

**BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION**

Board of Directors Meeting

2039 Forest Avenue
Chico, CA 95928

MEETING MINUTES

May 20, 2021

President Mayer called the meeting of Butte County Affordable Housing Development Corporation (BCAHDC) to order at 2:15 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, Laura Moravec, and David Pittman. Director Ayers attended by means of web-conference.

Others Present: President Ed Mayer, Chief Financial Officer Sue Kemp, Secretary Marysol Perez, Larry Guanzon, Jerry Martin and Angie Little. Chief Financial Office Kemp 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 Gridley Springs I Audit Report – The Gridley Springs I Apartments audited financial statement, for the year ended December 31, 2020, was presented. This property is a very tightly regulated property by USDA and currently has excellent property managers.

Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

MOTION

Director Moravec moved that the Gridley Springs I Apartments audit report be accepted as presented. Director Ayers seconded. The vote in favor was unanimous

- 5.2 Harvest Park Audit Report – The Harvest Park Apartments audited financial statements, for the year ended December 31, 2020, were presented. BCAHDC receives a \$20,000 per year Managing General Partner fee. The property appears to be operating in a stable environment. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

MOTION

Director Pittman moved that the Harvest Park Apartments audit be accepted as presented. Director Alford seconded. The vote in favor was unanimous.

- 5.3 1200 Park Avenue Audit Report – The 1200 Park Avenue audited financial statements, for the year ended December 31, 2020, were presented. Revenue was up and expenses were down. There was a withdrawing partner, the new incoming Investment Limited Partner became the HACB in November of 2020. Cash flow has been high during the prior years and BCAHDC takes in these additional revenues. Excess cash flow was \$173,328 fully distributed because of the exiting partner. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

MOTION

Director Moravec moved that the 1200 Park Avenue Apartments audit be accepted as presented. Director Anderson seconded. The vote in favor was unanimous.

- 5.4 Walker Commons Audit Report – The Walker Commons audited financial statements, for year ended December 31, 2020, were presented. There is no debt on the property other than the annual payment to the City of Chico; however, cash flow was high and the City received an additional payment. There were no findings or concerns.

MOTION

Director Anderson moved that the Walker Commons audit be accepted as presented. Director Moravec seconded. The vote in favor was unanimous.

- 5.5 Walker Commons – Walker Commons has a substantial amount of cash flow; \$174,547, exceeding the maximum allowed of \$142,967 for partnership distribution; per the City of Chico Loan Agreement. Staff is proposing holding back \$100,000 from distributions and depositing into replacement reserves for future capital fund improvements.

MOTION

Director Moravec moved to approve the withholding of \$100,000 from 2020 Operational Surplus Cash Flow and depositing it into the Walker Common's Replacement Reserves account, and authorization to make distributions as described. Director Pittman seconded, the vote in favor was unanimous.

- 5.6 Riverbend Family Apartments, Oroville – BCAHDC is engaged with the Pacific West Communities (PWC) in this family unit project. This transaction is scheduled to close

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Board of Directors*

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within the next week, and requires specific signing authorizations. This resolution gives President Mayer signing authority on behalf of BCAHDC, Managing General Partner to the owning partnership, Oroville Family Associates, LP.

RESOLUTION NO. 21-7C

Director Moravec moved that Resolution No. 21-7C be adopted by reading of title only: “RIVERBEND FAMILY APARTMENTS, OROVILLE CORPORATE AUTHORIZATIONS”. Director Pittman seconded. The vote in favor was unanimous.

- 5.7 Ford Oaks Apartments, Gridley – BCAHDC is engaged with the Pacific West Communities (PWC) in this 36-family unit apartment project in Gridley. The project is scheduled to close and requires specific authorizations. This resolution gives President Mayer authority to sign on behalf of BCAHDC, Managing General Partner to the owning partnership, Gridley Family Associates, LP.

RESOLUTION NO. 21-8C

Director Moravec moved that Resolution NO. 21-8C be adopted by reading of the title only: “FORD OAKS APARTMENT GRIDLEY, CORPORATE AUTHORIZATIONS”. Director Ayers seconded. The vote in favor was unanimous.

- 5.8 Mitchell Avenue Senior Apartments, Oroville – to align the negotiated Limited Partnership Agreement with the original Memorandum Agreement (MOA), an amendment to the MOA is needed, specifically, in regard to refinement of the option and right of first refusal mechanisms.

RESOLUTION NO. 21-9C

Director Moravec moved that Resolution No. 20-8C be adopted by reading of the title only: “MITCHELL AVENUE SENIOR APARTMENTS, OROVILLE AMENDMENT TO DEVELOPMENT MEMORANDUM OF AGREEMENT”. Director Alford 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, recommended a cheat sheet of a list of acronyms for the Board of Commissioners reference. She feels it would be specifically helpful for the new Directors. A list will be generated and uploaded to drop box for future reference.

11. EXECUTIVE SESSION

None.

12. DIRECTOR'S CALENDAR

Next Meeting – August 19, 2021.

13. ADJOURNMENT

Director Anderson moved that the meeting be adjourned. Director Moravec seconded. The meeting was adjourned at 2:52 p.m.

Dated: May 20, 2021.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary