

**BUTTE COUNTY AFFORDABLE HOUSING  
DEVELOPMENT CORPORATION**

**Board of Directors Meeting**

2039 Forest Avenue  
Chico, CA 95928

MEETING MINUTES

May 16, 2024

President Mayer called the meeting of Butte County Affordable Housing Development Corporation (BCAHDC) to order at 3:36 p.m.

*The meeting was conducted via teleconference, web-conference and in person, as noticed.*

1. ROLL CALL

Present for the Directors: Charles Alford, Randy Coy, Darlene Fredericks, David Pittman, and Sarah Richter; all attended in person.

Others Present: President Ed Mayer, Chief Financial Officer Hope Stone, Secretary Marysol Perez, Larry Guanzon, Tamra Young, Angie Little, Taylor Gonzalez and Juan Meza; all attended in person.

2. AGENDA AMENDMENTS

President Mayer requested an Agenda Amendment. The amendment adds Item 5.9 Orchard View Apartments II, Gridley – Resolution No. 24-5C. The item was received from the development partner after issuance of the Board packet and is time sensitive, involving project funding.

**\*MOTION\***

Motion to amend agenda, adding Item 5.9, and acceptance of modified agenda.

Director Pittman moved to amend the agenda as requested. Director Richter seconded. Motion passed with five (5) votes in favor.

3. CONSENT CALENDAR

Director Richter moved to accept the Consent Calendar as presented. Director Fredericks seconded the motion. 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, 2023, was presented. This property is a highly regulated USDA property, yielding minimal surplus cash flow. The property maintains excellent third-party property management. Despite the comprehensiveness of the data shared with the auditor, similar to past audit history, there were no questioned costs or findings.

**\*MOTION\***

Director Richter moved that the Gridley Springs I Apartments audit report be accepted as presented. Director Fredericks 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, 2023, were presented. BCAHDC receives a \$20,000 per year Managing General Partner fee. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

**\*MOTION\***

Director Richter moved that the Harvest Park Apartments audit be accepted as presented. Director Fredericks 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, 2023, were presented. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

**\*MOTION\***

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

- 5.4 Walker Commons Audit Report – The Walker Commons audited financial statements, for year ended December 31, 2023, were presented. This property carries no debt other than annual payment to the City of Chico. This property continues its historically high occupancy rate. There were no findings or concerns raised by the auditor.

**\*MOTION\***

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

- 5.5 Chico North Creek Audit Report – The Chico North Creek audited financial statements, for the year ended December 31, 2023, were presented. This is the first time we see audited financials since the project was placed in service, and the property is subject to an annual independent audit procured by the third-party property management or the development partner. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

**\*MOTION\***

Director Richter moved that the Chico North Creek audit be accepted as presented. Director Fredericks seconded. The vote in favor was unanimous.

- 5.6 Chico North Creek II Audit Report - The Chico North Creek II audited financial statements, for the year ended December 31, 2023, were presented. Like Chico North Creek, this is the first time we see audited financials since the project was placed in service, and the property is subject to an annual independent audit procured by the third-party property management or the development partner. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

**\*MOTION\***

Director Richter moved that the Chico North Creek II audit be accepted as presented. Director Fredericks seconded. The vote in favor was unanimous.

- 5.7 1200 Park Avenue – 1200 Park Avenue Apartments, Chico saw 2023 residual receipts at \$234,608. After payment of annual fees and interest, in accordance with the property’s Partnership Agreement, there will be a balance of \$45,486 for partnership distribution.

**\*MOTION\***

Director Pittman moved to approve authorization to make annual fee and interest payments with disbursement to partners. Director Richter seconded. The vote in favor was unanimous.

- 5.8 Walker Commons – Walker Commons realized surplus cash flow in the amount of \$206,236, this amount exceeds the \$142,967 maximum providing for partnership distribution; per the City of Chico Loan Agreement; meaning the city will receive additional accrued interest payment of \$48,269, additionally staff proposes depositing \$100,000 from the partnership distribution and depositing those funds into the replacement reserves account for future capital needs of the property.

**\*MOTION\***

Director Coy moved to approve the withholding of \$100,000 from 2023 Operational Surplus Cash Flow and depositing in into the Walker Commons Replacement account and authorization to make distributions as outlined. Director Fredericks seconded. The vote in favor was unanimous.

- 5.9 Orchard View Apartments II, Gridley – Butte County Affordable Housing Development Corporation (BCAHDC) is in partnership with Pacific West Communities, Inc. to develop Orchard View Apartments II, a property that will provide 36 units of affordable housing to low-income families. The IIG Grant Program provides grant assistance available as gap funding for Capital Improvement Projects; which are an integral part of, or necessary to facilitate the development of a Quality Infill Project. Adopting this resolution would authorize the Managing General Partner (MGP); BCAHDC to accept a \$1,942,834 IIG grant on behalf of Gridley Orchard Associates II, LP, and authorizes BCAHDC, President to execute the Program Award documents, and all amendments on behalf of the Corporation and as MGP of Gridley Orchard Associates II, LP.

**\*RESOLUTION NO. 24-5C \***

Director Pittman moved that Resolution No. 24-5C be adopted by reading of title only: “RESOLUTION AUTHORIZING ACCEPTANCE OF AWARD OF STATE OF CALIFORNIA INFILL INFRASTRUCTURE GRANT PROGRAM OF 2019 FUNDS REGARDING ORCHARD VIEW APARTMENTS II, GRIDLEY”. Commissioner Richter seconded. The roll call 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 BOARD MEMBERS

None.

10. MATTERS INITIATED BY BOARD MEMBERS

None.

11. EXECUTIVE SESSION

None.

12. DIRECTOR'S CALENDAR

- **Next Meeting – August 15, 2024.**

13. ADJOURNMENT

Director Pittman moved that the meeting be adjourned. Director Alford seconded. The meeting was adjourned at 3:56 p.m.

Dated: May 16, 2024.

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Lawrence C. Guanzon, President

ATTEST:

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Marysol Perez, Secretary