

SUTTER COMMUNITY AFFORDABLE HOUSING

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


March 19, 2019

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 SPECIAL MEETING
March 27, 2019

You are hereby notified that the Sutter Community Affordable Housing Board Meeting is scheduled for **Wednesday, March 27, 2019, at 12:00 PM at Richland Neighborhood Center, 420 Miles Avenue, Yuba City, CA 95991.**



Gustavo Becerra
Secretary/Treasurer

SUTTER COMMUNITY AFFORDABLE HOUSING

Special Meeting of Board of Directors
Richland Neighborhood Center
420 Miles Avenue, Yuba City, CA 95991

Wednesday, March 27, 2019
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 – November 27, 2018
6. Approval of Operating Budgets for FYE 2020
Gail Allen, Chief Financial Officer
7. Maintenance Update on Maple Park Phase 1, Town Center Senior Manor, and Yolo/Heiken
Tom Goodwin, Operations Manager
8. Occupancy/Eligibility Update on Maple Park Phase 1, Kristen Court Phase 1, Town Center Senior Manor, and Yolo/Heiken
Pattra Runge, Occupancy Managers
9. Finance Update
Gail Allen, Chief Financial Officer
10. Planning and Community Development Update
Beckie Flores, Planning and Community Development Manager
11. Director's Comments
12. Adjournment

SUTTER COMMUNITY AFFORDABLE HOUSING
Minutes
Regular Board Meeting
November 27, 2018

1. Call to Order: President Martha Griese 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 Martha Griese, Board Members Gustavo Becerra, Brynda Stranix, Manny Cardoza and Richard Grant. Board Member Kimberly Butcher arrived at 12:05 PM. Board Member Diane Hodges was absent.
3. Pledge of Allegiance: Board Member Gustavo Becerra led the pledge of allegiance.
4. Public Participation: None
5. Approval of Minutes – August 1, 2018: Board Member Manny Cardoza made a motion to approve the minutes of the August 1, 2018 meeting as submitted. Board Member Brynda Stranix made the second. All were in favor by voice vote. Board Member Richard Grant abstained from the vote.
6. Acceptance of Audit for FYE 2018 into Record: Chief Financial Officer Gail Allen said Town Center Senior Manor and Yolo/Heiken are both doing well. She stated this was the last year the City of Yuba City will be auditing Town Center Senior Manor.

Board Member Manny Cardoza made a motion to accept the audit for FYE 2018 into record. Board Member Richard Grant made the second. All were in favor by voice vote.

7. Resolution 18-34, Town Center Senior Manor Collection Loss Write-Off: Occupancy Manager Pattra Runge explained this particular tenant moved before the eviction process was completed but there was a lot of damage to the unit.

Board Member Richard Grant made a motion to approve Resolution 18-34, Town Center Senior Manor Collection Loss Write-Off in the amount of \$2,797.88. Board Member Manny Cardoza made the second. The following roll call vote was taken:

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

Nays: None

Abstain: None

Absent: Board Member Diane Hodges

8. Election of Officers (President and Vice-President): Board Member Richard Grant made motion to nominate Brynda Stranix for President. Board Member Martha Griese made the second. All were in favor by voice vote. Board Member Brynda Stranix abstained.

Board Member Richard Grant made a motion to nominate Manny Cardoza for Vice-President. Board Member Brynda Stranix made the second. All were in favor by voice vote.

9. Maintenance Update on Maple Park Phase 1, Town Center Senior Manor, and Yolo/Heiken: Board Member Gustavo Becerra stated there was nothing unusual during the quarter reported.
10. Occupancy/Eligibility Update on Maple Park Phase 1, Kristen Court Phase 1, Town Center Senior Manor, and Yolo/Heiken: Mrs. Runge mentioned there are very few vacancies at the various properties. She stated maintenance is very quick about turning the unit for staff to fill.
11. Finance Update: Ms. Allen shared the properties are doing well. She explained there were some building improvements that were covered by reserves. Board Member Gustavo Becerra mentioned two of the roofs have been replaced at Town Center Senior Manor with the third roof replacement in the next fiscal year.
12. Planning and Community Development Update: Planning and Community Development Manager Beckie Flores stated staff continues to work on the New Haven project which will be located at 448 Garden Highway, Yuba City, CA 95991. She shared there is a significant funding gap and will be applying for funds through the HEAP program from the Sutter Yuba Homeless Consortium for and will also be applying for tax credits in March 2019.

Mrs. Flores explained an operating agreement was worked out with the City of Live Oak regarding all phases of Kristen Court. She mentioned there is also a funding gap for Kristen Court Phase II. Board Member Gustavo Becerra said there was a significant redesign and a change in the configuration of the buildings as well in order to bring costs down.
13. Director's Comments: Board Member Gustavo Becerra said staff have been receiving phone calls from landlords asking how they can get current tenants out for no cause, so they can rent to displaced Camp Fire victims in order to collect more rent.
14. Adjournment: The meeting was adjourned at 12:39 PM.

**SUTTER COMMUNITY AFFORDABLE HOUSING
STAFF REPORT**

Date: March 27, 2019
To: Board of Directors
From: Gail Allen, Chief Financial Officer

SUBJECT: Fiscal Year Ending 2020 Operating Budgets
RECOMMENDATION: Approve Operating Budgets

Background:

The Regional Housing Authority (RHA) manages Town Center Senior Manor and Yolo Heiken for the 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 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 2020 be approved:

What was included in FYE 2020 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 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
- 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 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

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>Current Budget</i>	<i>Proposed Budget</i>		
	<i>Net Income</i>	<i>Revenue</i>	<i>Expenses</i>	<i>Net Income</i>
Town Center	\$6,926	\$193,011	\$174,986	\$18,025
Yolo/Heiken	\$568	\$44,973	\$43,898	\$1,075


RECOMMENDATION:

It is recommended that the Board of Directors of the Sutter Community Affordable Housing approve the attached FYE 2020 operating budget.

Prepared by:

Submitted by:


Gail L. Allen, Chief Financial Officer


Gustavo Becerra, Executive Director

SUTTER COMMUNITY AFFORDABLE HOUSING

Proposed Operating Budgets

FYE 2020

	Annualized Total	Original Budget	Proposed Budget
Town Center Senior Manor			
3000-00-000 INCOME			
3199-00-000 Tenant Income	192,289.99	179,232.00	192,289.99
3699-00-000 Other Income	720.70	182.42	720.70
3999-00-000 Total Income	193,010.69	179,414.42	193,010.69
4000-00-000 EXPENSES			
4199-00-000 Administrative Expenses	38,570.78	43,558.18	47,020.36
4299-00-000 Tenant Services Expenses	5,547.02	13,910.54	7,468.95
4399-00-000 Utility Expenses	31,992.24	30,218.15	32,991.58
4499-00-000 Maintenance Expenses	37,191.17	64,584.34	67,288.21
4599-00-000 General Expenses	2,646.00	7,625.00	7,625.00
5999-00-000 Non-Operating Expenses	0.00	12,592.00	12,592.00
8000-00-000 Total Expenses	115,947.22	172,488.21	174,986.11
9000-00-000 NET INCOME	77,063.47	6,926.21	18,024.58

Yolo Heiken			
3000-00-000 INCOME			
3199-00-000 Tenant Income	44,915.93	44,388.00	44,964.00
3699-00-000 Other Income	9.22	32.04	9.22
3999-00-000 Total Income	44,925.14	44,420.04	44,973.22
4000-00-000 EXPENSES			
4199-00-000 Administrative Expenses	11,628.22	9,706.93	13,699.69
4299-00-000 Tenant Services Expenses	0.00	101.00	101.00
4399-00-000 Utility Expenses	5,928.02	5,528.46	6,331.98
4499-00-000 Maintenance Expenses	2,642.74	22,000.42	17,250.42
4599-00-000 General Expenses	40,308.00	2,515.00	2,515.00
5999-00-000 Non-Operating Items	0.00	4,000.00	4,000.00
8000-00-000 Total Expenses	60,506.98	43,851.81	43,898.09
9000-00-000 NET INCOME	-15,581.83	568.23	1,075.13

Sutter Community Affordable Housing

DATE: March 27, 2019
TO: Board of Directors
FROM: Tom Goodwin, Operations Manager

SUBJECT: Maintenance and Operations Update

- Total work orders for October, November and December, 2018 were 151. Break down as follows:
- Total number of work orders by projects:

Priority & Category	Maple Park	Town Center	Yolo	TOTAL
Emergency	9	7	1	17
Make Ready's	3	2	0	5
Routine	91	36	2	129
Scheduled	0	0	0	0
Pest	0	2	0	2
Cancelled	0	0	0	0
HQS	0	0	0	0
Total Property	103	45	3	151
Pending	0	0	0	0
Completed	103	45	3	151

Prepared By:



Tom Goodwin, Operations Manager

Submitted By:



Gustavo Becerra, Executive Director

SUTTER COMMUNITY AFFORDABLE HOUSING
STAFF REPORT

Date: March 27, 2019
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: Budget based allocations per funding sources

Sutter Community Affordable Housing

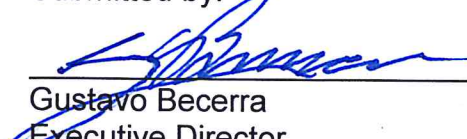
Development	Units Available	October	November	December
Town Center (Yuba City)	27	26	27	27
Yolo-Heiken (Yuba City)	5	5	5	4
Maple Park I (Live Oak)	55	54	53	53
Kristen Court (Live Oak)	55	52	53	53

All waitlists are currently open for all properties and continue to grow. 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 27, 2019
To: Board of Directors
From: Gail Allen, Chief Financial Officer

SUBJECT: Financial Review – Income Statement (April 2018 - January 2019)

Town Center Senior Manor

Cumulative Net Income is <\$40,243 which includes \$88,702.50 for roof replacement and was covered by prior year reserves. 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 <\$23,784, which includes \$39,930 for building improvements and was covered by prior year reserves. 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

Both projects are managed by co-developers, therefore, Sutter Community Affordable Housing maintains no revenue or expense statements.

RESERVE ACCOUNTS:

All reserve accounts remain restricted to their individual projects.

Reserves & Checking Account Balances (through 03/04/2019):

Reserves (Operations) - Town Center Senior Manor	\$37,341.35
Reserves (Replacement) - Town Center Senior Manor	\$132,014.39
Reserves (Security Deposits) – Town Center Senior Manor.....	\$12,310.15
Reserves (Operations) - Yolo Heiken	\$10,491.76
Reserves (Security Deposits) – Yolo Heiken.....	\$1,800.33
Checking Account - Town Center Senior Manor/Yolo Heiken.....	\$12,649.44

CALENDAR OF EVENTS:

Budget process begins.....	September 2018
Fiscal year end	March 2019
Financial audit.....	May 2019

Prepared by:

Submitted by:



Gail L. Allen, Chief Financial Officer



Gustavo Becerra, Executive Director

**SUTTER COMMUNITY AFFORDABLE HOUSING
STAFF REPORT**

Date: March 27, 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:

Town Center Roof Replacement (Yuba City) – Staff will be soliciting bids soon for a roof replacement on the third and final building at Town Center Senior Manor. We expect to have the work completed this summer.

New Haven Court (Yuba City) – Staff is working with co-development partner Pacific West Communities (PWC) to develop a 40-unit permanent supportive housing project that will provide housing for homeless and mentally disabled persons. Staff has secured funding commitments from the Sutter Yuba Homeless Consortium (HEAP), Yuba and Sutter Counties (MHSA and No Place Like Home), Yuba City Unified School District (School Fees) and City of Yuba City (capital funds loan). We have also formalized agreements with Sutter Yuba Behavioral Health and Hands of Hope who will provide supportive services to the project. PWC submitted an application for competitive 9% tax credits on March 4th and awards are expected to be announced in June. If the tax credit application is unsuccessful, PWC will apply again in July, 2019.

Kristen Court Phase II (Live Oak) – Our co-development partner, Pacific West Communities (PWC), submitted a 4% non-competitive federal tax credit application, and a competitive 4% state tax credit application. The project has already received HOME Investment Partnerships Program (HOME) funds. PWC is also finalizing a lot line adjustment that was needed for the project. Once the tax credits are secured, we anticipate construction could start late summer, 2019. Kristen Court II will consist of 24 units of affordable housing for low income families.

Prepared by:



Beckie Flores
Planning & Community Development Manager

Submitted by:



Gustavo Becerra
Executive Director