

# **LEISURE TERRACE APARTMENTS HAYWARD, CALIFORNIA**



## **Relocation Plan**

**January 2019**

**Prepared for:  
Reliant Group Management**

**Prepared by:  
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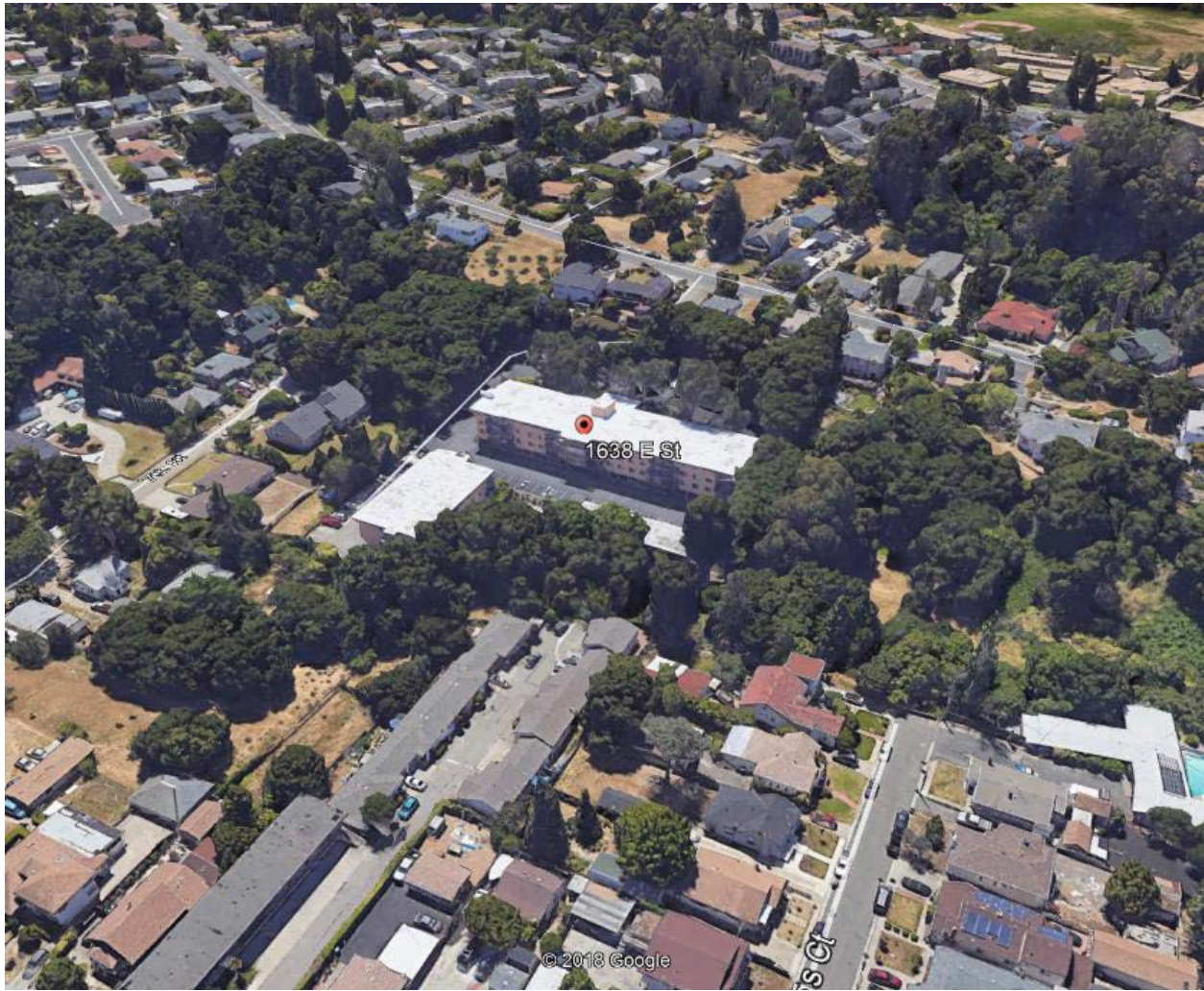
## **INTRODUCTION**

Reliant Group Management (Reliant) is submitting an application for a bond allocation from the California Debt Limit Allocation Committee (CDLAC) and an allocation of tax credits from the California Tax Credit Committee (CTCAC) to acquire and renovate a market rate multifamily housing complex in the City of Hayward. Leisure Terrace Apartments is a 68-unit general occupancy apartment complex located at 1638 E Street. Renovations are expected to take place April 2019 through December 2019.

Once the project receives an allocation of tax credits and tax-exempt bonds, all tenants residing at the subject property must have incomes at or below 60 percent of the Area Median Income (AMI) for Alameda County. Current tenant with incomes above 60 percent of AMI will be given a 60-day notice that their lease will not be renewed at that time; all tenants are on month-to-month leases.

Due to the scope of rehabilitation work and the concern for each tenant's health, safety, and welfare, income-qualified residents who choose to remain at the subject property will be required to vacate their unit temporarily during the work day. Unit renovations will be phased with 6-10 units being renovated at a time for up to five consecutive weekdays. During this time, tenants will need to vacate their units from 9:00 a.m. to 5:00 p.m. Some belongings will need to be packed and moved to the center of the room. Reliant will provide tenants with packing materials, meal stipends, and assistance with packing as needed. Management will ensure that two onsite "host" units are available for the households to utilize while they are required to be out of their unit.

## Project Location/Description



Leisure Terrace Apartments is an existing is a 68-unit market rate apartment complex located at 1638 E Street, Hayward, CA. The project sponsor is Reliant Group Management. The subject property was originally built in 1974. The property is improved with 3 two- three-, and four-story garden-style residential buildings with the following unit mix:

Unit Mix

Unit Mix	# Units	Average SF
Studio	3	700
1 BR / 1 BA	18	700
1 BR / 1 BA	2	800
2 BR / 2 BA	45	900

Unit amenities include blinds, carpet, ceiling fan, storage closet, walk-in closet, refrigerator, stove, disposal, dishwasher, and patio/balcony. Project amenities include swimming pool and



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spa, laundry room, onsite management, carports, elevator, surveillance camera, and courtesy patrol. A community building and business center will be added as part of the renovations.

Current rents are below the maximum allowable 2018 LIHTC rents. As tenant income certifications are completed post acquisition, rents will be raised to the maximum allowable rents for tenants who are income qualified to remain at the property; the sponsor believes that the rent increases will not cause any economic displacement due to current market conditions. New tenants will be charged the maximum allowable LIHTC rents.

The property will undergo interior and exterior renovations totaling approximately \$45,000 per unit. The renovation work is expected to start in April 2019 and to take 8 months. The renovation scope is currently being developed but is expected to include the following, as needed:

**EXTERIOR / COMMON AREA AMENITIES**

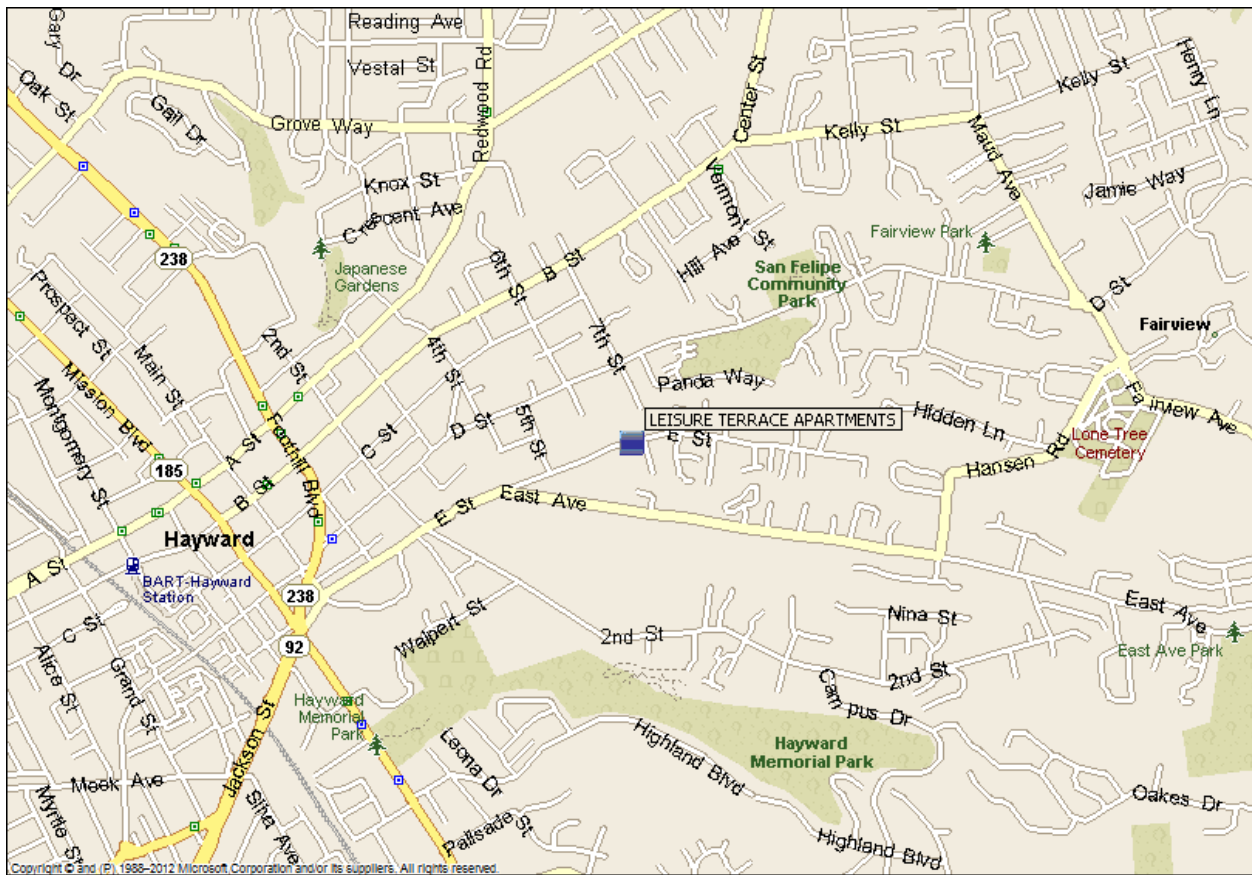
- New roofs
- New energy efficient windows
- Renovation of existing leasing office
- Upgraded, energy efficient lighting fixtures throughout
- Full exterior paint
- Extensive landscaping upgrades, including drought tolerant plants and irrigation retrofit
- Upgraded pool areas and installation of barbecue space
- New building and monument signs
- Parking lot repairs, slurry seal and striping
- New community building and business center

**UNIT INTERIORS**

- New cabinets and countertops in kitchens and baths
- New vinyl plank flooring in kitchen, hallways, and baths
- New energy efficient appliances in all units
- Low Flow toilets, showerheads and faucet aerators throughout
- Energy efficient lighting and new fixtures throughout
- Microwaves and ceiling fans as necessary

## RELOCATION PLAN

### 1. The Project Map:



2. **Projected Dates of Displacement:** No relocation will take place before all funding sources have been approved, construction financing closes, and all required noticing has been issued. Renovations are expected to take place April 2019 – December 2019.

### 3. **Aggregate Relocation Needs/How Needs Will Be Met:**

- a. **Aggregate Relocation Needs:** Once the project receives an allocation of tax credits and tax-exempt bonds, all tenants residing at the subject property must have incomes at or below 60 percent of the Area Median Income (AMI) for Alameda County. Tenants with incomes above 60 percent of AMI will be given a 60-day notice that their lease will not be renewed at that time; all tenants are on month-to-month leases.

- b. Method of Notification: Once Reliant has closed the construction financing and acquired the subject property, all household residing at the property will immediately be issued a 60-day notice that:
- Informs tenants of the new ownership and new income restrictions and that their current month-to-month lease will not be renewed
  - States that all residents need to meet with management within 30 days and provide proof of income
  - Lists what documents will need to be provided to management
  - Explains that if residents are income qualified to remain at the property, they will need to execute a new six-month lease under the requirements of the LIHTC program
  - Informs residents that if they are over-income that they will need to relocate by the date specified in the 60-day notice

At least 30 days prior to renovations, management will issue all tenants a Notice of Temporary Relocation Assistance. The notice will provide each household with information regarding the temporary relocation process, general schedule, and what to expect. This notice will include:

- Date and duration of temporary relocation
- Packing instructions
- Availability of a “host” unit and community room
- Lunch stipend to be provided

Seven days before any temporary displacement, tenants will receive a reminder notice that will summarize the information contained in the 30-day notice. Finally, the night before any temporary displacement, the resident manager will visit each of the tenants to ensure that they are properly packed and ready for the renovation of their units.

- c. Temporary Relocation Detail: Due to the scope of rehabilitation work and the concern for each tenant’s health, safety, and welfare, residents will be required to vacate their unit temporarily during the work day. Unit renovations will be phased, with 6-10 units being rehabilitated at one time for 5 consecutive weekdays. During this time, tenants will need to be out of their unit from 9:00 a.m. to 5:00 p.m.

Reliant will fully furnish two vacant units to be available during the rehabilitation. Residents may choose to use the units during the days that their unit is being renovated. Tenants will be able to prepare their lunches, watch TV, or just relax.

Tenants will need to pack kitchen and bathroom belongings; they will be provided packing materials and packing instructions prior to renovation of their unit. Tenants will be responsible for packing their own belongings, except for those identified as needing assistance.

Residents will have access to their kitchens and bathroom when they return to their unit each night. They will be provided a \$10/day/person lunch stipend for the 5 days that their unit is under renovation. In the unlikely event that a tenant’s unit is not fully functional during the renovation, Reliant will pay for a room(s) in a nearby hotel plus a \$20 per person per day meal stipend.

- 4. Cost Estimate and Sources:** The total estimated cost to temporarily relocate up to 68 households for 5 days is \$23,155, which includes a 10 percent contingency. The methodology and estimate calculations are outlined below.

The cost for the packing material assumes tenants will be responsible for packing and unpacking their belongings. The contingency cost will cover any households that need assistance with packing or who may need to stay in a hotel for a night if construction runs into problems.

**Leisure Terrace Apartments**

<b>Temp Relocation</b>	<b>Units</b>	<b>Days</b>	<b>Cost/Day</b>	<b>Cost/Unit</b>	<b>Total</b>
<b>Lunch Stipend Studio</b>	3	5	\$10		\$150
<b>Lunch Stipend 1BR</b>	20	5	\$15		\$1,500
<b>Lunch Stipend 2BR</b>	45	5	\$30		\$6,750
<b>Packing Material Studio</b>	3			\$30	
<b>Packing Material 1BR</b>	20			\$40	\$800
<b>Packing Material 2BR</b>	45			\$50	\$2,250
<b>Rental Furniture Cost Per Month</b>		12		\$800	\$9,600
<b>Total</b>					\$21,050
<b>10% Contingency</b>					\$2,105
<b>TOTAL</b>					<b>\$23,155</b>

**Assumptions**

Studio = 1 person  
 1BR = 1.5 persons  
 2BR = 3 persons

- 6. Citizen Participation:** Tenant meetings will be scheduled before renovations take place. Written information will be provided to tenants explaining the timing of the project. Additional tenant meetings will be held as needed; translators will be available as needed. Upon request, tenants will be provided timely and full access to all non-confidential documents relevant to the relocation.