

BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION

Board of Directors Meeting

2039 Forest Avenue
Chico, CA 95928

SPECIAL MEETING AGENDA

March 21, 2024
2:00 p.m.

Due to COVID-19 and California State Assembly Bill 361 that amends the Ralph M. Brown Act to include new authorization for remote meetings, including remote public comment for all local agencies. California State Assembly Bill 361 extends the provision of Governor Newsom’s Executive Order N-29-20 and N-35-20 until January 2024. The meeting will be a hybrid meeting both in person at this Housing Authority office and remotely. Members of the Board of Directors and HACB staff will be participating either in person or remotely. The Board of Directors welcomes and encourages public participation in the Board meetings either in person or remotely from a safe location.

Members of the public may be heard on any items on the Directors’ agenda. A person addressing the Directors will be limited to 5 minutes unless the Chairperson grants a longer period of time. Comments by members of the public on any item on the agenda will only be allowed during consideration of the item by the Directors. Members of the public desiring to be heard on matters under jurisdiction of the Directors, but not on the agenda, may address the Directors during agenda item 6.

Please join my meeting from your computer, tablet or smartphone.
<https://meet.goto.com/818652533>

You can also dial in using your phone.

Access Code:
818-652-533
United States (Toll Free):
[1 866 899 4679](tel:18668994679)
United States:
[+1 \(571\) 317-3116](tel:+15713173116)

If you have any trouble accessing the meeting agenda, or attachments; or if you are disabled and need special assistance to participate in this meeting, please email marysolp@butte-housing.com or call 530-895-4474 x.210. Notification at least 24 hours prior to the meeting will enable the Housing Authority to make a reasonable attempt to assist you.

NEXT RESOLUTION NO. 24-2C

ITEMS OF BUSINESS

1. ROLL CALL

2. AGENDA AMENDMENTS
3. CONSENT CALENDAR
4. CORRESPONDENCE
5. REPORTS FROM PRESIDENT
 - 5.1 Sunrise Village Senior Apartments, Gridley – Corporate Authorizations Revised
Recommendation: Resolution No. 24-2C
 - 5.2 Northwind Senior Apartments, Paradise – Corporate Authorizations.
Recommendation: Resolution No. 24-3C
 - 5.3 Chico Bar Triangle Apartments, Chico – Corporate Authorizations.
Recommendation: Resolution No. 24-4C
6. MEETING OPEN FOR PUBLIC DISCUSSION
7. MATTERS CONTINUED FOR DISCUSSION
8. SPECIAL REPORTS
9. REPORTS FROM DIRECTORS
10. MATTERS INITIATED BY DIRECTORS
11. EXECUTIVE SESSION
12. DIRECTORS’ CALENDAR
 - **Next meeting – May 16, 2024**
13. ADJOURNMENT

March 14, 2024

Memo

To: BCAHDC Board of Directors

From: Ed Mayer, President

Subject: Agenda Items 5.1, 5.2, and 5.3
Authorizing Resolutions for Three Tax-credit funded projects

This month's Special Meeting of the Board work authorizes the specific obligations and borrowings of the partnerships in which BCHADC is Managing General Partner. The reason for the Special Meeting is the time-sensitivity of the actions. The actions are routine for these types of transactions, and are consistent with all previous authorizations made on behalf of BCAHDC's tax-credit partnerships. Specifically:

The first authorization amends a previous authorization, made via Resolution No. 22-5C in February 2022, on behalf of the 37-unit Sunrise Village Senior Apartment, Gridley project. Resolution No. 24-2C is a restatement of Resolution No. 22-5C in its entirety, except that the authorization for the permanent loan from the California Department of Housing and Community Development is increased from \$2,250,000 to \$4,900,000. The project is complete and leased up, and is converting from construction to permanent financing.

The second two authorizations are for projects scheduled for Construction Closing in mid April, the first involving the 21-unit Northwind Senior Apartments, Paradise project, and the other the 70-unit Bar Triangle Apartments, Chico project. The authorizations are consistent with all previous authorizations made on behalf of tax-credit partnerships in which BCAHDC acts as Managing General Partner.

Recommendation: Adoption of Resolutions No. 24-2C, 24-3C, and 24-4C.

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 24-2C

SUNRISE VILLAGE SENIOR APARTMENTS, GRIDLEY
CORPORATE AUTHORIZATIONS

At a duly constituted meeting of the Board of Directors (the “Board”) of Butte County Affordable Housing Development Corporation, a California nonprofit public benefit corporation (“BCAHDC”), held on March 21, 2024, the following resolutions were adopted:

WHEREAS, BCAHDC and Pacific West Communities, Inc. (“PWC”) are parties to that certain Memorandum of Agreement dated June 21, 2018 (the “MOA”) with respect to the development of an affordable housing project to be known as “Sunrise Village Senior Apartments” that will contain 37 apartment units, including 1 manager’s unit, located in Gridley, California (the “Project”); and

WHEREAS, BCAHDC is the managing general partner of Gridley Senior Associates, A California Limited Partnership, a California limited partnership (the “Partnership”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC for the Partnership to acquire, develop, construct, own and operate the Project; and

WHEREAS, it has been determined to be in the best interests of BCAHDC to assist in the acquisition, construction and development of the Project by the Partnership by: (i) consenting to the withdrawal of the initial limited partner from the Partnership and facilitating the admission of Red Stone Equity Partners LLC and/or its affiliate(s), or substitute investors (collectively, “Investor”), as 99.991% limited partner(s) in the Partnership in exchange for capital contributions to the Partnership in an amount not to exceed \$8,000,000, and (ii) amending and restating the agreement of limited partnership of the Partnership (the “Partnership Agreement”) to provide for such other matters as may be required by the Investor (collectively, the “Syndication”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC, as sub-developer, to enter into a subdevelopment agreement with the developer of the Project, Pacific West Communities, Inc., an Idaho corporation, or, in the alternative, for BCAHDC, as co-developer, to enter into a development agreement with the Partnership (in either case, the “Development Agreement”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC to obtain the following financings for the Project, which will be secured by liens on the Project (“Secured Financings”):

- (a) A construction loan from Banner Bank in the principal amount not to exceed \$13,000,000, which is anticipated to convert to a permanent loan in the principal amount not to exceed \$4,000,000, and which is evidenced by a deed of trust, promissory note,

loan agreement, construction disbursement agreement, collateral assignments and other related documents (collectively, the “**Bank Loan Documents**”);.

- (b) A permanent loan from the California Department Housing and Community Development in the principal amount not to exceed \$4,900,000 (the “MHP Loan”).
- (c) A loan from the City of Gridley in the principal amount not to exceed \$477,739 (the “CDBG Loan”).
- (d) A loan from the City of Gridley in the principal amount not to exceed \$195,480.

WHEREAS, as a condition of the Secured Financings and the Syndication, the lenders and the Investor may require that BCAHDC and/or the Partnership assign any fees from the Partnership or pledge other interests in the Project as security for the Secured Financings and the Syndication (the “**Security Assignments**”), and it has been determined to be in the best interests of BCAHDC and the Partnership, to make and enter into Security Assignments; and

WHEREAS, specifically, the MOA needs amendment to refine the Partnership and Property disposition mechanisms to be used after fifteen years of the Property's Placed-in-Service date, as addressed in Article 10 of the MOA regarding BCAHDC right of first refusal to purchase the Property; and

WHEREAS, it has been determined to be in the best interests of BCAHDC, its interest as Managing General Partner of the Partnership, and in the interests of the citizens served to negotiate, execute and deliver an amendment replacing Article 10 of the MOA and such other amendments to the MOA that an Officer deems necessary or appropriate (the “**MOA Amendment**”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC and the Partnership to execute and deliver any and all documents or agreements necessary or advisable for the acquisition, development, financing, construction, rehabilitation, management, operation and maintenance of the Project, including, but not limited to, the Bank Loan Documents, all grant deeds, deeds of trust, UCC financing statements, loan agreements, loan documents, regulatory agreements, assignments of rents, leases, income and profits, general assignments, construction contracts, architect agreements, grant agreements, development agreements, sub-development agreements, management agreements, service contracts, housing assistance payments contracts, partnership agreements, environmental and building laws indemnities, and similar or related agreements for housing subsidies, title-related indemnities and affidavits and any other types of agreements (collectively, the “**Project Documents**”).

NOW, THEREFORE, BE IT RESOLVED by the Board that BCAHDC, for itself and in its capacity as the Managing General Partner of the Partnership, does hereby approve and is authorized to enter into the following transactions and documents, as applicable:

- 1. Partnership Agreement and the Syndication;
- 2. Development Agreement;
- 3. Secured Financings;

4. Security Assignments;
5. MOA Amendment;
6. Project Documents;
7. Such other documents, agreements and contracts deemed necessary or advisable by an Officer in furtherance of these resolutions and/or to assist in the development of the Project (collectively, the “**Transaction Documents**”), using his or her own independent judgment; and

BE IT FURTHER RESOLVED, that the Board of BCAHDC hereby authorizes each of (a) Edward S. Mayer, President of BCAHDC, (b) Marysol Perez, Secretary of BCAHDC, and (c) Hope Stone, Chief Financial Officer of BCAHDC (each, an “**Officer**”), each acting alone to accept the Transaction Documents subject to any minor conforming, technical or clarifying changes approved by an Officer; and that each Officer is hereby further authorized and directed to take such further actions and execute and record such documents as are necessary to accept the Transaction Documents on behalf of BCAHDC and the Partnership; and

BE IT FURTHER RESOLVED, that all actions previously taken by BCAHDC and the Partnership, and any of their employees, officers and agents, in connection with the Project or the transactions described herein are hereby ratified and approved.

PASSED AND ADOPTED this ___ day of March 2024 by the following vote:

AYES: _____ NOES: _____ ABSTENTIONS: _____ ABSENT: _____

Signature of Attesting Officer:

Edward S. Mayer, President

SECRETARY’S CERTIFICATION

I, the Secretary of BCAHDC, hereby certify that the foregoing is a true copy of Resolution No. 24-2C adopted by the Board of Directors of Butte County Affordable Housing Development Corporation, a California nonprofit public benefit corporation, and that said Resolution No. 24-2C is in full force and effect, and the Board of Directors has, and at the time of the adoption of the Resolution No. 24-2C had, full power and authority to adopt such resolutions.

Marysol Perez, Secretary

Date

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 24-3C

NORTHWIND SENIOR APARTMENTS, PARADISE
CORPORATE AUTHORIZATIONS

At a duly constituted meeting of the Board of Directors (the “Board”) of Butte County Affordable Housing Development Corporation, a California nonprofit public benefit corporation (“BCAHDC”), held on March 21, 2024, the following resolutions were adopted:

WHEREAS, BCAHDC and Pacific West Communities, Inc., an Idaho corporation (“PWC”) are parties to that certain Memorandum of Agreement dated April 21, 2023 (the “MOA”) with respect to the development of an affordable housing project to be known as “Northwind Senior Apartments” that will contain 21 apartment units, including 1 manager’s unit, located in Paradise, California (the “Project”); and

WHEREAS, BCAHDC is the managing general partner of Paradise Senior Associates, A California Limited Partnership, a California limited partnership (the “Partnership”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC for the Partnership to acquire, develop, construct, own and operate the Project; and

WHEREAS, it has been determined to be in the best interests of BCAHDC to assist in the acquisition, construction and development of the Project by the Partnership by: (i) consenting to the withdrawal of the initial limited partner from the Partnership and facilitating the admission of Merritt Community Capital Corporation, a California nonprofit public benefit corporation, MCC Housing LLC, a California limited liability company, and/or their affiliate(s), or substitute investors (collectively, “Investor”), as approximately 99.999% limited partner(s) in the Partnership in exchange for capital contributions to the Partnership in an amount not to exceed \$5,000,000, and (ii) amending and restating the agreement of limited partnership of the Partnership (the “Partnership Agreement”) to provide for such other matters as may be required by the Investor (collectively, the “Syndication”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC, as sub-developer, to enter into a subdevelopment agreement with the developer of the Project, PWC, or, in the alternative, for BCAHDC, as co-developer, to enter into a development agreement with the Partnership (in either case, the “Development Agreement”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC for the Partnership to obtain the following financings for the Project, which will be secured by, among other things, liens on the Project (“Secured Financings”):

- (a) A construction loan from Banner Bank in an amount not to exceed \$5,000,000, that will convert to a permanent loan in an amount not to exceed \$1,500,000.

1

*Butte County Affordable Housing Development Corporation
Resolution No. 24-3C - Northwind Senior Apartments, Paradise
March 21, 2024*

- (b) A loan of CDBG - Disaster Recovery Multifamily Housing Program or alternative funds from the Town of Paradise in the principal amount not to exceed \$3,600,000.

WHEREAS, as a condition of the Secured Financings and the Syndication, the lenders of the Secured Financings and the Investor may require that BCAHDC and/or the Partnership assign fees from the Project and/or the Partnership or pledge other interests in the Project, including, as to BCAHDC, its general partnership interest in the Partnership, as security for the Secured Financings and the Syndication (the “**Security Assignments**”), and it has been determined to be in the best interests of BCAHDC and the Partnership, to make and enter into the Security Assignments; and

WHEREAS, it has been determined to be in the best interests of BCAHDC, on its own behalf, and in its capacity as the managing general partner of the Partnership, on behalf of the Partnership, to execute and deliver any and all documents or agreements necessary or advisable for the acquisition, development, financing, construction, rehabilitation, management, operation and maintenance of the Project, including, but not limited to, all grant deeds, deeds of trust, UCC financing statements, loan agreements, promissory notes, indemnities, subordination agreements, loan documents, regulatory agreements, assignments of rents, leases, income and profits, general assignments, construction contracts, architect agreements, grant agreements, development agreements, sub-development agreements, management agreements, service contracts, housing assistance payments contracts, partnership agreements, and similar or related agreements for housing subsidies, title-related indemnities and affidavits and any other types of agreements (collectively, the “**Project Documents**”).

NOW, THEREFORE, BE IT RESOLVED by the Board that BCAHDC, for itself and in its capacity as the Managing General Partner of the Partnership, does hereby approve and is authorized to enter into the following transactions and documents, as applicable:

1. Partnership Agreement and the Syndication;
2. Development Agreement;
3. Secured Financings;
4. Security Assignments;
5. Project Documents;
6. Such other documents, agreements and contracts deemed necessary or advisable by an Officer in furtherance of these resolutions and/or to assist in the development of the Project (collectively, the “**Transaction Documents**”), using his or her own independent judgment; and

BE IT FURTHER RESOLVED, that the Board of BCAHDC hereby authorizes each of (a) Edward S. Mayer, President of BCAHDC, (b) Marysol Perez, Secretary of BCAHDC, and (c) Hope Stone, Chief Financial Officer of BCAHDC (each, an “**Officer**”), each acting alone to accept the Transaction Documents subject to any minor conforming, technical or clarifying changes approved by an Officer; and that each Officer is hereby further authorized and directed to take such further actions and execute and record such documents as are necessary to accept the Transaction Documents on behalf of BCAHDC and the Partnership; and

BE IT FURTHER RESOLVED, that all actions previously taken by BCAHDC and the Partnership, and any of their employees, officers and agents, in connection with the Project or the transactions described herein are hereby ratified and approved.

PASSED AND ADOPTED this 21st day of March 2024 by the following vote:

AYES: _____ NOES: _____ ABSTENTIONS: _____ ABSENT: _____

Signature of Attesting Officer:

Edward S. Mayer, President

SECRETARY’S CERTIFICATION

I, the Secretary of BCAHDC, hereby certify that the foregoing is a true copy of Resolution No. 24-__ adopted by the Board of Directors of Butte County Affordable Housing Development Corporation, a California nonprofit public benefit corporation, and that said Resolution No. 24-__ is in full force and effect, and the Board of Directors has, and at the time of the adoption of the Resolution No. 24-__ had, full power and authority to adopt such resolutions.

Marysol Perez, Secretary

Date

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 24-4C

CHICO BAR TRIANGLE, CHICO
CORPORATE AUTHORIZATIONS

At a duly constituted meeting of the Board of Directors (the “Board”) of Butte County Affordable Housing Development Corporation, a California nonprofit public benefit corporation (“BCAHDC”), held on March 21, 2024, the following resolutions were adopted:

WHEREAS, BCAHDC and Central California Housing Corporation, a California corporation (“CCHC”) are parties to that certain Memorandum of Understanding dated November 18, 2021, with respect to the development of an affordable housing project to be known as “Chico Bar Triangle” that will contain 70 apartment units, including 1 manager’s unit, located in Chico, California (the “**Project**”); and

WHEREAS, BCAHDC is the managing general partner of Chico Bar Triangle, LP, a California limited partnership (the “**Partnership**”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC for the Partnership to acquire, develop, construct, own and operate the Project; and

WHEREAS, it has been determined to be in the best interests of BCAHDC to assist in the acquisition, construction and development of the Project by the Partnership by: (i) consenting to the withdrawal of the initial limited partner from the Partnership and facilitating the admission of R4 BTCA Acquisition LP, a Delaware limited partnership, R4 Manager LLC, a Delaware limited liability company, and/or their affiliate(s), or substitute investors (collectively, “**Investor**”), as approximately 99.99% limited partner(s) in the Partnership in exchange for capital contributions to the Partnership in an amount not to exceed \$20,000,000, and (ii) amending and restating the agreement of limited partnership of the Partnership (the “**Partnership Agreement**”) to provide for such other matters as may be required by the Investor (collectively, the “**Syndication**”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC, as sub-developer, to enter into a subdevelopment agreement with the developer of the Project, CCHC Developer, LLC, or, in the alternative, for BCAHDC, as co-developer, to enter into a development agreement with the Partnership (in either case, the “**Development Agreement**”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC for the Partnership to obtain the following financings for the Project, which will be secured by, among other things, liens on the Project (“**Secured Financings**”):

- (a) A construction loan from Tri Counties Bank in an amount not to exceed \$21,000,000, that will convert to a permanent loan in an amount not to exceed \$5,200,000.

1
Butte County Affordable Housing Development Corporation
Resolution No. 24-4C - Bar Triangle Apartments, Chico
March 21, 2024

- (b) A loan of CDBG - Disaster Recovery Multifamily Housing Program or alternative funds from the City of Chico in the principal amount not to exceed \$14,442,686.

WHEREAS, as a condition of the Secured Financings and the Syndication, the lenders of the Secured Financings and the Investor may require that BCAHDC and/or the Partnership assign fees from the Project and/or the Partnership or pledge other interests in the Project, including, as to BCAHDC, its general partnership interest in the Partnership, as security for the Secured Financings and the Syndication (the “**Security Assignments**”), and it has been determined to be in the best interests of BCAHDC and the Partnership, to make and enter into the Security Assignments; and

WHEREAS, it has been determined to be in the best interests of BCAHDC, on its own behalf, and in its capacity as the managing general partner of the Partnership, on behalf of the Partnership, to execute and deliver any and all documents or agreements necessary or advisable for the acquisition, development, financing, construction, rehabilitation, management, operation and maintenance of the Project, including, but not limited to, all grant deeds, deeds of trust, UCC financing statements, loan agreements, promissory notes, indemnities, subordination agreements, loan documents, regulatory agreements, assignments of rents, leases, income and profits, general assignments, construction contracts, architect agreements, grant agreements, development agreements, sub-development agreements, management agreements, service contracts, housing assistance payments contracts, partnership agreements, and similar or related agreements for housing subsidies, title-related indemnities and affidavits and any other types of agreements (collectively, the “**Project Documents**”).

NOW, THEREFORE, BE IT RESOLVED by the Board that BCAHDC, for itself and in its capacity as the Managing General Partner of the Partnership, does hereby approve and is authorized to enter into the following transactions and documents, as applicable:

1. Partnership Agreement and the Syndication;
2. Development Agreement;
3. Secured Financings;
4. Security Assignments;
5. Project Documents;
6. Such other documents, agreements and contracts deemed necessary or advisable by an Officer in furtherance of these resolutions and/or to assist in the development of the Project (collectively, the “**Transaction Documents**”), using his or her own independent judgment; and

BE IT FURTHER RESOLVED, that the Board of BCAHDC hereby authorizes each of (a) Edward S. Mayer, President of BCAHDC, (b) Marysol Perez, Secretary of BCAHDC, and (c) Hope Stone, Chief Financial Officer of BCAHDC (each, an “**Officer**”), each acting alone to accept the Transaction Documents subject to any minor conforming, technical or clarifying changes approved by an Officer; and that each Officer is hereby further authorized and directed to take such further actions and execute and record such documents as are necessary to accept the Transaction Documents on behalf of BCAHDC and the Partnership; and

BE IT FURTHER RESOLVED, that all actions previously taken by BCAHDC and the Partnership, and any of their employees, officers and agents, in connection with the Project or the transactions described herein are hereby ratified and approved.

PASSED AND ADOPTED this 21st day of March 2024 by the following vote:

AYES: _____ NOES: _____ ABSTENTIONS: _____ ABSENT: _____

Signature of Attesting Officer:

Edward S. Mayer, President

SECRETARY’S CERTIFICATION

I, the Secretary of BCAHDC, hereby certify that the foregoing is a true copy of Resolution No. 24-__ adopted by the Board of Directors of Butte County Affordable Housing Development Corporation, a California nonprofit public benefit corporation, and that said Resolution No. 24-__ is in full force and effect, and the Board of Directors has, and at the time of the adoption of the Resolution No. 24-__ had, full power and authority to adopt such resolutions.

Marysol Perez, Secretary

Date