

**BUTTE COUNTY AFFORDABLE HOUSING  
DEVELOPMENT CORPORATION**

**Board of Directors Meeting**

2039 Forest Avenue  
Chico, CA 95928

MEETING MINUTES

November 19, 2020

President Mayer called the meeting of Butte County Affordable Housing Development Corporation (BCAHDC) to order at 2:13 p.m.

*(Pursuant to current State Public Health directives to shelter-in-place and practice social distancing, and as authorized by Governor Gavin Newsom's Executive Orders N-25-20 and N-29-20, This Board of Directors meeting observed "social distancing" protocols, and was conducted via teleconference and web-conference. Meeting notice and public participation was addressed consistent with the State Governor's COVID-19 Executive Order, providing for Brown Act exceptions.)*

1. ROLL CALL

Present for the Directors: Charles Alford, Kate Anderson, Theresa Ayers, Larry Hamman, Laura Moravec, Rich Ober and David Pittman. Commissioners Hamman, Moravec and Pittman attended in person, the balance by means of web-conference.

Others Present: President Ed Mayer, Chief Financial Officer Sue Kemp, Secretary Marysol Perez, Larry Guanzon, Tamra Young, and Jerry Martin, all in person, with the exception of Sue Kemp, Chief Financial Officer, who attended by means of web-conference.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

#### 4. CORRESPONDENCE

None.

#### 5. REPORTS FROM PRESIDENT

- 5.1 Walker Commons Budget – The FY 2020 was prepared by AWI property Management, with input from HACB staff. Historically this property has enjoyed very low vacancy rates. Rental income is projected to increase due to setting rents at maximum tax credit rents allowed and increases in the Section 8 Payment Standards. Operational capital expenses are projected at \$41,280, which includes appliance replacements, flooring on turnover, blinds, HVAC replacements, windows, roof cleaning, gutter cleaning, and a storage shed. Kitchen cabinets, parking lot repairs, landscaping and signs will be expensed from reserves, no additional capital improvements are proposed at this time due to asset repositioning work. The property is projected to bring in an estimated positive cash flow of \$143,865 for the year. Director Pittman asked if a picture of the Walker Commons property could be inserted in the Board packet, so the new Board Directors become familiar with the property. Director Ober suggested perhaps a map with a summary page outlining the location of properties owned/managed by HACB would be helpful.

#### **\*RESOLUTION NO. 20-14C\***

Director Pittman moved that Resolution No. 20-14C be adopted by reading of title only: “APPROVAL OF THE OPERATING BUDGET FOR THE F/Y 2021 FOR WALKER COMMONS APARTMENTS CHICO, CA”. Director Moravec seconded. The vote in favor was unanimous.

- 5.2 1200 Park Avenue Budget – HACB recently bought out the Limited Partner interests of the owning partnership; 99% is now owned by HACB, and 1% is owned by BCAHDC. The property will also be subject to repositioning exercise during the coming year. The operating budget for 1200 Park Avenue Apartments was prepared in coordination with AWI. Vacancy loss is projected at 2%, and rental income is projected to increase due to the setting of rents at maximum tax credit levels permitted, along with the year’s increase in Section 8 Payments Standards. \$94,400 is budgeted from Reserves for flooring, cabinets, appliances, roofing, stucco repair, parking area sealing and striping, as well as tree trimming. Chief Financial Officer Kemp commented that because the property is now 15 years old, the maintenance costs are higher and over the years the repair costs have been going up. The property is projected to bring in an estimated positive cash flow of \$2,404 for the year

**\*RESOLUTION NO. 20-15C\***

Director Anderson moved that Resolution No. 20-15C be adopted by reading of title only: “APPROVAL OF THE OPERATING BUDGET FOR F/Y 2021 FOR 1200 PARK AVENUE APARTMENTS, CHICO, CA”. Director Moravec seconded. The vote in favor was unanimous.

- 5.4 Gridley Springs I Budget – The proposed operating budget for Gridley Springs I was prepared by Sackett Corporation, third party property manager, along with DHI-DFA Gridley Springs Associates, the LP’s Administrative General Partner. This is the third operational year for Sackett and they continue to perform well as third party property managers. The property consists of thirty-two (32) housing units – the budget presented is status-quo, vacancy loss is estimated at 2.1%, net cash flow is projected to be \$23,145. The proposed budget is subject to USDA review and approval.

**\*RESOLUTION NO. 20-16C\***

Director Hamman moved that Resolution No. 20-16C be adopted by reading of title only: “APPROVAL OF THE 2021 FISCAL YEAR OPERATING BUDGET FOR GRIDLEY SPRINGS I APARTMENTS, GRIDLEY, CA”. Director Moravec 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

Director Moravec asked for an updated regarding the tenant relations with management at 1200 Park Avenue. Larry Guanzon reported things have calmed down, once in a while calls come

through and are referred back to AWI, many issues arising simply due to miscommunication. Executive Mayer added the property manager perhaps lacks some interpersonal skills but perform her job effectively. Director Alford asked what his role would be as Tenant Commissioner, in offering conflict resolution skills, and working with tenants. President Mayer encouraged Director Alford to pass along to Management any issues, comments, or emerging dynamics he observes or learns from encounters with other residents; Director Alford is a voice for those we serve.

11. EXECUTIVE SESSION

None.

12. DIRECTOR'S CALENDAR

**Next Meeting – February 18, 2021.**

13. ADJOURNMENT

Director Moravec moved that the meeting be adjourned. Director Hamman seconded. The meeting was adjourned at 2:37 p.m.

Dated: November 19, 2020.

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Edward S. Mayer, President

ATTEST:

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Marysol Perez, Secretary