



Housing Authority  
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City of Alameda

# Restore-Rebuild Update (formerly Faircloth to RAD)

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DECEMBER 18, 2024




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# Timeline of Events



November 20, 2024: Board authorized the transfer of Independence Plaza from AAHC to AHA, cancel existing loan of \$34M, and give \$4M to the property for this transaction

End of November 2024:

- Public Housing closing documents were signed, recorded, and submitted
- RAD PBV closing documents were signed, recorded and submitted
- Briefings were completed and leases were signed

December 1, 2024: RAD PBV HAP Contract went into effect

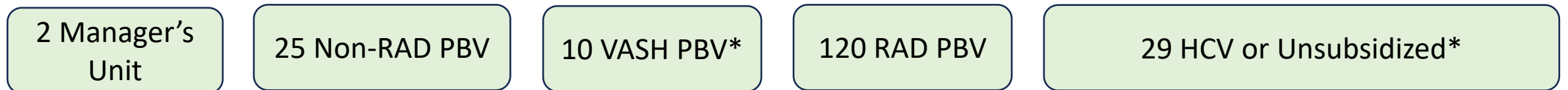
December 2, 2024: Ineligible Households were removed from RAD PBV HAP Contract

# Project Snapshot

## Current Breakdown of 186 Units at Independence Plaza



## Expected Final Breakdown of 186 Units at Independence Plaza



### Clarifications:

- Of the 54 RAD PBV units, 4 are currently vacant and will be filled from the waitlist
- Of the 36 Unsubsidized units, there are 14 that are still being processed and are expected to receive PBV assistance
- The AHA and the Veterans' Affairs San Francisco Medical Office agreed to have up to 10 VASH PBV at Independence Plaza. At this time, AHA is working with HUD to address HUD's concerns as the VASH PBV units were added after the Faircloth to RAD Development Proposal and as such were not included for HUD to review.
- The AHA can't force unsubsidized residents to receive RAD PBV assistance, but AHA staff will meet with these individuals again to reiterate the benefits of the program. It's expected that the 29 non-PBV units will be subsidized but this will depend on the units being turned.

# Overview of Tenant Rights Under RAD

## Right to Move

- Applies to VASH PBV and Non-RAD PBV.
- Can request a tenant-based voucher after living in the property for one year.

## Grievance Procedure

- Imposes grievance and lease termination provisions.

## Longer Notice Periods

- Must be offered at least 14 days to cure most legal notices.
- Starting January 1, 2025, FPI will be using a 30-day notice, which aligns with the California requirements for vacating a unit.

## FSS Participation

- Can choose to participate in AHA's Family Self-Sufficiency (FSS) program.

## Right to Return

- No tenants were displaced in this process and all eligible tenants were offered a voucher so AHA has already met this condition (HUD confirmed).

# Administrative Updates

## Completed

- Property was transferred from AAHC to AHA
- Mortgage was paid off in full
- Discontinuing Admissions and Continued Occupancy Policy (ACOP) which is only required for Public Housing
- Met with tenants today to discuss their rights as mentioned previously

## In Progress

- Submitting post-closing documents to HUD
- Entering tenant information in our database
- Leasing efforts
- Property Upgrades – most will be done in 2024 with the rest finishing by end of June 2025
- Will terminate Cooperation Agreement with the City

## Action Item

Requesting Board approval to execute a Management Agreement between AAHC and AHA so that AAHC remains as the property manager and can keep the current contract with FPI Management.

# Property Budget Updates

## Contract Rents

RAD PBV Contract rents set at \$2,250 (1-bedroom) and \$2,871 (2-bedroom)

## Rent Increases

- RAD PBV units will start in 2026 and will be based on the Operating Cost Adjustment Factors (OCAF)
- Non-RAD PBV units will continue as usually - yearly, effective July 1, and based on rent reasonableness and AHA's payment standard
- Unsubsidized units will continue yearly based on the maximum allowed for private market units in Alameda

## HAP and HUD Funding

- HAP to be paid for units on the RAD PBV contract starting in December (approximately \$90k/month for first 50 units)
- Receive one-time HUD funds starting January 1, 2025 (approximately \$725k)

## Requires Set Asides and Reserves

- Additional \$25/unit/year to be set aside for resident services
- Replacement reserves deposit of \$83,700/year increasing at 1.95% (AHA will pay for 12 months upfront)
- Initial deposit of \$1.8M made on November 26, 2024

# Initial Benefits



The initial 50 RAD PBV households are paying, on average, \$250 less every month

- For 30 tenants, their monthly rent has decreased between \$125/month and \$1,300/month

The additional subsidy received is expected to be \$2.6-\$3.2 million per year for 20 years once all vouchers are fully leased and in place which would offset the expiring CIC funds

# Thank You!

AHA Staff  
and Board

Tenants

Legal  
Consultants

Contractors

FPI  
Management

HUD Field  
Office

HUD RECAP  
and REAC

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HUD acknowledges that "Independence Plaza is the first acquisition-only Restore-Rebuild (formerly Faircloth to RAD) Conversion."