

**BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION**

Board of Directors Meeting

2039 Forest Avenue
Chico, CA 95928

MEETING MINUTES

November 16, 2017

President Mayer called the meeting of Butte County Affordable Housing Development Corporation (BCAHDC) to order at 3:13 p.m.

1. ROLL CALL

Present for Directors: Kate Anderson, Patricia Besser, Larry Hamman, Anne Jones, Laura Moravec and David Pittman.

Others Present: President Ed Mayer, Chief Financial Officer Sue Kemp, Secretary Marysol Perez, Larry Guanzon, Tamra Young, and Jerry Martin.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

Director Hamman moved that the Consent Calendar be accepted as presented. Director Moravec seconded. The vote in favor was unanimous.

4. CORRESPONDENCE

None.

5. REPORTS FROM PRESIDENT

- 5.1 Walker Commons Budget – The FY2018 Walker Commons budget was presented for approval. Budget was prepared by AWI, property manager, with in house input. Roof replacements are planned for 30 units at an estimated cost of \$200,000; also planned for completion in 2018 is the repainting of the Community building.

RESOLUTION NO. 17-4C

Director Moravec moved that Resolution No. 17-4C be adopted by reading of title only: “APPROVAL OF THE OPERATING BUDGET FOR F/Y 2018 FOR WALKER COMMONS APARTMENTS, CHICO, CA”. Director Anderson seconded. The vote in favor was unanimous.

- 5.2 1200 Park Avenue Budget – The operating budget for 1200 Park Avenue Apartments was prepared in coordination with AWI. 2018 will be the first operating year for AWI as property manager of 1200 Park Avenue Apartments. There is \$7,500 in roofing repairs planned for 2018 at the property.

RESOLUTION NO. 17-5C

Director Anderson moved that Resolution No. 17-5C be adopted by reading of title only: “APPROVAL OF THE OPERATING BUDGET FOR F/Y 2018 FOR 1200 PARK AVENUE APARTMENTS, CHICO, CA”. Director Jones seconded. The vote in favor was unanimous.

- 5.3 Walker Commons Audit Report – The Walker Commons audited financial statements for year ended December 31, 2016 were presented. The audit report is being presented much later than normal, due to final close out with U.S. Residential, former property manager; audit report is normally completed in March. Despite changes, not too many variances in the report, there were no questioned costs or findings by the auditors.

MOTION

Director Moravec moved motion to accept Walker Commons FY 2016 Audit Report as presented. Director Hamman seconded. The vote in favor was unanimous.

- 5.4 Cordillera Apartments Write-Offs – Annually, BCAHDC records tenant account receivable amounts to be written off the Balance Sheet as uncollectible. The amount to be written off as of September 30, 2017 is \$3,231.27. Writing off the balances does not change the net accounts receivable balance, nor does it prevent BCAHDC from pursuing collections; the write off process is simply considered an in-house accounting “housekeeping” process.

RESOLUTION NO. 17-6C

Director Hamman moved the Resolution No. 17-6C be adopted by reading of title only: “APPROVE WRITE-OFF OF UNCOLLECTIBLE ACCOUNTS RECEIVABLE FOR CORDILLERA APARTMENTS AS OF SEPTEMBER 30, 2017”. Director Besser seconded. The vote in favor was unanimous.

Director Jones was not present in the room when Resolution No. 17-6C was approved by BCAHDC Board of Directors.

- 5.5 Walker Commons Apartments – AWI property management has proposed moving to a no-smoking policy at Walker Commons apartments. Housing Authority management recommends no-smoking policy implementation, but

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given the high concentrations of special needs tenants at the property, the no-smoking policy will be implemented with extra care and sensitivity. Rolling out a “soft” program, management will work with residents to address their smoking and its cessation, as opposed to simply resorting to terminations of tenancy. Director Moravec expressed her concern and felt uncomfortable enforcing a no-smoking policy with the elderly; she is concerned as to how they would handle a transition like this. Director Moravec suggested a grandfathering status to existing residents, perhaps enforce the policy on new residents/tenants. She also recommended revisiting the matter in February.

- 5.6 Gridley Springs I Apartments, Property Management – BCAHDC received notice from U.S. Residential, Inc. that as of October 30, 2017 they will no longer work at the Gridley Springs I property. U.S. Residential indicated that a corporate decision had been made to exit service from all affordable housing/regulated properties. The CBM Group Inc. has agreed to manage the property under substantively the same terms as U.S. Residential. It is proposed that CBM be the property manager for Gridley Springs II, owned by the Housing Authority, so that one firm manages the two (2) adjacent Gridley Springs Apartment properties. CTCAC, tax-credit regulator has approved the management change. HACB staff recommends action by BCAHDC Board of Directors, authorizing the retention of CBM Group Inc. at the Gridley Springs I property.

Director Jones re-entered room and was present for motion to approve retention of The CBM Group INC. as property manager at the Gridley Springs I property.

MOTION

Director Anderson moved motion to approve retention of The CBM Group, INC. as property manager at the Gridley Springs I property, 210 Ford Ave, Gridley. Director Pittman seconded. The vote in favor was unanimous.

- 5.7 1200 Park Avenue Apartments, Property Management – BCAHDC received a request from property manager, Winn Residential, for an increase in compensation, and a change in the way compensation is calculated, for managing 1200 Park Avenue Apartments. With input from the Special Limited Partner, Alden Torch, it was concluded the request could not be substantiated. AWI, Inc., with whom Banyard Management works with at Chico Commons Apartments, and with whom BCAHDC works with at Walker Commons Apartments, has indicated they are willing to work under the terms of the LPA, assuming responsibility for property operations. President Mayer, and HACB Deputy Executive Director Guanzon, are currently negotiating terms of the Property Management Agreement with Aldon Torch, Limited Partner, who has taken a keen interest in the agreement. HACB recommends action by BCAHDC Board of directors, authorizing the retention of AWI, Inc., at the 1200 Park Avenue Apartment property.

MOTION

Director Moravec moved motion to approve retention of AWI, Inc. as property manager at the 1200 Park Avenue Apartment property. 1200 Park Avenue, Chico, as of January 1, 2018. Director Anderson seconded. The vote in favor was unanimous.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM DIRECTORS

None.

10. MATTERS INITIATED BY DIRECTORS

None.

11. EXECUTIVE SESSION

None.

12. DIRECTOR'S CALENDAR

Next Meeting – February 15, 2018.

13. ADJOURNMENT

Director Jones moved that the meeting be adjourned. Director Moravec seconded. The meeting was adjourned at 3:46 p.m.

Dated: November 16, 2017.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary