




Office of the Executive Officer

INFORMATION CALENDAR

September 19, 2006

To: Honorable Chairperson and  
Members of the Housing Authority

From:  Phil Kamlarz, Executive Officer

Submitted by: Stephen Barton, Director, Housing Department

Subject: Update on Allston House Improvements

INTRODUCTION

At the Berkeley Housing Authority meeting on July 25, 2006, the BHA Board requested that staff provide a report addressing tenant concerns regarding safety issues at Allston House, a 48-unit apartment building managed by Affordable Housing Associates. Affordable Housing Associates (AHA) is a Berkeley-based non-profit housing development organization with its own property management firm. This report summarizes the actions AHA has taken to date to address tenant concerns regarding safety issues at Allston House.

CURRENT SITUATION AND ITS EFFECTS

Since taking over management of Allston House in October 2004, Affordable Housing Associates has invested over \$120,000 in maintaining and repairing the building. To address tenant concerns regarding safety, AHA immediately installed safety lights in the perimeter of the building, secured and re-keyed entry gates, and posted private property signs at the entrances to enforce trespassing. In addition, AHA has installed security cameras at all entrances to the building.

In order to address tenant concerns on a day-to-day basis, AHA has hired an on-site Resident Manager, a Property Manager and Assistant Property Manager for Allston House. The Property Manager and Assistant Property Manager can be reached Monday through Friday from 9 a.m. to 5 p.m. The Resident Manager is available for emergencies and after hour issues on-site. Residents can call a 24-hour property emergency number any time of the day or night for an immediate response. AHA's Property Management has also worked with the Berkeley Police Department and conducted a walk-through safety assessment of the building. Notices regarding safety measures were distributed to tenants and a safety segment is included on the agendas of all Allston House community meetings to keep tenants informed of safety issues and improvements.

In addition to safety repairs and routine maintenance, AHA has completed other repairs and improvements including: sewer line repair; replacing the carpets on the first floor; upgraded laundry rooms: new flooring, new laundry machines, new paint; new boiler system to replace old water heaters; roof repair; new mailboxes for all 48 units; and repair of exterior doors.

### BACKGROUND

In October 2004, Affordable Housing Associates entered into a five-year master lease agreement with a purchase option for Allston House in order to prevent the property from being sold to a for profit developer and to preserve the affordability of the rental apartments. The lease agreement and purchase option allowed AHA to begin managing the property with the goal of making immediate repairs to the health, safety and security of the building. The agreement also provided sufficient time for AHA to conduct a thorough needs assessment and feasibility analysis in order to secure the private and public financing needed to complete the modernization of the building.

AHA has completed a several studies including a physical needs assessment, phase one environmental assessment, lead and asbestos surveys, and a structural termite report. The findings of the reports characterizes the property as structurally, architecturally, and mechanically sound, yet in need of substantial rehabilitation to improve safety and security systems, increase energy efficiency, provide accessibility to the disabled, and upgrade the quality of finishes, fixtures, and appliances. The recommended scope of work that accompanies the needs assessment includes repairing or replacing all systems, materials, and fixtures that are characterized as being in either poor or fair condition.

In March and April 2006, Affordable Housing Associates received an award of State Multifamily Housing Program funds, a commitment of low income tax credits and an allocation of state multifamily tax-exempt bond financing which are the primary sources of financing for the project. AHA is in the process of closing on its bond financing and is awaiting approval from the U.S. Department of Housing and Urban Development for its Agreement to enter a Housing Assistance Payment Contract (AHAP) for the Project-Based Section 8 assistance the BHA allocated to the project in February 2005. AHA is scheduled to acquire the building in the fall and begin the renovation work shortly thereafter.

### POSSIBLE FUTURE ACTION

Since taking over management of Allston House in October 2004, Affordable Housing Associates has made some improvements to the building to address safety issues, which were a primary concern of the current tenants, as well as additional repairs and non-routine maintenance improvements. To date, AHA has invested approximately \$120,000 in the building. AHA will begin to implement a more comprehensive rehabilitation work scope that includes both interior and exterior improvements.

### FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

None.

### CONTACT PERSON

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