

SUTTER COMMUNITY AFFORDABLE HOUSING

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

March 18, 2020

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
March 24, 2020

You are hereby notified that the Sutter Community Affordable Housing Board Meeting is scheduled for **Tuesday, March 24, 2020, at 12:00 PM. This meeting will be held via teleconference. The call-in number is 1-712-432-3900, code 718854#.**



Gustavo Becerra
Secretary/Treasurer

SUTTER COMMUNITY AFFORDABLE HOUSING

Regular Meeting of Board of Directors
Teleconference
Call-in Number 1-712-432-3900, code 718854#.

Tuesday, March 24, 2020
12:00 NOON

AGENDA

1. Call to order
2. Roll Call
3. Pledge of Allegiance
4. Public Participation: Members of the public shall be provided with an opportunity to address the Board of Directors on items of interest that are within the subject matter jurisdiction on the Board.
5. Approval of Minutes – January 14, 2020
6. Resolution 20-39 – Resolution, Waiver of Notice and Unanimous Consent to Action for New Haven – SCAH, LLC
Beckie Flores, Planning and Community Development Manager
7. Approval of the FYE 2021 Operating Budget
Marco Cruz, Chief Financial Officer
8. Maintenance Update on Maple Park Phase 1, Town Center Senior Manor, and Yolo/Heiken
Tom Goodwin, Operations Manager
9. Occupancy/Eligibility Update on Maple Park Phase 1, Kristen Court Phase 1, Town Center Senior Manor, and Yolo/Heiken
Pattra Runge, Occupancy Managers
10. Finance Update
Marco Cruz, Chief Financial Officer
11. Planning and Community Development Update
Beckie Flores, Planning and Community Development Manager
12. Director's Comments
13. Adjournment

SUTTER COMMUNITY AFFORDABLE HOUSING

Minutes

Special Board Meeting

January 14, 2020

1. Call to Order: President Brynda Stranix called the meeting to order at the Richland Neighborhood Center, 420 Miles Avenue, Yuba City, CA 95991.
2. Roll Call: Board Members present were President Brynda Stranix, Members Gustavo Becerra, Manny Cardoza, Suzanne Gallaty and Richard Grant. Board Members Martha Griese, Kimberly Butcher and Diane Hodges were absent.
3. Pledge of Allegiance: Board Member Manny Cardoza led the pledge of allegiance.
4. Public Participation: NONE
5. Approval of Minutes – October 22, 2019: Board Member Manny Cardoza made a motion to approve the minutes of the October 22, 2019 meeting as submitted. Board Member Richard Grant made the second. All were in favor by voice vote.
6. Resolution 20-38 – Authorization to Form a Limited Liability Company to Oversee and Implement that Certain Agreement of Limited Partnership for New Haven, 448 Garden Highway, Yuba City, CA 95991: Planning and Community Development Manager Beckie Flores explained this is to create a Limited Liability Company to help shield this entity from any liability. She mentioned staff is hoping for a mid-March close.

Board Member Manny Cardoza made a motion to approve Resolution 20-38, Authorization to Form a Limited Liability Company to Oversee and Implement that Certain Agreement of Limited Partnership for New Haven, 448 Garden Highway, Yuba City, CA 95991. 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 and Suzanne Gallaty

Nays: None

Abstain: None

Absent: Board Member Kimberly Butcher, Martha Griese and
Diane Hodges

7. Director's Comments: Board Member Gustavo Becerra said New Haven Court is moving along. He mentioned the demolition of the previous building has been completed.

Ms. Flores shared Kristen Court Phase 2 should be completed in May. She stated staff is working on a funding application for Kristen Court Phase 3.

President Brynda Stranix praised Ms. Flores and Board Member Gustavo Becerra on the work they do for the projects stating how complex they are.

Occupancy Manager Pattra Runge stated she was working on a Smokefree Policy for Town Center and is hoping to have it implemented by the end of 2020.

8. Adjournment: The meeting was adjourned at 12:25 PM.

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RESOLUTION 20-39

RESOLUTION, WAIVER OF NOTICE AND UNANIMOUS CONSENT TO ACTION

The Board of Directors of Sutter Community Affordable Housing ("SCAH"), who is the sole member and manager of New Haven-SCAH, LLC ("Managing General Partner"), by this writing unanimously approve the following resolutions and consent to their adoption and individually and collectively waive any right to notice of any meeting required, if any:

WHEREAS, Managing General Partner is and is approved to be a general partner in Yuba City PSH Pacific Associates, a California Limited Partnership (the "Partnership"); and

WHEREAS, the Partnership was formed for and is authorized to acquire, develop, construct and operate a 40-unit low income housing tax credit project in Yuba City, California (the "Project"); and

WHEREAS, it will be necessary for the Partnership and Managing General Partner to enter into numerous documents and agreements in order to facilitate the acquisition, development, construction, and operation of the Project; and

WHEREAS, it will be necessary for SCAH to execute such documents and enter into such agreements on behalf of the Partnership and Managing General Partner, including agreements relating to the construction of the Project.

NOW THEREFORE, IT IS HEREBY RESOLVED, that Brynda Stranix as President is hereby authorized to negotiate, execute and deliver the following documents on behalf of SCAH for its own account, and on behalf of the Partnership and/or Managing General Partner, as applicable:

- A developer agreement with Pacific West Communities, Inc.;
- A construction contract with Pacific West Builders, Inc.;

Construction Loan from California Bank & Trust

- Construction loan documents, security interests, trust deeds, financing statements, and other documents relating to securing and closing a construction loan from Zions Bancorporation, N.A. dba California Bank & Trust ("CB&T"), or affiliate thereof in the approximate amount of \$5,209,342 in connection with the transaction;

Mental Health Services Act (MHSA) Loan

- Construction/permanent loan documents, security interests, trust deeds, financing statements and any and all other documents relating to securing and closing construction/permanent loans from the Regional Housing Authority (related to Sutter County MHSA funds), or affiliate thereof in the approximate amount of \$1,547,676.75 in connection with the transaction;

No Place Like Home (NPLH) Loan

- Permanent loan documents, security interests, trust deeds, financing statements and any and all other documents relating to securing and closing a permanent loan from the Regional Housing Authority (related to Sutter County NPLH funds), or affiliate thereof in the approximate amount of \$1,096,705 in connection with the transaction;

HEAP (Homeless Emergency Aid Program) Loan

- Construction/Permanent loan documents, security interests, trust deeds, financing statements and any and all other documents relating to securing and closing HEAP construction/permanent loans from the Sutter Yuba Homeless Consortium, or affiliate thereof in the approximate amount of \$690,000 in connection with the transaction;

Seller Carry Loan

- Construction/Permanent loan documents, security interests, trust deeds, financing statements and any and all other documents relating to securing and closing construction/permanent loans from the Regional Housing Authority, or affiliate thereof in the approximate amount of \$560,000 in connection with the transaction;

Capital Funds Loan

- Construction/Permanent loan documents, security interests, trust deeds, financing statements and any and all other documents relating to securing and closing construction/permanent loans from the Regional Housing Authority, or affiliate thereof in the approximate amount of \$18,440 in connection with the transaction;

Capital Funds Loan

- Construction/Permanent loan documents, security interests, trust deeds, financing statements and any and all other documents relating to securing and closing construction/permanent loans from the Regional Housing Authority (related to the Yuba City Capital Funds Grant), or affiliate thereof in the approximate amount of \$800,000 in connection with the transaction;

Community Development Block Grant program income funds (CDBG) Loan

- Construction/Permanent loan documents, security interests, trust deeds, financing statements and any and all other documents relating to securing and closing construction/permanent loans from the Regional Housing Authority (related to the CDBG), or affiliate thereof in the approximate amount of \$200,000 in connection with the transaction;

Sutter County Loan

- Construction/Permanent loan documents, security interests, trust deeds, financing statements and any and all other documents relating to securing and closing construction/permanent loans from the Regional Housing Authority (related to the Sutter County Capital Funds Loan), or affiliate thereof in the approximate amount of \$103,080 in connection with the transaction;

Yuba City Unified School District Loan

- Construction/Permanent loan documents, security interests, trust deeds, financing statements and any and all other documents relating to securing and closing construction/permanent loans from the Regional Housing Authority (related to the Yuba City Unified School District Loan), or affiliate thereof in the approximate amount of \$54,042.31 in connection with the transaction;

Amended and Restated Partnership Agreement

- Execution of an amended and restated partnership agreement admitting Boston Capital, or an affiliate thereof as the investment limited partner of the Partnership, and BCCC, Inc., or an affiliate thereof as the special limited partner of the Partnership, and any and all amendments thereto and ancillary documents required in connection with the syndication of the tax credits generated by the Project;
- Regulatory agreements, easements or documents with local government entities, utilities and any other documents necessary to facilitate the transaction.

BE IT FURTHER RESOLVED, that Brynda Stranix as President (with or without the co-signature of any other officer of SCAH) is authorized to execute and deliver on behalf of SCAH for its own account, and on behalf of the Partnership and Managing General Partner, any and all documents related to the acquisition, construction and operation of the Project.

BE IT FURTHER RESOLVED that all acts and actions previously taken by or on behalf of SCAH, whether for its own account or on behalf of the Partnership, Managing General Partner and the Project, are hereby authorized, ratified and approved.

This resolution is presented at a Regular Meeting of the Board of Directors, passed and adopted this 24th day of March, 2020 by the following vote:

AYES:

NAYS:

ABSTAINED:

ABSENT:

ATTEST: _____
Brynda Stranix, President

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

Date: March 24, 2020
To: Board of Directors
From: Marco Cruz, Chief Financial Officer

SUBJECT: Fiscal Year Ending 2021 Operating Budgets
RECOMMENDATION: Approve Operating Budgets

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) were developed using a variety of funding sources - HUD (Federal), HCD-HOME (State), HCD-CDBG (State), Low-Income Housing Tax Credits (Federal and State in some cases), and cities and counties (local). Kristen Court Phase 1 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 2021 be approved:

What was included in FYE 2021 Report?

- Net Residual Receipt Summary

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 Senior Manor is a Housing Choice Voucher tenant-based property (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
- Tenant Services On-site manager wages/benefits, tenant functions
- Utilities Water, sewer, gas, electric, trash removal
- Maintenance Work order charges, outside vendors-units/operations (alarm, unit maintenance, pest control, elevator maintenance)
- 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

What factors may affect this budget?

- Lower occupancy resulting in tenant income decrease.
- HUD proration resulting in rental assistance decrease.
- Major building repairs due to unforeseen conditions.

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.

Net Residual Receipt Summary

<i>Property</i>	<i>Proposed 2021 Budget</i>		
	<i>Revenue</i>	<i>Expenses</i>	<i>Net Income</i>
Town Center	\$197,401	\$193,555	\$3,846
Yolo-Heiken	\$48,058	\$47,440	\$618

RECOMMENDATION:

It is recommended that the Board of Directors of the Sutter Community Affordable Housing approve the attached FYE 2021 operating budget.

Prepared by:

Submitted by:


Marco A. Cruz, Chief Financial Officer


Gustavo Becerra, Executive Director

Sutter Community Affordable Housing

DATE: March 24, 2020
TO: Board of Directors
FROM: Tom Goodwin, Operations Manager

SUBJECT: Maintenance and Operations Update

- Total work orders for October, November, December 2019 were 195. Break down as follows:
- Total number of work orders by projects:

Priority & Category	Maple Park	Town Center	Yolo	TOTAL
Emergency	10	5	0	15
Make Ready's	3	1	0	4
Routine	105	71	0	176
Scheduled	0	0	0	0
Pest	0	2	0	2
Cancelled	0	0	0	0
HQS	0	45	0	45
Total Property	118	77	0	195
Pending	0	3	0	3
Completed	118	75	0	193

Prepared By:


Tom Goodwin, Operations Manager

Submitted By:


for Gustavo Becerra, Executive Director

SUTTER COMMUNITY AFFORDABLE HOUSING

STAFF REPORT

Date: March 24, 2020
To: Board of Directors
From: Pattra Runge, Occupancy Manager

SUBJECT: Quarterly Occupancy (Q3-2019) report for quarter ending December 31, 2019

RECOMMENDATION: Update Only

FISCAL IMPACT: None, Informational Only

Sutter Community Affordable Housing


Development	Units Available	October	November	December
Town Center (Yuba City)	27	27	27	27
Yolo-Heiken (Yuba City)	5	5	5	5
Maple Park I (Live Oak)	55	54	54	54
Kristen Court (Live Oak)	55	54	51	53

Currently, Town Center and Kristen Court Apartments are the only waitlist that are open. Vacancies continue to be filled within a 30-day turn-around period.

Prepared by:


Pattra Runge
Occupancy Manager
Regional Housing Authority

Submitted by:


Gustavo Becerra
Executive Director
Regional Housing Authority

**SUTTER COMMUNITY AFFORDABLE HOUSING
STAFF REPORT**

Date: March 24, 2020
To: Board of Directors
From: Marco Cruz, Chief Financial Officer

SUBJECT: Financial Review – Income Statement (September 2019-December 2019)

Town Center Senior Manor

Cumulative Net Income is <\$26,793>. The loss is driven by the \$45,000 in outlays for roofing and cabling by California Windows Industries. Prior year to date Net Income was <\$41,007>. The project maintains three Reserve savings accounts (Operations, Replacement & Security Deposits) and one combined checking account with Yolo-Heiken (see below).

Yolo-Heiken

Cumulative Net Income is \$8,980. Prior year to date Net Income was <\$23,617>. Aside from two initial maintenance move outs, the property has had positive net receipts each month. The project maintains two Reserve savings accounts (Operations & Security Deposits) and one combined checking account with Town Center Senior Manor (see below).

Maple Park (Phases 1 and 2) and Kristen Court

All three projects are managed by the Administrative General Partner, therefore, Sutter Community Affordable Housing maintains no revenue or expense statements.

RESERVE ACCOUNTS:

Reserves & Checking Account Balances (through 12/31/2019):

Reserves (Operations) - Town Center Senior Manor	\$58,604.18
Reserves (Replacement) - Town Center Senior Manor	\$88,009.74
Reserves (Security Deposits) – Town Center Senior Manor	\$12,315.83
Reserves (Operations) – Yolo-Heiken	\$16,387.60
Reserves (Security Deposits) – Yolo-Heiken	\$1,801.09
Checking Account - Town Center Senior Manor/Yolo-Heiken.....	\$25,175.76

CALENDAR OF EVENTS:

Fiscal year end March 2020
Financial audit..... May 2020

Prepared by:

Submitted by:



Marco A. Cruz, Chief Financial Officer



Gustavo Becerra, Executive Director

**SUTTER COMMUNITY AFFORDABLE HOUSING
STAFF REPORT**

Date: March 24, 2019
To: Board of Directors
From: Beckie Flores, Planning & Community Development Manager

SUBJECT: Planning & Community Development (PCD) Department Update
RECOMMENDATION: None.
FISCAL IMPACT: Not applicable.


Departmental Updates:

New Haven Court Permanent Supportive Housing (Yuba City) – Co-developer: Pacific West Communities; Number of units: 40; Target population: homeless and mentally disabled persons. Our 9% tax credit application was successful and staff is working on closing the construction financing in April, 2020. Construction will start soon thereafter.

Kristen Court Phase II (Live Oak) – Co-developer: Pacific West Communities; Number of units: 24; Target population: low-income families. Construction financing closed in September, 2019 and the project is currently under construction with an estimated completion date of May, 2020.

Kristen Court Phase III (Live Oak) – Co-developer: Pacific West Communities; Number of units: 32; Target population: low-income families. The Housing Authority has committed project-based Housing Choice Vouchers to the development which is the third and final phase of the Kristen Court Apartments. PWC has submitted an application to the State Department of Housing and Community Development for MHP financing. Awards will be announced in June, 2020.

Prepared by:



Beckie Flores
Planning & Community Development Manager

Submitted by:



Gustavo Becerra
Executive Director