reads "Louie So".

Louie So, Chief Financial Officer

Attachment A: Summary Fiscal Year 2025-2026 Budget (July 1, 2025 through June 30, 2026)										
Housing Authority of the City of Alameda & Alameda Affordable Housing Corporation - Consolidated Activity										
Certain Fiscal Year 2024-2025 Budget Amounts have been reclassified for Presentation Purposes. No Net Changes to Net Cash Flow										
Decimals Hidden for Presentation. Does not include Island City Development and Low-Income Housing Tax Credit Partnerships										
A	B	C	D	E	F	G	H	I	J	K
		FY 2024-2025	FY 2024-2025	FY 2025-2026	FY 2024-2025 PROJECTED ACTUAL VERSUS FY 2024-2025 BUDGET		FY 2025-2026 BUDGET VERSUS FY 2024-2025 BUDGET		FY 2025-2026 BUDGET VERSUS FY 2024-2025 PROJECTED ACTUALS	
		PROJECTED	BUDGET	BUDGET	Variance	% Variance	Variance	% Variance	Variance	% Variance
1	Operating Budget									
2	Property Rental Income and HAP Income, net of vacancy	15,159,601	15,085,811	15,934,985	73,790	0%	849,174	6%	775,384	5%
3	Tax Increment Payment - Independence Plaza*	2,531,724	2,561,722	2,661,856	(29,998)	-1%	100,134	4%	130,132	5%
4	HAP Administrative Fee Income	2,844,227	2,696,541	3,463,417	147,686	5%	766,876	28%	619,190	22%
5	Other Income and Grants (Includes portability)	3,429,349	4,156,528	2,691,958	(727,179)	-17%	(1,464,570)	-35%	(737,391)	-22%
6	Operating Income	23,964,901	24,500,602	24,752,215	(835,701)	-2%	251,613	1%	787,314	3%
7	Administrative	3,076,329	1,502,385	2,968,498	1,573,944	105%	1,466,113	98%	(107,831)	-4%
8	AHA Staff Salaries + Benefits	8,675,256	14,327,764	11,060,696	(5,652,508)	-39%	(3,267,068)	-23%	2,385,440	27%
9	Tenant/Social Services - (LifeSteps and Boys + Girls Club)	328,900	336,363	328,926	(7,463)	-2%	(7,437)	-2%	27	0%
10	3rd Party Management Salaries + Benefits	1,602,082	1,528,570	1,861,735	73,512	5%	333,166	22%	259,653	16%
11	Utilities	1,361,945	1,396,682	1,402,803	(34,737)	-2%	6,121	0%	40,858	3%
12	Maintenance	1,834,480	1,012,412	1,889,515	822,068	81%	877,103	87%	55,034	3%
13	General/Insurance/Interest Expense	1,991,165	1,789,966	2,229,834	201,199	11%	439,868	25%	238,669	12%
14	Operating Expense	18,870,157	21,894,142	21,742,008	(3,023,985)	-14%	(152,134)	-1%	2,871,851	15%
15	Net Operating Income	5,094,744	2,606,460	3,010,207	2,488,284	95%	403,747	15%	(2,084,537)	-41%
16	HAP Passthrough Income	44,046,236	38,384,925	52,828,616	5,661,311	15%	14,443,691	38%	8,782,380	20%
17	HAP Passthrough Expenses	44,881,864	39,624,646	52,828,616	5,257,218	13%	13,203,970	33%	7,946,752	18%
18	Net Housing Assistance Payments/(Deficit)	(835,628)	(1,239,721)	-	404,093	-33%	1,239,721	-100%	835,628	-100%
19	Net Income Before Depreciation	4,259,116	1,366,739	3,010,207	2,892,377	212%	1,643,468	120%	(1,248,909)	-29%
20	Less: Depreciation (Non-Cash)	1,720,000	1,720,000	1,720,000	-	0%	-	0%	-	0%
21	Net Income (Loss) After Depreciation	2,539,116	(353,261)	1,290,207	2,892,377	-819%	1,643,468	-465%	(1,248,909)	-49%
22	Total Income	68,011,137	62,885,527	77,580,831	5,125,610	8%	14,695,304	23%	9,569,694	14%
23	Total Expenses	65,472,021	63,238,788	76,290,624	2,233,234	4%	13,051,836	21%	10,818,603	17%
24	Net Income (Loss) After Depreciation	2,539,116	(353,261)	1,290,207	2,892,377	-819%	1,643,468	-465%	(1,248,909)	-49%
25	Net Income (Loss) After Depreciation	2,539,116	(353,261)	1,290,207	2,892,377	-819%	1,643,468	-465%	(1,248,909)	-49%
26	Add Back: Depreciation (Non-Cash)	1,720,000	1,720,000	1,720,000	-	0%	-	0%	-	0%
27	Subtract: Paydown of Must Pay Mortgage Principal - Cash Outflow	(787,729)	(1,324,115)	(570,695)	536,386	-41%	753,420	-57%	217,034	-28%
28	Subtract: Payoff of Mortgage - Independence Plaza - Cash Outflow	(1,270,373)	-	-	(1,270,373)	0%	-	0%	1,270,373	-100%
29	Add Back: Soft Loan Interest Incurred by not payable currently (Non-Cash)	44,592	44,592	44,592	-	0%	-	0%	-	0%
30	Subtract: Fund Independence Plaza Reserves as required by Restore-Rebuild (RAD Conversion)	(1,889,700)	-	(92,391)	(1,889,700)	0%	(92,391)	0%	1,797,309	-95%
31	Add Back: HUD Held Cash Reserves Withdrawal (Cash Inflow)	1,261,166	1,239,721	21,445	21,445	2%	(1,239,721)	-100%	(1,261,166)	-100%
32	Adjusted Cash flow*	1,617,072	1,326,938	2,391,713	290,134	22%	1,064,775	80%	774,641	48%

*Adjusted Cash Flow - FY 2025-2026: Tax Increment Financing for Independence Plaza of \$2,661,856 will be utilized to replenish AHA reserves due to deployment of funds in November 2024 to close the Restore-Rebuild (Faircloth to RAD) transaction.

Attachment B: Housing Assistance Payment Passthrough Budget for Fiscal Year 2025-2026 Budget (July 1, 2025 through June 30, 2026)															
Housing Authority of the City of Alameda															
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
		<i>Fiscal Year 2024-2025</i>	<i>Fiscal Year 2024-2025</i>	<i>Fiscal Year 2025-2026</i>						<i>FY 2024-2025 PROJECTED ACTUAL</i>		<i>FY 2025-2026 BUDGET VERSUS</i>		<i>FY 2025-2026 BUDGET VERSUS</i>	
		<i>Projected</i>	<i>Approved</i>	<i>Housing Assistance Payments</i>	<i>Shelter Plus</i>	<i>Bessie Coleman SRO</i>	<i>Emergency Housing Vouchers</i>	<i>Stability Vouchers</i>	<i>Fiscal Year 2025-2026</i>	<i>VERSUS FY 2024- 2025 BUDGET</i>		<i>FY 2024-2025 BUDGET</i>		<i>FY 2024-2025 PROJECTED ACTUALS</i>	
	Revenue/Expense	<i>Actuals</i>	<i>Budget</i>	(HAP)	17 Vouchers	30 Vouchers	57 Vouchers	10 Vouchers	Total Budget	\$	%	\$	%	\$	%
1	HUD Subsidy Revenue	43,597,094	37,915,283	50,559,689	-	367,560	1,118,965	300,000	52,346,214	5,681,811	15%	14,430,931	38%	8,749,120	20%
2	HUD Subsidy Revenue - Alameda County	449,143	469,642	-	482,402	-	-	-	482,402	(20,500)	-4%	12,760	3%	33,260	7%
3	Total HUD Subsidy Revenue	44,046,236	38,384,925	50,559,689	482,402	367,560	1,118,965	300,000	52,828,616	5,661,311	15%	14,443,691	38%	8,782,380	20%
4	HAP Payments to Landlords	44,881,864	39,624,646	50,559,689	482,402	367,560	1,118,965	300,000	52,828,616	5,257,218	13%	13,203,970	33%	7,946,752	18%
5	Total Expenses	44,881,864	39,624,646	50,559,689	482,402	367,560	1,118,965	300,000	52,828,616	5,257,218	13%	13,203,970	33%	7,946,752	18%
6	Income/ (Loss - HAP Shortfall)	(835,628)	(1,239,721)	-	-	-	-	-	-	404,093	-33%	1,239,721	-100%	835,628	-100%

ATTACHMENT C: PROJECTED 2025-2026 CAPITAL IMPROVEMENT PLAN					
	A	B	C	D	E
	PROPERTY (UNITS) Scope	PROJECTED COST	High	Medium	Low
1					
2	Anne B. Diamant (65)				
3	ADA A/V and Strobes Upgrades	15,000	15,000		
4	Domestic Boilers	60,000		60,000	
5	Concrete and Community Room Remodel	45,000		45,000	
6	Community Room Kitchen ADA Upgrades	60,000		60,000	
7	Replace Radiant Baseboard Heaters System	155,000		155,000	
8	North Wing Roof Replacement	150,000			150,000
9	Laundry Room Accessibility Renovation	12,000			12,000
10	AHA OFFICE				
11	Lobby Elevator Phone Replacement (COMPLETE)	5,000			5,000
12	Re-Roof	100,000	100,000		
13	Garage/Office Conversion	1,400,000		1,400,000	
14	Electrical System Upgrades	80,000		80,000	
15	Interior Carpet	76,300		76,300	
16	Maintenance Yard Fence Replacement	70,000		70,000	
17	Window Replacements	64,000		64,000	
18	Sound Attenuation at HR/ED Offices	59,000		59,000	
19	Upstairs Kitchen Renovation	50,000		50,000	
20	New Interior Paint	20,000		20,000	
21	Kitchen Patio Waterproofing	6,500		6,500	
22	CHINA CLIPPER (26)				
23	Soft Story Seismic Upgrades (IN PROGRESS)	200,000	200,000		
24	Private Balcony Replacements @ 203, 303 (IN PROGRESS)	90,000	90,000		
25	Window Replacements	70,000		70,000	
26	Elevator Upgrade	90,000			90,000
27	Roof and Fascia Repair	84,000			84,000
28	Exterior Paint	48,500			48,500
29	Exterior Door ADA Automatic Openers	35,000			35,000
30	Exterior Concrete Walkway/Flatwork Replacements	30,000			30,000
31	Failed IGU's	28,000			28,000
32	Area Drains / Grade Renovations	25,000			25,000
33	Elastomeric Coatings and Rust	21,000			21,000
34	EAGLE VILLAGE (42)				
35	Parking lot asphalt	32,132		32,132	
36	Failed flashings and IGU's	28,000		28,000	
37	Landscape Enhancements	20,000		20,000	
38	Window Replacements	129,000			129,000
39	Domestic Plumbing/Waste Line Upgrades	80,000			80,000
40	Exterior Concrete Walkway Replacements	60,000			60,000
41	Gutters and Downspouts as needed	11,000			11,000
42	EVERETTS COMMON (ISLAND CITY DEVELOPMENT)*				
43	Exterior Trim/Posts Replacement	2,500			2,500
44	ESPERANZA (120)				
45	Electrical Main Panel/Subpanel Replacements	418,000	418,000		
46	Water Heater Project	275,000	275,000		
47	ADA van accessible parking required at Day Care	5,000	5,000		
48	Window Replacements	960,000		960,000	
49	Replace Domestic Plumbing Supply/Waste Lines	500,000		500,000	
50	Slider Replacements	240,000		240,000	
51	Siding Replacements	150,000		150,000	
52	Exterior Concrete Walkway Replacements	50,000			50,000
53	Landscape & Irrigation Renovations	50,000			50,000
54	Gutters and Downspouts as needed	18,000			18,000
55	INDEPENDENCE PLAZA (186)				
56	ADA Renovations to Lobby Restrooms (IN PROGRESS)	50,000	50,000		
57	Reroof 703 Community Room	20,000	20,000		
58	Landscape & Irrigation Renovations	50,000		50,000	
59	Exterior Concrete Walkway Replacements	50,000			50,000
60	Signage (IN PROGRESS)	42,000			42,000
61	Gutters and Downspouts as needed	30,000			30,000
62	Parking Lot LED Lighting Upgrades	20,000			20,000
63	Exterior Walkway Lighting	20,000			20,000
64	Property Marquee Lighting	5,500			5,500
65	LINCOLN HOUSE (4)				
66	Rear Unit Entry Landing Replacement (IN PROGRESS)	45,000	45,000		
67	Front Landing/Guardrail Renovation (IN PROGRESS)	15,000	15,000		
68	Remove Overgrown Tree in Front	6,000			6,000

ATTACHMENT C: PROJECTED 2025-2026 CAPITAL IMPROVEMENT PLAN					
	A	B	C	D	E
	PROPERTY (UNITS) Scope	PROJECTED COST	High	Medium	Low
1					
69	Signage	600			600
70	LINCOLN WILLOW (5)				
71	Replace Domestic Plumbing Supply/Waste Lines	100,000		100,000	
72	1602B Entry Awning Replacement	5,000		5,000	
73	Replace Wood ADA Ramp with Concrete	4,500		4,500	
74	Replace Fencing	10,000			10,000
75	Landscape & Irrigation Renovations	10,000			10,000
76	PARROT GARDEN (8)				
77	Leasing Office ADA and Parking Upgrades (IN PROGRESS)	57,000	57,000		
78	Electrical Upgrades	32,000	32,000		
79	Perimeter Fence (IN PROGRESS)	8,800	8,800		
80	Asphalt	39,000		39,000	
81	Foundation Upgrades	35,000		35,000	
82	Roof Gutters and Downspouts as needed	8,000		8,000	
83	Replace Rear Stairs	4,500		4,500	
84	Exterior Walkway Lighting	8,000			8,000
85	Landscape Enhancements	6,628			6,628
86	PARROT VILLAGE (50)				
87	Roofing repairs and replacement	25,000	25,000		
88	Tree Removal of at least 3 trees (Root Tripping Hazard)	24,000	24,000		
89	Domestic Plumbing Supply Line Upgrades	180,000		180,000	
90	Domestic Plumbing Waste Line Upgrades	180,000		180,000	
91	Landscape enhancements	70,000		70,000	
92	Windows failed IGU's and poor installation of retrofit windows	25,000		25,000	
93	Exterior Building and Walkway Lighting	30,000			30,000
94	Gutters and Downspouts as needed	15,000			15,000
95	PARU HOUSE (1)				
96	SHERMAN HOUSE (9)				
97	Parking Lot	9,000		9,000	
98	Siding	6,000		6,000	
99	Domestic Plumbing/Waste Line Upgrades	50,000			50,000
100	Signage	600			600
101	STANFORD HOUSE (4)				
102	Front Entry Landing Repairs/Waterproofing	57,500		57,500	
103	Crawlspace Foundation Wall/Shear Upgrades	18,000		18,000	
104	Siding/Stucco	8,000		8,000	
105	Reroof as needed	50,000			50,000
106	Domestic Plumbing Supply Line Upgrades	25,000			25,000
107	SUB-TOTAL (AHA/AAHC/ICD)	7,608,560	1,379,800	4,945,432	1,283,328
108	SHINSEI GARDENS**				
109	Exterior Walkway Waterproofing Renovation	75,000			75,000
110	Roof and Fascia Repair	50,000			50,000
111	Gutters and Downspouts as needed	15,000			15,000
112	Fire Alarm Panels Ongoing Error Notifications	15,000			15,000
113	Laundry Room Flooring	4,500			4,500
114	THE PARK ALAMEDA**				
115	Exterior Walkway Waterproofing	75,000			75,000
116	SUB-TOTAL (PROPERTIES WITH ROFR)**	234,500	-	-	234,500
117	TOTAL	7,843,060	1,379,800	4,945,432	1,517,828

*Everett Commons - Property is an affiliate of AHA and controlled by ICD

**Shinsei Gardens and Park Alameda - Properties related to AHA and ICD, but not directly managed. They are monitored until the asset fully reverts to AHA control.

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, 2026

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 and

WHEREAS, the proposed Fiscal Year 2025-2026 budget includes approval of:

- i. Summary of the Fiscal Year 2025-2026 Budget and related income and expenses
- ii. Housing Assistance Payment (HAP) Passthrough Budget and related expenditure of HUD-held HAP reserves
- iii. Capital Improvement Plan (CIP) Budget and related use of property and agency reserves and surplus operating cash from Fiscal Years 2025-2026 to cover these expenses
- iv. Transfer by the Executive Director of up to \$1,200,000 in this budget year, as needed, from AHA property reserves or from HUD Held Moving-To-Work fungible funds to cover losses in the Housing Programs administrative operating budget
- v. HUD Form 52574 PHA Board Resolution Approving Budget

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, 2026.

ATTEST:

Vanessa M. Cooper
Secretary/Executive Director

Carly Grob, Chair
Board of Commissioners

Adopted: _____

PHA Board Resolution
Approving Operating Budget

**U.S. Department of Housing and
Urban Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0029 (exp. 04/30/2027)

Public reporting burden for this collection of information is estimated to average 136.2 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, completing the operating budget and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information including suggestions for reducing this burden, to the Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410. When providing comments, please refer to OMB Approval No. 2577-0029. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed and budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating budget adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA complies with HUD prescribed procedures. PHA boards must approve the operating budget and HUD requires boards to certify their approval through this form. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: PHA Code:

PHA Fiscal Year Beginning Board Resolution Number:

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

- | | <u>DATE</u> |
|---|----------------------|
| <input type="checkbox"/> Operating Budget approved by Board resolution on: | <input type="text"/> |
| <input type="checkbox"/> Operating Budget submitted to HUD, if applicable, on: | <input type="text"/> |
| <input type="checkbox"/> Operating Budget revision approved by Board resolution on: | <input type="text"/> |
| <input type="checkbox"/> Operating Budget revision submitted to HUD, if applicable, on: | <input type="text"/> |

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct.

WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802).

Print Board Chairperson's Name:	Signature:	Date:
<input type="text"/>	<input type="text"/>	<input type="text"/>



Housing Authority
of the
City of Alameda

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

701 Atlantic Avenue • Alameda, California 94501-2161

To: Honorable Chair and Members of the Board of Commissioners

From: Alicia Southern, Director of Human Resources

Date: May 21, 2025

Re: Adopt the Resolution to amend the Housing Authority of the City of Alameda's revised Employee Policies and Procedures Handbook, last revised 5/16/2024, effective immediately.

BACKGROUND

The Housing Authority of the City of Alameda (AHA) became an autonomous agency in 2012 and adopted new personnel policies that replaced the City's Employee Handbook and the ACEA and MCEA Memorandums of Understanding. In drafting the 2012 Personnel Policies staff sought guidance from a variety of sources and perspectives.

Sample personnel policies from the Housing Authority Risk Retention Pool (HARRP) provided a good starting place. Attorneys skilled in human resources and applicable California and federal laws prepared these policies. Subsequently, Liebert Cassidy Whitmore completed a thorough review of the AHA Personnel Policies to certify legal compliance at both the state and federal levels on November 4, 2014. A complete overhaul and renaming of the manual to the Employee Policies and Procedures Handbook was approved by the Board on December 21, 2016. Various changes have triggered legal or policy amendments since then and have been reviewed by legal counsel and approved annually by the Board.

DISCUSSION

This month, a revised version of the Employee Policies and Procedures Handbook is being brought to the Board for review. The document has been thoroughly reviewed by attorneys with Liebert Cassidy Whitmore, who certify compliance with state and federal laws. Legal input is incorporated into the final document that is being presented for review. The staff have been provided a copy to review before the Board meeting and have been invited to an optional meeting to provide feedback.

The policy is being brought in track changes format, as is typical, to highlight the revisions and additions that were made.

A brief explanation of the changes is below.
Changes made for business (aligning with current processes or providing clarification),



editing, and/or formatting purposes include:

1. Correcting punctuation, elimination of the 80-hour schedule, correcting policy names, position titles, and/or deleting any duplicate sentences.
2. Real Estate and Broker's License. It is already an AHA practice that staff possessing a license must disclose at the time of hire and annually thereafter and this revision adds this practice to the handbook.
3. Alignment to our Board-approved Vision, Mission, and Guiding Principles.
4. Work Eligibility. Employees must already verify authorization to work in the United States via filling out the I-9. Staff must also comply with any re-verification processes, if needed, as required by law.
5. California Driver's License and Insurance. AHA's insurance requires that we verify all staff members' need to drive. Staff should inform AHA of incidents that affect their authorization to drive.
6. Car Allowance. Development of a car allowance and employees who drive regularly as part of work.
7. Employee Classifications. Updated to clarify exempt employee's attendance at after-hours meetings and work outside of regular business hours. Updated definitions for "at-will" and "for-cause" employees.
8. Employment of Members of the Board of Commissioners. Clarification on the look back period for hire of a prior Board of Commissioner member by AHA after resignation from the Board.
9. Performance Management. The ability for the Executive Director to re-assign a performance appraisal to another supervisor due to business need, including extending the date the evaluation is due during an emergency.
10. Professional Development. Clarifying that all staff are required to complete mandatory and/or safety training on a schedule as set by HR and/or Executive Director and/or state and federal law.
11. Employee Benefits - Credit Union. Removal of language about credit union, as the AHA no longer has a credit union.
12. Employee Benefits. Clarification that timely submission of documents around adding and deleting dependents is required for the processing of said paperwork. That employees may have to carry the cost of dependents who are not timely removed from their plans. This is currently an AHA process.
13. Education Assistance and Tuition Reimbursement. Removal of \$1,500 reimbursement amount since the Board approved two levels of reimbursement in December 2024. Approving Executive Director to set the reimbursement levels.
14. Vacation – Scheduling. Explaining the advanced time that employees need to request vacation leave are based on consecutive workdays being requested. Clarifying that the Executive Director, or designee, can make exceptions to vacation approval requests around highly requested holiday periods.
15. Unpaid Time off and Leaves of Absence - Requests for Leave. Clarifying language to fit with existing AHA practices for paid and unpaid leaves.
16. Work Hours and Pay - Workday and Work Week. Stating that the current AHA schedule is for 72 hours over two weeks.

17. Sick Leave at Termination. Changing label to Sick Leave at Separation.
18. Timekeeping Requirements. Employees must add leave if they do not work a full eight-hour day. Time-off requests must be made timely. This is current practice.
19. Payroll deductions. Adding payroll corrections to the list of items that could be deducted from an employee's paycheck.
20. Exempt Employees. Adding a title for the section for Exempt employees' pay benefits.
21. Reclassification Resulting in Range Decrease (Y-Rate). Clarification of language.
22. On-Call and Emergency Compensation. Returning to a forty-mile radius for receipt of on-call compensation benefits.
23. Notary Public Stipend. Clarification on the definition of eligibility in the State of California.
24. Floating Holidays. Employees are not eligible to cash out their floating holiday upon separation until they have reached 90 days of employment.
25. Acting Pay. Clarification on work assignments while acting.
26. Violence in the Workplace. Explanation on reporting and where to find forms.
27. Work Practices and Work Environment - Telecommuting. Removal of some of the language added during "COVID-19" and standardization of existing process.
28. Breastfeeding-Friendly Workplace. Adding language on existing AHA policies. Explaining the use of break times while lactating.
29. Expense Reimbursement. Stating that receipts must be provided for all reimbursable expenses.
30. Work Practices and Work Environment - Dress Guidelines. Corrections to the AHA dress code.
31. Information and Communication - Use of Personal Cell Phones. Adding in the language that staff should not be using phones for watching videos and participating in social media during work time, unless for AHA business. Clarifying that personal phones can be subject to disclosure under public records laws.
32. Information and Communication – Social Media. Adding language to comply with new state laws on AI usage in the workplace.
33. Standards of Conduct – Discrimination and Harassment. Updating to align with changes in state law that include protections for hair texture and hairstyles.
34. Standards of Conduct – Internal Complaint Procedure. Updating the Department of Fair Employment and Housing (DFEH) to the changed name of Civil Rights Department (CRD).
35. Voluntary Termination of Employment. Adding more notice for Director positions.

The main changes to policy (as opposed to changes made for editing/formatting/clarification/compliance purposes) are described below, along with a brief summary of the rationale for the changes.

1. At-Will Employment. Due to possible programmatic uncertainty, AHA may have a

need to flexibly manage staffing levels at short notice. Only new hires and individuals who are promoted to Director level or above after April 1, 2025, will be at-will.

2. Discrimination and Harassment Policy. Renamed to Policy Against Discrimination, Harassment and Retaliation; Complaint Procedure. Name change and content updated to include legal updates and industry best practices.
3. FMLA/CFRA. Providing a more transparent process for the existing process of having reasonable accommodations/interactive process meetings for the AHA accommodation of intermittent leave requests, updates were made as follows: 1) the certification requirements for leave, 2) definitions, 3) reinstatement after returning from leave and 4) timely certification of paperwork. Clarifications on leave eligibility, duration, reasons for leave, insurance, payments of premiums, leave schedule, and required forms.
4. Addition of Leave Rights and Accommodations for Victims of Qualifying Acts of Violence and Other Victims of Crime Leave to comply with Assembly Bill (AB) 2499.
5. Pregnancy Disability Leave. Clarifications on hours available to staff based on their respective work schedule, wage replacement integration, health coverage premiums, and benefits upon returning from leave changed for legal updates and industry best practices.
6. School Activities Leave – clarification on definitions of who is eligible for leave per state law.
7. Vacation. Clarifying vacation accrual caps and incremental amounts for years of service for current employees. Changing accrual timing for newly hired employees to be more consistent with leave accrual amounts offered by other agencies. Allows for easier administration and processing of the leaves.
8. Sick – Accrual. Changing accrual amounts for newly hired employees to be more consistent with leave accrual amounts offered by other agencies.
9. Sick - Time Use. Expanding the use of paid sick leave for “safe” time for qualifying acts of violence, per state law.
10. Sick – Health Care Provider’s Certification. Clarifying when a note for sick leave is needed after January 1 annually and throughout the year to comply with state law. Adding in language that allows the AHA to request that an employee have a physical examination in certain circumstances when it is believed that their physical condition could preclude them from returning to work.
11. Wage Adjustments – Cost of Living – change of language to allow for flexibility in the AHA’s granting of a cost-of-living adjustment annually.
12. Bilingual Pay – language clean-up per CalPERS rules on sporadically and temporarily assigned bilingual translation assignments.
13. Personnel Files – updates on who is eligible to review a file and when per state law.
14. Discrimination and Harassment Policy – Name changed to Policy Against Discrimination, Harassment, and Retaliation, Complaint Procedure. Updates to definitions and prohibited conduct, reporting of complaints, confidentiality, staff responsibilities, and retaliation as prohibited per state law and industry best practices.

15. Workplace Conduct – changes to the expected conduct of AHA staff members per the industry's best standards.
16. Discipline, Termination, and Grievance Procedure – Administrative Leave. Including workplace investigations, and clarifications on a leave of absence to the reasons a person can be placed on administrative leave. Update of Grievance procedure for “at-will” and “for cause” employees due to other changes in the policy.
17. Office location. The AHA has several offices and staff will be assigned based on business need. Although this is our practice, we are formalizing it in the Handbook.

We are requesting “at-will” status and sick and vacation accrual be approved retroactively. All other changes can be approved effective immediately.

FISCAL IMPACT

There are very minor fiscal impacts to the proposed changes in policy that should be offset by savings in salary and administrative costs.

CEQA

None

RECOMMENDATION

Adopt the Resolution to amend the Housing Authority of the City of Alameda’s revised Employee Policies and Procedures Handbook, last revised 5/16/2024, effective immediately.

ATTACHMENTS

1. Reso-Amend Employee Handbook 05.2025
2. AHA HANDBOOK DRAFT 5.22.25 Final

Respectfully submitted,
Alicia Southern
Alicia Southern, Director of Human Resources

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

*Resolution No.*_____

ADOPT REVISED EMPLOYEE POLICIES AND PROCEDURES HANDBOOK

WHEREAS, the Housing Authority Board of Commissioners adopted the AHA Personnel Policies April 12, 2012; and

WHEREAS, the Housing Authority renamed and revamped the polices on December 21, 2016 to the Employee Policies and Procedures Handbook; and

WHEREAS, Liebert Cassidy Whitmore completed a thorough review of the AHA Employee Policies and Procedures Handbook and certified legal compliance at both the state and federal levels on 11/4/2014; revised for an effective date of 1/8/2017, revised for an effective date of 1/11/2023; revised for an effective date of 4/18/2024; revised for an effective 5/16/2024; and

WHEREAS, Liebert Cassidy Whitmore completed a thorough review of the proposed revisions to the AHA Employee Policies and Procedures Handbook and has certified legal compliance of the policies at both the state and federal levels;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Alameda hereby approves and adopts the revised Employee Policies and Procedures Handbook revision 5/21/2025, effective 5/22/2025.

ATTEST:

Carly Grob, Chair
Board of Commissioners

Vanessa M. Cooper
Secretary

Adopted: _____

EMPLOYEE POLICIES AND PROCEDURES HANDBOOK

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WELCOME TO THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA

~~Welcome to the Housing Authority of the City of Alameda!~~ Through the efforts of our staff members, the Housing Authority of the City of Alameda has established itself as a leading organization in the community and in the housing industry, and we are excited to have you join our team. As a diverse and vibrant community partner, our goal is to excel in all areas of our work, adapting to new challenges as circumstances and needs change and to provide excellent customer services to landlords, tenants, participants, and partners.

Our vision and mission, along with a 2-year Agency plan and the 5-year HUD plan, guide the work that we do. To ensure our continued success, all employees need to understand and conduct their work consistent with our policies and procedures. This Handbook contains important information that you need to know about The Housing Authority, including a summary of our policies, benefits, and work expectations, and we encourage you to use it as a reference throughout your employment with us.

If you have any questions, please do not hesitate to ask either your supervisor or any Director.

Sincerely,



Vanessa Cooper, Executive Director

OUR VISION

The Housing Authority of the City of Alameda shall continue to be recognized for creatively seeking ways to expand the availability of affordable housing throughout Alameda, for caring professional staff, and excellent service ~~provided fairly to all~~.

OUR MISSION

The Housing Authority of the City of Alameda, ~~in partnership with the entire community,~~ advocates for and provides quality, affordable, safe housing; encourages self-sufficiency; and ~~strengthens~~ builds community ~~inclusiveness and diversity in housing~~ partnerships.

OUR GUIDING PRINCIPLES

- Our services, policies and staff considerations shall reflect this agency's commitment to building engaged, supportive communities ~~value for inclusiveness, diversity and culturally sensitive services~~.
- Our agency goals will be achieved by ongoing collaboration with customers and community partners.

AGENCY GOALS AND OBJECTIVES

Goals and objectives are established every five years in conjunction with the Housing Authority's Agency Plan process. In addition, management utilizes a two-year work plan to

guide key activities and also maintains a Strategic Plan that sets out overarching goals. Current plans, goals, and objectives are provided to new employees during the onboarding process.

PART ONE: INTRODUCTORY INFORMATION

HANDBOOK USE AND PURPOSE

This employee handbook is designed to help employees familiarize themselves with important information about the Housing Authority of the City of Alameda (hereafter also referred to as AHA, the Housing Authority, and/or the Agency), as well as information regarding their own privileges and responsibilities as employees.

It is not possible to anticipate every situation that may arise in the workplace or to provide information that answers every possible question. Also, future circumstances may require changes in the policies, practices, and benefits described in this handbook. Accordingly, AHA, upon approval by the Board of Commissioners, reserves the right to modify, rescind, supplement, or revise any provision in this handbook. While AHA will make reasonable efforts to provide employees with advance notice of any modifications or revisions to the handbook and will distribute or make available updated pages as revisions are made, advance notice of policy changes may not always be possible. Even in this event, changes to policies apply to Housing Authority employees upon their effective date, unless otherwise pre-empted by legislation. Further, the continuation of working conditions and practices not specifically authorized by resolution of the Board of Commissioners is not guaranteed by the policies in this Employee Handbook. This handbook does not create any contract of employment, express or implied, or any rights in the nature of a contract. Nor should anything in this policy be read or construed as modifying or altering the at-will relationship between AHA and those employees classified as at-will. The policies and procedures in this handbook are intended to replace all previous personnel policies, practices, and guidelines under which Housing Authority employees have worked.

Employees are expected to comply with all Agency policies. Employees who fail to do so will be subject to discipline, up to and including immediate termination.

Any questions regarding the contents of this handbook may be addressed to your supervisor or to the Director of Human Resources.

AGENCY BACKGROUND

Our Organization: The Housing Authority of the City of Alameda is a political subdivision of the State of California and its jurisdiction includes the City of Alameda. As a result of the Act of 1937, the Alameda City Council passed Resolution No. 2507 on August 6, 1940, establishing the City's need for low-income housing and a housing authority to administer such programs. The Council has appointed a Board of Commissioners to set the policies for the Housing Authority. The Board of Commissioners, usually appointed for overlapping 4-year terms, has

seven members. Two of the Board members are tenant representatives and are appointed for 2-year terms by the City Council.

The AHA Executive Director is the staff person responsible to the Board of Commissioners. The Executive Director is also charged with the responsibility of carrying out Board policy and is generally responsible for the efficient administration of Housing Authority programs. The Executive Director (and designated personnel) has the authority to enforce the policies approved and adopted by the Board of Commissioners, and has specific authority for:

- ~~Budget Limitations:~~ All operations of the Housing Authority are subject to the operating money made available by the budgets as approved by the Board of Commissioners. The continued employment of any person is therefore subject to the funds available. The Executive Director has the right to reassign duties and responsibilities and to reclassify positions as necessary for sound fiscal and operational management, within the limitations of approved operating budgets.
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- **Personnel Actions:** The Executive Director has the responsibility for all personnel decisions, including but not limited to: hiring, firing, granting promotions, approving merit increases, laying off, demoting, ~~transferring to regular status, approval of completion of probationary period,~~ transferring to probationary status, and approving suspension or termination of any employee occupying positions approved by the Board of Commissioners, excluding the position of Executive Director, which is a contract management position responsible to the Board of Commissioners. The Executive Director may choose to delegate certain administrative procedures in the Employee Handbook to the Director of HR or the Deputy Executive Director.

The Executive Director (or designee) may make temporary amendments to the Employee Handbook in two exceptional circumstances:

- To respond to a change in federal, state or local law, or
- To respond to an emergency impacting the agency as a whole (e.g., a pandemic, environmental hazard, major threat or damage to the physical building, etc.).

Any such temporary changes must be reported in writing to the Board no later than the next regular monthly Board meeting.

YOUR RESPONSIBILITIES AS A PUBLIC EMPLOYEE

Employees of a public agency have specific responsibilities beyond those of private sector employees. For example, new employees are expected to read and sign an Oath of Allegiance at the commencement of employment. Additional responsibilities are outlined below.

Responsibilities under Title VI, Section 504 and California Government Code Section 12921

Employees of the Housing Authority have specific responsibilities. With respect to any housing accommodations, facilities, services, financial aid or other benefits, the Housing Authority, its

officers, trustees, directors, agents, servants, employees, successors, and all persons in active concert or participation with any of them, agree to refrain from any acts which on the grounds of race, color, religion, national origin, ancestry, sex, gender, gender identity, gender expression, sexual orientation, marital status, familial status, source of income, genetic information, medical condition, physical disability or mental disability, or any other category protected by law:

- Deny a person such benefits.
- Provide such benefits to a person, which are different from those provided to others.
- Subject a person to segregation or separate treatment in any matter related to such benefits.
- Restrict a person in any way from access to such benefits or enjoyment of any advantage or privilege enjoyed by others in connection with such benefits.
- Treat a person differently from others in determining whether the person satisfies any occupancy, admission, enrollment, eligibility, membership or other requirement or condition which the person must meet.
- Deny a person an opportunity to participate in the program or activity through the provision of services or otherwise provide the person with an opportunity different from what is afforded others who participate.
- Deny a person the opportunity to participate as a member of a planning or advisory board, which is an integral part of the program.
- Represent because of race, color, religion, national origin, ancestry, sex, gender, gender identity, gender expression, sexual orientation, marital status, familial status, genetic information, source of income, medical condition or disability that dwellings are unavailable for rental when they are, in fact, available.

Guidelines for implementation of these responsibilities will be provided to all employees. Employees are required to acknowledge receipt and understanding of their responsibilities at the time of hire, and periodically throughout the course of employment.

Conflict of Interest / Misuse of Funds

The Housing Authority is committed to conducting business in accordance with its mission and high ethical standards. Central to the standard of ethical conduct is the Housing Authority's policy that employees shall have no direct or indirect interest, financial or otherwise, nor shall they engage in any business transaction or professional activity, or incur any obligation of any nature that is in conflict with the carrying out of their duties in the public interest. A conflict of interest is a situation in which an employee's personal or economic interest does or may interfere with, influence, appear to interfere or influence, or is, in the judgment of AHA, incompatible with the employee's duties and responsibilities at the Housing Authority of the City of Alameda or with AHA's general activities. A conflict may exist even if the conflict or incompatibility has no adverse impact on job performance.

All employees must follow the Housing Authority's standards of conduct as outlined in the Housing Authority's Administrative Plan and detailed later in this Handbook. All employees must report any actual, potential, or prospective conflicts of interest to their supervisor(s).

All employees are prohibited from soliciting or accepting gifts or gratuities of any value from outside parties, including, but not limited to vendors, contractors, and tenants/program participants. Any gifts that are offered should be declined politely and respectfully. In some circumstances, it may not be possible to return a gift, such as a consumable item. In such cases, employees may accept the gift, but the gift giver should be advised that future gifts should not be offered. Such gifts should be provided to HR and logged. These may then either be donated by the agency to a non-profit or be made available to all employees.

In accordance with California's Political Reform Act, certain employees named in the Housing Authority's Conflict of Interest Code are required to file a Form 700 at the time of hire and on an annual basis. In some circumstances, contractors may also be required to file a Form 700.

Confidentiality

Careful custody and handling of AHA files, documents or materials (in hard copy or electronic format) containing confidential information is of critical importance to AHA and the community that we serve. Each employee is responsible for safeguarding against the theft, loss, unauthorized use or disclosure of confidential information and for following AHA's policies and procedures addressing confidentiality. Employees who have access to such information must take whatever steps are necessary to assure that AHA confidential information is handled, stored, transmitted or destroyed in a manner which will protect against loss or misuse.

All applications and records concerning any individual applying for or receiving public services that are made or kept by this Agency are confidential and are not open to examination for any purpose that is not directly connected with program administration. Except for purposes directly connected with and necessary for program administration, employees shall not publish, disclose or use any confidential information pertaining to an applicant or employee, or an applicant or recipient of our Federal Housing Programs. Confidential matters include, but are not limited to:

- Employee or client names, physical or electronic addresses, telephone numbers, social security numbers, and medical/health information.
- Information contained in employee personnel or benefits files, including but not limited to items such as records of disciplinary actions, performance evaluations, benefits application forms, beneficiary information, etc.
- Anything marked "Confidential" or "Personal", such as incoming mail, internal documents marked with these terms, etc.

Housing Authority employees are also prohibited from publishing or disclosing any list of persons who have applied for or are receiving state or federally funded public social services, whether that list is an official list or a list compiled from official sources. The Housing Authority's Confidentiality Policy provides additional and more specific guidance.

Certain positions in the agency, including all Directors, all Finance staff, and the Executive Administrative staff, have expanded access to confidential personnel and employee relations information and are designated as confidential staff.

Employees are expected to maintain AHA confidential information as confidential even after separation from the Housing Authority. Employees will return, at AHA's request at any time and/or upon termination of employment, to AHA all documents, papers, computer files or storage devices, web application passwords, or any other material in their possession that may contain or be derived from AHA confidential information.

Requests for documents or information from outside persons or entities including those that may be governed by the Public Records Act must be referred immediately to the Executive Director.

Political Activities

Public employees are expected to separate their personal political activities from activities that are sponsored by the public agency they serve. Therefore, AHA employees shall not:

- Engage in political activities during work hours.
- Use their office/employment position to influence elections or nominations, or for other political purposes.
- Solicit or receive political contributions from other employees.
- Engage in political campaigning, ~~or~~ solicit or receive political contributions on AHA premises, ~~or~~ using AHA's electronic systems.
- Require or advise other employees to make political contributions.
- Use political influence in connection with their employment status.

Responsibility in a Disaster

Public employees may be called upon to become Disaster Service Workers in the event of a disaster. Supervisors will provide guidance to individual employees on how each is expected to respond.

Real Estate and Broker's License

AHA does not require any employee to hold a Real Estate or Broker's license. All staff possessing a license must disclose at the time of receipt and annually thereafter on the AHA Real Estate License form. No employee is authorized to conduct non-work real estate licensed activities in the City of Alameda under our current policy. Any employee seeking to use their real estate license, even for the purchase or sale, needs to submit the outside employment form.

Employees who hold a California real estate Broker's license with AHA may utilize their license to buy or sell their primary home only, and only on their own behalf (i.e. they must be on title). To avoid conflicts, any such transaction must be outside of the City of Alameda. The employee must seek advance approval from HR and the Executive Director and sign a waiver of all responsibility with the agency before proceeding and may not use the agency name, equipment or time in that transaction. The employee may be required to repay the prorated amount of any license fee and training costs paid by AHA since the last renewal and must re-list the license at the home address.

EQUAL EMPLOYMENT OPPORTUNITY

It is the policy of the Housing Authority of the City of Alameda to afford equal opportunity in all aspects of employment to all persons without discrimination on the basis of race, religion (including religious dress or grooming), sex (including gender, gender identity, gender expression, transgender, as well as pregnancy, childbirth, breastfeeding, or related medical conditions), national origin, ethnicity, ancestry, citizenship, age, physical or mental disabilities, color, marital status, registered domestic partner status, sexual orientation (including homosexuality, bisexuality, or heterosexuality), genetic information, medical condition (including cancer and genetic characteristics), military or veteran status, exercise of rights under the Pregnancy Disability Leave Law or the California Family Rights Act, or any other basis protected by applicable federal, state, or local law. This policy shall apply to all employees and applicants for employment, and unpaid interns, and extends to all phases of employment, including recruitment, hiring, training, promotion, demotion, transfer, discipline, discharge or layoff, rehiring, compensation, and benefits. It is the responsibility of everyone in management to ensure that equal consideration is given to all applicants and employees in personnel actions. Please see the [Policy Against Discrimination, and Harassment and Retaliation; Complaint Procedure](#) ~~policy~~ in the Standards of Conduct section for additional information and guidance.

REASONABLE ACCOMMODATION

Absent undue hardship or direct threats to the health and safety of employee(s) or others, the Housing Authority provides employment-related reasonable accommodations to:

1. Qualified individuals with any known physical or mental disability, both applicants and employees, to enable them to perform essential job functions;
2. Employees with conditions related to pregnancy, childbirth, or a related medical condition, if they so request, and with the advice of their health care provider, which may include a temporary transfer to a less strenuous or hazardous position for the duration of their pregnancy if the transfer can be reasonably accommodated;
3. Employee victims of domestic violence, sexual assault, or stalking to promote the safety of the employee victim while at work;
- [4. Employees who are victims of a qualifying act of violence, or whose family members are victims;](#) and
- ~~4~~5. Employees who request reasonable accommodation to address a conflict between religious belief or observance, including religious dress and grooming practices, and any employment requirement.

REASONABLE ACCOMMODATION OF PROTECTED DISABILITIES

The Housing Authority complies with the employment-related reasonable accommodation requirements of the Americans with Disabilities Act (ADA) and the California Fair Employment and Housing Act (and any subsequent revisions or amendments thereto), including the interactive process to identify possible reasonable accommodations of protected disabilities. The Housing Authority is committed to taking all actions that are necessary to ensure equal

employment opportunity for persons with disabilities in accordance with applicable federal, state, and local laws, using the following guidelines:

1. **Request for Accommodation.** An employee or applicant who desires a reasonable accommodation in order to perform their essential job functions should make a request, preferably in writing, to the Director of Human Resources. A form is available from Human Resources. If a request is made verbally, AHA will either request that the employee put the request in writing or document the verbal request that the employee has made. The request must identify both the job-related function(s) at issue and the desired accommodation(s). Alternatively, employees may make their request to their direct supervisor, who will be responsible for communicating the request for accommodation to Human Resources. Alternatively, the Housing Authority may become aware of the potential need for reasonable accommodation through a third party or observation of the employee's work, and may therefore initiate the interactive process.
2. **Requests for Medical Information.** Following receipt of the request, the Housing Authority may require reasonable documentation from a health care provider of the existence of a disability and that an accommodation is necessary. The Housing Authority may also require an employee to undergo a fitness for duty examination at the Agency's expense where there is significant evidence that the employee's ability to perform one or more essential functions of the job has declined, or significant evidence that could cause a reasonable person to question whether an employee is still capable of performing one or more of the essential job duties, or whether an employee is capable of performing those duties in a manner that does not harm the employee or others. The fitness for duty examination will- to determine whether the employee can perform the essential functions of the job with or without reasonable accommodation. The Housing Authority may also require that an Agency-approved physician conduct the examination.
3. **Interactive Process.** After receipt of any requested reasonable documentation of disability and need for accommodation and/or fitness for duty report, the Housing Authority will arrange for one or more discussions, in person or via telephone or video conference call, with the employee or applicant and their designated representative, if any. The purpose of the interactive discussion process is to work in good faith to explore fully all feasible potential reasonable accommodations. An interactive process meeting may be requested by the employee or employer before, or during, or after the approval process. The supervisor may attend where the accommodation impacts the day to day work or for a leave of absence.
4. **Case-by-Case Determination.** The Housing Authority determines, in its sole discretion, whether reasonable accommodation(s) can be made, and the type of accommodation(s) to provide. AHA will not provide accommodation(s) that would pose an undue hardship upon Housing Authority finances or operations, or that would endanger the health or safety of the employee or others.
5. **Medical Records.** Medical records and information regarding fitness for duty, or the need for an accommodation, will be maintained separately from non-medical records and information. Medical records and information regarding fitness for duty and the need for accommodation will be accessible only by the Human Resources Director, legal

counsel, first aid and safety personnel in case of emergency, and supervisors who are responsible for identifying reasonable accommodations. Medical records and information contained therein may be released pursuant to state and federal law.

COMPLAINT PROCEDURE FOR COMPLAINTS OF DENIAL OF REASONABLE ACCOMMODATION

Complaints of denial of reasonable accommodation shall be directed to the Executive Director. Applicants and employees are encouraged to bring such complaints to AHA's attention promptly, so that it can address them promptly.

The Executive Director shall investigate the complaint and make a determination regarding whether a reasonable accommodation can be provided. As part of this complaint resolution procedure, the Executive Director may require the applicant/employee and an AHA representative to meet to discuss potential reasonable accommodations and to try to agree on a specific reasonable accommodation. The Executive Director shall have the authority to determine which reasonable accommodation, if any, shall be provided. The Executive Director's decision is final and binding as to AHA's reasonable accommodation obligations.

PART TWO: EMPLOYMENT AND HIRING POLICIES

WORK ELIGIBILITY

Verification of Authorization to Work in the United States

To comply with federal law, the Housing Authority of the City of Alameda employs only United States citizens and non-citizens who are lawfully authorized to work in the United States. All employment is conditioned upon receipt, by the Director of Human Resources, of acceptable documentation establishing identity and authorization to work in the United States and completion of an I-9 form within the timeline established by the U.S. Citizenship and Immigration Services (USCIS). Employees must also comply with any re-verification process, if needed.

Background Checks

The Housing Authority of the City of Alameda believes that hiring qualified individuals contributes to our overall strategic success, and background checks serve as an important part of the selection process. The information collected helps AHA promote a safe work environment for our current and future employees, as well as program participants and residents. Therefore, all offers of employment are made conditioned upon receipt of a satisfactory background check to verify the accuracy of the information provided by the applicant during the selection process.

The Housing Authority checks criminal history records as part of the applicant selection process for all positions. Reports received are interpreted in accordance with the Equal Employment Opportunity Commission's guidelines for consideration of conviction records in employment decisions. Unless required by law, the Housing Authority will not deny employment to any applicant solely because they have been convicted of a crime. The Housing Authority may, however, consider the nature, date and circumstances of the offense, evidence of

rehabilitation, as well as whether the offense is relevant to the duties of the position sought by the applicant.

With a candidate's prior written authorization, AHA may also collect credit information on applicants consistent with the guidelines set forth by the federal Fair Credit Reporting Act (FCRA). Credit information is generally required for finance-related and all senior management level positions.

All background checks, with the exception of employment references, are conducted by a third-party agency. The Housing Authority complies with all applicable federal, state and local laws, including fair employment practices and equal employment opportunity, when conducting background checks. All information obtained from the background check process will only be used as part of the employment hiring process and will be kept strictly confidential.

Pre-Employment Physical

A post-offer, pre-employment physical examination is required if noted on the position description. For such positions, any offer of employment, and/or continued employment will be conditional, subject to satisfactory completion of, and passing, such physical examination.

California Driver License and Insurance

~~All~~ Some positions within the Agency may require a valid California driver's license and the ability to meet the driving record requirements for coverage under the Housing Authority's "standard" auto liability policy. Such drivers, and any other drivers who will be authorized to drive an Agency vehicle, are required to sign an Authorization for Release of Driver Record Information at the commencement of employment. Assignment of driving responsibilities is conditional upon receipt of a satisfactory report from the State of California, Department of Motor Vehicles. If an applicant or employee cannot meet these requirements due to a disability or medical condition, they should notify the Director of Human Resources to discuss possible accommodations.

The AHA is required by our insurance carrier to verify that all staff who need to drive for their position are authorized to drive and to meet our insurer's requirements at all times. For employees who drive in the course of AHA business and those who do not, AHA verifies compliance with the insurer's requirements upon hire and annually thereafter. All employees should inform HR immediately if they are involved in any moving violation either at work or on their own time or have other incident that may impact their authorization to drive. In the event of a lack of a valid driver's license, the Agency will meet with the employee to see whether any accommodation is possible.

Should an employee who is required to drive in the performance of their duties be excluded from the "standard" automobile policy, agency liability and the impact on agency operations will be examined. Continued employment will be dependent upon the circumstances and the

employee's ability to continue to perform the duties of the position without liability or unreasonable inconvenience to the agency.

Please refer to AHA's Vehicle Use and Accident Reporting Procedures for additional information. Applicants and employees who are required to drive but are or become unable to drive due to disability may request a reasonable accommodation.

The Executive Director may award a temporary or regular car allowance to exempt employees who drive regularly on AHA business of \$250 per month. In such cases the employee will not be entitled to additional reimbursement of mileage except for trips over 100 miles.

WORK LOCATION

The AHA has several offices and staff will be assigned based on business need. All staff should be aware that due to evolving business needs, AHA cannot guarantee that the position will be or remain allocated to a specific location.

AT-WILL EMPLOYMENT

All newly employees hired after April 1 2025 will be classified as "at-will". In addition, all employees promoted to Director-level or higher positions after April 1, 2025 will be at-will. This means that AHA may terminate the employment relationship at any time, for any reason or no reason, with or without cause, and without advance notice. Disciplinary due process procedures provided in Part 12 of this Handbook do not apply to employees hired or promoted into at-will classifications. Employees promoted to a Director-level or higher position on or after April 1, 2025 will be required to sign a notification and acknowledgement of at-will employment in their offer letter as a condition of promotion.

In the event of separation from employment, at-will employees may be eligible for severance compensation in an amount approved by AHA as part of a negotiated settlement agreement.

EMPLOYEE CLASSIFICATIONS

Staff members are placed into classifications based on their job description and applicable wage/hour laws. All employees are classified as exempt or non-exempt; exemption classification may be changed only with written notification from Housing Authority Management.

- Exempt Employee: An executive, administrative, or professional employee who is exempt from the overtime requirements of the Fair Labor Standards Act ("FLSA"). Exempt employees are not eligible for, and will not be paid, overtime. Exempt employees may be required to attend monthly Board meetings and to perform work outside of regular work hours, in order to complete their job duties.

- **Non-exempt Employee:** An employee (generally paid by the hour) who is eligible for overtime pay under the FLSA.

All employees are additionally classified as for-cause, at-will, regular full-time, regular part-time, probationary, contract or temporary. These classifications determine eligibility for benefits, subject to the terms, conditions, and limitations of each benefit program, unless otherwise stated in a contract employee's contract. With the exception of positions held by temporary employees, these positions are on the Schedule of Authorized Positions contained in the Housing Authority's budget.

- **For-Cause Employee:** An employee hired on or before March 31, 2025, who successfully completed the probationary period in their current job. A for-cause employee can only be terminated from employment for cause, subject to the disciplinary due process requirements set forth in Part 12 of the Handbook-
- **At Will Employee:** Includes all employees hired after April 1, 2025, and all employees promoted to a Director-level or higher position after April 1, 2025. An at-will employee does not hold regular status and may be separated at any time, without cause, and without right to any appeal or grievance.
- **Regular Full-Time Employee:** An employee who is regularly scheduled to work an average of 36 hours or more per workweek/72 hours per pay period, and who is not in a temporary or probationary status. Regular full-time employees are eligible for all benefit programs offered by AHA.
- **Regular Part-Time Employee:** An employee who is regularly scheduled to work fewer than an average of 36 hours per week/72 hours per pay period, and who is not in a temporary or probationary status. Part-time employees receive pro-rated benefits, where indicated, based on actual hours worked, plus any other legally mandated benefits such as workers' compensation insurance.
- **Probationary Employee** (For employees hired on or before March 31, 2025): An employee in a probationary period (see section below for definition). A probationary employee is eligible for any benefits that they would have in a regular full-time or part-time position, subject to probationary period requirements.
- **Contract Employee:** An employee working under a contract which outlines wages, benefits and working conditions of the position, and which takes precedence over any conflicting terms in the Employee Handbook. Contract employees may work on a full-time or part-time basis, and are "at will" employees, meaning that the employee or AHA may terminate employment at any time, with or without notice and with or without cause, unless otherwise stated in their contract.
- **Temporary Employee:** An employee whose employment is normally for a defined period of time or a particular project. Temporary employees are not eligible for any Housing Authority benefits or leave provisions unless required by law. Temporary employees are "at will" employees and the employee or AHA may terminate employment at any time, with or without notice and with or without cause.

CHANGES IN EMPLOYEE CLASSIFICATIONS

Changes in employee classification may occur when a significant job change occurs (for example, a promotion or a change in work hours, etc.) that is intended to last for more than four (4) months.

PROBATIONARY PERIOD

~~For employees hired on or before March 31, 2025, Employees~~ are considered probationary beginning with their date of hire. Probationary employees ~~have all the rights and privileges of regular employees except they~~ may be separated from the Housing Authority without cause, without prior notice, and without the right of appeal or hearing. During the probationary period, which is considered to be the final phase of the employment selection process, performance will be carefully evaluated and a determination made regarding whether the employee's job performance is sufficient to pass the probationary period. The fact that an employee has successfully completed the probationary period does not, however, guarantee continued employment for any period of time.

- **Duration of Probationary Period:** All appointments to a regular position will be probationary for a period of no less than 12 months (1,872 hours of actual, supervised service in the position). Leaves of absence of thirty (30) calendar days or more will result in the extension of the probationary period by an equal amount of time. Time worked in a different class or position is not considered as part of the probationary period. AHA reserves the right, and has the sole and absolute discretion, to extend the duration of the probationary period when such an extension is determined to be appropriate and necessary.
- **Separation of Probationary Employee:** A probationary employee may be separated from employment with the Housing Authority without cause, without prior notice, and without the right of appeal or hearing. Additionally:
 1. A probationary employee rejected during the probationary period following a promotional appointment shall be reinstated to the position from which the employee was promoted, unless the employee is discharged, or unless the former position is no longer available (i.e., the position has been filled or eliminated).
 2. A probationary employee who receives a promotion during the initial probationary period with AHA and is subsequently rejected from the promoted position will not be reinstated to the prior position but will be separated from Agency employment.

CHANGE OF POSITION

- **Transfer:** Employees may be transferred as deemed appropriate by the Housing Authority. Transfers include movement within or between departments or to different work assignments. If an employee does not have all the skills required for the position to which the employee is transferred, training will be provided. Employees have the

opportunity to accept or reject a transfer. If an employee rejects a transfer determined to be in the best interest of the Housing Authority, or if the position originally held by the employee is eliminated, discharge or layoff may be necessary. Any eligible employee dissatisfied with their transfer may pursue the steps of the Grievance Procedure, outlined in the Standards of Conduct section of this Handbook.

- **Demotion:** In the event an employee is not performing their job satisfactorily or must be removed from a position, the employee may be demoted, subject to the procedures outlined in the Disciplinary Procedures section of this Handbook and subject to an available budgeted position. Employees who are demoted are not required to complete a new probationary period, but their performance in the role in which they are demoted to will be closely monitored.

JOB DESCRIPTIONS

All employees shall be provided with copies of their job descriptions. Job descriptions are intended to present a descriptive list of the range of duties performed by employees; they are not intended to reflect all duties performed within the job, and employees may be required to perform duties not set forth in the job description. Job descriptions may be rewritten in the event of major new job responsibilities or other significant, ongoing changes in duties.

JOB POSTINGS

The Housing Authority attempts to find the most qualified candidates to fill position vacancies. This is accomplished through a combination of internal and external recruiting. Consideration will be given to the advancement of current employees, and employees are encouraged to apply for promotions or transfers for which they feel they are qualified.

Job openings will be of two types: -Promotional (in-house) or Open (the general public may apply as well as staff). Job vacancy announcements will contain information about the required qualifications and experience, as well as instructions on how to apply. Promotional job opening announcements will be sent to all staff, posted via email to current staff only, or posted on the AHA website and designated as promotional opportunities only. Open job vacancies will be advertised in appropriate internal and external recruiting sites, generally simultaneously.

The decision to post positions as promotional or open, and to fill positions from within or to hire from outside is made solely by AHA.

In-House Promotions

The Housing Authority encourages employees to apply for promotions to positions for which they are qualified. Promotions and transfers shall be based on the ability, qualifications, and potential of the candidates for the position. Employees must have attained regular status successfully passed their probationary period, if applicable with the agency in order to be eligible for promotion (in other words, employees are not eligible to be promoted during a probationary period, whether initial or promotional), unless the Executive Director authorizes

an exception. At-will employees shall not apply for a promotion if they are within their first twelve months of employment without written authorization from the Executive Director for an exception. Employees who are interested in posted positions should submit an employment application prior to the closing date on the job announcement. If an employee is interested in applying for a promotion, the employee may also wish to discuss the matter first with their immediate supervisor, department head, or the Director of Human Resources. As part of the application evaluation process of internal candidates who apply for either promotional or open job vacancies, references will be obtained from current or prior AHA supervisor(s) and the employee's past performance will be reviewed and considered.

Offers of Employment

The Executive Director will approve all employment offers. Only the Director of Human Resources and the Executive Director have the authority to extend job offers. All offers of employment will be in writing.

HIRING OF RELATIVES

The Housing Authority of the City of Alameda is aware that relatives of employees or Commissioners may occasionally seek employment with AHA. The Housing Authority does not discriminate in its employment and personnel actions on the basis of marital or familial status.

Notwithstanding this policy, however, in the interest of avoiding conflicts of interest, or appearances of conflicts, the Agency retains the right to refuse to appoint a person to the same department or division where a "close relationship" to another employee has the potential for creating adverse impact on supervision, safety, security or morale, or involves a potential conflict of interest. The Department Director is responsible for determining if such a potential for adverse action exists or not, and this determination is then reviewed and approved by the Executive Director or their designee. AHA will also utilize the following guidelines with respect to nepotism:

1. Current employees may not interview or make employment-related decisions with respect to relatives who seek employment with AHA.
2. Current employees may not supervise relatives under any circumstances.

For purposes of this policy, the definition of "close relationship" is:

- Spouse/registered domestic partner;
- Employee's, spouse's or domestic partner's child (natural child, legally adopted child, or a child for whom the employee, spouse, or domestic partner has been awarded court-appointed legal guardianship) or grandchild;
- Parent, ~~step-parent~~stepparent, or grandparent of employee or spouse/domestic partner;
- Brother, sister, half-brother or sister, or brother-in-law or sister-in-law; and
- Aunt, uncle, niece, or nephew

When two existing employees become closely related, and a determination has been made that the potential for creating adverse impact as described above exists, the Director, in conjunction with the Executive Director (or designee) will make reasonable efforts to minimize potential problems through reassignment of duties or transfer. If the Housing Authority is unable to make an acceptable accommodation, then the two individuals will be notified that one of the employees must separate from AHA employment. The Housing Authority reserves the right to decide which employee must separate. Any such separation is not considered to be disciplinary; however, it may be appealed pursuant to the procedures outlined in the Disciplinary Procedures of this Handbook.

It is expected that all employees, regardless of any relationship status, will conduct themselves professionally in their interactions with each other and with other employees working at AHA.

WORKPLACE RELATIONSHIPS

The Housing Authority desires to avoid misunderstandings, actual or potential conflicts of interest, complaints of favoritism, possible claims of sexual harassment, and the employee morale and dissension problems that can potentially result from romantic relationships in the workplace.

If a supervisor or employee in a management position becomes involved in a consensual romantic or sexual relationship with an employee that the supervisor/manager supervises either directly or indirectly, that supervisor/manager must provide notice of the relationship to the Director of Human Resources. This notice should be provided as soon as possible in order for the Housing Authority to determine whether remedial action is necessary. Remedial action includes, but is not limited to, a transfer, reassignment, demotion, or dismissal, to mitigate issues that arise from a romantic workplace relationship. A supervisor/manager's failure to disclose a relationship with a subordinate may lead to disciplinary action, up to and including termination.

All employees should also remember that the Housing Authority maintains a strict policy against unlawful harassment of any kind, including sexual harassment. Whenever a romantic workplace relationship implicates the Housing Authority's Policy Against Discrimination, and Harassment and Retaliation; Complaint Procedure, the Housing Authority will vigorously enforce this policy consistent with all applicable federal, state, and local laws.

EMPLOYMENT OF MEMBERS OF THE BOARD OF COMMISSIONERS

To preserve the objectivity and integrity of the Housing Authority's Commission, any Commission member who wishes to apply for employment with AHA must first resign from the Commission. There is a 12-month look back period after the resignation of the Board member before they are eligible for AHA hire. The State of California Fair Political Practices Commission may have additional rules on hiring of Board Members as employees.

OUTSIDE EMPLOYMENT

The Housing Authority does not generally preclude employees from holding another job during off-duty hours (i.e., those hours during which an employee is not scheduled or otherwise required to work or be on call), and will not unreasonably deny such requests, as long as employees can effectively meet the performance standards for their positions with the Agency, the outside employment does not conflict with the employee's AHA work schedule, they request approval before starting the outside employment, and there is no actual or perceived conflict of interest with any other party involved—Outside employment shall not be permitted if it is inconsistent, incompatible or in conflict with their Housing Authority duties, functions, responsibilities, or that of the department in which they are employed at the Housing Authority. Outside employment includes part-time, seasonal, temporary, or freelance work, including ~~self-employment~~self-employment- and "gig" work. Employees are advised to think seriously about the effects that such extra work may have on the limits of their endurance, overall personal health, and effectiveness with the Agency. AHA will hold all employees to the same standards of performance and scheduling demands, including, for certain positions, being able to respond in emergencies, and cannot make exceptions for employees who also hold outside jobs. Further, all employees, whether they hold an outside position or not, are expected to devote their full time and attention to AHA duties during work hours and are not to use Agency resources or time for matters unrelated to their position.

Employees who wish to hold outside employment are required to submit an Application to Engage in Outside Employment form to their supervisor, for review by the Executive Director. The Executive Director will determine if the outside employment, activity, or enterprise is compatible with the employee's employment at the Housing Authority. If the Executive Director determines such activity is compatible, or would be if any conditions or restrictions applied, they will authorize the activity and specify the conditions/restrictions in writing, give the employee the outside employment authorization, and place a copy of the written authorization in the employee's personnel file and/or in electronic retention records. Outside employment may not begin until it is approved by AHA. Any employee dissatisfied with the Executive Director's decision may pursue the steps of the Grievance Procedure, outlined in the Standards of Conduct section of this Handbook.

As part of the employment offer process, job applicants will be required to disclose any outside employment they propose to continue if/while employed by the Housing Authority. Such outside employment is not approved until authorization has been provided by the Executive Director as described prior.

An employee must promptly report in writing to the Executive Director any of the following changes that may occur during the year of an authorized outside employment: the outside employment ends; or the authorized employment changes as to the number of work hours, location, or types of duties.

Any outside employment authorization may be revoked or suspended under the circumstances listed below. An employee may appeal the revocation or suspension as provided in this Policy.

1. The employee's work performance for the Housing Authority declines; or
2. An employee's conduct or outside employment conflicts with the conditions of the outside work authorization or is incompatible with the employee's work for the Housing Authority.

Under no circumstances may an employee use any Housing Authority equipment, vehicles, tools, supplies, machines, or any other item that is Agency property while engaged in any outside employment, activity, or enterprise.

PART THREE: EMPLOYEE DEVELOPMENT

PERFORMANCE MANAGEMENT

Effective performance management is critical to the success of the Housing Authority as employees need to know what is expected of them in order to carry out our strategic plan and achieve our mission. Supervisors are expected to provide ongoing, timely feedback and coaching to their staff so that employees know what is expected of them and how they are performing so any issues can be addressed in a timely manner. Employees are expected to engage in dialogue with their supervisor to ensure a clear understanding of performance expectations and to identify any areas needing improvement. Employees are also provided with an input form that they may complete to provide written input into the performance review process; it is expected that all exempt staff will complete this form prior to the scheduled review meeting. Completion of the form is optional for non-exempt employees. Performance reviews also provide an opportunity to discuss professional development goals and advancement or promotional opportunities that may be available. Performance review guidelines are provided by Human Resources for supervisors and employees to follow during the evaluation process.

Supervisors are to provide performance feedback to probationary employees at least every three months until regular status is attained, with a formal, written evaluation completed six months from the date of hire and at the end of the probationary period. Thereafter, reviews are done on an annual basis, to coincide with the approximate anniversary of the employee's start date with AHA as long as the employee is actively at work. If an employee receives a promotion or has a change in position/classification, a new probationary period will begin, and the pattern of evaluations will follow the guidelines above for probationary employees. At the completion of the probationary period, the employee's annual review date will be adjusted.

Performance reviews, signed by the employee and supervisor and reviewed by the Director of Human Resources, will be placed in the employee's personnel file. The written input form from the employee may also be included in the file at the employee's request. Employees are provided with a copy of their review and have the opportunity to provide input to and comment on it in writing within 10 business days of the evaluation. An employee does not have

the right to appeal or submit a grievance regarding any matter relating to the content of a performance review.

In the event that an employee's overall performance is rated as less than satisfactory or specific areas are identified that are in need of improvement, the supervisor should develop a written performance improvement plan for the employee. Performance improvement plans should include specific goals for improvement along with the strategies and timeline to improve performance. Supervisors should notify and work with the Director of Human Resources when any performance issues are identified that require a written improvement plan.

The failure of a supervisor to perform an employee's review as outlined above in no way alters an employee's status. Recommendations for step increases, ~~attainment of regular status~~completion of the probationary period, or change of status must be made by the Supervisor and approved by the Executive Director. Supervisors may perform additional mid-term reviews and extend review periods or probationary periods as deemed necessary.

The Executive Director, at their discretion, may allow any alternative performance review schedule as necessary, including business need, or during an emergency, or due extended absences of the supervisor or supervisee.

PROFESSIONAL DEVELOPMENT

The Housing Authority encourages the professional growth and development of employees through a variety of means, including in-house trainings, access to webinars, membership affiliations with professional organizations, and attendance at educational conferences, meetings, or seminars. To allow the Housing Authority to plan for and provide support for these efforts, all employees should discuss development goals with their supervisor at least annually as part of the performance review process.

The Housing Authority will consider employee requests to pay for membership dues and license renewals in job-related professional organizations when those fees become due after the start of employment with AHA. Employees may make this request through their supervisor, and written approval by AHA is required prior to payment or reimbursement. Employees who wish to attend a job-related conference, meeting or seminar must also make this request through their supervisor, and obtain advance written approval, prior to payment or reimbursement for the cost of the training. Further, certain positions may require subject-specific certifications that employees must obtain by attending trainings and passing exam(s) offered in conjunction with the training. Generally, AHA will pay the cost of registration and travel for any required certification but reserves the right to limit the number of opportunities to obtain certification should the employee not be successful in passing the exam on the initial attempt.

Detailed information about procedures for submitting professional development requests can be obtained from Human Resources.

All staff are required to complete mandatory trainings, including safety training, on a schedule to be set by HR and/or Executive Director or by state or federal law.

PART FOUR: EMPLOYEE BENEFITS

Once an employee satisfies all applicable eligibility requirements, the eligible employee may participate in the Agency's benefit program that includes:

- Health, Dental and Vision Insurance
- Life, Long-Term Disability, and Accidental Death & Dismemberment Insurance
- Retirement Benefits
- Flexible Spending Account Plans
- State Disability Insurance and Paid Family Leave
- Deferred Compensation
- Employee Assistance Program
- Educational Assistance and Tuition Reimbursement
- ~~Credit Union~~
- Workers' Compensation
- Unemployment Insurance

Eligibility requirements and further information concerning these benefits programs is explained below, at new employee orientation, and updated as necessary through individual meetings and communications with staff.

The Housing Authority reserves the right to change insurance plans and benefits under those plans, to change the employer share of premium payments for the plans, if any, or change the amount it pays employees who opt out of the plan(s), with or without notice, consistent with any legal obligations it may have. In general, the employer share of premiums is approved by the Board of Commissioners and communicated to employees prior to each Open Enrollment period.

The benefits described below are available to regular, full-time employees. Benefits for part-time, temporary, and contract employees may be different.

Timely submission of paperwork to HR for adding and deleting dependents to benefits is required from all employees. Staff who do not provide timely paperwork for the addition of dependents or validation of cash in lieu of medical may risk missing the enrollment periods for benefits or the discontinuation of in lieu payments. Staff who do not provide timely paperwork for the deletion of dependents may be required to carry the cost of care or premiums for dependents enrolled on AHA plans. Additional information is available from Human Resources.

DEFINITION FOR ELIGIBILITY

For the purposes of benefits coverage, "eligible dependents" is defined as spouse or domestic partner and eligible dependent children. The definition of an eligible dependent may be

established by the insurance provider, or in the case of CalPERS, by state law, in which case AHA will follow the most stringent definition that applies. Documentation of eligible dependent status must be provided by the employee for dependents to be enrolled in any benefit plan(s) prior to enrollment.

CAFETERIA PLAN

The Housing Authority's benefits program is managed through an IRS Section 125 Cafeteria Plan for active employees. The cafeteria plan will be available to all active employees to pay for some or all of the costs of qualified benefits as defined by law. If the cost of the employee's benefits is more than the approved contribution amount, the difference will be deducted from the employee's paycheck on a pretax basis. The monthly Cafeteria Plan dollar amount (flex benefit contribution) is determined on an annual basis and approved by the Board of Commissioners prior to open enrollment; the Commission shall approve the value of flex benefit contributions that shall be made towards 1) health insurance and, 2) dental and vision insurance. Part-time employees who are eligible for any of the benefits listed below may receive a Cafeteria amount on a pro-rata basis. With these funds, each participating employee is able to choose the following coverage:

- Health Insurance (through the State of California's Public Employees Retirement System (CalPERS))
- Dental and Vision Care Insurance

HEALTH INSURANCE

Health insurance is offered as part of the benefits package to regular, full-time employees and regular, part-time employees who regularly work 20 hours or more per week. Currently, a choice of health insurance plans is offered through the State of California's Public Employees Retirement System (CalPERS). Detailed information about plan offerings can be found on the PERS website at www.calpers.ca.gov.

The Housing Authority contributes the statutory minimum PEMHCA contribution towards employees' health care costs for employees enrolled in the Authority's CalPERS medical insurance program. Retirees enrolled in the Authority's CalPERS medical insurance program will also receive the statutory minimum PEMHCA contribution amount as provided under Housing Authority Resolution Numbers 852 and 853 and in accordance with Government Code section 22892(c).

In addition to the PEMHCA minimum contribution, current employees will receive a health flex contribution to the cafeteria plan that can only be used for health insurance and is not available to be taken in cash. See the above section on Cafeteria Plan for more information. If the cost of the employee's benefits is more than the approved contribution amount, the difference will be deducted from the employee's paycheck on a pretax basis.

Under certain circumstances, and in compliance with CalPERS and/or Affordable Care Act requirements, some temporary employees and their eligible dependents may be offered health insurance. Human Resources will provide information to affected employees. AHA shall determine the employer share of premiums, if any, it shall make for temporary employees. Any balance of premium costs is borne by the employee and shall be deducted from the employee's paycheck.

Employees may opt out of health insurance. Employees eligible for any cash-in-lieu benefit, must provide the following in order to receive the cash-in-lieu: (1) proof that the employee and all individuals for whom the employee intends to claim a personal exemption deduction ("tax family"), have or will have minimum essential coverage through another source (other than coverage in the individual market, whether or not obtained through Covered California) for the plan year to which the opt out arrangement applies ("opt out period"); and (2) the employee must sign an attestation that the employee and their tax family have or will have such minimum essential coverage for the opt out period. An employee must provide the attestation every plan year at open enrollment or within 30 days after the start of the plan year. The opt-out payment cannot be made and AHA will not in fact make payment if the employer knows that the employee or tax family member does not have such alternative coverage, or if the conditions in this paragraph are not otherwise satisfied.

DENTAL INSURANCE

Dental insurance is offered as part of the benefits package to regular, full-time employees and regular, part-time employees who regularly work 30 hours or more per week. Annually, the Housing Authority establishes the annual employer contribution to the Agency Cafeteria Plan that can be made for dental and vision insurance. If the cost of the employee's benefits is more than the approved contribution amount, the difference will be deducted from the employee's paycheck on a pretax basis.

VISION INSURANCE

Vision insurance is offered as part of the benefits package to regular, full-time employees and regular, part-time employees who regularly work 30 hours or more per week. Annually, the Housing Authority establishes the annual employer contribution to the Agency Cafeteria Plan that can be made for dental and vision insurance. If the cost of the employee's benefits is more than the approved contribution amount, the difference will be deducted from the employee's paycheck on a pretax basis.

INSURANCE CONTINUATION (COBRA)

Upon termination or other qualifying event, employees covered under a health insurance plan have certain legal rights to remain on the insurance plan at their own expense for up to eighteen (18) months (more in some cases) through benefits under COBRA. More information regarding COBRA coverage, costs, and administrative procedures is available from the Human

Resources department at the time employment ends or when an employee has a question or provides notification about other qualifying events.

Employees who experience a qualifying event must provide written notice within 60 days after the qualifying event occurs to Human Resources. This written notice must include the name of the employee, the type and date of qualifying event, the name of the insurance plan, and the names of the individual(s) eligible for COBRA. In particular, for your dependents to be eligible for COBRA continuation coverage, you must inform us if:

- You and your spouse experience divorce or legal separation;
- A dependent child loses eligibility for coverage as a dependent child.

LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE

Regular employees who work 30 or more hours per week are eligible for a basic life and accidental death and dismemberment insurance benefit paid for by AHA. Coverage is currently 1.5 times annual salary up to a maximum of \$100,000. Additionally, employees may elect voluntary life insurance coverage at their own expense for themselves, their spouse/~~partner~~partner, and/or dependent children at their own expense. The cost of premiums for the employee only may be paid on a pre-tax basis; dependent coverage must be paid for on an ~~after-tax~~after-tax basis. AHA does not make any contribution towards voluntary life insurance premiums.

Voluntary life insurance may only be elected at the time of hire or during open enrollment and, depending on the amount requested and election date, may be subject to medical underwriting and approval by the insurance company.

LONG TERM DISABILITY INSURANCE

Regular employees who work 30 or more hours per week are eligible for long term disability insurance benefits paid for by AHA. The current benefit amount is 66.67 percent of salary (maximum payment \$7,000 per month), subject to a waiting period and age restrictions.

PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS)

All regular, full-time employees are eligible to become members of CalPERS, a defined benefit retirement pension plan for public employees in California. Other categories of employees may be eligible for membership in CalPERS. Please contact Human Resources if you have questions about your eligibility.

Employees enrolled in CalPERS are required to make a pre-tax retirement contribution to CalPERS through payroll deduction; contribution rates are set by CalPERS and are dependent on the employee's membership status (i.e., classic or new member). Additional information about PERS is available from Human Resources or can be found at the CalPERS website: www.calpers.ca.gov.

FLEXIBLE SPENDING ACCOUNT

All regular employees who work 30 or more hours/week may enroll in the Housing Authority's flexible spending account ("FSA") program, which allows employees to set aside pretax dollars to be used for eligible medical, dependent care, or transit expenses that qualify under rules established by the IRS. For information about current annual election limits and a comprehensive list of reimbursable expenses, please review the FSA materials provided by Human Resources.

STATE DISABILITY INSURANCE (SDI)

The law requires that a small percentage of each employee's wages be deducted each pay period for State Disability Insurance ("SDI"). SDI, which is administered by the State of California's Employee Development Department (EDD), provides for partial replacement of wages lost because of a non-work related accident or illness.

For employees who apply and qualify, SDI benefits, which are paid by the State, begin after the seventh day of illness or accident. Eligible employees will be paid a percentage of their regular earnings for a maximum period provided by law.

It is the employee's responsibility to notify the Director of Human Resources when a claim for disability compensation has been filed, and to provide proof of compensation from EDD. Information and claim forms can be obtained from the local EDD office or the EDD website: <http://www.edd.ca.gov/disability>.

PAID FAMILY LEAVE (PFL) INSURANCE PROGRAM

Housing Authority employees are also covered under the state-administered Paid Family Leave (PFL) insurance program. PFL is an employee-paid benefit that provides partial wage replacement when an employee is taking approved time off work to care for a seriously ill parent, child, or spouse/registered domestic partner, sibling, grandparent, grandchild, or parent in-law, or to bond with a new minor child.

While the state may grant PFL benefits when an employee is taking leave to care for a sibling, grandparent, grandchild, or parent in-law, please note that employees are not eligible to take Family/Medical Leave under FMLA for these ~~situations, but~~ situations but may be eligible for CFRA leave. Employees who wish to request a leave of absence to care for a family member should contact Human Resources regarding available leave options.

Up to eight weeks of PFL benefits may be paid in a ~~12-month~~ 12-month period. EDD determines eligibility for benefits, and per EDD, there is no waiting period before PFL benefits begin. Information regarding eligibility and claim forms are available from the local EDD office, from the EDD website at: <https://edd.ca.gov/disability/paid-family-leave/>, or by calling 1-877-238-4373.

DEFERRED COMPENSATION (~~457~~, ~~457 ROTH~~, AND ROTH IRA)

Any full-time employee is eligible to defer a portion of their compensation on a pre-tax or after-tax (Roth) basis by participation in a Section 457 deferred compensation plan and/or a Roth IRA. Section 457 contributions may be made on a pre-tax or after-tax basis, while Roth IRA contributions are made on an after-tax basis. Contributions for both types of plans may be made through regular payroll deductions. Contributions are voluntary; there are no employer contributions. See Human Resources for additional details.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

The Housing Authority's Employee Assistance Plan (EAP) is designed to provide confidential assistance to full-time employees by providing professional consultation, assessment, and referral. The EAP is available to employees and their families at no charge. Contact Human Resources for more information.

EDUCATION ASSISTANCE AND TUITION REIMBURSEMENT

The Housing Authority may reimburse employees who voluntarily take educational courses that may benefit their job performance or provide preparation for promotional opportunities. The Executive Director and Department Director will make the final determination on requests for reimbursement. ~~The current maximum amount available per employee per calendar year is \$1500.~~ The Executive Director will set the amount annually, dependent on the availability of sufficient funds.

To be eligible for education assistance, the education and training must be:

1. Related to the employee's occupational area or of demonstrated value to AHA;
2. Through an accredited educational institution/program and is a required course for a degree or certificate program; and
3. Completed during the employee's own time.

An employee who applies for education assistance must have completed the initial probationary period, demonstrate satisfactory performance, and may not have had any documented disciplinary action, at a written warning or higher level, taken against them during the ~~one-year~~ one-year period prior to application. To apply, the employee must submit a written request to their supervisor outlining the type of degree or certificate program, anticipated date of completion, course of study and planned classes, and projected program cost, including tuition, academic fees, and books.

Reimbursement, if approved, shall be made when the employee completes the course or training, and receives a passing grade of C or better or passing certification requirements. Costs for programs of study that extend beyond one year may be submitted on an annual basis. Expenses must be validated by receipts, and a copy of the final transcript or certification must

be presented. Reimbursement will be restricted to registration fees for tuition costs and books listed in the course description that are required to complete the class or course. No reimbursement shall be made for late fees, parking fees, or any electronic equipment.

If an employee voluntarily terminates employment with the Housing Authority and received tuition reimbursement assistance, they will be required to reimburse the Housing Authority in full for any tuition assistance received during the last six months prior to their departure.

CREDIT UNION

~~Housing Authority employees may be eligible to join a credit union; please see Human Resources for more information.~~

WORKERS' COMPENSATION

The Housing Authority carries Workers' Compensation insurance coverage as required by law to protect employees who are incapacitated by injury or illness arising out of their employment. This insurance provides qualified employees with medical, surgical, and hospital treatment in addition to payment for loss of earnings that results from work related injuries or illnesses. The cost of this coverage is paid completely by the Housing Authority.

Injuries, regardless of how minor, must be reported immediately to a supervisor. The employee will be required to complete a Housing Authority incident report form ~~as soon as possible,~~ and as soon as possible and is provided with the "Employees Report of Injury" (DWC1) within one day of the injury. When medical treatment is required, the employee will go or be taken to Concentra Medical Center, Kaiser On-The-Job Center or another care center approved by the workers compensation insurer, or after hours to the closest hospital (as posted in each work area), unless the employee has a written Predesignation of Personal Physician form which has been signed by the Physician on file prior to injury.

The Agency shall continue wages for time needed for the employee to attend the first visit for a work injury, plus reasonable travel time (e.g., travel to/from the nearest Concentra or Kaiser Center). For subsequent visits or treatments for a work injury, employees must use their paid leave balances for any time away from work.

UNEMPLOYMENT INSURANCE

When an individual's employment terminates, they may be eligible to receive unemployment compensation. This State-provided insurance provides a weekly income for qualifying individuals who were subject to involuntary termination or lay off. The amount of compensation varies with the individual because it is based on earnings. A claim must be filed with the State by the terminating employee in order to collect this benefit.

MEDICARE

All employees contribute to Medicare, with a deduction made from each employee's gross earnings in accordance with the law. The Housing Authority contributes an amount equal to that paid by each employee.

SOCIAL SECURITY AND PARS

The Housing Authority of the City of Alameda **does not** participate in Social Security; retirement contributions are made solely through CalPERS. Employees who are not eligible for membership in the CalPERS retirement program are enrolled in PARS (Public Agency Retirement Services) instead. Contact Human Resources if you would like additional information about PARS.

VACATION – ACCRUED LEAVE PAY OUT

The Executive Director, with the approval of the Board of Commissioners may establish an accrued vacation pay out program. The plan will comply with all State, Federal, and IRS regulations.

PART FIVE: PAID TIME OFF

VACATION LEAVE

The Housing Authority provides paid vacation time to regular full-time employees and part-time employees so that they may take time off to relax, recuperate and recharge.

Time off is approved based on the employee having available accrued leave at the time of the leave. If the employee does not have sufficient available leave at the time of the absence, then AHA may rescind the approval and/or ask the employee to resubmit for a shorter period for which they have accrued leave. Employees are responsible for monitoring their own leave balances to ensure they have adequate leave accrued. Staff are not eligible to take unpaid leave for such absences, unless they have received Executive Director approval in writing.

Accrual

Vacation leave is earned by eligible full-time regular employees. Tables A and B below indicates the accrual rate at the end of the per years of service in paid status, depending on the date of hire. Employees only accrue vacation leave while in paid status. Vacation leave does not accrue when an employee is in unpaid status. Vacation accrual will be prorated for employees in partial paid status in a given pay period, in accordance with years of service. Vacation credit is accrued to each eligible employee beginning with the first day of regular employment up to a maximum yearly accrual according to the following schedule:

TABLE A - NOTES:					
1 Applies to all staff who joined before April 1, 2025					
Exempt employees who started before February 17, 2022 with a higher level of leave continue to accrue 0.5 days a year up to the maximum of					
Exempt employees who started after February 17, 2022 with a higher level of vacation, do not accrue additional time off in their Years of					
Service until their regular accrual reaches to the higher level of vacation granted					
Maximum days accrued will not be more than 25 Days annually					
One Day is represented at 7.5 Hours					
Vacation Accrual will be earned while on a paid status on a pay period basis throughout the year					
TABLE A: MAXIMUM ANNUAL VACATION ACCRUAL					
Years of Service	Vacation Hours Accrued Per Pay Period in Full	Vacation Days Accrual	Years of Service	Vacation Hours Accrued Per Pay Period in Full	Vacation Days Accru
Start of Year 1	2.88	10	Start of Year 14	5.63	19.5
Start of Year 2	2.88	10	Start of Year 15	5.77	20
Start of Year 3	2.88	10	Start of Year 16	5.91	20.5
Start of Year 4	2.88	10	Start of Year 17	6.06	21
Start of Year 5	4.33	15	Start of Year 18	6.20	21.5
Start of Year 6	4.47	15.5	Start of Year 19	6.35	22
Start of Year 7	4.62	16	Start of Year 20	6.49	22.5
Start of Year 8	4.76	16.5	Start of Year 21	6.63	23
Start of Year 9	4.90	17	Start of Year 22	6.78	23.5
Start of Year 10	5.05	17.5	Start of Year 23	6.92	24
Start of Year 11	5.19	18	Start of Year 24	7.07	24.5
Start of Year 12	5.34	18.5	Year 25 start & after	7.21	25
Start of Year 13	5.48	19			
TABLE B - NOTES:					
1 Applied to all full-time staff who joined April 1, 2025 and after					
2 Exempt staff are not eligible for extra vacation at hire					
3 Maximum days accrued will not be more than 25 Days annually					
4 One Day is represented at 7.5 Hours					
Vacation Accrual will be earned while on a paid status on a pay period basis throughout the year					
TABLE B: MAXIMUM ANNUAL VACATION ACCRUAL					
Years of Service	Vacation Hours Accrued Per Pay Period in Full	Vacation Days Accrual	Years of Service	Vacation Hours Accrued Per Pay Period in Full	Vacation Days Accrual
Start of Year 1	2.88	10	Start of Year 14	5.05	17.5
Start of Year 2	2.88	10	Start of Year 15	5.05	17.5
Start of Year 3	2.88	10	Start of Year 16	5.77	20
Start of Year 4	2.88	10	Start of Year 17	5.77	20
Start of Year 5	2.88	10	Start of Year 18	5.77	20
Start of Year 6	4.33	15	Start of Year 19	5.77	20
Start of Year 7	4.33	15	Start of Year 20	5.77	20
Start of Year 8	4.33	15	Start of Year 21	6.49	22.5
Start of Year 9	4.33	15	Start of Year 22	6.49	22.5
Start of Year 10	4.33	15	Start of Year 23	6.49	22.5
Start of Year 11	5.05	17.5	Start of Year 24	6.49	22.5
Start of Year 12	5.05	17.5	Start of Year 25	6.49	22.5
Start of Year 13	5.05	17.5	Year 26 start & after	7.21	25

The Executive Director may grant an increase in the annual maximum accrual up to a total of 20 working days of vacation with pay upon employment or promotion to recognize previous applicable experience. The employee shall continue to earn an additional 0.5 working days of vacation per year for every year completed up to the maximum accrual of 25 days.

~~Employees hired after February 17, 2022, who are granted a higher amount of leave than in the table above, do not receive the additional 0.5 working days of vacation per year until such time as their regular rate of accrual catches up to the amount granted.~~

Regular part-time employees will accrue a pro-rata leave balance based upon actual hours worked. No other classification of employees earns paid vacation time.

~~Employees on Leave without Pay status do not earn vacation leave. Employees who are on paid leave will continue to earn vacation leave, though the amount earned will be prorated based on the number of hours the employee is being paid by AHA from the employee's accrued leave.~~

Vacation accrual caps

TABLE C:	
Accrual caps for vacation	Hours
Less than 5 years of service	250
More than 5 years of service	350
Directors level staff	350
Executive Director	Per contract

~~The cap for accrued vacation is 250 hours for all employees with less than five years of service. As an exception to the above vacation cap reduction policy, employees hired on or before January 1, 2019, and all Director positions, shall have a permanent vacation accrual cap of 350 hours. The Executive Director may have a separate cap set in their contract.~~

Scheduling

For newly hired ~~probationary~~ employees vacation time can be taken after the first day of employment. AHA reserves the right to extend the probationary period for any long-term vacations for employees serving a probationary period.

All vacation time must be requested and approved in advance through the electronic timekeeping system and according to the guidelines below:

Amount of Vacation Leave Requested

2 days or less

3 or 4 ~~days~~ consecutive workdays

5 ~~days~~ or more consecutive workdays

Advance Notice Required

2 ~~business calendar~~ days

5 business calendar days

10 business calendar days

The only exceptions to the above will be when time off is required for unforeseen or emergency circumstances and around highly requested holiday periods (i.e. 4th of July, Thanksgiving, and Christmas) ~~Exceptions are subject to the pre-approval of the Executive Director or designee.~~

Due to the impact of unplanned time off on Agency operations, ~~supervisors-AHA~~ may require documentation of the need for unforeseen or emergency vacation leaves, particularly when this occurs frequently or an employee has a pattern of poor attendance.

All approvals for vacation leave requests are subject to the availability of adequate leave at the time of leave usage. Employees are not generally entitled to time off without pay unless authorized by law, Housing Authority policy, or by authorization of the Executive Director. Accordingly, employees who do not have adequate vacation leave available for their approved time off may be required to modify the request to conform with the employee's available balance of vacation leave or cancel their requests. Employees are encouraged to plan ahead and monitor their leave balances to ensure they have enough paid leave to cover any planned time off.

Vacation leave will be scheduled at times mutually convenient to the Housing Authority and employee. Employees are encouraged to submit their requests as early as possible; requests for vacation leave will be considered up to 12 months in advance and are generally handled on a first come, first served basis. However, to facilitate scheduling during periods when it is anticipated that multiple employees may request time off (e.g., 4th of July, Thanksgiving, or December holiday periods), AHA may, at its sole discretion, notify employees of a designated timeframe that requests for these times must be submitted for consideration. In the case of conflicting requests, the supervisor will talk with the employees to try to work out a ~~mutually-agreeable~~mutually agreeable arrangement. If that cannot be done, priority for leave will be based on seniority. Department Directors may establish separate guidelines for the number of employees and types of positions that can be on vacation concurrently to ensure adequate coverage of their department's work functions.

Requests to cancel vacation leave of five days or more must be submitted no less than three business days in advance of the date that the leave was to commence, and must be approved by the employee's supervisor. The supervisor and/or the Agency reserve the right to require an employee to use requested vacation leave, particularly in cases where other staffing arrangements have been made to cover the employee's time off.

Sick Leave During a Scheduled Vacation Period

An employee who is ill or injured while on vacation may be able to use accumulated paid sick leave, if any, instead of paid vacation upon presentation of satisfactory medical documentation to their supervisor.

Payment

The Housing Authority does not make any advance payments of vacation time (i.e., employees will not be paid for vacation time before it is accrued). AHA strongly recommends that employees arrange for direct deposit of their pay checks so that vacation pay that is requested

in advance through the timekeeping system can be automatically paid and deposited. No responsibility can be taken by AHA for live checks provided to an employee.

Vacation Pay at Termination

Upon termination of employment, employees will be paid at their regular, final, rate of pay for any accrued and unused vacation at the time of ~~separation, and~~separation and will be paid on the next regular pay date.

HOLIDAYS

The Housing Authority provides 11 paid holidays for full-time employees. The Housing Authority observes the following holidays:

New Year's Day	Martin Luther King, Jr. Day
President's Day	Memorial Day
Juneteenth	Independence Day
Labor Day	Veteran's Day
Thanksgiving Day and following Friday	Christmas Day

Each year, the Housing Authority will publish a calendar of holidays and office closures for the following year, including alternate holidays for those employees whose flex day falls on a holiday. If a particular holiday falls on a Saturday, the preceding Friday shall generally be observed. If the holiday falls on a Sunday, the following Monday shall generally be observed. All regular full-time employees are provided a paid day off for each holiday up to the number of hours they are regularly scheduled to work on that day. Part-time employees who are regularly scheduled to work on a holiday will be paid for that holiday up to the number of hours they are regularly scheduled to work. No other classification of employees is eligible for holiday pay, unless otherwise specified.

If a non-exempt employee is scheduled or required to work on a Housing Authority observed holiday, the employee will be paid for the holiday. In addition, non-exempt employees will receive time and one-half in pay for all hours worked on such holiday. Employees on vacation at the time a holiday occurs will not have that day counted as vacation ~~pay, but~~pay but will instead receive holiday pay as described above.

FLOATING HOLIDAYS

Floating holidays allow employees to have additional paid leave to cover absences for personal reasons such as religious observances or to supplement vacation, sick and holiday leave. All regular full-time employees and probationary employees for whom January 1 falls after their hire date receive three and one-half days (28 hours for employees on a 40 hour-based workweek, 26.25 hours for employees on a 37.5 hour-based workweek) on January 1 of each year that they may request to use between January 1 and December 31. Regular part-time

employees will be granted floating holiday hours pro-rated based on the percentage of time they are regularly scheduled to work, and on the schedule described above. No other classification of employees receives floating holidays.

If an employee is on a leave of absence, whether paid or unpaid, on January 1, floating holiday hours are not granted until the employee returns to active status.

Employees may carry over unused floating holiday hours to subsequent years. However, employees cease earning floating holiday hours beyond a maximum of three and one-half days, or their pro-rated hours, as defined above based on employment status and workweek hours. In the succeeding year, employees will receive on January 1 only the number of floating holiday hours that will bring their total to the appropriate maximum as defined above.

Guidelines for requesting floating holiday use are the same as those described for vacation leave above.

Upon termination of employment, employees will be paid for any unused floating holiday hours at their rate of pay at the time of ~~separation, and~~separation and will be paid on the next regular payroll date. Employees are not eligible to cash out their floating holiday upon separation unless their ninetieth (90th) day of employment has been reached.

Floating Holidays and Newly Hired Probationary Employees

Employees who are otherwise eligible for floating holidays and are initially hired during a calendar year receive a floating holiday allocation at the time of hire that is prorated for the remainder of the calendar year based on the hire date. Eligible employees may request to use floating holiday leave on or following the day that it is received, including during any period of their probationary period that falls in the calendar year in which they were hired.

SICK TIME

Paid sick leave is a benefit provided to protect employees in the event of their own, or a family member's, illness, injury, or other medical emergency. AHA will not tolerate abuse or misuse of an employee's sick leave.

Accrual

Paid sick leave shall be accrued by full-time and probationary full-time employees at the rate of 7.5 hours ~~(8 hours for maintenance workers)~~ per month worked or (3.46 hours per pay period) for employees hired before March 20, 2025 and 2.8 hours per pay period for employees hired after March 20, 2025. Part-time employees will accrue sick leave on a pro-rata basis, based on the employee's scheduled work hours. Sick leave is not accrued to employees on Leave without Pay status. Accrual of paid sick leave will continue to employees who are on a paid leave status, though accrual is prorated based on the number of hours the employee is being paid by AHA from the employee's accrued leave.

TABLE D - NOTES:		
1	Applied to all staff who joined on or before March 31, 2025, sick time will be accrued at 90 hours per year.	
2	Applied to all staff who joined April 1, 2025 and after, sick time will be credited at 5 days at the 120th day. Once accruals would have reached the 5 day mark they will accrue at 67.5 hours per year thereafter.	
3	One Day is represented at 7.5 Hours	
4	Sick Days will be earned while on paid status on a pay period basis throughout the year	
5	Vacation Accrual will be earned on a pay period basis throughout the year	

TABLE D: SICK ACCRUAL		
Years of Service	Sick Hours Accrued Per Pay Period in Full Paid Status	Sick Days Accrued
Before or on March 31, 2025	3.46	12
Start April 1, 2025 or after	2.80	9.7

Temporary employees, whether full-time or part-time, shall be provided with ~~five (5) days (40 hours)~~ of sick time ~~at the time of hire~~after 30 days of hire, and on January 1 of each year. ~~— This benefit is not available for retired annuitants.~~ Temporary employees may not use sick time until their ninetieth (90th) day of employment.

Regular employees' accrued, unused sick time may be carried over from one year to the next, and, unlike vacation time, there is no limitation on the amount of sick time a regular employee may accrue. Sick time balances for temporary employees will not be carried over from year to year.

Sick Time Use

Employees may use their accrued paid sick leave for any one of the following reasons:

- For the employee's own diagnosis, care, or treatment of an existing health condition or preventative care.
- For the diagnosis, care, or treatment of an existing health condition or preventative care for an employee's family member:
 - Child (including a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis) of any age or dependency status;
 - Spouse or Registered Domestic Partner
 - Parent (including biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child)
 - Grandparent
 - Grandchild
 - Sibling
 - Employees may also request sick leave to care for a designated person identified by the employee at the time of the sick leave request to the extent permitted by

AB 1041. Employees are limited to one designated person per 12-month calendar year period for paid sick leave use.

- To obtain any relief or services ~~related to being a victim of domestic violence, sexual assault, or stalking~~ for qualifying acts of violence, including the following with appropriate certification of the need for such services, per AHA Leave Rights and Accommodations for Victims of Qualifying Acts of Violence and Other Victims of Crime Leave Policy:
 - A temporary restraining order or restraining order.
 - Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.
 - To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
 - To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
 - To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
 - To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

Eligible new regular employees may use accrued sick time during their probationary period, beginning on their hire date, and may use paid sick time as soon as it accrues.

When a Housing Authority-paid holiday occurs while an employee is absent from work on authorized paid sick leave, no deduction will be taken from the employee's accumulated sick leave balance.

If sick leave is exhausted, regular employees who are not on leave of absence are required to use vacation and/or floating holiday leave to the extent necessary to bring their pay to an amount equivalent to their scheduled work hours. (See Part 6: Unpaid Time Off and Leaves of Absence for additional information related to leave usage during a leave of absence).

Notification

An employee unable to report to work because of an illness or injury must provide notification no later than one-half hour after the start of the employee's scheduled workday by calling the Absence Reporting Line at 1-510-649-5529. Notification must be provided on each additional day of absence, except in cases where the employee is on an approved leave of absence or has provided documentation of the need to be off work for a specific period of time.

When an employee knows in advance of the need for sick time use, i.e., for scheduled medical/dental appointments or procedures, sick leave must be requested in advance through the electronic timekeeping system.

Health Care Provider's Certification

For the first 40 hours of sick leave in the calendar year, AHA will not ask for documentation. Employees who are absent for more than ~~five~~ 32 consecutive business hours work days ~~past after these first 40 hours in the calendar year~~ due to their own illness or injury are required to provide a doctor's statement certifying that the employee may safely return to work on the next consecutive day. ~~However, the~~ The Housing Authority may require a health care provider's note to substantiate the medical need for an absence from work, ~~of any duration, depending on AHA need,~~ including for medical/dental appointments, particularly when an ~~accumulation of absences~~ seems to establish reasonable suspicion (in the agency or supervisor's judgment) ~~a problematic use of~~ sick leave ~~abuse time.~~ ~~In no event, however, shall an employee be required to provide substantiation for the use of sick leave for the first five days of sick leave used during any calendar year that involves the illness of the employee or their family member.~~

All employees, including temporary employees, who use paid sick leave to address issues related to domestic violence, sexual assault or stalking, and who cannot provide advance notice of their need for leave must provide certification of the need for leave within a reasonable time thereafter.

Where the AHA has a reasonable basis to believe that an employee's physical condition could preclude returning to work following an absence due to illness or non-industrial injury in excess of 40 consecutive work hours, the AHA may require a physical examination by a physician, who is mutually agreed on by the AHA and the employee, at the AHA's expense.

Coordination of Benefits

If there is an extended absence, the employee is encouraged to apply for any other available compensation and benefits for which they may be eligible. The paid sick leave benefit is coordinated with any payments that the employee is eligible to receive, e.g., State Disability Insurance (SDI), Paid Family Leave (PFL), workers' compensation, or other such paid benefit, such that the employee does not receive more than 100 percent of their regular pay while on leave.

Payment

The Housing Authority does not make any advance payments of sick time (i.e., employees may not use sick time before it is accrued).

Sick Leave at ~~Termination-Separation~~

No payment is made for accrued, unused sick time upon separation or at any other time. However, regular employees who are rehired within 12 months from their date of separation shall have their sick leave balance at the time of separation reinstated. Temporary employees who are rehired within 12 months from their date of separation shall also have their sick leave balances reinstated and each will be provided with three days of sick time, as described above, up to a combined maximum of six days of sick time. A temporary employee who worked at least 90 days in the initial employment with the Agency may immediately use reinstated sick

leave. A temporary employee who had not worked 90 days in their initial employment period with the Agency must work the remaining amount of the 90 day-qualifying period before becoming eligible to use accrued sick leave.

Employees who retire directly from AHA are eligible, under the Agency's contract with CalPERS, to receive credit in the form of additional service time for a portion of any accrued sick leave balance they have at the date of separation. Please visit the CalPERS website or see Human Resources for more information.

JURY DUTY/WITNESS LEAVE

Any employee who is summoned to serve jury duty, or subpoenaed or ordered by a judge to appear as a witness in court (other than as a litigant) will be granted paid time off for the duration of the jury duty/witness service for a maximum of two weeks on any occasion that the employee is required to physically be present in court. If additional jury duty leave is required beyond the two-week period, leave shall be provided as unpaid time off, and the employee serving jury/witness duty may elect to use any accrued paid vacation and/or floating holiday time during the unpaid portion of the leave.

The employee must submit a copy of the official summons or subpoena to their supervisor upon receipt and at least five calendar days prior to the beginning date of such duty or service. Proof of attendance from the court will be required in order to receive jury/witness duty pay. When an employee is excused from jury or witness duty in time to report for at least one-half of their regularly scheduled shift, the employee is required to report for duty.

Public employees are not entitled to court compensation except for mileage reimbursement for any portion of jury duty that is paid by the employer. Thus, an employee must remit to the Agency any pay received as juror fees or witness fees during any Agency-paid portion of leave. Mileage reimbursement may be retained by the employee.

BEREAVEMENT AND FUNERAL LEAVE

Bereavement Leave

In the event of a death in the employee's immediate family, an employee who has worked for at least 30 days before the leave commences may request up to five working days off per occurrence. Paid bereavement leave under this policy is limited to a maximum of eight paid bereavement days per calendar year, with no more than four paid days per occurrence. Employees who request the fifth day are required to use accrued sick, vacation or floating holiday leave for the time off; employees may request unpaid leave if accrued paid leave balances are not sufficient for the requested time off. Time off for bereavement beyond two occurrences per calendar year is not eligible for AHA-paid bereavement leave but employees may request to use accrued sick, vacation or floating holiday leave, or may request unpaid leave if accrued paid leave balances are not sufficient for the time off. Regular part-time employees

may be granted bereavement leave pro-rated based on the percentage of time regularly scheduled to work.

Bereavement leave must be completed within 3 months of the date of ~~death, and~~ death and may be taken intermittently or all at one time. If the leave is taken later than ~~2-weeks~~ 10 calendar days after the day of death, the usual advance notice periods for time off are required. Bereavement leave does not apply if the death occurs while the employee is on leave without pay.

For this section, “immediate family” is defined as parents, siblings, spouse or domestic partner, children, parent-in-law, grandparents, grandchildren, children of domestic partner, ~~step-parents~~ stepparents, step-children, or step-siblings, where there is a child-rearing relationship. Employees who wish to request time off for bereavement purposes for individuals not covered by the definition of “immediate family” must request vacation or floating holiday leave following AHA’s policies for use of those leaves.

In order to qualify for bereavement pay, the employee will be required by AHA to provide documentation of the death within 30 days of the first day of the leave. The documentation includes, but is not limited to, a death certificate, a published obituary, or a written verification of death, burial or memorial service from a mortuary, funeral home, burial society, crematorium, religious institution, or government agency.

Funeral Leave

With supervisory approval, a full-time regular employee may be granted up to four hours of paid funeral leave to attend the funeral of a co-worker or former co-worker. Part-time employees may be granted time off as a personal leave without pay.

TIME OFF TO VOTE

The Housing Authority encourages its employees to fulfill their civic responsibilities by voting in elections. Generally, the polls are open for several hours in the morning and evening after regularly scheduled work hours. Accordingly, the Housing Authority expects employees to make every effort to vote either before or after work hours. However, if the employee does not have sufficient time before or after work to vote, the Housing Authority will provide up to two hours off to vote, without loss of pay, provided the employee gives at least two (2) working days’ advance notice, in writing, of the need. AHA reserves the right to require time off to vote to be taken at the beginning or end of the employee’s shift.

PART SIX: UNPAID TIME OFF AND LEAVES OF ABSENCE

Unless authorized by law, Housing Authority policy, or by authorization of the Executive Director, employees are not entitled to leave of absence or time off without pay. The Housing Authority may provide unpaid leaves of absence to employees in a variety of circumstances.

Employees who are considering requesting a leave of absence are encouraged to meet with the Director of Human Resources as early as possible to discuss the details of the leave and to coordinate the integration of benefits and payroll.

Employees may request a leave of absence without pay for a qualifying personal or family illness, qualifying exigency arising from a call to active duty, or justifiable personal or other reasons. "Without pay" means that AHA will not pay for time on leave except for available vacation, floating holiday, and/or sick leave that the employee concurrently uses consistent with this policy. Additionally, if the employee is in a paid leave status (due to concurrent use of accrued leave), any Housing Authority-paid holidays that fall within the leave period will be paid as holidays. Any holiday that occurs after all paid time off benefits have been exhausted will be without pay. Unless required by law, employees on any type of unpaid leave do not accrue additional benefits such as vacation, sick leave, holiday pay, increases in salary, or fringe benefits. Generally, no seniority shall accrue during any unpaid portion of the leave.

The Following General Information is Applicable to All-Paid and/or Unpaid Leaves

REQUESTS FOR LEAVE

As soon as an employee learns of the need for a leave of absence, the employee should submit a written request for leave to their supervisor and provide a copy to Human Resources. If the need for the leave is foreseeable, employees are required to provide at least 30 days' advance notice. Approval of the leave may be delayed if timely notice is not provided. If the employee learns of the need for leave less than 30 days before the leave is needed, the request must be made as soon as possible.

Arriving late to work or leaving early in connection with scheduled work times, breaks, or meal periods is prohibited, absent authorization. A non-exempt employee who fails to timely notify the supervisor of any absences as required by this policy, or who is not present and ready to work during all scheduled work times will be deemed to have an unauthorized tardy or absence.

INTEGRATION OF BENEFITS

If an employee on leave is receiving State Disability Insurance ("SDI") or Paid Family Leave ("PFL") or Workers' Compensation benefits, and the employee has not exhausted their accrued paid benefits with the Housing Authority, AHA will generally integrate the outside paid benefit with the employee's accrued paid benefit (to the extent permitted by law) so that total compensation for the pay period does not exceed the employee's regular wages.

Employees on approved leaves under this section, who receive SDI, PFL, or Workers' Compensation benefits, must promptly notify Human Resources of the dates and amount of payment(s) so that AHA can make arrangements for integration. In the event of overpayment, the employee must repay the agency within 14 days, unless an alternative schedule is approved by the Executive Director.

MEDICAL CERTIFICATION

Human Resources will notify the employee if medical certification is required for a requested leave to be approved. If the reason for leave is the employee's own injury or illness, medical certification of the employee's ability to return to work, with or without reasonable accommodation, at the conclusion of the leave is required before the employee will be permitted to return.

COMMUNICATIONS DURING LEAVE

Employees on leave must provide a report of their status and intent to return to work to the Director of Human Resources or, in their absence, the Human Resources Manager, every two weeks, unless a qualifying certification covers a longer period of time under FMLA, CFRA, PDL or military leave. Employees are required to respond promptly to requests from HR while on leave. Information will be sent to employees via their personal email, and employees will be asked to provide their contact information prior to leave. If contact information changes, employees must immediately contact HR.

RETURNING TO WORK

When applicable, an employee returning from approved leave will return to the original job held when the leave commenced, or to an equivalent job with equivalent pay and benefits. An employee has no greater right to restoration or to other benefits and conditions of employment than if the employee had been continuously working.

The Housing Authority's actions upon failure to return to work will be based upon the reason the employee does not return, as outlined below:

- If an employee fails to return to work after their leave entitlement has been exhausted or expires, the AHA shall have the right to recover its share of health plan premiums for the entire leave period and proceed with termination, unless the employee does not return because of the continuation, recurrence, or onset of a serious health condition of the employee or their family member that would entitle the employee to leave or because of circumstances beyond the employee's control.
- If upon return from leave an employee is unable to perform the essential functions of their job because of a physical or mental disability, the Housing Authority will engage in the interactive process with the employee to identify a potential reasonable accommodation(s). The employee will not be allowed to return to work until a reasonable accommodation is implemented or the employee is otherwise able to perform the essential functions of their position with or without reasonable accommodation.

CONCURRENT RUNNING OF LEAVES

If an employee is on a leave that qualifies under more than one law (e.g., leave for a serious health condition under the FMLA/CFRA that is also a Workers' Compensation injury; pregnancy disability leave that is also a serious health condition under the FMLA), the leave time will run concurrently to the extent permitted by law.

PROBATIONARY STATUS DURING LEAVES

If an employee is on an approved leave of absence of any length or on unpaid leave for greater than 40 hours in total during the initial probationary period or any subsequent probationary period due to a change in position, an amount of time equivalent to the time the employee was on the leave of absence and/or unpaid leave shall be added to the probationary period to allow the Agency sufficient time to evaluate the employee's performance. Should this occur, the employee's anniversary date will be reset accordingly.

UNPAID LEAVES

The most common types of unpaid leaves are described below. Please see Human Resources for additional information about any leaves of absence, or if you have a need for leave that is not covered by the descriptions below.

Reproductive Loss Leave

The Housing Authority will provide reproductive loss leave for eligible employees in accordance with State law.

Employees who have worked for the Housing Authority for 30 days are eligible to take up to five (5) days of unpaid leave per "Reproductive Loss Event," which means the day or, for a multiple-day event, the final day of a failed adoption, failed surrogacy, miscarriage, stillbirth, or an unsuccessful assisted reproduction. While the AHA does not require that employees use their leave accruals, staff may choose, at their request, to use their own accrued leave.

The following definitions apply regarding a Reproductive Loss Event:

- "Failed adoption" means the dissolution or breach of an adoption agreement with the birth parent or legal guardian, or an adoption that is not finalized because it is contested by another party. This event applies to a person who would have been a parent of the adoptee if the adoption had been completed.
- "Failed surrogacy" means the dissolution or breach of a surrogacy agreement, or a failed embryo transfer to the surrogate. This event applies to a person who would have been a parent of a child born as a result of the surrogacy.
- "Miscarriage" means a miscarriage by a person, by the person's current spouse or domestic partner, or by another individual if the person would have been a parent of a child born as a result of the pregnancy.

- “Stillbirth” means a stillbirth resulting from a person’s pregnancy, the pregnancy of a person’s current spouse or domestic partner, or another individual, if the person would have been a parent of a child born as a result of the pregnancy that ended in stillbirth.
- “Unsuccessful assisted reproduction” means an unsuccessful round of intrauterine insemination or of an assisted reproductive technology procedure. This event applies to a person, the person’s current spouse or domestic partner, or another individual, if the person would have been a parent of a child born as a result of the pregnancy.

Reproductive Loss Leave must be completed within three (3) months of the date of the Reproductive Loss Event and may be taken intermittently or all at one time. However, if the employee is on California Family Rights Act leave, Pregnancy Disability Leave, or another leave protected by state and/or federal law at the time of or immediately following the Reproductive Loss Event, the employee may use their Reproductive Loss Leave within three (3) months of the end date of the other protected leave. An employee may elect to use accrued paid leave, such as sick leave, floating holidays, or vacation leave, as applicable.

If an employee experiences more than one (1) Reproductive Loss Event within a 12-month period, the Housing Authority will provide Reproductive Loss Leave of up to twenty (20) days within a 12-month period.

The Housing Authority will maintain the confidentiality of any employee requesting Reproductive Loss Leave, and the Housing Authority will not disclose such information other than to internal personnel on a ~~need-to-know~~need-to-know basis, or as required by law.

Family/Medical Leave under the Family and Medical Leave Act and the California Family Rights Act (“FMLA”/“CFRA”)

The Housing Authority will provide family and medical care leave for eligible employees as required by state and federal law. Rights and obligations that are not specifically set forth below are provided for in the regulations implementing the federal Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA). To the extent allowed under the law, the AHA will run each employee’s FMLA leave and CFRA leave~~runs concurrently, with, and is not in addition to, the leave entitlements provided by the CFRA.~~

Employees who misuse or abuse family and medical care leave may be disciplined up to and including termination. Employees who fraudulently obtain or use CFRA leave are not protected by the CFRA’s job restoration or maintenance of health benefits provisions.

Eligibility

Eligible employees ~~for FMLA and CFRA are~~ defined as those who have at least ~~one-year~~12 months of service with the Housing Authority, and who have worked at least 1,250 hours in the 12 month period immediately preceding before the date the requested leave will begin, ~~may~~

~~request an unpaid, job-protected leave of up to 12 workweeks in a 12-month period for any of the following reasons:~~

~~and~~ Leave Duration

Eligible employees are entitled to a total of 12 workweeks (or 26 workweeks to care for a covered service member) of leave during any 12-month period. For variable schedules, the employee's average weekly hours over the past 12 months will be multiplied by 12 (or 26 where applicable) to determine the maximum hours of FMLA leave entitlement. The 12-month period shall be a rolling 12-month period measured backward from the date leave is taken. It is continuous with each additional leave day taken.

If FMLA leave qualifies as both military caregiver leave and care for a family member with a serious health condition, the leave will be designated as military caregiver leave first.

If leave is requested to care for a child, parent, parent-in-law, spouse, domestic partner, grandparent, grandchild, sibling or the employee themselves with serious health condition, there is no minimum amount of leave that must be taken. However, compliance with the notice and medical certification provisions in this policy is required.

Minimum Duration for Bonding Leave:

This limitation does not apply to any other type of leave under this policy.

Reasons for Leave

Leave under this policy is only permitted for the following reasons:

1. For incapacity due to pregnancy or prenatal care (FMLA leave only; see also Pregnancy Disability Leave);
2. Under the FMLA and CFRA, leave is permitted to care for the employee's child after birth, or following placement for adoption or foster care ("baby bonding") within one year of the birth or placement;
3. Under the FMLA and CFRA, leave to care for a child, parent, or spouse who has a serious health condition;
4. Under the CFRA only, leave is permitted to care for a registered domestic partner, grandparent, grandchild, or sibling who has a serious health condition. Leave for this purpose does not apply to FMLA leave and will not run concurrently with leave under the FMLA;
5. Under the CFRA only, leave is permitted to care for a designated person who has a serious health condition. In this section, a designated person is defined as any individual related by blood or whose association with the employee is the equivalent of a family relationship. In accordance with AB 1041, AHA shall limit an employee to one designated person for which CFRA leave may be used per 12-month period, using the same period as that which is used to define CFRA eligibility, and the employee may

make the designation at the time of the request for CFRA leave. Leave for this purpose does not apply to FMLA leave and will not run concurrently with leave under the FMLA;

- ~~2.~~ Leave because of a serious health condition that makes the employee unable to perform any one or more essential functions of their position. A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either inpatient care or continuing treatment by a health care provider;

- ~~6.~~ Leave for a variety of “qualifying exigencies” arising out of the fact that an employee’s spouse, child, or parent is on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation; The general categories of “qualifying exigencies” include: short-notice deployment, military events and related activities, childcare and school activities, financial and legal arrangements, counseling, rest and recuperation, post-deployment activities, additional activities, and parental care arrangements. (FMLA/CFRA).

- ~~7.~~ Under the CFRA only, leave for a variety of “qualifying exigencies” arising out of the fact that an employee’s registered domestic partner is on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation. Leave for this purpose does not apply to FMLA leave and will not run concurrently with leave under the FMLA; or

- ~~8.~~ Under the FMLA, leave to care for a spouse, child, parent, or “next of kin” who is a covered service member of the U.S. Armed Forces who has a serious injury or illness: incurred in the line of duty while on active military duty; or existed before the beginning of the member’s active duty and was aggravated by service in the line of duty on active duty in the Armed Forces; or who is a veteran who was discharged or released within the past five years and is undergoing medical treatment, recuperation or therapy for a serious injury/ illness. The injury or illness may constitute an exacerbation of a pre-existing condition and may also manifest itself before or after the member became a veteran. This leave can run up to 26 weeks of unpaid leave during a single 12-month period;

- ~~— To care for the employee’s child after birth, or following placement for adoption or foster care (“baby bonding”) within one year of the birth or placement;~~
~~— For the employee’s serious health condition that makes the employee unable to work at all or unable to perform the essential functions of their position (FMLA/CFRA); or~~

- ~~9.~~ ~~To handle “qualifying exigencies” arising out of the fact that the employee’s spouse, registered domestic partner, child, or parent is on covered active duty, or is called to active duty, in support of contingency operations as a member of the Armed Forces, including the National Guard or Reserves. The general categories of “qualifying exigencies” include: short notice deployment, military events and related activities, childcare and school activities, financial and legal arrangements, counseling, rest and recuperation, post deployment activities, additional activities, and parental care arrangements. (FMLA/CFRA);~~

Additional guidelines for leave duration include:

Minimum Duration of Leave: If leave is requested for the birth of a child, or for adoption or foster care placement of a child with the employee, the basic minimum duration of such leave is two weeks. This leave must be concluded within one year of the birth or placement of the child. However, an employee is entitled to leave for one of these purposes (e.g. bonding with a newborn) for less than two weeks' duration (but for at least one day) on any two occasions.

Parents Both Employed by AHA: Under the FMLA, if both legal parents are employed by AHA and are entitled to leave, the parents will be limited to a combined total of 12 workweeks of leave in a 12-month period. However, under the CFRA, if both legal parents are employed by the AHA and are entitled to leave, each parent is entitled to take 12 workweeks of leave during any 12-month period.

Parents Both Employed by AHA: If both parents of a covered servicemember are employed by the Agency and are entitled to leave to care for a covered servicemember, the parents will be limited to a combined total 26 work weeks during the 12-month period. This limitation does not apply to any other type of leave under this policy.

Coordination of Accrued Leave and Benefits

Although family and medical care leave is unpaid, an employee may elect and the AHA will require, an employee to concurrently use all paid accrued leaves during family and medical care leave as described below.

To the extent permitted under the law, the ~~Housing Authority~~AHA requires employees to substitute paid leave accruals while on an FMLA or CFRA leave.

If the employee so elects, State Disability Insurance (SDI), Paid Family Leave (PFL), Workers Compensation benefits, and Long Term Disability (LTD) benefits may be coordinated with accrued leave so that an employee receives up to full pay. Once accrued paid benefits are exhausted, the remainder of leave, if any, is unpaid.

Generally, employees taking FMLA/CFRA leave must use accrued paid sick (if applicable), floating holiday, and vacation time during the leave. The exceptions to this are:

- Employees on FMLA/CFRA leave for their own serious health condition and who are receiving temporary state disability insurance benefits (SDI or PDL) or workers' compensation benefits may elect to use their paid leave to supplement their disability benefit up to an amount that, when combined with the disability benefit, does not exceed their regular pay for the pay period.
- Employees taking leave to care for an immediate family member, including a designated person under CFRA under AB 1041, or for baby bonding are required to use accrued vacation or floating holiday leave. They are not required to use accrued sick leave, but may elect to do so, and may elect the order in which accrued leave is used.
- Employees on FMLA leave due to pregnancy disability may elect whether or not to use floating holiday or vacation time during the leave.

Insurance Coverage

- **Group Health Insurance During Unpaid Leave:**

Employees on FMLA/CFRA leave retain their employer-paid group coverage (i.e., health, dental, vision, life and AD&D, and long-term disability insurance) up to a maximum of 12 weeks in a rolling 12-month period under the same terms applicable before the employee takes leave.

Employees are required to continue to contribute the employee share of the cost of health benefit plans during leave. Employees may make the appropriate contributions for continued coverage under the health benefits plans by payroll deductions (if the employee is using their paid leave) or direct payments (if the employee is not using their paid leave).

If the employee is disabled by pregnancy, coverage will continue up to four months (the equivalent of 17 and 1/3 weeks) each leave year. If an employee disabled by pregnancy also uses leave under the CFRA for baby-bonding, the AHA will maintain her coverage while she is disabled by pregnancy (up to four months or 17 1/3 weeks) and during her CFRA leave (up to 12 weeks). (See AHA Pregnancy Disability Leave Policy for more information).

- **Payment of Premiums:**

AHA does not pay for voluntary, non-group health benefit plans during leave. An employee may elect to continue coverage of other, voluntary benefits for which the employee is responsible for paying the entire premium, (e.g., voluntary life and AD&D insurance), so long as they continues to pay the entire cost of the premium(s) while on leave.

Employees may make the appropriate contributions for continued coverage under the health-voluntary benefits plans by payroll deductions (if the employee is using their paid leave) or direct payments (if the employee is not using their paid leave). The Authority will inform employees on Family/Medical Leave who are in unpaid status to whom direct payments should be remitted to for continued coverage.

- **Recovery of Premiums:**

If an employee fails to return to work after their leave entitlement has been exhausted or expires, AHA shall have the right to recover its share of health plan premiums for the entire leave period, unless the employee does not return because of a continuation, recurrence, or onset of a serious health condition of the employee or their family member that would entitle the employee to leave, or because of circumstances beyond the employee's control.

Required Forms

Employees must complete the applicable forms to receive family and medical care leave. The leave request form may be found: <https://form.alamedahsg.org/Forms/LOA>, and the other forms may be found by contacting HR.

Certification Requirements

An employee will be required to provide certification and/or recertification of the need for Family/Medical Leave that meets the following requirements~~according to the following guidelines:~~

1. Employee's Own Serious Health Condition: Employees who request leave for their own serious health condition must provide written certification from the health care provider that contains all of the following: the date, if known, on which the serious health condition commenced; the probable duration of the condition; and a statement that, due to the serious health condition, the employee is unable to work at all or is unable to perform any one or more of the essential functions of their position.

Upon expiration of the time period the health care provider originally estimated that the employee needed for their own serious health condition, the employee must obtain recertification if additional leave is requested.

2. Family Member or Designated Person Serious Health Condition: Employees who request leave to care for a child, parent, parent-in-law, domestic partner, spouse, grandparent, grandchild, sibling or designated person who has serious health condition must provide written certification from the health care provider of the family member or designated person requiring care that contains all of the following: the date, if known, on which the serious health condition commenced; the probable duration of the condition; an estimate of the amount of time which the health care provider believes the employee needs to care for the family member or designated person, and a statement that the serious health condition warrants the participation of the employee to provide care during a period of treatment or supervision of the family member or designated person. The term "warrants the participation of the employee" includes, but is not limited to, providing psychological comfort, and arranging third party care for the covered family member, as well as directly providing, or participating in, the medical care.

Upon expiration of the time period the health care provider originally estimated that the employee needed to care for a covered family member, the employer must obtain recertification if additional leave is requested.

3. Service member Serious Injury or Illness: Employees who request FMLA leave to care for a covered service member who is a child, spouse, parent or “next of kin” of the employee, must provide written certification from a health care provider regarding the injured service member’s serious injury or illness. The AHA will verify the certification as permitted by the FMLA regulations.
4. Qualifying Exigency: The first time an employee requests leave because of a qualifying exigency, an employee may require the employee to provide a copy of the military member’s active duty orders or other documentation issued by the military which indicates that the military member is on covered active duty or call to active duty status in a foreign country, and the dates of the military member’s active duty service. A copy of the new active duty orders or similar documentation shall be provided to the AHA if the need for leave because of a qualifying exigency arises out of a different active duty or call to active duty status of the same or a different military member. The AHA will verify the certification as permitted by the FMLA and CFRA regulations.

For CFRA leave, including when leave qualifies as CFRA and FMLA leave concurrently, the AHA only requests recertification from an employee’s healthcare provider when the original estimated time period for the employee’s serious health condition expires and additional leave is needed.

- **Timely Provided Certification:** ~~The employee should provide at least 30 days’ advance notice where the need is foreseeable. When the need for leave is not foreseeable, the employee must provide notice to the employer as soon as practicable under the facts and circumstances of the particular case. For foreseeable leave due to a qualifying exigency, an employee must provide notice for leave as soon as is practicable, regardless of how far in advance such leave is foreseeable. When an employee has provided at least 30 days’ notice for a foreseeable leave, the employee must provide a medical certification before the leave begins. When this is not possible, the employee must provide the medical certification to the AHA within the time frame requested by the AHA (which must allow at least 15 calendar days after the employer’s request), unless it is not practicable under the particular circumstances to do so despite the employee’s diligent, good faith efforts.~~ **Requirements of the Certification:** ~~The Housing Authority requires that an employee’s request for leave due to a serious health condition affecting the employee or a family member or a designated person under AB 1041, or due to a covered servicemember’s serious injury or illness, be supported by a written certification from a health care provider*. If leave is requested because of the employee’s own serious health condition, the certification must include a statement that the employee is unable to work at all or is unable to perform the essential functions of their position. The first time an employee requests leave because of a qualifying exigency, AHA may require the employee to provide a copy of documentation issued by the military, in accordance with the FMLA. The Housing Authority may require second or third medical opinions, at the Housing~~

~~Authority's expense, and an employee to report on their status and intent to return to work. This will avoid any delays to reinstatement when the employee is ready to return.~~

~~*Health care provider is defined as:~~

~~A doctor of medicine or osteopathy who is authorized to practice medicine or surgery by the State of California;~~

~~Individuals duly licensed as a physician, surgeon, or osteopathic physician or surgeon in another state or jurisdiction, including another country, who directly treat or supervise treatment of a serious health condition;~~

~~Podiatrists, dentists, clinical psychologists, optometrists, and chiropractors (limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice in California and performing within the scope of their practice as defined under California State law;~~

~~Nurse practitioners and nurse midwives, clinical social workers, and physician assistants who are authorized to practice under California State law and who are performing within the scope of their practice as defined under California State law;~~

~~Christian Science practitioners listed with the First Church of Christ, Scientist in Boston, Massachusetts; and~~

~~Any health care provider from whom an employer or group health plan's benefits manager will accept certification of the existence of a serious health condition to substantiate a claim for benefits.~~

- **Failure to Provide Adequate or Timely Certification:** If an employee provides an incomplete medical certification, the employee will be given a reasonable opportunity to ~~cure any such deficiency~~re-submit complete paperwork. If an employee fails to timely provide certification within the time frame established in this policy, AHA may delay the taking of FMLSA/CFRA leave until required certification is provided, ~~or deny use of FMLA/CFRA leave until the required certification is provided~~, or deny FMLA/CFRA protections following the expiration of the time to provide an adequate certification.
- **Review of Contents of Medical Certification for Employee's Own Serious Health Condition:**
 - Complete and Sufficient: The employee must provide a certification for their own serious health condition that is complete and sufficient to support the request for leave. A certification is incomplete if one or more of the applicable entries on the certification form have not been completed. A certification is insufficient if the information on the certification form is vague, ambiguous, or not responsive. If the certification is incomplete or insufficient, the Human Resources Director will give the employee written notice of the deficiencies and seven (7) calendar days to ~~recomplete~~, unless a longer period is necessary in light of the employee's diligent, good faith efforts to address the deficiencies.
 - Authentication and Clarification: After giving the employee an opportunity to cure the deficiencies in a medical certification for the employee's own serious health condition, the Human Resources Director may contact the health care provider

who provided the certification to clarify and/or authenticate the certification. "Authentication" means providing the health care provider with a copy of the certification form and requesting verification that the information on the form was completed or authorized by the health care provider who signed the form. "Clarification" means contacting the health care provider to understand the handwriting on the medical certification or to understand the meaning of the response. The Human Resources Director may not ask for additional information beyond that required on the certification form in contacting the medical professional.

- **Second and Third Medical Opinions:** If AHA has a good faith, objective reason to doubt the validity of a certification of the employee's claimed serious health condition, AHA may require a medical opinion of a second health care provider chosen and paid for by the ~~Agency~~AHA. If the second opinion is different from the first, the ~~Housing Authority~~AHA may require the opinion of a third provider jointly approved by the ~~Agency~~AHA and the employee, but paid for by the ~~Agency~~AHA. The opinion of the third provider will be binding. The ~~Housing Authority~~AHA will provide the employee with a copy of the second and third medical opinions, where applicable, without cost, if requested by the employee.
- **Intermittent Leave or Reduced Schedule:** For intermittent leave (a few days or hours at a time) or leave on a reduced leave schedule taken because of ~~one's~~the employee's own serious health condition, to care for an ~~spouse, parent, child, grandparent, grandchild, sibling, parent-in-law, immediate family member~~ or designated person ~~per AB 1041~~ with a serious health condition, or to care for a covered servicemember with a serious injury or illness, the employee must provide medical certification that the requested leave is medically necessary. "Medically necessary" means there must be a medical need for the leave and that the leave can best be accomplished through an intermittent or reduced leave schedule. The ~~Housing Authority~~AHA may require an employee who certifies the need for a reduced schedule or intermittent leave to temporarily transfer to an alternate position of equivalent pay and benefits that better accommodates the leave schedule. AHA or the employee may request participation in interactive process meetings before, during or after the approval of FMLA. Both parties are expected to participate in good faith in the interactive process.

AHA and Employee Rights if an Employee Requests Accrued Leave Without Mentioning FMLA or CFRA

If an employee requests to utilize accrued vacation leave or other accrued paid time off without reference to a FMLA/CFRA qualifying purpose, the AHA may not ask the employee if the leave is for a FMLA/CFRA qualifying purpose. However, if the AHA denies the employee's request and the employee provides information that the requested time off is for a FMLA/CFRA qualifying purpose, the AHA may designate the leave as FMLA/CFRA and require the employee to exhaust accrued leave as described above.

Employment Status

If the leave is only protected under the FMLA, and not the CFRA, the employee's unpaid absence will be considered a break in service for purposes of determining seniority. The leave does not constitute a break in service for purposes of seniority under the CFRA, including when leave qualifies as CFRA and FMLA leave concurrently.

Reinstatement upon Return From Leave~~Returning to Work~~

1. Reinstatement to Same or Equivalent Position: Upon expiration of leave, an employee is entitled to be reinstated to the position of employment held when the leave commenced, or to an equivalent position with equivalent benefits and pay. Employees have no greater rights to reinstatement, benefits, and other conditions of employment than if the employee had been continuously employed during the FMLA/CFRA period.
2. Date of Reinstatement: If a definite date of reinstatement has been agreed upon at the beginning of the leave, the employee will be reinstated on the date agreed upon. If the reinstatement date differs from the original agreement of the employee and the AHA, the employee will be reinstated within two business days, where feasible, after the employee notifies the employer of their readiness to return.
3. Employee's Obligation to Periodically Report on Their Condition: Employees may be required to periodically report on their status and intent to return to work. This will avoid any delays to reinstatement when the employee is ready to return.
4. Fitness for Duty Certification: As a condition of reinstatement of an employee whose leave was due to the employee's own serious health condition, which made the employee unable to perform their job, the employee must obtain and present a fitness-for-duty certification from the health care provider stating that the employee is able to resume work. Failure to provide such certification will result in denial of reinstatement.
5. Reinstatement of "Key Employees": Under the FMLA only, the AHA may deny reinstatement to a "key" employee (i.e., an employee who is among the highest paid 10 percent of all employed by the AHA within 75 miles of the worksite) if such denial is necessary to prevent substantial and grievous economic injury to the operations of the AHA, and the employee is notified of the AHA's intent to deny reinstatement on such basis at the time the employer determines that such injury would occur.

Under the CFRA, including when leave qualifies as CFRA and FMLA leave concurrently, the AHA may not deny reinstatement to a "key" employee during or upon the expiration of CFRA leave.

~~When an employee is on leave for their own serious health condition, the Housing Authority requires written medical certification by a health care provider of an employee's ability to return to work. Failure to provide such certification will result in denial of reinstatement. Upon~~

~~expiration of an authorized leave, the employee will be returned to the same, or to a comparable, position to the extent required by law.~~

Definitions

1. "Child"

- a. Under the FMLA, "child" means a child under the age of 18 years of age, or 18 years of age or older who is incapable of self-care because of a mental or physical disability. An employee's child is one for whom the employee has actual day-to-day responsibility for care, and includes a biological, adopted, foster or step-child. A child is "incapable of self-care" if he/she requires active assistance or supervision to provide daily self-care in three or more of the activities of daily living or instrumental activities of daily living, such as caring for grooming and hygiene, bathing, dressing and eating, cooking, cleaning shopping, taking public transportation, paying bills, maintaining a residence, or using telephones and directories.
- b. Under the CFRA, "child" means a child, including a child who is 18 years of age or older who is capable of self-care. An employee's child means a biological, adopted, foster, step-child, legal ward, a child of a domestic partner, or a person to whom the employee stands in loco parentis.

2. "Covered active duty" means: (1) in the case of a member of a regular component of the Armed Forces, duty during deployment of the member with the Armed Forces to a foreign country; or (2) in the case of a member of the reserve component of the Armed Forces, duty during the deployment of members of the Armed Forces to a foreign country under a call or order to active duty under certain specified provisions.

3. "Covered Service Member" means: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness; or (2) a veteran who is undergoing medical treatment, recuperation, or therapy, for a serious injury or illness and who was a member of the Armed Forces, including a member of the National Guard or Reserves, at any time during the period of five years preceding the date on which the veteran undergoes that medical treatment, recuperation, or therapy.

4. "Designated Person" means any individual related by blood or whose association with the employee is the equivalent of a family relationship. The designated person may be identified by the employee at the time the employee requests the leave. An employer may limit an employee to one designated person per 12-month period for family care and medical leave.

5. “Domestic Partner” is another adult with whom the employee has chosen to share their life in an intimate and committed relationship of mutual caring and with whom the employee has filed a Declaration of Domestic Partnership with the Secretary of State, and who meets the criteria specified in California Family Code section 297. A legal union formed in another state that is substantially equivalent to the California domestic partnership is also sufficient.
6. “Family member” for FMLA leave means an employee’s child, parent, and spouse. “Family member” for CFRA leave means an employee’s child, parent, parent-in-law, spouse, domestic partner, grandchild, grandparent, and sibling.
7. “Grandchild” means a child of the employee’s child.
8. “Grandparent” means a parent of the employee’s parent.
9. “Health Care Provider” means any of the following:
 - a. A doctor of medicine or osteopathy who is authorized to practice medicine or surgery by the State of California;
 - b. Individuals duly licensed as a physician, surgeon, or osteopathic physician or surgeon in another state or jurisdiction, including another country, who directly treat or supervise treatment of a serious health condition;
 - c. Podiatrists, dentists, clinical psychologists, optometrists, and chiropractors (limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice in California and performing within the scope of their practice as defined under California State law;
 - d. Nurse practitioners and nurse-midwives, clinical social workers, and physician assistants who are authorized to practice under California State law and who are performing within the scope of their practice as defined under California State law;
 - e. Christian Science practitioners listed with the First Church of Christ, Scientist in Boston, Massachusetts; and
 - f. Any health care provider from whom an employer or group health plan’s benefits manager will accept certification of the existence of a serious health condition to substantiate a claim for benefits.
10. “Next of Kin of a Covered Service Member” means the nearest blood relative other than the covered service member’s spouse, parent, son, or daughter, in the following order of priority: blood relatives who have been granted legal custody of the covered service member by court decree or statutory provisions, brothers and sisters, grandparents, aunts and uncles, and first cousins, unless the covered service member has specifically designated in writing another blood relative as their nearest blood relative for purposes of military caregiver leave under the FMLA.

11. “Outpatient Status” means, with respect to a covered service member, the status of a member of the Armed Forces assigned to either: (1) a military medical treatment facility as an outpatient; or (2) a unit established for the purpose of providing command and control of members of the Armed Forces receiving medical care as outpatients.
12. “Parent” means the biological parent of an employee or an individual who stands or stood in loco parentis (in place of a parent) to an employee when the employee was a child. This term does not include parents-in-law.
13. “Parent-in-law” means the parent of a spouse or domestic partner of the employee.
14. “Serious Health Condition” means an illness, injury impairment, or physical or mental condition that involves:
- a. Inpatient Care in a hospital, hospice, or residential medical care facility, including any period of incapacity (e.g., inability to work or perform other regular daily activities due to the serious health condition, treatment involved, or recovery therefrom). A person is considered “inpatient” when a health care facility admits them to the facility with the expectation that they will remain at least overnight, even if it later develops that such person can be discharged or transferred to another facility, and does not actually remain overnight; or
 - b. Continuing treatment by a health care provider: A serious health condition involving continuing treatment by a health care provider includes any one or more of the following:
 - A period of incapacity (i.e., inability to work, or perform other regular daily activities) due to serious health condition of more than three consecutive calendar days; and
 - Any subsequent treatment or period of incapacity relating to the same condition, that also involves:
 - Treatment two or more times by a health care provider, by a nurse or physician’s assistant under direct supervision by a health care provider, or by a provider of health care services (e.g., a physical therapist) under orders of, or on referral by a health care provider; or
 - Treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of the health care provider. This includes, for example, a course of prescription medication or therapy requiring special equipment to resolve or alleviate the health condition. If the medication is over the counter, and can be initiated without a visit to a health care provider, it does not constitute a regimen of continuing treatment.

- c. Any period of incapacity due to pregnancy or for prenatal care. Note that pregnancy is a “serious health condition” only under the FMLA. Under California law, an employee disabled by pregnancy is entitled to pregnancy leave. (See Policy 808, Leave Because of Pregnancy, Childbirth, or Related Medical Condition.)
- d. Any period of incapacity or treatment for such incapacity due to a chronic serious health condition. A chronic serious health condition is one which:
 - Requires periodic visits for treatment by a health care provider, or by a nurse or physician’s assistant under direct supervision of a health care provider;
 - Continues over an extended period of time (including recurring episodes of a single underlying condition); and
 - May cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.). Absences for such incapacity qualify for leave even if the absence lasts only one day.
- e. A period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by health care provider.
- f. Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment.

15. “Serious Injury or Illness” means: (1) in the case of a member of the Armed forces, including a member of the National Guard or reserves, means an injury or illness that a covered service member incurred in the line of duty on active duty in the Armed Forces (or existed before the beginning of the member’s active duty and was aggravated by the service in the line of duty on active duty in the Armed Forces) and that may render the service member medically unfit to perform the duties of the member’s office, grade, rank, or rating; or (2) in the case of a veteran who was a member of the Armed Forces, including a member of the National Guard or Reserves, means an injury or illness that was incurred by the member in the line of duty on active duty in the Armed Forces (or existed before the beginning of the member’s active duty and was aggravated by service in the line of duty on active duty in the Armed Forces) and that manifested itself before or after the member became a veteran.

16. “Sibling” means a person related to the employee by blood, adoption, or affinity through a common legal or biological parent.

17. “Single 12 Month Period” means a 12-month period which begins on the first day the eligible employee takes FMLA leave to take care of a covered service member and ends 12 months after that date.

18. “Spouse” means one or two persons to a marriage, regardless of the sex of the persons, and for purposes of CFRA leave, includes a registered domestic partner as defined.

19. “12-Month Period” means a rolling 12-month period measured backward from the date leave is taken and continuous with each additional leave day taken.

Leave Rights and Accommodations for Victims of Qualifying Acts of Violence and Other Victims of Crime Leave

A. Definitions Applicable to this Policy

The below definitions apply to this policy (other than Section F of this policy pertaining to Additional Leave Rights to Attend Judicial Proceedings for Victims of Enumerated Crimes):

“Relief” means a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or their child.

“Qualifying Act of Violence” means the following:

- Domestic violence.
- Sexual assault.
- Stalking.
- An act, conduct, or pattern of conduct that includes any of the following:
 - (i) In which an individual causes bodily injury or death to another individual;
 - (ii) In which an individual exhibits, draws, brandishes, or uses a firearm, or other dangerous weapon, with respect to another individual; or
 - (iii) In which an individual uses, or makes a reasonably perceived or actual threat to use force against another individual to cause physical injury or death.

This definition applies regardless of whether an individual is arrested for, prosecuted for, or convicted of committing one of the acts described above.

“Family Member” means a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner, as those terms are defined in Government Code Section 12945.2, or Designated Person.

“Designated Person” means any individual related by blood or whose association with the employee is the equivalent of a family relationship.

B. Reasons for Leave

The Alameda City Housing Authority (AHA) will provide unpaid leave, to employees for the following reasons:

- To appear in court to comply with a subpoena or other court order as a witness in any judicial proceeding, including for an employee who is a victim of a Qualifying Act of Violence.
- For an employee who is a victim of a Qualifying Act of Violence for taking time off from work to obtain or attempt to obtain Relief, as defined by this policy.
- For an employee who is a victim of a Qualifying Act of Violence or has a Family Member who is a victim of a Qualifying Act of Violence will also be provided with leave for any of the following purposes:
 - (1) To obtain or attempt to obtain any Relief for the Family Member.
 - (2) To seek, obtain, or assist a Family Member to seek or obtain, medical attention for or to recover from injuries caused by a Qualifying Act of Violence.
 - (3) To seek, obtain, or assist a Family Member to seek or obtain services from a domestic violence shelter, program, rape crisis center, or victim services organization or agency as a result of a Qualifying Act of Violence.
 - (4) To seek, obtain, or assist a Family Member to seek or obtain psychological counseling or mental health services related to an experience of a Qualifying Act of Violence.
 - (5) To participate in safety planning or take other actions to increase safety from future Qualifying Acts of Violence.
 - (6) To relocate or engage in the process of securing a new residence due to the Qualifying Act of Violence, including, but not limited to, securing temporary or permanent housing or enrolling children in a new school or childcare.
 - (7) To provide care to a Family Member who is recovering from injuries caused by a Qualifying Act of Violence.
 - (8) To seek, obtain, or assist a Family Member to seek or obtain civil or criminal legal services in relation to the Qualifying Act of Violence.
 - (9) To prepare for, participate in, or attend any civil, administrative, or criminal legal proceeding related to the Qualifying Act of Violence.

- (10) To seek, obtain, or provide childcare or care to a care-dependent adult if the childcare or care is necessary to ensure the safety of the child or dependent adult as a result of the Qualifying Act of Violence.

C. Duration of Leave

If an employee's Family Member is a victim of a Qualifying Act of Violence who is not deceased as a result of a cCrime, and the employee is not a victim of a Qualifying Act of Violence, the employee is limited to up to ten (10) days of time off, and no more than five (5) days off for relocation purposes, as set forth in reason number 6 above.

If the employee is a victim of a Qualifying Act of Violence, or the employee's Family Member is deceased as a result of the cCrime, the AHA may limit total leave time for reasons 1 through 10, above under subsection "B", to up to 12 weeks.

The AHA may limit an employee to leave for one Designated Person per 12-month period for leave pursuant to this policy.

Leave under this policy may be concurrently designated as FMLA/CFRA leave when applicable and employees do not have a right to leave under this Policy that exceeds the unpaid leave time allowed under, or is in addition to the unpaid leave time permitted by, the 12 weeks provided under the FMLA/CFRA.

D. Use of Accrued Paid Leaves

Leave provided under this policy is unpaid unless the employee elects to use vacation, personal leave, paid sick leave, or compensatory time off that is otherwise available to the employee.

E. Notice and Certification Requirements

An employee who uses leave in order to appear in court to comply with a subpoena or other court order as a witness in any judicial proceeding must provide notice and certification consistent with the AHA's policy on witness leave.

As a condition of using leave for the other reasons set forth above, the employee must provide the AHA with reasonable advance notice of the employee's intention to use such leave, unless the advance notice is not feasible.

When an unscheduled absence occurs, the employee must, within a reasonable time after the absence, provide certification to the AHA of the need for leave. Certification is sufficient in the form of any of the following:

- A police report indicating that the employee or a Family Member of the employee was a victim of a Qualifying Act of Violence.
- A court order protecting or separating the employee or a Family Member of the employee from the perpetrator of the Qualifying Act of Violence, or other evidence

from a court or prosecuting attorney that the employee or a Family Member of the employee has appeared in court.

- Documentation from a licensed medical professional, domestic violence counselor, as defined in Section 1037.1 of the Evidence Code, a sexual assault counselor, as defined in Section 1035.2 of the Evidence Code, victim advocate, licensed health care provider, or counselor that the employee or a Family Member of the employee was undergoing treatment or seeking or receiving services directly related to the Qualifying Act of Violence.
- Any other form of documentation that reasonably verifies that the Qualifying Act of Violence occurred, including, but not limited to, a written statement signed by the employee, or an individual acting on the employee's behalf, certifying that the absence is for a purpose authorized under this section.

To the extent permitted by law, the AHA will maintain the confidentiality of any employee requesting leave under this policy.

F. Accommodations

The AHA will provide a reasonable accommodation for an employee who is a victim or whose Family Member is a victim of a Qualifying Act of Violence and who requests an accommodation for their safety while at work.

The AHA is not required to provide a reasonable accommodation to an employee who has not disclosed the employee's status, or the employee's Family Member's status, as a victim of a Qualifying Act of Violence.

The following process will be used by the AHA to provide accommodations:

1. Request for Accommodation

An employee requesting a reasonable accommodation under this policy should direct this request to the Director of Human Resources.

2. Certification

An employee requesting a reasonable accommodation under this policy may be required to provide the AHA with a written statement signed by the employee or an individual acting on the employee's behalf, certifying that the accommodation is for a purpose authorized by this policy.

The AHA may also request certification demonstrating the employee's status, or the employee's Family Member's status, as a victim. Certification shall be sufficient in the form of any of the categories described in section D of this policy, above.

The AHA may request recertification of an employee's status, or an employee's Family Member's status, as a victim of a Qualifying Act of Violence, or ongoing circumstances related to the Qualifying Act of Violence, every six months after the date of the previous certification.

Any verbal or written statement, police or court record, or other documentation provided to the AHA identifying an employee or the employee's Family Member as a victim of a Qualifying Act of Violence will be maintained as confidential by the AHA and will not be disclosed by the AHA except as required by federal or state law or as necessary to protect the employee's safety in the workplace. The employee will be given notice before any authorized disclosure.

3. Interactive Process

After an employee requests an accommodation, the AHA will engage in a timely, good faith, and interactive process with the employee to determine whether it can accommodate the employee. In determining whether an accommodation is reasonable, the AHA will consider, among other factors, whether an exigent circumstance exists or if the employee or their Family Member is facing danger.

For purposes of this policy, a reasonable accommodation may include the implementation of safety measures, including, but not limited to, the following: (1) a transfer; (2) reassignment; (3) modified schedule; (4) changed work telephone; (5) permission to carry telephone at work; (6) changed work station; (7) installation of locks and other security measures; (8), assistance in documenting domestic violence, sexual assault, stalking, or another Qualifying Act of Violence that occurs in the workplace; (9) implementation of safety procedure, or another adjustment to a job structure, workplace facility, or work requirement in response to domestic violence, sexual assault, stalking, or other Qualifying Act of Violence; or (10) referral to a victim assistance organization.

The AHA is not required to implement a workplace accommodation that would pose an undue hardship on the AHA's business operations. An undue hardship includes, but is not limited to, an action that would violate the AHA's duty to furnish and maintain a place of employment that is safe and healthful for all employees.

If circumstances change and an employee needs a new accommodation, the employee must request a new accommodation from the AHA. Upon receiving the request, the AHA shall engage in a timely, good faith interactive process with the employee to determine whether it can accommodate the employee.

If an employee no longer needs an accommodation, the employee must notify the AHA that the accommodation is no longer needed.

G. Additional Leave Rights to Attend Judicial Proceedings for Victims of Enumerated Crimes

In addition to the rights set forth in this policy, above, employees have leave rights to attend judicial proceedings related to enumerated crimes as follows:

1. Victims of a Violent Crime or Serious Felony

An employee who is a victim, or an immediate family member who is a victim, of a crime that is a serious or violent felony, or a felony involving theft or embezzlement as listed in Labor Code Section 230.2, is entitled to leave from work to attend judicial proceedings relating to that crime.

Before an employee may be absent from work to attend judicial proceedings, a copy of the notice of each scheduled proceeding must be provided to the AHA, unless advance notice is not feasible.

When advance notice is not feasible or an unscheduled absence occurs, the documentation evidencing the judicial proceeding must be provided to the AHA within a reasonable time after the absence. Documentation evidencing the judicial proceeding may be provided from any of the following entities: (1) The court or government agency setting the hearing; (2) The district attorney or prosecuting attorney's office; or (3) The victim/witness office that is advocating on behalf of the victim.

An immediate family member means the spouse, domestic partner, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, or stepfather of the crime victim.

Leave for this purpose is unpaid unless the employee elects to use vacation, personal leave, paid sick leave, or compensatory time off that is otherwise available to the employee.

2. Victims of Vehicular Manslaughter While Intoxicated, Child and Elder Abuse, Sexual Abuse, and Other Serious Crimes

Any employee who is a victim of a crime listed in Labor Code section 230.5(a)(2)(A), may take leave from work to appear in court to be heard at any proceeding in which the right of the victim is at issue, if the employee provides the employer reasonable advance notice.

If advance notice is not feasible, the employee must provide the AHA, within a reasonable time after the leave is taken, certification from a police report, a district attorney or court, or from a health care provider or victim advocate, that the employee was a victim of any of the crimes listed in Labor Code section 230.5(a)(2)(A).

For purposes of this section of the policy “victim” means any person who suffers direct or threatened physical, psychological, or financial harm as a result of the commission or attempted commission of a crime or delinquent act.

An employee who is the spouse, parent, child, sibling, or guardian of such a crime victim is also entitled to this leave, if the above notice or certification requirements are met.

The leave is unpaid unless the employee elects to use accrued vacation personal leave, or compensatory time off (not including sick leave) that is otherwise available to the employee.

Non-FMLA/CFRA Medical/Family Leave

Part-time employees who have at least one year of continuous service with AHA, and who are not otherwise eligible for leave under the FMLA/CFRA may nonetheless request a discretionary leave of absence for any of the reasons allowed for FMLA/CFRA leaves with the exception of leave for a designated person under the CFRA per AB 1041. The employee must provide evidence of one of the reasons for leave as stated in the FMLA/~~CFRA, and~~CFRA and provide 30 days’ advance notice if the need for the leave is foreseeable.

If approved, leave will not exceed a maximum duration of eight work weeks within a rolling 12-month period. Employees must exhaust any and all accrued sick leave, floating holiday, and vacation time during the leave. Once all accrued, available leave is exhausted, the leave is unpaid and no vacation or sick leave will accrue. The employee’s unpaid absence will be considered a break in service for purposes of determining seniority.

Part-time employees on this leave who are otherwise eligible for employer-paid group coverage (i.e., health, dental, life and AD&D, and long-term disability insurance) with the Housing Authority will have paid group coverage insurance coverage through the end of the pay period in which their unpaid leave commences. Thereafter, employees may continue coverage under AHA’s group insurance plans at their own expense. The sole exception to this is employees on pregnancy disability leave, who remain covered by AHA health benefits during their approved leave.

Upon expiration of an authorized leave of this kind, AHA will seek to return the employee to the same, or a comparable position.

Pregnancy Disability Leave (“PDL”)

An employee ~~disabled by~~disabled by pregnancy, childbirth, or a related medical condition is entitled to up to four months (defined as one-third of a year, 17 1/3 weeks, or 624 hours based on a 36-hour work schedule- or 650 based on a 37.5 hour week. or 693 hours) of disability leave per pregnancy. An employee who works less than an average of 36 hours per week will receive

a pro rata or proportional amount of leave. Related medical conditions include, but are not limited to, severe morning sickness, the need for prenatal or postnatal care, childbirth, postpartum depression, gestational diabetes, preeclampsia, mastitis, and loss or termination of the pregnancy and recovery therefrom.

PDL does not need to be taken all at once, ~~but~~ once but can be taken on an as-needed basis as required by the employee's health care provider, including intermittent leave or a reduced work schedule, all of which counts toward the employee's four month entitlement. If taken on an as needed basis, every effort should be made to minimize the disruption to AHA business.

Pregnancy disability leave is without pay. Employees on PDL are required to first use accrued sick time during the leave, and may elect to use, or not to use, accrued vacation and PTO. ~~However, employees who are FMLA-eligible, and concurrently taking PDL leave, and receiving benefits under SDI, may use their accrued leave to supplement their disability benefit up to an amount that, when combined with the disability benefit, does not exceed their regular pay for the pay period. Once accrued paid benefits are exhausted, the remainder of PDL, if any, is unpaid; although SDI wage replacement benefits may continue if the employee qualifies. Sick and vacation leaves do not accrue while an employee is on unpaid pregnancy disability leave.~~

Employees on PDL retain their employer-paid health insurance during their approved leave (i.e., up to a maximum of four months) at the level and under the conditions that coverage would have been provided if the employee had continued in employment continuously for the duration of the leave. ~~Eligible employees who take CFRA leave for baby bonding (or other qualifying reason) following their PDL leave, may receive employer-paid health insurance for up to an additional 12 workweeks. In some instances, the Agency can recover from an employee premiums paid to maintain health coverage if the employee fails to return following the PDL. The Housing Authority may recover premiums it paid to maintain health coverage if an employee does not return to work following pregnancy disability leave, unless the reason for the failure to return is a circumstance beyond her control or the use of the separate right to 12 weeks of bonding leave under the CFRA.~~

Employees will retain their employee status during the period of the approved PDL, and the absence will not be considered a break in service for purposes of determining seniority. Benefits will be resumed upon the employee's reinstatement in the same manner and at the same levels as provided when the leave began in place for all other employees, without any new qualification period, physical exam, or other qualifying provisions.

Upon timely return at the expiration of PDL or after transfer to a reduced work schedule, the employee is entitled to return to the same position. If the same position is no longer available (e.g., position eliminated due to a reduction in force), the Housing Authority will offer a position that is comparable in terms of pay, location, job content, and promotional opportunities, unless no comparable position exists. The Housing Authority requires written medical certification by a

health care provider of an employee's ability to return to work at the end of a PDL exceeding three days in length.

If the employee fails to return to work, refer to the process outlined in the Returning to Work section above that addresses all unpaid leaves.

Industrial Injury Leave

Employees who sustain any illness or injury arising out of and in the course of their employment and are deemed to have a temporary total disability under Workers' Compensation laws are entitled to a medical leave until the earlier of the following:

- The employee is released to return to work; or
- The employee is determined to be permanently unable to return to their usual duties.

It is the employee's responsibility to immediately report any work-related injury to their supervisor, who will provide the employee with the Employee's Report of Occupational Injury form and the Housing Authority Incident Report. These forms are used to determine eligibility for Workers' Compensation. Employees requesting leave are required to submit medical certification of the need for leave.

Employees must exhaust all accrued paid time off during this leave, and before taking unpaid leave. Any such pay will be coordinated with third-party benefits received by the employee through Workers' Compensation. The exception to this is that employees receiving workers' compensation benefits whose leave runs concurrent with FMLA/CFRA leave are not required to use their paid leave but may elect to do so in order to supplement their disability benefit up to an amount that, when combined with the disability benefit, does not exceed their regular pay for the pay period.

Employees who are otherwise eligible for paid health insurance with AHA, and who do **not** have FMLA/CFRA leave running concurrently, will have paid health insurance coverage through the end of the pay period in which the unpaid portion of their leave commences or during which FMLA/CFRA leave expires. Thereafter, employees may continue coverage under the Housing Authority's group insurance plans at their own expense. Human Resources will provide information about payment options to employees, which may include COBRA, self-pay (for CalPERS health insurance), or direct pay options.

Employees returning from industrial injury leave will be returned to the same, or a comparable position, to the extent required by law.

Military Duty Leave

A Housing Authority employee will be granted a military leave of absence to carry out military obligations in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and applicable state law. In accordance with federal and state law, the employee must give their supervisor advance notice of upcoming military service, unless military necessity

prevents advance notice or it is otherwise impossible or unreasonable⁷ and provide a copy of the military orders specifying the dates, site and purpose of the activity or mission. Within the limits of such orders, the department head may determine when the leave is to be taken and may modify the employee's work schedule to accommodate the request for leave. Please see HR for additional information about the continuation of pay and benefits, which may be in place for up to 30 days during a military duty leave.

Personal Leave of Absence

In addition to the previously described leaves, and in an effort to recognize the needs of employees for time off for reasons other than those described above, the Housing Authority may consider granting a personal leave of absence without pay. Personal leaves are limited to a maximum of two months in any two-year period (measured in a rolling 24-month period). Personal leaves may not be added to or run consecutively with any of the previously described leaves.

All regular employees of the Housing Authority who have completed their probationary period may request an unpaid personal leave of absence. Job performance, attendance, and work/program requirements will all be taken into consideration before a request is approved. Requests for unpaid personal leave may be denied or granted by AHA within the sole discretion of the Executive Director.

Requests for a personal leave of absence must be submitted in writing to the Executive Director and must state specifically the reasons for the request and the proposed dates for beginning and ending the leave. Thirty days' notice is required if the need for leave is foreseeable.

Personal leaves, if granted, are without pay. Any accrued paid time off (i.e., accrued sick (if applicable), vacation, floating holiday and comp time) must be exhausted prior to the commencement of a personal leave.

Insurance benefits may be continued at the employee's own expense during any unpaid personal leave.

An employee is required to return from the personal leave on the originally scheduled return date. If the employee is unable to return, they must request an extension of the leave in writing within five business days before expiration of the leave, explaining the reason for and requested duration of the additional leave sought. If the leave is not extended, the employee must return to work on the originally scheduled return date or the employee will be considered to have voluntarily resigned from their employment. Extensions of leave are considered only on a case-by-case basis.

School Activities Leave

In accordance with California Labor Code section 230.8, an employees who is a parent, guardian, stepparent, foster parent, grandparent, or person who stands in loco parentis to one or more children who are in kindergarten or grades 1 through 12, or who are in a licensed childcare facility may take up to forty hours off without pay in any single school year, and no more than eight hours in any calendar month of the school year, with the exception of emergencies, to participate in activities at their child's school (grades K-12) or licensed child care facility.

Under School Leave, employees may also take time off to find, enroll and/or re-enroll in a school (grades K-12) or a licensed ~~child care~~ childcare provider, or to pick up a child due to as well as to address school or licensed child care provider emergencies. ~~To be eligible for such leave, the employee must be a parent, stepparent, foster parent or standing in loco parentis, guardian or grandparent with custody of the child.~~

Employees requesting School Leave must provide their Supervisor with reasonable advance notice of the planned absence and provide documentation of the school activity (a letter from the school, event announcement etc.) as verification that the employee participated in the activity on a specific date at a particular time. An employee who takes time under this policy must utilize any existing vacation leave or floating holiday leave first. If the employee has no accrued paid time off, the time off will be taken without pay.

Other Forms of Leave

Other forms of leave may be available to employees who are victims of domestic violence, sexual assault or other crimes, are military spouses, emergency responders, or organ donors; or who require leave for volunteer firefighter or Civil Air Patrol service, as required by law. Please contact the Director of Human Resources for more information.

LEAVE DONATION PROGRAM

Eligible employees may participate as donors and recipients in the leave donation program, which provides a mechanism for assisting employees who have exhausted paid leave due to a serious or catastrophic illness or injury. This program allows a Housing Authority employee to donate their accrued paid vacation to a specific, eligible employee who has exhausted their own available leave balances.

"Serious or catastrophic illness or injury" is defined for purposes of this policy as the employee's own medical condition which requires them to be absent from work for more than twenty (20) consecutive work days, or the illness or injury of the employee's immediate family member requiring the employee's care (which results in the employee's absence from work for more than 20 consecutive work days).

Eligibility to Receive Benefit

To be eligible to receive leave donations, an employee must have been employed in a regular full-time position for a minimum of one year and have completed their initial probationary period; must be absent from work due to a “serious or catastrophic illness or injury” (as defined above, and as verified by a physician’s certification); and must have exhausted all earned leave balances (including sick leave, compensatory time, vacation, and floating holiday credits). The request may be initiated prior to the anticipated date leave balances will be exhausted; however, no retroactive requests will be permitted (i.e., employees will not be granted donations for time off already treated as unpaid leave).

To be considered for a leave donation, the requesting employee, family member of the requesting employee, or another person designated in writing by the requesting employee must submit a request for such a donation to: Housing Authority of the City of Alameda, Human Resources Department, 701 Atlantic Avenue, Alameda, CA 94501. Alternatively, requests may be emailed to hr@alamedahsg.org. The determination of whether to award an employee leave donation and the maximum amount of leave that can be donated to the employee shall be at the Executive Director’s sole discretion and shall be final.

Benefit

Donated leave will be changed to its cash value at the donor’s base rate of pay and then credited to the recipient in equivalent hours of paid time off at the recipient’s base rate of pay. For as long as the receiving employee remains in a paid status, seniority and all other benefits will continue, with the exception that paid sick leave and paid vacation will not accrue during any period of donated paid leave, and employees will not receive holiday pay for any holidays that fall during any period of donated paid leave. Generally, the period of donated paid leave may not exceed three months; however, the Executive Director may decide to extend or restrict the total period of donated paid leave on a case-by-case basis.

When using donated leave, disability, paid family leave, or workers compensation benefits will be integrated with donated leave, just as they are when non-donated sick or vacation leave is used.

Donating Leave Credits

Donations are voluntary and may be made by any regular full-time employee who has completed their initial probationary period and has accrued paid time off. Other rules include:

1. Only vacation leave may be donated. Floating holiday and sick leave are not eligible for donation.
2. The total amount of time donated by any one employee may not exceed 40 hours.
3. Leave donations, if made, must be in ~~four hour~~four-hour increments.
4. An employee may not donate leave hours that would reduce their vacation balance to less than one week (i.e., 37.5 or 36 hours) at the time of donation.

If the receiving employee does not use all transferred leave for the intended use, any balance will remain with the receiving employee until that employee’s separation from the Housing

Authority. Unused donated leave will not be returned to the donating employee(s); once the donation is made, it is a final transaction.

Upon approval of an eligible employee's request for leave donations, the Executive Director or designee will post a notice of an eligible employee's need for donations on bulletin boards accessible to employees or will communicate the need for leave donations via email; confidential medical information shall not be included in this notice. Employees wishing to donate should contact the Director of Human Resources or designee. The Director of Human Resources will review all donations and notify employees if their donation will be accepted. Donations may generally be made for a period of 45 days after the donation request and physician certification is received, dependent on the need for continued leave donations; the Executive Director or Director of Human Resources may limit the donation period should adequate donations to cover the requested leave period be received. Employees may request leave donations not more than one time in each ~~one year~~one-year period beginning on the date of first request.

The Leave Donation Program is designed to be as confidential as ~~possible, and~~possible and is strictly voluntary.~~—~~ Employees who donate benefits will be made aware of the value of their donation.~~—~~ The recipient of benefits will be made aware of the value of their benefits received.~~—~~ Individual donations and the identities of donors are ~~confidential, and~~confidential and will not be disclosed except on a need-to-know basis for administrative purposes.

PART SEVEN: WORK HOURS AND PAY

PAY PERIODS AND PAY DAYS

For all employees, the standard pay period is biweekly, and each paycheck covers work performed through the completion of the previous two-week work period. Paychecks are normally distributed every other Friday. Direct deposit is encouraged, but it is not mandatory.

Employees will receive an earnings/leave statement showing earnings and mandatory and voluntary deductions for each pay period. Each employee is responsible for notifying their supervisor if they believe there is a discrepancy on their earnings statement.

All annual step increases, which are merited by an employee, will be given at the start of the pay period following the anniversary date.

~~WORK DAY~~WORKDAY AND WORK WEEK

Normally, the normal work day is 7.5 hours Monday through Friday for a total work workweek consists 37.5 hours, and a total of 75 hours for each pay period.~~of 40 hours, and the workday consists of eight hours.~~ Designated positions (including part-time positions) may have a shorter workweek of an average 37.5 hours. Certain employees may opt for a flex schedule to allow for 40 hours work one week and 32 hours the next for a total of 72 hours in the pay period (see

~~below) and/or workday of 7.5 hours.~~ The Executive Director (or designee) sets daily work schedules and any options for hours of work (e.g. start and/or end of shift times).

OVERTIME

Overtime is time an overtime-eligible employee ~~actually works~~ works in excess of 40 hours in their designated work week. ~~Only actual hours worked will be counted toward the 40-hour threshold for purposes of calculating Fair Labor Standards Act (FLSA) overtime pay; paid time off will not be counted.~~ Overtime-eligible employees who are directed to work overtime must do so. Employees may only work overtime when approved in advance by a department head. ~~All non-exempt e~~Employees who have a flexible work schedule must also have advance approval for working any hours in excess of their approved work schedule, whether or not those hours will be eligible for overtime pay.

NO REMOTE ACCESS FOR NON-EXEMPT EMPLOYEES

Unless the Executive Director or Director of Human Resources specifies otherwise in writing, non-exempt employees may not have remote access to AHA equipment, resources, or email.

WORK PERIOD

The Housing Authority has declared a seven-day work period which begins on Sunday at 12:00 a.m. and ends on Saturday at 11:59 p.m. for all non-exempt positions.

BREAK/REST PERIODS AND MEAL PERIODS (NON-EXEMPT EMPLOYEES ONLY)

All non-exempt employees are provided a 15-minute paid rest period (i.e., break) for each four-hour period of work or major portion thereof per workday, one in mid-morning and one in mid-afternoon. The rest period shall be taken at a time designated by the employee's supervisor. Rest periods may not be used to extend the meal period or to leave work early.

Meal periods are provided to employees who work more than five (5) hours per shift. Eligible employees are required to take a daily meal period, at a length and time established by the supervisor, except that employees who are scheduled to work for 6 hours or less per day may opt to forgo their meal period. Meal periods will be no less than 30 minutes or more than one hour in length and are unpaid. Employees may not skip meal breaks to shorten the workday. Employees are free to come and ~~go, and go and~~ are not to perform any work during their meal periods. When being relieved of all duties during lunch is not possible due to Housing Authority work requirements, employees will be paid for their meal period. Any employee who works more than 12 hours per day will receive a second meal period of 30 minutes.

Rest Periods during Late Night/Early Morning Work

At times, particularly during emergencies, it may be necessary for certain staff to work late at night or early in the morning. In addition to overtime pay that is provided for this work, staff who work more than two (2) hours between 11:00 p.m. and 7:00 a.m. will be provided with one hour of paid rest period for every two hours worked. This rest period shall generally commence

at the start of the next regularly scheduled shift, unless the employee's services are otherwise required to continue past the start of their shift. Payment for the rest period will be at the regular straight time ~~rate, and~~rate and will count as hours worked for purposes of calculating overtime.

FLEXIBLE WORK SCHEDULES

Employees may have the option to request a reduced work week, or the Executive Director may designate certain positions as subject to a flexible work schedule. Any employee requests for a reduced work schedule – or to stop flexing – must be submitted in ~~writing, and~~writing and are reviewed and approved by the supervisor and the Executive Director. Generally, once an employee's request for a flexible schedule is approved, the employee may not return to a regular schedule unless required to do so for agency business needs.

Employees currently working 75 hours per pay period may request a reduction to 72 hours; ~~employees currently working 80 hours per pay period may request a reduction to 72 hours.~~ Vacation and sick leave accrual are not affected by the adjusted work week option, nor is a non-exempt employee's hourly rate of pay affected. Since non-exempt employees will be working fewer hours, however, actual earnings are reduced accordingly. Exempt employees' salaries will not be affected by a reduced work week option, unless an exempt employee performs no work during the work week. Additional information about flexible work schedules is available from Human Resources.

The Housing Authority reserves the right to designate work schedules for employees on flexible work schedules, to rescind or alter the types of flexible schedules offered, if any, and to require employees to work flexible schedules or rescind flexible schedules subject to business needs and budget restrictions and upon ~~two weeks~~10 calendar days written notice to the employee. Unless an exception is made by the Executive Director, new employees who would otherwise be subject to a 75 hour per pay period schedule will be placed on a flexible (72 hours s per pay period) schedule upon hire.

TIMEKEEPING REQUIREMENTS

An employee's ~~accurately recorded~~accurately recorded ~~time card~~timecard is one of the best ways to ensure the employee receives the correct amount of pay. AHA utilizes an electronic timekeeping system, and all employees are required to submit an electronic ~~time card~~timecard every other week, on the Monday prior to payday.

~~Non-exempt~~ employees record actual hours worked and leave taken; non-exempt employees must report all hours worked and are strictly prohibited from performing any work "off the clock". Exempt employees report only leave ~~taken, and~~taken and report their leave usage in two-hour increments only.

In the event that an non-exempt employee does not record hours consistent with their scheduled work hours, the employee is required to use vacation and/or floating holiday leave

to the extent necessary to bring their pay to an amount equivalent to their scheduled work hours in 15 minute increments.

For all employees, an Any type of absence must be recorded on the time card and approved by the employee's supervisor. Time off is only approved if recorded in the time off request system.

~~In the event that a non-exempt employee does not record hours consistent with their scheduled work hours, the employee is required to use vacation and/or floating holiday leave to the extent necessary to bring their pay to an amount equivalent to their scheduled work hours.~~

Employees are responsible for ensuring that their time cards are accurate, complete, and submitted on time. Non-exempt employees should notify their supervisor no later than the end of the next business day if they fail to clock in or out, report leave used incorrectly, or have any other adjustment that needs to be made so that corrections can be completed in a timely manner. Exempt employees must ensure timely entry of time off requests. Falsification of time cards or repeated inaccurate reporting of time will subject the employee to discipline, up to and including immediate termination.

PAYROLL DEDUCTIONS

Your payroll and earnings deductions are detailed with your paycheck. Payments from AHA could take up to three (3) days to post in an employee's account. Federal and State laws require deductions from every paycheck for federal and state withholding taxes, Medicare taxes, state disability insurance, garnishments or wage attachments, and employee contributions to either the CalPERS or PARS retirement program. Other voluntary deductions may be made from an employee's paycheck with the employee's authorization. These deductions may include, but are not limited to, insurance premiums, contributions to a deferred compensation program, payroll corrections upon agreement from the employee, and deductions to fund flexible spending account elections. Advance agreement is not required for deductions of \$50 or less.

The employee is responsible for providing the correct account and routing numbers and notifying AHA if they close their account. Expense reimbursement can also be directly deposited into the employees' bank account upon request. If an employee elects to use a paper check instead of direct deposit for salary and/or reimbursements, the paper check must be picked up from the Finance department by the employee on their own time.

REVIEW YOUR PAYCHECK

The Housing Authority makes every effort to ensure its employees are paid correctly. If a mistake is made, and called to the Housing Authority's attention, it promptly will make any correction of an underpayment that is necessary. Employees should review their paychecks to make sure they

are correct. If an employee believes a mistake has occurred or has any question, they should notify their supervisor no later than the end of the next business day.

In the event an employee has been overpaid by the Housing Authority, employees may choose to handle repayment with a one-lump sum payment, or may choose another agreed-upon installment period that will typically not to exceed the period of time during which the error occurred. Repayment by active employees can be handled by personal check payable to the Housing Authority, or by employee pre-authorized payroll deduction. No payroll deductions will be made without prior written authorization of the employee.

For separated employee payments, these will be handled by personal check payable to the Housing Authority.

An employee may request an opportunity to discuss a schedule of repayment with Human Resources, or to discuss calculation of the overpayment amount. Upon mutual agreement on the repayment process, a written agreement will be entered into between the employee and the Housing Authority setting out the terms and conditions of the repayment plan with no interest on the debt. If the employee does not agree to repayment, or does not complete a repayment plan with the Housing Authority, the Housing Authority may file a legal proceeding to obtain a judgment against the employee.

EXEMPT EMPLOYEES

If you are classified as an exempt salaried employee, you will receive a salary which is intended to compensate you for all hours you may work for the Housing Authority. This salary will be established at the time of hire or when you become classified as an exempt employee. While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform.

Under federal and state law, exempt employees' salaries are subject to certain deductions. For example, unless state law requires otherwise, your salary can be reduced for the following reasons:

- Full-day absences for personal reasons
- Full-day absences for sickness or disability
- Partial-day absences for personal leave or sick memo leave
- Full-week disciplinary suspensions for infractions of our written policies and procedures
- Family and Medical Leave absences (either full- or partial-day absences)
- To offset amounts received as payment for jury and witness fees or military pay
- The first or last week of employment in the event you work less than a full week
- Any full work week in which you do not perform any work
- Daily unpaid disciplinary suspensions if the discipline is for a violation of a workplace conduct rule

In any work week in which you performed any work, exempt employees' salaries will not be reduced for any of the following reasons:

- Your absence on a day because the Housing Authority has decided to close a facility on a scheduled work-day, but you may be required to work from home or another location.
- Absences for jury duty, attendance as a witness, or military leave in any week in which you have performed any work
- Any other deductions prohibited by state or federal law

Unless state law provides otherwise, deductions may be made to your accrued leave for full- or partial-day absences for personal reasons, ~~sickness~~sickness, or disability~~—~~. If you believe you have been subject to any improper deductions, you should immediately report the matter to your supervisor.

PART EIGHT: COMPENSATION AND SALARY ADMINISTRATION

DETERMINATION OF PAY RATES

The Housing Authority desires to attract and retain strong performing employees, and accordingly attempts to pay competitive wages to its employees. To determine appropriate compensation rates for positions, AHA will take into account information about current wages and, where information is available, benefits of pertinent local agencies, and will evaluate the relationship between jobs within AHA and other public agencies. AHA will determine how often pay rates should be reviewed. Generally, AHA plans to review pay rates at least every four years unless data indicates review on a more or less frequent basis is appropriate.

WAGE RANGES AND STEPS

The Housing Authority has established a wage range for each class of position title listed in the Schedule of Authorized Positions approved by the Board of Commissioners. Each position, with the exception of the Executive Director and contract Resident Manager positions, is assigned a wage range, and each range currently has five steps or rates of pay. Wage ranges are subject to adjustment and change by the Board of Commissioners as conditions warrant. The Salary Schedule shows all salary and wage ranges available, whether any positions are currently assigned to those ranges or not, and the corresponding rate for each step with each range, including monthly and biweekly rates (applicable to exempt employees) and hourly wages (for non-exempt employees) at each step. The current Pay Schedule showing titles, wage ranges, and monthly rates is posted on the AHA website.

The steps within each range shall be administered in the following manner:

- The first step of each range is the beginning wage level and is the standard hiring rate for a class or position. The Executive Director has the authority to hire an employee above Step 1 of the applicable range. Generally, AHA seeks to hire job applicants at

Steps 1-3 of the assigned range unless doing so would risk the applicant not accepting the Housing Authority's job offer.

- Employees may be considered for advancement to the next step assigned to their position after a minimum of one year of satisfactory probationary service, and upon the performance evaluation and recommendation of the supervisor with approval of the Executive Director. Advancement to the next step in subsequent years may occur with each year of satisfactory service until the employee attains the top step of the range assigned to their position.
- The top step of each range is the final step for employees who attain and maintain a thoroughly satisfactory standard of work performance. Employees at the top of their range are eligible for any adjustments made to the range due to ~~cost-of-living~~cost-of-living adjustments or re-evaluation of the wage rate schedule, but are not eligible for any further step increases so long as they remain in the same position or wage range.
- The Executive Director has the authority to approve an employee for a salary advancement of more than one step. Generally, this would only be considered when there is a need to adjust an employee's salary for internal equity reasons, or when an employee was hired at the bottom of the salary range and has demonstrated exemplary performance.

RECLASSIFICATION RESULTING IN RANGE DECREASE (Y-RATE)

When the Housing Authority deems it necessary to reclassify an employee for reasons other than misconduct, substandard performance, and/or other disciplinary action (i.e., due to position reclassification or when a position is assigned to a lower wage range as a result of a compensation study), and such action places that employee in a position receiving lower wages, the employee's wages will remain at the same step-pay as already attained.— The current salary amount is frozen at the existing level until future general cost-of-living increases bring the new salary range up to match their current pay. ~~The employee will not receive any cost-of-living cost-of-living increases granted by the Board of Commissioners until such time as the range currently assigned becomes equal to or greater than that of the previously held position.~~

WAGE ADJUSTMENTS

Cost of Living

The Housing Authority ~~will~~may employ a method to compensate employees for ~~cost-of-living~~cost-of-living adjustments, ~~if any, to the extent that funds are available.~~— Cost of living adjustments (COLA) may be considered no more frequently than annually and require approval from the Board of Commissioners.— There is no guarantee of a ~~cost-of-living~~cost-of-living increase in any year.

Transfers and Promotions

In the case of lateral transfers, (i.e., transfers to another position within the same range), only fully qualified employees who meet the minimum requirements of the transfer position are eligible to be placed at the same step they attained prior to the transfer. The Executive Director shall determine the appropriate step to which transferring employees are assigned.

Employees promoted within the Agency will be placed within the wage range for the new position with step assignment determined by the Executive Director. In no event will a promotion result in a wage decrease.

The decision of within-range placement in other instances of voluntary position classification changes will be made by the Executive Director. Employees are urged to consider the effect of reclassification when applying for positions within the agency, and to ask questions of their supervisors or Human Resources. It is the employee's obligation to keep themselves informed of the impact that changes of position may have on compensation.

Demotion in Lieu of Layoff

In the event that a position is eliminated and the employee holding that position is therefore subject to termination, AHA may, should a position assigned to a lower wage range be available that the employee is qualified for, offer such position to the employee. If the employee accepts the position, the employee shall be assigned to the wage range for the new position, with the assigned step within the range determined by the Executive Director.

OVERTIME PAY

Employees may occasionally be asked to work beyond their normally scheduled hours. When this occurs, supervisors should attempt to provide as much advance notice as possible. Opportunity for overtime (or work hours beyond the employee's regular schedule) on a particular job normally will be given to the employee who has been working on that job during the regular ~~shift, or shift or~~ may be rotated among employees when multiple employees have been performing similar work. Generally, overtime is not offered to an employee who is underperforming.

The Housing Authority provides overtime compensation to non-exempt employees for all hours worked in excess of 40 hours per ~~workweek~~7-day work period. All overtime (or work hours beyond the employee's regular schedule) must be approved in advance by the supervisor, except in the cases of emergency call-outs, with approval documented in the electronic ~~time card~~timecard.

In all cases, non-exempt employees will receive compensation at one and one-half their regular rate of pay for each overtime hour worked. For computation purposes, "hours worked" does not include paid vacation, sick leave, AHA-paid holidays, floating holidays, or any other paid time off. Unpaid sick leave, personal leave or any other unpaid time away from work is also not considered hours worked.

Exempt Employees and Overtime

Exempt employees are paid a fixed salary that is intended to cover all of the compensation to which they are entitled. Because they are exempt, such employees are not entitled to additional compensation for extra hours of work. Accordingly, the Agency does not maintain

any time off plan or arrangement with exempt employees. ~~Neither extra compensation nor time off will, under any circumstances, be owed or payable to an exempt employee during employment or upon separation from the Housing Authority's employ for any reason.~~

ON-CALL AND EMERGENCY CALL COMPENSATION

Maintenance personnel who live within ~~40~~ Forty (40) miles of Alameda may be required to perform ~~rotating weeks of~~ on-call service. A non-exempt employee will be compensated for one and one-half hours of straight time pay for each day of on-call service, even if that employee is not actually called into service. On-call service is assigned at the discretion of AHA and may be eliminated, suspended, or reassigned at any time. Hours compensated for on-call service are not considered hours worked for purposes of calculating overtime.

A non-exempt regular employee on call who is called back to work will be compensated for time worked at the usual overtime rate of pay for the employee's position for a minimum of two hours of work, irrespective of the number of hours worked during the work week. This provision also applies to other maintenance and non-maintenance employees who may be called back to work in the event of an emergency. This provision does not apply to instances in which the employee is called to report less than two hours before their regular starting time and is working from the time they report through their regular starting time. Emergencies that require an employee to work past the normal end of their shift will be considered hours worked for purposes of calculating ~~overtime, and~~ overtime and are also not subject to on-call/call-in provisions.

For more information about on-call and emergency call procedures, maintenance personnel may refer to the Maintenance Procedures document.

BILINGUAL PAY

The Executive Director (or designee) may designate employees to receive bilingual pay at \$50 a month based on the translation needs of the Housing Authority and the employee's ability to provide the service. ~~Bilingual pay is sporadically assigned and only temporary assigned may be authorized on either a continuing or temporary basis~~ (i.e., for a specific activity).

~~IN ORDER TO RECEIVE TEMPORARY BILINGUAL PAY, EMPLOYEES MUST BE ABLE TO DEMONSTRATE THEIR BILINGUAL CAPACITY, BUT DO NOT NEED TO BE CERTIFIED BY AHA'S OUTSIDE PROVIDER. EMPLOYEES MAY BE COMPENSATED AT THE RATE OF \$50 PER MONTH FOR UP TO 3 MONTHS IN A CALENDAR YEAR. TEMPORARY BILINGUAL PAY IS AUTHORIZED AT TIMES WHEN SERVICES ARE ANTICIPATED TO BE NEEDED, BUT AN EMPLOYEE APPROVED FOR TEMPORARY BILINGUAL PAY DOES NOT NECESSARILY NEED TO PROVIDE BILINGUAL SERVICES DURING THE APPROVED PERIOD TO RECEIVE BILINGUAL PAY.~~

~~ONLY NON-EXEMPT EMPLOYEES ARE ELIGIBLE TO RECEIVE EITHER FORM OF TEMPORARY BILINGUAL PAY, REGARDLESS OF LANGUAGE. HOWEVER, EXEMPT EMPLOYEES WITH LANGUAGE SKILLS IN ONE OF THE AGENCY'S LEP LANGUAGES MAY ALSO BE ELIGIBLE FOR EITHER FORM OF BILINGUAL PAY. EXEMPT EMPLOYEES WITH NON-LEP LANGUAGE SKILLS MAY BE REQUIRED TO PROVIDE INTERPRETATION OR TRANSLATION SERVICES IF NEEDED. THE~~

~~EXECUTIVE DIRECTOR MAY AUTHORIZE BILINGUAL PAY FOR EXEMPT EMPLOYEES FOR OTHER (NON-LEP) LANGUAGES AS NEEDED.~~

NOTARY PUBLIC STIPEND

The Executive Director (or designee) will designate ~~which~~ employees who obtain and maintain a notary public certificate from the State of California or who are deputized by an agency's chief administrative officer to sign legal or financial documents for the agency who shall serve as notary publics for the AHA. Those employees, and only those employees, are eligible to receive a monthly stipend in the form of a taxable salary augmentation for their additional service at the rate of \$50.00. This stipend is paid whether or not any notary services were actually provided during the period of compensation. As a condition of receiving notary public stipend pay, designated employees are expected to be available to provide notary public services as needed, including during events or meetings that may occur outside of normal business hours.

The Human Resources Department will maintain a current list of employees designated to receive the notary public stipend.

SHOES/BOOTS ALLOWANCE

Affected maintenance and other staff who work in construction areas may request reimbursement for the purchase of steel or hard toe safety boots or shoes that are required for their position and which must be worn as a condition of employment. ~~The maximum reimbursement rate is authorized by the Board during the budget process. There is no limit on the number of shoes/boots that the employee purchases with the annual allowance.~~

ACTING PAY

An employee who is assigned by the employee's supervisor and approved by the Executive Director, to perform ~~a~~ job duties in a higher classification during the temporary absence of another employee will receive ~~non-PERS-able~~ "acting pay" during the assignment. ~~On the 31st day, UzU~~ Unless otherwise approved by the Executive Director, acting pay is set at the first step of the classification to be held temporarily as long as the amount is not less than five (5) percent above the current salary step of the employee assigned to the acting position. To be eligible for acting pay, the temporary assignment must not be for less than ~~one full pay period~~ 15 consecutive business days.

Where an employee is assigned a temporary working classification due to the performance of duties that are above their normal classification and for which there is no classification available, the employee may be eligible to receive acting pay at the discretion of the Executive Director. ~~Acting pay will be paid at no less than five (5) percent over the employee's current hourly wage, even if this temporary increase is at a level higher than the top of the wage range to which the employee is assigned.~~

Employees may be required to continue to perform their regular duties while receiving Acting Pay.

PART NINE: WORKPLACE HEALTH AND SAFETY

DRUG & ALCOHOL-FREE WORKPLACE

As part of the Housing Authority's ongoing commitment to a safe and healthy workplace, the Housing Authority maintains a drug and alcohol-free workplace. Any employee who reports to work while under the influence of drugs or alcohol runs the risks of endangering their safety and the safety of others, destruction of or damage to personal or AHA property, and a loss of productivity and workplace morale.

All employees are required to understand and comply with the Housing Authority's drug and alcohol-free workplace policy. Employees conducting Housing Authority business regardless of location are prohibited from all of the following:

- Unauthorized use, possession, purchase, sale, manufacture, distribution, transportation, or dispensing of alcohol or a controlled substance in either Housing Authority workplaces or wherever Housing Authority business is performed.
- Reporting to work while under the influence of alcohol or a controlled substance.

Use of prescribed medications and drugs in accordance with physician's instructions is not a violation of this policy, as long as the medications or drugs do not interfere with the employee's ability to perform their duties. An employee must notify their supervisor before beginning work when taking medications or drugs that could interfere with the safe and effective performance of duties or the operation of Housing Authority equipment. If there is a question regarding an employee's ability to perform assigned duties safely and effectively while using prescribed medications, the Housing Authority may require medical clearance.

If the Housing Authority reasonably suspects that an employee is under the influence of alcohol or drugs, the employee shall be prevented from engaging in further work and may be detained for a reasonable time until they can be safely transported from the work site. If the Housing Authority has reasonable suspicion that an employee is under the influence of alcohol or drugs, the Housing Authority may require the employee to submit to AHA's drug/alcohol testing procedure.

"Reasonable suspicion" is based on objective factors a reasonable person would believe that the employee is under the influence of drugs or alcohol at work. Examples of objective factors include, but are not limited to: unusual behavior, slurred or altered speech, body odor, unkempt appearance, red or watery eyes, unsteady gait, lack of coordination, sleeping on the job, a pattern of abnormal or erratic behavior, a verbal or physical altercation, puncture marks or sores on skin, runny nose, dry mouth, dilated or constricted pupils, agitation, hostility, confused or incoherent behavior, paranoia, euphoria, disorientation, inappropriate wearing of sunglasses, tremors, an accident involving agency equipment or property, or other evidence of recent drug or alcohol use. In order to receive authority to test, the supervisor must record the facts that support reasonable suspicion and discuss the matter with the Executive Director or designee. If there is a reasonable suspicion of drug or alcohol abuse at work, the employee will be relieved from duty and placed on

sick leave until the test results are received. Refusal to submit to the Housing Authority's drug/alcohol testing procedure may constitute insubordination and subject the employee to discipline.

The Housing Authority has established an Employee Assistance Program (EAP) to assist those employees who voluntarily seek help for alcohol or drug problems. Employees who think they may have an alcohol or drug usage problem are urged to seek confidential assistance from the EAP. Employees should contact Human Resources for additional information about the EAP.

As a condition of employment, Housing Authority employees are expected to abide by the terms of this policy and are required to notify the Housing Authority of any criminal drug statute conviction occurring in the workplace within five days of the conviction. Disciplinary action will be taken against those who violate this policy.

SMOKING

For health and safety considerations, the Housing Authority discourages smoking. Smoking by employees, including the use of e-cigarettes or other unregulated nicotine products, is prohibited in all locations on Housing Authority property, including office/maintenance areas, dwelling units/grounds, parking lots, and vehicles, and while conducting AHA business, regardless of location.

SAFETY AND SECURITY

The Housing Authority strives to provide a secure work environment for our employees and visitors. It is the policy of AHA to provide and maintain safe and healthful working conditions. Every AHA employee shares a responsibility for the prevention of accidents and everyone is expected to cooperate to the fullest to make sure our agency is a safe place to work. Employees are required to be safety conscious and to report immediately any unsafe or hazardous condition directly to their supervisor or the Injury and Illness Prevention Program (IIPP) Administrator. Employees also are required to participate in regular safety trainings, to read and follow the Housing Authority's Safety Policies and Rules, and to become familiar with AHA's IIPP, provided as separate documents.

Our main building is equipped with an alarm system that is activated during non-business hours via a rotation system by exempt staff at 701 Atlantic, and exterior doors/gates that are locked at all times (except the front entrance door) as are reception area doors that provide access to the interior of the office. Other AHA offices maintain systems that allow for the safety and security of employees assigned to work in those locations.

Each employee is required to comply with all AHA security procedures and immediately report any breach of security to their supervisor. These procedures include, but are not limited to the following:

- Immediately report lost or stolen keys/access badges or missing AHA property to your supervisor.
- Employees may be responsible for the cost of replacing lost or stolen AHA property, such as parking lot remotes, badges, and keys.
- Employees may not keep or store AHA equipment or keys/badges in vehicles except while travelling to or from work.
- Copying or giving AHA keys/badges, alarm codes, or parking lot remote controls to an unauthorized individual is strictly prohibited.

We encourage employees to be prudent about bringing personal items to work. The Housing Authority is not responsible for losses resulting from theft or damage to employees' personal property.

VIOLENCE IN THE WORKPLACE

The Housing Authority is committed to providing a safe, violence-free workplace. Therefore, the Housing Authority strictly prohibits employees, consultants, customers, visitors, vendors, or anyone else on Housing Authority premises or engaging in a Housing Authority-related activity from behaving in a violent or threatening manner. This policy applies in any location where Agency business is conducted, including vehicles and parking lots. As part of this policy, the Housing Authority seeks to prevent workplace violence before it begins and reserves the right to deal with behavior that suggests a propensity towards violence even prior to any violent behavior occurring. Any violation of this policy may lead to criminal prosecution, and/or disciplinary action, up to and including termination.

Prevention of workplace violence begins with the recognition of potential early warning signs and the establishment of agency procedures for responding to any situation that presents the possibility of violence.

Employees are prohibited from participating in or promoting acts of intimidation, violence, threats, coercion, assault and/or abusive behavior toward any person while in the course of Housing Authority employment. The Housing Authority has zero tolerance for any conduct that references workplace violence, even if it was intended to be harmless, humorous, a prank, blowing off steam, or venting.

Workplace Violence Definition

Workplace violence is defined as any conduct that causes an individual to reasonably fear for their personal safety or the safety of their family, friends, and/or property. Specific examples of workplace violence include, but are not limited to, the following:

- Threats of any kind or acts of physical harm directed toward an individual or their family, friends, associates, or property
- Threatening, physically aggressive, or violent behavior, such as intimidation of or attempts to instill fear in others

- Destruction of, or threat of destruction of Agency property or another employee's property
- Fighting, challenging another person to fight, or participating in dangerous or threatening horseplay
- Striking, punching, slapping, or assaulting another person
- Grabbing, pinching, or touching another person in an unwanted way whether sexually or otherwise
- Harassing or threatening phone calls or electronic communications
- Surveillance of or stalking another person
- Other behavior that suggests a propensity towards violence, such as belligerent speech, excessive arguing or swearing, sabotage or threats of sabotage of Housing Authority property, or a demonstrated pattern of refusal to follow AHA policies and procedures
- Defacing AHA property or causing physical damage to the facilities
- With the exception of security personnel, bringing weapons or firearms of any kind on Housing Authority premises or while conducting Housing Authority business.

Reporting

If any employee observes or becomes aware of any of the above-listed actions or behavior by an employee, customer, consultant, visitor, or anyone else, they should notify any manager or supervisor immediately.— The supervisor or manager will immediately report the matter to the Human Resources Director.

The Director of Human Resources will document the incident, including the employee names(s), date/time, location, incident description, witness names and statements, description of unidentified parties, description of the act(s) and/or behavior arising from the incident, action taken, and provide any other relevant information regarding the incident.

The form to fill out an incident report can be found here:
<https://form.alamedahsg.org/Forms/Incident-Report>.

The form to fill out a violence incident report can be found here:
<https://form.alamedahsg.org/Forms/wv-incident>.

The form to fill out a workplace safety report can be found here:
<https://form.alamedahsg.org/Forms/safetyfeedback>.

The Housing Authority will take appropriate steps to provide security, such as: placing the employee alleged to have engaged in workplace violence on administrative leave, pending investigation; asking any threatening or potentially violent person to leave the site; or immediately contacting the appropriate law enforcement agency.

Employees are required to report to the Executive Director or designee if any restraining order is in place, or if any potentially violent non-work-related situation exists that could result in

violence in the workplace. Employees may be required to obtain a restraining order against a particular individual in the interest of staff safety.

Investigation

All reports of workplace violence will be taken seriously and investigated promptly and thoroughly. In appropriate circumstances, the Housing Authority will inform the reporting individual of the results of the investigation. To the extent possible, AHA will maintain the confidentiality of the reporting employee and of the investigation but may need to disclose results in appropriate circumstances, for example, in order to protect individual safety. AHA will not tolerate retaliation against any employee who reports workplace violence.

Corrective Action and Discipline

If the Housing Authority determines that workplace violence has occurred, the Housing Authority will take appropriate corrective action, including possible discipline of offending employees up to and including termination. The appropriate corrective action will depend on the particular facts but may include oral or written warnings, probation, reassignment of responsibilities, suspension, or termination. If the violent behavior is that of a non-employee, the Housing Authority will take appropriate corrective action in an attempt to ensure that such behavior is not repeated.

Under certain circumstances, the Housing Authority may forego disciplinary action on the condition that the employee takes a medical leave of absence. In addition, the Housing Authority may require that the employee participate in counseling, either voluntarily or as a condition of continued employment.

Employee Assistance Program

Any employee who believes that they may have a problem that could lead to violent behavior is encouraged to seek confidential assistance from the Employee Assistance Program (EAP). For information about accessing the EAP, contact Human Resources.

Employees should refer to the Housing Authority's Workplace Violence Prevention Plan, which can be found in Yardi Aspireat: <LIST LOCATION>.

PART TEN: WORK PRACTICES AND ENVIRONMENT

PUNCTUALITY AND ATTENDANCE

All employees are expected to be responsible and demonstrate respect for fellow employees by establishing a record of punctuality and regular attendance. Attendance and punctuality are important to the efficient operation of any business, and are factors considered in evaluating an employee's overall job performance. Employees are expected to be present and ready to work at their scheduled work time each day and for the duration of their work shift. Non-exempt employees must adhere to their scheduled workday, and any established break and meal periods. Frequent tardiness, excessive absenteeism, or abuse of sick leave will not be tolerated, and will result in disciplinary action.

Employees who are unable to report for work for any reason must notify their immediate supervisor no later than one-half hour after their regularly scheduled start time on the first day and each subsequent day of an unscheduled absence by calling the Absence Reporting Line at 1-510-649-5529. Employees must indicate the type of leave needed (i.e., sick or vacation), and the probable duration of the absence or the planned arrival time at work if tardy. Upon returning to work, employees must promptly and accurately record any absences in the electronic timekeeping system.

An employee is deemed to have resigned from their position if they are absent for three consecutive scheduled ~~work days~~workdays/shifts without prior authorization and without notification during the period of the absence. The employee will be given written notice, at their address of record, of the circumstances of the job abandonment, and an opportunity to provide an explanation for the employee's unauthorized absence. An employee who promptly responds to the agency's written notice, within the timeframe set forth in the written notice, can arrange for an appointment with the Executive Director or designee before final action is taken, to explain the unauthorized absence and failure of notification. An employee separated for job abandonment will be reinstated upon proof of justification for such absence, such as severe accident, severe illness, false arrest, or mental or physical impairment which prevented notification. No employee separated for job abandonment has the right to a post-separation appeal.

LEAVING DURING WORK HOURS

Non-exempt employees who leave the premises during their work time for any reason unrelated to their job must get approval from their supervisors (or designated alternates) for any period of absence prior to leaving work. As a courtesy and to ensure an appropriate level of management coverage, exempt employees who need to leave work unexpectedly are requested to notify their supervisors as well.

TELECOMMUTING

Telecommuting is a work arrangement in which some of the employee's work is performed at home. Telecommuting is a privilege that may be appropriate for some employees and some jobs. It is not an entitlement or an Agency-wide benefit. Performance expectations of an employee are the same regardless of work location.

The Housing Authority may allow exempt staff the option to telecommute on an occasional, informal basis for a limited period of time when the employee's work can reasonably be carried out from home without unduly impacting either the employee's own level of work productivity, or that of their fellow employees or any subordinates, including providing for an appropriate level of overall management presence in the office. All informal telecommuting arrangements are made on a case-by-case basis at the discretion of the supervisor in consultation with the Director of Human Resources and are memorialized in writing in advance of the employee

~~being able to telecommute.~~ Supervisors should know the specific work ~~day being requested. If requesting a short-term change in schedule the supervisor should know the work~~ to be performed and the projected amount of time. ~~Approval will be made based on operational need and approved by the Executive Director expected before granting permission for short-term, informal work-at-home arrangements.~~ All employees who telecommute, ~~even on an occasional, informal basis,~~ are responsible for ensuring a safe home workplace and taking appropriate steps to safeguard AHA confidential information. ~~AHA reserves the right to designate only certain exempt positions as eligible for telecommuting.~~

The Housing Authority may also designate positions approved for telecommuting in response to an emergency or similar occurrence, or on an ongoing basis. Positions authorized to telecommute on a regular basis are designated by the Executive Director, who also has the authority to determine the level of telecommuting that is allowed and when telecommuting is no longer required. Employees that telecommute ~~on other than an infrequent, informal basis,~~ are required to have an approved telecommuting agreement and safety self-certification checklist on file with Human Resources.

GUESTS AND VISITORS

Employees must discourage frequent or regular visits from family or friends to ensure that the workplace is not unduly interrupted and to maintain a professional atmosphere for both employees and the public. Should it be necessary for a friend or family member to call on an employee during business hours, visits are to be kept to a minimum and visitors are to be directed to areas away from other employees and/or the public so as not to be disruptive. The employee being visited may not perform any work during the visit to ensure work accuracy and client confidentiality.

All visitors are required to sign in upon arrival at the AHA office. ~~Visitors are to remain in the reception area until escorted by the appropriate employee, and employee and~~ must remain in the company of an employee at all times while in the AHA office.

While AHA is sensitive to employees' dependents' needs, it is not appropriate for minor children or other minor visitors of employees to be in the workplace during working hours, except for very brief visits. In those cases where minors are in the workplace, they must be directly supervised by the employee at all times.

In the interest of maintaining the health and well-being of all AHA employees, visitors who are ill should not be brought to the workplace. AHA provides sick leave so that employees may provide care for their sick dependents at home. Employees may contact AHA's Employee Assistance Program for assistance with finding emergency care providers for sick dependents.

Any supervisor is authorized to ask visitors to leave the office should it be deemed necessary.

BREASTFEEDING-FRIENDLY WORKPLACE

The Housing Authority encourages employees and management to have a positive, accepting attitude toward working parents and breastfeeding. AHA promotes and supports breastfeeding and the expression of breast milk by employees who are breastfeeding their babies.

It shall be the policy of the Housing Authority to provide:

- Information about breastfeeding support prior to an employee's leave for pregnancy disability or related condition, including providing a copy of this policy when an employee inquires about or requests parental leave.
- The Housing Authority will provide a reasonable amount of break time to accommodate any employee desiring to express breast milk for the employee's infant child each time the employee has a need to express milk. The break time shall, if possible, run concurrently with any break time already provided to the employee. If the employee takes lactation breaks at times other than their provided break times, then the lactation break shall be unpaid or the employee may choose to use accrued leave.
- ~~Those desiring to take a lactation break at times other than their provided break times must notify a supervisor prior to taking such a break. Breaks may be reasonably delayed if they would seriously disrupt operations. Once a lactation break has been approved, the break should not be interrupted except for emergency or exigent circumstances. Reasonable amount of break time to express milk or breastfeed. In the event that an employee requires additional break time, other than the scheduled rest or meal periods, additional unpaid time off will be provided for this purpose. Supervisors are encouraged to consider flexible break times, schedules, or other reasonable accommodation to meet employees' needs.~~
- A designated room within the AHA office, that is not a bathroom, which shall be furnished with an electrical outlet, comfortable seating, a table, appropriate signage, and be free from intrusion to ensure privacy while the employee is expressing milk. The room or location will meet the following requirements:
 - Be shielded from view and free from intrusion while being used to express milk;
 - Be safe, clean, and free of hazardous materials;
 - Contain a surface on which to place a breast pump and personal items;
 - Contain a place to sit; and
 - Have access to electricity needed to operate an electric battery-powered breast pump.
- Access to a sink with running water close to the lactation room and a refrigerator for storing milk in close proximity to the employee's work area.

All other employees should avoid interrupting an employee during an authorized break under this policy, except to announce an emergency or other urgent circumstance.

Employees have the right to request lactation accommodation, and should make their request, preferably in writing, to the Director of Human Resources. A form for making a lactation accommodation request is available from Human Resources. Human Resources will respond to the ~~request, and~~request and will provide a written response to the employee and shall notify the employee if AHA cannot provide break time or a compliant location. Employees have the right to file a complaint with the Labor Commissioner for any violation of Labor Code sections 1030, et seq., which governs lactation accommodations.

USE OF FACILITIES AND PROPERTY

Employees are asked to treat Housing Authority property as they would their own. Specifically, employees are to keep their work area and AHA common areas clean and well maintained and limit their use of AHA equipment to work-related purposes. Employees are required to receive written supervisory approval before removing any Housing Authority property from the premises. Employees may decorate their ~~work spaces~~workspaces, as long as such decorations are consistent with AHA policies. Employees must consult with the Director of Human Resources before displaying items in or making any alterations to public spaces or common areas.

TOOLS AND EQUIPMENT

The Housing Authority supplies employees with all tools and equipment necessary to carry out assigned duties. Employees are responsible for the safekeeping of all tools and equipment. Use of agency tools or equipment for other than official Agency business, loss of equipment, or any unusual damage above and beyond normal wear and tear are grounds for disciplinary action. Responsibility for replacement due to normal wear and tear lies with the Housing Authority.

INSPECTION OF ~~TOOL BOXES~~TOOLBOXES/DESKS/COMPUTERS/VEHICLES

~~Tool boxes~~Toolboxes, desks, computers, agency vehicles, etc., are the property of the Housing Authority and are provided to employees for their use and convenience during work hours. As a result, Housing Authority employees have no expectation of privacy in their use of any Agency equipment or resource. It is understood that the Housing Authority has the right to open and inspect any such tool boxes, desks, computer directories, or vehicles, as well as any contents, effects, or articles that are contained in same at any time, with or without advance notice or the employee's personal consent. This includes, but is not limited to, inspections of emails, history of Internet usage, logs of calls made and received on Agency telephones and Agency-issued cellular phones/smart phones, text messages sent and received on Agency-issued cellular phones/smart phones, and voicemail on Agency telephones and Agency-issued cellular phones/smart phones. Inspections may be conducted before, during or after working hours by the employee's supervisor or a department head when there is a customer service or business or program related need. For situations involving suspected inappropriate conduct, the

Executive Director or Director of Human Resources shall designate the individual(s) authorized to carry out the ~~inspection~~inspection.

USE OF MOTOR VEHICLES

Employees must follow the Housing Authority Vehicle Use and Accident Reporting procedures provided as a separate ~~document, and~~document and are required to sign an acknowledgement that they have received the information.— Assignment of driving responsibilities, in either an agency vehicle or in the employee's own vehicle, is conditional upon receipt of a satisfactory report from the State of California, Department of Motor Vehicles.

Employees who use their own automobiles for travel on authorized AHA business will be reimbursed for mileage at the rate established by the Internal Revenue Service. Employees must have prior supervisory approval for the use of personal vehicles and must have on file in advance of using their personal vehicle, a copy of their driver license and evidence that they obtained at their own expense the minimum insurance coverage for property damage and public liability.

Employees who wish to use an agency vehicle must reserve the vehicle and sign it in and out on the day of use. Use of agency vehicles for personal reasons is strictly prohibited.

EXPENSE REIMBURSEMENT

Reasonable and customary expenses incurred in the performance of one's job or to attend trainings/conferences will be reimbursed. Reimbursement requires prior authorization by the employee's immediate supervisor and/or Department Director or Executive Director, written approval of actual expenses, and completion of a signed expense reimbursement form with all required documentation/receipts attached. Receipts must be provided for all reimbursable expenses.

Employees must follow the Housing Authority's Training and Travel and Reimbursement Policy, provided as a separate document, including submitting any expenses no later than 60 days following the date(s) the expenses were incurred. Employees are expected to be prudent with expenses, particularly when traveling.

DRESS GUIDELINES

The Housing Authority's objective in establishing guidelines for work attire is to enable our employees to be comfortable in the workplace, while also projecting a professional and businesslike image in dealing with other employees, volunteers, and the general public.— All employees are asked to observe good grooming and personal hygiene ~~habits, and~~habits and are expected to dress in a manner appropriate for their position in the agency as discussed below.— The following guidelines have been developed to provide general parameters for appropriate work attire and to help employees exercise good judgment about similar items that are not specifically addressed.

Basic Guidelines

~~Regardless of whether it is a regular work day/workday or a designated “casual dress day,”~~

Clothing must be clean, neat, and fit properly. In all situations, clothing should be comfortable and practical for work, but not distracting or offensive to others. Employees may observe dress and/or grooming practices consistent with their religious beliefs; any employee requiring special clothing accommodations for any reason should advise their supervisor in advance.

Work attire that is inappropriate for the workplace includes clothing that is revealing, ~~tight fitting~~ (such as ~~athletic/exercise wear~~, spandex, ~~pants~~ or leggings), tank tops, ~~or~~ shorts, mini-skirts/dresses, ~~sweats, athletic/exercise wear~~, see-through clothing, or clothing that shows ~~bare~~ shoulders, back or midriff, or that exposes underwear. Clothing with inappropriate wording or logos, such as offensive images or wording including profanity also may not be worn. Treatments to clothing that are inappropriate for the workplace include clothing that is visibly torn, frayed, or ripped, ~~or excessively worn~~.

~~Regular Work Days~~Workdays

~~All employees should wear casual business attire on Mondays through Thursdays, and a clean and neat appearance should be maintained at all times.~~ Casual business attire may include denim skirts or dark-rinse, colored, or trouser-style jeans as long as they are professional in appearance (e.g. full length, not frayed or ripped). Footwear must be in good repair and appropriate for the work environment and functions performed. When performing office-based work, open-toed shoes and sandals may be worn so long as they are an appropriate style for the workplace. When performing off-site work, sturdy closed-toe shoes must be worn at all times.

Employees should use good judgment about whether or not business casual attire is appropriate on a daily basis. For instance, casual attire is not appropriate for meetings or other work scheduled where formal business attire, such as a suit and tie, pantsuit, or dress/skirt and jacket, is customary and more appropriate.

Casual Dress Days

~~The Housing Authority observes “casual Fridays” on which clothing more casual than that allowed for Regular Work Days/Workdays may be worn, including other styles of jeans as long as they are appropriate for the workplace. However, it is important that employees understand that a neat, professional appearance is always necessary, especially when interacting with the public. As such, if you have an appointment or meeting that involves customers or participants other than members of staff, you should follow the Regular Work Day/Workday guidelines provided above.~~

Under special circumstances (e.g., storage clean-up, moving furniture, etc.) more casual attire may be worn on specific work days/workdays ~~other than Fridays upon supervisory approval~~. In

all situations, clothing should be comfortable and practical for work, but not distracting or offensive to others.

Supervisor Responsibility

Supervisors are responsible for interpreting and monitoring dress and grooming standards and have the authority to make decisions regarding what is inappropriate office or field appearance and to determine what action will be taken when guidelines are not being followed. The action taken will be based on the severity of the ~~infraction, and~~ infraction and may ~~including~~ include counseling employees whose attire is considered inappropriate or sending the employee home to change into appropriate work attire.

MAINTENANCE STAFF UNIFORMS

Employees in certain maintenance positions are permitted to wear jeans or other sturdy work clothing, though a neat appearance is still important. Maintenance workers are required to wear uniform shirts, which are provided and cleaned by the Housing Authority. AHA may also provide other work/weather/safety related gear or equipment such as jackets, hats, foul weather gear, and gloves to employees who work outdoors. Employees are responsible for the safekeeping of all items they are furnished, must wear AHA-provided attire, and may not substitute personal items for AHA-provided items when on the job site. Damaged or worn gear must be submitted to the Department Head for replacement.

SCENT FREE WORKPLACE

Scents are prohibited in the workplace. Some employees and members of the public suffer from unpleasant and, in acute cases, life-threatening physical effects from scented products. Personal fragrant products (e.g., fragrances, colognes, lotions, powders and other similar products) that are perceptible to others should not be worn by employees. Other fragrant products (e.g., scented candles, potpourri and similar items) and plants are also not permitted in the workplace.

Employees required by medical necessity to use medicinal lotions or skin creams that contain perceptible odors must request a reasonable accommodation from their supervisor or Human Resources.

Employees with other allergies or substance sensitivities are encouraged to make their needs known to the Director of Human Resources so that appropriate steps may be taken to limit any health risk to the employee.

PARKING

The Housing Authority shall attempt to provide employees with free parking at the AHA office. However, parking spaces are limited and so may be assigned or allocated on a first-come first-

served basis at the time of employment by Human Resources. In the event that adequate spaces are not available for all employees, Human Resources will establish a formal parking policy that takes into account reasonable accommodations, business needs, and where possible employee preference. Additional information about parking procedures may be obtained from Human Resources.

Employees who wish to park their vehicle on AHA property must have a valid license on file and provide a current insurance certificate annually to Human Resources.

SOLICITATIONS

It is a Housing Authority policy to prevent work disruptions and protect employees from harassment related to solicitations. During working time, employees are prohibited from soliciting or distributing literature or other materials to another employee, nor may employees use AHA's electronic communication systems or display such materials in the public areas of the office, such as the lobby, at any time to do the same. Working time includes the working time of both the employee doing the soliciting or distributing and the employee to whom the soliciting/distributing is being directed. Working time does not include break periods, meal periods, or any other specified periods during the workday when employees are not engaged in performing their work.

Persons who are not employed by the Housing Authority shall not distribute literature or other materials or solicit employees or visitors verbally, electronically or by other means on Housing Authority property at any time or for any purpose without approval of the Executive Director.

REFERENCES

The Executive Director (or designee) and the Director of Human Resources are the only individuals authorized to provide information of any kind regarding current or former employees, volunteers, or vendors.

Generally, only hire and termination dates and job titles are provided in response to a reference or verification of employment request. Except as provided by this policy, all employee information is considered confidential.

PART ELEVEN: INFORMATION AND COMMUNICATION

TECHNOLOGY, VOICE MAIL AND ELECTRONIC MAIL

Housing Authority employees are permitted to use AHA's voice mail, electronic mail, computers, software, temporary or permanent files, networking sites and internet access (collectively "Technology Systems") to perform their work and communicate with others for business purposes. Computers and Internet access, telephones and cell phones, and other forms of information technology are provided to employees based upon business needs. The e-mail system is to be used for AHA or work-related email only, and not for personal purposes. Employees must utilize their official Housing Authority email address for all Housing Authority

communications sent via email. Employees are prohibited from using their private email address (i.e., Gmail, Yahoo!, Hotmail/MSN, etc.) for Housing Authority business. In no event should Housing Authority's Technology Systems be used to send jokes, comments or information to others that may be perceived as discriminatory, harassing, offensive, disruptive, or otherwise in violation of any AHA policy. Any technology provided by the Housing Authority may not be used to send material that disparages an individual, company, or business entity, or to disclose personal information without authorization.

Employees may not install, copy, stream, or download software onto AHA computers unless authorized to do so by the Director of Administration ~~one~~ and Services or the Director of Human Resources. Employees also are prohibited from downloading any personal files onto work computers, as this may result in reduced capacity, slower computer speed for all employees, and maintenance and support issues. In addition, it places the employee's computer and the entire AHA network at risk for viruses, compromised network security, and other problems.

Non-exempt employees are prohibited from accessing any AHA Technology Systems, including email, from outside the office or during non-work hours, unless otherwise approved by the Executive Director or designee.

Employees do not have any right of privacy in any Housing Authority Technology Systems, including email sent to or received by AHA computers or transmitted via AHA's servers and networks. The Housing Authority may monitor and/or search the contents of all voice mail, computer files, and electronic communications (including email) to promote the administration of AHA's operations and policies or for any other business reason. By these provisions AHA employees should not have an expectation of privacy when utilizing AHA technology.

Use of personal technology devices during work time is discouraged. Further, no employee may use unauthorized personal devices, software, or other technology in conjunction with Housing Authority property or Technology Systems.

All employees are provided training on and required to sign an acknowledgment that they have reviewed and understand AHA's Information Technology Policy at the time of hire and periodically during the course of employment.

USE OF AGENCY-ISSUED CELL PHONES

All Housing Authority cell phones are provided as a tool to conduct Agency-related business. Agency cell phones are issued on an as-needed basis with the approval of the Executive Director. All Housing Authority employees shall use such devices in a responsible, appropriate, and safe manner. All employees assigned communications equipment shall assume the responsibility to use the equipment in accordance with the provisions of this policy and the Housing Authority's Information Technology Policy.

- Employees are prohibited from installing any third-party equipment or applications to Agency cell phones unless approved by the employee's supervisor in writing.

- Employees have no expectation of privacy as to data residing in telecommunications devices and /or voice mail. The Housing Authority may inspect that data at any time and without notice, as permitted by state and federal law.
- Employees shall protect Housing Authority cell phones from loss or damage. An employee assigned an Agency phone is responsible for its good care and will be required to reimburse the Agency's cost for any damage, or lost cell phones due to negligence. If a device is damaged, fails to work properly, or is stolen or lost, the employee shall immediately notify the Executive Director.
- Cell phones may not be used for watching videos, playing games, and participating in social media (other than for AHA business).
-
- Agency cell phones should only be used by employees in the performance of their official duties. Personal use of Housing Authority cell phones is strictly prohibited and will result in disciplinary action and reimbursement of charges for personal use.

USE OF PERSONAL CELL PHONES

The Housing Authority recognizes the need for employees to be able to be contacted in the event of an emergency or other urgent situation. Employees are expected to observe the following guidelines, however, to avoid unnecessary disruption in the workplace and maintain productivity:

- Cell phones shall be turned off or set to silent or vibrate mode during meetings, conferences and in other locations where incoming calls may disrupt normal workflow.
- Employees may carry and use personal cell phones while at work on a sporadic basis. If employee use of a personal cell phone causes disruptions or loss in productivity, the employee may become subject to disciplinary action. ~~AHA Department heads~~ reserve the right to request that the employee provide cell phone bills and usage reports for calls made during the working hours of that employee to determine if use is excessive.
- Personal cell phones must may not be used for watching videos, playing games, and participating in social media (other than for AHA business) while on paid work time.
- Employees are prohibited from making or receiving calls on a cell phone while driving within the course and scope of employment, unless the employee has a hands-free device, and texting or emailing while driving is prohibited at all times.—. Please see the Vehicle Use and Accident Reporting procedure for more information.
- Communications on personal electronic devices involving the conduct of public business may be subject to disclosure under public records laws.

SOCIAL MEDIA

The Housing Authority respects the right of employees to use social media for self-publishing and self-expression during personal time on their own devices. To assist employees in making responsible decisions about their use of social media as it relates to their employment, the Housing Authority has established the following guidelines for appropriate use of social media. Housing Authority employees may not:

- Use AHA-owned equipment or software to conduct personal blogging or social network activities
- Use their Housing Authority email address to register on social networks, blogs, or other online tools utilized for personal/social purposes unless authorized by the Executive Director
- Post photographs of other employees, clients/customers, or vendors on personal posts
- Link from a personal blog, social network, or website to the Housing Authority's website without identifying yourself as a Housing Authority employee
- Provide any references or statements of endorsement for other AHA employees on social media sites; any references provided must be done in accordance with the Housing Authority's References policy contained in this Handbook
- Staff will adhere to AHA's Artificial Intelligence policies and procedures.

On personal social media sites, each employee should express only personal ~~opinions,~~ and opinions and must never represent ~~themselves~~ self as a spokesperson for the Housing Authority. If AHA is a subject of content the employee is creating, the employee must be clear and open about the fact that they are an employee of AHA; it must be made clear that these views do not represent those of AHA and the employee is not speaking on behalf of AHA. If the employee intends to post content regarding AHA, it is best to include a disclaimer such as "The postings on this site are my own and do not necessarily reflect the views of The Housing Authority of the City of Alameda."

Employees should understand that they are personally responsible for their commentary on blogs and social networks and can be held personally liable for commentary that is slanderous, obscene, defamatory or libelous by any offended party. Further, employees must comply with the agency's Confidentiality policy when using social media. Employees should remember that colleagues, supervisors, and agency partners often have access to the online content that is posted. Inappropriate postings that may include discriminatory remarks, harassment, threats of violence, or similar inappropriate or unlawful conduct will not be tolerated. Any conduct on social media that adversely affects an employee's job performance, the performance of fellow employees, or otherwise adversely affects staff, volunteers, contractors, vendors, or any other people who work on behalf of or receive services from the Housing Authority is not permitted. Please refer to the ethics section of the AHA Information Technology Policy for additional details.

EMPLOYEE INFORMATION

It is important that personnel files contain up-to-date information regarding each employee. Employees should inform Human Resources immediately whenever there are changes in their personal data (such as address, telephone number, marital status, domestic partnership, number of dependents, and the person to notify in case of emergency), that may affect their pay, benefits, or communications with the Housing Authority.

Additionally, AHA maintains an emergency communications system to enable information to be sent to employees outside of work hours. Employees may opt into this system to include receipt of text messages from AHA on their personal cell phones.

PERSONNEL FILES

Employees have the right to inspect their personnel records relating to their performance or to any grievance concerning them during regular office hours, upon written request to the Director of Human Resources. An inspection request form is available from Human Resources and on AHA shared drives that employees may use to make their request. Records will be made available for inspection within 30 days of receipt of the written request. An appointment to inspect the file may be made with the Director of Human Resources, who will accompany the employee or their representative while they inspect the file. A former employee is entitled to inspect their personnel records one time per year.

If the current or former employee wishes to have another person/representative inspect their personnel file, they must provide the person/representative with written authorization. The Human Resources Director or their designee will notify the employee and/or representative of the date, time and place of the inspection in writing.

Employees and former employees may obtain copies, at their own cost, of any document in their personnel file to the extent required by law—within 30 days after the employer receives a written request. A current or former employee who wishes to receive such a copy should contact the Human Resources Director or their designee in writing.

Personnel records are the property of the Housing Authority and are not allowed to be taken from the office of the Director of Human Resources without prior written authorization. No person inspecting a personnel file is permitted to add or remove any document or other item to/from the personnel file.

Prior to making a copy of any personnel records or allowing inspection, the Housing Authority may redact the names of nonsupervisory employees. Under no circumstances will the Housing Authority provide access or copying of the following categories of personnel file documents: records relating to the investigation of a possible criminal offense; letters of reference; and ratings, reports, or records that were obtained prior to employment, prepared by identifiable examination committee members, or obtained in connection with a promotional examination.

The Housing Authority will furnish the employee with one copy of all performance reviews and written reprimands or warnings prior to placement of such documents into the employee's personnel file. Employees are encouraged to retain these documents for their records. The employee may be required to acknowledge the receipt of any document entered into their personnel file.

INTERNAL COMMUNICATION

Bulletin boards, mailboxes, meetings, and office e-mail are used to communicate important information to employees on a regular basis. Each employee is responsible for reading posted or distributed information on a timely basis.

MEDIA RELATIONS

Employees should not respond to any inquiries or requests received from a newspaper, radio or television station, or any other type of media for comments or statements on behalf of the Housing Authority. Instead, employees should refer such requests to the Executive Director. The Executive Director will respond directly or provide written authorization to another staff member to serve as AHA spokesperson.

PART TWELVE: STANDARDS OF CONDUCT

POLICY AGAINST DISCRIMINATION, ~~AND~~ HARASSMENT AND RETALIATION; COMPLAINT PROCEDURE

The Housing Authority ~~does not tolerate~~has zero tolerance for discrimination or harassment in the workplace or in a work-related situation based on an individual's race, color, religion (including religious dress and grooming), sex (including gender, gender identity, gender expression, as well as pregnancy, childbirth, breastfeeding, or related medical conditions), national origin or ancestry, citizenship, age, marital status, registered domestic partner status, physical or mental disability, medical condition, sexual orientation, genetic information, military or veteran status, having taken a protected leave, or any other basis protected by law, or based on a perception that the individual has any of these characteristics, or that the person is associated with a person who has, or is perceived to have, any of those characteristics.— **All such discrimination or harassment is prohibited and is a violation of the Housing Authority's workplace conduct rules.—** Conduct need not arise to the level of a violation of state or federal law to violate this Policy.— Instead, a single act can violate this Policy and provide grounds for discipline up to termination or other appropriate sanctions.

This policy prohibits treating a covered individual differently and adversely because of the individual's actual or perceived protected classification; because the individual associates with a person who is or is perceived to be a member of a protected classification; or because the individual participates in a protected activity as defined in this policy.

The Housing Authority expressly prohibits any retaliation against an employee because they filed or supported a complaint or because they participated in the investigation or complaint resolution process. Individuals found to have retaliated against an employee in violation of this policy will be subject to appropriate sanction or disciplinary action, up to and including termination.

This policy covers the conduct of all Housing Authority employees, volunteers, and unpaid interns as well as conduct of persons with whom the Agency contracts to do business, such as independent contractors, suppliers, or vendors when the conduct is directed at, or involves, an Agency employee, volunteer, or contractor. ~~Under certain circumstances, harassment can also include conduct taken by those who are not employees, volunteers or contractors, such as elected officials, members of the Board of Commissioners, appointed officials, or even members of the public.~~

This policy prohibits harassment of a covered individual because of the individual's actual or perceived protected classification. Harassment can take many different forms and may include, but is not limited to:

- Verbal conduct such as epithets, derogatory or degrading comments, slurs, or unwanted comments and jokes made on the basis of a protected classification. ~~This includes inappropriate comments about appearance, hair texture, protective hairstyles, dress, physical features, gender identification, or race/ethnic/sexually-oriented stories and jokes.~~
- Visual conduct such as derogatory posters, cartoons, drawings, emails or gestures related to a protected classification. ~~This includes pinching, grabbing, patting, or making explicit or implied job threats or promises in return for submission to physical acts.~~
- Physical conduct such as blocking normal movement, restraining, touching, or otherwise physically interfering with the work of another individual. This includes pinching, grabbing, patting, or making explicit or implied job threats or promises in return for submission to physical acts.
- Demanding or threatening that an employee's job, advancement, compensation, assignment, or other benefit is dependent upon submission to sexual demands, performing or submitting to actions of a sexual nature, or toleration of harassment.
- Retaliation by any of the above means for having reported harassment or ~~discrimination, or~~ discrimination or having assisted another employee to report harassment or discrimination.

Sexual harassment under this policy includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment;
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Harassment includes conduct that another individual who is a member of the protected classification would find unwelcome or unwanted. Harassment may include the following:

- Conduct that is not intended as to harass. Conduct may violate this policy if the conduct is directed at, or implicates a protected classification and the recipient finds the conduct to be offensive or inappropriate, even if its well-intentioned conduct (e.g., gifts, over-attention, endearing nicknames, hugs).
- Conduct to which the recipient appears to have consented. The Housing Authority does not recognize as a defense that the recipient appeared to have consented to the conduct at issue by failing to protest about the conduct. A recipient may not protest offensive or inappropriate conduct for many legitimate reasons, including, but not limited to, the need to avoid being perceived as insubordinate or to avoid being ostracized or subjected to retaliation.
- Conduct about which no employees previously complained. The fact that no employee previously complained about the same or substantially similar conduct does not mean that the conduct is inoffensive or appropriate nor does that fact preclude an employee from complaining about such conduct if it is repeated.
- Conduct witnessed by a third party or about which a third party learns, even if they did not witness such conduct. Visual, verbal, or physical conduct between two (2) people who do not find such conduct to be offensive or inappropriate may constitute harassment of a third party witnesses such conduct or learns about the conduct later and finds the conduct to be offensive or inappropriate. Conduct can constitute harassment even if it is not explicitly or specifically directed at a particular individual.
- Conduct can constitute harassment even if the individual has no intention to harass. Conduct that may be well-intentioned conduct (e.g., gifts, over-attention, endearing nicknames, hugs) may nevertheless constitute harassment if the conduct is directed at, or implicates a protected classification, and if the individual finds such conduct inappropriate or offensive.

Internal Complaint Procedure

Anyone who believes they have been discriminated against or harassed in connection with their employment, services, or volunteer capacity at AHA, or has observed or is aware of such discrimination or harassment, or who believes they have been subject to retaliation, should immediately notify any of the following individuals:

- Any supervisor or manager, or the other exempt personnel assigned to HR,
- The Director of Human Resources, or any other member of Housing Authority Management, or
- The Executive Director or designee.
- If a complaint is about the Executive Director, the Chair of the Board of Commissioners should be notified. The email address is: boardchair@alamedahsg.org.

There is no need to follow the chain of command.—. Any supervisor or manager who receives a complaint should notify the Executive Director immediately, or the Director of Human Resources in the Executive Director's absence.—. Complaints may be made verbally or in writing

~~A prompt and, to the extent possible, discreet investigation will be conducted, and appropriate corrective action commensurate with the severity of the offense will be taken for any conduct deemed to violate this policy or otherwise to be inappropriate. —. The Housing Authority also will take reasonable steps to protect the complainant from further harassment, discriminationdiscrimination, or retaliation, and take reasonable steps to protect the complainant from retaliation as a result of communicating the complaint.—.~~

Confidentiality

The Housing Authority will make every effort to assure the confidentiality of complaints made under this policy to the greatest extent allowed by law. However, complete confidentiality may not be possible because of the Housing Authority need to investigate the complaint and provide the subject of the complaint their due process rights, which include providing the subject of the investigation a copy of the complaint after the initial investigatory interview, if requested.

The Housing Authority expressly prohibits an employee who is interviewed during the course of an investigation from attempting to influence other employees, including employees who may have witnessed the underlying conduct at issue, while the investigation is open and ongoing.

An employee may discuss their interview with the employee's legal representative. The Housing Authority will not disclose a completed investigation report except as it deems necessary to support a disciplinary action, to take remedial action, to defend itself in adversarial proceedings, or to comply with the law or court order.

Option to Report to Outside Administrative Agencies

Both the state and federal governments have agencies whose purpose is to address unlawful harassment, ~~discrimination~~discrimination, and retaliation in the workplace.—. An individual has the option to report harassment, ~~discrimination~~discrimination, and retaliation to these agencies, both of whom offer legal remedies and a complaint process.—.

- For the State of California, the agency is called the ~~Civil Rights~~ Department ~~of Fair Employment and Housing~~ ("DFEHCRD").—. The local address and telephone number for the ~~DFEH CRD~~ is:
39141 Civic Center Drive, Suite 250, Fremont, CA 94538, Phone: (510) 789-1085. For the federal government, the agency is called the Equal Employment Opportunity Commission ("EEOC"). The local address and telephone number for the EEOC is 1301 Clay Street, Suite 1170-N, Oakland, CA 94612-5217, Phone: (800) 669-4000.

Other Reporting Option

The Housing Authority may provide an additional option for third party reporting of harassment, discrimination, and other workplace ~~wrong doing~~wrongdoing, such as theft or fraud. AHA currently provides employees with access to an Employee Protection Line, which provides for 24/7 reporting which may be done anonymously. Employees may call 1-800-576-5262 or go to www.employeeprotectionline.com to make a report. AHA's code number is 10311.

Retaliation is Prohibited

Adverse conduct taken against any individual for complaining of, reporting, or participating in any investigation of a complaint of harassment or discrimination is strictly prohibited. — This policy prohibits discrimination, harassment, and retaliation because of an individual's protected activity. Protected activity includes, but is not limited to, the following activity: (1) making a request for an accommodation for a disability; (2) making a request for accommodation for religious beliefs; (3) making a complaint under this policy; (4) opposing violations of this policy; or (5) participating in an investigation under this policy as a witness, accused or other party.

"Adverse conduct" includes but is not limited to: disciplinary action, counseling, taking sides because an individual has reported harassment or discrimination, spreading rumors about a complainant, shunning and avoiding an individual who reports harassment or discrimination, or making real or implied threats of intimidation to prevent an individual from reporting harassment or discrimination.

Individuals are protected by law and by Housing Authority policy from retaliation for opposing unlawful discriminatory practices, for filing an internal complaint under this policy or for filing a complaint with the ~~DFEH-CRD~~ or EEOC, or for otherwise participating in any proceedings conducted by the Housing Authority under this policy and/or by either of these agencies.

Each department head shall endeavor to provide a work environment that is free from harassment and discrimination. Anyone who is found by the Housing Authority to have violated this policy, or whose conduct is found otherwise to be inappropriate, will be subject to appropriate corrective action, up to and including immediate termination of employment.

Responsibilities under the Policy Against Discrimination, Harassment and Retaliation:

Each employee is responsible for the following:

- Reviewing and understanding the policy.
- Be aware of the right to complain to the EEOC or CRD (see below).
Treating all individuals in the workplace or on Housing Authority worksites with respect.
- Modeling behavior that conforms to the Policy Against Discrimination, Harassment and Retaliation.
- Participating in periodic trainings on personnel matters.

- Cooperating with the Housing Authority investigations pursuant to this policy by responding fully and truthfully and in a timely manner to all questions posed during the investigation.
- Taking no actions to influence the complainant or any potential witness while the Housing Authority investigation is ongoing.
- Reporting any act, they believe in good faith constitutes harassment, discrimination or retaliation as defined in this policy, to their immediate supervisor or manager, or Department Head, or the Human Resources Director.

In addition to the responsibilities listed above, the AHA is responsible for the following:

Enforcing

- Taking all steps necessary to prevent harassment, discrimination and, retaliation from occurring, including, but not limited to, monitoring the work environment and taking immediate and appropriate action to stop violations (e.g., removing inappropriate pictures or correcting inappropriate language).
- Receiving and responding to complaints in a uniformly fair and serious manner.
- Reporting all complaints to HR promptly.
- Documenting the steps taken to resolve such complaints.
- Following up with those who have complained to ensure that the conduct about which they complained has stopped, if it has been proved to have occurred, and that there have been no reprisals or retaliation or threats of reprisals or retaliation by any party.
- Informing those who complain about harassment and/or discrimination of their option to contact the EEOC or CRD and file a complaint about such activity.
- Refer the employee to HR if they request Assistance and/or advice regarding this policy.
- Assisting in the investigation of complaints involving subordinate or other- employee(s).
- Where a complaint is substantiated, assisting in the development of a recommendation concerning an appropriate corrective or disciplinary action in accordance with these policies.
- Implementing appropriate corrective or disciplinary actions.
- Reporting potential violations of this policy to the Human Resources Director, regardless of whether an employee complained about such conduct.
- Participating in periodic training and scheduling employees for training.

WORKPLACE CONDUCT

The Housing Authority is committed to promoting the highest standards of personal and professional conduct, and requires of its employees cooperation, efficiency, productivity, and compliance with its policies and procedures. While it is not possible to provide an exhaustive

list of the types of conduct that are impermissible, examples of conduct that may result in disciplinary action, up to and including immediate termination, include, but are not limited to, any of the following:

- Ongoing substandard job performance or inefficiency
- Excessive tardiness or absenteeism, unauthorized absenteeism, or failure to observe work schedules
- Rudeness or discourtesy toward a fellow employee, supervisor, volunteer, tenant, or member of the general public
- Dishonesty, making any false representation or statement, or making any omission of a material fact
- Falsification or tampering with any Housing Authority records, including ~~one's own or another employee's time card~~ timecard or Housing Authority financial, client, employee or other records
- Working overtime without authorization or refusing to work assigned overtime, except under extenuating circumstances
- Fighting, roughhousing, violent or threatening language or gestures, or conduct that is abusive, hostile, discourteous, offensive or disrespectful (such as slandering or ridiculing others, making false accusations, -humiliating others in public, shunning/ostracizing others, or the sabotage or undermining of a person's work performance), or other conduct of a bullying nature
- Possessing a weapon or firearm on Housing Authority property
- Theft, deliberate damaging, or unauthorized use of Housing Authority property or the property of another employee or tenant; or unauthorized use of Housing Authority time or property for personal gain
- Failing to follow established safety or security procedures; knowingly creating an unsafe work situation for oneself or any coworker; or failing to report an on-the-job injury
- Refusing to perform a work-related duty when directly instructed to do so by a supervisor or member of management or insulting or demeaning the authority of a supervisor or manager
- Refusing to cooperate with the investigation of a work-related matter
- Conviction, meaning any judicial determination of guilt, of a crime that has a nexus to the employee's job duties
- Unapproved outside employment or activity, or other enterprise that constitutes a conflict of interest with service to the Housing Authority
- Violation of the Housing Authority's Policy against discrimination, ~~and~~ harassment, and Retaliation; Complaint Procedure, as well as drug & alcohol free workplace, conflict of interest, or confidentiality policies
- Any conduct that impairs, disrupts or causes discredit to the Housing Authority, to the public service, or other employees

- Violation of any other Housing Authority policy, rule or regulation.
- Use of leave from work in a manner or timeline not authorized or provided for under Housing Authority policies.
- Providing wrong or misleading information or other fraud in securing appointment, promotion or maintaining employment
- Mishandling of public funds, public assets or other agency resources

OPEN DOOR POLICY

The Housing Authority has an ~~open door~~open-door policy that encourages employee participation in decisions that will affect them and their daily professional responsibilities. Employees who have a difference of opinion, misunderstanding or conflict with another AHA employee are encouraged to address the situation directly with the employee(s) involved. This policy also encourages employees who have job-related problems or complaints to talk them over with their supervisor or a manager at any level of management who they feel can help them. The Housing Authority believes that employee concerns are best addressed through informal and open communication.

To the extent possible, AHA will maintain confidentiality in addressing and resolving concerns brought to its attention. However, in the course of investigating and resolving concerns, some dissemination of information to others on a need-to-know basis may be necessary.

No employee will be retaliated against for raising a concern in good faith.

DISCIPLINE, TERMINATION, AND GRIEVANCE PROCEDURE

Discipline and Termination

It is mandatory that all employees observe AHA's Workplace Conduct policy and perform to the best of their abilities at all times. Disciplinary action will be taken when the employee's conduct or performance does not meet expectations for their position, adversely affects the work of their department, or violates Housing Authority policy. The following constitutes the Housing Authority's policy regarding disciplinary actions:

1. Policy Coverage

The following categories of persons can be terminated at-will and have no rights to any of the pre-or post-disciplinary processes or procedures in this policy: (a) temporary employees, (b) provisional or seasonal employees, (c) probationary employees, (d) any person who serves pursuant to a written employment contract, and (e) any person who is designated "at-will" in any Housing Authority policy, document, acknowledgement, resolution or ordinance. While individuals in these categories do not have rights to pre-or post-discipline processes, AHA may nonetheless employ disciplinary steps in an effort to address and resolve performance issues or conduct that would not be cause for immediate termination.

2. Causes for Discipline

~~Regular full-time employees and part-time~~ All employees may be counseled, warned, suspended, demoted, discharged or incur a reduction in pay for performance or conduct issues including, but not limited to, behavior that violates AHA's Workplace Conduct Policy, described in the previous section.

3. Administrative Leave

~~A department~~ The Executive Director, or designee, may place an employee on an administrative leave with pay ~~pending a potential disciplinary action.~~ Administrative leave with pay is authorized: (a) when the ~~department~~ Executive Director or designee believes that the employee's continued presence at the work site could have detrimental consequences for Housing Authority operations, including situations where the employee appears to be a danger either to themselves or to others; or (b) pending investigation into charges of misconduct and/or pending a potential disciplinary action. If the charges against the employee are substantiated by the investigation, appropriate disciplinary action may be taken in accordance with these procedures ~~-or (c) -to conduct a workplace investigation, or (d) and/or to seek clarification on a leave of absence.~~

4. Types of Discipline

Generally, the Housing Authority ~~will~~ reserves the right to practice progressive discipline, which includes counseling, oral warnings, written warnings, suspension, demotion or pay reduction, and termination to for cause employees. By using progressive discipline, we hope that most employee performance problems can be corrected at an early stage. Although one or more of these steps may be taken in connection with a particular employee, no formal order or system is necessary; AHA may advance to whatever disciplinary step it concludes is appropriate for the circumstances, and any, all, or none of the following disciplinary steps may be invoked. Supervisors are required to consult with the Director of Human Resources prior to the issuance of any discipline, with the exception of employee counseling and oral warnings. At will staff may be subject to immediately termination with or without progressive discipline.

The types of personnel actions and/or discipline are:

a. Counseling

The supervisor counsels the employee, generally following a minor offense in an effort to eliminate possible misunderstandings and to identify what constitutes acceptable conduct or performance. ~~-~~ A memo documenting the counseling will be prepared by the supervisor and retained in the supervisor's file. ~~-~~ Counseling may not be appealed by the employee.

b. Oral Warning

The supervisor issues an oral warning to an employee when poor performance or misconduct warrants a disciplinary action more severe than supervisory counseling. An oral warning will be memorialized in writing and retained in the supervisor's file. An oral warning may not be appealed by the employee.

c. Written Warning

A supervisor may discipline an employee by furnishing them with a written statement of the specific reasons for reprimand and a notice of the corrective action required. A written warning is designed to make sure that the employee is aware of the misconduct or performance problem, including the degree of seriousness, and the consequences if the problem is not corrected. Written warnings are signed by the employee to acknowledge receipt, and a copy of the warning will be retained in the employee's personnel file. The employee has the right to have a written response attached to the warning in their personnel file if the response is submitted to the Human Resources Department within 10 working business days of the date the warning was received. Written warnings may not be appealed by the employee.

d. Suspension

A department director may suspend an employee from their position without pay for cause, generally for serious or ongoing offenses. Unless the employee poses an imminent danger to themselves or others, the department director must secure approval for the suspension from the Executive Director or the Director of Human Resources prior to imposing the suspension. Documents related to a suspension shall become part of the employee's personnel file when the discipline is final. A for-cause employee subject to suspension will receive prior written notice and appeal rights as described below.

e. Demotion

A department director may demote an employee from their position for cause, generally for serious or ongoing offenses. The Executive Director or Director of Human Resources must approve the demotion prior to imposition unless the employee poses an imminent threat to themselves or others. Documents related to a demotion shall become part of the employee's personnel file when the discipline is final. A for cause employee subject to demotion will be entitled to prior written notice and appeal rights as described below.

f. Reduction in Pay

A department director may reduce an employee's pay for cause, generally for serious or ongoing offenses. The Executive Director or Director of Human Resources must approve the reduction in pay prior to imposition unless the employee poses an imminent threat to themselves or others. A reduction in pay for disciplinary purposes may take one of two forms: (1) a decrease in salary to a lower step within the salary range, or (2) a decrease in salary paid to an employee for a fixed period of time. Documents related to a

reduction in pay shall become part of the employee's personnel file when the discipline becomes final. A ~~for cause~~ employee subject to a reduction in pay is entitled to prior written notice and appeal rights as described below.

g. Discharge

A department director may discharge an employee from their position for cause. The Executive Director or Director of Human Resources must approve the discharge prior to imposition unless the employee poses an imminent threat to themselves or others. Termination can result from a single serious offense that violates AHA policy, such as, but not limited to, theft, fighting, or other acts of violence at work, or it can be the final step in a process designed to correct offenses or performance deficiencies.

Documents related to discharge shall become a part of an employee's personnel file when the discipline becomes final.— A ~~for-cause~~ discharged employee is entitled to prior written notice and appeal rights as described below.

5. Skelly Process – Pre-Disciplinary Procedure for Suspension, Demotion, Reduction in Pay, or Discharge

Only regular, for-cause employees have the right to the conference and appeal processes outlined in this Section.

a. Notice of Intent to Discipline

The employee will be ~~provided~~provided with a written notice of intent to discipline in the event of a proposed suspension, demotion, reduction in pay or discharge. Such notice will contain:

- i. The level of discipline intended to be imposed;
- ii. The specific charges upon which the intended discipline is based;
- iii. A summary of the facts upon which the charges are based;
- iv. A copy of all written materials, reports, or documents upon which the intended discipline is based;
- v. Notice of the employee's right to respond to the department director regarding the charges within 5 calendar days from the date of the Notice, either by requesting a conference, or by providing a written response, or both;
- vi. Notice of the employee's right to have a representative of their choice at the conference, should they choose to respond orally; and
- vii. Notice that the failure to respond at the time specified shall constitute a waiver of the right to respond prior to the imposition of discipline.

b. Employee's Response and the Skelly Conference

- i. If the employee requests a conference to respond orally to the charge(s), the conference must be scheduled at least seven calendar days after the date of the Notice. The conference will be an informal meeting with the department director, at which the employee has an opportunity to rebut the charges against

them and present any mitigating circumstances. The department director will consider the employee's presentation before determining any final disciplinary action. The Executive Director (or, in the Executive Director's absence, the Director of Human Resources) may designate, in their sole discretion, an independent hearing officer to conduct the Skelly Conference.

- ii. The employee's failure to make an oral response at the arranged conference time, or the employee's failure to deliver their written response by the date and time specified in the notice, constitutes a waiver of the employee's right to respond prior to the imposition of the discipline. In that case, the proposed disciplinary action will be imposed on the date specified.

c. Final Notice of Discipline

Within five calendar days of receipt of the employee's timely written response or within five calendar days of the informal conference, the department director will either (1) dismiss the notice of intent and take no disciplinary action against the employee, (2) modify the intended disciplinary action, or (3) impose the intended disciplinary action. In any event, the department director will prepare and provide the employee with a notice that contains the following:

- i. The level of discipline, if any, to be imposed and the effective date of the discipline;
- ii. The specific charges upon which the discipline is based;
- iii. A summary of the facts upon which the charges are based;
- iv. A copy of all written materials, reports, or documents upon which the discipline is based; and
- v. A statement of the nature of the employee's right to appeal.

6. Evidentiary Appeal Pursuant to Grievance Procedure

A regular, for-cause employee may appeal a final notice of discipline in the form of suspension, demotion, reduction in pay, or termination by delivering a request for appeal to the Executive Director, pursuant to the Grievance Procedure ~~For~~for Evidentiary Appeal of Discipline, below.

Grievance Procedure

The Housing Authority has established the following grievance procedure that is available to all for cause regular employees: ~~who have completed the probationary period. At will employees~~
~~XXXXX~~

- ~~The Housing Authority wishes to provide each employee fair and impartial treatment.~~
For-cause ~~E~~employees can use this procedure to address any covered disciplinary actions. Oral and written warnings are not subject to appeal.

- ~~All employees can use this procedure to address or any other claimed violation of the personnel rules of unfair treatment relating to their wages, hours or working conditions. Oral and written warnings are not subject to appeal.~~

Failure by the grievant to comply with any of the time limits in this grievance procedure shall constitute an automatic waiver and/or withdrawal of the grievance. Failure by the Housing Authority to comply with any of the time limits in this grievance procedure shall entitle the employee to move their grievance to the next available step of this grievance procedure.

1. Procedure for Evidentiary Appeal of Discipline

This subsection 1 applies to appeals of final notices of discipline only. A regular, for-cause employee may appeal a final notice of discipline in the form of suspension, demotion, reduction in pay, or termination by filing a written request for an appeal, which must be received by the Executive Director no later than seven calendar days from the date of the notice of final discipline.

The Executive Director will conduct an evidentiary hearing and issue written findings and a decision. The Executive Director may designate, in their sole discretion, an independent hearing officer to conduct the evidentiary hearing and render a written recommended decision. If the Executive Director conducts the hearing, their written decision shall be final administrative action. There is no process for reconsideration.

If the Executive Director was not the appeal hearing officer, they shall review the findings and recommendations of the designee who served as appeal hearing officer and may then affirm, revoke, or modify the findings, recommendations, or disciplinary action taken. The decision of the Executive Director is the final administrative action. There is no process for reconsideration.

The Housing Authority will mail a copy of the final written findings and decision, along with a proof of service of mailing that confirms that each of the parties and each of the parties' representatives were mailed the final written findings and decision. This includes mailing a copy directly to the employee. It shall be the responsibility of the employee to inform AHA of their address. Pursuant to Code of Civil Procedure section 1094.6, the parties have 90 days from the date of the proof of service of mailing of the written findings and decision to appeal the decision to the Superior Court in and for the County of Alameda.

2. Procedure to Grieve Non-Disciplinary Matters

The following procedure applies to all grievances, other than appeals of final notices of discipline.

a. Informal Step

Before filing a formal written grievance, no more than seven calendar days following the act or omission giving rise to the grievance, or no later than seven calendar days following the date upon which the employee reasonably should have known of the act or omission, the grievant shall attempt to resolve the grievance through an informal conference with the ~~grievant's~~^{grievant's} immediate supervisor. The supervisor shall respond to the employee's concerns within ~~seven-ten~~ 10 calendar days following the informal conference.

b. Step 1

If the matter is not resolved at the informal step, no later than seven calendar days following the supervisor's response at the informal step, the grievant must present the grievance in writing to the immediate supervisor. The written grievance shall contain a clear, concise statement of the grievance, the specific provision(s) of the policy allegedly involved, and the specific remedy sought. The immediate supervisor shall communicate a written decision to the employee within seven calendar days after receiving the grievance.

c. Step 2

In the event the grievant is not satisfied with the decision at Step 1, the grievant may appeal the decision to the department director or their designee within seven calendar days. The department director or their designee shall communicate a decision within seven calendar days after receiving the appeal.

d. Step 3

In the event the grievant is not satisfied with the decision at Step 2, the grievant may appeal the decision to the Executive Director within seven calendar days. If necessary for due process considerations, the Executive Director may forward written appeals of discipline to an independent appeal officer, for review and consideration. Failure to meet this time limit by the grievant shall constitute an automatic waiver and withdrawal of the grievance. The Executive Director or designee shall communicate a decision within seven calendar days after receiving the appeal. The decision of the Executive Director is final. No decision or action may deny the legal right of any employee to seek recourse as may be allowed by law.

If the Executive Director, or the designated representative, determines that it is appropriate to do so, a grievance may be returned to a prior level for reconsideration.

3. Additional Provisions

Employees are encouraged to utilize this procedure without fear of reprisal. No employee will be discriminated or retaliated against because the employee has elected to use this procedure.

If an employee fails to initiate a grievance or request a review of any decision to the appropriate step within the time limits established in this policy, the grievance shall not be subject to further review.

This policy does not apply to claims involving alleged sexual or other forms of unlawful harassment ~~or~~ discrimination or retaliation. Such claims must be made pursuant to the Agency's Policy Against Discrimination, and Harassment, and Retaliation; Complaint Procedure ~~policy~~.

PART THIRTEEN: ENDING EMPLOYMENT

VOLUNTARY TERMINATION OF EMPLOYMENT

Employees who find it necessary to resign are requested to give advance notice in writing to their supervisor specifying the last day at work; this date will be considered the effective date of resignation. Full-time and regular part-time employees are expected to give at least ~~two-10 full business days weeks~~ advance notice of the effective date of resignation. This will be no less than 10 full AHA business days, and for management positions the the Director level and above, one full calendar month's notice ~~the the Director level and above, one full calendar month's notice~~ month of notice is required. ~~Once an employee has provided written notice of resignation, they will not be permitted to work remotely, unless they receive permission to do so in writing from the Executive Director. If AHA asks an employee who has voluntarily resigned to leave AHA employment before the end of the notice period (e.g., if a replacement is to begin immediately or services are not needed during the notice period), AHA may elect, but is not required, to pay the employee for the entire notice period, up to a maximum of two-weeks~~ the required notice period.

Employees who do not provide the requested notice will be considered ineligible for rehire and the date of resignation will be the last day of actual work. In the event of a notice period of less than ~~two-weeks~~ the required notice period, the Executive Director (or designee) reserves the right to waive the provision that the date of resignation be the last day of actual work and may retain the employee through the entire notice period as business needs or conditions require. AHA reserves the right to end the employees notice period early. The employee will be compensated through the last day of work specified in their written notice of resignation.

A resignation becomes final when the Executive Director or Director of Human Resources accepts the resignation in writing. Once a resignation has been accepted, it is final and irrevocable. A resignation can be accepted by the Executive Director or Director of Human Resources even if it is submitted less than ~~two-weeks~~ the required notice period prior to the planned resignation date.

SEPARATION DUE TO INCAPACITATION

Separation due to incapacitation may be considered if reliable medical evidence indicates that an employee is substantially unable to perform their usual duties for the Housing Authority. When appropriate, the Housing Authority may apply for a disability retirement on behalf of the

employee. All applicable procedural due process requirements will be followed by the Housing Authority in processing a separation under this section.

PAYROLL AND THE RETURN OF HOUSING AUTHORITY PROPERTY

All employees separating from AHA will receive their final paycheck at the next regularly scheduled payroll date. Employees are required to turn over all keys, access cards, parking lot ~~remotes, agency~~remotes, agency credit cards, passwords, documents, and any other AHA-furnished uniforms, tools and equipment to the Director of Human Resources before leaving on their last day of work. Employees must also remove all personal belongings from their workspace on or before their last day of work; employees will not be allowed to re-enter the office for this purpose after their last day of work without prior authorization from the department director. In the event that an employee is not able to retrieve their own belongings prior to the absence, resignation or termination date, AHA reserves the right to do so as well as to determine the manner in which personal belongings are returned to the employee.

REDUCTION IN FORCE

Layoffs

While the Housing Authority will endeavor to avoid layoffs, it may initiate a layoff ~~(aka or~~ reduction in force (RIF) if it determines that such action is warranted based on economic circumstances, operational reasons or other factors that it deems important to Housing Authority operations, (e.g., significant changes in HUD regulations or requirements, loss of a grant or contract, or a change in business model, etc.). AHA reserves the right to determine when and whether it is necessary to implement a reduction in force ~~(RIF)~~, which employees would be affected, and the method of implementation. Generally, AHA shall give primary consideration to the needs, circumstances, and operational needs of AHA. The following terms and conditions are guidelines which AHA anticipates it will apply in the event of a RIF. Since AHA cannot foresee the future circumstances that may impact AHA funding and programs, it reserves the right to change the below terms and conditions at any time, at its sole discretion.

To reduce the potential need to eliminate position(s), the Housing Authority may take any or all of the following actions:

- Employees may be hired for temporary or fixed term positions, with the duration of the position dependent on the availability of funding. Employees hired for temporary positions are not eligible for separation or severance pay under this policy.
- The Housing Authority may reduce positions through attrition rather than lay-off, as long as a workforce can be maintained that supports the program and operational needs at the time.
- The Housing Authority may require all or a portion of employees to opt for the flex work week for a definite or indefinite period of time.
- The Housing Authority may require all or a portion of employees to go on furlough (i.e., work fewer hours per week or take a specified period of time off work without pay).
- The Housing Authority may reduce a position(s) from full-time to part-time dependent on program needs and availability of funding.

Should the need arise to eliminate positions, AHA shall determine if the RIF will occur on an agency-wide basis, or in one or more departments and/or classifications. Once AHA determines there is a need for layoffs and determines in which areas of the agency they will occur, layoffs will generally be made in the following order:

1. Temporary employees
2. Part-time employees
3. Full-time employees in their initial probationary period
4. Regular, full-time employees

Layoffs of regular, full-time employees will be based on seniority within a job title, except as otherwise provided. Seniority is defined as the length of continuous paid employment with the Housing Authority (and City of Alameda), calculated from the date of original hire, including the probationary period as a full-time employee. Time spent in leave without pay status is excluded, except as required by law.

So long as employees are in good standing, layoffs of employees will be based on seniority with the least senior employee being the first to be laid off. The Executive Director, may, however, elect a different order of layoff if:

- It can be demonstrated that an employee who would otherwise be subject to layoff possesses special skills, training, or abilities that are required by the Housing Authority; or
- A more senior employee's past job performance or disciplinary record justifies an alternative order for layoffs. Under this policy, an employee would be considered not to be in good standing if the employee: 1) received an overall rating of less than "meets expectations" on the most recent performance review conducted, 2) one or more written warnings were given to the employee in the 12 month period preceding the layoff, and/or 3) the employee has been on a Performance Improvement Plan and has not shown satisfactory improvement, even if the PIP is not concluded at the time of layoff. Additionally, a record of any discipline for serious misconduct for reasons other than performance would be justification for an alternate order of layoff, even if the conduct did not result in termination at the time of the event.

An employee subject to layoff may be allowed, in lieu of layoff, to demote to a lower paying classification previously held by the employee, if such position is vacant; employees have no right to "bump" another employee from such a position. The Executive Director has the discretion to make an exception to "bumping" for titles of non-exempt positions which include multiple levels, currently Housing Specialist and Maintenance Technician positions. Should an employee accept a position at a lower salary and level of responsibility, such employee will be required to reapply for any higher level positions that become available in the future.

Employees who are laid off, with the exception of temporary employees, will be provided either a minimum of ~~two weeks~~10 business days advance notice of the layoff or in-lieu-of-notice pay equal to two weeks' straight-time wages.

Insurance benefits, and continuation of such benefits, are subject to the same terms and conditions as any terminating employee.

Pre-Layoff Review

An employee who has been noticed for layoff, and who has any questions or concerns about the layoff decision or process may make an appointment to be heard by the Executive Director for an informal pre-layoff review. The employee must request this meeting in writing within five ~~work days~~work daysbusiness days from the date of the notice of layoff. The Executive Director's decision is final.

Re-employment

Employees who are laid off or who are eligible to demote or transfer in lieu of layoff will have, for a period of one year, re-employment rights to future vacancies in the position previously held. The Housing Authority will maintain a preferred list with the names of the employees laid off in inverse order of layoff. Future vacancies in those affected positions will first be filled from the preferred list in inverse order of layoff, provided that the employee retained or rehired is capable of performing the work required, and did not have any disciplinary action imposed at a written warning or higher level in the six months prior to layoff. A former employee offered re-employment will have seven days to accept the offer. If a former employee does not accept re-employment within seven days, the next person on the list will be offered re-employment.

Re-hire

Employees are ineligible for rehire if they fail to give proper notice of separation, to return agency equipment including keys, access badges and IT equipment, continual inability to complete agency or other government mandated reporting or training, and/or they have a documented history of poor performance and/or poor attendance.

EXIT INTERVIEWS

Human Resources staff (or the Executive Director when HR personnel leave) will schedule an exit interview with each employee who voluntarily leaves the Housing Authority prior to the last day of work. These conversations allow employees to communicate their views on their work, agency operations, training needs, and the work environment, as well as provide the employee with an opportunity to discuss benefits and insurance. Although exit interviews are voluntary, employees are encouraged to participate in them and to speak frankly about their employment experience with the Housing Authority.

ACKNOWLEDGEMENT OF RECEIPT

RECEIPT OF MANUAL

I have received a copy of the Housing Authority of the City of Alameda's Employee Policies and Procedures Handbook dated ~~May 15~~May 21, 2024~~2025~~2025. I understand that it contains important information on Housing Authority policies, ~~as well as~~as well as my privileges, rights, and responsibilities as an employee. I understand and agree that it is my responsibility to familiarize myself with and abide by these policies. I further understand that the Housing Authority may change, rescind or add to any policies, benefits, or practices described in the Handbook.

I have read and understand the Employee Policies and Procedures Handbook, and I understand that I am governed by its contents.

Signature

Date

Print Name

CHANGE LOG

Item	Date
Original adoption of Personnel Policy by Commission	4/18/2012
Adoption of expanded definition of family for Paid Sick Leave policy eff 1/1/15	12/17/2014
Adoption of resolution to make expanded definition of family retroactive to 7/1/14	1/21/2015
Adoption of changes to Paid Sick leave policy to comply with Healthy Workplace Healthy Family Act eff 7/1/15	6/17/2015
Adoption of change to Declaration of Work Period and Deferred Compensation (to reflect addition of Roth IRA) policies	7/22/2015
Adoption of changes to Holiday policy, including Floating Holidays eff 1/1/16	11/18/2015
Adoption of revised Discipline, Termination, and Grievance Procedure	8/17/2016
Revision to Personnel Policy including: <ol style="list-style-type: none"> 1. Revision of title and format, and reorganization of content 2. Edits and rewording that did not change policy intent, but clarified or added to policy 3. Addition of: <ol style="list-style-type: none"> a. Complaint Procedure for Complaints of Denial of Reasonable Accommodation b. Changes in Employee Classifications c. Employment of Members of the Board of Commissioners d. Professional Development e. Definition of Eligibility (Benefits section) f. Paid Family Leave g. Social Security (to clarify that AHA does not participate) h. Floating Holiday (separated from Holiday policy) i. Review Your Paycheck j. Cell Phone Allowance k. Telecommuting l. Breastfeeding-Friendly Workplace m. Use of Facilities and Property n. Expense Reimbursement o. Scent Free Workplace p. Parking q. Use of Agency-Issued Cell Phones r. Use of Personal Cell Phones s. Internal Communications t. Open Door Policy 4. Deletion of: Employee Recognition Program 	12/21/2016

<p>5. Significant changes to:</p> <ul style="list-style-type: none"> a. Outside employment, to clarify the procedures for approval and administration of employee requests b. Benefits policy, including clarification of Cafeteria Plan and active and retiree health benefits c. Vacation policy, to include a standard cap on accrual and a pay-out provision d. Sick leave, to ensure compliance with various laws regulating accrual and use of sick leave e. Jury Duty/Witness Leave, to limit length of service f. Bereavement and Funeral Leave, to institute an annual cap on leave provided under this policy g. Overtime policy, to reflect overtime based on a 40 <u>40-hour</u> workweek for all positions and use of paid leave does not count as hours worked h. Flexible Work Schedules, to clarify administrative procedures i. Reclassification Resulting in Wage Decrease (Y-Rate), to change policy with respect to application of COLA j. Bilingual Pay policy, to incorporate content from separate policy and clarify eligibility and administrative procedures k. Personnel files, with addition of procedures for access l. Workplace Conduct policy was streamlined m. Language and procedures in Discipline, Termination, and Grievance Procedures (previously adopted on 8/17/16) n. Reduction in Force/Layoff policy and procedures 	
Change to Part 8: On-Call and Emergency Call Compensation	2/15/2017
Change to Part 7: Timekeeping, to change exempt reporting increment to 2 hours	8/21/2019
Changes to Part 5: Vacation Policy, to change eligibility to use vacation to 3 months and clarify approval criteria; Part <u>criteria;</u> <u>Part</u> 8: On-Call and Emergency Call Compensation to change mileage criteria; and Part 10: Breastfeeding-Friendly Workplace to clarify administrative procedures	1/16/2020
Change to Part 5: Vacation, to provide for a temporary increase to the accrual cap	12/1/2020
Change to Part 5: Holidays, to add Juneteenth to AHA's observed holidays	6/24/2021
Change to Part 5: Vacation, to provide for a gradual return to the standard vacation cap	10/20/2021

Revision to Employee Policies and Procedures Handbook including general clarifying changes, and formatting. Primary changes included:	2/16/2022
<ul style="list-style-type: none"> a. Deletion of Compensatory Time Off (CTO) b. Deletion of Cell Phone Allowance c. Deletion of Vacation Pay Out d. Addition of Probationary Status During Leaves e. Addition of Notary Public Stipend f. Addition of School Activities Leave g. Increase in the amount of the Education Assistance and Tuition Reimbursement, and changes to structure and amount of Bilingual Pay h. Changes to Dress Guidelines i. Multiple changes to Unpaid Leaves section to make current with regulations 	
Change to permanent vacation accrual cap	10/19/2022
Revision to Employee Policies and Procedures Handbook including general clarifying changes, incorporation of gender-neutral language and the addition of a Communications During Leave section to Unpaid Time Off and Leaves of Absence. Primary changes to make policies consistent with current regulations included:	1/11/2023
<ul style="list-style-type: none"> a. Changes to Sick Time and Unpaid Leaves sections b. Changes to Bereavement and Funeral Leave sections 	
Workplace Relationships	4/18/2024
Vacation – Accrued Leave Pay Out	4/18/2024
Reproductive Loss Leave	4/18/2024
<u>Health Care Provider’s Certification</u>	<u>4/18/2024</u>
No-Remote Access for Non-Exempt Employees	4/18/2024
Re-hire	4/18/2024
<u>Our Vision</u>	<u>5/21/2025</u>
<u>Our Mission</u>	<u>5/21/2025</u>
<u>Our Guiding Principles</u>	<u>5/21/2025</u>
<u>Real Estate and Broker’s License</u>	<u>5/21/2025</u>
<u>Reasonable Accommodation of Protected Disabilities</u>	<u>5/21/2025</u>
<u>At-Will Employment</u>	<u>5/21/2025</u>
<u>Employee Classifications</u>	<u>5/21/2025</u>
<u>Vacation Accrual</u>	<u>5/21/2025</u>
<u>Sick Accrual</u>	<u>5/21/2025</u>
<u>Health Care Provider’s Certification</u>	<u>5/21/2025</u>
<u>Family/Medical Leave under the Family and Medical Leave Act and the California Family Rights Act (“FMLA”/“CFRA”)</u>	

<u>Leave Rights and Accommodations for Victims of Qualifying Acts of Violence and Other Victims of Crime Leave</u>	<u>5/21/2025</u>
<u>Pregnancy Disability Leave ("PDL")</u>	<u>5/21/2025</u>
<u>School Activities Leave</u>	<u>5/21/2025</u>
<u>Workday and Work Week</u>	<u>5/21/2025</u>
<u>Review Your Paycheck</u>	<u>5/21/2025</u>
<u>Reclassification Resulting in Rate Decrease (Y-Rate)</u>	<u>5/21/2025</u>
<u>Bilingual Pay</u>	<u>5/21/2025</u>
<u>Notary Public Stipend</u>	<u>5/21/2025</u>
<u>Acting Pay</u>	<u>5/21/2025</u>
<u>Telecommuting</u>	<u>5/21/2025</u>
<u>Breastfeeding-Friendly Workplace</u>	<u>5/21/2025</u>
<u>Dress Guidelines</u>	<u>5/21/2025</u>
<u>Use of Personal Cell Phones</u>	<u>5/21/2025</u>
<u>Social Media</u>	<u>5/21/2025</u>
<u>Personnel Files</u>	<u>5/21/2025</u>
<u>Policy Against Discrimination, Harassment, and Retaliation, Complaint Procedure</u>	<u>5/21/2025</u>
<u>Internal Complaint Procedure</u>	<u>5/21/2025</u>
<u>Retaliation is Prohibited</u>	<u>5/21/2025</u>
<u>Workplace Conduct</u>	<u>5/21/2025</u>
<u>Discipline, Termination, and Grievance Procedure</u>	<u>5/21/2025</u>
<u>Ending Employment</u>	<u>5/21/2025</u>



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: Tonya Schuler-Cummins, Senior Programs Director

Date: May 21, 2025

Re: Approve a Project-Based Voucher Allocation Policy and direct staff to review and provide an annual update on this policy.

BACKGROUND

The Housing Authority of the City of Alameda (AHA) has used Project-Based Vouchers (PBV) to expand the supply of longer-term affordable housing in the City of Alameda.

These contracts can go up to 20 years initially with the possibility of a 20-year extension (previously this was an initial contract term of 15 years with a 15-year extension). The first round of PBV awards was at five of AHA's complexes. AHA currently has 21 PBV contracts and two Agreement to Enter Into a Housing Assistance Payments (AHAP) contracts. With Moving to Work (MTW) flexibilities, AHA has more flexibility with the PBV program, so this is a good time for AHA to develop a strategy for how it will award and extend PBV contracts in the future, as the demand for PBV is higher than AHA's ability to issue PBV.

DISCUSSION

This policy will work in conjunction with Chapter 16 of the AHA's Administrative Plan (Admin Plan). This policy is to outline the methods of selecting complexes for PBV awards. Due to an approved Moving to Work (MTW) activity, AHA may forego a competitive selection process for projects where the owner is a single asset entity of the AHA, so this policy has been created to make it clear how AHA will use that flexibility.

FISCAL IMPACT

As AHA already operates a PBV program and this is a strategic policy for future selections, there is no fiscal impact at this time. However, if contracts are not renewed per this policy, there may be a loss of income to properties in the future.

CEQA

N/A

RECOMMENDATION



Approve a PBV Allocation Policy and direct staff to review and provide an annual update on this policy.

ATTACHMENTS

1. Project Based Voucher Policy 2025

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Tonya Schuler-Cummins', with a long horizontal flourish extending to the right.

Tonya Schuler-Cummins, Senior Programs Director

Standard Operating Procedure:

Project-Based Voucher Policy

Unit Responsible: Data and Policy

Author: Tonya Schuler-Cummins

Ref no:

Approved by Executive Director:

Date:

Other impacted AHA departments or affiliates: Housing Programs Department

Approved by other Directors (if applicable):

Revision Date:

Purpose of Policy:

This policy will work in conjunction with Chapter 16 of the Housing Authority of the City of Alameda's (AHA) Administrative Plan (Admin Plan). For any conflicts or perceived contradictions with that policy, the Admin Plan will prevail. If regulations for the Project-Based Voucher (PBV) program change, then the regulations will override this policy.

This policy is to outline the methods of selecting complexes for PBVs and specify the elements of a request for proposals (RFP) for PBV. This policy will not limit the selection of PBV proposals to geographical areas more limited than the City of Alameda. Due to an approved Moving to Work (MTW) activity, AHA may limit the selection of an owner to an AHA Single Asset Entity but may not limit owner selection beyond that. Per 24 CFR 983.51 (b)(1), the AHA may not limit proposals for PBV to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites in the competitive process; however, MTW waives some provisions of 24 CFR 983.51 to allow for the elimination of the selection process for AHA-owned projects.

Goals of PBV Program:

The main goal of the PBV program is to provide stable, secure and long-term housing opportunities for families in the City of Alameda. Secondary goals include encouraging the construction of new affordable housing and major rehabilitation of older, existing

housing while maintaining a balance to allow families housing choice through tenant-based vouchers and administering a successful assisted housing program in compliance with statutory and regulatory requirements of the MTW program.

Moving to Work (MTW) PBV rules:

HUD has approved numerous MTW flexibilities to the PBV program that comply with 24 CFR 983.51 (b)(1), the MTW Operations Notice, and the Landlord Incentive Cohort restrictions. Three of these affect PBV selection directly.

Under the MTW Operations notice, any MTW activity may not negatively impact the Five Statutory MTW Requirements established under the 1996 MTW Statute including:

- Substantially the Same Requirement and
- Comparable Mix Requirement.

The Substantially the Same Requirement requires the AHA to continue to assist substantially the same total number of eligible low-income families as would be assisted without MTW.

The Comparable Mix Requirement requires the AHA to maintain a comparable mix of families (by family size) as would have been provided without MTW. This means that part of the evaluation of a PBV proposal will be to evaluate the unit mix proposed under the application against the AHA's overall portfolio and unit mix upon entry into the MTW program. If the project skews the unit mix when evaluated against the AHA's program overall, the AHA may decide not to consider it further for PBV selection or may choose to award fewer PBV, or to specific unit sizes only.

The approved MTW activities for the AHA include 9a, 9b, and 9c under the MTW Operations Notice:

- a. Increase PBV Program Cap: The agency may increase the number of authorized units that it project-bases, but the percentage project-based cannot be more than 50% of the lower of either the total authorized units or annual budget authority.
- b. Increase PBV Project Cap: The agency may raise the PBV cap within a specific project up to 100%.
- c. Elimination of PBV Selection Process: The agency may eliminate the selection process in the award of PBVs to properties owned by the agency that are not public housing without engaging in an initiative to improve, develop, or replace a public housing property or site. Property must be owned by a single-asset entity (SAE) of the agency.

Program Size Limit:

The AHA received approval under MTW to increase the program cap to 50 percent of the lower of its total authorized units or annual budget authority. As of May 1, 2025, the unit cap is 864 units. The remaining PBV capacity to this cap as of May 1, 2025, is 317. However, the current annual budget authority caps this at approximately 100. This budget cap changes frequently and is dependent on other leasing activities.

Current Status of PBV Contracts:

As of May 1, 2025, there are currently 507 units under Housing Assistance Payment (HAP) contracts, with 80 under Agreement to Enter into Housing Assistance Payments (AHAP) contracts. Please see Appendix A for the table of Executed Contracts and Appendix B for Executed AHAP contracts. These Appendices will be updated regularly for use with this policy without revising the entire policy.

Selection of Units

The demand for PBV awards is very high. The assistance is tied to the unit and not the tenant, so the AHA will resume payments on a vacated unit when the next eligible, approved family is moved into the unit. Also, an Agreement to Enter into a Housing Assistance Payments (AHAP) or Housing Assistance Payments (HAP) contract can be leveraged in construction deals to receive higher loans. Banks will accept PBV contracts as collateral while not accepting Housing Choice Voucher (HCV) tenant-based contracts.

The AHA's Administrative Plan outlines the rules for selection of PBV. The AHA can award new contracts in three ways:

- Competitive Request for Proposals (RFP) process
- Previously selected based on a competition
- Non-competitive to a single-asset entity of the AHA (MTW activity)

The purpose of this policy is to provide guidance on the items to consider when determining the best method to award PBV contracts.

In order to allow more complexes to benefit from PBV and reduce the federal subsidy at a complex, the AHA limits the number of PBV units on a contract to 40. Contracts executed prior to this policy will not be reduced if above 40 units. At this time, AHA may go up to 100% of the units at a complex under MTW. Therefore, if the unit count is less than 40, the complex may have 100% of the units as PBV, but if the complex is over 40 units, there will be at most 40 units of PBV at the complex. An exception may only be made by the Board of Commissioners and based on demonstrated need.

The AHA acknowledges that PBV contracts benefit the entire City of Alameda, and as such, the AHA does not want to only award PBV contracts to its own single-asset entities; however, the AHA's complexes are aging and would benefit from rehabilitation that can be enhanced by using an AHAP or HAP for PBV to leverage funds. As such, the AHA wants to award PBV contracts under the approved MTW activity.

The AHA will use the approved MTW activity to award additional PBV units to its single-asset entities. The AHA can award non-competitive units without opening a competitive process award based on AHA needs and available funding. The AHA will prioritize complexes that may benefit from other funding sources by the award of the assistance such as the ability to leverage PBV contracts in new construction.

If the AHA makes competitive PBVs available through a RFP process. All owners in the City of Alameda may apply. The AHA will, however, prioritize new construction and attempt to issue the RFP at a time when the owners may benefit from the awards to receive other funding sources. For example, if it is announced that the California Department of Housing and Community Development will issue a well-funded NOFA, the AHA may decide to issue a competitive RFP.

The AHA will evaluate its available allocation in the following order for self-award:

- ICD New Construction properties
- AHA/AAHC-owned properties that have existing HAP Contracts under 40 units and financial need
- AHA/AAHC-owned properties that do not have existing HAP Contracts and have financial need
- AHA/AAHC-owned properties that have existing HAP Contracts under 40 units
- ICD-owned properties that have existing HAP Contracts under 40 units and financial need
- ICD-owned properties that have existing HAP Contracts under 40 units

See Appendix C for currently anticipated order of awards.

Timing of Request for Proposals:

The AHA will include when evaluating whether to issue a Request for Proposal (RFP) if the timing works to allow owners to optimize the award with other funding sources. The AHA will be restricted on its ability to issue a RFP to available funding under its MTW contract. HUD may direct the AHA not to make funding commitments, like when under shortfall, so the AHA will carefully consider whether to issue an RFP. The AHA may award non-competitively to itself if funding does not allow for both methods.

Additional PBV Policies:

Income Limited Units: The PBV program allows applicants to be up to very low-income (50% of Area Median Income [AMI]) at lease-up. Under MTW, the AHA does not need to meet the requirement of 75% of new admissions being extremely low-income (30% of AMI) households; however, in order to assist the extremely low-income households in the PBV program, the AHA will allow owners to limit only up to 75% of the units under a proposed PBV contract to extremely low-income households. The remaining 25% of the units must include a range of units above the extremely low-income level including some units at the very low-income level. If the owner consistently has difficulty filling units due to additional restrictions placed on the unit, the AHA may give them written notice requesting them to remove the restrictions or notifying them the unit will be removed from the contract per the 120 days as stated in the Administrative Plan. Additional owner restrictions on a unit will not be considered an adequate reason for long vacancies and the AHA may reduce the number of units on the PBV contract. Additional owner restrictions must be consistent with all fair housing and non-discrimination laws.

Non-segregation of Units: Units must be located throughout the complex and may not be clustered together. For example, in a three-story building, units should be located on all floors. A second example would be if the project has multiple buildings, units must be located in each building and not clustered into one building.

Unit sizes: The AHA will normally require the range of units in the building to be reflected on the units to be placed under PBV. For example, if the project is comprised of 50% 1-bedroom units and 50% 2-bedroom units, the AHA will require some 1-bedroom and some 2-bedroom units to be included on the contract. The AHA may determine that it will not accept units of a specific size to be placed on the PBV program in order to comply with the MTW Comparable Mix requirement.

Signing of an AHAP: The Administrative Plan defines “promptly” for execution of an AHAP after selection as one year. The AHA has the discretion to grant extensions to the execution timeline; however, the AHA tries to not “tie” units up in a long selection process that may not result in an AHAP. As such, the AHA will not grant extensions

beyond two (2) additional years from the selection date and any extensions granted will be done in 1-year increments. Extensions require the owner to provide documentation 1) that the extension is necessary for the viability of the project 2) that the reason for the extension is beyond the control of the owner (such as waiting for an award decision on a submitted application), and 3) that the owner will most likely be in a position to execute the AHAP with the extension. Extension requests must be received prior to the deadline for AHAP execution.

HOTMA Contract Additions: Under the Housing Opportunity Through Modernization Act (HOTMA), AHA can now add units to a PBV contract at any time. As shown in the above table, seventeen contracts do not have 40 units on the contract. Some complexes would not be eligible for the 40 units (for example, Lincoln Willow is a complex of 5 units), but others have more units than are on the PBV contract. The AHA may consider adding up to 40 units to PBV contracts if there is a financial need for additional units. To add units 1) the owner's units must consistently pass inspection, 2) the owner must provide documentation that there is a financial need for the extra units, and 3) the units cannot have additional owner restrictions that make the units difficult to fill. The AHA must have the ability to add new units to the contract such as available budget authority. The AHA will make the determination if its funding allows for additional units on a contract. As noted above, the AHA's priority will be to expand housing through development.

Expiration of Contracts

Extending or assigning HAP Contracts: The AHA can extend contracts once up to twenty years. The AHA may extend a HAP contract if 1) the units are designated for elderly or disabled families or 2) the owner shows, and AHA agrees that, there is a financial need for the extension (by showing a negative or almost negative cash flow, a need for financing major repairs, etc.). AHA requires 18 months' notice of an extension request in order to do this analysis and provide notice to the residents if the extension request is not approved. It is the responsibility of the owner to request the extension or assignment. The extensions can be up to 20 years but should be based on the populations served and need for the vouchers. The renewal or assignment may be at a lower number of units subject to available funding and project need.

If contracts are not renewed (initial term) or are ineligible for renewal, then the owner must give participants one year's notice of termination of contract, which is why the owner must give the AHA notice of non-renewal. In most cases the participants will receive Housing Choice Vouchers in place of Project-Based Voucher on the contract. The AHA will try to project-base new vouchers as funding is available, but adding new Project-Based Vouchers will not always be possible.

Elements of a Request for Proposals (RFP):

If a competitive process is selected as the method of award. The RFP must contain:

- Date proposals will be accepted and whether there is a closing date of the RFP.
- Proposal and application requirements under the RFP.
- Scoring criteria under the RFP.
- Unit sizes being considered to maintain AHA's MTW Comparable Mix Requirement.
- The number of PBV expected to be awarded and the cap for each award.
- If a preference for existing, new construction, or rehabilitated units will be given.
- If the AHA is using any of its MTW activities under the RFP. For example, regulations restrict the percentage of units awarded to 25% at a complex, but the AHA has an MTW activity that would allow up to 100% of the units to be eligible for PBV.
- Any restrictions on the units. For example, if the funding to be used is from the Veteran Affairs Supportive Housing (VASH) program, the units must be reserved for VASH-eligible veterans.
- Other requirements as outlined in regulation and the AHA's Administrative Plan including whether AHA will require site control at time of proposal or execution of an AHAP or HAP.



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TTY/TRS: 711

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APPENDIX A: EXECUTED CONTRACTS – updated May 1, 2025

Complex	Ownership	Contract Duration (Years)	Contract Expiration	Total units	Number of PBV Units in cap	Number of PBV units not in cap	Notes (Disabled/Elderly Families is per HUD definition)
Park Alameda*	RCD	15	12/26/2027	62	15		15 units supportive services with 9 of the 15 units with additional requirements that the units are for Disabled Families
Breakers at Bayport*	RCD	20	10/30/2028	52	15		
Jack Capon Villas*	SAHA	15	1/15/2029	18	18		18 units for Disabled Families
Stargell Commons	ICD	14	5/31/2032	32	7		
Littlejohn Commons	ICD	15	8/13/2033	31	25		25 units for Elderly Families
Anne B. Diamant Plaza **	AAHC	30	4/30/2038	65	59		59 units for Elderly Families
China Clipper Plaza **	AAHC	30	4/30/2038	26	6		
Everett Commons	ICD	20	12/19/2038	20	12		12 units supportive services
Everett Commons (VASH)	ICD	20	12/19/2038			5	5 units for VASH Families
Lincoln Willow **	AAHC	30	4/30/2038	5	3		3 units for Elderly Families
Stanford House **	AAHC	30	4/30/2038	4	4		
Alameda Point Collaborative	APC/City	15	5/31/2039	200	25		22 units supportive services; 3 units for Disabled Families
Parrot Village	AAHC	15	8/31/2039	50	36		



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Complex	Ownership	Contract Duration (Years)	Contract Expiration	Total units	Number of PBV Units in cap	Number of PBV units not in cap	Notes (Disabled/Elderly Families is per HUD definition)
Shinsei Gardens	ICD	15	8/31/2039	39	21		12 units for Disabled Families
Corsair Flats (VASH)	Eden	20	6/14/2040	60		25	25 units for Elderly VASH Families
Independence Plaza	AHA	20	3/11/2040	186	32		25 units for Elderly Families and 7 VASH units
The Starling	Eden	20	11/18/2041	70	17		
Rosefield Village (New Construction)	ICD	20	6/23/2042	92	22		2 VASH units
Rosefield Village (Rehabilitation)	ICD	20	7/12/2042	92	3		
Independence Plaza	AHA	20	11/30/2044	186		120	Restore Rebuild units
Esperanza**	AAHC	15	3/31/2045	120	37		
TOTAL				1132	357	150	

* AHA has an entity of interest in the complex

** Has already received the one extension allowed under program



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APPENDIX B: EXECUTED AHAP CONTRACTS – updated May 1, 2025

Complex	AHA, AAHC, or ICD Owned	Contract Date	Latest Construction Completed Due Date	Number of Units
The Estuary I	ICD	10/4/2023	2/10/2026	40
Linnet Corner	ICD	10/4/2023	2/10/2026	40
TOTAL				80



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APPENDIX C:

Complex	Units Proposed to Add	Total Units under PBV including Proposed Units
The Poplar	40	40
The Estuary II (already has award)	40	40
China Clipper Plaza	6	12
Parrot Village	4	40
Esperanza Apartments	3	40
Rosefield Village	15	30
Eagle Village	6	6
Sherman Street	6	6
Parrot Gardens	8	8
Lincoln Willow	2	5
TOTAL	120	248

Note: total units to be assigned exceed the current available amount so units may be assigned by the Executive Director without returning to the board if additional funding is available. If there are further additions, Staff will report the new additions beyond the proposal above at the next regular Board meeting.



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To: Honorable Chair and Members of the Board of Commissioners

From: Jenny Wong, Senior Project Manager

Date: May 21, 2025

Re: Authorize the Executive Director to Negotiate and Execute the Second Amendment to the Bay's Future Fund Loan from Capital Impact Partners for The Poplar property; Approve and Authorize the Executive Director to Execute Contract Amendment No.3 Not to Exceed \$401,582.50 with Rincon Consultants, Inc.; Approve and Authorize the Executive Director to Execute Contract Amendment No.2 Not to Exceed \$300,000 with Downs Pham and Kuei LLP; Authorize the Executive Director or its Designee to Negotiate and Execute Contracts up to \$500,000 with a Remediation and Demolition Contractor; Approve up to \$885,368 in other Deposits and Retainers; and Accept the Monthly Development Report for The Poplar.

BACKGROUND

The Housing Authority of the City of Alameda (AHA) purchased the property at 2615 Eagle Avenue in March 2022. AHA has a goal of serving 50 families with affordable housing at this development, with up to 25% supportive housing apartments if required by funding sources. The development will have a preference for Alameda Unified School District (AUSD) staff, as well as a live/work preference for Alamedans.

In December 2023, the Board agreed to enter into a \$3,337,000 pre-development loan from Capital Impact Partners Bay's Future Fund (BFF) to fund the acquisition and pre-development of this site for up to four years. In March 2024, the Board approved an option to ground lease with a 20-year term to Island City Development (ICD).

AHA has received redevelopment funding from the City of Alameda totaling \$4,888,053. The project is able to spend an additional \$2,000,000 on work to further the project by June 2025. In March 2024, the project was awarded \$534,565 in Equitable Community Revitalization Grant (ECRG) funds from the Department of Toxic Substances Control Office of Brownfields. The grant has a two-year term (March 2024 to March 2026). Grant funds are disbursed on a reimbursement basis and can only be used for environmental site investigation activities.



Please see previous Board Reports for project details prior to this month's update.

DISCUSSION

Amendment to the BFF Predevelopment Loan

The BFF Loan, as it is currently written, requires Capital Impact's consent to acquire new debt and for transactions with its affiliates, Alameda Affordable Housing Corporation (AAHC) and ICD. Capital Impact proposes to modify the definitions of permitted indebtedness and transactions with affiliates to give AHA flexibility to conduct its usual business without having to request Capital Impact consent unless it is related to The Poplar project. The due dates for financial audits will also be modified to better align with the Department of Housing and Urban Development's (HUD) required deadlines, which are in March following the fiscal year-end. Staff proposes the Board approve the loan amendment as the proposed changes align with AHA business practices. Please refer to Attachment 1 for the Second Amendment to the BFF Loan.

Deposits to Use Redevelopment Funding

The City of Alameda (City) redevelopment funding of \$2,000,000 for fiscal year 2024-2025 awarded to the project must be incurred by June 30, 2025 or risk forfeiture. As of April 2024, \$1,117,761 remains to be expended on project costs. Staff anticipate approximately \$282,393 in expenses will be incurred by June 30.

Due to unexpected delays in the project schedule, staff is requesting approval of advances, retainers and/or deposits for anticipated but not yet incurred costs to expend up to \$885,368, which includes the balance of \$835,368 plus \$50,000 for alternative project costs. These advances will only be used on costs that are required for the project to advance on its entitlement and environmental clean-up activities, all of which add value to the land. Retainers are typical for consultants providing design, legal, and consultants. In addition, staff have worked with the City to prepay anticipated building permit fees required for construction. The City and AUD are aware of this proposal. The list of deposits and retainers requested is as follows:

- Deposit to the City of Alameda for up to \$655,368.17 for estimated building permit fees.
- Retainer to TWM Architects + Planners (TWM) of \$30,000 for anticipated schematic design costs.
- Retainer to Downs Pham & Kuei LLP (DPK) of a total of \$100,000, which includes a \$50,000 retainer for DPK's real estate legal costs and a \$50,000 retainer to Nixon Peabody LLP via DPK for environmental legal costs.
- Retainer to Structure Development Advisors, LLC of \$25,000 for housing and community outreach consulting services.
- Retainer to the SB 35 Entitlement Consultant of \$25,000 for SB 35 services.
- Advance up to \$50,000 for alternative project costs if anticipated incurred costs do not materialize.

Environmental

Staff continue to work with Rincon Consultants, Inc. (Rincon) on the environmental investigation under the oversight of the San Francisco Bay Regional Water Quality Control Board (SFBRWQCB).

Lab results from the two rounds of site testing indicated that lead impacts were limited to the upper 3 feet of soil, which could suggest the imported fill used to develop the original property had some lead in it. There were only two soil hotspots with lead levels that are characterized as non-Resource Conservation and Recovery Act (RCRA) hazardous levels, also known as California-only hazardous waste (California levels are typically more strict than federal levels). The remainder of the site tested at non-hazardous levels, which are below both California and federal levels for residential use. A small amount of additional testing will occur, for additional data purposes, when the geotechnical excavation studies are performed by June 30.

SFBRWQCB regulations require the excavation and removal of the two soil hotspots at the site. Rincon is targeting approximately 80 cubic yards of soil to be safely removed and properly disposed of at a landfill identified to accept the soil characterized at non-RCRA levels. The plan is to address this by June 30. Staff and Rincon are working on determining a plan for the remainder of the site if further work is needed. Staff will continue to update the Board on any additional testing and findings.

Demolition

A National Environmental Policy Act (NEPA) Part 58 environmental study, abatement of hazardous building materials, and disposition of surplus property on site will be completed prior to demolition of the existing buildings. The HUD Authority to Use Grant Funds (AUGF) is required prior to taking any choice limiting actions on the site, which includes abatement and demolition activities. Prior to demolishing the existing buildings, materials containing lead, asbestos, and/or PCBs need to be properly abated and disposed of by a licensed contractor according to state and local regulations. Abatement and demolition are expected to be completed in winter 2025.

Procurement

Rincon's contract and budget will need to be expanded to include the interim hotspot removal, confirmation sampling to verify all non-RCRA level soil was excavated, and additional reporting and consulting services. There is also a contingency of \$33,248.00 for additional excavation, sampling, and consulting services if required by SFBRWQCB. Staff recommends approval to increase Rincon's budget by \$123,289.50 to cover this required scope of work. If approved, the new total not-to-exceed contract amount is \$396,543.50. Please refer to Attachment 2 for the Third Amendment to the Rincon contract.

Rincon Contract

	<u>Amount</u>
Initial Contract	\$169,300.00
First Amendment	\$21,862.00
Second Amendment	\$82,092.00

Third Amendment	\$128,328.50
Total Contract	\$401,582.50

Nixon Peabody LLP (Nixon) was approved by AHA as a subconsultant under Downs, Pham & Kuei LLP (DPK) to provide specialized environmental legal services. The Board approved Amendment No. 1 to the DPK contract for \$50,000, which memorialized the added legal services. Nixon's budget has been exhausted and needs to be replenished to cover required legal support through obtaining a SFBRWQCB-approved cleanup plan. Amendment No.2 will add \$50,000 to the DPK contract and, if approved, the new total not-to-exceed contract amount is \$300,000. Please refer to Attachment 3 for the Second Amendment to the DPK contract.

<u>DPK Contract</u>	<u>Amount</u>
Initial Contract	\$200,000.00
First Amendment	\$50,000.00
Second Amendment	\$50,000.00
Total Contract	\$300,000.00

Staff are reviewing proposals for the procurement of an Abatement and Demolition Contractor and SB35 Entitlement Consultant. Staff is requesting Board approval for the Executive Director to negotiate and sign a contract for up to \$500,000 total with one or two highest-ranking, qualified and licensed Abatement and Demolition contractors to complete the abatement and/or demolition of the existing vacant warehouse buildings.

Community Outreach

As part of the design and entitlements process, staff will host community meetings to ensure that members of the Alameda community are made aware of The Poplar redevelopment project, including the environmental cleanup and demolition activities onsite, and give the opportunity to get involved with the process and/or comment on the Development Plan for the site as it takes shape.

Due to the accelerated North Housing project schedule, AHA staff are prioritizing North Housing marketing and lease up activities this spring and summer and The Poplar community meetings will be postponed to begin in late summer 2025. Staff will share the updated community meeting schedule once finalized.

Board members and the public are encouraged to attend. The public can also sign up for notifications about The Poplar by following these instructions:

1. Go to this link: <https://www.alamedahsg.org/future-communities/>
2. Scroll down and click "Newsletter Sign Up"
3. Fill out the contact information and check the box for "The Poplar"

FISCAL IMPACT

The cost for additional legal services, environmental excavation and consulting services, and demolition are within the available budget for The Poplar. Pre-

development expenses at The Poplar are currently being funded by City redevelopment funding and the Capital Impact BFF loan. Environmental specific costs can be reimbursed through the ECRG grant. Please refer to Attachment 4 for the pre-development budget.

AHA will be advancing up to \$885,368 for the proposed retainers, deposits, and alternative project costs. The advanced payments will be submitted back to the City and AUSD for reimbursement in the next City redevelopment funding draw request. There are sufficient AHA funds to cover the upfront retainers and deposits.

CEQA

Not applicable.

RECOMMENDATION

Authorize the Executive Director to Negotiate and Execute the Second Amendment to the Bay's Future Fund Loan from Capital Impact Partners for The Poplar property; Approve and Authorize the Executive Director to Execute Contract Amendment No.3 Not to Exceed \$401,582.50 with Rincon Consultants, Inc.; Approve and Authorize the Executive Director to Execute Contract Amendment No.2 Not to Exceed \$300,000 with Downs Pham and Kuei LLP; Authorize the Executive Director or its Designee to Negotiate and Execute Contracts up to \$500,000 with a Remediation and Demolition Contractor; Approve up to \$885,368 in other Deposits and Retainers; and Accept the Monthly Development Report for The Poplar.

ATTACHMENTS

1. Att 1 - BFF Loan Second Amendment
2. Att 2 - Rincon Contract Amendment No.3
3. Att 3 - DPK Contract Amendment No.2
4. Att 4 - The Poplar Predevelopment Budget

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Jenny Wong', is positioned above the printed name.

Jenny Wong, Senior Project Manager

SECOND AMENDMENT TO LOAN AGREEMENT

This **SECOND AMENDMENT TO LOAN AGREEMENT** (the “Amendment”) is made as of [], 2025, by and between **COMMUNITY HOUSING FUND LLC**, a Delaware limited liability company (together with its successors and assigns, “Lender”), having an address at c/o Capital Impact Partners, 1400 Crystal Drive, Suite 500, Arlington, Virginia 22202, and **HOUSING AUTHORITY OF THE CITY OF ALAMEDA**, a public body, corporate and politic (together with its successors and assigns, “Borrower”), having an address at 701 Atlantic Avenue, Alameda, California 94501. All capitalized terms that are used but not defined herein shall have the meanings ascribed to them in the Loan Agreement (defined below) or the Promissory Note (defined below).

WHEREAS, Lender made a loan in the principal amount of \$3,337,000.00 to Borrower (the “Loan”), which such Loan is evidenced by that certain Loan Agreement, dated as of December 14, 2023 (as amended by that First Amendment to Loan Agreement dated February 23, 2024, the “Loan Agreement”), a Promissory Note, dated as of December 14, 2023 (the “Promissory Note”) and the documents referenced therein (the Loan Agreement, the Promissory Note and such other documents executed and delivered in connection with the Loan Agreement, the Promissory Note and/or the Loan, collectively, the “Loan Documents”); and

WHEREAS, Lender and Borrower have agreed to amend the Loan Agreement as hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lender and Borrower, intending to be legally bound, hereby agree as follows:

1. Modification of Section 1.1 (Permitted Indebtedness).
The definition of Permitted Indebtedness shall be replaced in its entirety as follows:

Permitted Indebtedness means: (i) Indebtedness to Lender; (ii) Indebtedness incurred in the ordinary course of business that is not related to the Premises and/or the Project;; (iii) such other Indebtedness existing on the date hereof and disclosed to, and expressly approved in writing by, Lender; (iv) such other Indebtedness expressly approved in writing by Lender in its sole and absolute discretion; and (v) unsecured trade payables incurred in the ordinary course of business relating to the ownership and management of the Premises.

2. Modification of Section 4.7.2 (Annual Financial Statements).
Section 4.7.2 of the Loan Agreement shall be replaced in its entirety as follows:

4.7.2 Annual Financial Statements. As soon as available, but in no event later than two hundred and seventy (270) days after the end of each fiscal year of Borrower, commencing with Borrower’s fiscal year ending June 30, 2024, Borrower shall deliver to Lender (A) financial statements of Borrower as set forth in the Financial

Management Plan, which must be previously approved by Lender in accordance with **Section 4.27** hereof (“**Annual Financial Statements**”), including a balance sheet, a statement of profit and loss and a cash flow statement, including all accountant notes, for the prior year then ended, and (B) a certificate (each, an “**Annual Certificate of Performance**”) in the form attached hereto as **Exhibit C** and otherwise acceptable to Lender, issued by an authorized officer of Borrower who is active in, and knowledgeable of, the financial operations of Borrower, indicating that: (i) all financial data and financial statements delivered to Lender concerning Borrower present in a complete and accurate manner the financial condition and operations of Borrower, and all material liabilities, fixed or contingent, are fully shown or provided for in such financial statements; (ii) there has been no change in the business or operations of Borrower, which may adversely affect the financial condition of Borrower; (iii) no Event of Default has occurred and is continuing under the Loan Documents; (iv) Borrower is in compliance with all affirmative and negative covenants, including the Financial Covenants (which certificate shall include reasonable detail to support Borrower’s calculation) set forth in the Loan Documents; and (v) all social impact data delivered to Lender concerning Borrower, if such data has been requested by Lender, is accurate and complete.

3. Modification of Section 5.16 (Transactions with Affiliates).

Section 5.16 of the Loan Agreement shall be replaced in its entirety as follows:

5.16 Transactions with Affiliates. Except for transactions in the ordinary course of business, Borrower shall not enter into any transaction with any Affiliate other than with Lender’s prior written consent and upon fair and reasonable terms no less favorable to Borrower than would be obtained in a comparable arm’s-length transaction with a Person not an affiliate.

4. Representations and Warranties. Borrower represents and warrants to Lender: (a) Borrower is not in default under the Loan Agreement, the Promissory Note, or any other Loan Document; (b) there does not exist any act, event, or circumstance, which, with the giving of notice or the passage of time or both, would constitute a default under any of the Loan Documents; (c) all representations and warranties set forth in the Loan Agreement are true, accurate and complete; and (d) the officer executing this Amendment has the authority to do so.
5. Effectiveness. The effective date (the “Effective Date”) of this Amendment shall be the date on which all of the following conditions are satisfied: (a) this Amendment shall have been executed by each of the parties hereto; and (b) any legal, administrative and/or documentation fees incurred by Lender in connection with the transaction evidenced hereby shall have been paid in full by Borrower.

6. Duplicate Originals, Counterparts, Electronic Signature. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by telecopier, facsimile machine, portable document format (“PDF”), Electronic Signature (as defined below) or other electronic means shall be as effective as delivery of a manually executed counterpart of this Amendment. The effectiveness of any such documents and signatures shall, subject to applicable laws, have the same force and effect as manually signed originals and shall be binding on the parties. No party may raise the use of a telecopier, facsimile machine, PDF, Electronic Signature (as defined below), or other electronic means, as a defense to the enforcement of this Amendment. Any party delivering the signed counterpart of this Amendment by telecopier, facsimile machine, PDF, Electronic Signature (as defined below) or other electronic means shall in all events deliver to the other party an original signature promptly upon request. “Electronic Signature” means any symbol or process attached to a document or instrument and executed or adopted by a person with the intent to sign the document or instrument, including, without limitation, any digital representation of a party's signature created by scanning such party's signature or by any electronic signature service such as DocuSign.
7. Miscellaneous. On the Effective Date and after giving effect to the terms of this Amendment: (i) the Loan Documents are and remain in full force and effect and constitute Borrower’s binding obligations, enforceable against it in accordance with their respective terms; and (ii) Borrower’s obligations under the Loan Documents are due and owing by it in accordance with their terms. The terms and conditions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. If there is a conflict between the terms of the Loan Agreement and the terms of this Amendment, the terms of this Amendment shall govern. This Amendment shall be effective as of the Effective Date. The provisions of the Loan Agreement with respect to governing law, jurisdiction, and agent for service of process are incorporated in this Amendment by reference as if such provisions were set forth herein.

(Signatures on following page)

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be executed by its duly authorized officer.

BORROWER:

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

By: _____
Name: Vanessa M. Cooper
Title: Executive Director

LENDER:

COMMUNITY HOUSING FUND LLC,
a Delaware limited liability company

By: LISC FUND MANAGEMENT, LLC,
a Delaware limited liability company,
its manager

By: _____
Name: Richard Pinner
Title: Secretary

AMENDMENT NO.3 TO CONSULTANT SERVICES AGREEMENT

This Amendment No.3 of a Consultant Services Agreement ("Amendment 3"), entered into this 21st day of May, 2025 ("Effective Date"), by and between HOUSING AUTHORITY OF THE CITY OF ALAMEDA, and its affiliates, a public body corporate and politic (hereinafter referred to as "AHA"), and Rincon Consultants, Inc., a California corporation, whose address is 180 North Ashwood Avenue, Ventura, CA 93003, (hereinafter referred to as "Consultant"), is made with reference to the following:

RECITALS:

A. On August 2, 2024, a Consultant Services Agreement ("Agreement") for environmental consulting services for The Poplar project was entered into between AHA and Consultant.

B. The initial Agreement limited the compensation to Consultant to a not exceed amount of one hundred sixty-nine thousand, three hundred dollars (\$169,300.00) for the term of the Agreement which ends on December 31, 2026 unless extended or terminated.

C. Amendment No.1 to Consultant Services Agreement ("Amendment 1"), effective October 10, 2024, increased the total compensation from one hundred sixty-nine thousand, three hundred dollars (\$169,300.00) to one hundred ninety-one thousand, one hundred sixty-two dollars (\$191,162.00).

D. Amendment No.2 to Consultant Services Agreement ("Amendment 2"), effective January 16, 2025, increased the total compensation from one hundred ninety-one thousand, one hundred sixty-two dollars (\$191,162.00) to two hundred seventy-three thousand, two hundred fifty-four dollars (\$273,254.00).

E. The effective date of this Amendment shall be May 21, 2025.

F. All conditions of the Agreement will remain the same except as amended below.

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

The not to exceed amount for the entire Agreement shall be amended from two hundred seventy-three thousand, two hundred fifty-four dollars (\$273,254.00) to four hundred one thousand, five hundred eighty-two dollars and fifty cents (\$401,582.50).

The scope of services is expanded to include an interim removal action work plan for excavation of two soil hotspots, execution of the interim removal action, soil disposal fees, and sampling, reporting, and meetings for the additional environmental scope. Please see Exhibit A for additional detail.

[SIGNATURES ON FOLLOWING PAGE]

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

“CONSULTANT”
RINCON CONSULTANTS, INC.

“AHA”
HOUSING AUTHORITY
OF THE CITY OF ALAMEDA

James Schwartz
Principal

Sylvia Martinez
Director of Housing Development

Vanessa M. Cooper
Executive Director

EXHIBIT A
SCOPE OF SERVICES & FEE

The fee for the additional scope of work is not-to-exceed one hundred twenty-eight thousand, three hundred twenty-eight dollars and fifty cents (\$128,328.50).

Interim Removal Action Scope

- | | |
|---|-------------|
| • Pre-field activities (HASP update, permitting, air quality study) | \$3,496.50 |
| • Interim removal action (field work, excavation and lab costs) | \$55,408.00 |
| • Reporting | \$8,196.00 |
| • Project Management and Meetings | \$16,175.00 |
| • Interim remedial action work plan | \$9,357.00 |
| • Geotechnical sampling | \$2,448.00 |
| • Contingency | \$33,248.00 |

Rincon Contract Summary

Initial Contract	\$169,300.00
First Amendment	\$21,862.00
Second Amendment	\$82,092.00
Third Amendment	\$128,328.50
Total Contract	\$401,582.50

Please see attached Change Order #3 for additional details on the scope of services.

May 6, 2025
Project No: 24-16166

Jenny Wong, Senior Project Manager
Housing Authority of the City of Alameda
701 Atlantic Avenue
Alameda, California 94501
Via email: jwong@alamedahsg.org

**Subject: Change Order #3 – Interim Removal Action
2615 Eagle Avenue, Alameda, California**

Dear Ms. Wong:

Rincon Consultants, Inc. (Rincon) is pleased to provide this Change Order #3 for an interim removal action (IRA) at The Poplar project property, located at 2615 Eagle Avenue in Alameda, California (Site), to the Housing Authority of the City of Alameda (AHA), including its affiliates, subsidiaries, successors, and assigns (collectively, the Client). This change order's scope will be completed in support of our existing contract to provide environmental consulting services for The Poplar project.

Background

Rincon recently completed an Additional Site Assessment (ASA) and Data Gap Assessment (DGA) at the Site in October 2024 and March 2025 respectively, under the oversight of the San Francisco Bay Regional Water Quality Control Board (Water Board). The results of the assessments identified no evidence of volatile organic compound (VOC) soil or groundwater impacts, but did detect lead and arsenic throughout the Site in soil. Analytical results from two of the samples were classified as non-Resource Conservation and Recovery Act (RCRA) hazardous waste.

Rincon understands that AHA would like to conduct an IRA to excavate and dispose of the non-RCRA hazardous waste soil off Site prior to full-scale remediation. In a virtual meeting on April 14, 2025, the Water Board indicated that a removal action was acceptable pending submittal and approval of a work plan.

Scope of Work

Rincon has developed the following scope of work below to complete the IRA.

Task 1 Pre-field Activities

Rincon will complete the following pre-field activities to complete the scope of work.

Task 1.1 HASP Update

Rincon will update the HASP to reflect the updated work activities.

Task 1.2 Permitting

Rincon will obtain a No Parking Sign Permit for four spaces to facilitate the IRA. Rincon will deploy the no parking signs prior to IRA operations.



Assumptions

- *The parking spaces will be reserved for up to 3-days; if additional time is needed, a new application will be submitted and AHA will be billed on a T&M basis.*
- *Bay Area Air Quality Management District permits and City of Alameda grading permits are not required.*

Task 1.3 Air Quality Baseline Study

Rincon will mobilize to the Site prior to field work to monitor baseline dust and VOC levels in accordance with the Soil and Groundwater Management Plan (SGMP). It is expected that this baseline data will also be adequate for the full-scale remediation effort.

Assumptions

- *The air quality baseline study will take one full 10-hour day to complete.*

Task 2 Interim Removal Action

Rincon will mobilize to the Site with Eleven Engineering Inc. (EEI), an environmental contractor, to complete the scope of work, which primarily consists of advancing a preliminary excavation to 3 feet below ground surface (see Figure 1).

Task 2.1 Rincon Field Program

Once the excavation is completed, Rincon will collect up to six primary confirmation samples from the pit sidewalls. In addition, up to six potholes will also be advanced at locations offset from the preliminary excavation to collect secondary confirmation samples.

In addition, Rincon will conduct air quality monitoring, in accordance with the SGMP, for the protection of construction worker and public health.

Task 2.2 Environmental Contractor

EEI will complete the excavation, hauling, and disposal tasks. It is expected that approximately 45 cubic yards of soil will be excavated and direct loaded onto trucks for offSite disposal. If warranted due to unfavorable confirmation sample results, the EEI will remobilize to the Site for one additional day of excavation to remove approximately 35 additional cubic yards of soil.

Assumptions

- *Prevailing wage will be applied to this work.*
- *Water access for dust control will be provided via the water spigot near the excavation area.*
- *EEI will utilize Rincon's HASP but provide a Job Hazard Analysis (JHA) for the work.*
- *On-Site restrooms will be made available for EEI and Rincon personnel.*
- *All permits, sampling, reporting, and inspections will be handled by Rincon.*
- *Asphalt will not be saw-cut, but rather removed by excavator, resulting in rough edges.*
- *Encroachment permit and No Parking Signs will be provided by Rincon.*
- *Shoring and dewatering are not anticipated to be required and therefore not included in the work scope.*



- *Given that additional excavation is anticipated in the future, backfilling of the excavation is not included in the work scope.*
- *Soil removed from the Site will be accepted as non-RCRA hazardous waste at Buttonwillow Landfill Facility.*
- *The final loadout from the Site will be charged at a minimum of 23 tons.*
- *The work scope will be completed in one mobilization.*
- *Asphalt, concrete, brick, and other hardscape debris will be left onsite at a location determined in consultation with AHA.*
- *The excavation will be left open, with metal stakes and snow fencing around its perimeter for safety.*

Task 2.3 Analytical Fees

Samples will be transported under chain-of-custody protocol to a fixed-based laboratory. Samples will be analyzed systematically, starting with the primary confirmation samples. If these samples classify as non-RCRA hazardous waste, then the secondary pothole samples will be analyzed to attempt to delineate the lateral extents of non-RCRA hazardous waste.

In addition, up to six samples collected from the geotechnical engineer's borings will be analyzed, and four of the onSite drums require analysis to determine waste classification for disposal.

In total, up to 25 soil samples will be analyzed for total lead and arsenic by EPA Method 6010.

Additionally, samples exceeding hazardous waste screening criteria will be analyzed for soluble metals to characterize the waste classification.

Assumptions

- *Samples will be analyzed on a rush 3-day turn-around time.*
- *If more than 25 samples warrant analysis, Rincon will notify AHA, and submit a written request to draw down the Contingency associated with the original contract.*
- *If more than 25 samples warrant soluble threshold limit concentration analysis, or more than 10 samples warrant toxicity characteristic leaching procedure analysis, Rincon will notify AHA, and submit a written request to draw down the Contingency.*

Task 3 Reporting

Rincon will either prepare a standalone IRA Completion Report, or include reporting of the IRA in the forthcoming Remedial Action Plan, depending on schedule considerations.

Assumptions

- *This estimate includes costs to address one round of comments issued by the Water Board; if the comments cannot be reasonably addressed given this budget, Rincon will notify AHA, and submit a written request to draw down the Contingency.*
- *All documents will be submitted electronically; hard copies of documents are not included.*



Task 4 Project Management and Meetings

Task 4.1 Project Management

This task provides for project management associated with the IRA, and for on-going consulting services associated with the project generally.

Task 4.2 Meetings

This task provides for regular meetings with AHA, the Water Board, and other stakeholders, as well as for upcoming community engagement meetings.

Assumptions

- *The project manager will attend up to three one-hour long community engagement meetings; if attendance at more meetings is required, Rincon may submit a written request to draw down the Contingency.*
- *Rincon will support AHA in preparations for the meetings by preparing materials and providing information; if the level of effort needed to prepare for the meetings exceeds the proposed budget, Rincon may submit a written request to draw down the Contingency.*

Task 5 Interim Remedial Action Work Plan

Task 5.1 Initial Interim Remedial Action Work Plan

The Water Board indicated that an approved IRAW would be required prior to implementation of the IRA. Therefore, Rincon will submit an IRAW for review and approval by the Water Board.

Task 5.2 Remedial Interim Remedial Action Work Plan

Rincon will respond to one round of Water Board comments on the IRAW.

Assumptions

- *The submittals to AHA will be in PDF; hard copies of the draft report are not included.*
- *Comments issued by the Water Board can be addressed in the allotted time; if additional time is warranted and justified, Rincon will notify AHA, and submit a written request to draw down the Contingency.*

Task 6 Additional Sampling

Rincon will mobilize with the project's geotechnical engineer to collect up to six environmental samples from the hollow-stem auger borings. The samples are intended to further contribute to the project's environmental dataset. Up to six of the samples will be analyzed as discussed in Task 2.3.

Assumptions

- *Geotechnical sampling will take one full 10-hour day to complete.*



Task 7 Contingency

The contingency is intended to provide for an additional third day of excavations in the case of unfavorable confirmation sample results. The contingency budget may also be utilized with approval from AHA due to the circumstances described above under Tasks 2 through 5.

Assumptions

- *The contingency provides for one additional mobilization; if additional mobilizations are warranted, a change order will be required.*

Schedule and Cost

Rincon is prepared to commence on this scope of work immediately after authorization. The IRA is tentatively scheduled to commence on May 22, 2025. Receipt of initial analytical results (assuming a 3-day rush) is expected May 29, 2025. If the results are unfavorable, the secondary confirmation samples (from potholes) would all be analyzed on 3-day rush, with receipt of results expected June 4, 2025. If needed, EEL and Rincon would remobilize on June 5 or 6, 2025, to further excavate impacted soil. If a standalone IRA Completion Report is warranted, it will be submitted to AHA for review within three weeks of final IRA field activities. If a standalone IRA Completion Report is not needed, IRA reporting will be incorporated into the upcoming RAP.

The cost for the scope of work described in Task 1 through Task 7 of this proposal (inclusive of the if-needed task) is **\$128,328.50 (Table 1 - Attached)**.

Authorization

This work will be completed under the terms and conditions of Rincon's existing Consultant Services Agreement. This project will be charged on a time and materials basis. Any additional work requested by AHA can be completed for an additional fee following written authorization. To authorize this scope of work, please prepare a change order for Rincon's review and signatures.

Thank you for your consideration and for this opportunity to continue to support your project. If you have any questions regarding this proposal, please contact Alex Cruz at acruz@rinconconsultants.com, or 916-905-2683.

Sincerely,

Rincon Consultants, Inc.

Alex Cruz, PG
Senior Environmental Geologist

James Schwartz, PG
Principal

Attachments

Table 1 Cost Estimate



Table 1 Cost Estimate

C03: Interim Removal Action	Rate	Hours	Labor Budget	Direct Expenses	Total Budget
Task 1: Pre-field Activities		16.00	\$2,926.00	\$570.50	\$3,496.50
Task 1.1: HASP Update		3.00	\$592.00	\$0.00	\$592.00
Senior Environmental Scientist II	\$252.00	1.00	\$252.00		
Environmental Scientist II	\$170.00	2.00	\$340.00		
Task 1.2: Permitting		2.00	\$382.00	\$250.00	\$632.00
Environmental Scientist III	\$191.00	2.00	\$382.00		
Licenses & Permits				\$250.00	
Task 1.3: Air Quality Baseline Study		11.00	\$1,952.00	\$320.50	\$2,272.50
Senior Environmental Scientist II	\$252.00	1.00	\$252.00		
Environmental Scientist II	\$170.00	10.00	\$1,700.00		
Photoionization Detector				\$82.00	
Sampling Equipment				\$148.50	
Vehicle Day Rate				\$90.00	
Task 2: Interim Removal Action		22.00	\$4,324.00	\$51,084.00	\$55,408.00
Task 2.1: Rincon Field Program		22.00	\$4,324.00	\$869.00	\$5,193.00
Senior Environmental Scientist II	\$252.00	2.00	\$504.00		
Environmental Scientist III	\$191.00	20.00	\$3,820.00		
Photoionization Detector				\$164.00	
Sampling Equipment				\$297.00	
Standard Field Package				\$228.00	
Vehicle Day Rate				\$180.00	
Task 2.2: Environmental Contractor		0.00	\$0.00	\$41,717.50	\$41,717.50
Consultant				\$41,717.50	
Task 2.3: Analytical Program		0.00	\$0.00	\$8,497.50	\$8,497.50
Laboratory Analysis				\$8,497.50	
Task 3: Reporting		41.00	\$8,196.00	\$0.00	\$8,196.00
Principal	\$278.00	2.00	\$556.00		
Senior Environmental Scientist II	\$252.00	8.00	\$2,016.00		
Environmental Scientist IV	\$206.00	16.00	\$3,296.00		
Environmental Scientist III	\$191.00	4.00	\$764.00		
GIS/CADD Specialist I	\$144.00	10.00	\$1,440.00		
Production Specialist I	\$124.00	1.00	\$124.00		



Task 4: Project Management and Meetings		71.00	\$16,175.00	\$0.00	\$16,175.00
Task 4.1: Project Management		51.00	\$10,927.00	\$0.00	\$10,927.00
Principal	\$278.00	8.00	\$2,224.00		
Senior Environmental Scientist II	\$252.00	16.00	\$4,032.00		
Environmental Scientist III	\$191.00	21.00	\$4,011.00		
Admin Assistant/Billing Specialist	\$110.00	6.00	\$660.00		
Task 4.2: Meetings		20.00	\$5,248.00	\$0.00	\$5,248.00
Principal	\$278.00	8.00	\$2,224.00		
Senior Environmental Scientist II	\$252.00	12.00	\$3,024.00		
Task 5: Interim Remedial Action Plan		17.00	\$9,357.00	\$0.00	\$9,357.00
Task 5.1: Initial Interim Remedial Action Plan		0.00	\$5,857.00	\$0.00	\$5,857.00
Task 5.2: Revised Interim Remedial Action Plan (if needed)		17.00	\$3,500.00	\$0.00	\$3,500.00
Principal	\$278.00	2.00	\$556.00		
Senior Environmental Scientist II	\$252.00	4.00	\$1,008.00		
Environmental Scientist IV	\$206.00	6.00	\$1,236.00		
GIS/CADD Specialist I	\$144.00	4.00	\$576.00		
Production Specialist I	\$124.00	1.00	\$124.00		
Task 6: Geotechnical Sampling		11.00	\$2,162.00	\$286.00	\$2,448.00
Senior Environmental Scientist II	\$252.00	1.00	\$252.00		
Environmental Scientist III	\$191.00	10.00	\$1,910.00		
Photoionization Detector				\$82.00	
Standard Field Package				\$114.00	
Vehicle Day Rate				\$90.00	
Task 7: Contingency		11.00	\$2,162.00	\$31,086.00	\$33,248.00
Senior Environmental Scientist II	\$252.00	1.00	\$252.00		
Environmental Scientist III	\$191.00	10.00	\$1,910.00		
Photoionization Detector				\$82.00	
Standard Field Package				\$114.00	
Vehicle Day Rate				\$90.00	
General Contractor				\$30,800.00	
Total		189.00	\$45,302.00	\$83,026.50	\$128,328.50

AMENDMENT NO.2 TO CONSULTANT SERVICES CONTRACT

This Amendment of a Consultant Services Contract ("Amendment"), entered into this 21st day of May, 2025 ("Effective Date"), by and between HOUSING AUTHORITY OF THE CITY OF ALAMEDA, a public body corporate and politic (hereinafter referred to as "AHA"), and DOWNS PHAM & KUEI LLP, a California limited liability partnership, whose address is 235 Montgomery Street, 30th Floor, San Francisco, CA 94104, (hereinafter referred to as "Consultant"), is made with reference to the following:

RECITALS:

A. On August 2, 2024, a Consultant Services Contract ("Contract") for environmental consulting services for The Poplar project was entered into between AHA and Consultant.

B. The initial Contract limited the compensation to Consultant to a not exceed amount of two hundred thousand dollars (\$200,000.00) for the term of the Contract which ends on December 31, 2026 unless extended or terminated.

C. Amendment No.1 to Consultant Services Contract ("Amendment 1"), effective February 19, 2025, increased the total compensation from two hundred thousand dollars (\$200,000.00) to two hundred fifty thousand dollars (\$250,000.00).

D. The effective date of this Amendment shall be May 21, 2025.

E. All conditions of the Contract will remain the same except as amended below.

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

The not to exceed amount for the entire Contract shall be amended from two hundred fifty thousand dollars (\$250,000.00) to three hundred thousand dollars (\$300,000.00).

The scope of services includes additional environmental legal consulting services through implementation of the remedial action plan. Please see Exhibit A for additional detail.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

[SIGNATURES ON FOLLOWING PAGE]

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

“CONSULTANT”

DOWNS PHAM & KUEI, a limited liability partnership

“AHA”

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

Tuan A. Pham
Partner

Vanessa Cooper
Executive Director

EXHIBIT A
SCOPE OF SERVICES & FEE

The environmental and entitlement legal consulting services will be performed by Nixon Peabody LLP ("Subconsultant") pursuant to the attached Supplemental Agreement for Legal Services. The budget for the Subconsultant's scope of work is increased by a not-to-exceed amount of fifty thousand dollars (\$50,000.00).

Included services:

1. Communications, review and negotiation of Consultant contracts and change orders
2. Review and comment on
 - a. Soil and Groundwater Management Plan
 - b. Stormwater Pollution Prevention Plan and Dust Control Measures
 - c. Draft Completion Report for supplemental investigation
 - d. Draft Remedial Action Plan (RAP)
 - e. Other documents, reports and plans related to environmental conditions at The Poplar
3. Participate in communications with RWQCB
4. Participate in client calls and facilitation of entitlements

The Poplar – Predevelopment Budget
Update as of April 30, 2025

Uses	Budget	Obligated	Spent to Date
Acquisition	\$2,500,000	\$2,500,000	\$2,500,000
Demolition & Carrying Costs	\$600,000	\$85,266	\$85,266
Design Consultants	\$800,000	\$265,530	\$0
Entitlements & Permitting	\$175,000	\$0	\$0
LIHTC and Financing Fees	\$206,000	\$0	\$0
Predevelopment Financing Fees	\$375,261	\$375,261	\$375,261
Environmental Costs	\$500,000	\$423,083	\$171,785
Other Soft Costs & Contingency	\$280,739	\$175,278	\$137,543
Total	\$5,437,000	\$3,824,417	\$3,269,855

	City Redevelopment Funding	Capital Impact BFF	ECRG
Total Budget	\$4,888,053	\$3,337,000	\$534,565
Amount Drawn through April 30, 2025	\$3,770,292	\$2,645,457*	\$157,147
Remaining Loan Available	\$1,117,761**	\$691,543	\$377,418

**Amount of Capital Impact BFF funding that has been drawn down, including an interest reserve of \$266,960. The funds minus interest are being held in LAIF for potential use.*

***Amount required to be spent by June 30, 2025. AUSD ROPS is available on a reimbursement basis.*