

# SUTTER COMMUNITY AFFORDABLE HOUSING

1455 BUTTE HOUSE ROAD  
YUBA CITY, CA 95993  
(530) 671-0220

January 19, 2021

TO:

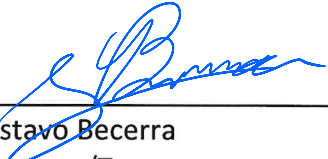
Brynda Stranix, President	Sutter County Board of Supervisors
Gustavo Becerra, Secretary/Treasurer	City Council, Yuba City
Diane Hodges, Board Member	City Council, Live Oak
Richard Grant, Board Member	Brant Bordsen, Legal Counsel
Martha Griese, Board Member	Appeal-Democrat
Kimberly Butcher, Board Member	
Manny Cardoza, Board Member	
Suzanne Gallaty, Board Member	

## NOTICE OF REGULAR MEETING

January 26, 2021

You are hereby notified that the Sutter Community Affordable Housing Board Meeting is scheduled for **Tuesday, January 26, 2021, at 12:00 PM.**

**This meeting will be held via Zoom. The link is <https://zoom.us/j/96964028189>;  
Meeting ID: 969 6402 8189; Passcode: 488249; call-in number is 1-669-900-6833.**



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Gustavo Becerra  
Secretary/Treasurer

# **SUTTER COMMUNITY AFFORDABLE HOUSING**

## **Regular Meeting of Board of Directors**

**Via ZOOM**

**<https://zoom.us/j/96964028189>**

**Meeting ID: 969 6402 8189**

**Passcode: 488249**

**call-in number is 1-669-900-6833.**

**Tuesday, January 26, 2021**

**12:00 NOON**

### AGENDA

- A. CALL TO ORDER: ROLL CALL
- B. PLEDGE OF ALLEGIANCE
- C. PUBLIC PARTICIPATION: Members of the public shall be provided with an opportunity to address the Board on items of interest that are within the subject matter jurisdiction of the Board. Any member of the audience who may wish to bring something before the Board that is not on the agenda may do so at this time; however, State law provides that no action may be taken on any item not appearing on the posted Agenda. Persons who wish to address the Board during public comment or with respect to an item that is on the agenda, will be limited to three (3) minutes.
- D. AWARDS AND PRESENTATIONS: NONE
- E. EXECUTIVE SESSION: NONE  
May be held under California Government Code regarding pending and/or anticipated litigation, property acquisition, and/or personnel issues.
- F. CONSENT CALENDAR: All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time that the Board votes on the motion unless members of the Board request specific items to be discussed or removed from the Consent Calendar for individual action.
  - 1. Approval of Minutes – October 27, 2020 pg. 1
  - 2. Resolution 21-42 – Town Center Collection Loss Write-Off pg. 4

3. Resolution 21-43- Yolo/Heiken Collection Loss Write-Off pg. 6

G. OLD BUSINESS: Discussion/Possible Action:

4. Community/Public outreach for the Richland Village project pg. 8  
(Yuba City, CA) (Informational Item Only)  
Gustavo Becerra, Board Member

H. NEW BUSINESS: Discussion/Possible Action:

5. Resolution 21-44 – Authorization to Act as the Managing General pg. 12  
Partner of the Borrower of Funds in the Amount of \$6,494,968.00 for  
Kristen Court Phase III  
Beckie Flores, Planning and Community  
Development Manager

6. Recommend Approval of Purchase and Sale Agreement Between pg. 14  
Regional Housing Authority and Sutter Community Affordable  
Housing for the property located at 470 Bernard Drive, Yuba City, CA  
95991  
Beckie Flores, Planning and Community  
Development Manager

7. Approval of Fiscal Year Ending 2022 Operating Budget pg. 25  
Marco Cruz, Chief Financial Officer

I. ADMINISTRATIVE REPORT:

J. DIRECTOR'S COMMENTS:

K. NEXT MEETING: February 23, 2021

L. ADJOURNMENT:

SUTTER COMMUNITY AFFORDABLE HOUSING  
Minutes  
Regular Board Meeting  
Via Zoom  
October 27, 2020

ITEM NO. A - CALL TO ORDER:

President Brynda Stranix called the meeting to order via Zoom.

ITEM NO. A - ROLL CALL:

Board Members present were President Brynda Stranix, Members Gustavo Becerra, Manny Cardoza, Suzanne Gallaty, Martha Griese, and Richard Grant. Board Members Kimberly Butcher and Diane Hodges were absent.

Staff present were: Executive Assistant/HR Coordinator Jennifer Ruiz, Operations Manager Tom Goodwin, Occupancy Manager Pattra Runge, and Chief Financial Officer Marco Cruz.

ITEM NO. B. – PLEDGE OF ALLEGIANCE:

Board Member Richard Grant led the pledge of allegiance.

ITEM NO. C. – PUBLIC PARTICIPATION: NONE

ITEM NO. D. – AWARDS AND PRESENTATIONS: NONE

ITEM NO. E. – EXECUTIVE SESSION: NONE

ITEM NO. F.1 - CONSENT CALENDAR:

Board Member Manny Cardoza made a motion to approve the Consent Calendar as submitted. Board Member Richard Grant made the second. The following roll call vote was taken:

Vote: Ayes: President Brynda Stranix, Board Members Richard Grant,  
Manny Cardoza, Gustavo Becerra, Martha Griese, and  
Suzanne Gallaty

Nays: None

Abstain: None

Absent: Board Members Kimberly Butcher and Diane Hodges

ITEM NO. G.2. – COMMUNITY/PUBLIC OUTREACH FOR THE RICHLAND VILLAGE PROJECT (YUBA CITY, CA) (INFORMATIONAL ONLY):

Board Member Gustavo Becerra said there is an updated site plan showing the buildings moved slightly in a westerly direction due to airport height restrictions. He mentioned the residential buildings will be three stories and the community building will be single story. Board Member Gustavo Becerra stated the elevations and a colored rendering of what the buildings will look like were included in the board packet. He explained there are solar panels on each of the buildings. Board Member Gustavo Becerra stated one of the scoring items for the funding application is regarding greenhouse gas emissions and shared staff is hoping for the project to be a net zero producer.

Board Member Gustavo Becerra mentioned the design and efficiencies are very basic to keep labor costs down. He shared the final version of the design was submitted to the City of Yuba City for plan review. Board Member Gustavo Becerra explained due to the size of the project it will have to go to both the Planning Commission and the City Council for approval. He said those meetings are scheduled for late 2020 and early 2021.

President Brynda Stranix asked if there has been push back. Board Member Gustavo Becerra said he has not heard of any, he has only heard encouraging support for the project. He mentioned staff will be doing community outreach to organizations in the area to inform them of the project. Board Member Gustavo Becerra said the more outreach that is done, the more questions can be answered. He stated the goal is to score as high as possible on the very competitive application.

President Brynda Stranix said she is excited about the project. Board Member Gustavo Becerra stated if the project is approved, it will make a small dent in the community's need for affordable housing.

Board Member Manny Cardoza asked what the price was for the project and Board Member Gustavo Becerra said that is yet to be determined.

Board Member Gustavo Becerra said any feedback is welcome and he encourages the Board Members to attend the public meetings as they come up.

ITEM NO. H.3. – ACCEPTANCE OF AUDIT FOR FYE 2020 INTO RECORD:

Chief Financial Officer Marco Cruz went over the audit included in the packet. He stated the audit was very good this year. Mr. Cruz explained the auditor's opinion was the financial statements were presented fairly in all material respect which is what you want to see for your audit. He stated there was one deficiency, which is the same one that has been noted for years, regarding the interest on the loans that are deferred. Mr. Cruz explained this year there was an opportunity to respond to the deficiency and have it noted in the audit.

Board Member Manny Cardoza made a motion to accept the audit for FYE 2020 into record. Board Member Suzanne Gallaty made the second. The following roll call vote was taken:

Vote: Ayes: President Brynda Stranix, Board Members Richard Grant,  
Manny Cardoza, Gustavo Becerra, Martha Griese, and  
Suzanne Gallaty

Nays: None

Abstain: None

Absent: Board Members Kimberly Butcher and Diane Hodges

ITEM NO. I.- ADMINISTRATIVE REPORT: NONE

ITEM NO. J – DIRECTOR’S COMMENTS:

Board Member Manny Cardoza shared he drove by the New Haven project over the weekend and the contractors were busy installing windows. Board Member Gustavo Becerra stated due to COVID-19 there have been some delays in getting appliances, bathtubs and electrical components pushing out the completion date to late March 2021 or early April 2021.

Board Member Richard Grant asked if the entity has directors and officers insurance and it was confirmed, directors and officers insurance is included in the policy.

ITEM NO. K – NEXT MEETING: November 24, 2020

ITEM NO. L - ADJOURNMENT: The meeting was adjourned at 12:36 PM.

**SUTTER COMMUNITY  
AFFORDABLE HOUSING**

RESOLUTION 21-42

A RESOLUTION OF THE BOARD OF DIRECTORS OF SUTTER COMMUNITY AFFORDABLE HOUSING, INC. AUTHORIZING TOWN CENTER SENIOR MANOR COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$2,891.13

WHEREAS the Sutter Community Affordable Housing operates affordable housing projects Town Center and Yolo/Heiken pursuant to the laws of California and the City of Yuba City's Regulatory Agreement; and

WHEREAS operations of affordable housing include the collection of monthly rental amounts; and

WHEREAS the Sutter Community Affordable Housing makes every attempt to collect outstanding balances; and

WHEREAS Exhibit A provides a list of uncollectible accounts for the period ending January 31, 2021 and is made a part of this resolution.

BE IT THEREFORE RESOLVED that the Board of Directors of the Sutter Community Affordable Housing

Authorizes the President to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$2,891.13.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Directors, passed, and adopted this 26<sup>th</sup> day of January 2021 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST: \_\_\_\_\_  
Brynda Stranix, President

**Town Center - Yuba City  
Collection Loss Write Off  
Period: January 2021**

<u>Tenant I.D.</u>	<u>Address</u>	<u>Move In</u>	<u>Date</u>	<u>Move Out</u>	<u>Monthly Rent</u>	<u>Rent Owed</u>	<u>Late Fee's</u>	<u>Damages</u>	<u>Utilities</u>	<u>Legal Fee's</u>	<u>Total Owed</u>	<u>Payback Agreement</u>							
T0004554*	506 Plumas St, #23	09/03/14	02/04/20		\$ 805.00	\$ 1,110.00	\$ -	\$ 745.63	\$ -	\$ 1,035.50	\$ 2,891.13	No							
<hr/>																			
<table border="1" style="float: right;"> <tr> <td style="padding: 2px;">\$ -</td> <td style="padding: 2px;">\$ -</td> <td style="padding: 2px;">\$ -</td> <td style="padding: 2px;">\$ 745.63</td> <td style="padding: 2px;">\$ -</td> <td style="padding: 2px;">\$ -</td> <td style="padding: 2px;">\$ 2,891.13</td> <td style="padding: 2px;"><b>Total Write Off</b></td> </tr> </table>												\$ -	\$ -	\$ -	\$ 745.63	\$ -	\$ -	\$ 2,891.13	<b>Total Write Off</b>
\$ -	\$ -	\$ -	\$ 745.63	\$ -	\$ -	\$ 2,891.13	<b>Total Write Off</b>												

11/19/21

Deceased \*

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.

Exhibit A



**SUTTER COMMUNITY  
AFFORDABLE HOUSING**

**RESOLUTION 21-43**

A RESOLUTION OF THE BOARD OF DIRECTORS OF SUTTER COMMUNITY AFFORDABLE HOUSING, INC. AUTHORIZING YOLO/HEIKEN COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$966.26

WHEREAS the Sutter Community Affordable Housing operates affordable housing projects Town Center and Yolo/Heiken pursuant to the laws of California and the City of Yuba City's Regulatory Agreement; and

WHEREAS operations of affordable housing includes the collection of monthly rental amounts; and

WHEREAS the Sutter Community Affordable Housing makes every attempt to collect outstanding balances; and

WHEREAS Exhibit A provides a list of uncollectible accounts for the period ending January 31, 2021 and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Directors of the Sutter Community Affordable Housing

Authorizes the President to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$966.26.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Directors, passed, and adopted this 26<sup>th</sup> day of January 2021 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST: \_\_\_\_\_  
Brynda Stranix, President

Yolo - Yuba City  
Collection Loss Write Off  
Period: June 2020

Tenant I.D.	Address	Date Move In	Date Move Out	Monthly Rent	Rent Owed	Late Fee's	Damages	Utilities	Legal Fee's	Total Owed	Payback Agreement
T0020055	554 Yolo Street #A, YC	05/23/19	09/01/20	\$ 700.00	\$ -	\$ -	\$ 966.25	\$ -	\$ -	\$ 966.25	No
<div style="border: 1px solid black; display: inline-block; padding: 2px;"> <b>\$ 966.25 Total Write Off</b> </div>											

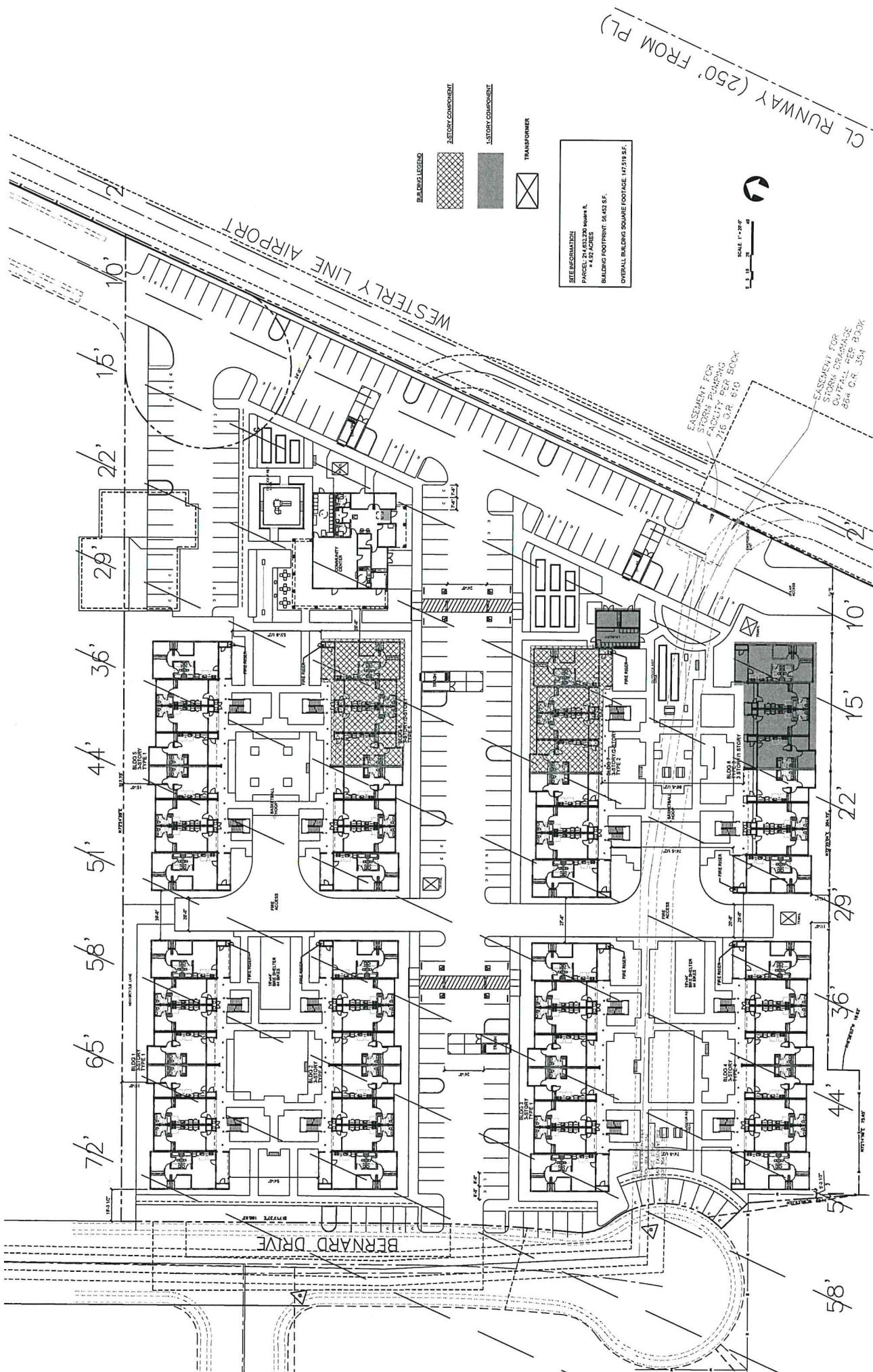
P  
11/9/21

Deceased \*

Tenants listed with Payback Agreement's failed to honor the Agreement.

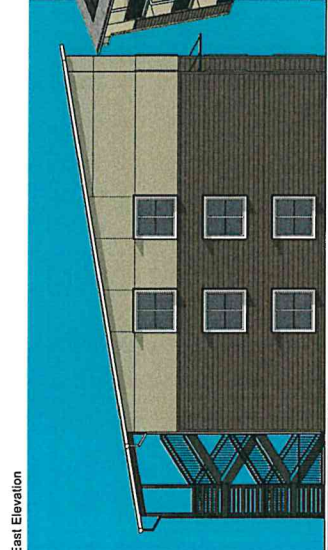
Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.

Exhibit A

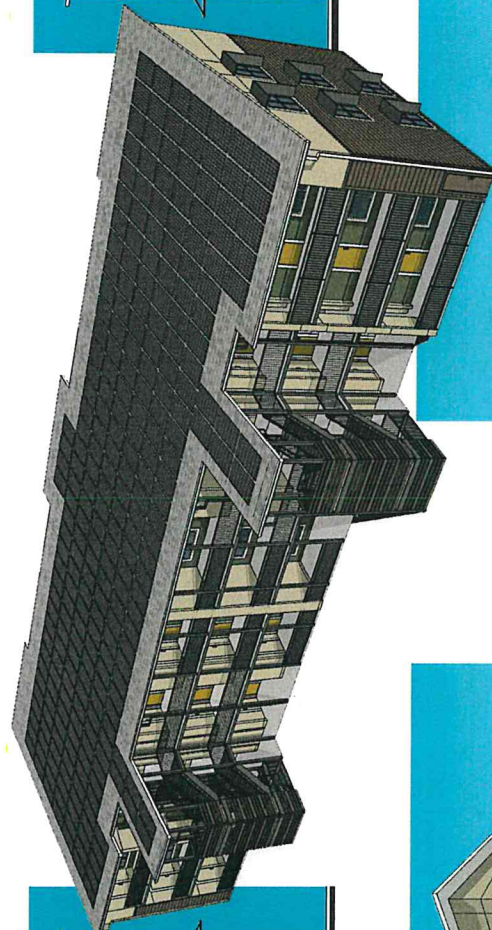




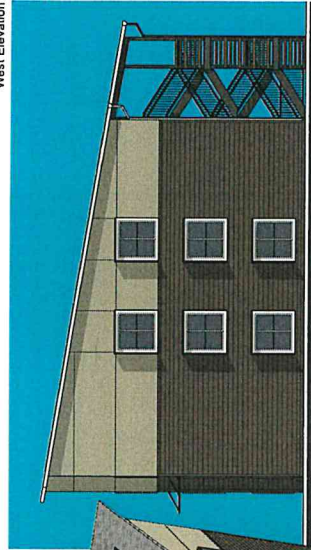
South Elevation



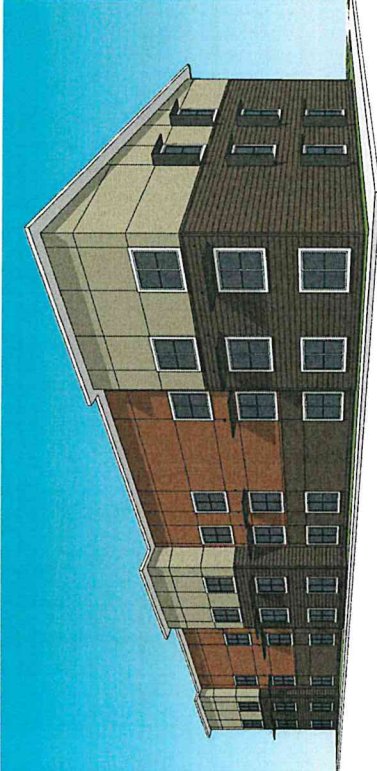
East Elevation



Northwest Perspective



West Elevation



Southeast Perspective



**Richland Village**  
 470 Bernard Drive  
 Yuba City, California

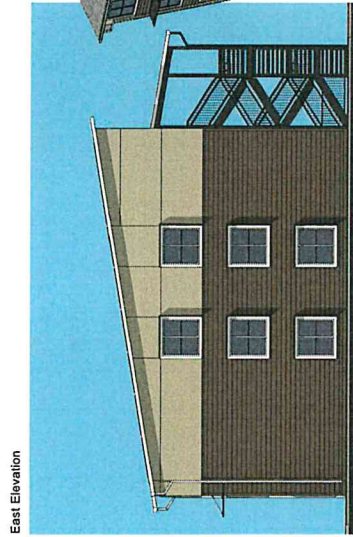
TYPE 1 - COLORED BUILDING RENDERINGS



DECEMBER 4, 2020  
**A3.7**



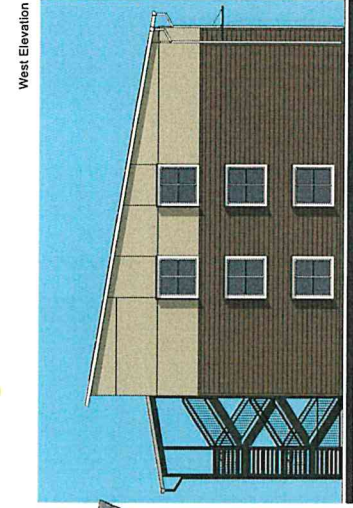
North Elevation



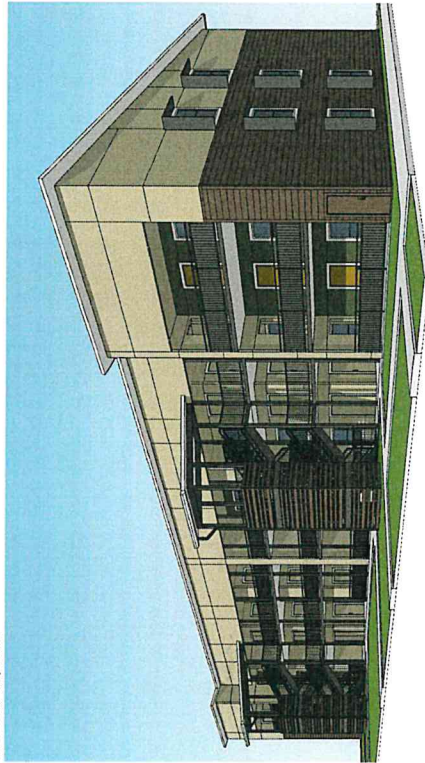
East Elevation



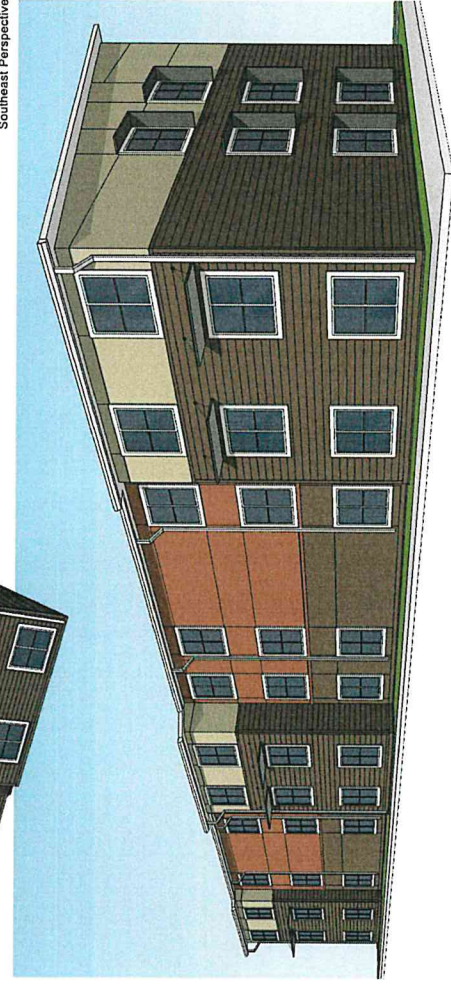
Northwest Perspective



West Elevation



Southeast Perspective



**Richland Village**  
 470 Bernard Drive  
 Yuba City, California

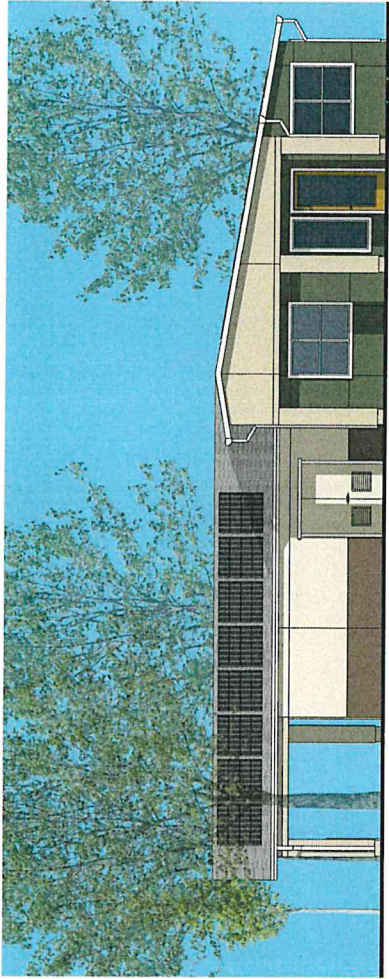
TYPE 4 - COLORED BUILDING RENDERINGS



**Kuchman**

DECEMBER 4, 2020

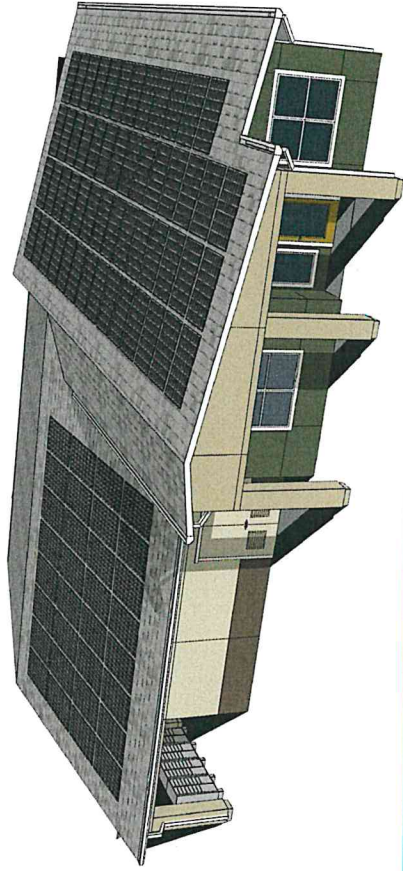
**A3.10**



South Elevation



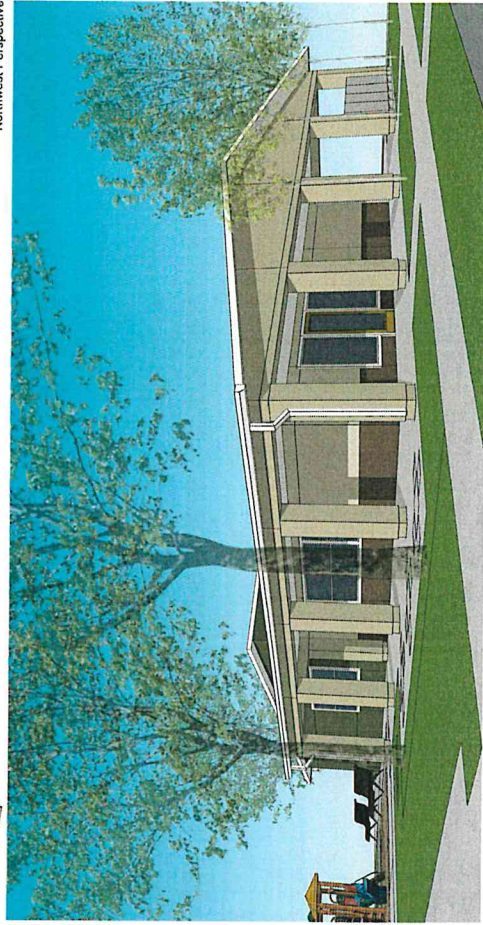
North Elevation



Southwest Perspective



Northwest Perspective



**Richland Village**  
 4700 Bernard Drive  
 Yuba City, California

COMMUNITY CENTER - COLORED BUILDING RENDERINGS

DECEMBER 4, 2020



**kuchman**

**A3.12**

# SUTTER COMMUNITY AFFORDABLE HOUSING

1455 BUTTE HOUSE ROAD  
YUBA CITY, CA 95993  
(530) 671-0220

## RESOLUTION 21-44

### RESOLUTION OF THE BOARD OF DIRECTORS OF SUTTER COMMUNITY AFFORDABLE HOUSING

A necessary quorum and majority of the directors of Sutter Community Affordable Housing, a California non-profit public benefit corporation (the "Corporation"), hereby consent to, adopt and ratify the following resolutions:

#### Multifamily Housing Program

WHEREAS, the State of California Department of Housing and Community Development (the "Department") has issued a Notice of Funding Availability under its Multifamily Housing Program (the "MHP") dated January 2, 2020; and

WHEREAS, the Corporation is authorized to do business in the State of California, and it is in the best interests of the Corporation for the Corporation to act as the Managing General Partner of Live Oak Pacific Associates III, a California limited partnership (the "Borrower"); and

WHEREAS, the Borrower has either received, or been assigned, a conditional commitment of funds under the above-described Notice of Funding Availability.

NOW, THEREFORE, IT IS RESOLVED: That the Corporation is hereby authorized to act as the Managing General Partner of the Borrower in connection with the Department's loan of funds to the Borrower pursuant to the above-described Notice of Funding Availability in an amount not to exceed \$ 6,494,968 (the "MHP Loan")

RESOLVED FURTHER: That in connection with the Borrower's MHP Loan, the Corporation is authorized and directed to enter into, execute, and deliver, as the Managing General Partner of the Borrower, a State of California Standard Agreement, and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of the above resolution, in order to evidence the MHP Loan, the Borrower's obligations related thereto, and the Department's security therefore; including, but not limited to, a promissory note, a deed of trust and security agreement, a regulatory agreement, a development agreement and certain other documents required by the Department as security for, evidence of or pertaining to the MHP Loan, and all amendments thereto (collectively, the "MHP Loan Documents").

RESOLVED FURTHER: That Brynda Stranix, President, is hereby authorized to execute the MHP Loan Documents, and any amendment or modifications thereto, on behalf of the Corporation as the Managing General Partner of the Borrower.

RESOLVED FURTHER: That this resolution shall take effect immediately upon its passage.

Passed and adopted, at a regular meeting of Sutter Community Affordable Housing this 26<sup>th</sup> day of January, 2021 by the following vote:

AYES  
ABSTAIN  
NAYS  
ABSENT

CERTIFICATE OF THE SECRETARY

The undersigned, Secretary of Sutter Community Affordable Housing does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of the Corporation which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: \_\_\_\_\_

\_\_\_\_\_  
Gustavo Becerra, Secretary



## PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** (the “Agreement”) is made and entered into as of December 2, 2020, by and between **Regional Housing Authority**, a public body, corporate and politic organized under the laws of the State of California (“Seller”), and **Sutter Community Affordable Housing**, a California nonprofit public benefit corporation (“Purchaser”) constitutes both an agreement to purchase and sell real property and escrow instructions to accommodate the transaction contemplated hereby.

**WHEREAS**, Seller is the owner of a certain property located at 470 Bernard Drive, Yuba City, Sutter County, California (“Property”), and certain amenities appurtenant thereto; and

**WHEREAS**, Seller agrees to sell and Purchaser agrees to purchase the Property, upon the terms and conditions hereinafter set forth;

### WITNESSETH

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants herein set forth and in consideration of other good and valuable consideration, receipt of which is hereby acknowledged, Purchaser and Seller hereby agree as follows:

### DEFINED TERMS

All initially capitalized words shall be defined terms having only the specialized definition attributing to them by various provisions of this Agreement. Such specialized definitions shall apply regardless of whether such words appear before or after their respective definitions in the context of this Agreement.

#### 1. Sale of the Property

- 1.1. On the terms and conditions contained in this Agreement, Seller agrees to sell, convey, assign, transfer, and deliver to Purchaser and Purchaser agrees to purchase all rights, title and interest of Seller in and to that certain real property as legally described in the attached Exhibit “A” together with all improvements located thereon, all Seller’s rights, title and interest in and to all private water and sewer easements and appurtenances.
- 1.2. All fixtures and articles of personal property owned by Seller and attached or appurtenant to or used in connection with Property and any contract rights, claims, trade names and other items of personal property, both tangible and intangible, owned by Seller and used in connection with the quiet enjoyment of the Property are included in the sale, as set forth in the Bill of Sale and Assignment attached hereto as Exhibit “B”.

#### 2. Purchase Price, Terms and Closing

- 2.1. The purchase price for the Property (the “Total Purchase Price”) shall be One Million Two Hundred Thousand dollars (\$1,200,000) and represents the fair market value established by an appraisal conducted by an appraiser licensed by the California Office of Real Estate Appraisers, and shall be paid to Seller as follows:

- 2.1.1. Upon the opening of escrow, Purchaser shall deposit therein cash in the amount of One Thousand Dollars (\$1,000) (the "Deposit") to be applied to the Purchase Price at the Closing;
- 2.2. Seller agrees to finance the sale with a 55-year, 3% simple interest deferred payment loan, with payments only based on residual receipts, to Purchaser;
- 2.3. The term "Closing" or "Closing Date" shall mean the date upon which a Grant Deed evidencing the conveyance of the Property by Seller to Purchaser is executed and delivered by Seller to Purchaser.
  - 2.3.1. Closing Date shall occur no later than April 1, 2023, unless extended by agreement of the parties. Closing shall take place at the office of Purchaser's counsel or at such other location as shall be mutually agreeable to the parties.
- 2.4. The following documents shall be executed and/or delivered at the Closing:
  - 2.4.1. Seller shall execute and deliver to Purchaser the Bill of Sale and any other documents required in order to enable Purchaser or Purchaser's representative to record the Deed with the Sutter County Recorder.
  - 2.4.2. Purchaser shall deliver the Total Purchase Price as provided in Paragraph 2.1.
- 2.5. At or prior to the Closing Date, Purchaser shall have the right to assign this Agreement and Purchaser's rights and obligations hereunder to a limited partnership of the Purchaser's choice. If this assignment occurs, Purchaser shall provide Seller with all pertinent documentation.

### **3. Conditions to Purchaser's Obligations**

- 3.1. Unless waived in writing by Purchaser, Purchaser's obligation hereunder and the Closing of this transaction shall be contingent upon and subject to satisfaction of all of the following additional conditions:
  - 3.1.1. Approval by Purchaser and Purchaser's counsel of a title commitment (the "Title Commitment") on the Property which Title Commitment shall contain copies of all documents referred to in it, including without limitation, all covenants, conditions, restrictions, easements, rights and rights-of-way of record affecting the Property.
  - 3.1.2. Seller is not in default under this Agreement and Seller has delivered to Purchaser all certificates, instruments or other Documents required to be provided by or on the Closing Date pursuant to this Agreement herein and a certificate stating that all representations and warranties set forth in Paragraph 5 are true and correct as of the date of Closing.
  - 3.1.3. That Purchaser has obtained the approval of all parties for the transaction contemplated by this Agreement by April 1, 2023.

In the event Closing has not occurred by April 1, 2023, then unless such date shall be extended in writing by the parties hereto, this Agreement shall be null and void and neither Purchaser nor Seller shall have any duties or obligations to the other.

#### **4. Conditions of Seller's Obligation**

Unless waived in writing by Seller, Seller's obligations hereunder and the Closing shall be contingent upon and subject to satisfaction of all of the following conditions:

4.1.1. Purchaser is not in default under this Agreement and has delivered to Seller a certificate stating that all representations and warranties set forth in Paragraph 6.2 are true and correct as of the Closing Date.

#### **5. Covenants, Representations and Warranties of Seller**

5.1. Seller agrees until the Closing Date to continue to operate the Property, or cause the Property to be operated in the same manner as it is now being operated and to keep the Property and all equipment and machinery used in connection therewith in the same order and condition as they are now, reasonable wear and tear excepted.

5.2. Purchaser and its representative shall have the right upon three (3) days prior written notice to Seller, and in a reasonable manner, to conduct any and all tests and inspections, to the Property and any and all plans, specifications and surveys relating thereto for any purpose, and in such connection Seller will cooperate, upon reasonable notice, in assisting Purchaser to gain access to the Property for the purpose of inspections. Purchaser hereby agrees to indemnify Seller for any and all claims, damages or liens resulting from its inspections. This obligation of indemnity shall survive the Closing or termination of this Agreement.

5.3. Seller hereby represents, warrants, and covenants that as of the Closing Date:

5.3.1. Seller will have full power and authority to enter into and perform the terms and conditions of this Agreement, the person executing this Agreement for Seller is fully and duly empowered and authorized to so act and this Agreement constitutes a legal, valid and binding obligation of Seller, enforceable in accordance with its terms;

5.3.2. To the best of Seller's actual knowledge, the Property is zoned for its present use and there exists with respect to the Property no condition which violates any municipal, state or federal law, rule or regulation which has not heretofore been ratified, nor has Seller received any notice or communication from any insurance carrier of the Property regarding any dangerous, illegal or other condition requiring any correction action not heretofore corrected.

5.3.3. No default exists under any indebtedness; mortgage, lease or other instrument relating to or affecting the Property;

5.3.4. There is no litigation or proceeding pending, or, to Seller's actual knowledge, threatened against or relating to the Property; not already previously disclosed to Purchaser.

- 5.3.5. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate any agreement to which Seller is bound, or violate any statute or law or any judgment, decree, order, regulatory or rule of any court or governmental subsidy.
- 5.3.6. There are no contracts or agreements written or oral, affecting the ownership of the Property with a monetary value in excess of Five Thousand Dollars (\$5,000) per annum; there are no contracts or agreements, written or oral, affecting the operation of the Property not terminable by Seller or its successor in interest (including Purchaser) upon thirty (30) days advance notice; no party to any such contracts or agreements in default thereunder.
- 5.3.7. Seller has received no notice of a taking, condemnation, or special assessment, actual or proposed, with respect to the Property.
- 5.4. The representation, warranties, and covenants set forth in Paragraph 5 shall survive the Closing Date.
- 5.5. Seller shall deliver to Purchaser all of the due diligence items reasonably requested by Purchaser.
- 5.6. Seller shall indemnify and hold Purchaser harmless against any and all claim, damages, or injury of any type which Purchaser may suffer or face due to the material and intentional misrepresentation by the Seller of any of the provisions of this Paragraph 5.

**6. Covenants, Representation and Warranties of Purchaser**

- 6.1. Purchaser agrees until the Closing Date to provide Seller any financial statements or any other financial or credit information reasonable requested by Seller in order to have reasonable assurances of Purchaser's continued ability to perform hereunder, including financial statements prepared in accordance with general standards promulgated by the American Institute of CPAs.
- 6.2. Purchaser hereby represents and warrants that as of the date of this Agreement and as of the Closing Date:
  - 6.2.1. Purchaser has full power and authority to enter into and to perform the terms and conditions of this Agreement, the person executing this Agreement for Purchaser is fully and duly empowered so to act, and this Agreement constitutes a legal, valid and binding obligation of Purchaser, enforceable in accordance with its terms except to the extent any of the terms hereof may be contrary to law.
  - 6.2.2. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate any agreement to which Purchaser is a party or by which Purchaser is bound, or violate any statute or law or any judgment, decree, order, regulation or rule of any court, or governmental body.
  - 6.2.3. There is no claim, action, proceeding or investigation pending or to the best of Purchaser's knowledge, threatened against or involving Purchaser, which questions

or challenges the validity of this Agreement or any action taken or to be taken by Purchaser pursuant to this Agreement or in connection with the transaction contemplated hereby; and Purchaser knows of no valid basis for any such action, proceeding or investigation.

- 6.3. The representations, warranties and covenants set forth in Paragraph 6.2 shall survive the Closing Date.
- 6.4. Purchaser shall indemnify and hold Seller harmless against any and all claims, damages, or injury of any type which Seller may suffer or face due to the material and intentional misrepresentations by Purchaser of any of the provisions of this Paragraph 6.

## **7. Expenses of Closing and Subsequent Operations**

- 7.1. Purchaser and Seller shall split 50/50 all closing costs in connection with the sale of the Property including, but not limited to, all title insurance premiums and costs, recording fees, all State and County transfer tax, excise tax or any tax of a similar nature (but not income taxes imposed by Federal or State governmental agencies), and all fees imposed by any person or entity who or which must approve the transactions set forth in this Agreement.
- 7.2. Seller shall pay (i) the fees and expenses of Seller's counsel and Seller's other professional advisors.

## **8. Violations**

- 8.1. All notices of violation of law or municipal ordinances, orders or requirements noted in or issued by any federal, state, county or municipal agency having jurisdiction over or affecting the Property or any violation of zoning laws or ordinances (hereinafter referred to as "Violations") shall be complied with by Seller, and the Property shall be conveyed free of the same.

## **9. Default of Either Party**

- 9.1. A party shall be in default under this Agreement if it fails to perform, in all material respects, any covenants made by it or obligations assumed by it under this Agreement, which failure adversely affects the other party's interest under this Agreement, or if one or more of its representations and warranties is untrue in any material respect which adversely affects the other party's interest under this Agreement.
- 9.2. If and only if Purchaser shall for any reason whatsoever default in the performance of its obligations under this Agreement and (i) in the event of a monetary default, fail to cure such default within a period of twenty (20) business days from receipt of notice from Seller or (ii) in the event of a non-monetary default, fail to cure or commence and, thereafter, diligently proceed to cure such default within a period of ten (10) business days from receipt of notice from Seller: then Seller shall be entitled to terminate this Agreement for such default, or commence an action for specific performance. These shall be the sole and exclusive remedies of Seller in the event of default by Purchaser.

- 9.3. If Seller shall for any reason be in default in the performance of his obligations under this Agreement, Purchaser may either terminate this Agreement for such default, or commence action for specific performance. These shall be the sole and exclusive remedies of Purchaser in the event of a default by Seller.
- 9.4. In the event either party employs counsel to enforce its rights hereunder after a breach by the other party, such party employing counsel shall be entitled to reasonable attorneys' fees and expenses, whether or not suit be commenced, and at trial and on appeal, in successfully enforcing its rights hereunder.

**10. Modifications**

- 10.1. This Agreement may not be changed or terminated orally. The stipulations herein are to apply to and bind the successors or assigns of the parties.

**11. Environmental Condition of Property**

- 11.1. The Purchaser agrees and acknowledges that it is responsible for making, and has been granted the opportunity to make all investigations (above ground and below ground) deemed necessary by the Purchaser to determine whether the Property contains (a) any toxic or hazardous wastes or materials (as defined or regulated by Federal, State, or local laws), wetlands or adverse conditions and (b) contains no unsafe soil conditions, that the Seller has made no representations or warranties of any kind with regard to the environmental condition (above ground or below ground) of the Property, that it is purchasing the Property "as is" and that it waives any right to bring any claim against the Seller of any nature whatsoever with regard to the environmental condition of the Property including any claim based on the presence of any toxic or hazardous wastes or materials, in, on or under the property.

**12. Miscellaneous Provisions**

- 12.1. Concurrent with the Closing, the parties shall give any notice of transfer as may be required by statute and otherwise shall comply with all statutory requirements in connection therewith by delivering any such notices to the Title Company, in form complying with such law.
- 12.2. In the case of any conflict in the interpretation of the terms and conditions of this Agreement, the terms of this Agreement shall control.
- 12.3. If any one or more of the provisions of this Agreement shall be held invalid, illegal or unenforceable in any respect, such provision shall not affect any other provision hereof, and this Agreement shall be construed as if such provision had never been contained herein.
- 12.4. Seller and Purchaser shall, prior to the Closing Date, execute any and all acts reasonably necessary or appropriate to consummate this transaction.
- 12.5. This Agreement and all the covenants, terms and provisions contained herein shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

12.6. In the event prior to closing there is any recording of this Purchase and Sale Agreement or any document that refers to it, this transaction shall be null and void at the option of Seller.

**13. Brokerage**

13.1. The Seller represents that it has not dealt with a broker, finder or like agent or any other person who is entitled to a commission as a result of the transaction contemplated herein. Seller and Purchaser each hereby agrees to indemnify and hold harmless the other from any and all loss, cost, damage or expense as a result from a claim of liability for such a commission by reason of the acts of the indemnifying party.

**14. Governing Law**

14.1. This Agreement is and shall constitute a contract under and is to be construed in accordance with the laws of the State of California.

**15. Entire Agreement, Survival**

15.1. This Agreement embodies the entire agreement between the parties relative to the subject matter of this Agreement and supersedes all other agreements, including letters of intent between Seller and Purchaser. There are not oral or written agreements existing between the parties relative to the subject matter hereof that are not expressly set forth herein and covered hereby.

15.2. All covenants, warranties, representations and agreements of the parties hereto shall survive the Closing and shall remain in full force and effect thereafter.

**16. Counterparts**

16.1. This Agreement may be executed in one or more counterparts, each of which shall have the force and effect of an original, and all of which shall constitute but one document.

**17. Notice**

17.1. All notices required to be given under this Agreement shall be deemed given upon the earlier of actual receipt or two days after being mailed by registered or certified mail, return receipt requested, addressed as follows:

if to Purchaser, to  
Sutter Community Affordable Housing  
1455 Butte House Road  
Yuba City, CA 95993  
Phone: (530) 671-0220  
Fax: (530) 674-8505  
Attn: Brynda Stranix  
[bstranix@ysedc.org](mailto:bstranix@ysedc.org)

if to Seller, to  
Regional Housing Authority  
1455 Butte House Road  
Yuba City, CA 95993  
Phone: (530) 671-0220  
Fax: (530) 674-8505  
Attn: Gustavo Becerra  
[g.becerra@regionalha.org](mailto:g.becerra@regionalha.org)

- 17.2. In lieu of mail notice as provided in Paragraph 17.1, Federal Express or other nationally recognized overnight delivery service, or Express Mail, may be utilized, but in such event notice shall be deemed given upon the next business day after sending, or upon actual delivery, if earlier.



**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first above written.

**PURCHASER:**

Sutter Community Affordable Housing

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By: Brynda Stranix  
Its: President

**SELLER:**

Regional Housing Authority

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By: Gustavo Becerra  
Its: Executive Director

## EXHIBIT A

### LEGAL DESCRIPTION

The land described herein is situated in the State of California, County of Sutter, City of Yuba City, described as follows:

Being Lot 16 of the Record of Survey filed in Book 18 Page 163 of Record of Surveys more particularly described as follows:

All that certain real property situate in the City of Yuba City, County of Sutter, State of California described as follows:

Being a portion of Lots 3 and 4 as shown on that certain map filed for record on December 13, 1923 entitled "Plat of the Subdivision of the Briggs Orchard" in Book 5 of Surveys, at Page 8, Sutter County Official Records and being more particularly described as follows:

Commencing at the southeast corner of Bernard Drive as shown on that certain map entitled "Plat of Survey of Streets in Richland Housing Project Cal 48-2" filed for record on May 15, 1964 in Book 6 of Surveys, at Page 46, Sutter County Official Records;

Thence, along a southerly extension of the easterly right-of-way line of Bernard Drive as shown on said Map, South 17° 12' 37" East, 85.96 feet to the True Point of Beginning of the herein described property;

Thence North 72° 24' 28" East, 517.75 feet to the westerly right-of-way line of Samuel Drive, said point being a point of cusp of 50.00 foot radius curve, concave northeasterly from which point the radius point bears South 17° 35' 32" East;

Thence, along said right-of-way line, Southeasterly, 214.00 feet along said curve, through a central angle of 245° 13' 38" to the westerly boundary of that certain property as described in that certain deed filed for record on December 21, 1967 between the Housing Authority of the County of Sutter and the County of Sutter filed under Book 716, Official Records, at Page 589, Sutter County Official Records;

Thence, along said westerly boundary, South 07° 10' 50" West, 620.25 feet to the southeasterly corner of that certain property as described in that certain deed between Roger T. Manwell and the Housing Authority of the County of Sutter filed for record on December 21, 1967 in Book 716, Official Records, at Page 585, Sutter County Official Records;

Thence, leaving said westerly boundary, and along the southerly line of said Book 716, Official Records, at Page 585, South 72° 40' 38" West, 287.79 feet;

Thence, leaving said southerly line, North 17° 12' 03" West, 183.80 feet;

Thence North 21° 43' 06" West, 68.14 feet;

Thence, North 61° 40' 19" West, 22.69 feet to the easterly right-of-way line of Bernard Drive, said point being located on a non-tangent 50.00 foot radius curve, concave westerly, from which point the radius point bears North 61° 40' 19" West;

Thence, along said easterly right-of-way line, Northerly, 74.09 feet along said curve, through a central angle of 84° 54' 06" to the beginning of a 30.00 foot radius reverse curve, concave easterly;

Thence, along said easterly right-of-way line, Northerly, 23.51 feet along said curve, through a central angle of 44° 53' 46" to the beginning of a 980.00 foot radius reverse curve, concave westerly;

Thence, along said easterly right-of-way line, Northerly, 94.63 feet along said curve, through a central angle of 05° 31' 58" to the southerly extension of the easterly right-of-way line of Bernard Drive as shown on said map;

Thence, along said southerly extension and the easterly right-of-way line, North 17° 12' 37" West, 180.92 feet to the point of beginning.

The basis of bearings for the above described property is the line between found monuments located on the boundary line of the "Remainder" property labeled as South 17° 20' 34" East, 475.62 feet as shown on that certain map entitled "Parcel Map No. 871 Airport Business Park" filed for record on April 15, 1992 in Book 5 of Parcel Maps, at Page 81, Sutter County Official Records.

Excepting therefrom all oil, gas, asphaltum and other hydrocarbons and all other minerals, as reserved in the Deed from the United States of America to The Housing Authority of the County of Sutter, dated August 6, 1957, and recorded September 16, 1957 in Book 476, Official Records, Page 450.

A.P.N.: 053-470-091

**EXHIBIT B**

BILL OF SALE

*To be provided*

**SUTTER COMMUNITY AFFORDABLE HOUSING  
STAFF REPORT (BUDGET)**

**Date:** January 26, 2021  
**To:** Board of Directors  
**From:** Marco Cruz, Chief Financial Officer

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**SUBJECT:** Fiscal Year Ending 2022 Operating Budgets  
**RECOMMENDATION:** Approve Operating Budgets

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***Background:***

The Regional Housing Authority (RHA) manages Town Center Senior Manor and Yolo Heiken for Sutter Community Affordable Housing (SCAH) while Community Housing Improvement Program (CHIP) and SCAH co-manage Maple Park - Phase 1. All three projects (Town Center, Yolo Heiken, Maple Park – Phase 1) receive funding from several different sources - HUD (Federal), HCD (State), Low Income Housing Tax Credits and cities and counties (local). Kristen Court I was also developed using Low-Income Housing Tax Credits but is managed by an outside firm and relies solely on tenant rental income, some of which is subsidized by the Housing Choice Voucher program, aka Section 8.

Staff is requesting the attached FYE 2022 Operating Budget be approved:

***What was included in FYE 2022 Report?***

- Budget summary with annual cash increase (decrease)

***What factors do you use when preparing a budget (Town Center and Yolo Heiken)?***

- Income Annualized average or prior year budget
- Expenses Annualized average or prior year budget
- Adjustments Managers recommend adjustments to expenses based on anticipated needs and to reconcile to anticipated revenue

***What are some of the specifics of each budget?***

- All programs, excluding Kristen Court
  - Where available, Capital Needs Assessments
  - Levee bond tax for all Sutter County properties
  - Utility budgets are being brought more into line with actual costs
  - Income
    - Rent
      - Town Center is a Housing Choice Voucher tenant-based unit (voucher will migrate with tenant)
      - Yolo Heiken and Maple Park - Phase 1 are Housing Choice Voucher project based units (vouchers stay with project)

**What costs are included in the budget (not an inclusive list):**

- Administration Wages/benefits, legal, training/travel, dues/subscriptions/publications, advertising, supplies, computer parts, telephone/Internet/cell phones, postage, answering service, printing, management and accounting fees
- Utilities Water, sewer, gas, electric, trash removal
- Maintenance Work order charges, outside vendors-units/operations (alarm, unit maintenance, pest control, elevator upkeep, roofing)
- General Insurance, levee taxes/special assessments, major repairs, tenant bad debt

**What are our programs, number of units and designations (restricted/unrestricted)**

- Town Center Senior Manor 27 senior housing units and one manager unit
- Yolo/Heiken 5 family units
- Maple Park, Phase 1 55 family units and one manager unit
- Kristen Court, Phase 1 55 family units and one manager unit

**2022 Budget Highlights.**

- CA minimum wage is now \$14/hr, increasing onsite staffing costs
- Insurance will increase 48% (!) including a 68% increase (!!) for property insurance due to wildfires.

Staff closely monitors expenditures for cost savings as well as potential revenue streams for additional sources of income. Board of Directors are updated at scheduled meetings.

**Fiscal Year Ending 2022 Budget (April 2021 - March 2022)**

Town Center	
Revenues	\$250,212
Operating Expenses	\$163,408
<b>Operating Revenue</b>	<b>\$86,804</b>
Non-Operating Expenses	\$153,800
<b>Net Income (Accrual)</b>	<b>(\$66,996)</b>
Cash Flow Adjustments	\$153,800
<b>Annual Cash Increase (Decr)</b>	<b>\$86,804</b>

Yolo/Heiken	
Revenues	\$50,526
Operating Expenses	\$28,176
<b>Operating Revenue</b>	<b>\$22,350</b>
Non-Operating Expenses	\$7,757
<b>Net Income (Accrual)</b>	<b>\$14,593</b>
Cash Flow Adjustments	\$7,757
<b>Annual Cash Increase (Decr)</b>	<b>\$22,350</b>


**RECOMMENDATION:**

It is recommended that the Board of Directors of the Sutter Community Affordable Housing approve the attached FYE 2022 operating budget.

Prepared by:

Submitted by:

  
 Marco A. Cruz, Chief Financial Officer

  
 Gustavo Becerra, Executive Director