

HOUSING AUTHORITY OF THE COUNTY OF BUTTE (HACB)
Board of Commissioners Meeting
2039 Forest Avenue, Chico, California 95928

MEETING AGENDA

October 15, 2020
2:00 p.m.

Coronavirus (COVID-19) Advisory Notice: The health and safety of Butte County residents and community members, public officials and employees is a top priority for the Housing Authority of the County of Butte and the Board of Commissioners.

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, Board of Commissioners meetings will be closed to the public for the foreseeable future. Members of the Board of Commissioners and HACB staff will be participating either in person or via teleconference. The Board of Commissioners encourages members of the public to participate remotely from a safe location.

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/811101357>

Dial in instructions:

United States (Toll Free): 1 866 899 4679

United States: +1 (571) 317-3116

Access Code: 811-101-357

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 marysolk@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. 4791

ITEMS OF BUSINESS

1. ROLL CALL
2. AGENDA AMENDMENTS
3. CONSENT CALENDAR
 - 3.1 Minutes for the meeting of September, 2020

- 3.2 Checks written for:
 - 3.2.1 Accounts Payable (General) – \$930,384.09
 - 3.2.2 Accounts Payable (FLH) – \$675,225.27
 - 3.2.3 Landlords – \$1,225,780.64
 - 3.2.4 Payroll – \$120,299.74
- 3.3 Financial Statements
- 3.4 Section 8 Housing Choice Voucher Program
- 3.5 Property Vacancy Report
- 3.6 Public Housing
- 3.7 Construction Projects
- 3.8 Capital Fund Improvement Projects
- 3.9 Farm Labor Housing Report
- 3.10 HACB Owned Properties
- 3.11 Tax Credit Properties
- 3.12 Family Self Sufficiency
- 3.13 Rental Assistance Programs
- 4. CORRESPONDENCE
- 5. REPORTS FROM EXECUTIVE DIRECTOR
 - 5.1 Family Self-Sufficiency (FSS) Graduate – Recognition of FSS Graduate Sheila Warren.

Recommendation: Resolution No. 4791
 - 5.2 1200 Park Avenue LP – Limited Partner including, PSA Authorization, Assignment and Assumption Agreement, LPA Amendment and Guarantee.

Recommendation: Resolution No. 4792
 - 5.3 COVID-19 (Coronavirus) – 2039 Forest Avenue, COVID-19 Office Improvement (Safety & Security).

Recommendation: Resolution No. 4793

- 5.4 HACB Write-Offs – Approval of HACB Write-Offs Uncollectible Accounts Receivable.

Recommendation: Resolution No. 4794

- 5.5 Chico Rancheria Housing Corporation – Memorandum of Agreements with Chico Rancheria Housing Corporation 2020 HUD ROSS Service Coordinator Funds.

Recommendation: Resolution No. 4795

- 5.6 2020 Multifamily Housing Pooled Revenue Bonds – Adoption of Debt Policy.

Recommendation: Resolution No. 4796

- 5.7 2020 Multifamily Housing Pooled Revenue Bonds – Adoption of Continuing Disclosure Policy.

Recommendation: Resolution No. 4797

- 5.8 Strategic Asset Plan – Asset Repositioning Status Update.

Recommendation: Information/Discussion

- 5.9 Development Activity – Status Review.

Recommendation: Information/Discussion

6. MEETING OPEN FOR PUBLIC DISCUSSION

7. MATTERS CONTINUED FOR DISCUSSION

8. SPECIAL REPORTS

9. REPORTS FROM COMMISSIONERS

- 9.1 Executive Director Compensation – Motion authorizing a \$8,000.00 one-time cash bonus.

Recommendation: Motion

10. MATTERS INITIATED BY COMMISSIONERS

11. EXECUTIVE SESSION

- 11.1 Pursuant to California Government Code 54956.8: Conference with real estate negotiator.

Property located at: Evanswood Apartments, Oroville

11.2 Pursuant to California Government Code 54957.6: Conference with Labor Negotiators (Operating Engineer's Local No.3)

12. COMMISSIONERS' CALENDAR

- **Next Meeting – November 19, 2020**

13. ADJOURNMENT

**HOUSING AUTHORITY OF THE COUNTY OF BUTTE
BOARD OF COMMISSIONERS MEETING**

MEETING MINUTES OF September 17, 2020

Vice Board Chair Hamman called the meeting of the Housing Authority of the County of Butte to order at 2:00 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 Commissioner meeting observed "social distancing" protocols, and was conducted via teleconference, web-conference, and in person. 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 Commissioners: Kate Anderson, Larry Hamman, Rich Ober, and David Pittman. Commissioners Hamman and Pittman attended in person, the balance by means of web-conference.

Present for the Staff: Ed Mayer, Executive Director; Sue Kemp, Finance Director; Tamra Young, Administrative Operations Director; Marysol Perez, Executive Assistant; Jerry Martin, Modernization Coordinator; and Angie Little, Section 8 Program Manager, all in person, with the exception of Ed Mayer, Executive Director, and Sue Kemp, Finance Director, who attended by means of telephone and web-conference, respectively.

Others Present: Thomas Lewis, Attorney - California Affordable Housing Agency, by telephone.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

None.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 HACB Consolidated Budget – Finance Director Kemp presented the FY 2020-2021 budget, effective October 1st. The proposed budget was reviewed and discussed by the Board’s Budget Review Committee. The Committee met on several occasions to review HACB projects and program budget assumptions and projections. The proposed budget was crafted using current and projected revenue and expense levels, applying various assumptions. A mid-year budget modification will likely be needed, to adjust multiple factors currently in play - debt service will change when bonds are issued, the year is subject to union negotiations, and an increase to health insurance premium increase amounting to about 10.5%, a little more than anticipated. Also, HACB received another \$2.2 million in Section 8 HAP, between Portability Set-Aside and CARES Act funding, which directly affects the Section 8 budget. The biggest increase came in the form of property insurance premiums, HAARP moved our property insurance tiers from a Two to a Six, almost doubling the property insurance amount in one year, a function of the Kathy Court loss. Cordillera and Locust are now part of the bond properties budget, generating a positive cash flow in general. Excess cash will be moved into the General Fund. A development manager position is being proposed and funded by BCAHDC. Commissioner Pittman asked about insurance deductibles. Executive Director Mayer replied that insurance premiums will be higher during the next three years, and the deductibles remain the same, at \$2,500.

RESOLUTION NO. 4788

Commissioner Anderson moved that Resolution No. 4788 be adopted by reading of title only: “APPROVAN OF FISCAL YEAR 2020-21 CONSOLIDATED OPERATING BUDGET, INCLUDING THE HUD SECTION 8 HOUSING CHOICE VOUCHER PROGRAM, HUD CONVENTIONAL LOW RENT PUBLIC HOUSING PROGRAM, USDA FARM LABOR HOUSING PROGRAM, AUTHORITY OWNED PROJECTS, AND OTHER AUTHORITY ADMINISTERED PROGRAMS AND CONTRACTS”. Commissioner Pittman seconded. The vote in favor was unanimous.

- 5.2 Section 8 Housing Choice Voucher Payment Standards – Each year, HUD issues its determination of Fair Market Rents (FMR’s) for the jurisdictions served by HACB (Butte and Glenn Counties). Upon receipt of the FMR’s the Housing Authority is charged with comparing them to actual rental market data for the area, and setting Payment Standards relative to the FMR’s. The HACB has the authority to set Payment Standards within +/- 10% of the FMR’s. In comparison to last year, this year we saw an increase to the HUD generated FMR’s in Butte County, and slight increase to the FMR’s in Glenn County. Staff is recommending that the Payment Standards be set at 100% of FMR in both Butte and Glenn Counties.

RESOLUTION NO. 4789

Commissioner Pittman moved that Resolution No. 4789 be adopted by reading of title only: “DETERMINATION OF 2021 PAYMENT STANDARDS FOR THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.3 HACB Multifamily Housing Pool Revenue Bonds (Butte County Projects) Series 2020A – Executive Director Mayer reviewed the proposed bond issuance; because of the Camp Fire, the HACB was able to pay off the debt to the 2000A series bonds. The project leverages six properties, makes recommended improvements to those projects, and includes two substantial improvement projects, including siding replacement at Evanswood Apartments, Oroville and second story landing improvements at Lincoln Apartments in Chico. The project provides for acquisition of new properties, payoff of the loan from BCAHDC, and movement forward with rebuilding of Kathy Court Apartments in Paradise. The properties appraised at \$14 million; a not to exceed amount for bond issuance/borrowing authorization was set at a 1.25:1 debt service coverage ratio, resulting in a proposed issuance not to exceed \$9.8 million. The bonds transaction is projected to secure a 30-year loan at a 3.5% interest rate. Tom Lewis added that this was the most comfortable bond issuance he has seen in the 21 years he has been doing this business. Executive Director anticipates the bond issuance being complete by mid-October.

RESOLUTION NO. 4790

Commissioner Pittman moved that Resolution No. 4790 be adopted by reading of title only: “A RESOLUTION OF THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE AUTHORIZING THE BORROWING OF MONEYS FOR THE PURPOSE OF FINANCING THE REHABILITATION OF SIX HOUSING PROJECTS AND OTHER CAPITAL IMPROVEMENTS, AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT, A REGULATORY AGREEMENT, A NOTE, A DEED OF TRUST, AN OFFICIAL STATEMENT, AND A BOND PURCHASE AGREEMENT, AND AUTHORIZING THE EXECUTON AND APPROVING OTHER RELATED ACTIONS IN CONNECTION THEREWITH”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.4 COVID-19 (Coronavirus) – August 8, 2020 Presidential Memorandum regarding payroll tax deferral was presented for discussion only, no action. The Presidents memorandum directs the Secretary of Treasury to use his authority to defer the withholding, deposit and payment of certain payroll obligations. HACB staff strongly recommends this payroll tax deferral not be implemented by HACB; as it is simply not feasible to implement. Commissioner Anderson agreed and asked if the option was put out to staff. Finance Director Kemp

replied it was not. Commissioner Ober also added he agreed with not implementing the deferral as the burden would fall back on the employees come 2021.

Strategic Asset Plan – Action was taken previously, during reports by Executive Director, item 5.3, the bond issuance was approved, and Executive Director Mayer anticipates the transaction completed by the middle of October.

- 5.5 Development Activity – Executive Director provided a brief update regarding the current development activity in the area. Commissioner Ober asked how many units of affordable housing are in the line for Butte and Glen County. Per Executive Director Mayer there are roughly 1,250 units of affordable housing tied up in multiple affordable housing developments in Butte and Glenn County.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM COMMISSIONERS

Commissioner Pittman thanked Executive Director Mayer for his help in the language used for the disaster declaration in the City of Oroville due to the North Complex Fire.

10. MATTERS INITIATED BY COMMISSIONERS

None.

11. EXECUTIVE SESSION

Adjourned – 2:43 p.m.

Reconvened – 2:48 p.m.

- 11.1 Government Code 54956.8: Conference with real estate negotiator – Consensus of direction from the Board of Commissioners was given to HACB staff regarding properties located at 1200 Park Avenue Chico, and 210 Ford Avenue, Gridley. Present were all persons identified in the Roll Call.

11.2 Government Code 54957.6: Conference with Labor Negotiators (Operating Engineers Local No.3) – direction postponed until next month during the October meeting.

11.3 Government Code 54957: Public Employee Performance Evaluation – Per Board of Commissioners this item will be postponed until the October meeting, direction was given to staff.

12. COMMISSIONERS' CALENDAR

- **Next regular meeting – October 15, 2020.**

13. ADJOURNMENT

Commissioner Pittman moved that the meeting be adjourned. Commissioner Anderson seconded. The meeting was adjourned at 2:49 p.m.

Dated: September 17, 2020.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary

Housing Authority of the County of Butte
HACB Operating Account
AP Check Register

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
9/1/2020	153040	CALIFORNIA WATER SERVICE	\$198.00
9/1/2020	153041	Void / P G & E	\$0.00
9/1/2020	153042	P G & E	\$876.00
9/4/2020	1842	Internal Revenue Service	\$102.30
9/4/2020	1843	Employment Development Department	\$11.70
9/4/2020	1844	Employment Development Department	\$56.40
9/4/2020	153043	A & K Water Works dba	\$1,078.00
9/4/2020	153044	Armed Guard Private Security, Inc	\$300.00
9/4/2020	153045	Biggs Municipal Utilities	\$2,595.71
9/4/2020	153046	CALIFORNIA WATER SERVICE	\$704.27
9/4/2020	153047	CHICO POWER EQUIPMENT	\$102.34
9/4/2020	153048	COMCAST CABLE	\$204.52
9/4/2020	153049	Chico Turf Plus, LLC	\$85.00
9/4/2020	153050	Douglas DeSoto	\$438.98
9/4/2020	153051	GreatAmerica Financial Services	\$155.52
9/4/2020	153052	InterWest Insurance Services, LLC	\$625.00
9/4/2020	153053	MRI Software LLC	\$1,521.45
9/4/2020	153054	Normac, Inc.	\$270.52
9/4/2020	153055	Roy V. Peters	\$906.14
9/4/2020	153056	S.E.C. 5 Private Security dba	\$1,755.00
9/4/2020	153057	SPRINT	\$70.85
9/4/2020	153058	Sierra Landscape & Maintenance	\$6,000.00
9/4/2020	153059	US Bank	\$223.08
9/4/2020	153060	Valero Fleet	\$325.99
9/11/2020	1845	CalPERS	\$700.00
9/11/2020	1846	Internal Revenue Service	\$21,107.53
9/11/2020	1847	Employment Development Department	\$4,051.03
9/11/2020	1848	MassMutual Financial Group	\$3,155.00
9/11/2020	1849	CalPERS	\$3,376.83
9/11/2020	1850	CalPERS	\$11,533.17
9/11/2020	153061	Armed Guard Private Security, Inc	\$501.50
9/11/2020	153062	Bidwell H2O	\$3,669.25
9/11/2020	153063	Butte County Recorder	\$16.00
9/11/2020	153064	CALIF. WTR. SER. ORO	\$1,551.53
9/11/2020	153065	COMCAST CABLE	\$218.86
9/11/2020	153066	Climate & Energy Solutions	\$149.00
9/11/2020	153067	E Center	\$204.93
9/11/2020	153068	EAGLE SECURITY SYSTEMS	\$30.00
9/11/2020	153069	HARSHBARGER ACE HARDWARE	\$61.22
9/11/2020	153070	Illustratus	\$113.10
9/11/2020	153071	Jiffy Lube, Inc.	\$69.64

9/11/2020	153072	MACS HARDWARE	\$60.73
9/11/2020	153073	Neal Road Recycling & Waste	\$10.00
9/11/2020	153074	Nor-Cal Landscape Maintenance dba	\$11,052.00
9/11/2020	153075	North Valley Property Owners Association	\$1,222.50
9/11/2020	153076	P G & E	\$7,146.25
9/11/2020	153077	Pitney Bowes	\$185.01
9/11/2020	153078	RECOLOGY BUTTE COLUSA COUNTIES, INC.	\$13.66
9/11/2020	153079	S.E.C. 5 Private Security dba	\$1,920.00
9/11/2020	153080	Staples Business Credit	\$621.46
9/15/2020	1851	Benefit Resource, Inc.	\$125.00
9/18/2020	1852	Internal Revenue Service	\$102.30
9/18/2020	1853	Employment Development Department	\$11.70
9/18/2020	1854	Employment Development Department	\$32.10
9/18/2020	153082	A-1 Appliance	\$570.45
9/18/2020	153083	Access Information Holdings, LLC.	\$63.11
9/18/2020	153084	Advanced Document	\$364.04
9/18/2020	153085	Asbestos Science Technology	\$890.69
9/18/2020	153086	BCAHDC	\$350,517.81
9/18/2020	153087	CDW Government, Inc.	\$1,675.73
9/18/2020	153088	COMCAST CABLE	\$326.90
9/18/2020	153089	Climate & Energy Solutions	\$2,820.00
9/18/2020	153090	Cypress Dental Administrators	\$3,666.96
9/18/2020	153091	Employment Development Department	\$5.19
9/18/2020	153092	Franchise Tax Board	\$800.00
9/18/2020	153093	Golden State Risk Management Authority	\$29,108.00
9/18/2020	153094	Gridley Municipal Utilities	\$1,603.32
9/18/2020	153095	HD Supply Facilities Maintenance, Ltd.	\$2,268.57
9/18/2020	153096	Hignell, Inc. dba Experts in Your Home	\$6,102.32
9/18/2020	153097	LOWE'S	\$214.94
9/18/2020	153098	M&I Technology Consulting	\$7,480.00
9/18/2020	153099	MAINTENANCE PLUS	\$404.75
9/18/2020	153100	MES VISION	\$606.46
9/18/2020	153101	Meeks Building Supply	\$15.63
9/18/2020	153102	P G & E	\$118.68
9/18/2020	153103	Plan B Professional Answering Services	\$115.00
9/18/2020	153104	RECOLOGY BUTTE COLUSA COUNTIES, INC.	\$4,024.68
9/18/2020	153105	Scrubbs, Inc.	\$40.00
9/18/2020	153106	THRIFTY ROOTER-SERVICE & PLUMBING	\$175.00
9/18/2020	153107	TIAA COMMERCIAL FINANCE, INC	\$143.72
9/18/2020	153108	Void / The Home Depot Credit Services	\$0.00
9/18/2020	153109	Void / The Home Depot Credit Services	\$0.00
9/18/2020	153110	The Home Depot Credit Services	\$6,315.08
9/18/2020	153111	Thermalito Irrigation	\$648.90
9/18/2020	153112	Towne Carpet dba	\$2,218.58
9/18/2020	153113	Unum Life Insurance Company	\$414.00
9/18/2020	153114	Unum Life Insurance Company	\$575.75
9/18/2020	153115	WASTE MANAGEMENT	\$4,052.53

9/18/2020	153116	Warren Asbestos Abatement Cont., Inc.	\$10,350.00
9/18/2020	153117	Wike Restoration, Inc.	\$47,290.81
9/18/2020	153118	Yuba City	\$126.00
9/18/2020	153119	David Pittman	\$50.00
9/18/2020	153120	Larry Hamman	\$50.00
9/18/2020	153121	Larry Hamman	\$34.50
9/18/2020	153122	Richard H. Ober	\$50.00
9/25/2020	1855	Internal Revenue Service	\$20,785.84
9/25/2020	1856	Employment Development Department	\$3,988.74
9/25/2020	1857	MassMutual Financial Group	\$3,155.00
9/25/2020	1858	CalPERS	\$3,383.35
9/25/2020	1859	CalPERS	\$11,348.04
9/25/2020	1860	CalPERS	\$400.00
9/25/2020	153123	A-1 Appliance	\$481.55
9/25/2020	153124	AT&T	\$191.45
9/25/2020	153125	Advanced Document	\$34.53
9/25/2020	153126	Bryce Consulting, Inc.	\$510.00
9/25/2020	153127	CALIF. WTR. SER. ORO	\$4,009.38
9/25/2020	153128	CALIFORNIA WATER SERVICE	\$48.35
9/25/2020	153129	CDW Government, Inc.	\$539.40
9/25/2020	153130	CHWCA	\$16,710.00
9/25/2020	153131	CIC	\$4,112.68
9/25/2020	153132	CITY OF CHICO (22332)	\$574.15
9/25/2020	153133	COMCAST CABLE	\$115.31
9/25/2020	153134	Cal Water	\$165.00
9/25/2020	153135	CalPERS	\$4,501.14
9/25/2020	153136	Climate & Energy Solutions	\$270.00
9/25/2020	153137	Gregory P. Einhorn	\$2,970.00
9/25/2020	153138	Griffith Architects, Inc.	\$14,066.25
9/25/2020	153139	HARRP	\$196,484.00
9/25/2020	153140	HD Supply Facilities Maintenance, Ltd.	\$48.05
9/25/2020	153141	Harshwal & Company, LLP	\$1,220.00
9/25/2020	153142	Jiffy Lube, Inc.	\$114.28
9/25/2020	153143	MAINTENANCE PLUS	\$570.41
9/25/2020	153144	Maria Ramos	\$9.82
9/25/2020	153145	Nacho's Electric (dba)	\$242.93
9/25/2020	153146	Nan McKay & Associates, Inc.	\$375.00
9/25/2020	153147	Normac, Inc.	\$226.18
9/25/2020	153148	NorthStar	\$7,516.56
9/25/2020	153149	OPER. ENG. LOCAL #3	\$840.00
9/25/2020	153150	P G & E	\$2,265.71
9/25/2020	153151	PG&E	\$213.00
9/25/2020	153152	PG&E	\$69.00
9/25/2020	153153	PG&E	\$57.00
9/25/2020	153154	Phan Luu	\$404.25
9/25/2020	153155	Squyres Fire Protection, Inc.	\$248.00
9/25/2020	153156	Thermalito Water & Sewer District	\$142.00

9/25/2020	153157	Trites Backflow Services, Inc.	\$40.00
9/25/2020	153158	US Bank	\$150.15
9/25/2020	153159	Umpqua Bank	\$9,308.69
9/25/2020	153160	United States Postal Service (CMRS-FP)	\$2,500.00
9/25/2020	153161	United States Postal Service (CMRS-PB)	\$144.00
9/25/2020	153162	Yuba City	\$114.00
9/30/2020	153175	Chico Bidwell Associates	\$500.00
9/30/2020	153176	Chico Harvest Park LLC	\$500.00
9/30/2020	153177	ECORP Consulting, Inc.	\$8,444.25
9/30/2020	153178	Eaton Housing Improvement Program	\$500.00
9/30/2020	153179	Elmer Lackey	\$500.00
9/30/2020	153180	Ferguson & Brewer Investment Co	\$500.00
9/30/2020	153181	Orland Pacific Associates A CA Ltd Prtp	\$500.00
9/30/2020	153182	Richard Wood	\$500.00
9/30/2020	153183	Senior Housing Associates	\$500.00
9/30/2020	153184	TPx Communications	\$924.51
9/30/2020	153185	The Hignell Companies	\$500.00
9/30/2020	153186	Thomas J Griffis	\$1,150.00
9/30/2020	153187	Verizon Wireless	\$1,285.97
9/30/2020	153188	Woodview Cottages LLC	\$500.00
9/30/2020	153189	Chico Harvest Park LLC	\$20,000.00
		Total	\$930,384.09

Housing Authority of the County of Butte
 FLH Operating Account
 AP Check Register

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
9/11/2020	1824	Messenger Publishing Group	\$125.00
9/11/2020	1825	P G & E	\$8.28
9/18/2020	1826	Asbestos Science Technology	\$12,493.57
9/18/2020	1827	HMR Architects, Inc.	\$2,921.58
9/18/2020	1828	J Walt Construction, Inc	\$544,171.32
9/18/2020	1829	P G & E	\$88.94
9/18/2020	1830	Tri-City Powered Equipment	\$36.20
9/25/2020	1831	A-1 Appliance	\$789.14
9/25/2020	1832	CIC	\$52.70
9/25/2020	1833	FedEx	\$19.87
9/25/2020	1834	Ruben Rivera Reyes	\$578.14
9/25/2020	1835	WCP Solutions	\$182.33
9/30/2020	1836	HACB	\$86,758.20
9/30/2020	1837	Misita Tree & Land, Inc.	\$27,000.00
		Total	\$675,225.27

Date/Time
10/9/2020

Housing Authority of the County of Butte
BALANCE SHEET
August, 2020

	Cumulative
ASSETS	
Current Assets	
Cash - Unrestricted	3,144,490.41
Cash - Other Restricted	6,450,585.15
Cash - Tenant Security Deposits	293,063.48
Accounts Receivable - HUD	153,150.82
Accounts Receivable - Other Gov	48,915.50
Accounts Receivable - Misc	190,214.88
Accounts Receivable - Tenants	116,955.83
Accounts Receivable - Fraud	68.00
Note Receivable - Current Portion	1,546.00
Accrued Interest Receivable	20,767.95
Investments - Unrestricted	2,416,345.59
Investments - Restricted	2,288,798.99
Inventories	25,975.62
Prepaid Expenses	379,651.85
Inter-program Due From	238,875.76
Total Current Assets	15,769,405.83
Fixed Assets	
Fixed Assets & Accumulated Depreciation	23,217,540.90
Total Fixed Assets	23,217,540.90
Other Non-Current	
Notes Loans & Mortgages Receivable	1,943,453.04
Deferred Outflows - GASB 68 & 75	900,302.29
Safety Deposit Box, Key Deposit	10.00
Investment in Limited Partnerships	3,338,635.08
Total Other Non-Current	6,182,400.41
TOTAL ASSETS	45,169,347.14
LIABILITIES	
Current Liabilities	
Accounts payable	896,918.62
Accrued Payroll Liabilities	166,275.43
Accrued Interest Payable	121,606.99
Tenant Security Deposits	306,311.13
Deferred Revenue	824,460.61
Payable to HUD	0.00
Long Term Debt - Current Portion	523,423.28
Accrued Liabilities - Other	168,979.18
Inter-program Due To General Fund	238,875.76
Total Current Liabilities	3,246,851.00
Long-Term Liabilities	
Deferred Outflows - GASB 68 & 75	351,617.00
Other Post Retirement Ben-Net GASB 75	187,528.00
Unfunded Pension Liabilty - GASB 68	3,240,458.00
Long-Term Debt	3,457,228.71
Non-Current Liability- Other (FSS)	94,175.24
Total Long-Term Liabilities	7,331,006.95
TOTAL LIABILITIES	10,577,857.95
NET POSITION	
Beginning Net Position	26,676,190.09
Retained Earnings	7,915,299.10
TOTAL NET POSITION	34,591,489.19
TOTAL LIABILITIES AND NET POSITION	45,169,347.14

HOUSING AUTHORITY of the COUNTY of BUTTE
CONSOLIDATED INCOME STATEMENT
October 1, 2019 to August 31, 2020

	Month to Date			Year to Date			91.7%
	Actual	Budget	Remaining	Actual	Budget	Remaining	% used
REVENUE							
NET DWELLING RENT	293,725	270,021	-23,704	3,072,981	3,240,254	167,273	94.8%
TENANT CHARGES	4,029	7,088	3,060	119,955	85,060	-34,895	141.0%
LAUNDRY REVENUE	2,257	2,612	355	27,353	31,344	3,991	87.3%
HUD GRANT REVENUE	1,240,542	1,552,637	312,095	16,397,486	18,631,648	2,234,162	88.0%
OTHER GRANT REVENUE	36,094	30,000	-6,094	387,529	360,000	-27,529	107.6%
MORTGAGE INTEREST INCOME	6,189	6,111	-78	67,096	73,330	6,234	91.5%
FRAUD RECOVERY	4,229	2,833	-1,396	51,159	34,000	-17,159	150.5%
OTHER INCOME	29,896	39,198	9,302	2,227,845	470,372	-1,757,473	473.6%
INVESTMENT INCOME-unrestricted	2,123	3,984	1,861	37,409	47,812	10,403	78.2%
INVESTMENT INCOME-restricted	265	1,304	1,040	2,610	15,650	13,041	16.7%
TOTAL REVENUE	1,619,348	1,915,789	296,441	22,391,423	22,989,470	598,047	97.4%
EXPENSES							
ADMIN. EMPLOYEE SALARIES	151,803	158,721	6,918	1,757,866	1,904,650	146,784	92.3%
AUDIT FEE	0	2,609	2,609	7,350	31,310	23,960	23.5%
ADVERTISING & MARKETING	125	941	816	3,195	11,286	8,091	28.3%
PR TAXES & BENEFITS-ADMIN	75,141	82,461	7,320	838,607	989,526	150,919	84.7%
OFFICE EXPENSES	29,964	24,078	-5,886	246,052	288,936	42,884	85.2%
LEGAL EXPENSES	4,445	2,067	-2,378	18,149	24,800	6,651	73.2%
TRAVEL	0	2,975	2,975	15,382	35,700	20,318	43.1%
ALLOCATED OVERHEAD	0	0	0	0	0	0	0.0%
OTHER ADMIN. EXPENSE	30,042	31,083	1,041	313,160	372,999	59,839	84.0%
TOTAL ADMIN. COSTS	291,520	304,934	13,414	3,199,761	3,659,207	459,446	87.4%
TENANT SERVICES-SALARIES	4,864	3,777	-1,087	53,672	45,320	-8,352	118.4%
RELOCATION COSTS	0	0	0	0	0	0	0.0%
EMP. BENEFITS-TENANT SVCS	755	1,612	857	8,572	19,343	10,771	44.3%
TENANT SERVICES-MISC.	336	2,930	2,594	20,279	35,165	14,886	57.7%
TOTAL TENANT SERVICES	5,955	8,319	2,364	82,522	99,828	17,306	82.7%
WATER	27,634	14,257	-13,377	205,131	171,081	-34,050	119.9%
ELECTRICITY	11,795	9,029	-2,766	85,440	108,345	22,905	78.9%
GAS	742	1,665	923	12,133	19,981	7,848	60.7%
SEWER	16,796	15,567	-1,229	171,537	186,807	15,270	91.8%
TOTAL UTILITIES-PROJECT	56,967	40,518	-16,449	474,240	486,213	11,973	97.5%
MAINTENANCE SALARIES	28,774	29,142	368	337,716	349,700	11,984	96.6%
MAINTENANCE MATERIAL	8,205	13,429	5,224	137,127	161,150	24,023	85.1%
MAINTENANCE CONTRACT COSTS	114,417	78,863	-35,554	837,938	946,358	108,420	88.5%
PR TAXES & BENEFITS-MAINT	17,395	16,686	-709	186,389	200,234	13,845	93.1%
TOTAL MAINTENANCE	168,791	138,120	-30,671	1,499,170	1,657,442	158,272	90.5%
PROTECTIVE SERVICES	4,297	4,478	182	40,185	53,740	13,555	74.8%
INSURANCE-ALL	23,575	23,155	-421	249,360	277,854	28,494	89.7%
OTHER GENERAL EXP	7,987	9,167	1,179	107,304	110,000	2,696	97.5%
P.I.L.O.T.	9,526	10,258	732	112,696	123,100	10,404	91.5%
BAD DEBTS - TENANTS	0	4,817	4,817	0	57,800	57,800	0.0%
INTEREST EXPENSE	1,440	11,378	9,938	15,716	136,541	120,825	11.5%
TOTAL OTHER OPERATING EXP.	46,826	63,253	16,427	525,261	759,035	233,774	69.2%
EXTRAORDINARY MAINT.	0	0	0	0	0	0	0.0%
CASUALTY LOSSES	0	0	0	2,500	0	-2,500	0.0%
HOUSING ASSIST PAYMENTS	1,244,237	1,261,798	17,561	13,310,144	15,141,578	1,831,434	87.9%
HAP - PORTS IN	0	0	0	0	0	0	0.0%
FRAUD LOSSES	0	833	833	0	10,000	10,000	0.0%
TOTAL OTHER COSTS	1,244,237	1,262,632	18,394	13,312,644	15,151,578	1,838,934	87.9%
TOTAL EXPENSES	1,814,296	1,817,775	3,479	19,093,598	21,813,303	2,719,705	87.5%
RETAINED EARNINGS 1	-194,948	98,014	292,962	3,297,824	1,176,167	-2,121,658	280.4%
+/- REPL. RESERVE ² (NET)	-3,744	2,482	6,226	-41,145	29,780	70,925	-138.2%
+ USDA GRANT FUNDS ¹	0	500,000	500,000	6,000,000	6,000,000	0	100.0%
- DEBT SERVICE PMTS (BONDS&USDA) ³	-17,111	-21,278	-4,166	-1,523,223	-255,332	1,267,891	596.6%
+/- GAIN/LOSS on PARS TRUST ACCT ¹	65,151	0	0	198,696	0	-198,696	0.0%
- CAPITALIZED ASSETS	-641,220	-580,771	60,449	-1,780,415	-6,969,254	-5,188,838	25.5%
+/- ACCR. INTEREST	-5,796	-5,566	230	-55,034	-66,789	-11,755	82.4%
NET CASH FLOW	-797,669	-7,119	855,701	6,096,704	-85,428	-6,182,132	-7136.7%

1 RE+USDA Grant Funds +/- PARS Interest-Depreciation =Balance Sheet \$7,915,299

2 Replacement Reserve deposits net of withdrawals

3 Includes \$1,335,000 Bond pay-off & USDA debt payments

**HOUSING AUTHORITY OF THE COUNTY OF BUTTE
SECTION 8 HOUSING CHOICE VOUCHER PROGRAM
CALENDAR YEAR 2020**

HCV FSS GRANT (old)	134,204	FY 2020 ADMIN FEES	-212,361
PHA HELD HAP-current	74,427	POST-2003 ADMIN FEES	1,078,818
HUD HELD HAP@12/31/19	1,969,701	INV. IN CAP ASSETS	128,511

HACB FINANCIAL DATA													
ADMINISTRATIVE	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	Y-T-D
BEGINNING ADMIN RESERVES	950,541	895,130	846,053	723,914	777,912	798,108	806,407	786,095	0	0	0	0	950,541
BEG. INVESTED IN CAPITAL ASSETS	151,119	148,293	145,467	142,641	139,815	136,989	134,163	131,337	0	0	0	0	151,119
HUD ADMIN FEE REVENUE	113,933	113,933	115,498	115,498	115,498	109,302	109,304	109,304	0	0	0	0	902,270
FRAUD RECOVERY	1,522	1,779	3,749	954	2,108	3,374	4,715	2,115	0	0	0	0	20,314
INTEREST INCOME / GAIN or LOSS INV	4,691	-34,807	-105,074	66,376	35,102	22,803	35,569	33,121	0	0	0	0	57,781
DEPRECIATION (reduces Capital Assets)	-2,826	-2,826	-2,826	-2,826	-2,826	-2,826	-2,826	-2,826	0	0	0	0	-22,608
BAD DEBT-ADMIN / OPEB YE Adj	0	0	0	0	3	0	0	0	0	0	0	0	3
ADMINISTRATIVE EXPENDITURES	-175,557	-129,982	-136,312	-128,829	-132,515	-127,180	-169,901	-64,176	0	0	0	0	-1,064,452
ENDING ADMIN RESERVE BALANCE	1,043,423	991,520	866,555	917,727	935,097	940,570	917,432	994,968	0	0	0	0	994,968
YTD Change in Admin.	-58,237	-110,140	-235,105	-183,933	-166,563	-161,090	-184,228	-106,692					-106,692
HAP - Cash Basis	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	Y-T-D
BEGINNING HAP RESERVES	-9,235	34,095	11,127	17,708	80,742	30,853	45,105	78,078	0	0	0	0	-9,235
HUD HAP REVENUE	1,199,301	1,178,001	1,230,710	1,285,498	1,183,746	1,221,294	1,221,294	1,221,294	0	0	0	0	9,741,138
FRAUD RECOVERY	1,522	1,779	3,749	954	2,108	3,374	4,715	2,115	0	0	0	0	20,314
FSS FORFEITURES	0	754	0	5,425	0	0	0	0	0	0	0	0	6,179
BAD DEBT-HAP	0	0	0	0	0	0	0	0	0	0	0	0	0
HOUSING ASSISTANCE PAYMENTS	-1,157,492	-1,203,502	-1,227,878	-1,228,843	-1,235,743	-1,210,416	-1,193,035	-1,227,059	0	0	0	0	-9,683,969
ENDING HAP RESERVE BALANCE	34,095	11,127	17,708	80,742	30,853	45,105	78,078	74,427	0	0	0	0	74,427
YTD Change in HAP	43,330	20,362	26,943	89,977	40,088	54,340	87,314	83,663					83,663
HUD VOUCHER MGMT SYSTEM DATA (Incl. Accrued HAP Exp)													
HAP - Accrual Basis	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	Y-T-D
HAP BUDGET (Funding + Reserves)	1,244,202	1,244,202	1,244,202	1,244,202	1,244,202	1,244,202	1,244,202	1,244,202					9,953,617
HAP EXPENDITURES (Current Month)	1,187,306	1,200,408	1,205,558	1,221,373	1,220,843	1,208,370	1,202,498	1,176,139					9,622,495
CY 2020 HAP BUDGET UTILIZATION	95%	96%	97%	98%	98%	97%	97%	95%					97%
BUDGET AVAILABLE (YTD)	1,244,202	2,488,404	3,732,606	4,976,808	6,221,010	7,465,213	8,709,415	9,953,617					9,953,617
TOTAL HAP EXPENDITURES (YTD)	1,187,306	2,387,714	3,593,272	4,814,645	6,035,488	7,243,858	8,446,356	9,622,495					9,622,495
BUDGET REMAINING (YTD)	56,896	100,690	139,334	162,163	185,522	221,354	263,059	331,122	-	-	-	-	331,122
UNITS LEASED SUMMARY	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	Y-T-D
UNITS LEASED (1st of Mo.)	1,927	1,931	1,942	1,937	1,938	1,915	1,913	1,898					15,401
UNIT MONTH'S AVAILABLE	2,206	2,206	2,206	2,206	2,206	2,206	2,206	2,206					17,648
OVER or (UNDER) LEASED	-279	-275	-264	-269	-268	-291	-293	-308	0	0	0	0	-2,247
CY 2020 VOUCHER UTILIZATION	87%	88%	88%	88%	88%	87%	87%	86%					87%
CY 2019 VOUCHER UTILIZATION	80%	81%	82%	82%	83%	84%	85%	86%	86%	86%	86%	87%	84%
CY 2020 AVERAGE HAP	616	622	621	631	630	631	629	620					625
CY 2019 AVERAGE HAP	520	531	537	546	559	563	574	584	590	607	604	607	569

Notes: Post-2003 Admin Fees include 2011 HAP Set-Aside of \$290,786
CY 2020 HAP Budget Estimate = \$12,960,724 Renewal + \$1,969,701 Reserves
CARES Act funds used for Payroll eff. 8/1/2020, expenses here a lower.

HOUSING AUTHORITY OF THE COUNTY OF BUTTE**HOUSING CHOICE VOUCHER (SECTION 8)****UTILIZATION SUMMARY REPORT****ROLLING 12 MONTH ANALYSIS**

UNITS LEASED SUMMARY	OCT'20	SEP'20	AUG'20	JUL'20	JUN'20	MAY'20	APR'20	MAR'20	FEB'20	JAN'20	DEC'19	NOV'19
BUTTE												
ACC UNIT MONTHS	1955	1955	1955	1955	1955	1955	1955	1955	1955	1955	1955	1955
CURRENT LEASED	1709	1719	1730	1744	1748	1768	1767	1772	1764	1756	1739	1736
VOUCHER UTILIZATION %	87.42%	87.93%	88.49%	89.21%	89.41%	90.43%	90.38%	90.64%	90.23%	89.82%	88.95%	88.80%
GLENN												
ACC UNIT MONTHS	87	87	87	87	87	87	87	87	87	87	87	87
CURRENT LEASED	59	59	59	60	60	61	61	61	60	59	59	60
VOUCHER UTILIZATION %	67.82%	67.82%	67.82%	68.97%	68.97%	70.11%	70.11%	70.11%	68.97%	67.82%	67.82%	68.97%
VASH												
ACC UNIT MONTHS	164	164	164	164	164	164	164	164	164	164	164	164
CURRENT LEASED	109	107	104	104	103	104	104	102	102	105	109	111
VOUCHER UTILIZATION %	66.46%	65.24%	63.41%	63.41%	62.80%	63.41%	63.41%	62.20%	62.20%	64.02%	66.46%	67.68%
TOTAL												
ACC UNIT MONTHS	2206	2206	2206	2206	2206	2206	2206	2206	2206	2206	2206	2206
CURRENT LEASED	1877	1885	1893	1908	1911	1933	1932	1935	1926	1920	1907	1907
VOUCHER UTILIZATION %	85.09%	85.45%	85.81%	86.49%	86.63%	87.62%	87.58%	87.72%	87.31%	87.04%	86.45%	86.45%

HAP SUMMARY*	OCT'20	SEP'20	AUG'20	JUL'20	JUN'20	MAY'20	APR'20	MAR'20	FEB'20	JAN'20	DEC'19	NOV'19
ACC BUDGET	\$ 1,350,768	\$ 1,350,768	\$ 1,703,081	\$ 1,330,598	\$ 1,330,598	\$ 1,602,282	\$ 1,400,996	\$ 1,346,208	\$ 1,291,934	\$ 1,313,234	\$ 1,178,797	\$ 1,148,360
ACTUAL HAP	\$ 1,131,801	\$ 1,167,396	\$ 1,180,234	\$ 1,210,172	\$ 1,221,294	\$ 1,222,578	\$ 1,285,498	\$ 1,211,829	\$ 1,178,001	\$ 1,199,301	\$ 1,161,467	\$ 1,147,911
PER UNIT COST	\$ 603	\$ 619	\$ 623	\$ 634	\$ 639	\$ 632	\$ 665	\$ 626	\$ 612	\$ 625	\$ 609	\$ 602
BUDGET UTILIZATION %	83.79%	86.42%	69.30%	90.95%	91.79%	76.30%	91.76%	90.02%	91.18%	91.32%	98.53%	99.96%

ACTIVITY SUMMARY	OCT'20	SEP'20	AUG'20	JUL'20	JUN'20	MAY'20	APR'20	MAR'20	FEB'20	JAN'20	DEC'19	NOV'19
# PORT IN BILLED	0	0	0	0	0	0	0	0	0	0	0	0
#PORT OUT UNDER CONTRACT	103	107	112	125	126	141	144	154	150	149	137	127
ZERO HAP	18	21	22	17	12	12	9	15	15	19	19	16
UTILITY ASSISTANCE PAYMENTS	63	69	68	77	80	78	67	66	67	68	72	73
NEW ADMISSIONS	**	11	8	19	14	6	21	29	33	22	18	18
INITIAL VOUCHERS SEARCHING	127	109	95	104	98	108	127	147	176	159	174	224
ACTUAL/ESTIMATED EOP	18	16	13	28	14	29	11	26	16	14	15	15
REMAIN ON WAITING LIST	3226	3297	3326	3383	3417	3434	3492	3532	3696	4032	4099	4172

*HAP Summary is a "snapshot" as of the 1st of the month, which does not include prior month adjustments per VMS.

**No data.

**HOUSING AUTHORITY OF THE COUNTY OF BUTTE
VACANCY REPORT AS OF THE 1ST OF THE MONTH
2020**

HOUSING AUTHORITY OWNED PROPERTIES													
	Gridley FLH		Open Market Units										
Location	FLH	Demo	Other	Gridley Springs II	Cordillera	Locust	Alamont	Evanswood	Kathy Ct	Lincoln	Park Place	Total	Occupancy
# of Units	115*	7	3	24	20	10	30	28	12	18	40	128	%
Oct-20	19**	1	0	0	0	0	0	0	12***	0	1	1	99.2%
Sep-20	22**	0	0	0	0	0	0	0	12***	0	1	1	99.2%
Aug-20	22**	0	0	0	0	0	1	2	12***	0	0	3	97.6%
Jul-20	22**	0	0	0	0	0	0	4	12***	0	3	7	94.5%
Jun-20	23**	0	0	1	0	0	0	1	12***	1	1	3	97.6%
May-20	23**	0	0	0	0	0	0	0	12***	1	0	1	99.2%
Apr-20	22**	0	0	0	0	0	1	0	12***	0	0	1	99.2%
Mar-20	19**	0	0	0	0	0	1	0	12***	0	0	1	99.2%
Feb-20	19**	0	0	0	1	0	2	1	12***	0	0	3	97.6%
Jan-20	18**	0	0	0	0	0	3	2	12***	1	0	6	95.3%
Dec-19	17**	0	0	0	0	0	0	2	12***	1	0	3	97.6%
Nov-19	16**	0	0	0	1	0	1	0	12***	0	1	2	98.4%

* Unit count adjusted by units offline - (6) uninhabitable and (9) less units due to rehab reconfiguration.

** Vacancy rate does not include units offline for construction; (14) units.

*** Full vacancy; (12) units, due to Camp Fire loss.

HUD LOW-INCOME PUBLIC HOUSING									
Location	Gridley	Biggs	Chico	Oroville	Chico	Oroville	Oroville	Total	Occupancy
Project #	43-1, 4	43-2	43-3	43-10	43-13	43-14	43-15		
# of Units	50	20	100	60	45	20	50	345	%
Oct-20	1	0	3	1	0	1	0	6	98.3%
Sep-20	2	0	3	1	1	1	0	8	97.7%
Aug-20	2	0	2	0	2	2	0	8	97.7%
Jul-20	2	0	2	1	1	2	0	8	97.7%
Jun-20	1	0	3	0	1	2	0	7	98.0%
May-20	1	1	3	2	0	1	1	9	97.4%
Apr-20	0	1	2	1	0	2	1	7	98.0%
Mar-20	0	2	1	2	0	2	1	8	97.7%
Feb-20	0	2	2	1	1	1	1	8	97.7%
Jan-20	0	3	2	1	0	2	0	8	97.7%
Dec-19	0	2	2	0	0	2	1	7	98.0%
Nov-19	0	2	2	1	0	1	2	8	97.7%

BANYARD MGMT	
Location	Chico Commons
# of Units	72
Oct-20	1
Sep-20	3
Aug-20	1
Jul-20	1
Jun-20	2
May-20	1
Apr-20	2
Mar-20	2
Feb-20	3
Jan-20	3
Dec-19	3
Nov-19	3

BCAHDC				
Location	1200 Park Ave	Gridley Springs I	Harvest Park	Walker Commons
# of Units	107	32	90	56
Oct-20	2	0	3	0
Sep-20	3	0	3	0
Aug-20	3	0	3	1
Jul-20	2	0	3	0
Jun-20	2	0	1	0
May-20	1	0	3	0
Apr-20	1	0	1	0
Mar-20	2	0	1	0
Feb-20	1	0	2	0
Jan-20	0	0	0	0
Dec-19	0	2	1	0
Nov-19	1	1	3	0

Public Housing

Waiting List: Number of Applicants

Bedroom Size	Chico	est wait	Oroville	est wait	Gridley/Biggs	est wait
1	16 Transfer list	3+	237	8+	154	8+
2	156	7+			93	6+
3	35	3+	18	1+	25	4+
4	18	5+			13	3+
5					4	5+

* Chico 1-bedroom waiting list closed 06-15-09

**Only 1 5-bedroom unit. Est wait would be based on when the family plans to move out

Waiting List: Number of ADA Requested Units

Bedroom Size	Chico	# PH	Oroville	# PH	Gridley/Biggs	# PH
1	0	3	22		15	2
2	4	7			4	
3	2	2	1	6	0	
4	0	4+			0	
5					0	

MEMO

Date: October 15, 2020

To: HACB Board of Commissioners

From: Jerry Martin, Modernization Coordinator

Subject: Status of HACB Construction Projects

As of October 15, 2020, the status of HACB construction activity follows:

- Public Housing – All sites. Abatement and replacement of asbestos-containing floor tiles; Eighteen (18) units were completed during the 2019/2020 fiscal year; 116 of 232 Public Housing units have been completed overall. One unit is currently in process.
- Public Housing – All Sites. Five-year Environmental Review. A project has been organized to perform required environmental review of improvement and maintenance projects planned for the next five-year period for all Public Housing sites. Project Reviews for all eight (8) sites have been submitted to HUD for review and approval.
- Public Housing – Energy Conservation. Electrical Fixture replacements in planning, project bidding planned for Fall/Winter of 2020.
- Public Housing- All Sites. Refrigerator Replacement, a project to replace (124) Refrigerators that have reached the end of their useful life. Project installations, 120 of 124 units completed to date. Project currently delayed due to Covid-19 related manufacturer's product inventory shortages.
- Public Housing – 115 Nelson Avenue Community Room & Maintenance Shop, Window and Door Security Improvements. Install exterior window and door security screens throughout building to address ongoing vandalism. Project construction currently underway.
- Public Housing – Landscape Improvements (43-13) Shelton Oaks and Rhodes Terrace. A project is being organized to replace landscape at Shelton Oaks with new hardscape, drought tolerant plants, replace irrigation, and replace site signage. Rhodes terrace improvements will include site signage replacement, perimeter fence brush removal, site drainage improvements, and selective plant infill. Project landscape design work underway.
- Farm Labor Housing – Combined Phase II & III Rehab. Project construction contract work is underway. Building abatement and demotion work is complete for the first seven (8) buildings, with interior and exterior rehab work underway at the first seven buildings. See the 9-10-2020

progress photos below for the 1560/1564 Briarcliff unit, which is converting from a two (2) two-bedroom duplex to a single four-bedroom single family home, 1570/1576 Booth which is converting from a two (2) two-bedroom duplex to a single three-bedroom single family home and 1558/1564 Booth unit, which will remain (2) two-bedroom duplex units with new additions. Overall, the project is progressing well with the first four buildings, scheduled for completion prior to the end of 2020 calendar year.

1560/1564 Briarcliff



1570/1576 Booth



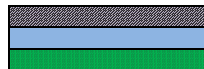
1558/1564 Booth



- HACB Main Office – Safety and Security Improvements. A project is being organized to address virus mitigation and building security improvement needs at the 2039 Forest Avenue office. Project bidding complete, construction contract included in your board packet for review and approval.
- Walker Commons – Architectural design for project siding, PTAC unit, window, and path of travel replacements are currently in planning for Strategic Asset Plan work.
- Kathy Court Apts, Paradise – Post Camp Fire Property Redevelopment. Based on the underlying single-family zoning and existing septic system, redevelopment of the property as multi-family must be accomplished within the original footprint and original overall square footage of the structures that were lost. Phase I of site redevelopment includes septic system evaluation and procurement of the project Engineer and Architect. Septic System Evaluation is complete and has been deemed acceptable for redevelopment. Northstar has been solicited to provide project survey, update of plat map, site plan and easement review and verification services. Prospects for financing are emerging, including possible PG&E bankruptcy settlement funds, and bond issuance proceeds from HACB portfolio leveraging.
- 2131 Fogg Avenue – Small House Development Initiative. HMR Architects (HMR) has been retained to provide schematic design and feasibility plan options for the site. These plans will be based on “small house” (one and two bedroom) manufactured home designs that were originally developed by the Stanislaus Housing Authority in seeking ways to reduce housing development costs. HMR is the architect that generated the Stanislaus work. Schematic design and feasibility plans are complete and included for review in your board packet under development update.

12 Month HACB Project Schedule - October 9, 2020

1 to 5	1 Most Urgent	5 Less Urgent	Cost Est	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
	FLH														
1		Phase (II & III) Combined Unit Rehab - Re-design	\$199,637.00												
1		Phase (II & III) Combined Unit Rehab - Bidding and CM	\$37,300.00												
1		Phase (II & III) Combined Unit Rehab - Construction (11 Buildings)	\$6,140,849.00												
1		Well 1,2,3 TCP Water Contaminate Corrective Action Plan Rev 2	\$26,030.00												
3		Admin Building- Gutters, Downspout, Paint	\$35,000.00												
1		FLH - Tree Maintenance	\$75,000.00												
	Public Housing														
2		Energy Performance - Electrical	\$254,380.00												
2		Appliance Replacements (Refrigerators)	\$85,153.78												
3		ADA Units upgrade (43-10)	\$213,000.00												
1		Sewer Lateral Replacement 43-1A,1B, 04, 03	\$86,000.00												
1		ACM Tile Abatement	\$58,484.00												
1		115 Nelson Ave. Security and Site Improvements	\$28,161.08												
1		Landscape Improvemtns (43-13) Shelton Oaks and Rhodes Terrace	\$200,000.00												
4		Oro Dam Wall	\$250,000.00												
3		PH Capital Fund Energy Audit	\$13,000.00												
3		PH Capital Fund Environmental Review	\$78,452.20												
	Chico Commons														
1		Gutters and Downspout Replacement	\$36,177.00												
1		Exterior Building Paint	\$176,418.00												
2		HVAC Replacements	\$300,000.00												
3		Cabinets, Interior Work	\$200,000.00												
	Walker Commons														
2		Architecture: Window, HVAC, Siding Repl.	\$35,000.00												
3		Siding Repl/ Gutter and Downspout Repl/ Window Upgrade	\$225,000.00												
3		HVAC	\$89,000.00												
3		ADA Path of Travel	\$95,000.00												
	DAC's Reports														
1		Update ALL reports in ALL projects	\$1,200.00												
	Evanswood HOA														
	Alamont	Pending Bond Issuance													
	Evanswood Apts	Pending Bond Issuance													
	Lincoln Apts.	Pending Bond Issuance													
	Park Place Apts.	Pending Bond Issuance													
	Cordillera Apts.	Pending Bond Issuance													
	Locust Apts.	Pending Bond Issuance													
	Kathy Court Apts.	Pending Bond Issuance													
	2131 Fogg Avenue														
1		Roof Replacement	\$16,029.00												
3		Architecture: Small House Development Initiative, Schematic Plan	\$12,500.00												
	2039 Forest Avenue														
1		Virus Mitigation and Security Improvements	\$231,440.00												
Total next 12 months			\$9,198,211.06												



Design/Bid Phase
Construction Phase
Completed

501-18	
Obligation Start:	5/29/2018
Obligation End:	5/28/2021
Disbursement End:	5/28/2023
501-19	
Obligation Start:	4/16/2019
Obligation End:	4/15/2022
Disbursement End:	4/15/2024
501-20	
Obligation Start:	4/6/2020
Obligation End:	4/5/2023
Disbursement End:	4/5/2025

MEMO

Date: October 9, 2020

To: HACB Board of Commissioners

From: Jerry Martin, Modernization Coordinator

Subject: Public Housing - Capital Fund Status Report

Capital Fund 501-18, Funding Amount \$817,783

This Capital Fund is 96% obligated and 96% expended. Projects Include:

- **ACM Tile Replacement** – All concrete-block units – ongoing, six (6) units have been completed to date using these Capital Fund monies.
- **Five-year Environmental Review** – All Public Housing Units, perform required CFR 24 Part 58 Environmental Review of improvement and maintenance projects planned for the next five-year period, reviews have been submitted to HUD for review.
- **Sewer Service Line Investigation and Replacements** – Gridley and Biggs CMU units (43-01A, 01B, 04, 02A, 02B), Project complete.
- **HVAC Replacements** – 43-03, Replace three (3) package HVAC units. Project complete.
- **Unit Appliance Replacements/Upgrades** – Countywide, refrigerator replacement project, Purchase Order issued, project underway with 120 of 124 units replaced to date.
- **Resurfacing of Roadways** – Rhodes Terrace, Shelton Oaks (43-13), Winston Gardens (43-10), Gardella (43-14), Hammon Park, Oro Dam Blvd (43-15), Project is complete.
- **Site Upgrade, Landscaping and Accessibility Work** – Landscape upgrades, tree trimming and miscellaneous improvements addressed in DAC report, complete.

Capital Fund 501-19, Funding Amount \$812,881

This Capital Fund is 26% obligated and 14% expended. Projects Include:

- **ACM Tile Replacement** – All concrete-block units – ongoing, nine (9) units have been completed to date under this Capital Fund.
- **Five-year Environmental Review** – All Public Housing Units, perform required CFR 24 Part 58 Environmental Review of improvement and maintenance projects planned for the next five-year period, reviews have been submitted to HUD for review.
- **Bathroom Tub/Shower Remodel** – Select concrete block units, in planning.
- **Kitchen Remodel** – Select units, in planning.
- **Energy Conservation Work** – Electrical fixture replacements, countywide, in planning.
- **Unit Appliance Replacements/Upgrades** – Countywide, in planning.
- **Site Upgrade, Landscaping and Accessibility Work** – Landscape upgrades, tree trimming, and miscellaneous improvements addressed in DAC report, in planning.

- **ADA Unit Accessibility Work** – Winston Gardens (43-10), three units to be upgraded to full accessibility standards, in planning.
- **HVAC Replacements** – Replace failing package HVAC units, ongoing
- **Sewer Service Line Replacements** – select Gridley and Biggs CMU units (43-01A, 01B, 04, 02A, 02B, 03), in planning.
- **Landscape Upgrades** – Landscape replacement, Shelton Oaks, Rhodes Terrace 43-13, project landscape design work underway.
- **Landscape Upgrades** – Individual Water Meter replacement for Gridley Units (43-1A, 1B 04), in planning.
- **Window and Door Security Screen Improvements** – 115 Nelson Avenue Community Room & Maintenance Shop, Installation of window and door security screens to prevent vandalism, project construction underway.

Capital Fund 501-20, Funding Amount \$875,339

This Capital Fund is 0% obligated and 0% expended

- Annual Statement/Budget update and submission process underway.
- Project list will be updated upon HUD approval of submitted Environmental Review, Annual Statement/Budget submission and distribution of budget.

Capital Fund Program - Summary by Capital Fund Project

Cash Available as of 10-09-2020

Capital Funds 501-18, 501-19 and 501-20

			501-18 (Revision #1, 10-30-2018)				501-19				501-20				Totals		
			Original	Revised	Obligated	Expended	Original	Revised	Obligated	Expended	Original	Revised	Obligated	Expended	Orig/Revised	Expended	Balance
Line No.	Summary by Development Account																
	Total Non-CGP Funds																
1	100	Reserved Budget	\$9,226	\$0			\$4,455				875,339				879,794	0	879,794
2	1406	Operations (20%)	\$27,875	\$27,875			\$28,811								56,686	0	56,686
3	1408	Management Improvements	\$2,000	\$2,000			\$2,000								4,000	0	4,000
4	1410	Administration (10%)	\$80,855	\$81,778	\$81,778	\$81,778	\$80,842		\$80,842	\$37,976					162,620	119,754	42,866
5	1480	Audit	\$2,000	\$2,000			\$2,000								4,000	0	4,000
7	1480	Fees and Costs	\$55,120	\$55,120	\$100,903	\$100,309	\$75,120		\$36,950	\$10,105					130,240	110,414	19,826
14	1480	General Capital Fund Activity: Site Improvement, Dwelling Structures, Dwelling Equipment															
17	1480	Relocation Costs	\$637,207	\$645,510	\$603,957	\$603,957	\$616,153		\$91,618	\$62,486					1,261,663	666,444	595,219
16	1492	Move to Work Demonstration	\$3,500	\$3,500			\$3,500								7,000	0	7,000
18	1501	Moving To Work Demonstration													0	0	0
19	1503	Collator Exp/Debt Srvc													0	0	0
20	1504	RAD-CFP													0	0	0
21	9000	RAD Investment Activity													0	0	0
22	9001	Debt Reserves													0	0	0
23	9002	Bond Debt Obligation													0	0	0
24	9900	Post Audit Adjustment													0	0	0
			\$817,783	\$817,783	\$786,638	\$786,045	\$812,881	\$0	\$209,410	\$110,567	875,339	0	0	0	2,506,003	896,612	1,609,391
			96%		96%		26%		14%		0%		0%				

HUD Low Income Public Housing

		100 Reserved Budget	1406 Operations	1408 Mgmt. Improvements	1410 Admin	1480 Audit	1480 Fees and Cost	1480 General Capital Activity	1480 Relocation Costs	Totals	"UC" Under Contract
Acct Code	Cash Available as of 10-15-2020	879,794	56,686	4,000	42,866	4,000	19,826	595,219	7,000	1,609,391	
	501-18, 501-19 and 501-20 Funding										
100	Reserved Budget	879,794								879,794	
1406	Operations		56,686							56,686	
1408	Management Improvements			4,000						4,000	
1411	Audit Cost Cap Fund					4,000				4,000	
1410	Administration				42,866					42,866	
1430	Fees and Costs: Arch. Service, Permits Const. Admin, Etc..						19,232			19,232	
1430	Fees and Costs: CAP Fund Environmental Review ECORP						593			593	UC
1430	Fees and Costs: 43-13 Landscape Imp Shelton and Rhodes										UC
1450	Tree Maintenance- Amp Wide							-		-	Complete
1450	Sewer Lateral Investigation 43-01A,01B, 04							-		-	Complete
1450	Sewer Lateral Investigation 43-02A, 02B							-		-	Complete
1450	Parking and Driveway Asphalt and Concrete Site Imp							-		-	Complete
1450	115 Nelson Ave Door and Window Security							29,500.00		29,500	UC
1460	Dwelling Structures									-	
1465	Dwelling Equipment - 43-03 HVAC Repl							-		-	Complete
1465	Dwelling Equipment - Refrigerator Repl							2,817		2,817	UC
1470	Non-Dwelling Structures									-	
1475	Non-Dwelling Equipment									-	
1485	Demolition									-	
	General Capital Fund Activity: Site Improvement, Dwelling Structures, Dwelling Equipment							562,902		562,902	
1495	Relocation Costs								7,000	7,000	
1502	Contingency									-	
										1,609,391	Total

MEMO

Date: October 9, 2020

To: HACB Board of Commissioners

From: Larry Guanzon, Deputy Executive Director
Ed Mayer, Executive Director
Juan Meza, Property Manager

Subject: Farm Labor Housing, Gridley – status report

As of October 1, 2020, we have a total of (75) occupied units, none of which are *FEMA evacuees*. We have (18) units that are offline because they fall in Phases II and III of the ongoing rehab work, (7) units are deemed uninhabitable, and (21) units are available for occupancy, but uninhabited because of their age, condition, and relative high price, a function of the USDA's operational system. New prospective residents 98% of the time want the new rehabbed units; staff continues to entice them to move into an older unit with an opportunity to move into a new rehabbed unit when the latter phases of construction are completed. We had (2) households transfer to other rental units last month due to the rehab project which increased the number of units currently offline. We anticipate (2) applicants moving in before the end of this month. One of these applicants used to live at FLH and is coming back on her own. There are currently four (4) additional applicants on our waiting list. There are no intent to vacate notices or unlawful detainers at this time. Our goal and number one priority continue to be renting out all habitable units on the property. Rent collections are going well but we have one household where we have noticed and they plan on paying. If not, we may need to take further legal action.

New rent and utility changes went into effect October 1, 2020. The rent increase for each bedroom size is as follows: (1) bedroom units increased from \$780.00 to \$810.00, (2) bedroom units increased from \$795.00 to \$825.00, (3) bedroom units decreased from \$1,585.00 to \$1,523.00, and (4) bedroom units decreased from \$1,854.00 to \$1,771.00.

On-site security is reporting no significant issues on the property at this time. Maintenance staff and the Resident Manager continue to work on vacancy make-readies. Sierra Landscaping continues to serve the landscaping needs of the property.

Misita Tree Service will finish trimming/removing the trees found in Phases IV-VIII of the rehab project on October 9, 2020. Misita Tree Service is the same contractor used by J. Walt Construction to trim all of the trees found within Phases II and III. We are going to request an estimate from Misita in order to trim all of the trees surrounding our Demo units.

Monthly food distribution will be held on October 13, 2020 from 3-6 pm in the Community Room; to help ensure the safety of our residents all of the food was pre-packaged and distributed by staff wearing PPE. Promotores, along with the E-Aprende staff, are still not meeting with our residents, as their respective programs are on hold in working through the pandemic.

Mi C.A.S.A.'s afterschool program resumed classes for their Fall Session on September 28, 2020. Mi C.A.S.A. staff is implementing measures to keep both staff and students safe by having students work in small groups while observing social distancing and washing their hands and school supplies regularly. All students are screened (thermometer and contact questions) daily and the information is recorded by Mi C.A.S.A. staff.

Construction started on Phases II and III of the remodeling project on July 6, 2020. J. Walt Construction is currently working on the vacant units on Booth Dr. and Briarcliff Ln. Phases II and III of the remodeling projects included rehab work for nineteen (19) buildings, in which thirty-eight (38) units are scheduled to be converted to thirty-one (31) units. But, due to the bids, a total of eleven (11) buildings are being rehabbed with the funds available. The remaining five (5) buildings were moved to Phase IV. We are working with USDA to secure another \$3 million-dollar grant, to continue the work

The levee taking transaction is now complete. Proceeds, in the amount of \$66,450, have been received and deposited toward the property's rehab efforts.

In response to the FLH residents' water quality allegations, a discussion was had with the water quality engineer associated with the informal law group that facilitated the allegations, to understand what exactly had been done by way of research. The research was casual, to the extreme. To err on the side of prudence, a voluntary County-approved water testing plan investigated water quality of the entire water system, including generation and distribution. The testing found no hazardous conditions, and no conditions affirming in any way any of the allegations that had been made. To date, no complaint about water quality has been brought to the attention of management by any resident. A formal report has been completed by HACB consultants, and posted to the HACB website. Letters have been sent to all property residents, indicating that allegations about poor water quality are unfounded.

FLH "Demo" units, including the trailer unit, not regulated by USDA, have seen exterior envelope stabilization completed, including lead-based paint abatement, select re-siding and trim replacements to address rot, and entire exterior repainting.

Improvements have been completed at the E-Center's leased building, where exterior water integrity issues have been addressed, as well as replacement of failing sections of the building's sewer line.

MEMO

Date: October 9, 2020

To: HACB Board of Commissioners

From: Larry Guanzon, Deputy Executive Director

Subject: Status Report – HACB Owned Properties

- Alamont Apartments, Chico (30 units, family)
- Cordillera Apartments, Chico (20 units, family)
- Evanswood Estates, Oroville (28 units, family)
- Gridley Springs II, Gridley (24 units, family)
- Kathy Court Apartments, Paradise (12 units, family)
- Lincoln Apartments, Chico (18 units, family)
- Locust Apartments, Chico (10 units, family)
- Park Place Apartments, Oroville (40 units, senior)
- 2131 Fogg Ave, (1 single family house) Demo

For Alamont, Cordillera, Evanswood, Kathy Court, Lincoln, Locust, and Park Place Apartments, please also see monthly reports provided by the property manager, RSC Associates Inc., following this memo. Please also find Sackett Corporation's financials for Gridley Springs II.

Alamont Apartments, Chico – As of October 1st there was zero (0) vacancy. We do have one resident who refuses to pay rent and RSC has noticed the delinquent resident. They are working with the co-signer to gain possession and collect the unpaid balance. The property continues to perform consistent with budget.

Cordillera Apartments, Chico - The property continues to have zero (0) vacancy. The north driveway has been repaired, plus all remaining driveways have been asphalt sealed. Please find RSC's monthly Owner's report, following. As you are aware, *Cordillera ownership was transferred to the Housing Authority ownership as of June 1, 2020.*

Evanswood Apartments, Oroville – This property currently has zero (0) vacancies. The roadways/driveways have been sealed and striped. *As mentioned in last month's report we have added #29 Evanswood and now this property has a total of 28 units, as opposed to 27.* The complex continues to perform per budget. The buildings need repair and upgrade to exterior siding, to ensure integrity into the future. The exterior building work is planned to be addressed when the property is refinanced through HACB's asset management work.

Gridley Springs II, Gridley (24 units, Family, Owner: HACB, PM: Sackett Corporation) The property currently has zero (0) vacancy. Please find the Sackett Corporation's Owner's report following. The property may be subject to restructuring, as Dawson Holdings, BCAHDC partner in GS I, has approached the HACB to consider re-unification of both GS I and II under single ownership.

Kathy Court Apartments, Paradise – Kathy Court, burnt to the ground in the Disaster, has been cleared, yet retains its 12-unit septic system. A claim against PG&E has been made for the difference between insurance proceeds and the estimated cost of replacement; the claim is subject to bankruptcy court proceeding. Organizational work is being completed to retain an architect to redesign the lost structures. The existing underground septic system was inspected and re-certified as sufficient for redevelopment of the property. An easement request from PG&E in support of reconstruction of the adjacent multi-family parcel has raised access and other issues – the issues are being analyzed via title work, which have lead to survey and other legal work, to sort out actual encumbrances and site conditions.

Lincoln Apartments, Chico – Lincoln Apartments has zero (0) vacancy as of the 1st of October. Capital improvement work continues to be considered, including upgrade of the 2nd level walkway assembly, including surfacing, soffit ting, railings, and stairways. Exterior painting will follow the walkway improvements, and parking lot repair is planned for this year. The walkway work will most likely occur when the property is repositioned through HACB's asset management work.

Locust Apartments, Chico - The property has zero (0) vacancy as of the 1st of the month. RSC had to re-pipe the water supply lines in one particular unit due to the water supply lines in the concrete slab corroding and needing replacement. This work required the resident to move into a hotel temporary and now has moved back in. The water supply lines are working well again within this unit.

Park Place Apartments, Oroville – The property has one (1) vacancy as of October 1st.

2131 Fogg Ave, Oroville – This single family “Demo” house is occupied. Roof leaks appeared with last year's rains, signaling the end of the useful life of the roofing. Bid proposals for repair/replacement were solicited and received. Roof replacement is scheduled within 45- 60 days. An architect is being retained to schematically explore site use, principally, the exploration of use of “small houses” in building out the property.

Rent Collections at all properties are going well at this time.

Note, the 2000A Bond Series debt has been fully redeemed, there is no debt being served. Investment-grade physical needs assessments (PNA's) and appraisals have been completed for six of these properties, and are being updated, in anticipation of their re-finance this fall. The six properties include four from the 2000A issuance, the Alamont, Lincoln, Park Place, and Evanswood apartments, with two other properties including the Locust Street Apartments, Chico, and Cordillera Apartments, Chico (just transferred to HACB ownership, June 1st).

Until the refinance effort is completed, and there exists another “bond portfolio”, these properties will be combined with the HACB's “Other Properties” for purposes of reporting. All the properties addressed in this memo currently hold the same status, simply, HACB-owned. Additionally, the #29 Evanswood Estates unit report will be included in the 27-unit Evanswood Estate report, making for a 28-unit Evanswood Estate Report.

October 6, 2020

Mr. Ed Mayer, Executive Director
Housing Authority of the County of Butte
2039 Forest Avenue, Suite 10
Chico, CA 95928

RE: 2000-A REVENUE BOND PROPERTIES

Dear Ed:

Please find enclosed for your review the following financial information for the year that ended on September 30, 2020, for the five properties under the 2000-A Revenue Bond, consisting of Alamont Apartments, Evanswood Estates, Kathy Court Apartments, Lincoln Apartments, and Park Place Apartments.

1. Alamont Apartments
 - a. Project Cash Flow and Bank Account Summary, Budget Comparison, General Ledger, Trial Balance and Tenant Rent Roll.
 - b. 12 Month Income Statement.
 - c. 2019/2020 Performance Review.
 - d. Capital Improvement Summary.
2. Evanswood Estates
 - a. Project Cash Flow and Bank Account Summary, Budget Comparison, General Ledger, Trial Balance and Tenant Rent Roll.
 - b. 12 Month Income Statement.
 - c. 2019/2020 Performance Review.
 - d. Capital Improvement Summary.
3. Kathy Court Apartments
 - a. Project Cash Flow and Bank Account Summary, Budget Comparison, General Ledger, Trial Balance and Tenant Rent Roll.
 - b. 12 Month Income Statement.
 - c. 2019/2020 Performance Review.
 - d. Capital Improvement Summary.

4. Lincoln Apartments

- a. Project Cash Flow and Bank Account Summary, Budget Comparison, General Ledger, Trial Balance and Tenant Rent Roll.
- b. 12 Month Income Statement.
- c. 2019/2020 Performance Review.
- d. Capital Improvement Summary.

5. Park Place Apartments

- a. Project Cash Flow and Bank Account Summary, Budget Comparison, General Ledger, Trial Balance and Tenant Rent Roll.
- b. 12 Month Income Statement.
- c. 2019/2020 Performance Review.
- d. Capital Improvement Summary.

ALAMONT APARTMENTS

Alamont Apartments ended the month of September with no vacant units, as there were no new move ins or move outs.

As this report includes the financial activity for the fiscal year ending September 30, 2020, we will be focusing our review on the year-to-date details.

Total rental income for the year came to \$281,144.42, which was lower than budget by \$7,990.58. This difference was due to higher vacancy loss, a higher number of unpaid rents by \$4,401.06, and unused prepaid rents of \$1,303.22. Service income collected for the year was over budget by \$873.21 due to higher than budgeted repairs and maintenance revenue collected as a result of the higher turnover and application fees revenue as we evaluated more potential residents.

Moving on to the expenses, you will see that the renting expenses came in well under budget by \$1,542.27 due to significantly less advertising costs, no resident activities and no referral fees that had been budgeted for. The administrative expenses totaled \$25,388.31, under budget by \$2,822.69 due to no legal evictions which is in part due to COVID-19 restrictions. Under the recent AB3088 registration we may file for an unlawful detainer against unit #4. The utility expenses were also under budget by \$3,863.44, due to lower all-around utility costs.

Apartment turnover expenses were \$48,063.60, well over the budgeted figure by \$32,853.60. This was due to major turnover painting, repairs and labor for units #5, #11 and #19 earlier in the year. Maintenance expenses totaled \$44,054.24, over budget by \$9,953.24 for the year. This was due to more carpet

cleaning due to move outs, on-site cleaning staff expenses for the move outs, and labor costs for all of the repairs to several units, which was double the budgeted figure of \$7,200.00. Maintenance expenses were also increased by repairs to unit # 23 due to flooding from the upstairs bathroom. Overall the net operating expenses came to \$145,684.44, higher than budget by about 28%. Capital improvements came in under budget at \$23,119.10, which was 22% lower than budget, mainly due to no patio replacements being done.

The net project cash flow for the year was \$30,912.09, below budget by \$32,944.91 for the reasons described.

As you review the Cash Balance Summary on Page 2 of the Cash Flow Statement, you will see that the property ended the month with total cash on hand of \$104,840.46. This total consisted of \$3,000.00 in the general checking account, \$51,164.57 in the general savings account, \$50,625.89 in the financial reserve account, and \$50.00 in the petty cash account.

EVANSWOOD ESTATES

Evanswood Estates ended the month of September with no vacant units, as there were no new move ins or move outs.

As this report includes the financial activity for the fiscal year ending September 30, 2020, we will be focusing our review on the year-to-date details.

Total rental income for the year came to \$334,205.29, higher than budget by \$5,565.29. This was due to more potential rents being collected, more pet rent collected, and collections of prior unpaid rents. Service income totaled \$5,254.52, higher than budget by \$1,374.52, a 35% increase due to more repair and maintenance revenue being collected from past tenants in units #49 and 360 Table Mountain Blvd. Overall revenue came in over budget by almost 3%.

Moving on to the expenses, you will see the renting expenses came in at \$867.01, well below the budget of \$2,256.00. The \$1,388.99 difference is accounted for with less advertising, lower office supplies costs, with no referral fees or promotional activities. Total administrative expenses totaled \$84,832.78, higher than budget by \$2,638.78 due to higher collection fees, and H/O association dues. Utility expenses were \$30,948.18, lower than budget by \$196.82.

Apartment turnover expenses were \$32,865.55, higher than budget by \$12,820.55. This was due to the interior paint, and labor and materials used in the turnover mainly of units #9, #4, and #32. Maintenance expenses totaled \$27,185.22, higher than budget by \$6,660.22 due to interior painting of units #69 and #17, water damage repairs to unit #40, and the labor costs of repairs for several units. The total operating expenses came to \$176,698.74, higher than budget by \$17,921.74. This was due to the higher turnover expenses and the maintenance expenses in connection with the turnovers. The resulting net operating income was \$162,761.07 for the year.

Capital improvements totaled \$55,079.54, higher than budget by \$38,454.54. This was due to a variety of improvements such as the replacement for dry rot for units #69-71, water heaters, higher cost flooring upgrades for units #29, and replacement flooring for units #17 and #41, and a HVAC unit.

After financial expenses of \$122,640.00 the net project cash flow for the year was a negative \$23,682.47, a \$58,160.47 variance from budget do to the reasons described.

As you review the Cash Balance Summary on the Cash Flow Statement, you will see that the property ended the month with total cash on hand of \$76,647.03 with \$3,000.00 in the general checking, \$4,027.09 in the general savings, and \$69,619.94 in the replacement reserve account.

KATHY COURT APARTMENTS

Kathy Court Apartments ended the fiscal year ending September 30, with no available units due to the Camp Fire.

The total administrative expenses came to \$4,440.00, which were for the management fees and the asset management fees for the year. Total maintenance expenses came to \$3,184.87, mainly for landscape maintenance, and grounds clean up of the property. Total operating expenses were \$7,624.87 for the year. The capital improvement came to \$6,964.50, which was for the fire soil sampling and debris cleanup.

The net project cash flow totaled a negative \$14,589.37 for the year.

As you can see on the Cash Flow statement, the property ended the month with total cash on hand of \$15,717.08.

LINCOLN APARTMENTS

Lincoln Apartments ended the month of September with no new move ins or move outs.

As this report includes the financial activity for the fiscal year ending September 30, 2020, we will be focusing our review on the year-to-date details.

Total rental income for the year totaled \$142,255.92, which was \$1,700.92 higher than budget. This was due to less vacancy loss and more prepaid rents being used, which met budget. Total service income met budget, totaling \$4,763.39, only \$231.39 higher than budget. Overall revenue for the year came in a little more than 1% over budget at \$147,019.31.

Total renting expenses totaled \$714.14, under budget by \$950.86 due to less advertising, fewer office supplies costs, and no referral fees or promotional activities. Administrative expenses met budget at \$16,114.11, only higher than budget by \$148.89. Utility expenses for the year came to \$18,181.76, higher than budget by only \$310.76 which was slightly less than 2%.

Apartment turnover expenses came to \$3,475.95, lower than budget by \$6,304.05. This was due to the general lower turnover expenses as compared to what had been budgeted. Total maintenance expenses came to \$17,304.15, under budget by \$5,247.85, a reduction of about 23%. This was due to lower landscaping costs, and lower labor on repairs costs. Total operating expenses came to \$55,790.11, under

budget by \$14,189.89 for reasons described above. This put the total expenses at 20% below budgeted expenses.

Capital improvements totaled \$5,466.55, under budget by \$3,383.45.

The net project cash flow totaled \$65,458.65, higher than the budgeted figure of \$46,085.00 by \$19,373.65. On the year to date actual versus the year to date budgeted net project cash flow figure, the property was higher than the budgeted figure by 40%.

As you review the Cash Balance Summary on Page 2 of the Cash Flow Statement, you will see that the property ended the month with total cash on hand of \$57,528.52. This consisted of \$3,000.00 in the general checking account, \$39,949.52 in the general savings, \$14,479.00 in the financial reserve account, and \$100.00 in the petty cash account.

PARK PLACE APARTMENTS

Park Place Apartments ended the month of September with one vacant unit, #25. We moved the new resident into that unit, so the property is currently full with no vacancies.

As this report includes the financial activity for the fiscal year ending September 30, 2020, we will be focusing our review on the year-to-date details.

Total rental income for the year totaled \$278,441.53, lower than budget by \$3,288.47, which was about 1% under budget. This was due to less vacancy loss, and unpaid rents. The service income totaled \$4,733.15 under budget by \$378.85, due to fewer late fees being collected and cleaning revenue. Overall revenue for the year totaled \$283,174.68, which was \$3,667.32 under budget, being only about 1% under budget.

On to the renting expenses of \$2,246.32, which was lower than budget by \$853.68. This was due to less advertising costs and lower resident activities expenses as planned activities were canceled due to COVID19. The administrative expenses totaled \$27,178.61, only \$708.39 under budget. This gave a variance of only 2.5%. Total utility expenses came to \$37,876.71, under budget by \$1,679.29, which was due to the overall lower costs of all utilities.

Apartment turnover expenses totaled \$21,138.44, higher than budget by \$5,913.44. This was due to turnover expenses of painting, labor and material repairs for units #2, #4 and #32. Maintenance expenses totaled \$40,143.05, higher than budget by \$1,807.05 due to higher on-site maintenance staff expenses. Total operating expenses totaled \$131,811.13, higher than the budget figure of \$127,332.00 by \$4,479.13. This was due to the higher than usual turnover expenses. The resulting net operating income was \$151,363.55 for the year.

Capital improvements came to \$23,900.59, higher than budget by \$10,695.59. This was due to repair of the exterior siding near units #3, #28 and #29 due to dry rot. There was also the replacement of siding near units #1-3.

The net project cash flow came to \$11,206.96, lower than budget by \$18,842.04 for the reasons described.

As you review the Cash Balance Summary on Page 2 of the Cash Flow Statement, you will see that the property ended the month with total cash on hand of \$79,220.12. This consisted of \$3,000.00 in the general checking account, \$6,707.12 in the general savings account, \$69,413.00 in the financial reserve account and \$100.00 in the petty cash account.

Please give me a call if you have any questions regarding any of your properties. We will keep you apprised of any needs or concerns regarding each of the properties.

Sincerely yours,

RSC ASSOCIATES, INC.



Richard Gillaspie
Property Manager
RG: ph

ALAMONT APARTMENTS

2019 / 2020 PERFORMANCE REVIEW

Performance Review 2019 - 20

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
TOTAL INCOME 2015/16	19,094	18,781	20,358	19,663	19,667	20,674	20,112	20,031	20,112	20,304	18,897	20,922	238,614
TOTAL INCOME 2016/17	20,554	19,496	20,063	20,103	19,755	19,712	19,831	20,550	19,790	21,389	20,733	21,892	243,868
TOTAL INCOME 2017/18	21,116	20,232	21,376	22,180	21,356	21,815	20,840	21,521	20,783	25,254	21,031	26,876	264,379
TOTAL INCOME 2018/19	22,324	23,966	24,865	22,689	23,755	23,318	22,432	22,893	24,972	20,904	23,201	23,410	278,730
TOTAL INCOME 2019/20	22,677	23,429	23,720	22,277	23,270	25,436	24,968	24,414	24,434	23,350	25,032	25,092	288,099
VARIANCE	353	-537	-1,145	-412	-486	2,119	2,536	1,520	-538	2,446	1,831	1,682	9,369

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 VACANCY LOSS	0	0	0	-295	-245	-6	0	-308	-383	-745	-786	308	-2,459
2016/17 VACANCY LOSS	-1,009	-59	-143	-715	-715	-715	-715	-1,276	0	0	-623	-900	-6,870
2017/18 VACANCY LOSS	-900	-1,650	-692	0	-362	-630	0	0	0	0	-600	-510	-5,343
2018/19 VACANCY LOSS	0	0	-75	0	0	0	1	-453	-853	-534	-1,515	-1,336	-4,765
2019/20 VACANCY LOSS	-843	-840	-3,192	-1,333	-872	0	0	0	0	0	-633	2	-7,712
VARIANCE	-843	-840	-3,117	-1,333	-872	0	-1	453	853	534	882	1,338	-2,946

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 UNPAID RENTS	0	0	0	-6	25	18	38	17	18	-387	-10	-106	-393
2016/17 UNPAID RENTS	372	-701	-523	90	0	0	0	-82	-188	520	-5	5	-512
2017/18 UNPAID RENTS	0	0	0	-105	-388	435	-880	-905	-890	2,970	-1,330	2,258	1,165
2018/19 UNPAID RENTS	-763	651	161	20	10	49	-1,331	-397	1,567	-1,117	553	792	196
2019/20 UNPAID RENTS	-901	-561	120	0	0	0	0	-92	-757	-1,496	-203	-849	-4,738
VARIANCE	-138	-1,212	-40	-20	-10	-49	1,331	305	-2,324	-378	-756	-1,641	-4,934

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 TOTAL OPER EXP	7,727	5,984	6,690	6,298	7,919	7,167	7,624	6,575	11,218	14,315	11,245	7,644	100,405
2016/17 TOTAL OPER EXP	8,496	11,058	11,877	6,413	6,078	9,088	6,795	8,681	5,630	7,085	5,697	9,850	96,747
2017/18 TOTAL OPER EXP	6,106	5,187	9,864	6,020	7,929	9,337	6,550	5,796	6,207	8,438	7,682	8,730	87,846
2018/19 TOTAL OPER EXP	7,667	4,586	6,898	7,084	6,495	9,216	7,876	9,609	8,883	9,986	9,400	12,778	100,478
2019/20 TOTAL OPER EXP	12,655	7,721	10,633	24,089	7,083	21,406	5,758	6,135	7,257	8,970	7,539	12,589	131,833
VARIANCE	4,988	3,135	3,735	17,005	587	12,190	-2,118	-3,474	-1,626	-1,016	-1,861	-189	31,355

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 TOTAL NOI	11,367	12,797	13,668	13,365	11,748	13,508	12,488	13,456	8,894	5,989	7,652	13,277	138,209
2016/17 TOTAL NOI	12,058	8,438	8,186	13,690	13,677	10,624	13,036	11,869	14,160	14,304	15,036	12,043	147,121
2017/18 TOTAL NOI	15,009	15,045	11,512	16,160	13,427	12,477	14,290	15,725	14,576	16,816	13,349	18,145	176,533
2018/19 TOTAL NOI	14,657	19,380	17,967	15,605	17,260	14,102	14,557	13,284	16,089	10,918	13,801	10,632	178,252
2019/20 TOTAL NOI	10,022	15,708	13,087	-1,812	16,187	4,031	19,210	18,279	17,177	14,380	17,493	12,503	156,266
VARIANCE	-4,635	-3,672	-4,880	-17,418	-1,073	-10,071	4,654	4,995	1,089	3,462	3,692	1,871	-21,986

EVANSWOOD ESTATES
2019 - 2020 PERFORMANCE REVIEW

Ev08-09pr

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
TOTAL INCOME 2015/2016	24785	22727	24227	24736	24603	24193	23688	23949	24683	22273	25678	24151	289695
TOTAL INCOME 2016/2017	24015	25556	22288	22612	24826	25791	25401	24471	22296	28305	26950	27243	299754
TOTAL INCOME 2017/2018	22505	26517	25247	25129	28868	24735	27062	25902	25823	25872	26340	26061	310062
TOTAL INCOME 2019/2019	26346	23751	29950	26505	26326	26333	26637	27013	26970	27477	27784	28165	323257
TOTAL INCOME 2018/2020	28019	26745	24076	27047	28691	30393	30361	28695	26422	27492	31135	30384	339460
VARIANCE	1674	2994	-5874	543	2365	4060	3724	1681	-548	15	3351	2219	16203
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/2016 VACANCY LOSS	-300	0	0	0	-767	-573	0	0	-1015	-2102	-1117	-906	-6780
2016/2017 VACANCY LOSS	-1050	-2120	-2986	-1883	-832	183	0	-925	-1043	139	0	16	-10501
2017/2018 VACANCY LOSS	-1106	-1073	-1394	0	0	0	0	0	-271	0	-470	0	-4314
2018/2019 VACANCY LOSS	0	0	-406	0	0	0	0	0	-663	0	0	-187	-1257
2019/2020 VACANCY LOSS	0	-1300	-3491	-1357	-275	0	0	-1000	-2973	-1945	-694	0	-13034
VARIANCE	0	-1300	-3085	-1357	-275	0	0	-1000	-2310	-1945	-694	187	-11778
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/2016 UNPAID RENTS	0	-1000	-150	508	409	-100	-440	-904	283	-201	-462	604	-1453
2016/2017 UNPAID RENTS	-14	1235	0	-1082	423	-170	-4	101	-2136	2285	547	-658	527
2017/2018 UNPAID RENTS	-2154	2050	0	-153	89	-1100	1100	0	0	0	0	-378	-546
2018/2019 UNPAID RENTS	25	-3357	2195	1500	0	-1	1	-93	-101	-101	49	158	275
2019/2020 UNPAID RENTS	-144	-13	-546	-265	0	1300	255	50	-322	50	378	-120	623
VARIANCE	-169	3344	-2740	-1765	0	1301	254	143	-221	151	329	-278	348
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 TOTAL OPER. EXP.	13529	7885	7892	8769	9140	23910	11093	8440	7089	10075	13493	18394	139709
2016/17 TOTAL OPER. EXP.	13821	9431	9079	12822	15960	18874	8695	8807	7492	14743	9537	9188	138449
2017/18 TOTAL OPER. EXP.	8518	8435	12995	34778	9702	7854	9656	8487	9275	9478	10419	8561	138157
2018/19 TOTAL OPER. EXP.	23913	9190	18864	9513	8508	11091	9837	7165	9203	12520	8017	11098	138917
2019/20 TOTAL OPER. EXP.	21236	10291	10327	26583	9605	19177	11304	10647	8353	11342	18591	19107	176564
VARIANCE	-2676	1101	-8537	17071	1097	8086	1467	3482	-850	-1177	10575	8009	37647
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/2016 TOTAL NOI	11256	14843	16335	15967	15463	283	12595	15508	17594	12198	12185	5757	149985
2016/2017 TOTAL NOI	10194	16124	13210	9790	8866	6917	16706	15663	14804	13562	17413	18056	161305
2017/2018 TOTAL NOI	13987	18082	12252	-9649	19166	16881	17406	17415	16549	16395	15921	17501	171905
2018/2019 TOTAL NOI	2433	14561	11086	16992	17818	15242	16801	19848	17767	14958	19768	17067	184340
2019/2020 TOTAL NOI	6783	16454	13749	464	19086	11216	19057	18047	18069	16150	12543	11277	162896
VARIANCE	4350	1893	2663	-16528	1268	-4026	2257	-1801	302	1192	-7224	-5790	-21444

LINCOLN APARTMENTS

2019 / 2020 PERFORMANCE REVIEW

LNA07-08pr

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
TOTAL INCOME 2015/16	10837	10462	8970	9553	10644	10104	10559	10374	10953	10092	10765	10529	123,843
TOTAL INCOME 2016/17	10302	11082	10773	11146	11141	11847	10578	11156	11174	11378	11420	11179	133,177
TOTAL INCOME 2017/18	10423	11837	11327	11169	10653	11027	12506	11296	10638	12351	11862	10876	135,967
TOTAL INCOME 2018/19	12798	10026	12618	11543	11664	12250	11212	11950	12116	11490	12445	12026	142,137
TOTAL INCOME 2019/20	12781	12076	11392	11908	13498	12364	11752	12292	11984	12389	12588	11995	147,019
VARIANCE	-16	2050	-1225	365	1834	114	539	342	-132	899	143	-31	4,882
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 VACANCY LOSS	-258	-575	-595	-1217	-867	-192	0	-360	-1231	-635	-191	-679	-6,799
2016/17 VACANCY LOSS	-700	-169	-510	0	0	43	0	0	0	0	0	-567	-1,904
2017/18 VACANCY LOSS	-645	-250	0	-405	-645	-122	8	-550	-750	0	0	75	-3,284
2018/19 VACANCY LOSS	-575	0	-950	0	750	0	0	0	0	0	0	0	-775
2019/20 VACANCY LOSS	0	0	-625	108	0	0	-650	-455	-450	0	0	0	-2,071
VARIANCE	575	0	325	108	-750	0	-650	-455	-450	0	0	0	-1,296
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 UNPAID RENTS	-475	-437	-475	-247	-889	593	0	-11	500	0	-21	21	-1,442
2016/17 UNPAID RENTS	0	-5	5	0	0	0	0	0	0	0	0	0	0
2017/18 UNPAID RENTS	-400	375	0	36	-155	-453	-532	-100	100	100	90	-755	-1,694
2018/19 UNPAID RENTS	480	-1000	930	-425	-1103	101	-679	131	220	-430	595	-30	-1,210
2019/20 UNPAID RENTS	540	-160	-412	-518	1012	25	-119	-97	0	15	0	-1530	-1,245
VARIANCE	60	840	-1342	-93	2115	-76	560	-228	-220	445	-595	-1500	-34
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 TOTAL OPER. EXP.	8125	6141	7193	7575	5193	8897	8761	5351	8204	6854	3664	4856	80,815
2016/17 TOTAL OPER. EXP.	5915	5497	5065	4829	4795	3994	4206	3846	3140	4493	4089	6684	56,552
2017/18 TOTAL OPER. EXP.	11576	8838	6363	4723	7257	3792	3742	4423	5217	7734	6941	3620	74,225
2018/19 TOTAL OPER. EXP.	7866	7526	6294	5598	4312	4721	4897	3485	2514	4268	3286	4298	59,064
2019/20 TOTAL OPER. EXP.	3776	3954	5080	7130	4251	4237	3991	4141	4666	6306	4083	3976	55,592
VARIANCE	-4090	-3572	-1214	1531	-61	-483	-906	657	2152	2038	798	-322	-3,472
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 TOTAL NOI	2712	4321	1777	1979	5451	1206	1798	5023	2750	3238	7101	5673	43,029
2016/17 TOTAL NOI	4387	5586	5707	6318	6346	7853	6372	7310	8034	6885	7332	4495	76,624
2017/18 TOTAL NOI	-1153	2999	4965	6446	3396	7235	8764	6873	5422	4617	4922	7260	61,746
2018/19 TOTAL NOI	4932	2500	6324	5944	7352	7529	6315	8465	9602	7222	9160	7728	83,073
2019/20 TOTAL NOI	9006	8121	6313	4778	9247	8127	7760	8150	7319	6083	8504	8019	91,427
VARIANCE	4074	5622	-11	-1166	1895	598	1445	-315	-2284	-1139	-655	291	8,354

PARK PLACE APARTMENTS

2019 / 2020 PERFORMANCE REVIEW

Ala08-09pr.xls

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
TOTAL INCOME 2015/16	*****	*****	*****	20,544	23,038	21,677	21,020	22,621	22,271	21,238	22,432	20,618	195,459
TOTAL INCOME 2016/17	23,921	20,291	21,859	22,018	21,458	23,651	22,828	21,592	22,789	22,619	23,066	23,176	269,268
TOTAL INCOME 2017/18	23,042	23,159	23,269	22,999	21,955	23,234	22,807	22,349	22,435	23,485	24,434	22,630	275,796
TOTAL INCOME 2018/19	24,470	21,326	24,689	21,843	22,452	23,104	22,731	20,688	24,307	23,862	24,434	23,702	277,609
TOTAL INCOME 2019/20	23,212	23,493	23,334	24,798	24,118	22,715	23,315	25,013	23,691	22,058	23,671	23,756	283,175
VARIANCE	-1,258	2,167	-1,355	2,955	1,666	-389	584	4,324	-617	-1,804	-763	54	5,566

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 VACANCY LOSS	*****	*****	*****	-575	-875	-249	0	0	-616	-1,093	0	0	-3,408
2016/17 VACANCY LOSS	76	-520	-961	0	0	0	0	-1,305	-563	0	86	-106	-3,293
2017/18 VACANCY LOSS	140	0	0	0	-581	0	-527	-585	-585	-125	-94	359	-1,998
2018/19 VACANCY LOSS	0	0	-206	0	-608	0	-981	-2,179	-5	-54	0	0	-4,033
2019/20 VACANCY LOSS	0	-288	0	0	-107	0	0	-797	-802	-749	-455	-1,186	-4,384
VARIANCE	0	-288	206	0	501	0	981	1,382	-797	-695	-455	-1,186	-351

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 UNPAID RENTS	*****	*****	*****	-1,013	116	479	-956	-768	449	1,358	-147	-531	-1,012
2016/17 UNPAID RENTS	416	-423	-323	-423	-473	492	364	-216	-130	-861	77	157	-1,343
2017/18 UNPAID RENTS	-188	-130	-140	-134	-140	239	-189	-194	-179	-127	165	34	-982
2018/19 UNPAID RENTS	169	234	26	-209	199	-721	-133	136	547	175	-82	-268	73
2019/20 UNPAID RENTS	-293	-860	-230	-529	521	-921	-757	1,094	-9	-1,506	-990	1,022	-3,459
VARIANCE	-462	-1,094	-256	-320	322	-201	-624	958	-556	-1,682	-908	1,290	-3,532

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 TOTAL OPER EXP	*****	*****	*****	3,245	10,075	8,771	6,127	7,110	9,934	10,250	7,232	7,759	70,504
2016/17 TOTAL OPER EXP	5,101	8,153	6,927	4,963	4,965	21,212	7,021	4,877	10,850	9,359	5,400	7,969	96,797
2017/18 TOTAL OPER EXP	8,271	5,281	5,674	24,723	6,670	5,230	6,863	6,936	5,510	8,447	7,194	5,975	96,775
2018/19 TOTAL OPER EXP	27,386	7,112	11,551	7,134	8,000	10,012	6,636	11,067	6,164	8,729	7,694	8,703	120,188
2019/20 TOTAL OPER EXP	25,329	6,007	7,763	6,155	6,964	8,039	8,674	10,576	7,094	18,708	16,864	9,289	131,461
VARIANCE	-2,057	-1,106	-3,788	-979	-1,037	-1,973	2,039	-490	930	9,978	9,170	586	11,273

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 TOTAL NOI	*****	*****	*****	17,299	12,963	12,906	14,894	15,511	12,336	10,988	15,200	12,858	124,955
2016/17 TOTAL NOI	18,819	12,138	14,932	17,055	16,493	2,439	15,807	16,715	11,938	13,260	17,667	15,207	172,472
2017/18 TOTAL NOI	14,771	17,878	17,595	-1,724	15,285	18,004	15,945	15,413	16,924	15,037	17,240	16,654	179,021
2018/19 TOTAL NOI	-2,916	14,214	13,138	14,709	14,452	13,092	16,096	9,621	18,143	15,133	16,740	14,999	157,421
2019/20 TOTAL NOI	-2,117	17,487	15,571	18,644	17,154	14,676	14,641	14,436	16,597	3,350	6,808	14,467	151,714
VARIANCE	799	3,272	2,433	3,935	2,703	1,584	-1,455	4,815	-1,546	-11,783	-9,933	-532	-5,707



October 6, 2020

Mr. Ed Mayer, Executive Director
Housing Authority of the County of Butte
2039 Forest Avenue, Suite 10
Chico, CA 95928

RE: CAMEO DRIVE (formerly reported as CORDILLERA APARTMENTS)

Dear Ed:

Please find enclosed for your review the following financial information for the year that ended September 30, 2020. This statement is accompanied by the following combined financial statements for the Cameo Drive and Cordillera Apartments.

1. Project Cash Flow and Bank Account Summary, Budget Comparison, General Ledger, Trial Balance and Tenant Rent Roll.
2. 12 Month Income Statement.
3. 2019/2020 Performance Review.
4. Capital Improvement Summary.

The property ended the month 100% occupied as there were no move outs during September month.

As this is the year-end report, the accompanying reports and details below reflect the combined results of the Cordillera and Cameo financial activity for a better depiction of the overall financial results. We will be focusing our review on the year-to-date columns.

The total rental income came to \$175,223.86 and over budget by \$3,893.86 as rent potential, vacancy loss and unpaid rents were all better than budget. The category of prepaid rents was below budget due to the timing of prepaid rent recognition at the beginning of the fiscal year. Total service income came to \$4,363.77 which was better than as laundry revenues were better than budget and we collected \$640.43 from residents for reimbursements of repairs. This brought the total income to \$179,587.63, over budget by \$4,793.63 for the reasons stated above.

Moving on to the expenses, the total renting expenses came to \$965.44 which was well under budget as all categories were under the budgeted amount. Total administrative expenses were \$22,118.79, which was under budget largely as a result of managing general partner fees ceased

in June under the new ownership. This expense shortage was partially offset by the asset management fee paid by the property under the new ownership.

The utility expenses totaled \$26,127.91 which overall about 2% better than budget. Expense overages in garbage, water and sewer categories were offset by savings in electric and gas charges.

There were no apartment turnover expenses for September and for the year turnover expenses were \$8,537.57 below budget. While turning 49-1 during the year we replaced flooring and counter tops along with a full paint of the unit. The former tenant was a long-term resident so this unit needed significant repairs. This major upgrade expenses were recorded under the Capital improvements category. The total maintenance expenses came to \$36,837.64 and much higher than budget. The overage of \$11,897.64 was largely attributed to the repair of water damage in caused by leaks in unit 37-3, 41-3 and 41-4 that caused significant damage in downstairs units 37-1, 41-1 and 41-2. In addition, the property was vandalized in September resulting in damage to doors, windows and a carport support beam. None of the damages were structural and the cosmetic repairs are in process.

The net operating expenses for the year totaled \$89,006.41 and better than budget by \$6,124.52 for the reasons described. The resulting net operating income of \$90,581.22 beat the budget by \$10,918.15.

Capital expenses over budget by \$51,819.07 for the following main reasons: 1. Furnaces were replaced in units 53-1, 53-2 and 53-4 early in the fiscal year as the internal burners were rusted and required immediate replacement. 2. Unit upgrades in unit 49-1 described above 3. Parking lot resurfacing to repair low/uneven areas within the parking area around utility boxes

After finance expense the net project cash flow came in \$18,927.52 and well below budget for the reasons described.

As you review the Cash Balance Summary on the Cash Flow Statement for September, you will see that the property ended the month with \$18,457.95. Of this, \$3,000.00 is in the general checking account, \$15,357.95 in the general savings account, and \$100.00 in the petty cash fund.

The CORDILLERA financial statement ended with a cash balance of \$12.50. These funds were received from a previous resident who made a \$25.00 payment towards their balanced owed in collections. Collections fees were \$12.50 to the net cash received is \$12.50. The funds will be forwarded to HACB in October.

Mr. Ed Mayer, Executive Director
Chico, CA

October 6, 2020
Page 3

Please give me a call if you have any questions regarding the Cameo/Cordillera Apartments.

Sincerely yours,

CAMEO DRIVE APARTMENTS

A handwritten signature in dark ink, appearing to read 'Richard Gillaspie', written over the printed name.

Richard Gillaspie
Property Manager

RG:ph
Enclosures

CAMEO DR APARTMENTS
2019 - 2020 PERFORMANCE REVIEW

CA08pr

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
TOTAL INCOME 2015/16	10964	11839	12711	13063	13605	13294	11700	11879	13338	12835	13897	12887	152,013
TOTAL INCOME 2016/17	12897	13454	13984	13050	14438	13207	12429	13965	13308	12985	13292	13451	160,459
TOTAL INCOME 2017/18	12573	11906	12640	13899	12945	12516	11735	13266	13415	12226	13295	11688	152,105
TOTAL INCOME 2018/19	13197	12635	11399	12360	13598	15670	13303	13970	13758	14312	15142	16259	165,604
TOTAL INCOME 2019/20	13515	14196	14557	15528	14817	15866	15462	15353	1	14965	14672	15254	164,186
VARIANCE	318	1561	3158	3168	1220	196	2159	1382	-13757	653	-470	-1005	-1,418
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 VACANCY LOSS	0	-695	-400	23	0	0	-348	-118	-701	-303	0	-45	-2,584
2016/17 VACANCY LOSS	0	0	0	0	0	0	0	0	0	0	0	0	0
2017/18 VACANCY LOSS	0	-1377	28	0	0	0	-660	-732	55	0	0	0	-2,687
2018/19 VACANCY LOSS	0	0	0	0	-1600	0	0	-745	-587	0	0	-900	-3,831
2019/20 VACANCY LOSS	-900	-1408	0	-900	-362	0	0	0	-15400	0	0	0	-18,969
VARIANCE	-900	-1408	0	-900	1238	0	0	745	-14813	0	0	900	-15,138
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 UNPAID RENTS	-1094	-302	205	-16	823	-1640	-142	-1307	1698	-66	-430	135	-2,137
2016/17 UNPAID RENTS	-275	-550	-95	512	1220	-18	-755	605	-83	-305	-522	55	-211
2017/18 UNPAID RENTS	-911	-840	-2043	1030	-665	-910	-860	-433	-406	-956	-1112	-2161	-10,267
2018/19 UNPAID RENTS	-1260	-1267	-2794	-1815	5969	971	-745	-828	642	-411	259	1266	-13
2019/20 UNPAID RENTS	173	418	966	1100	249	920	-484	119	1258	-800	-346	25	3,598
VARIANCE	1433	1684	3761	2915	-5720	-51	261	947	617	-389	-605	-1241	3,611
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 TOTAL OPER. EXP.	7689	6815	13468	10215	5574	8094	11930	9206	11314	8233	7254	8134	107,925
2016/17 TOTAL OPER. EXP.	6951	6078	7857	6823	6924	6880	11809	5761	4565	6685	7877	5482	83,693
2017/18 TOTAL OPER. EXP.	4727	8499	10532	8417	6199	4874	12195	9040	6518	6729	7753	6972	92,454
2018/19 TOTAL OPER. EXP.	8341	6123	7404	7912	8015	14053	23297	7543	7161	10852	5860	6068	112,629
2019/20 TOTAL OPER. EXP.	9324	5736	5837	10504	6255	8451	7597	5697	4601	6430	7913	8839	87,183
VARIANCE	983	-387	-1567	2591	-1760	-5602	-15700	-1845	-2560	-4422	2053	2771	-25,446
	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2015/16 TOTAL NOI	3275	5025	-757	2848	8031	5201	-230	2673	2023	4601	6643	4753	44,087
2016/17 TOTAL NOI	5946	7376	6127	6227	7514	6328	619	8204	8743	6300	5414	7969	76,767
2017/18 TOTAL NOI	7846	3408	2108	5482	6746	7643	-460	4226	6897	5497	5542	4716	59,650
2018/19 TOTAL NOI	4857	6512	3995	4448	5583	1616	-9994	6428	6597	3460	9282	10191	52,975
2019/20 TOTAL NOI	4192	8459	8720	5025	8562	7415	7865	9656	-4600	8535	6759	6415	77,003
VARIANCE	-665	1948	4725	576	2980	5799	17859	3228	-11197	5075	-2523	-3776	24,028



October 5, 2020

Mr. Ed Mayer, Executive Director
Housing Authority of the County of Butte
2039 Forest Avenue, Suite 10
Chico, CA 95928

RE: 29 EVANSWOOD CIRCLE, OROVILLE

Dear Ed:

Please find enclosed for your review the following financial information for the year ending September 30, 2020, for 29 Evanswood Circle.

1. Project Cash Flow and Bank Account Summary, Budget Comparison, General Ledger, Trial Balance and Tenant Rent Roll.
2. 12 Month Income Statement.
3. Capital Improvement Summary.

There was no rental income in September as Evanswood #29 revenue was included with Evanswood Apartments financials beginning on June 1, 2020. During September interest earned during the month was \$0.61 and this amount was included in the final cash distribution for this unit.

For the month of September, any expenses for unit #29 were included in the Evanswood Apartments financial records.

As you review the Cash Balance Summary on the bottom of Page 1 of the Cash Flow Statement for September, you will see there was a cash distribution paid to HACB totaling \$24,033.23 which represented all funds held for unit #29. This checking account ended the period with a zero balance and the account will be closed.

Mr. Ed Mayer, Executive Director
Chico, California

October 5, 2020
Page 2

This is the final report for Evanswood #29 as all future financial and property activity will be included in the Evanswood Apartments monthly statements.

Please give me a call if you have any questions regarding the information enclosed or the unit.

Sincerely yours,

29 EVANSWOOD CIRCLE

A handwritten signature in dark ink, appearing to read 'Richard Gillaspie', with a stylized flourish at the end.

Richard Gillaspie
Property Manager

RG:ph
Enclosures

Mr. Ed Mayer, Executive Director
Housing Authority of the County of Butte
2039 Forest Avenue, Suite 10
Chico, CA 95928

RE: 1519 LOCUST STREET APARTMENTS

Dear Ed:

Please find enclosed for your review the following financial information for the year ending on September 30, 2020. This statement is accompanied by the following financial statements for the 1519 Locust Street Apartments.

1. Project Cash Flow and Bank Account Summary, Budget Comparison, General Ledger, Trial Balance and Tenant Rent Roll.
2. 12 Month Income Statement.
3. 2019/2020 Performance Review.
4. Capital Improvement Summary.

1519 Locust Street Apartments ended the month of September with no vacant units, as there were no new move ins or move outs.

As this report includes the financial activity for the fiscal year ending September 30, 2020, we will be focusing our review on the year-to-date details.

Total rental income for the year came to \$77,830.21 which was lower than budget by \$2,144.79 largely, as a result of recognition of prepaid rents at the beginning of the fiscal year. Additionally, rent potential was under budget by \$1,875.00 as planned rent increases could not be implemented due to Butte County rent increase limitations. This rent variance was partially offset by lower vacancy losses, as a result of fewer unit turnovers. Service income collected for the year was over budget by \$1,573.14 due to higher than projected collections for resident move-out reimbursements and late fees collected. Overall revenue for the year came in less than 1 percent below budget.

Moving on to the expenses, you will see that the renting expenses came to \$298.27 which was lower than budget by \$661.73 as all expense categories were under budget.



Mr. Ed Mayer, Executive Director
Chico, California
PROPERTY MANAGEMENT

October 5, 2020
Page 2

Total administrative expenses were \$7,184.44 which was lower than budget by \$1,379.56. These lower expenses were largely attributed to lower resident manager costs as leasing activity was down due to reduced turnover. Utility expenses for the year were in line with the budget with less than a 1 percent positive variance.

Apartment turnover expenses for the year came in at \$5,810.32 which was over budget by \$2,105.32 as we completed full paints of units #1 and #6 during the year. Total general maintenance expenses came to \$15,954.74 which was under budget by \$2,091.26 which helped offset the higher turnover expenses. Overall, the total operating expenses came to \$38,527.91 which was under budget by 5.4% for the reasons described above. Capital improvements included the repair and painting of west facing trim on the Locust Street building. Overall capital improvements were under budget by \$2,271.68

The net project cash flow for the year came to \$38,631.12, which was better than budget by \$3,897.12

As you review the Cash Balance Summary on the Cash Flow, you will see that the property ended the year with total cash on hand of \$35,952.28. Of that amount, \$3,000.00 is in the general checking account, \$28,695.28 in the general savings, and \$4,257.00 in the financial reserve account.

Please give me a call if you have any questions regarding the 1519 Locust Street Apartments.

Sincerely yours,

1519 LOCUST STREET APARTMENTS

Richard Gillaspie
Property Manager

RG:ph
Enclosures

1519 LOCUST STREET APARTMENTS

2019 / 2020 PERFORMANCE REVIEW

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	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
TOTAL INCOME 2016/17	6,708	6,552	6,060	6,007	6,085	6,166	6,468	6,166	6,169	6,183	6,182	6,230	74,976
TOTAL INCOME 2017/18	6,139	6,177	6,145	6,069	6,161	5,936	6,206	6,650	6,294	6,267	6,293	5,888	74,226
TOTAL INCOME 2018/19	6,321	5,992	6,325	7,771	6,311	4,765	7,124	6,342	6,219	6,265	9,094	5,415	77,944
TOTAL INCOME 2019/20	5,996	4,525	10,712	6,216	7,354	7,151	6,083	5,976	5,974	6,123	9,441	5,836	81,387
VARIANCE	-325	-1,467	4,387	-1,555	1,043	2,386	-1,041	-366	-245	-142	347	421	3,444

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2016/17 VACANCY LOSS	-195	0	0	0	0	0	0	0	0	0	0	0	-195
2017/18 VACANCY LOSS	0	0	0	0	0	-73	0	0	0	0	0	0	-73
2018/19 VACANCY LOSS	0	0	0	0	0	-690	0	-161	-859	-283	0	0	-1,993
2019/20 VACANCY LOSS	0	-350	0	-416	-128	-313	0	0	0	0	0	0	-1,208
VARIANCE	0	-350	0	-416	-128	377	0	161	859	283	0	0	785

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2016/17 UNPAID RENTS	504	301	6	0	0	0	0	0	0	0	0	0	811
2017/18 UNPAID RENTS	0	-60	-20	5	5	-93	32	20	0	0	-148	-44	-303
2018/19 UNPAID RENTS	-345	0	0	345	0	0	80	-56	-621	-330	-251	-818	-1,997
2019/20 UNPAID RENTS	-383	-1,300	-199	-861	504	3	-688	-807	-807	-807	2,193	-807	-3,959
VARIANCE	-38	-1,300	-199	-1,206	504	3	-768	-751	-186	-477	2,444	11	-1,962

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2016/17 TOTAL OPER EXP	6,072	2,818	2,359	2,261	2,052	2,026	2,099	1,980	1,832	2,748	2,594	1,958	30,800
2017/18 TOTAL OPER EXP	2,251	2,172	1,985	2,643	2,801	3,822	3,739	2,498	2,428	2,161	3,326	1,757	31,581
2018/19 TOTAL OPER EXP	2,381	2,216	3,041	2,264	2,458	2,459	3,951	1,949	3,536	4,138	2,913	2,688	33,994
2019/20 TOTAL OPER EXP	3,408	2,193	3,030	2,327	2,455	5,393	4,358	2,504	1,867	2,804	3,167	2,770	36,276
VARIANCE	1,027	-23	-11	63	-3	2,934	407	555	-1,669	-1,334	254	82	2,282

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2016/17 TOTAL NOI	636	3,734	3,701	3,746	4,034	4,140	4,369	4,186	4,336	3,435	3,588	4,272	44,176
2017/18 TOTAL NOI	3,888	4,005	4,160	3,427	3,360	2,114	2,467	4,152	3,867	4,106	2,967	4,132	42,645
2018/19 TOTAL NOI	3,940	3,776	3,284	5,508	3,853	2,306	3,173	4,393	2,682	2,127	6,181	2,727	43,950
2019/20 TOTAL NOI	2,588	2,332	7,682	3,889	4,899	1,758	1,726	3,472	4,106	3,319	6,274	3,067	45,112
VARIANCE	-1,353	-1,444	4,398	-1,619	1,046	-548	-1,448	-921	1,424	1,192	93	340	1,162



GRIDLEY SPRINGS

September 2020

Property Status:

1. GSI is 100% occupied with Zero notices to vacate.
2. GSII is 100% occupied with Zero notices to vacate.
3. GSI and GSII all carports and monument signs were power washed.
4. GSI and GSII all trash enclosures were power washed and painted on interior, exterior, and gates.
5. GSI and GSII all red fire lanes and yellow fire hydrants were repainted.

Thank you!
Mac Upshaw

Income Statement
HACB GRIDLEY SPRINGS II
As of
September 30, 2020

	***** Current Month *****			***** Year-to-Date *****		
	Actual	Budget	Variance	Actual	Budget	Variance
*** REVENUES ***						
Rent Revenue - Gross Potential						
Apartment Rents	13,744.00	15,321.00	(1,577.00)	170,082.55	183,845.00	(13,762.45)
Tenant Assistance Payments	1,855.00	0.00	1,855.00	20,231.00	0.00	20,231.00
Total Revenue	15,599.00	15,321.00	278.00	190,313.55	183,845.00	6,468.55
Apartment Vacancies	0.00	(306.00)	306.00	(977.00)	(3,672.00)	2,695.00
Total Vacancies	0.00	(306.00)	306.00	(977.00)	(3,672.00)	2,695.00
NET RENTAL REVENUE	15,599.00	15,015.00	584.00	189,336.55	180,173.00	9,163.55
Interest Income-Other Cash	3.40	0.00	3.40	42.98	0.00	42.98
Interest Income-Sec Deposits	0.14	0.00	0.14	1.61	0.00	1.61
Total Financial Revenue	3.54	0.00	3.54	44.59	0.00	44.59
Misc Tenant Charges/Damages & Cleaning	0.00	125.00	(125.00)	160.00	1,500.00	(1,340.00)
NSF and Late Fee Income	0.00	0.00	0.00	0.00	0.00	0.00
Other Income/Application Fee	0.00	0.00	0.00	0.00	0.00	0.00
Laundry Revenue	112.59	83.00	29.59	950.87	1,000.00	(49.13)
Total Other Revenue	112.59	208.00	(95.41)	1,110.87	2,500.00	(1,389.13)
TOTAL REVENUE	15,715.13	15,223.00	492.13	190,492.01	182,673.00	7,819.01
*** EXPENSES ***						
Administrative Expenses						
Advertising and Promotions	0.00	21.00	(21.00)	0.00	250.00	(250.00)
Credit Reports	0.00	0.00	0.00	27.24	0.00	27.24
IT Support Services	128.00	128.00	0.00	1,536.00	1,536.00	0.00
Telephone/Answering Service	40.61	0.00	40.61	349.83	0.00	349.83
Consulting/Purchased Services	0.00	0.00	0.00	94.64	0.00	94.64
Postage and Mailing	0.00	0.00	0.00	95.99	0.00	95.99
Administrative Expense/Office Personnel	0.00	0.00	0.00	32.14	0.00	32.14
Office Supplies/Expenses	632.85	439.00	193.85	1,394.55	5,264.00	(3,869.45)
Dues and Subscriptions	121.93	0.00	121.93	186.22	0.00	186.22
Management Fee	1,080.00	1,080.00	0.00	12,870.00	12,960.00	(90.00)
Manager Salaries	1,320.08	1,342.00	(21.92)	15,268.43	16,100.00	(831.57)
Education/Registration fees	0.00	63.00	(63.00)	16.72	750.00	(733.28)
Legal Expense	0.00	125.00	(125.00)	0.00	1,500.00	(1,500.00)
Auditing Fees	0.00	0.00	0.00	3,675.00	3,500.00	175.00
Other Administrative Costs	0.00	0.00	0.00	0.00	0.00	0.00
Total Administrative Expenses	3,323.47	3,198.00	125.47	35,546.76	41,860.00	(6,313.24)
Utility Expenses						
Electricity	101.07	292.00	(190.93)	1,700.72	3,500.00	(1,799.28)
Water	507.57	500.00	7.57	3,814.25	6,000.00	(2,185.75)
Gas	19.71	83.00	(63.29)	293.00	1,000.00	(707.00)
Sewer	998.42	912.00	86.42	9,932.43	10,900.00	(967.57)
Garbage and Trash Removal	480.56	663.00	(182.44)	5,615.69	8,000.00	(2,384.31)
Total Utility Expenses	2,107.33	2,450.00	(342.67)	21,356.09	29,400.00	(8,043.91)
Operating & Maintenance Expense						
Clean and Repair Apartment	0.00	0.00	0.00	535.00	0.00	535.00
Cleaning Supplies	0.00	0.00	0.00	120.00	0.00	120.00
Exterminating Contract	100.00	0.00	100.00	1,100.00	0.00	1,100.00
Tree Service	0.00	0.00	0.00	0.00	0.00	0.00
Grounds Contract	1,000.00	0.00	1,000.00	9,850.00	0.00	9,850.00
Grounds Maintenance and Supplies	383.62	0.00	383.62	2,447.33	0.00	2,447.33
Maintenance Personnel	1,210.79	1,342.00	(131.21)	14,564.07	16,100.00	(1,535.93)
Repair Materials	544.70	1,667.00	(1,122.30)	8,240.14	20,000.00	(11,759.86)
Repair Contract/Vendor Labor	1,400.00	1,825.00	(425.00)	3,433.00	21,900.00	(18,467.00)
Electrical Repair and Supplies	0.00	0.00	0.00	0.00	0.00	0.00
HVAC Repair/Maintenance	0.00	1,667.00	(1,667.00)	2,249.15	20,000.00	(17,750.85)
Appliance Repair and Maintenance	0.00	0.00	0.00	162.96	0.00	162.96
Plumbing Repair and Supplies	855.00	0.00	855.00	4,244.28	0.00	4,244.28
Interior Painting and Supplies	0.00	0.00	0.00	820.00	0.00	820.00
Gas, Oil and Mileage	47.43	0.00	47.43	138.16	0.00	138.16
Fire Protection Equipment	0.00	0.00	0.00	105.00	0.00	105.00
Misc Operation & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00
Total Operating & Maint Expenses	5,541.54	6,501.00	(959.46)	48,009.09	78,000.00	(29,990.91)

Income Statement
HACB GRIDLEY SPRINGS II
As of
September 30, 2020

	***** Current Month *****			***** Year-to-Date *****		
	Actual	Budget	Variance	Actual	Budget	Variance
Taxes & Insurance Expenses						
Property Taxes	0.00	0.00	0.00	0.00	0.00	0.00
Payroll Taxes	228.81	318.00	(89.19)	3,119.83	3,818.00	(698.17)
Property & Liability Insurance	0.00	150.00	(150.00)	0.00	1,800.00	(1,800.00)
Worker's Compensation	180.82	221.00	(40.18)	2,101.67	2,650.00	(548.33)
Health/Dental Insurance	115.19	193.00	(77.81)	1,578.55	2,310.00	(731.45)
Other Insurance	0.00	0.00	0.00	0.00	0.00	0.00
Total Taxes & Insurance Expenses	524.82	882.00	(357.18)	6,800.05	10,578.00	(3,777.95)
TOTAL EXPENSES	11,497.16	13,031.00	(1,533.84)	111,711.99	159,838.00	(48,126.01)
NET OPERATING INCOME (LOSS)	4,217.97	2,192.00	2,025.97	78,780.02	22,835.00	55,945.02
Interest & Finance Expense						
Mortgage Interest	545.08	0.00	545.08	6,540.96	0.00	6,540.96
Bank Fees	20.00	0.00	20.00	240.00	0.00	240.00
Total Interest & Finance Expense	565.08	0.00	565.08	6,780.96	0.00	6,780.96
OPERATING PROFIT (LOSS)	3,652.89	2,192.00	1,460.89	71,999.06	22,835.00	49,164.06
Replacements						
Roofing/Paving/Exterior Repair	0.00	0.00	0.00	10,840.01	0.00	10,840.01
Appliance Replacement	1,629.90	0.00	1,629.90	5,638.69	0.00	5,638.69
Carpet/Flooring Replacement	1,487.24	0.00	1,487.24	4,179.87	0.00	4,179.87
HVAC & Plumbing Replacement	0.00	0.00	0.00	7,700.00	0.00	7,700.00
Total Cost of Replacements	3,117.14	0.00	3,117.14	28,358.57	0.00	28,358.57
NET CASH FLOW FROM OPERATIONS	535.75	2,192.00	(1,656.25)	43,640.49	22,835.00	20,805.49

MEMO

Date: October 9, 2020

To: HACB Board of Commissioners

From: Larry Guanzon, Deputy Executive Director

Subject: Status Report – LIHTC Properties

- Chico Commons Apartment, Chico (72 units, LIHTC, Family)
- Walker Commons Apartments, Chico (56 units, LIHTC, senior/disabled)
- 1200 Park Avenue Apartments, Chico (107 units, LIHTC, senior)
- Harvest Park Apartments, Chico (90 units, LIHTC, family)
- Gridley Springs I Apartments, Gridley (32 units, LIHTC, family)

For Chico Commons, Walker Commons, and 1200 Park Ave. Apartments, Chico, please also see monthly reports provided by the property manager, AWI, following this memo. Property manager Winn Residential provides monthly reports for Harvest Park Apts., Chico; and Sackett Corporation for Gridley Springs I Apts., Gridley, following this memo.

Chico Commons Apartments, Chico (72 units, LIHTC, Family, MGP, Banyard Management, PM: AWI) – There is currently one (1) vacancy as of the 1st of October but the unit has since been re-rented. A total of two (2) move-ins occurred during the month of September. *Rent collection for the month is average but is carefully being monitored. AB 3088 addressed the process and protocols for non-payment; AWI hopes the majority of outstanding rent will be collected or further legal action will be required.* We are working with PG&E to use their low-income energy efficiency program to replace common area water heaters, washing machines, and lighting - the owner pays for improvements up front, with PG&E reimbursing after completion. The deadline to improve the property with P G & E's recommendations is July of 2021. The property parking lot was sealed and re-striped as you can see by reviewing the pictures in AWI's monthly narratives. The property continues to be operated subject to COVID-19 pandemic response protocols, and leasing dynamics are being watched carefully – please find AWI's narrative property report and financials, following.

Walker Commons Apartments, Chico (56 units, LIHTC, Senior & Disabled, MGP: BCAHDC, PM: AWI) – The property is 100% occupied. No turnover occurred during this past month but two (2) 30-day notices were received. Applications of new prospective residents are being processed. The complex is observing Covid-19 Stage 2 protocols, described in the accompanying Walker Commons narrative by AWI. Rent collection continues to be 100% the past five months; there has been no Covid-19 impact to date. A large tree limb did fall in the back of the property and AWI is

working to obtain tree bids. Please find the AWI monthly owners report following, as well as a brief property narrative provided by the AWI regional property manager.

1200 Park Avenue Apartments, Chico (107 units, LIHTC, Senior, MGP: BCAHDC, PM: AWI) – This property currently has two (2) vacancies. There are two applications in process and eligibility stages. There is one (1) thirty-day notice to vacate. *100% of September rents were collected. Currently, for the month of October five (5) households remain unpaid, but AWI expects all to be collected prior to month's end.* The Passages senior services program, associated with CSU Chico, is working with AWI to put together a program of supportive services to help with the needs of the building's senior households, but again, due to the COVID-19 pandemic, this has continued to be put on hold. A legal complaint has been filed by a resident against property manager AWI and BCAHDC, regarding a laundry room incident at the property, as well as other allegations – the complaint has been taken up by the two entities' property and liability insurance companies. The common area HVAC units were serviced and gutter cleaning of all buildings will occur soon. Pressure washing, window washing and continual preventive maintenance is occurring throughout the property. Please find AWI's monthly financials and property manager monthly narrative following, for your review. Alden Torch, Limited Partner (LP), has re-initiated limited partner buyout negotiations; the property will have completed its 15-year LIHTC compliance period as of the end of the year, and Alden Torch seeks an early exit. The Housing Authority is negotiating purchase of the LP interests.

Harvest Park Apartments, Chico (90 units, LIHTC, Family, MGP: BCAHDC, PM Winn Residential) – Harvest Park currently has three (3) vacancies, where WINN Residential staff is working on applications for approval. The property has a new on-site team with the resident manager, Monica, being joined by Phil, the new maintenance tech, who is very knowledgeable, especially in HVAC repairs. Both new employees appear to be working very well together. The property continues operations per budget. This month the Harvest Park 2021 proposed budget will be submitted for BCAHDC Board approval. Please find WINN Residential Owner's Report following.

Gridley Springs I Apartments, Gridley (32 units, LIHTC, Family, MGP: BCAHDC, PM: Sackett Corporation) – There are zero (0) vacancies reported by Sackett Corporation as of the beginning of October. Please find Sackett Corporation's Owner's report, following. Partnership partner, Dawson Holdings, has initiated contact with HACB to discuss the future direction for the property, in concert with consideration of its adjacent neighbor, Gridley Springs II apartments – there has been a recent return to the conversation.

Chico Commons September 2020

Separate Variance Report sent explaining budget differences and expenses.

Updates:

Chico Commons is 100% occupied! Two move-ins occurred during the month of September.

Currently, there are no notices to vacate. Staff is looking forward to enjoying a period of full occupancy.

Rent collection for September trended consistent to prior months with 4% September balances outstanding at month end. Month to date in October, rent collection is as expected. The passing of AB 3088 which included the COVID-19 Tenant Relief Act (CTRA) provided guidance on addressing non-payment of rent issues. Protocols have been updated accordingly.

The parking lot seal / stripe is complete!

Before....



After....



The playground remains closed and the office is open by appointment only. Masks are required for staff and encouraged for residents. Signage is displayed in all laundry rooms reminding all of the Covid-19 protocol for social distancing, safe cleaning practices, etc....

Stay Safe!

(530) 745-6170 tel
(530) 745-6173 fax
www.awimc.com

AWI Management Corporation
PO Box 550
Auburn CA 95604



AWI Management Corporation is an Equal Opportunity provider and employer.

Chico Commons 549
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Rental Income						
Gross Rents	\$ 61,747.00	\$ 58,150.00	\$ 3,597.00	\$ 549,425.00	\$ 523,350.00	\$ 26,075.00
Vacancies	(1,590.00)	(2,326.00)	736.00	(14,967.00)	(20,934.00)	5,967.00
Rent Adjustments	(220.00)	(519.75)	299.75	2,323.49	(4,677.75)	7,001.24
Manager's Unit	(771.00)	(820.00)	49.00	(6,939.00)	(7,380.00)	441.00
Total Tenant Rent	<u>\$ 59,166.00</u>	<u>\$ 54,484.25</u>	<u>\$ 4,681.75</u>	<u>\$ 529,842.49</u>	<u>\$ 490,358.25</u>	<u>\$ 39,484.24</u>
Other Project Income:						
Laundry Income	\$ 868.79	\$ 677.84	\$ 190.95	\$ 9,389.90	\$ 6,100.50	\$ 3,289.40
Interest Income	9.76	4.16	5.60	84.41	37.50	46.91
Restricted Reserve Interest Incom	2.42	0.00	2.42	17.13	0.00	17.13
Late Charges	0.00	216.66	(216.66)	1,065.00	1,950.00	(885.00)
Other Tenant Income	\$ 0.00	\$ 428.50	\$ (428.50)	\$ 2,735.50	\$ 3,856.50	\$ (1,121.00)
Miscellaneous Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,476.83	\$ 0.00	\$ 2,476.83
Other Project Income	<u>\$ 880.97</u>	<u>\$ 1,327.16</u>	<u>\$ (446.19)</u>	<u>\$ 15,768.77</u>	<u>\$ 11,944.50</u>	<u>\$ 3,824.27</u>
Total Project Income	<u><u>\$ 60,046.97</u></u>	<u><u>\$ 55,811.41</u></u>	<u><u>\$ 4,235.56</u></u>	<u><u>\$ 545,611.26</u></u>	<u><u>\$ 502,302.75</u></u>	<u><u>\$ 43,308.51</u></u>
Project Expenses:						
Maint. & Oper. Exp. (Fr Page 2)	\$ 13,880.23	\$ 23,877.52	\$ (9,997.29)	\$ 109,317.02	\$ 214,897.50	\$ (105,580.48)
Utilities (From Pg 2)	9,058.11	6,970.59	2,087.52	65,157.38	62,735.25	2,422.13
Administrative (From Pg 2)	6,597.00	8,103.59	(1,506.59)	67,881.92	72,932.25	(5,050.33)
Taxes & Insurance (From Pg 2)	1,304.83	1,513.75	(208.92)	12,391.27	13,623.75	(1,232.48)
Other Taxes & Insurance (Fr Page	957.65	3,405.66	(2,448.01)	11,620.58	30,651.00	(19,030.42)
Other Project Expenses	651.55	1,057.34	(405.79)	7,050.38	9,516.00	(2,465.62)
Total O&M Expenses	<u>\$ 32,449.37</u>	<u>\$ 44,928.45</u>	<u>\$ (12,479.08)</u>	<u>\$ 273,418.55</u>	<u>\$ 404,355.75</u>	<u>\$ (130,937.20)</u>
Mortgage & Owner's Expense						
Mortgage Payment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Interest Expense - City of Chico	\$ 2,604.17	\$ 2,604.16	\$.01	\$ 23,437.53	\$ 23,437.50	\$.03
Reporting / Partner Management F	1,080.00	1,080.00	0.00	9,720.00	9,720.00	0.00
Transfer - Reserves	2,500.00	2,500.00	0.00	22,500.00	22,500.00	0.00
Total Mortgage & Owner's Exp.	<u>\$ 6,184.17</u>	<u>\$ 6,184.16</u>	<u>\$.01</u>	<u>\$ 55,657.53</u>	<u>\$ 55,657.50</u>	<u>\$.03</u>
Total Project Expenses	<u><u>\$ 38,633.54</u></u>	<u><u>\$ 51,112.61</u></u>	<u><u>\$ (12,479.07)</u></u>	<u><u>\$ 329,076.08</u></u>	<u><u>\$ 460,013.25</u></u>	<u><u>\$ (130,937.17)</u></u>
Net Profit (Loss)	<u><u>\$ 21,413.43</u></u>	<u><u>\$ 4,698.80</u></u>	<u><u>\$ 16,714.63</u></u>	<u><u>\$ 216,535.18</u></u>	<u><u>\$ 42,289.50</u></u>	<u><u>\$ 174,245.68</u></u>

Other Cash Flow Items:

Chico Commons 549
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Reserve Transfers	\$ (2.42)	\$ 0.00	\$ (2.42)	\$ (17.13)	\$ 0.00	\$ (17.13)
T & I Transfers	15,584.39	0.00	15,584.39	1,724.52	0.00	1,724.52
Operating Acct MMKT - FFB	(8.15)	0.00	(8.15)	(50,074.96)	0.00	(50,074.96)
Security Deposits Held	790.00	0.00	790.00	890.00	0.00	890.00
Authorized Reserve - Other	0.00	(10,416.66)	10,416.66	0.00	(93,750.00)	93,750.00
Tenant Receivables	(2,112.00)	0.00	(2,112.00)	(7,526.24)	0.00	(7,526.24)
Other Receivables	(15,256.17)	0.00	(15,256.17)	(7,839.24)	0.00	(7,839.24)
Fixed Assets	0.00	0.00	0.00	.20	0.00	.20
Accounts Payable - Trade	3,711.85	0.00	3,711.85	(26,309.35)	0.00	(26,309.35)
Accrued Interest - City of Chico	2,604.17	0.00	2,604.17	(7,812.47)	0.00	(7,812.47)
Accrued RTO - Prior Year	0.00	0.00	0.00	(242.10)	0.00	(242.10)
Partner's Equity	0.00	0.00	0.00	(48,176.90)	0.00	(48,176.90)
Total Other Cash Flow Items	<u>\$ 5,311.67</u>	<u>\$ (10,416.66)</u>	<u>\$ 15,728.33</u>	<u>\$ (145,383.67)</u>	<u>\$ (93,750.00)</u>	<u>\$ (51,633.67)</u>
Net Operating Cash Change	<u><u>\$ 26,725.10</u></u>	<u><u>\$ (5,717.86)</u></u>	<u><u>\$ 32,442.96</u></u>	<u><u>\$ 71,151.51</u></u>	<u><u>\$ (51,460.50)</u></u>	<u><u>\$ 122,612.01</u></u>

Cash Accounts	End Balance 1 Year Ago	Current Balance	Change
Operating Acct-FFB	\$ 63,207.88	\$ 134,359.39	\$ 71,151.51
Operating Acct MMKT - FFB	100,058.88	150,133.84	50,074.96
Tax & Insurance-FFB	6,067.09	4,342.57	(1,724.52)
Security Acct-FFB	42,985.00	42,985.00	0.00
Reserve Acct-FFB	11,618.28	34,135.41	22,517.13
Payables & Receivables:			
Accounts Payable - Trade	49,569.95	23,260.60	(26,309.35)
Rents Receivable - Current Tenants	3,689.22	12,089.80	8,400.58
Other Tenant Charges Receivable	1,234.34	360.00	(874.34)

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Maintenance & Operating Expenses:						
Maintenance Payroll	\$ 2,977.37	\$ 3,798.09	\$ (820.72)	\$ 32,416.59	\$ 34,182.75	\$ (1,766.16)
Janitorial/Cleaning Supplies	53.05	114.00	(60.95)	1,412.06	1,026.00	386.06
Plumbing Repairs	0.00	119.09	(119.09)	4,213.32	1,071.75	3,141.57
Painting & Decorating	0.00	250.00	(250.00)	475.98	2,250.00	(1,774.02)
Repairs & Maintenance - Supply	867.11	2,500.00	(1,632.89)	13,761.01	22,500.00	(8,738.99)
Repairs & Maintenance - Contract	3,132.39	1,427.84	1,704.55	13,210.26	12,850.50	359.76
Grounds Maintenance	2,482.51	966.66	1,515.85	10,625.51	8,700.00	1,925.51

Chico Commons 549
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Pest Control Service	\$ 380.00	\$ 754.66	\$ (374.66)	\$ 3,450.00	\$ 6,792.00	\$ (3,342.00)
Fire/Alarm Services	0.00	145.84	(145.84)	1,510.05	1,312.50	197.55
Capital Improvements - Other	189.03	12,802.09	(12,613.06)	4,450.92	115,218.75	(110,767.83)
Capital Improvements - Flooring	3,609.77	0.00	3,609.77	12,792.43	0.00	12,792.43
Capital Improvements - Appliance	0.00	0.00	0.00	4,589.13	0.00	4,589.13
Capital Improvements - HVAC Repl	0.00	0.00	0.00	369.09	0.00	369.09
Capital Improvements - Water Heat	0.00	0.00	0.00	2,137.17	0.00	2,137.17
Carpet Cleaning	100.00	35.00	65.00	400.00	315.00	85.00
HVAC Repairs	89.00	900.00	(811.00)	3,322.30	8,100.00	(4,777.70)
Cable Service	0.00	22.59	(22.59)	181.20	203.25	(22.05)
Tenant Services	0.00	41.66	(41.66)	0.00	375.00	(375.00)
Total Maint. & Operating Exp.	\$ 13,880.23	\$ 23,877.52	\$ (9,997.29)	\$ 109,317.02	\$ 214,897.50	\$ (105,580.48)
Utilities:						
Electricity	\$ 624.65	\$ 636.34	\$ (11.69)	\$ 4,742.80	\$ 5,727.00	\$ (984.20)
Water	4,638.95	1,949.34	2,689.61	19,395.28	17,544.00	1,851.28
Sewer	1,654.56	1,654.59	(.03)	14,891.04	14,891.25	(.21)
Heating Fuel/Other	1,269.53	1,491.66	(222.13)	13,504.48	13,425.00	79.48
Garbage & Trash Removal	870.42	1,238.66	(368.24)	12,623.78	11,148.00	1,475.78
Total Utilities	\$ 9,058.11	\$ 6,970.59	\$ 2,087.52	\$ 65,157.38	\$ 62,735.25	\$ 2,422.13
Administrative:						
Manager's Salary	\$ 3,020.00	\$ 3,266.59	\$ (246.59)	\$ 30,445.67	\$ 29,399.25	\$ 1,046.42
Management Fees	2,952.00	3,096.00	(144.00)	26,568.00	27,864.00	(1,296.00)
Bad Debt Expense	0.00	625.00	(625.00)	1,422.00	5,625.00	(4,203.00)
Auditing	625.00	625.00	0.00	5,625.00	5,625.00	0.00
Legal	0.00	476.41	(476.41)	3,821.25	4,287.75	(466.50)
Other Administrative Expenses	0.00	14.59	(14.59)	0.00	131.25	(131.25)
Total Administrative Expense	\$ 6,597.00	\$ 8,103.59	\$ (1,506.59)	\$ 67,881.92	\$ 72,932.25	\$ (5,050.33)
Taxes & Insurance Reserve For:						
Real Estate Taxes	\$ 0.00	\$ 78.41	\$ (78.41)	\$ 647.80	\$ 705.75	\$ (57.95)
Property Insurance	1,304.83	1,435.34	(130.51)	11,743.47	12,918.00	(1,174.53)
Total Taxes & Insurance Expense	\$ 1,304.83	\$ 1,513.75	\$ (208.92)	\$ 12,391.27	\$ 13,623.75	\$ (1,232.48)
Other Taxes & Insurance:						
Payroll Taxes	\$ 458.80	\$ 719.75	\$ (260.95)	\$ 5,828.45	\$ 6,477.75	\$ (649.30)
Other Taxes, Fees & Permits	92.20	89.34	2.86	1,339.53	804.00	535.53
Bond Premiums	0.00	51.66	(51.66)	295.37	465.00	(169.63)
Worker's Compensation Insurance	390.65	705.25	(314.60)	4,001.48	6,347.25	(2,345.77)
Personnel Medical Insurance	16.00	1,839.66	(1,823.66)	155.75	16,557.00	(16,401.25)
Total Other Taxes & Insurance	\$ 957.65	\$ 3,405.66	\$ (2,448.01)	\$ 11,620.58	\$ 30,651.00	\$ (19,030.42)

Chico Commons 549
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Other Project Expenses						
Telephone & Answering Service	\$ 116.50	\$ 195.00	\$ (78.50)	\$ 1,207.22	\$ 1,755.00	\$ (547.78)
Internet Service	0.00	90.00	(90.00)	1,138.85	810.00	328.85
Advertising	0.00	54.16	(54.16)	22.59	487.50	(464.91)
Office Supplies & Expense	83.90	214.59	(130.69)	1,954.11	1,931.25	22.86
Postage	59.17	82.09	(22.92)	427.26	738.75	(311.49)
Toner/Copier Expense	193.98	188.09	5.89	1,471.03	1,692.75	(221.72)
Travel & Promotion	0.00	70.91	(70.91)	70.00	638.25	(568.25)
Training Expense	180.00	62.50	117.50	593.50	562.50	31.00
Credit Checking	18.00	100.00	(82.00)	165.82	900.00	(734.18)
Total Other Project Expenses	<u>\$ 651.55</u>	<u>\$ 1,057.34</u>	<u>\$ (405.79)</u>	<u>\$ 7,050.38</u>	<u>\$ 9,516.00</u>	<u>\$ (2,465.62)</u>
Mortgage & Owner's Expense						
Mortgage Payment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Interest Expense - City of Chico	\$ 2,604.17	\$ 2,604.16	\$.01	\$ 23,437.53	\$ 23,437.50	\$.03
Reporting / Partner Management F	1,080.00	1,080.00	0.00	9,720.00	9,720.00	0.00
Transfer - Reserves	2,500.00	2,500.00	0.00	22,500.00	22,500.00	0.00
Total Mortgage & Owner's Exp.	<u>\$ 6,184.17</u>	<u>\$ 6,184.16</u>	<u>\$.01</u>	<u>\$ 55,657.53</u>	<u>\$ 55,657.50</u>	<u>\$.03</u>
Total Expenses	<u>\$ 38,633.54</u>	<u>\$ 51,112.61</u>	<u>\$ (12,479.07)</u>	<u>\$ 329,076.08</u>	<u>\$ 460,013.25</u>	<u>\$ (130,937.17)</u>
Authorized Reserve - Other	\$ 0.00	\$ 10,416.66	\$ (10,416.66)	\$ 0.00	\$ 93,750.00	\$ (93,750.00)
Total Authorized Reserves	<u>\$ 0.00</u>	<u>\$ 10,416.66</u>	<u>\$ (10,416.66)</u>	<u>\$ 0.00</u>	<u>\$ 93,750.00</u>	<u>\$ (93,750.00)</u>

Walker Commons

September 2020



Separate Variance Report explaining budget differences and expenditures.

Updates:

Walker Commons is 100% occupied! No move-ins or move-outs during the month of September.

Two notices to vacate:

- Unit 29, extended the notice for the second time. New expected move out is 10/31. Resident moving to be closer to family.
- Unit 39, move out date 10/21. Resident was recently married.

The Property Manager, Nancy, is working the waiting list and qualifying applicants for the upcoming vacancies.

100% of September rent was collected. Month to Date in October, two rent payments are outstanding. These are expected by end of the week.

A large branch fell from the one of the large trees that border the back of the property. We are collecting bids to trim the trees and remove heavy weight before rain and wind arrive.

All else is business as usual at Walker Commons. Staff is working hard to disinfect surfaces and high traffic areas. The community room is closed other than residents who have an appointment or to retrieve their mail. Masks are required.



Walker Commons 550
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Rental Income						
Gross Rents	\$ 40,066.00	\$ 36,883.66	\$ 3,182.34	\$ 358,502.00	\$ 331,953.00	\$ 26,549.00
Vacancies	0.00	(368.84)	368.84	(732.00)	(3,319.50)	2,587.50
Rent Adjustments	(611.35)	(39.59)	(571.76)	(274.19)	(356.25)	82.06
Manager's Unit	(679.00)	(679.00)	0.00	(6,111.00)	(6,111.00)	0.00
Total Tenant Rent	\$ 38,775.65	\$ 35,796.23	\$ 2,979.42	\$ 351,384.81	\$ 322,166.25	\$ 29,218.56
Other Project Income:						
Laundry Income	\$ 196.18	\$ 134.41	\$ 61.77	\$ 1,868.20	\$ 1,209.75	\$ 658.45
Interest Income	1.89	0.00	1.89	27.61	0.00	27.61
Restricted Reserve Interest Incom	601.87	0.00	601.87	1,920.95	0.00	1,920.95
Late Charges	0.00	12.50	(12.50)	12.00	112.50	(100.50)
Other Tenant Income	\$ 0.00	\$ 103.91	\$ (103.91)	\$ 1,484.14	\$ 935.25	\$ 548.89
Miscellaneous Income	\$ 150.15	\$ 0.00	\$ 150.15	\$ 417.65	\$ 0.00	\$ 417.65
Other Project Income	\$ 950.09	\$ 250.82	\$ 699.27	\$ 5,730.55	\$ 2,257.50	\$ 3,473.05
Total Project Income	\$ 39,725.74	\$ 36,047.05	\$ 3,678.69	\$ 357,115.36	\$ 324,423.75	\$ 32,691.61
Project Expenses:						
Maint. & Oper. Exp. (Fr Page 2)	\$ 5,814.01	\$ 10,758.66	\$ (4,944.65)	\$ 80,716.84	\$ 96,828.00	\$ (16,111.16)
Utilities (From Pg 2)	3,576.78	3,141.25	435.53	29,355.79	28,271.25	1,084.54
Administrative (From Pg 2)	6,328.88	6,394.34	(65.46)	56,037.49	57,549.00	(1,511.51)
Taxes & Insurance (From Pg 2)	850.33	903.43	(53.10)	7,714.93	8,130.75	(415.82)
Other Taxes & Insurance (Fr Page	1,400.05	2,957.48	(1,557.43)	15,422.47	26,617.50	(11,195.03)
Other Project Expenses	629.38	830.68	(201.30)	7,345.11	7,476.00	(130.89)
Total O&M Expenses	\$ 18,599.43	\$ 24,985.84	\$ (6,386.41)	\$ 196,592.63	\$ 224,872.50	\$ (28,279.87)
Mortgage & Owner's Expense						
Mortgage Payment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Interest Expense - City of Chico	\$ 1,250.00	\$ 1,250.00	\$ 0.00	\$ 11,250.00	\$ 11,250.00	\$ 0.00
Reporting / Partner Management F	625.00	625.00	0.00	5,625.00	5,625.00	0.00
Transfer - Reserves	933.34	933.34	0.00	8,400.06	8,400.00	.06
Total Mortgage & Owner's Exp.	\$ 2,808.34	\$ 2,808.34	\$ 0.00	\$ 25,275.06	\$ 25,275.00	\$.06
Total Project Expenses	\$ 21,407.77	\$ 27,794.18	\$ (6,386.41)	\$ 221,867.69	\$ 250,147.50	\$ (28,279.81)
Net Profit (Loss)	\$ 18,317.97	\$ 8,252.87	\$ 10,065.10	\$ 135,247.67	\$ 74,276.25	\$ 60,971.42

Other Cash Flow Items:

Walker Commons 550
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Reserve Transfers	\$ (601.87)	\$ 0.00	\$ (601.87)	\$ (1,920.95)	\$ 0.00	\$ (1,920.95)
T & I Transfers	(951.89)	0.00	(951.89)	(7,552.07)	0.00	(7,552.07)
Operating Acct. MMKT- FFB	(50,000.00)	0.00	(50,000.00)	(50,000.00)	0.00	(50,000.00)
Security Deposits Held	680.00	0.00	680.00	(600.00)	0.00	(600.00)
Authorized Reserve - Other	0.00	(1,250.00)	1,250.00	0.00	(11,250.00)	11,250.00
Tenant Receivables	1,992.55	0.00	1,992.55	(59.90)	0.00	(59.90)
Other Receivables	1,475.33	0.00	1,475.33	(5,642.81)	0.00	(5,642.81)
Accounts Payable - Trade	(2,812.22)	0.00	(2,812.22)	13,259.62	0.00	13,259.62
Accrued Interest - City of Chico	1,250.00	0.00	1,250.00	(3,750.00)	0.00	(3,750.00)
Other Notes Payable	625.00	0.00	625.00	(1,875.00)	0.00	(1,875.00)
Partner's Equity	0.00	0.00	0.00	(56,882.00)	0.00	(56,882.00)
Total Other Cash Flow Items	<u>\$ (48,343.10)</u>	<u>\$ (1,250.00)</u>	<u>\$ (47,093.10)</u>	<u>\$ (115,023.11)</u>	<u>\$ (11,250.00)</u>	<u>\$ (103,773.11)</u>
Net Operating Cash Change	<u><u>\$ (30,025.13)</u></u>	<u><u>\$ 7,002.87</u></u>	<u><u>\$ (37,028.00)</u></u>	<u><u>\$ 20,224.56</u></u>	<u><u>\$ 63,026.25</u></u>	<u><u>\$ (42,801.69)</u></u>

Cash Accounts	End Balance 1 Year Ago	Current Balance	Change
Operating Acct-FFB	\$ 118,880.52	\$ 139,105.08	\$ 20,224.56
Operating Acct. MMKT- FFB	0.00	50,000.00	50,000.00
Tax & Insurance - FFB	16,154.96	23,707.03	7,552.07
Security Acct-FFB	22,390.00	22,390.00	0.00
Reserve Acct-FFB	35,480.61	25,387.66	(10,092.95)
Reserve Acct MMKT-FFB*	175,461.11	295,721.54	120,260.43
Owner Held Reserves CD	99,846.47	0.00	(99,846.47)
Payables & Receivables:			
Accounts Payable - Trade	2,895.55	16,155.17	13,259.62
Rents Receivable - Current Tenants	(244.15)	(53.55)	190.60
Other Tenant Charges Receivable	130.70	0.00	(130.70)

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Maintenance & Operating Expenses:						
Maintenance Payroll	\$ 350.00	\$ 2,864.91	\$ (2,514.91)	\$ 18,964.52	\$ 25,784.25	\$ (6,819.73)
Janitorial/Cleaning Supplies	109.60	66.66	42.94	985.12	600.00	385.12
Plumbing Repairs	0.00	62.50	(62.50)	916.19	562.50	353.69
Painting & Decorating	20.06	139.09	(119.03)	1,417.93	1,251.75	166.18
Repairs & Maintenance - Supply	955.65	921.84	33.81	9,496.15	8,296.50	1,199.65
Repairs & Maintenance - Contract	1,371.29	1,020.34	350.95	8,313.10	9,183.00	(869.90)

Walker Commons 550
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Grounds Maintenance	\$ 940.00	\$ 1,025.00	\$ (85.00)	\$ 8,730.00	\$ 9,225.00	\$ (495.00)
Pest Control Service	222.00	333.34	(111.34)	2,550.00	3,000.00	(450.00)
Fire/Alarm Services	0.00	160.00	(160.00)	2,389.93	1,440.00	949.93
Capital Improvements - Other	0.00	1,675.00	(1,675.00)	8,257.06	15,075.00	(6,817.94)
Capital Improvements - Flooring	1,800.00	1,016.66	783.34	9,567.80	9,150.00	417.80
Capital Improvements - Appliance	0.00	216.66	(216.66)	1,491.71	1,950.00	(458.29)
Capital Improvements - HVAC Repl	0.00	458.34	(458.34)	4,742.65	4,125.00	617.65
Capital Improvements - Water Heat	0.00	266.66	(266.66)	0.00	2,400.00	(2,400.00)
Carpet Cleaning	0.00	33.34	(33.34)	0.00	300.00	(300.00)
HVAC Repairs	0.00	165.66	(165.66)	1,800.00	1,491.00	309.00
Cable Service	0.00	32.66	(32.66)	293.85	294.00	(.15)
Tenant Services	45.41	300.00	(254.59)	800.83	2,700.00	(1,899.17)
Total Maint. & Operating Exp.	\$ 5,814.01	\$ 10,758.66	\$ (4,944.65)	\$ 80,716.84	\$ 96,828.00	\$ (16,111.16)
Utilities:						
Electricity	\$ 839.19	\$ 595.16	\$ 244.03	\$ 4,767.97	\$ 5,356.50	\$ (588.53)
Water	1,054.12	790.84	263.28	8,457.26	7,117.50	1,339.76
Sewer	1,286.88	1,312.59	(25.71)	11,521.78	11,813.25	(291.47)
Heating Fuel/Other	85.19	125.00	(39.81)	1,198.18	1,125.00	73.18
Garbage & Trash Removal	311.40	317.66	(6.26)	3,410.60	2,859.00	551.60
Total Utilities	\$ 3,576.78	\$ 3,141.25	\$ 435.53	\$ 29,355.79	\$ 28,271.25	\$ 1,084.54
Administrative:						
Manager's Salary	\$ 3,132.88	\$ 3,011.34	\$ 121.54	\$ 28,758.49	\$ 27,102.00	\$ 1,656.49
Management Fees	2,296.00	2,408.00	(112.00)	20,664.00	21,672.00	(1,008.00)
Bad Debt Expense	0.00	208.34	(208.34)	0.00	1,875.00	(1,875.00)
Auditing	625.00	625.00	0.00	5,625.00	5,625.00	0.00
Legal	275.00	125.00	150.00	990.00	1,125.00	(135.00)
Other Administrative Expenses	0.00	16.66	(16.66)	0.00	150.00	(150.00)
Total Administrative Expense	\$ 6,328.88	\$ 6,394.34	\$ (65.46)	\$ 56,037.49	\$ 57,549.00	\$ (1,511.51)
Taxes & Insurance Reserve For:						
Real Estate Taxes	\$ 0.00	\$ 10.59	\$ (10.59)	\$ 61.96	\$ 95.25	\$ (33.29)
Property Insurance	850.33	892.84	(42.51)	7,652.97	8,035.50	(382.53)
Total Taxes & Insurance Expense	\$ 850.33	\$ 903.43	\$ (53.10)	\$ 7,714.93	\$ 8,130.75	\$ (415.82)
Other Taxes & Insurance:						
Payroll Taxes	\$ 250.45	\$ 608.16	\$ (357.71)	\$ 4,155.97	\$ 5,473.50	\$ (1,317.53)
Other Taxes, Fees & Permits	108.95	91.66	17.29	1,293.21	825.00	468.21
Bond Premiums	0.00	43.50	(43.50)	229.73	391.50	(161.77)
Worker's Compensation Insurance	183.74	586.16	(402.42)	2,315.19	5,275.50	(2,960.31)
Personnel Medical Insurance	856.91	1,628.00	(771.09)	7,428.37	14,652.00	(7,223.63)
Total Other Taxes & Insurance	\$ 1,400.05	\$ 2,957.48	\$ (1,557.43)	\$ 15,422.47	\$ 26,617.50	\$ (11,195.03)

Walker Commons 550
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Other Project Expenses						
Telephone & Answering Service	\$ 116.50	\$ 136.84	\$ (20.34)	\$ 1,367.27	\$ 1,231.50	\$ 135.77
Internet Service	0.00	59.91	(59.91)	724.63	539.25	185.38
Advertising	20.00	16.66	3.34	42.59	150.00	(107.41)
Water/Coffee Service	0.00	2.09	(2.09)	0.00	18.75	(18.75)
Office Supplies & Expense	238.75	310.84	(72.09)	3,241.93	2,797.50	444.43
Postage	104.13	68.25	35.88	429.57	614.25	(184.68)
Toner/Copier Expense	10.00	128.75	(118.75)	678.66	1,158.75	(480.09)
Office Furniture & Equipment Expe	0.00	0.00	0.00	289.56	0.00	289.56
Travel & Promotion	0.00	33.34	(33.34)	0.00	300.00	(300.00)
Training Expense	140.00	32.34	107.66	485.18	291.00	194.18
Credit Checking	0.00	41.66	(41.66)	49.50	375.00	(325.50)
Employee Meals	0.00	0.00	0.00	36.22	0.00	36.22
Total Other Project Expenses	<u>\$ 629.38</u>	<u>\$ 830.68</u>	<u>\$ (201.30)</u>	<u>\$ 7,345.11</u>	<u>\$ 7,476.00</u>	<u>\$ (130.89)</u>
Mortgage & Owner's Expense						
Mortgage Payment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Interest Expense - City of Chico	\$ 1,250.00	\$ 1,250.00	\$ 0.00	\$ 11,250.00	\$ 11,250.00	\$ 0.00
Reporting / Partner Management F	625.00	625.00	0.00	5,625.00	5,625.00	0.00
Transfer - Reserves	933.34	933.34	0.00	8,400.06	8,400.00	.06
Total Mortgage & Owner's Exp.	<u>\$ 2,808.34</u>	<u>\$ 2,808.34</u>	<u>\$ 0.00</u>	<u>\$ 25,275.06</u>	<u>\$ 25,275.00</u>	<u>\$.06</u>
Total Expenses	<u>\$ 21,407.77</u>	<u>\$ 27,794.18</u>	<u>\$ (6,386.41)</u>	<u>\$ 221,867.69</u>	<u>\$ 250,147.50</u>	<u>\$ (28,279.81)</u>
Authorized Reserve - Other	\$ 0.00	\$ 1,250.00	\$ (1,250.00)	\$ 0.00	\$ 11,250.00	\$ (11,250.00)
Total Authorized Reserves	<u>\$ 0.00</u>	<u>\$ 1,250.00</u>	<u>\$ (1,250.00)</u>	<u>\$ 0.00</u>	<u>\$ 11,250.00</u>	<u>\$ (11,250.00)</u>

1200 Park Avenue



Separate Variance Report sent explaining budget differences and expenses.

Updates:

1200 Park Avenue has two vacancies. One move in and one move out during the month of September.

- ~ Unit 257 is market ready with an application in process.
- ~ Unit 232 is recently vacant and the turnover is underway.

Unit 301 is an upcoming vacancy. The resident passed away and the family is in the process of removing personal items.

Servicing of common area HVAC units is completed.

Annual fire sprinkler inspection recently took place and was completed by Hayden Fire Protection.

On September 15th all staff dressed down and pitched in to clean out maintenance and storage areas. We were able to rearrange shelving to allow more space, organize, purge items no longer needed and clean. It was a dusty, but very productive day!

During the month of October a day will be organized for pressure washing to be completed by local maintenance techs.

Bids on hand for gutter cleaning and window washing. Still pursuing bids for tree trimming, stucco repairs and assessment of the flat roofs.

100% of September rent was collected. Month to Date in October five rent payments are outstanding.

Common areas remain closed and the office is open by appointment only in the interest of everyone's safety. Masks are required when using laundry rooms, checking mail and traveling through hallways.

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AWI Management Corporation
PO Box 550
Auburn CA 95604



Park Avenue 569
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Rental Income						
Gross Rents	\$ 74,190.00	\$ 72,663.00	\$ 1,527.00	\$ 671,310.00	\$ 653,967.00	\$ 17,343.00
Vacancies	(1,813.00)	(1,453.25)	(359.75)	(10,341.75)	(13,079.25)	2,737.50
Rent Adjustments	(10.00)	0.00	(10.00)	(504.65)	0.00	(504.65)
Manager's Unit	(831.00)	(780.00)	(51.00)	(7,479.00)	(7,020.00)	(459.00)
Total Tenant Rent	\$ 71,536.00	\$ 70,429.75	\$ 1,106.25	\$ 652,984.60	\$ 633,867.75	\$ 19,116.85
Other Project Income:						
Laundry Income	\$ 2,500.00	\$ 1,000.00	\$ 1,500.00	\$ 7,000.00	\$ 9,000.00	\$ (2,000.00)
Interest Income	1.12	0.00	1.12	21.82	0.00	21.82
Restricted Reserve Interest Incom	10.95	7.25	3.70	109.16	65.25	43.91
Late Charges	0.00	41.66	(41.66)	150.00	375.00	(225.00)
Other Tenant Income	\$ 3,041.97	\$ 365.43	\$ 2,676.54	\$ 7,488.25	\$ 3,288.75	\$ 4,199.50
Miscellaneous Income	\$ 0.00	\$ 12.50	\$ (12.50)	\$ 66.45	\$ 112.50	\$ (46.05)
Other Project Income	\$ 5,554.04	\$ 1,426.84	\$ 4,127.20	\$ 14,835.68	\$ 12,841.50	\$ 1,994.18
Total Project Income	\$ 77,090.04	\$ 71,856.59	\$ 5,233.45	\$ 667,820.28	\$ 646,709.25	\$ 21,111.03
Project Expenses:						
Maint. & Oper. Exp. (Fr Page 2)	\$ 24,113.57	\$ 13,329.36	\$ 10,784.21	\$ 151,613.02	\$ 119,964.00	\$ 31,649.02
Utilities (From Pg 2)	16,625.83	9,314.77	7,311.06	87,386.92	83,832.75	3,554.17
Administrative (From Pg 2)	8,562.96	8,724.43	(161.47)	80,417.91	78,519.75	1,898.16
Taxes & Insurance (From Pg 2)	1,927.92	2,146.41	(218.49)	17,351.28	19,317.75	(1,966.47)
Other Taxes & Insurance (Fr Page	1,891.17	4,454.43	(2,563.26)	25,733.64	40,089.75	(14,356.11)
Other Project Expenses	2,565.92	1,899.66	666.26	15,609.20	17,097.00	(1,487.80)
Total O&M Expenses	\$ 55,687.37	\$ 39,869.06	\$ 15,818.31	\$ 378,111.97	\$ 358,821.00	\$ 19,290.97
Mortgage & Owner's Expense						
Mortgage Payment	\$ 25,956.27	\$ 26,105.41	\$ (149.14)	\$ 233,606.43	\$ 234,948.75	\$ (1,342.32)
Managing General Partner Fees	\$ 1,047.08	\$ 1,066.00	\$ (18.92)	\$ 9,423.72	\$ 9,594.00	\$ (170.28)
Transfer - Reserves	2,675.00	2,675.00	0.00	24,075.00	24,075.00	0.00
Total Mortgage & Owner's Exp.	\$ 29,678.35	\$ 29,846.41	\$ (168.06)	\$ 267,105.15	\$ 268,617.75	\$ (1,512.60)
Total Project Expenses	\$ 85,365.72	\$ 69,715.47	\$ 15,650.25	\$ 645,217.12	\$ 627,438.75	\$ 17,778.37
Net Profit (Loss)	\$ (8,275.68)	\$ 2,141.12	\$ (10,416.80)	\$ 22,603.16	\$ 19,270.50	\$ 3,332.66

Other Cash Flow Items:

Park Avenue 569
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Reserve Transfers	\$ (8.21)	\$ 0.00	\$ (8.21)	\$ 2,565.89	\$ 0.00	\$ 2,565.89
T & I Transfers	(865.34)	0.00	(865.34)	9,717.60	0.00	9,717.60
Operating Acct MMKT-FFB*	(.78)	0.00	(.78)	(7.51)	0.00	(7.51)
Security Deposits Held	0.00	0.00	0.00	(2,065.00)	0.00	(2,065.00)
Authorized Reserve - Other	0.00	(6,583.34)	6,583.34	(2,500.00)	(59,250.00)	56,750.00
Tenant Receivables	(3,452.97)	0.00	(3,452.97)	(2,815.35)	0.00	(2,815.35)
Other Receivables	1,387.92	0.00	1,387.92	(10,583.05)	0.00	(10,583.05)
Accounts Payable - Trade	10,392.96	0.00	10,392.96	28,483.62	0.00	28,483.62
Accrued Expenses	(3,479.00)	0.00	(3,479.00)	0.00	0.00	0.00
Accrued Interest City of Chico	6,125.00	0.00	6,125.00	(18,375.00)	0.00	(18,375.00)
Other Notes Payable	5,683.71	0.00	5,683.71	(19,611.45)	0.00	(19,611.45)
Partner's Equity	0.00	0.00	0.00	(8,564.15)	0.00	(8,564.15)
Total Other Cash Flow Items	<u>\$ 15,783.29</u>	<u>\$ (6,583.34)</u>	<u>\$ 22,366.63</u>	<u>\$ (23,754.40)</u>	<u>\$ (59,250.00)</u>	<u>\$ 35,495.60</u>
Net Operating Cash Change	<u><u>\$ 7,507.61</u></u>	<u><u>\$ (4,442.22)</u></u>	<u><u>\$ 11,949.83</u></u>	<u><u>\$ (1,151.24)</u></u>	<u><u>\$ (39,979.50)</u></u>	<u><u>\$ 38,828.26</u></u>

Cash Accounts	End Balance 1 Year Ago	Current Balance	Change
Operating Acct-FFB	\$ 128,348.79	\$ 127,197.55	\$ (1,151.24)
Operating Acct MMKT-FFB*	10,135.11	10,142.62	7.51
Tax & Insurance-FFB	15,797.91	6,080.31	(9,717.60)
Security Acct-FFB	35,879.00	35,879.00	0.00
Repl Reserve-Berkadia Bank-IMP	306,773.74	328,282.85	21,509.11
Payables & Receivables:			
Accounts Payable - Trade	6,673.78	35,157.40	28,483.62
Rents Receivable - Current Tenants	1,408.62	(137.00)	(1,545.62)
Other Tenant Charges Receivable	1,363.00	5,723.97	4,360.97

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Maintenance & Operating Expenses:						
Maintenance Payroll	\$ 3,214.89	\$ 4,879.59	\$ (1,664.70)	\$ 34,432.80	\$ 43,916.25	\$ (9,483.45)
Janitorial/Cleaning Supplies	56.83	276.59	(219.76)	1,993.40	2,489.25	(495.85)
Plumbing Repairs	0.00	83.34	(83.34)	1,668.99	750.00	918.99
Painting & Decorating	246.06	219.59	26.47	1,100.27	1,976.25	(875.98)
Repairs & Maintenance - Supply	2,062.43	750.00	1,312.43	11,292.89	6,750.00	4,542.89
Repairs & Maintenance - Contract	4,035.67	2,112.59	1,923.08	25,726.52	19,013.25	6,713.27
Grounds Maintenance	890.00	1,140.00	(250.00)	8,745.00	10,260.00	(1,515.00)
Elevator Maintenance & Contract	0.00	706.50	(706.50)	6,831.60	6,358.50	473.10

Park Avenue 569
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Pest Control Service	\$ 2,610.00	\$ 1,335.41	\$ 1,274.59	\$ 13,035.00	\$ 12,018.75	\$ 1,016.25
Fire/Alarm Services	2,358.79	495.25	1,863.54	7,471.91	4,457.25	3,014.66
Security Service	711.00	493.00	218.00	5,922.75	4,437.00	1,485.75
Capital Improvements - Other	0.00	112.50	(112.50)	569.09	1,012.50	(443.41)
Capital Improvements - Flooring	3,942.90	0.00	3,942.90	15,568.18	0.00	15,568.18
Capital Improvements - Appliance	0.00	0.00	0.00	1,761.30	0.00	1,761.30
Capital Improvements - HVAC Repl	250.00	0.00	250.00	5,830.62	0.00	5,830.62
Capital Improvements - Water Heat	0.00	0.00	0.00	1,884.39	0.00	1,884.39
Carpet Cleaning	2,851.00	333.34	2,517.66	4,936.80	3,000.00	1,936.80
HVAC Repairs	884.00	225.00	659.00	1,411.00	2,025.00	(614.00)
Cable Service	0.00	0.00	0.00	297.70	0.00	297.70
Tenant Services	0.00	166.66	(166.66)	1,132.81	1,500.00	(367.19)
Total Maint. & Operating Exp.	\$ 24,113.57	\$ 13,329.36	\$ 10,784.21	\$ 151,613.02	\$ 119,964.00	\$ 31,649.02
Utilities:						
Electricity	\$ 11,776.88	\$ 4,776.41	\$ 7,000.47	\$ 47,511.46	\$ 42,987.75	\$ 4,523.71
Water	1,080.48	1,170.59	(90.11)	8,592.43	10,535.25	(1,942.82)
Sewer	2,458.72	2,458.84	(.12)	22,129.74	22,129.50	.24
Heating Fuel/Other	281.36	316.84	(35.48)	3,437.78	2,851.50	586.28
Garbage & Trash Removal	1,028.39	592.09	436.30	5,715.51	5,328.75	386.76
Total Utilities	\$ 16,625.83	\$ 9,314.77	\$ 7,311.06	\$ 87,386.92	\$ 83,832.75	\$ 3,554.17
Administrative:						
Manager's Salary	\$ 3,808.75	\$ 3,671.59	\$ 137.16	\$ 35,817.09	\$ 33,044.25	\$ 2,772.84
Management Fees	3,591.47	3,592.84	(1.37)	33,175.77	32,335.50	840.27
Bad Debt Expense	0.00	175.00	(175.00)	480.00	1,575.00	(1,095.00)
Auditing	625.00	625.00	0.00	5,625.00	5,625.00	0.00
Bookkeeping Fees	535.00	535.00	0.00	4,815.00	4,815.00	0.00
Legal	0.00	100.00	(100.00)	330.00	900.00	(570.00)
Other Administrative Expenses	2.74	25.00	(22.26)	175.05	225.00	(49.95)
Total Administrative Expense	\$ 8,562.96	\$ 8,724.43	\$ (161.47)	\$ 80,417.91	\$ 78,519.75	\$ 1,898.16
Taxes & Insurance Reserve For:						
Special Assessments	\$ 0.00	\$ 25.66	\$ (25.66)	\$ 0.00	\$ 231.00	\$ (231.00)
Property Insurance	1,927.92	2,016.41	(88.49)	17,351.28	18,147.75	(796.47)
Other Insurance	0.00	104.34	(104.34)	0.00	939.00	(939.00)
Total Taxes & Insurance Expense	\$ 1,927.92	\$ 2,146.41	\$ (218.49)	\$ 17,351.28	\$ 19,317.75	\$ (1,966.47)
Other Taxes & Insurance:						
Payroll Taxes	\$ 520.40	\$ 904.09	\$ (383.69)	\$ 6,293.99	\$ 8,136.75	\$ (1,842.76)
Other Taxes, Fees & Permits	98.65	166.66	(68.01)	1,225.06	1,500.00	(274.94)
Bond Premiums	0.00	76.84	(76.84)	438.95	691.50	(252.55)
Worker's Compensation Insurance	404.48	839.84	(435.36)	3,989.82	7,558.50	(3,568.68)
Personnel Medical Insurance	867.64	2,467.00	(1,599.36)	13,785.82	22,203.00	(8,417.18)

Park Avenue 569
For the Month Ended September 30, 2020
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Total Other Taxes & Insurance	\$ 1,891.17	\$ 4,454.43	\$ (2,563.26)	\$ 25,733.64	\$ 40,089.75	\$ (14,356.11)
Other Project Expenses						
Telephone & Answering Service	\$ 506.82	\$ 480.00	\$ 26.82	\$ 4,424.22	\$ 4,320.00	\$ 104.22
Internet Service	268.33	251.00	17.33	2,109.79	2,259.00	(149.21)
Advertising	0.00	16.66	(16.66)	62.59	150.00	(87.41)
Water/Coffee Service	0.00	85.75	(85.75)	282.65	771.75	(489.10)
Office Supplies & Expense	938.60	450.84	487.76	3,949.26	4,057.50	(108.24)
Postage	64.23	84.59	(20.36)	541.23	761.25	(220.02)
Toner/Copier Expense	325.44	248.25	77.19	2,340.66	2,234.25	106.41
Office Furniture & Equipment Expe	0.00	141.66	(141.66)	182.31	1,275.00	(1,092.69)
Travel & Promotion	187.00	41.66	145.34	587.00	375.00	212.00
Training Expense	267.50	61.75	205.75	950.45	555.75	394.70
Credit Checking	8.00	29.16	(21.16)	120.50	262.50	(142.00)
Employee Meals	0.00	8.34	(8.34)	58.54	75.00	(16.46)
Total Other Project Expenses	\$ 2,565.92	\$ 1,899.66	\$ 666.26	\$ 15,609.20	\$ 17,097.00	\$ (1,487.80)
Mortgage & Owner's Expense						
Mortgage Payment	\$ 25,956.27	\$ 26,105.41	\$ (149.14)	\$ 233,606.43	\$ 234,948.75	\$ (1,342.32)
Managing General Partner Fees	\$ 1,047.08	\$ 1,066.00	\$ (18.92)	\$ 9,423.72	\$ 9,594.00	\$ (170.28)
Transfer - Reserves	2,675.00	2,675.00	0.00	24,075.00	24,075.00	0.00
Total Mortgage & Owner's Exp.	\$ 29,678.35	\$ 29,846.41	\$ (168.06)	\$ 267,105.15	\$ 268,617.75	\$ (1,512.60)
Total Expenses	<u>\$ 85,365.72</u>	<u>\$ 69,715.47</u>	<u>\$ 15,650.25</u>	<u>\$ 645,217.12</u>	<u>\$ 627,438.75</u>	<u>\$ 17,778.37</u>
Authorized Reserve - Other	\$ 0.00	\$ 6,583.34	\$ (6,583.34)	\$ 2,500.00	\$ 59,250.00	\$ (56,750.00)
Total Authorized Reserves	\$ 0.00	\$ 6,583.34	\$ (6,583.34)	\$ 2,500.00	\$ 59,250.00	\$ (56,750.00)



GRIDLEY SPRINGS

September 2020

Property Status:

1. GSI is 100% occupied with Zero notices to vacate.
2. GSII is 100% occupied with Zero notices to vacate.
3. GSI and GSII all carports and monument signs were power washed.
4. GSI and GSII all trash enclosures were power washed and painted on interior, exterior, and gates.
5. GSI and GSII all red fire lanes and yellow fire hydrants were repainted.

Thank you!
Mac Upshaw

Income Statement
DHI GRIDLEY SPRINGS I

As of
September 30, 2020

	***** Current Month *****			***** Year-to-Date *****		
	Actual	Budget	Variance	Actual	Budget	Variance
*** REVENUES ***						
Rent Revenue - Gross Potential						
Apartment Rents	9,973.00	23,098.00	(13,125.00)	95,503.00	207,882.00	(112,379.00)
Tenant Assistance Payments	13,212.00	0.00	13,212.00	112,888.41	0.00	112,888.41
Total Revenue	23,185.00	23,098.00	87.00	208,391.41	207,882.00	509.41
Apartment Vacancies	0.00	(484.00)	484.00	0.00	(4,358.25)	4,358.25
Total Vacancies	0.00	(484.00)	484.00	0.00	(4,358.25)	4,358.25
NET RENTAL REVENUE	23,185.00	22,614.00	571.00	208,391.41	203,523.75	4,867.66
Interest Income-Other Cash	2.52	8.00	(5.48)	73.22	72.00	1.22
Interest Income-Sec Deposits	0.15	4.00	(3.85)	1.23	36.90	(35.67)
Total Financial Revenue	2.67	12.00	(9.33)	74.45	108.90	(34.45)
NSF and Late Fee Income	0.00	5.00	(5.00)	0.00	41.25	(41.25)
Misc Tenant Charges/Damages & Cleaning	0.00	0.00	0.00	0.00	0.00	0.00
Legal Collections	0.00	0.00	0.00	0.00	0.00	0.00
Laundry Revenue	300.09	161.00	139.09	2,181.36	1,446.00	735.36
Total Other Revenue	300.09	166.00	134.09	2,181.36	1,487.25	694.11
TOTAL REVENUE	23,487.76	22,792.00	695.76	210,647.22	205,119.90	5,527.32
*** EXPENSES ***						
Administrative Expenses						
Advertising and Promotions	0.00	25.00	(25.00)	0.00	225.00	(225.00)
Rent Concessions	12.00	0.00	12.00	36.00	0.00	36.00
Credit Reports	0.00	0.00	0.00	54.47	0.00	54.47
IT Support Services	171.00	0.00	171.00	1,539.00	0.00	1,539.00
Telephone & Answering Service	54.13	108.00	(53.87)	372.30	975.00	(602.70)
USDA 538 Boneville Fee/Surcharges	0.00	0.00	0.00	1,670.08	0.00	1,670.08
USDA 515 MINC Fee/Surcharges	(2,791.00)	0.00	(2,791.00)	7,686.00	0.00	7,686.00
Postage and Mailing	0.00	0.00	0.00	262.35	0.00	262.35
Taxes and Licenses	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Expenses	0.00	0.00	0.00	752.60	0.00	752.60
Office Supplies/Expenses	8.80	150.00	(141.20)	1,473.61	1,350.00	123.61
Dues and Subscriptions	162.57	0.00	162.57	248.28	0.00	248.28
Management Fee	2,080.00	2,015.00	65.00	18,135.00	18,135.00	0.00
Manager Salaries	1,759.92	1,775.00	(15.08)	17,101.53	15,975.00	1,126.53
Education/Registration Fees	0.00	83.00	(83.00)	450.00	750.00	(300.00)
Legal Expense	0.00	83.00	(83.00)	0.00	750.00	(750.00)
Auditing Fees	0.00	0.00	0.00	7,000.00	7,400.00	(400.00)
Other Administrative Costs	0.00	250.00	(250.00)	0.00	2,250.00	(2,250.00)
Total Administrative Expenses	1,457.42	4,489.00	(3,031.58)	56,781.22	47,810.00	8,971.22
Utility Expenses						
Electricity	679.09	586.00	93.09	5,227.41	5,270.25	(42.84)
Water	474.59	525.00	(50.41)	3,004.47	4,725.00	(1,720.53)
Gas	0.00	63.00	(63.00)	154.84	563.25	(408.41)
Sewer	1,129.52	1,167.00	(37.48)	9,911.68	10,500.00	(588.32)
Garbage and Trash Removal	543.08	667.00	(123.92)	4,763.48	6,000.00	(1,236.52)
Total Utility Expenses	2,826.28	3,008.00	(181.72)	23,061.88	27,058.50	(3,996.62)
Operating & Maintenance Expense						
Clean and Repair Apartment	0.00	0.00	0.00	0.00	0.00	0.00
Exterminating Contract	0.00	0.00	0.00	900.00	0.00	900.00
Tree Service	0.00	400.00	(400.00)	0.00	3,600.00	(3,600.00)
Grounds Contract	1,000.00	1,167.00	(167.00)	7,000.00	10,500.00	(3,500.00)
Grounds Maintenance and Supplies	0.00	208.00	(208.00)	568.00	1,875.00	(1,307.00)
Maintenance Personnel	1,614.21	1,775.00	(160.79)	16,236.69	15,975.00	261.69
Repair Materials	210.93	225.00	(14.07)	1,970.64	2,025.00	(54.36)
Repair Contract/Vendor Labor	1,760.00	358.00	1,402.00	2,965.00	3,225.00	(260.00)
Electrical Repair/Supplies	0.00	0.00	0.00	75.00	0.00	75.00
HVAC Repair and Maintenance	0.00	0.00	0.00	378.00	0.00	378.00
Appliance Repair and Maintenance	0.00	0.00	0.00	301.53	0.00	301.53
Plumbing Repair and Supplies	0.00	0.00	0.00	625.10	0.00	625.10
Interior Painting and Supplies	0.00	83.00	(83.00)	417.00	750.00	(333.00)
Gas, Oil and Mileage	100.43	0.00	100.43	111.99	0.00	111.99
Equipment Leasing	171.75	0.00	171.75	171.75	0.00	171.75
Fire Protection Equipment	0.00	0.00	0.00	180.00	0.00	180.00
Total Operating & Maint Expenses	4,857.32	4,216.00	641.32	31,900.70	37,950.00	(6,049.30)

Income Statement
DHI GRIDLEY SPRINGS I

As of
September 30, 2020

	***** Current Month *****			***** Year-to-Date *****		
	Actual	Budget	Variance	Actual	Budget	Variance
Taxes & Insurance Expenses						
Property Taxes	0.00	0.00	0.00	947.93	2,153.00	(1,205.07)
Payroll Taxes	305.05	292.00	13.05	3,396.04	2,625.00	771.04
Misc Taxes & Licenses	0.00	0.00	0.00	0.00	0.00	0.00
Property & Liability Insurance	(6.00)	761.00	(767.00)	12,223.00	6,847.50	5,375.50
Worker's Compensation	241.06	258.00	(16.94)	2,368.47	2,325.00	43.47
Health/Dental Insurance	153.54	467.00	(313.46)	1,568.61	4,200.00	(2,631.39)
Other Insurance	0.00	149.00	(149.00)	0.00	1,338.00	(1,338.00)
Total Taxes & Insurance Expenses	693.65	1,927.00	(1,233.35)	20,504.05	19,488.50	1,015.55
TOTAL EXPENSES	9,834.67	13,640.00	(3,805.33)	132,247.85	132,307.00	(59.15)
NET OPERATING INCOME (LOSS)	13,653.09	9,152.00	4,501.09	78,399.37	72,812.90	5,586.47
Interest & Finance Expense						
Mortgage Interest	1,284.47	0.00	1,284.47	10,311.44	0.00	10,311.44
General Partner Fee	0.00	0.00	0.00	3,200.00	0.00	3,200.00
Bank Fees	45.00	0.00	45.00	205.00	0.00	205.00
Total Interest & Finance Expense	1,329.47	0.00	1,329.47	13,716.44	0.00	13,716.44
OPERATING PROFIT (LOSS)	12,323.62	9,152.00	3,171.62	64,682.93	72,812.90	(8,129.97)
Replacements						
Roofing/Paving/Exterior	0.00	583.00	(583.00)	10,267.99	5,250.00	5,017.99
Appliance Replacement	0.00	199.00	(199.00)	3,195.54	1,792.50	1,403.04
Drapery and Blind Replacement	0.00	0.00	0.00	24.60	0.00	24.60
Carpet/ Flooring Replacement	1,982.76	668.00	1,314.76	1,982.76	6,009.00	(4,026.24)
HVAC Replacement	0.00	458.00	(458.00)	0.00	4,125.00	(4,125.00)
Plumbing Replacement	0.00	167.00	(167.00)	1,523.21	1,500.00	23.21
Glass Replacement	0.00	0.00	0.00	0.00	0.00	0.00
Furniture and Equipment Replacement	0.00	800.00	(800.00)	0.00	7,200.00	(7,200.00)
Door & Screen Repair/ Replacement	0.00	0.00	0.00	0.00	0.00	0.00
Total Cost of Replacements	1,982.76	2,875.00	(892.24)	16,994.10	25,876.50	(8,882.40)
NET CASH FLOW FROM OPERATIONS	10,340.86	6,277.00	4,063.86	47,688.83	46,936.40	752.43

Date: 10/1/2020

MEMO

To: Board of Commissions

From: Javi Pinedo, Special Programs Coordinator

Subject: Family Self-Sufficiency (FSS) Program update for Sept. 2020

Program Statistics for Period Ending	Sept. 2020	Sept. 2019
Number of participants as of last day of the month	45	30
Number of Orientation Briefings	1	1
Number of signed contracts	0	1
Number of Port-In's	0	0
Number of Port-Out's	0	0
Number of Graduates	1	0
Contract Expired	0	1
Number of Terminations	0	1
Number of Voluntary Exits	0	0
Number of Families on FSS Waiting List	0	0
Number of participants with annual income increases (YTD)	10	15
Number of participants with new employment (YTD)	7	7
Number of participants with escrow accounts	26	24
Number of participants currently escrowing	16	20
Amount disbursed from escrow account	\$8,152.21	\$0.00
Balance of Escrow Account	\$116,341.40	\$102,656.29

FSS FY 2019 HUD Grant Program Tracking Data

Program Management Questions:	YTD (2020)
PHA mandatory program size (Initial 50)	N/A
PHA voluntary program size (50)	45
Number of FSS participants identified as a person with disabilities	13
Number of FSS participants employed	26
Number of FSS participants in training programs	7
Number of FSS participants enrolled in higher/adult education	2
Number of FSS participants enrolled in school and employed	0
Number of FSS families receiving cash assistance	2
Number of FSS families experiencing a reduction in cash assistance	0
Number of FSS families who have ceased receiving cash assistance	2
How many new FSS escrow accounts were established	0
Number of FSS families moved to non-subsidized housing	1
Number of FSS families moved to home-ownership	0

HACB CoC Programs: A Report to the Board of Commissioners for the Month of October 2020

Grant	Funding Period	Amount Funded	Grantee	Sponsor	Units	Eligibility Criteria	Service Area	10/2020 Enrollment	10/2020 HAP Assistance	Grant Balance
S+C SEARCH South	10/1/19 - 9/30/20	\$42,720.00	HACB	BCBH	5	Unaccompanied adults, chronically homeless with SMI	Oroville, Chico	5	\$3,686.00	\$44,794.00
SEARCH Samaritan Bonus (extended due to COVID 19)	7/1/19 - 12/31/2020	\$37,680.00	BCBH	BCBH	4	Unaccompanied adults, chronically homeless with SMI	Chico	3	\$1,616.00	\$12,106.00
SEARCH III- SHP	7/1/20 - 6/30/21	\$32,184.00	BCBH	BCBH	3	Unaccompanied adults, homeless with SMI	South County	3	\$1,629.00	\$23,711.86
LINK PHB (extended due to COVID 19)	7/1/19 - 12/31/2020	\$28,260.00	BCBH	BCBH	3	Unaccompanied youth, ages 18-24, chronically homeless with SMI	Chico	1	\$622.00	\$21,107.00
SEARCH II - PHB	7/1/20 - 6/30/21	\$32,184.00	BCBH	BCBH	3	Unaccompanied adults, chronically homeless with SMI	Chico	2	\$478.00	\$28,880.00
City of Chico - LGP	7/1/20 - 6/30/21	\$9,000.00	City of Chico	SSA	8	Low-income, referred by supportive service agency	Chico	0	\$0.00	\$9,000.00
City of Chico - TBRA	7/1/20 - 6/30/21	\$130,000.00	City of Chico	SSA	30	Low-income, under case management with self-sufficiency plan	Butte County	12	\$4,933.00	\$100,064.27
BHHAP/Security Deposit	7/1/20 - 6/30/21	\$3,426.00	City of Chico	SSA	5	Individuals with a mental illness with homelessness eligibility	Butte County	0	\$0.00	\$3,426.00
BHHAP/ASOC	7/1/20 - 6/30/21	\$24,291.00	BCBH	BCBH	10	Individuals with a mental illness with homelessness eligibility	Butte County	1	\$580.00	\$21,971.00
Totals		\$339,745.00			71			27	\$13,544.00	\$265,060.13

Acronym Legend

*BCBH: Butte County Department of Behavioral Health | *BHHAP: Behavioral Health Housing Assistance Program | *SHP: Supportive Housing Program | *PHB: Permanent Housing Bonus Program
 *TBRA: Tenant Based Rental Assistance | *LGP: Lease Guarantee Program | *SSA: Supportive Service Agency | *SMI: Serious Mental Health Disability

Last update: 8-31-2020

Path: Z:\Boutique Programs\Special Programs Budget and Reports

October 1, 2020

MEMO

To: HACB Board of Commissioners

From: Javi Pinedo, Special Programs Coordinator

Subject: Resolution No. 4791
Section 8 FSS Graduate – Sheila Warren

Sheila Warren enrolled in the Family Self-Sufficiency program on February 1, 2016. Her primary goal was to obtain a job. During the time that Sheila was in the program, she completed job training workshops, updated her resume, and developed a cover letter. She applied to numerous jobs, and finally becoming a part-time worker for United Healthcare. Sheila Warren is voluntarily exiting the HCV Section 8 program at the end of September.

Recommendation: motion to approve Resolution No. 4791

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

RESOLUTION NO. 4791

RECOGNITION OF FSS GRADUATE

SHEILA WARREN

WHEREAS, the Board of Commissioners of the Housing Authority of the County of Butte wishes to recognize the graduates of its HUD Section 8 Housing Choice Voucher Family Self-Sufficiency Program (FSS); and

WHEREAS, SHEILA WARREN, entered the FSS program in February 2016; and

WHEREAS, SHEILA WARREN successfully completed her FSS Contract of Participation, effective September 30, 2020, by fulfilling all of her responsibilities under the terms of the Contract of Participation; and

WHEREAS, SHEILA WARREN obtained and maintained suitable employment and has been free of welfare assistance for over one year; and

WHEREAS, SHEILA WARREN, in completing her Contract of Participation, has accrued an FSS escrow balance of \$6,475.21;

NOW, THEREFORE, BE IT KNOWN that the Board of Commissioners of the Housing Authority of the County of Butte congratulates and presents this Resolution in recognition of SHEILA WARREN'S successful completion of its HUD Section 8 Housing Choice Voucher Family Self-Sufficiency Program.

Dated: October 15, 2020

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

RESOLUTION NO. 4792

AUTHORIZATION TO PURCHASE INVESTOR AND SPECIAL LIMITED PARTNER
INTERESTS IN 1200 PARK AVENUE, L.P., A CALIFORNIA LIMITED PARTNERHIP

WHEREAS, the 1200 Park Avenue, L.P. partnership (Partnership) was formed pursuant to a certificate of limited partnership filed with the California Secretary of State on May 15, 2002, as governed by that certain Second Amended and Restated Agreement of Limited Partnership of 1200 Park Avenue, L.P., a California limited partnership, dated as of December 22, 2004, as amended by that certain misnumbered Third Amendment to Second Amended and Restated Agreement of Limited Partnership, dated as of December 26, 2009, and as further amended by that certain misnumbered First Amendment to Second Amended and Restated Agreement of Limited Partnership, dated as of July 15, 2009 (Partnership Agreement); and

WHEREAS, the Partnership owns the multi-family residential property known as 1200 Park Avenue Apartments, 1200 Park Avenue, Chico, CA (Property); and

WHEREAS, the partners of the Partnership include Butte County Affordable Housing Development Corporation (BCAHDC), Managing General Partner (MGP); Centerline Corporate Partners XXVIII LP, f/k/a Related Corporate Partners XXVIII, L.P., a Delaware limited partnership and Centerline Corporate Partners XXXIII LP, Investor Limited Partner (ILP); Related Corporate XXVIII SLP LLC, Special Limited Partner (SLP); and 1200 Park Avenue LLC, Administrative General Partner (AGP); and

WHEREAS, the Housing Authority of the County of Butte (HACB) is the Sole Member of 1200 Park Avenue LLC; and

WHEREAS, the Property is subject to a State of California Tax Credit Allocation Committee Regulatory Agreement (CTCAC Regulatory Agreement), dated December 7, 2007, relating to use of federal Low Income Housing Tax Credits (LIHTC's); and

WHEREAS, the Property is in the final year of its federally-required fifteen-year LIHTC compliance period; and

WHEREAS, the Partnership Agreement provides for assignment of Limited Partner interests; and

WHEREAS, the ILP and SLP seek to assign their Investor and Special Limited Partner interests in the Partnership; and

WHEREAS, the HACB seeks assignment of the Partnership's Investor and Special Limited Partner interests; and

WHEREAS, a Purchase and Sale Agreement has been negotiated in good faith for assignment of the ILP and SLP interests to the HACB, for compensation in the amount of Two Hundred and Fifty Thousand Dollars and No Cents (\$250,000.00); and

WHEREAS, the HACB has determined that funds for the transaction can be sourced from the HACB's General Fund; and

WHEREAS, BCAHDC, as MGP, has separately determined that assignment of the Partnership's ILP and SLP interests to the HACB is in the best interest of BCAHDC, its interests as MGP of the Partnership, the Property, Property residents, and the community; and

WHEREAS, HACB has determined that acquisition of the ILP and SLP Interests in the Partnership is in the best interest of the HACB, the Partnership, the Property, Property residents, and the community;

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Butte (HACB) to:

- 1) hereby find and declare that the above recitals are true and correct and are incorporated herein;
- 2) authorize purchase of the Investor Limited Partner and Special Limited Partner interests in 1200 Park Avenue, L.P., a California Limited Partnership (Partnership), such purchase to be effected by execution of the Purchase and Sale Agreement, with Exhibit A, Assignment and Assumption Agreement, Exhibit B, Third Amendment to the Second Amended and Restated Agreement of Limited Partnership of 1200 Park Avenue, L.P., and Exhibit C, Guarantee Agreement (Agreements), such Agreements attached to and made a part of this Resolution Number 4792, such \$250,000.00 purchase to be made with funds sourced from HACB's General Fund; and,
- 3) further, as Sole Member of 1200 Park Avenue LLC, Administrative General Partner of the Partnership, and as holder of a note payable by the Partnership, consents to said assignment of ILP and SLP interests to HACB, and consents to HACB participation in the Partnership.
- 4) authorize its Executive Director to take all necessary and appropriate action and sign and/or execute all necessary documents in order to complete and close this purchase.

Dated: October 15, 2020.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “Agreement”), dated as of _____, 2020 (the “Effective Date”), is by and among CENTERLINE CORPORATE PARTNERS XXVIII LP, f/k/a Related Corporate Partners XXVIII, L.P., a Delaware limited partnership (“CCP XXVIII”), CENTERLINE CORPORATE PARTNERS XXXIII LP, a Delaware limited partnership (“CCP XXXIII” and, together with CCP XXVIII, “Investor Limited Partner”), RELATED CORPORATE XXVIII SLP LLC, a Delaware limited liability company (“Special Limited Partner”), HOUSING AUTHORITY OF THE COUNTY OF BUTTE, a public body, corporate and politic (“Buyer”), and BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION, a California non-profit public benefit corporation (“Managing General Partner”). Each of Investor Limited Partner and Special Limited Partner may be referred to herein as a “Seller” and together as “Sellers.” Capitalized terms used herein but not defined shall have the meaning set forth in that certain Second Amended and Restated Agreement of Limited Partnership of 1200 Park Avenue, L.P., a California limited partnership (the “Partnership”), dated as of December 22, 2004, as amended by that certain misnumbered Third Amendment to Second Amended and Restated Agreement of Limited Partnership dated as of December 26, 2009 and as further amended by that certain misnumbered First Amendment to Second Amended and Restated Agreement of Limited Partnership dated as of July 15, 2009 (collectively, the “Partnership Agreement”).

RECITALS

WHEREAS, Investor Limited Partner is the Limited Partner in the Partnership and owner of the Limited Partner’s Interest (the “Investor Limited Partner Interest”) in the Partnership;

WHEREAS, Special Limited Partner is the Special Limited Partner in the Partnership and owner of the Special Limited Partner’s Interest (the “Special Limited Partner Interest” and together with the Investor Limited Partner Interest, the “Interests”) in the Partnership;

WHEREAS, Managing General Partner and 1200 Park Avenue, LLC, a California limited liability company (“Administrative General Partner”), are the General Partners of the Partnership;

WHEREAS, the Partnership is the owner of certain real property and improvements commonly known as 1200 Park Avenue Apartments and located at 1200 Park Ave., Chico, CA 95928, as more particularly described in the Partnership Agreement (the “Project”);

WHEREAS, Buyer, which is an Affiliate of Managing General Partner, desires to purchase the Interests and Sellers desire to sell to Buyer the Interests;

WHEREAS, Sellers require that the Project be operated in a manner that does not cause a Recapture Event (as defined below) to occur and require indemnity for losses if a Recapture Event does occur; and

WHEREAS, as a material inducement to Sellers to sell the Interests to Buyer and to set forth the conditions precedent to the sale of the Interests by Sellers, Buyer and Managing General Partner wish to enter into this Agreement with Sellers.

NOW THEREFORE, in consideration of the premises and of the agreements herein contained, Sellers, Buyer and Managing General Partner hereby agree as follows:

AGREEMENT

1. PURCHASE AND SALE; PURCHASE PRICE; OBLIGATIONS.

- (a) Each Seller agrees to sell to Buyer, and Buyer agrees to purchase from Sellers, pursuant to the terms of this Agreement, all of Sellers' right, title and interest in the Partnership, including, but not limited to: (i) the Investor Limited Partner Interest, the Special Limited Partner Interest and all rights and privileges associated with such Interests, including all rights to Cash Flow, Credits, Annual Local Administrative Fees, Profits or Losses, allocations and distributions of the Partnership, accruing from and after the Closing Date; (ii) all management, voting and other rights under the Partnership Agreement; (iii) all rights to any receivables relating to the Project or the Partnership; and (iv) all of Sellers' Capital Accounts (collectively, the "Property"). The sale of the Property pursuant to this Agreement is referred to herein as the "Transaction."
- (b) The aggregate purchase price for the Property shall be U.S. \$250,000.00 (the "Purchase Price"). The Purchase Price shall be allocated between Investor Limited Partner and Special Limited Partner in a manner reasonably determined by Investor Limited Partner and Special Limited Partner, and Buyer shall have no rights, obligation or liability with respect to the allocation among Sellers. The Purchase Price shall be paid as provided in Section 2 below.
- (c) Buyer specifically acknowledges and agrees that, upon Closing (as defined below) of the Transaction and purchase of the Property, Buyer will assume and perform all agreements, duties, liabilities, covenants and obligations of the "Limited Partner" and the "Special Limited Partner" under the Partnership Agreement to the extent arising after the Closing Date.
- (d) Prior to Closing, Buyer shall obtain (and shall deliver a copy thereof to Sellers prior to Closing) the written consent to the Transaction of each lender, creditor, administrative body, governmental authority or other Person whose consent is required to consummate the Transaction, including, without limitation, the Agency (defined in Section 10(a) below) (collectively, the "Required Consents").

- 2. **CLOSING DATE.** The consummation of the Transaction is referred to herein as the "Closing" and the date on which the Closing occurs is referred to herein as the "Closing Date". The Closing Date shall occur three (3) business days following written notice from Buyer to Sellers, but no later than the date that is thirty (30) days after the Effective Date (the "Outside Scheduled Closing Date"). Sellers shall transfer the Property to Buyer at the Closing upon payment by Buyer to Sellers of the Purchase Price and Buyer's satisfaction of the other conditions to Closing as set forth in Section 4 below. The Purchase Price shall be paid by Buyer to Sellers on the Closing Date by wire transfer pursuant to the wiring instructions to be provided by Sellers. If the Closing does not

occur by the Outside Scheduled Closing Date, unless the Outside Scheduled Closing Date is extended by mutual agreement of Buyer and Sellers in writing, Buyer and Sellers will return to the other party any signature pages or other documents received by such party under this Agreement, this Agreement shall automatically terminate and neither party shall have any further obligation hereunder.

3. **NO DOCUMENTS; AS IS.** Buyer acknowledges and agrees that Sellers are not delivering, and have no obligation to deliver, to Buyer any documents relating to the Property, the Partnership or the Project, other than deliveries required pursuant to Section 6(b) below. Except as specifically provided herein or in the closing documents, Sellers are selling and Buyer is acquiring the Interests and the Property **AS IS, WHERE IS**, with all faults and defects, whether patent or latent, and, other than as specifically set forth in Section 7, without representation or warranty of any kind from either Seller.
4. **SELLERS' CONTINGENCIES.** Sellers' obligation to close the Transaction shall be subject to the following conditions precedent:
 - (a) ***Buyer's Deliveries.*** Buyer shall have paid the Purchase Price to Sellers and shall have delivered to Sellers the Buyer's Deliverables to be delivered by Buyer pursuant to Section 6(a) of this Agreement.
 - (b) ***No Default.*** Buyer is not in default of any of Buyer's covenants, representations or warranties made pursuant to this Agreement.
 - (c) ***Required Consents.*** Receipt of the Required Consents on terms and conditions reasonably satisfactory to Sellers.
5. **BUYER'S CONTINGENCIES.** Buyer's obligation to close the Transaction shall be subject to the following conditions precedent:
 - (a) ***Sellers' Deliveries.*** Sellers shall have delivered to Buyer the Seller's Deliverables to be delivered by Sellers pursuant to Section 6(b) of this Agreement.
 - (b) ***No Default.*** Sellers are not in default of any of Sellers' covenants, representations or warranties made pursuant to this Agreement.
6. **DELIVERIES; CLOSING.**
 - (a) ***Buyer's Deliverables.*** On or before the Closing Date, Buyer shall deliver the following to Sellers (collectively, the "Buyer's Deliverables"):
 - (i) ***Purchase Price.*** Buyer shall pay the Purchase Price to Sellers in accordance with the provisions of Section 2 above;
 - (ii) ***Assignment and Assumption; Amendment.*** (A) An assignment agreement, in the form of Exhibit A attached hereto (the "Assignment Agreement"), duly executed by Buyer and consented to by Managing General Partner and Administrative General Partner; (B) an amendment to the Partnership

Agreement in the form of Exhibit B attached hereto (the “LPA Amendment”), executed by Buyer, Managing General Partner, and Administrative General Partner and evidencing the withdrawal of Sellers as Limited Partner and Special Limited Partner and admitting Buyer as the successor Limited Partner and as the successor Special Limited Partner of the Partnership; and (C) any other documents necessary to effectuate the Transaction, executed by Buyer, Managing General Partner, and/or Administrative General Partner, as applicable;

- (iii) *Guaranty Agreement.* A duly executed guaranty agreement in the form of Exhibit C attached hereto (the “Guaranty”), pursuant to which HOUSING AUTHORITY OF THE COUNTY OF BUTTE, a public body, corporate and politic (the “Guarantor”), guarantees the performance of the obligations of Buyer and Managing General Partner set forth in Sections 10 and 11 hereof; and
 - (iv) *Other Documents.* Any other document or instrument reasonably requested by Sellers to consummate the Closing.
- (b) ***Seller’s Deliverables.*** On or before the Closing Date, Sellers shall deliver the following to Buyer (collectively, the “Seller’s Deliverables”):
- (i) *Assignment Agreement.* The Assignment Agreement, executed by Sellers;
 - (ii) *LPA Amendment.* The LPA Amendment, executed by Sellers; and
 - (iii) *Other Documents.* Any other document or instrument reasonably requested by Buyer to consummate the Closing.
- (c) ***Closing.*** The Transaction will be consummated on the Closing Date if all of the contingencies of Closing have been satisfied (or any unsatisfied contingency of Closing has been waived in writing by the party who is the direct beneficiary of the waived condition). If the Closing does not occur by the Outside Scheduled Closing Date, unless the Closing Date is extended by mutual agreement of Buyer and Sellers in writing, Buyer and Sellers will return to the other party any signature pages or other documents received by such party under this Agreement.

7. **SELLERS’ REPRESENTATIONS AND WARRANTIES.** Each Seller hereby represents and warrants, with respect to itself only, to Buyer, as of the Effective Date and as of the Closing Date, as follows:

- (a) It (i) is an entity duly organized, validly existing and in good standing under the laws of its state of organization, and (ii) has the legal power, right, and authority to enter into this Agreement and the instruments referred to herein and to consummate the Transaction contemplated hereby.
- (b) Investor Limited Partner has good, valid and marketable title to the Investor Limited Partner Interest and Special Limited Partner has good, valid and

marketable title to the Special Limited Partner Interest, in each case free of any liens, claims or encumbrances, and neither party has entered into any agreement or other arrangements to sell its Interest to any third party other than Buyer. The Interests sold hereunder constitute the entire interests in the Partnership owned by Sellers.

- (c) All requisite action (corporate, trust, or otherwise) has been duly authorized by Seller in accordance with the terms of its partnership agreement or operating agreement, as applicable, in connection with entering into, executing and delivering this Agreement and the instruments referred to herein, including without limitation, the Assignment Agreement and the LPA Amendment, and the consummation of the Transaction contemplated herein, and the persons executing this Agreement on Seller's behalf have been duly and validly authorized to act on its behalf.
- (d) This Agreement and all other documents executed by it in connection with this Agreement are valid, legally binding obligations of each Seller, and enforceable against each Seller in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights, and except to the extent availability of the remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought.
- (e) There is no pending proceeding, investigation, or litigation, or, to the knowledge of Sellers, threatened litigation against Sellers that would have an adverse effect on the ability of Sellers to complete the Transaction pursuant to the terms hereof. There is not currently pending or, to the knowledge of Sellers, threatened against Sellers, any bankruptcy, receivership, trusteeship or attachment proceeding.
- (f) The execution, delivery and performance by Sellers of this Agreement does not and will not contravene or conflict with (i) any law, order, rule, regulation, writ, injunction or decree applicable to Sellers or (ii) any contractual restriction binding on or affecting Sellers or any of their property or assets.

8. **LIMITATION ON REPRESENTATIONS.** Except as otherwise expressly provided in this Agreement, neither Seller has made any other representations, express or implied, regarding the Property, the Partnership or the Project and Buyer has not relied on any such representations. Buyer shall rely upon its own inspection and its own professional advisors with respect to the Partnership and the Property and in its examination of the Project and all improvements thereon.

9. **BUYER'S AND MANAGING GENERAL PARTNER'S REPRESENTATIONS AND WARRANTIES.** Buyer and Managing General Partner each hereby represents and warrants to Sellers, as of the Effective Date and as of the Closing Date, as follows:

- (a) It (i) is an entity duly organized or incorporated, validly existing and in good standing under the laws of its state of organization or incorporation, and (ii) has the legal power, right, and authority to enter into this Agreement and the instruments referred to herein and to consummate the Transaction contemplated hereby and perform its obligations hereunder.
- (b) All requisite action (corporate, trust, or otherwise) has been taken by it in connection with entering into this Agreement and the instruments referred to herein, the consummation of the Transaction contemplated herein and the performance of its obligations hereunder and under the Partnership Agreement. No consents of any lender, the Agency or any other party to the Project Documents are required in connection with the Transaction, other than the Required Consents listed on Schedule 1 attached hereto. Each Required Consent has been obtained as of the Effective Date, or, if any such Required Consent has not been obtained, Buyer shall obtain such Required Consent prior to the Closing.
- (c) This Agreement and all other documents executed by it in connection with this Agreement are valid, legally binding obligations of Buyer and Managing General Partner, and enforceable against each of them in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights, and except to the extent availability of the remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought.
- (d) There is no pending or, to the knowledge of Buyer or Managing General Partner, threatened litigation against Buyer or Managing General Partner that would have an adverse effect on the ability of Buyer or Managing General Partner to complete the Transaction pursuant to the terms hereof and perform its obligations hereunder. There is not currently pending or, to the knowledge of Buyer or Managing General Partner, threatened against Buyer or Managing General Partner, any bankruptcy, receivership, trusteeship or attachment proceeding.
- (e) The execution, delivery and performance by Buyer and Managing General Partner of this Agreement does not and will not contravene or conflict with (i) any law, order, rule, regulation, writ, injunction or decree applicable to Buyer or Managing General Partner or (ii) any contractual restriction binding on or affecting Buyer or Managing General Partner or any of their property or assets.
- (f) Neither Buyer nor Managing General Partner is aware of the existence of any event or condition that could reasonably be expected to result in a Recapture Event or otherwise give rise to a payment obligation under Section 10 of this Agreement.

- (g) Buyer has conducted Buyer's own investigation of the Property and all matters concerning the Project and the Partnership with respect to taxes, assessments, income and expense data, insurance, Credits, bonds, permissible uses, zoning, covenants, conditions and restrictions.

10. OPERATION OF PROJECT; INDEMNITY.

- (a) Buyer is an Affiliate of Managing General Partner and Buyer and Managing General Partner each covenant and agree that the Project will continue to be operated and maintained in strict compliance with all applicable restrictions, procedures, regulations, guidelines and reporting requirements under Section 42 of the Code ("Section 42"), any Regulatory Agreement as well as that certain Regulatory Agreement dated as of July 31, 2006 between the Partnership and the California Tax Credit Allocation Committee (the "Agency") (the "LURA"), and all other applicable federal, state or local laws relating thereto, for the applicable 15-year compliance period under Section 42 ("Compliance Period"). Buyer and Managing General Partner each further acknowledge that the failure to operate the Project in compliance with Section 42, any Regulatory Agreement and the LURA may cause Credits previously allocated to and claimed by Sellers in connection with the Project to be disallowed or recaptured by the Internal Revenue Service (the "IRS") pursuant to Section 42 of the Code (each, a "Recapture Event"), resulting in significant damages and economic loss to Sellers.
- (b) As a material inducement to Sellers to sell the Property to Buyer, Buyer and Managing General Partner irrevocably covenant and agree, jointly and severally, to indemnify and hold Sellers and Sellers' partners, investors, members, and shareholders (collectively, the "Seller Indemnified Parties") harmless from and against, and shall compensate and reimburse each of the Seller Indemnified Parties for, (i) any and all damages, demands, injuries, claims, losses, costs (including any cost of investigations), liabilities (including tax liabilities), reasonable fees (including any reasonable legal fee, expert fee, accounting fee or advisory fee), penalties, settlements, judgments, fines, tax, interest, expenses or other amounts of any nature that are directly or indirectly suffered or incurred by any of the Seller Indemnified Parties, including, without limitation, the amount of any Credits disallowed to or recaptured from Sellers, the "credit recapture amount" (as defined in Section 42), and any penalties, fines, interest, fees, and reimbursements, or other amounts payable to the IRS and/or the State of California, allocated to any of the Seller Indemnified Parties, plus (ii) an amount sufficient to pay any tax liability assessed against or incurred by any Seller Indemnified Party resulting from the receipt by any Seller Indemnified Party from Buyer, Managing General Partner or any other Person of the amounts specified in the foregoing clause (i) and in this clause (ii) (such calculation to be made assuming the Seller Indemnified Party is subject to the highest federal rate imposed on corporate taxpayers under the Code for the taxable year of the Seller Indemnified Party in which such payment is taken into income by the Seller Indemnified Party), plus (iii) all reasonable court costs and attorneys' and professional fees, incurred or sustained by, or assessed against, any Seller

Indemnified Party in collecting under or enforcing this Section 10 or in connection with the disallowance or recapture of any Credit (all such amounts set forth in clauses (i), (ii) and (iii) above, collectively, the “Section 42 Damages”) only to the extent that any of the foregoing are a result of (A) any Recapture Event, (B) the failure (or failure alleged by the IRS in writing) of the Project to be operated and maintained in compliance with Section 42, any Regulatory Agreement and the LURA, or (C) without duplication, the breach of the representation set forth in Section 9(f). Such amounts, including, without limitation, all reasonable costs, reasonable attorneys’ fees and expenses incurred by Sellers in connection with any insolvency, bankruptcy, reorganization, arrangement or other similar proceedings involving Buyer, Managing General Partner or any of their Affiliates that in any way affect the exercise by Sellers of their respective rights and remedies hereunder, will be payable whether or not suit is filed.

- (c) The indemnities set forth in this Section 10 and the obligations of Buyer and Managing General Partner hereunder shall be continuing and irrevocable, subject to the balance of this Section. The provisions of such indemnities shall survive the Closing Date and shall be effective from the Closing Date until thirty (30) days following the expiration of the statute of limitations for the IRS to claim a Recapture Event occurred with respect to any Credits allocated to the Project and claimed by Sellers (the “Indemnification Period”). Buyer and Managing General Partner hereby agree that this Section 10 and all obligations of Buyer and Managing General Partner under this Section 10 shall remain in full force and effect at all times for the Indemnification Period until paid and/or performed in full notwithstanding any action or undertakings by, or against, Sellers, Buyer, Managing General Partner, the Partnership and/or any partner and/or member in Sellers in any proceeding in the United States Bankruptcy Court, including, without limitation, any proceeding relating to election or imposition of secured or unsecured claim status upon claims by Sellers pursuant to any Chapter of the Bankruptcy Code or the Rules of Bankruptcy Procedure as the same may be applicable from time to time.
- (d) The obligations of Buyer and Managing General Partner in this Section 10 shall survive any transfer of the Property by Buyer or Managing General Partner and any transfer of the Project by the Partnership or Buyer, Managing General Partner or any Affiliate of Buyer or Managing General Partner and any foreclosure of Buyer’s or Managing General Partner’s (or their Affiliates’) equity in the Property or the Project (whether by power of sale or judicial proceedings), by deed in lieu of foreclosure or by any other comparable means and the conveyance or disposition of Buyer’s or Managing General Partner’s (or their Affiliates’) interest in the Property or the Project, as applicable, and shall continue in full force and effect for the term, irrespective of any such foreclosure and/or satisfaction of the obligations of Buyer and Managing General Partner with respect to the Property and the Project.

- (e) Any amounts due pursuant to this Section 10 will be paid within 30 days after the date of demand for payment.
- (f) Buyer and Managing General Partner acknowledge that their obligations under this Section 10 are guaranteed by Guarantor pursuant to the Guaranty. Buyer and Managing General Partner covenant and agree that, if any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any bankruptcy or similar law, is commenced with respect to Guarantor, Buyer or Managing General Partner under any bankruptcy or similar law, Buyer and Managing General Partner will promptly collateralize their obligations under this Section 10 by depositing with a custodian approved by Sellers, and pursuant to an agreement in form and substance satisfactory to Sellers, collateral consisting of cash or securities acceptable to the Fund with a principal amount that shall have an aggregate value equal to 100% of the amount of the estimated potential Section 42 Damages as of such date.

11. **ADDITIONAL COVENANTS.** During the Compliance Period, Buyer and Managing General Partner shall cause to be prepared and/or delivered to Sellers or shall cause Administrative General Partner to prepare and deliver to Sellers the following documentation:

- (a) Within sixty (60) days, to the extent any of the following can reasonably be expected to result in a Recapture Event or otherwise give rise to a payment obligation under Section 10 hereof:
 - i. Upon the occurrence of any natural disaster and/or widespread property damage having a material adverse impact on the operations or physical condition of the Project, a report of the extent of the damage to the Project, and the effect such damage might have on the operations or leasing activity of the Project;
 - ii. Upon receipt of written notice of any material violation of any health, safety, building code, or other statute or regulation by the Partnership, a detailed statement describing such matters along with any written notices thereof received by the Partnership from any federal, state, or local government entity; and
 - iii. Any written notice of any monetary default received by the Partnership, Managing General Partner, or Administrative General Partner with respect to any loan secured by the Project that has not been cured within an applicable cure period.
- (b) Within ten (10) business days after receipt by the Partnership, Managing General Partner, Administrative General Partner, or Buyer:
 - i. Copies of all written notices of noncompliance or IRS Forms 8823 (as defined below) issued by the Agency or notice of any IRS proceeding involving the Partnership which proceeding can reasonably be expected to

result in a Recapture Event or otherwise give rise to a payment obligation under Section 10 hereof; and

- ii. Copies of all legal proceedings or written notices of alleged violations of law, and written notices of all actions taken, or proposed to be taken affecting the Partnership or the Project by any governmental or quasi-governmental agency or other Person which can reasonably be expected to result in a Recapture Event or otherwise give rise to a payment obligation under Section 10 hereof.
 - (c) Within thirty (30) days after receipt by the Partnership, copies of any material reports issued by the Agency with respect to the Partnership or the Project, unless required to be delivered to Sellers earlier pursuant to Section 11(b)(i) above.
 - (d) Contemporaneously with the submission to the Agency, copies of any annual compliance certificates filed with the Agency.
 - (e) Contemporaneously with the submission to the IRS, copies of any and all IRS Forms 8609-A with Part II and Schedule A thereof completed and executed by Partnership for each building on the Project (including, to the extent different than the foregoing, a copy of the annual report to be filed with the United States Treasury under the Partnership Agreement).
 - (f) In addition to the requirements under Section 11(b)(i) above, by January 30 of each calendar year, an authorized representative of Managing General Partner shall certify to Sellers that the Agency has/has not filed any IRS Form 8823 Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition (the "IRS Form 8823") in the form attached hereto and incorporated herein as Exhibit D.
12. **NOTICES.** All notices or other communications required or permitted under this Agreement shall be in writing, shall be (a) personally delivered (including by means of professional messenger service), which notices and communications shall be deemed received on receipt at the office of the addressee; (b) sent by registered or certified mail, postage prepaid, return receipt requested, which notices and communications shall be deemed received three (3) business days after deposit in the United States mail; (c) sent by overnight delivery using a nationally recognized overnight courier service, which notices and communications shall be deemed received one (1) business day after deposit with such courier; and (d) if an e-mail address is shown below, sent by email, which notices and communications shall be deemed received on the business day of the delivering party's receipt of a transmission confirmation, and shall be addressed to the applicable parties as follows:

If to Buyer or
Managing General
Partner: c/o Housing Authority of the County of Butte
2039 Forest Avenue
Chico, California 95928
Attn: Edward S. Mayer
E-mail: edm@butte-housing.com

If to Sellers: c/o Alden Torch Financial LLC
1225 17th Street, Suite 1400
Denver, CO 80202
Attn: Christopher Blake, Kori Gibbs, and Legal
Department
E-mail: chris.blake@aldentorch.com,
kori.gibbs@aldentorch.com, and
lee.pannier@aldentorch.com

Notice of change of address shall be given by written notice in the manner detailed in this Section.

13. **BROKER.** Sellers represent and warrant to Buyer, and Buyer represents and warrants to Sellers, that no broker or finder has been engaged by it, respectively, in connection with any of the transactions contemplated by this Agreement, or to its knowledge is in any way connected with any of such transactions. In the event of any claims for brokers' or finders' fees or commissions in connection with the negotiation, execution, or consummation of this Agreement, then Buyer shall defend, indemnify, hold harmless, and defend Sellers from and against such claims if they shall be based on any statement or representation or agreement by Buyer, and Sellers shall defend, indemnify, hold harmless, and defend Buyer if such claims shall be based on any statement, representation, or agreement made by Sellers.
14. **REQUIRED ACTIONS OF BUYER AND SELLERS; COSTS, TAXES AND EXPENSES.** Buyer, Managing General Partner and Sellers agree to execute all such instruments and documents and to take all actions pursuant to the provisions of this Agreement and the Partnership Agreement in order to consummate the Transaction. Except as otherwise expressly set forth herein, each of Buyer, Managing General Partner and Sellers shall be responsible for payment of its own expenses, including legal fees, incurred in connection with negotiation and execution of this Agreement and consummation of the Transaction. The amount of any transfer fees, transfer taxes, or other similar fees, taxes or charges imposed by any governmental authority or agency with respect to the sale and transfer of the Property, if any, shall be paid by Buyer. For the avoidance of doubt, the parties acknowledge that Buyer shall not be responsible for any income taxes payable by Sellers as a result of the transfer of the Property.
15. **LEGAL AND EQUITABLE ENFORCEMENT OF THIS AGREEMENT.** If the Closing does not occur by reason of the default of Buyer, Sellers shall have the right to pursue any remedy available to it in law or equity, including, without limitation, the right of specific performance. If the Closing does not occur by reason of the default of a Seller, then Buyer, as Buyer's sole and exclusive remedy (Buyer specifically waiving any

right to bring an action for monetary damages, including, without limitation, consequential, speculative or punitive damages), may either: (i) terminate this Agreement by written notice to Sellers, or (ii) provided that Buyer is not otherwise in default under this Agreement, bring an action against Sellers to seek specific performance of Sellers' obligations hereunder, which action must be commenced within sixty (60) days after the scheduled Closing Date.

16. **ASSIGNMENT.** Buyer shall not have the right to assign its rights and obligations under this Agreement without the written consent of Sellers; provided, however, that no consent shall be required in connection with an assignment by Buyer to an Affiliate of Buyer. Any other attempted assignment without the prior written consent of Sellers shall be void. Any authorized assignee shall succeed to all the rights and remedies under this Agreement, including, but not limited to, the specific performance of this Agreement.

17. **MISCELLANEOUS.**

- (a) ***Partial Invalidity.*** If any term or provision of this Agreement or the application to any Person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to Persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- (b) ***Waivers.*** No waiver of any breach of any covenant or provision contained herein shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.
- (c) ***Exhibits.*** The exhibits referenced in this Agreement are a part of this Agreement as if fully set forth in this Agreement.
- (d) ***Survival.*** The covenants, agreements, representations, and warranties made in Sections 9, 10, 11, 13, 17(q) and 17(r) herein shall survive the Closing.
- (e) ***Successors and Assigns.*** This Agreement shall be binding on and shall inure to the benefit of the permitted successors and assigns of the parties to it.
- (f) ***Electronic Signatures.*** Facsimile or PDF transmission of any signed original document, and retransmission of any transmission, will be the same as delivery of an original, but the party transmitting a signature by facsimile or PDF then must send the original signature by overnight delivery service. This Section shall not apply to any document that must be recorded.
- (g) ***Entire Agreement.*** This Agreement (including any exhibits attached to it) is the final expression of, and contains the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior

understandings with respect to it. This Agreement may not be modified, changed, supplemented, or terminated, nor may any obligations under it be waived, except by written instrument signed by the party to be charged. Except as specifically set forth herein or in the other documents executed in connection with the Transaction, the parties do not intend to confer any benefit on any Person other than the parties hereto.

- (h) **Counterparts.** This Agreement may be executed in counterparts, each of which will be considered an original and all of which together will constitute one and the same agreement.
- (i) **Construction.** Headings at the beginning of each section are solely for the convenience of the parties and are not a part of this Agreement. Whenever required by the context of this Agreement, the singular shall include the plural, and the masculine shall include the feminine, and vice versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties had prepared it. Unless otherwise indicated, all references to Sections are to sections of this Agreement. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless the last day is a Saturday, Sunday, or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday, nor legal holiday. As used in this Agreement, “business day” means a day other than a Saturday, Sunday or legal holiday.
- (j) **Governing Law.** The parties acknowledge that this Agreement has been negotiated and entered into in the State of California. The parties expressly agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California. The jurisdiction and venue for any action or proceeding brought by either party shall be the Superior Courts of Butte County, California.
- (k) **Exclusivity.** Until the earlier of the Closing Date or the date on which this Agreement is terminated, neither Seller shall (i) assign its Interest to any other entity, or (ii) solicit or accept any proposals from any other party other than Buyer pursuing an ownership interest in the Interests; provided, in each case, that the Closing Date occurs no later than the Outside Scheduled Closing Date, unless the Closing Date is extended by mutual agreement of Buyer and Sellers in writing.
- (l) **Confidentiality.** The parties shall keep as confidential the existence and terms of this Agreement for a period of one (1) year following the execution of this Agreement; provided that, the parties may disclose the terms of this Agreement to their respective directors, officers, key employees, counsel and advisors who need to know about the terms hereof and this Agreement, or pursuant to regulatory or other legal matters.

- (m) ***Time of Essence.*** The parties hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation, and provision of this Agreement.
- (n) ***No Joint Venture.*** It is hereby acknowledged that the relationship between and among Buyer, Managing General Partner and Sellers is not that of a partnership or joint venture and that neither Buyer, Managing General Partner nor Sellers shall be deemed or construed for any purpose to be the agent of any other party.
- (o) ***Liability.*** Except as set forth in the Guaranty, no direct or indirect beneficiaries, shareholders, partners, members, managers, officers, trustee's agents or employees of either Seller or Buyer or Managing General Partner shall have any personal liability of any kind or nature for or by reason of any manner or thing whatsoever under, in connection with, arising out of, or in any way related to this Agreement and the Transaction, and each Seller, Buyer and Managing General Partner hereby waives for itself and anyone who may claim, by, through or under it all rights to sue or recover on account of such alleged personal liability. The parties' respective liabilities to each other shall be as set forth and as limited in this Agreement (including any exhibits attached to it).
- (p) ***Waiver of Jury Trial.*** TO THE EXTENT PERMITTED BY LAW, BUYER, MANAGING GENERAL PARTNER AND SELLERS EACH WAIVE TRIAL BY JURY WITH RESPECT TO ANY ACTION, CLAIM, SUIT OR PROCEEDING IN RESPECT OF OR ARISING OUT OF THIS AGREEMENT AND/OR THE CONDUCT OF THE RELATIONSHIP BETWEEN OR AMONG BUYER, MANAGING GENERAL PARTNER AND SELLERS. BUYER, MANAGING GENERAL PARTNER AND SELLERS HAVE OBTAINED THE ADVICE OF THEIR RESPECTIVE LEGAL COUNSEL BEFORE SIGNING THIS AGREEMENT AND ACKNOWLEDGE THAT THEY VOLUNTARILY AGREED TO THE FOREGOING PROVISION WITH FULL KNOWLEDGE OF ITS SIGNIFICANCE AND LEGAL CONSEQUENCE.
- (q) ***Transfer Tax Indemnity.*** Buyer, Managing General Partner and, by its execution of this Agreement, the Partnership, hereby irrevocably covenant and agree, jointly and severally, to indemnify and hold the Seller Indemnified Parties harmless from and against any and all liens, damages, losses, liabilities, obligations, settlement payments, penalties, fines, assessments, interest, citations, claims, litigation, demands, defenses, judgments, costs and expenses of any kind or nature (including, without limitation, reasonable attorneys', consultants' and experts' fees and disbursements) incurred by any Seller in connection with any transfer tax imposed against any Seller as a result of or in connection with the Transaction.
- (r) ***No Further Capital Obligations.*** Notwithstanding anything to the contrary contained in the Partnership Agreement or any Capital Note, from and after the Closing, neither Seller shall have any responsibility or obligation of any kind or nature to make any capital contribution to the Partnership or any payment under

any Capital Note, and any such Capital Note shall at Closing be deemed paid in full and of no further force or effect.

[Signatures on Next Pages]

IN WITNESS WHEREOF, the parties have executed this Purchase and Sale Agreement as of the Effective Date.

SELLERS:

INVESTOR LIMITED PARTNER:

CENTERLINE CORPORATE PARTNERS
XXVIII LP, f/k/a Related Corporate Partners
XXVIII, L.P., a Delaware limited partnership

By: RCC Asset Managers XXVIII LLC,
its General Partner
By: Centerline Manager LLC,
its Manager
By: Centerline Affordable Housing Advisors
LLC, its Sole Member
By: Centerline Capital Group LLC,
its Sole Member

By: _____
Name: _____
Title: _____

CENTERLINE CORPORATE PARTNERS
XXXIII LP, a Delaware limited partnership

By: CCL Asset Managers XXXIII LLC,
its General Partner
By: Centerline Manager LLC,
its Manager
By: Centerline Affordable Housing Advisors
LLC, its Sole Member
By: Centerline Capital Group LLC,
its Sole Member

By: _____
Name: _____
Title: _____

[Signatures Continue on Following Page]

SPECIAL LIMITED PARTNER:

RELATED CORPORATE XXVIII SLP LLC,
a Delaware limited liability company

By: Centerline Manager LLC,
its Manager

By: Centerline Affordable Housing Advisors
LLC, its Sole Member

By: Centerline Capital Group LLC,
its Sole Member

By: _____

Name: _____

Title: _____

[Signatures Continue on Following Page]

IN WITNESS WHEREOF, the parties have executed this Purchase and Sale Agreement as of the Effective Date.

BUYER:

HOUSING AUTHORITY OF THE COUNTY
OF BUTTE, a public body, corporate and politic

By: _____
Name: _____
Title: _____

MANAGING GENERAL PARTNER:

BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION, a California
non-profit public benefit corporation

By: _____
Name: _____
Title: _____

The Partnership has executed this Agreement as of the Effective Date solely for purposes of accepting and agreeing to the provisions of Sections 17(q) and 17(r) hereof.

1200 PARK AVENUE, L.P.,
a California limited partnership

By: Butte County Affordable Housing Development Corporation,
its Managing General Partner

By: _____
Name: _____
Title: _____

By: 1200 Park Avenue, LLC,
its Administrative General Partner

By: _____
Name: _____
Title: _____

Schedule 1

Required Consents

California Tax Credit Allocation Committee (CTCAC) – Regulatory Agreement

California Community Reinvestment Corporation (Citi/Berkadia) – Loan Agreement

Housing Authority of the County of Butte – Loan Agreement

City of Chico as Successor Agency to Chico Redevelopment Agency – Regulatory Agreement/Loan Agreement

EXHIBIT A
FORM OF ASSIGNMENT AGREEMENT
ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this “Agreement”) is made and entered into as of _____, 2020 (the “Effective Date”), by and among CENTERLINE CORPORATE PARTNERS XXVIII LP, f/k/a Related Corporate Partners XXVIII, L.P., a Delaware limited partnership (“CCP XXVIII”), CENTERLINE CORPORATE PARTNERS XXXIII LP, a Delaware limited partnership (“CCP XXXIII” and, together with CCP XXVIII, “Investor Limited Partner”), RELATED CORPORATE XXVIII SLP LLC, a Delaware limited liability company (“Special Limited Partner”), and HOUSING AUTHORITY OF THE COUNTY OF BUTTE, a public body, corporate and politic (“Assignee”), and is consented to by BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION, a California non-profit benefit corporation (“Managing General Partner”) and 1200 PARK AVENUE, LLC, a California limited liability company (“Administrative General Partner”).

Each of Investor Limited Partner and Special Limited Partner may be referred to herein as an “Assignor” and together as “Assignors.” Capitalized terms used herein but not defined shall have the meaning set forth in that certain Second Amended and Restated Agreement of Limited Partnership of 1200 Park Avenue, L.P., a California limited partnership (the “Partnership”), dated as of December 22, 2004, as amended by that certain misnumbered Third Amendment to Second Amended and Restated Agreement of Limited Partnership dated as of December 26, 2009 and as further amended by that certain misnumbered First Amendment to Second Amended and Restated Agreement of Limited Partnership dated as of July 15, 2009 (collectively, the “Partnership Agreement”).

RECITALS

WHEREAS, Investor Limited Partner is the Limited Partner and owner of the Limited Partner’s Interest (the “Investor Limited Partner Interest”) in the Partnership;

WHEREAS, Special Limited Partner is the Special Limited Partner and owner of the Special Limited Partner’s Interest (the “Special Limited Partner Interest” and collectively with the Investor Limited Partner Interest, the “Interests”) in the Partnership;

WHEREAS, the Partnership is governed by the Partnership Agreement and is the owner of certain real property and improvements commonly known as 1200 Park Avenue Apartments and located at 1200 Park Ave., Chico, CA 95928, as more particularly described in the Partnership Agreement (the “Project”);

WHEREAS, Assignors, Assignee and Managing General Partner have entered into a Purchase and Sale Agreement, dated as of _____, 2020 (the “Purchase Agreement”), providing for the sale by Assignors of the Interests to Assignee; and

WHEREAS, pursuant to the terms of the Purchase Agreement, Assignors desire to assign to Assignee, and Assignee desires to accept, the Interests, on the terms and conditions contained in the Purchase Agreement and this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and the mutual promises and undertakings in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Assignment. Each Assignor hereby transfers and assigns to Assignee, its successors and assigns, all of such Assignor's right, title and interest in its respective Interest, including, but not limited to: (i) the Investor Limited Partner Interest, the Special Limited Partner Interest and all rights and privileges associated with such Interests, including all rights to Cash Flow, Credits, Annual Local Administrative Fees, Profits or Losses, allocations and distributions of the Partnership, accruing from and after the Effective Date; (ii) all management, voting and other rights under the Partnership Agreement; and (iii) all of Assignors' Capital Accounts (collectively, the "Assigned Interests"). This assignment is without representation or warranty of any kind, except as specifically set forth in the Purchase Agreement.

2. Admission; Acceptance and Assumption. As of the Effective Date, (a) pursuant to the LPA Amendment (as defined in the Purchase Agreement), Assignee is admitted to the Partnership as the sole Limited Partner and as the sole Special Limited Partner and (b) Assignee hereby accepts the transfer and assignment of the Assigned Interests and hereby assumes and agrees to be bound by all the terms, provisions and conditions of the Partnership Agreement with respect to the Assigned Interests. The parties hereby agree that the provisions of Article X of the Partnership Agreement have been met or are hereby waived. Assignee will assume and shall be responsible for any debt or payment obligations owed from and after the Effective Date by the Limited Partners to the Partnership or to any Partners of the Partnership. In addition, Assignee will, from and after the Effective Date, assume and perform all agreements, duties, liabilities, covenants and obligations of Assignors under the Partnership Agreement.

3. Withdrawal. As of the Effective Date, and pursuant to the LPA Amendment, Investor Limited Partner is voluntarily withdrawing from the Partnership as Limited Partner and Special Limited Partner is voluntarily withdrawing from the Partnership as Special Limited Partner.

4. Retained Rights. Notwithstanding anything contained in the Purchase Agreement or in this Agreement to the contrary, Assignors expressly retain all of their respective rights, indemnities, privileges and immunities as a Limited Partner that were available to it under the Partnership Agreement with respect to the period of time during which such Assignor was a limited partner in the Partnership.

5. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

6. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which, taken together, shall constitute one and the same instrument. This Agreement may also be executed by delivery by facsimile of an executed counterpart original of this Agreement. The parties hereto agree that the signature of any party transmitted by facsimile with confirmation of transmission shall have binding effect as though such signature were delivered as an original.

7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption Agreement as of the Effective Date.

ASSIGNORS:

INVESTOR LIMITED PARTNER:

CENTERLINE CORPORATE PARTNERS
XXVIII LP, f/k/a Related Corporate Partners
XXVIII, L.P., a Delaware limited partnership

By: RCC Asset Managers XXVIII LLC,
its General Partner
By: Centerline Manager LLC,
its Manager
By: Centerline Affordable Housing Advisors
LLC, its Sole Member
By: Centerline Capital Group LLC,
its Sole Member

By: _____
Name: _____
Title: _____

CENTERLINE CORPORATE PARTNERS
XXXIII LP, a Delaware limited partnership

By: CCL Asset Managers XXXIII LLC,
its General Partner
By: Centerline Manager LLC,
its Manager
By: Centerline Affordable Housing Advisors
LLC, its Sole Member
By: Centerline Capital Group LLC,
its Sole Member

By: _____
Name: _____
Title: _____

[Signatures Continue on Following Page]

SPECIAL LIMITED PARTNER:

RELATED CORPORATE XXVIII SLP LLC,
a Delaware limited liability company

By: Centerline Manager LLC,
its Manager

By: Centerline Affordable Housing Advisors
LLC, its Sole Member

By: Centerline Capital Group LLC,
its Sole Member

By: _____

Name: _____

Title: _____

[Signatures Continue on Following Page]

IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption Agreement as of the Effective Date.

ASSIGNEE:

HOUSING AUTHORITY OF THE COUNTY OF
BUTTE, a public body, corporate and politic

By: _____

Name: _____

Title: _____

CONSENTED TO BY:

MANAGING GENERAL PARTNER:

BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION, a California
non-profit public benefit corporation

By: _____

Name: _____

Title: _____

ADMINISTRATIVE GENERAL PARTNER:

1200 PARK AVENUE, LLC,
a California limited liability company

By: _____

Name: _____

Title: _____

EXHIBIT B

LPA AMENDMENT

THIRD AMENDMENT TO THE SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF 1200 PARK AVENUE, L.P.

THIS THIRD AMENDMENT TO SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF 1200 PARK AVENUE, L.P., dated effective as of the ____ day of _____, 2020 (this “Amendment”), is by and among BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION, a California non-profit benefit corporation (“Managing General Partner”), 1200 PARK AVENUE, LLC, a California limited liability company (“Administrative General Partner”), CENTERLINE CORPORATE PARTNERS XXVIII LP, f/k/a Related Corporate Partners XXVIII, L.P., a Delaware limited partnership (“CCP XXVIII”), CENTERLINE CORPORATE PARTNERS XXXIII LP, a Delaware limited partnership (“CCP XXXIII” and together with CCP XXVIII, “Withdrawing Investor Limited Partner”), RELATED CORPORATE XXVIII SLP LLC, a Delaware limited liability company (“Withdrawing Special Limited Partner”), and HOUSING AUTHORITY OF THE COUNTY OF BUTTE, a public body, corporate and politic (“Substitute Limited Partner”).

RECITALS

WHEREAS, 1200 Park Avenue, L.P. (the “Partnership”), owns an apartment complex known as 1200 Park Avenue Apartments and located at 1200 Park Ave., Chico, CA 95928 (the “Property”);

WHEREAS, the Partnership is governed by that certain Second Amended and Restated Agreement of Limited Partnership dated as of December 22, 2004, as amended by that certain misnumbered Third Amendment to Second Amended and Restated Agreement of Limited Partnership dated as of December 26, 2009 and as further amended by that certain misnumbered First Amendment to Second Amended and Restated Agreement of Limited Partnership dated as of July 15, 2009 (collectively, the “Partnership Agreement”). Capitalized terms not otherwise defined herein shall have the meanings given them in the Partnership Agreement;

WHEREAS, Withdrawing Investor Limited Partner and Withdrawing Special Limited Partner have assigned all of their right, title and interest in and to the Partnership to Substitute Limited Partner pursuant to the terms of that certain Assignment and Assumption Agreement dated as of the date hereof;

WHEREAS, Managing General Partner, Administrative General Partner, Withdrawing Investor Limited Partner, Withdrawing Special Limited Partner, and Substitute Limited Partner desire to amend the Partnership Agreement to evidence: (i) the withdrawal of Withdrawing Investor Limited Partner, (ii) the withdrawal of Withdrawing Special Limited Partner, and (iii) the admission of Substitute Limited Partner as both the Limited Partner and the Special Limited Partner of the Partnership (collectively, the “Transfer”);

WHEREAS, Managing General Partner and Administrative General Partner consent to the Transfer and elect to continue the Partnership; and

WHEREAS, the Partners desire to amend the Partnership Agreement in the manner as hereinafter provided.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Partners do hereby agree and amend the Partnership Agreement as follows:

1. Withdrawal of Centerline Corporate Partners XXVIII LP and Centerline Corporate Partners XXXIII LP. Withdrawing Investor Limited Partners voluntarily withdraws as Limited Partners of the Partnership.

2. Withdrawal of Related Corporate XXVIII SLP LLC. Withdrawing Special Limited Partner voluntarily withdraws as the Special Limited Partner of the Partnership.

3. Admission of Housing Authority of the County of Butte. Substitute Limited Partner is hereby admitted to the Partnership as the successor Limited Partner and successor Special Limited Partner, and hereby accepts and assumes all of the rights and obligations of the Limited Partner and the Special Limited Partner under the Partnership Agreement.

4. References.

(a) All references in the Partnership Agreement to the Limited Partner, Limited Partners, Centerline Corporate Partners XXVIII LP, or Centerline Corporate Partners XXXIII LP shall hereinafter be amended to be references to Housing Authority of the County of Butte.

(b) All references in the Partnership Agreement to the Special Limited Partner or Related Corporate XXVIII SLP LLC shall hereinafter be amended to be references to Housing Authority of the County of Butte.

5. Replacement of Schedule A to Partnership Agreement. Schedule A attached to the Partnership Agreement is hereby replaced with Schedule A attached hereto and incorporated herein by reference.

6. Ratification. The parties hereto adopt and ratify by reference all of the remaining terms and conditions of the Partnership Agreement as if said Partnership Agreement were set forth herein in full; provided, however, that in the event of any conflict between the Partnership Agreement and this Amendment, this Amendment shall govern and control.

7. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be an original and all of which, taken together, shall constitute one and the same instrument. This Amendment may also be executed by delivery by facsimile of an executed counterpart original of this Amendment. The parties hereto agree that the signature of any party transmitted by facsimile with confirmation of transmission shall have binding effect as though such signature were delivered as an original.

8. Headings. The section headings contained in this Amendment are for reference purposes only and will not affect in any way the meaning or interpretation of this Amendment.

9. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of California.

[Signatures on Next Page]

IN WITNESS WHEREOF, this Third Amendment to the Second Amended and Restated Agreement of Limited Partnership of 1200 Park Avenue, L.P. is executed effective as of the date first written above.

MANAGING GENERAL PARTNER:

BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION, a California
non-profit public benefit corporation

By: _____
Name: _____
Title: _____

ADMINISTRATIVE GENERAL PARTNER:

1200 PARK AVENUE, LLC,
a California limited liability company

By: _____
Name: _____
Title: _____

SUBSTITUTE LIMITED PARTNER:

HOUSING AUTHORITY OF THE COUNTY OF
BUTTE, a public body, corporate and politic

By: _____
Name: _____
Title: _____

[Signatures Continue on Following Page]

IN WITNESS WHEREOF, this Third Amendment to the Second Amended and Restated Agreement of Limited Partnership of 1200 Park Avenue, L.P. is executed effective as of the date first written above.

WITHDRAWING INVESTOR LIMITED PARTNER:

CENTERLINE CORPORATE PARTNERS
XXVIII LP, f/k/a Related Corporate Partners
XXVIII, L.P., a Delaware limited partnership

By: RCC Asset Managers XXVIII LLC,
its General Partner
By: Centerline Manager LLC,
its Manager
By: Centerline Affordable Housing Advisors
LLC, its Sole Member
By: Centerline Capital Group LLC,
its Sole Member

By: _____
Name: _____
Title: _____

CENTERLINE CORPORATE PARTNERS
XXXIII LP, a Delaware limited partnership

By: CCL Asset Managers XXXIII LLC,
its General Partner
By: Centerline Manager LLC,
its Manager
By: Centerline Affordable Housing Advisors
LLC, its Sole Member
By: Centerline Capital Group LLC,
its Sole Member

By: _____
Name: _____
Title: _____

[Signatures Continue on Following Page]

**WITHDRAWING SPECIAL LIMITED
PARTNER:**

RELATED CORPORATE XXVIII SLP LLC,
a Delaware limited liability company

By: Centerline Manager LLC,
its Manager
By: Centerline Affordable Housing Advisors
LLC, its Sole Member
By: Centerline Capital Group LLC,
its Sole Member

By: _____
Name: _____
Title: _____

SCHEDULE A

<u>Name and Business Address</u>	<u>Percentage Interests</u>
<u>MANAGING GENERAL PARTNER:</u> Butte County Affordable Housing Development Corporation 2039 Forest Avenue Chico, California 95928	0.01%
<u>ADMINISTRATIVE GENERAL PARTNER:</u> 1200 Park Avenue, LLC 2039 Forest Avenue Chico, California 95928	0.00%
<u>SPECIAL LIMITED PARTNER:</u> Housing Authority of the County of Butte 2039 Forest Avenue Chico, California 95928	0.01%
<u>LIMITED PARTNER:</u> Housing Authority of the County of Butte 2039 Forest Avenue Chico, California 95928	99.98%

EXHIBIT C
FORM OF GUARANTY
GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (this “Guaranty”), made as of _____, 2020, is by HOUSING AUTHORITY OF THE COUNTY OF BUTTE, a public body, corporate and politic, whose address is 2039 Forest Avenue, Chico, California 95928 (“Guarantor”), for the benefit of CENTERLINE CORPORATE PARTNERS XXVIII LP, f/k/a Related Corporate Partners XXVIII, L.P., a Delaware limited partnership (“CCP XXVIII”), CENTERLINE CORPORATE PARTNERS XXXIII LP, a Delaware limited partnership (“CCP XXXIII” and, together with CCP XXVIII, “Investor Limited Partner”), and RELATED CORPORATE XXVIII SLP LLC, a Delaware limited liability company (“Special Limited Partner”). Investor Limited Partner and Special Limited Partner may be referred to herein individually as a “Seller Party” and together as “Seller Parties”. The address of each of Seller Parties is c/o Alden Torch Financial LLC, 1225 17th Street, Suite 1400, Denver, CO 80202.

A. Butte County Affordable Housing Development Corporation, a California non-profit benefit corporation, is the Managing General Partner (“General Partner”) of 1200 Park Avenue, L.P., a California limited partnership (the “Partnership”). Managing General Partner is an instrumentality of the Guarantor.

B. The Partnership is governed by that certain Second Amended and Restated Agreement of Limited Partnership dated as of December 22, 2004, as amended by that certain misnumbered Third Amendment to Second Amended and Restated Agreement of Limited Partnership dated as of December 26, 2009 and as further amended by that certain misnumbered First Amendment to Second Amended and Restated Agreement of Limited Partnership dated as of July 15, 2009 (collectively, the “Partnership Agreement”).

C. Pursuant to a Purchase and Sale Agreement, dated as of _____, 2020 (the “Purchase Agreement”), by and among Investor Limited Partner, Special Limited Partner, Housing Authority of the County of Butte, a public body, corporate and politic (together with its successors and assigns, “Buyer”), and Managing General Partner, Investor Limited Partner and Special Limited Partner have agreed to sell to Buyer Investor Limited Partner’s and Special Limited Partner’s respective interests as Limited Partner and Special Limited Partner in the Partnership. Capitalized terms used herein and not defined shall have the meanings given to such terms in the Purchase Agreement.

D. Guarantor is an affiliate of Buyer and shall substantially benefit, directly or indirectly, from Buyer entering into the Purchase Agreement and becoming the owner of the Property (as defined in the Purchase Agreement).

E. As a condition to the sale of the Property, Seller Parties have required Guarantor to guarantee to Seller Parties certain obligations of Buyer and Managing General Partner under the Purchase Agreement and certain other items as herein set forth.

NOW, THEREFORE, in order to induce Investor Limited Partner and Special Limited Partner to enter into the Purchase Agreement and in consideration of the premises and for other

good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby guarantees, covenants and agrees as follows:

1. Guarantor irrevocably and unconditionally fully guarantees the due, prompt and complete performance of each and every one of the following obligations: the payment and performance by Buyer and Managing General Partner of each and every obligation of Buyer and Managing General Partner pursuant to Sections 10 and 11 of the Purchase Agreement (the obligations described in this Paragraph 1 are hereinafter collectively referred to as the "Guaranteed Obligations").

2. Guarantor hereby grants to Seller Parties, in the sole discretion of Seller Parties, and without notice to Guarantor, the power and authority to deal in any lawful manner with the Guaranteed Obligations, and without limiting the generality of the foregoing, further power and authority, from time to time: (a) to renew, compromise, extend, accelerate or to otherwise change the terms of the Guaranteed Obligations; (b) to modify or to waive any of the terms of the Purchase Agreement; (c) to grant any indulgence, forbearance or waiver with respect to the Guaranteed Obligations; or (d) to change the time of place of payment of the Guaranteed Obligations; notwithstanding the foregoing, none of the foregoing actions in (a) or (b) above with regard to the Guaranteed Obligations may be made without the prior written consent of Buyer. The liability of Guarantor hereunder shall not be affected, impaired or reduced in any way by any action taken by any Seller Party under the foregoing provisions or any other provision hereof, or by any delay, failure or refusal of any Seller Party to exercise any right or remedy it may have against Buyer, Managing General Partner or any other person, including other guarantors, if any, liable for all or any part of the Guaranteed Obligations.

3. Upon request by any Seller Party, but not more than once per year, Guarantor shall send to Seller Parties copies of the balance sheet and income statement of Guarantor for the immediately preceding calendar year. Guarantor shall promptly give each Seller Party written notice if any of Guarantor, Buyer, Managing General Partner or the Partnership receives notice of an alleged Recapture Event.

4. Guarantor agrees that if any of the Guaranteed Obligations are not fully and timely paid or performed according to the tenor thereof, whether by acceleration or otherwise, Guarantor shall immediately upon receipt of written demand therefor from any Seller Party pay and perform all of the Guaranteed Obligations hereby guaranteed in like manner as if the Guaranteed Obligations constituted the direct and primary obligation of Guarantor. Until the Guaranteed Obligations are paid in full, Guarantor shall not have any right of subrogation as a result of any payment hereunder or any other payment made by Guarantor on account of the Guaranteed Obligations, and Guarantor hereby waives, releases and relinquishes any claim based on any right of subrogation, any claim for unjust enrichment or any other theory that would entitle Guarantor to a claim against Buyer or Managing General Partner based on any payment made hereunder or otherwise on account of the Guaranteed Obligations.

5. This Guaranty and the obligations of Guarantor hereunder shall be continuing and irrevocable until the expiration of the Indemnification Period and the satisfaction in full of the Guaranteed Obligations. Notwithstanding the foregoing or anything else set forth herein, and in addition thereto, if at any time all or any part of any payment received by a Seller Party from Guarantor under or with respect to this Guaranty is or must be rescinded or returned for any

reason whatsoever (including, without limitation, determination that said payment was a voidable preference or fraudulent transfer under insolvency, bankruptcy or reorganization laws), then Guarantor's obligations hereunder shall, to the extent of the payment rescinded or returned, be deemed to have continued in existence, notwithstanding such previous receipt of payment by Seller Parties, and Guarantor's obligations hereunder shall continue to be effective or be reinstated as to such payment, all as though such previous payment to Seller Parties had never been made. The provisions of the foregoing sentence shall survive termination of this Guaranty, and shall remain a valid and binding obligation of Guarantor until satisfied.

6. Guarantor hereby waives notice of acceptance of this Guaranty by Seller Parties, and this Guaranty shall immediately be binding upon Guarantor.

7. Guarantor hereby waives and agrees not to assert or take advantage of:

(a) any right to require Seller Parties to proceed against Buyer or any other person or to pursue any other remedy in the power of Seller Parties before proceeding against Guarantor hereunder;

(b) the defense of the statute of limitations in any action hereunder or in any action for the collection of the Guaranteed Obligations or the performance of any other obligations guaranteed hereby;

(c) any defense that may arise by reason of the incapacity, lack of authority, death or disability of any other person or the failure of Seller Parties to file or enforce a claim against the estate (in administration, bankruptcy or any other proceeding) of any other person;

(d) demand, presentment for payment, notice of non-payment, protest, notice of protest and all other notices of any kind, including, without limitation, notice of the existence, creation or incurring of any new or additional indebtedness or obligation or of any action or non-action on the part of Seller Parties or any endorser or creditor of any Seller Party or Guarantor or on the part of any other person whomsoever in connection with the Guaranteed Obligations;

(e) any defense based upon an election of remedies by any Seller Party, and until the Guaranteed Obligations are paid in full, the right of Guarantor to proceed against Buyer or Managing General Partner for reimbursement; and

(f) any election by a Seller Party to exercise any right or remedy it may have against Managing General Partner, the Partnership or Buyer or any security held by Seller Parties, without affecting or impairing in any way the liability of Guarantor hereunder, except to the extent the Guaranteed Obligations have been paid and performed in full, and, until the Guaranteed Obligations are paid and performed in full, any default arising out of the absence, impairment or loss of any right of reimbursement, contribution or subrogation or any other right or remedy of Guarantor against the Partnership, Buyer or Managing General Partner whether resulting from such election by Seller Parties or otherwise.

8. The amount of Guarantor's liability and all rights, powers and remedies of Seller Parties hereunder shall be cumulative and not alternative and such rights, powers and remedies shall be in addition to all rights, powers and remedies given to any Seller Party under the Purchase Agreement, any document or agreement relating in any way to the terms and provisions

thereof or otherwise by law. This Guaranty is in addition to and exclusive of the guaranty of any other person which guarantees the Guaranteed Obligations.

9. The liability of Guarantor under this Guaranty shall be an absolute, direct, immediate and unconditional guarantee of payment and not of collectability. The obligations of Guarantor hereunder are independent of the obligations of Buyer, Managing General Partner or any other person which may be initially or otherwise responsible for performance or payment of the obligations hereunder guaranteed, and, in the event of any default hereunder, a separate action or actions may be brought and prosecuted against Guarantor, whether or not Buyer or Managing General Partner is joined therein or a separate action or actions are brought against Buyer or Managing General Partner. Seller Parties may maintain successive actions for other defaults. Seller Parties' rights hereunder shall not be exhausted by the exercise of any of their rights or remedies or by any such action or by any number of successive actions until and unless the Guaranteed Obligations have been paid in full.

10. Guarantor hereby agrees to pay to Seller Parties, no later than thirty days after any Seller Party's written demand therefor, reasonable attorneys' fees and all reasonable costs and other expenses which any Seller Party expends or incurs in collecting or compromising the Guaranteed Obligations or in enforcing this Guaranty against Guarantor whether or not suit is filed, including, without limitation, all costs, attorneys' fees and expenses incurred by Seller Parties in connection with any insolvency, bankruptcy, reorganization, arrangement or other similar proceedings involving Guarantor that in any way affect the exercise by any Seller Party of its rights and remedies hereunder. Any and all such costs, attorneys' fees and expenses not so paid in accordance with the foregoing sentence shall bear interest at an annual interest rate equal to the lesser of (a) 10%, or (b) the highest rate permitted by applicable law, from the date incurred by Seller Parties until paid by Guarantor.

11. If any one or more provisions of this Guaranty is determined to be illegal or unenforceable, all other provisions nevertheless shall be effective.

12. No provision of this Guaranty or right of Seller Parties hereunder can be waived nor can Guarantor be released from Guarantor's obligations hereunder except by a writing duly executed by Seller Parties, subject to Section 5. This Guaranty may not be modified, amended, revised, revoked, terminated, changed or varied in any way whatsoever except by the express terms of a writing duly executed by Seller Parties and Guarantor.

13. When the context and construction so require, all words used in the singular herein shall be deemed to have been used in the plural, and the masculine shall include the feminine and neuter and vice versa. The word "person" as used herein shall include any individual, company, firm, association, partnership, corporation, trust or other legal entity of any kind whatsoever.

14. Guarantor's obligations under this Guaranty may not be assigned without the prior written consent of Seller Parties. This Guaranty shall inure to the benefit of and bind the successors and permitted assigns of Seller Parties and Guarantor.

15. This Guaranty shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of law, except to the extent that

any of such laws may now or hereafter be preempted by Federal law, in which case, such Federal law shall so govern and be controlling. In any action brought under or arising out of this Guaranty, Guarantor hereby consents to the jurisdiction of any competent court within the State of California and consents to service of process by any means authorized by the laws of such state. Except as provided in any other written agreement now or at any time hereafter in force between Seller Parties and Guarantor, this Guaranty shall constitute the entire agreement of Guarantor with Seller Parties with respect to the subject matter hereof, and no representation, understanding, promise or condition concerning the subject matter hereof shall be binding upon Seller Parties or Guarantor unless expressed herein.

16. All notices or other communications required or permitted under this Guaranty shall be in writing and shall be (a) personally delivered (including by means of professional messenger service), which notices and communications shall be deemed received on receipt at the office of the addressee; (b) sent by registered or certified mail, postage prepaid, return receipt requested, which notices and communications shall be deemed received three (3) business days after deposit in the United States mail; (c) sent by overnight delivery using a nationally recognized overnight courier service, which notices and communications shall be deemed received one (1) business day after deposit with such courier; and (d) if an e-mail address is shown below, sent by email, which notices and communications shall be deemed received on the business day of delivering party's receipt of a transmission confirmation.

Seller Parties:

c/o Alden Torch Financial LLC
1225 17th Street, Suite 1400
Denver, CO 80202
Attn: Christopher Blake, Kori Gibbs, and Legal
Department
E-mail: chris.blake@aldentorch.com,
kori.gibbs@aldentorch.com, and
lee.pannier@aldentorch.com

Guarantor:

c/o Housing Authority of the County of Butte
2039 Forest Avenue
Chico, California 95928
Attn: Edward S. Mayer
E-mail: edm@butte-housing.com

Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice, demand or request sent. By giving to the other party hereto at least thirty (30) days' written notice thereof in accordance with the provisions hereof, the parties hereto shall have the right from time to time to change their respective addresses and each shall have the right to specify as its address any other address within the United States of America.

17. Guarantor hereby agrees that this Guaranty, the Guaranteed Obligations and all other obligations guaranteed hereby shall remain in full force and effect at all times hereinafter until paid and/or performed in full notwithstanding any action or undertakings by, or against, Seller Parties, Guarantor, and/or any partner and/or member in Seller Parties in any proceeding in the United States Bankruptcy Court, including, without limitation, any proceeding relating to

election or imposition of secured or unsecured claim status upon claims by Seller Parties pursuant to any Chapter of the Bankruptcy Code or the Rules of Bankruptcy Procedure as same may be applicable from time to time.

18. **GUARANTOR AND, BY ITS ACCEPTANCE HEREOF, EACH SELLER PARTY, HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (a) ARISING UNDER THIS GUARANTY, INCLUDING, WITHOUT LIMITATION, ANY PRESENT OR FUTURE AMENDMENT HEREOF, OR (b) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THIS GUARANTY OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION IS NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ANY PARTY TO THIS GUARANTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF ANY RIGHT THEY MIGHT OTHERWISE HAVE TO TRIAL BY JURY.**

19. Guarantor represents and warrants that the execution, delivery and performance by Guarantor of this Guaranty does not and will not contravene or conflict with (a) any law, order, rule, regulation, writ, injunction or decree applicable to Guarantor; or (b) any contractual restriction binding on or affecting Guarantor or any of Guarantor's property or assets.

20. This Guaranty may be executed in any number of counterparts, each of which shall be effective only upon delivery and thereafter shall be deemed an original, and all of which shall be taken to be one and the same instrument, with the same effect as if all parties hereto had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages.

[Signatures on Next Page]

IN WITNESS WHEREOF, the undersigned Guarantor has executed this Guaranty Agreement as of the date first written above.

GUARANTOR:

HOUSING AUTHORITY OF THE COUNTY
OF BUTTE, a public body, corporate and politic

By: _____

Name: _____

Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2020, by
[_____].

WITNESS my hand and official seal.

My commission expires:

Notary Public

EXHIBIT D

FORM OF 8823 CERTIFICATION

8823 CERTIFICATION

The undersigned is the authorized representative of BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION, a California non-profit benefit corporation (“Managing General Partner”), the Managing General Partner of 1200 Park Avenue, L.P., a California limited partnership (the “Partnership”). Pursuant to that certain Purchase and Sale Agreement, dated _____, 2020 (the “Agreement”), among Managing General Partner, Centerline Corporate Partners XXVIII LP, f/k/a Related Corporate Partners XXVIII, L.P., a Delaware limited partnership (“CCP XXVIII”), Centerline Corporate Partners XXXIII LP, a Delaware limited partnership (“CCP XXXIII” and, together with CCP XXVIII, “Investor Limited Partner”) and Related Corporate XXVIII SLP LLC, a Delaware limited liability company (“Special Limited Partner”), the undersigned hereby certifies to Investor Limited Partner and Special Limited Partner that, as of the date hereof, and since the date of the execution and delivery of any prior 8823 Certification:

1. The Agency [has/has not] issued to the IRS, IRS Form 8823 with respect to the Project.
2. To the best of the undersigned’s knowledge, no event has occurred that, with the giving of notice or the passage of time, or both, could reasonably be expected to result in a Recapture Event or otherwise give rise to a payment obligation under Section 10 of the Agreement.
3. Managing General Partner has not and, to the best of Managing General Partner’s knowledge, the Partnership’s Administrative General Partner has not received notice of any IRS proceeding involving the Partnership which proceeding could reasonably be expected to result in a Recapture Event or otherwise give rise to a payment obligation under Section 10 of the Agreement.
4. The undersigned is not aware of the existence of any fact or circumstance that makes untrue or misleading in any material respect any of the statements or information contained herein.

This Certificate is made on the date hereof pursuant to Section 11(f) of the Agreement. Capitalized terms used herein and not defined shall have the meaning set forth in the Agreement or the Partnership Agreement (as defined in the Agreement).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Dated as of _____, _____.

BUTTE COUNTY AFFORDABLE
HOUSING DEVELOPMENT
CORPORATION, a California non-profit
benefit corporation

By: _____

Name: _____

Title: _____

MEMO

Date: October 15, 2020

To: HACB Board of Commissioners

From: Jerry Martin, Modernization Coordinator

Subject: Resolution No. 4793 - Main Office Safety and Security Improvements Project

This project was developed to address two main improvement needs at the HACB Main office: 1) Physical improvements to address health and safety deficiencies as identified through federal, state and local Covid-19 public safety and sanitation mandates and recommended virus safety protocols, and 2) Exterior physical safety improvements identified through repeated vandalism and damage to building exterior improvements. Project highlights include:

- Reconfiguration of two Public Housing interview rooms through installation of bullet resistant demising walls. This improvement will fully separate the public from staff, help to reduce the potential for virus transmissions, and increase overall office security.
- Installation of Bipolar Ionization units within each of the eight (8) HVAC systems serving the HACB main office. These units use ionized charged air molecules to attach to and reduce viruses, bacteria, and pollution potentially suspended within indoor air.
- Installation of new solid and cleanable surfaces within publicly accessible spaces of the building including: installation of tile flooring in Training Room and painting of publicly accessible lobbies, restrooms, and the training room.
- Installation of Security Screening around HVAC condenser pads located in three locations around the building, and installation of Security Screening and compliant Gate at the breakroom patio entrance to prevent unauthorized entry and vandalism at these locations.

Project Bids Received:

Experts in Your Home	\$214,940.00
REM Construction	\$381,896.00

Hignell Incorporated, dba Experts in Your Home provided the Lowest Responsive and Responsible bid for this project. This bid came in above the Independent Cost Estimate, however after review of the scope of work, its accelerated schedule, and the current construction bidding market, we find this bid reasonable and to be in the best interest of HACB.

Recommendation: Motion to adopt Resolution No. 4793, approving a construction contract with Hignell Incorporated, dba Experts in Your Home, for the 2039 Forest Avenue Safety and Security Improvement Project, 20010-IFB, in the amount of \$214,940.00.

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

RESOLUTION NO. 4793

AUTHORIZATION TO ENTER INTO CONTRACT WITH
HIGNELL INCORPORATED, DBA EXPERTS IN YOUR HOME
FOR SAFETY AND SECURITY IMPROVEMENTS AT 2039 FOREST AVENUE, CHICO

WHEREAS, the Housing Authority of the County of Butte (HACB) administers programs and operations from its office property located at 2039 Forest Avenue, Chico, CA (Main Office); and

WHEREAS, HACB seeks to provide and maintain a safe and sanitary administrative office space sufficient for its programmatic and administrative needs, accessible to those with physical disabilities, serving clients and the public with dignity and respect; and

WHEREAS, safety and security improvements have been identified through federal, state and local COVID-19 public safety mandates, recommendations, and protocols, and though repeat experience of vandalism, damage to exterior physical improvements, and safety threats; and

WHEREAS, construction of safety and security improvements at the Main Office are recommended; and

WHEREAS, the HACB has developed plans and specifications for the recommended safety and security improvements and bid them in accordance with its Procurement Policy; and

WHEREAS, the bid received from Hignell Incorporated, dba Experts in Your Home, in the amount of Two Hundred and Fourteen Thousand, Nine Hundred and Forty Dollars and No Cents (\$214,940.00) has been determined to be the lowest responsive qualified bid received, and to be in the best interest of the HACB; and

WHEREAS, the Board of Commissioners of HACB (Board) has established procurement policy such that contracts greater than Fifty Thousand Dollars (\$50,000.00) must be authorized by resolution of the Board;

THEREFORE BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Butte to authorize the entering into of a contract with Hignell Incorporated, dba Experts in Your Home in the amount of Two Hundred and Fourteen Thousand, Nine Hundred and Forty Dollars and No Cents (214,940.00), for purposes of construction of safety and security improvements at its Main Office, located at 2039 Forest Avenue, Chico, CA, such contract compensation to be paid as follows: 1) HUD CARES Act Funds, where applicable to Public Housing and Section 8 qualified improvements, and 2) the balance from the HACB's General Fund, recouped by means of allocation of depreciation costs across all programs over a 15-year period.

Dated: October 15, 2020

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary

October 8, 2020

Memo

To: Board of Commissioners

From: Sue Kemp, Finance Director

Subject: Write-Off Uncollectible Accounts Receivable as of September 30, 2020

Annually, at fiscal year-end, accounts receivable balances are written off the balance sheet for vacated participant and landlord accounts for which HACB has not received a payment for ninety (90) days for more. These balances represent uncollectable tenant rent, repayment agreements, and other charges for July 1, 2019 through June 30, 2020. To provide some perspective, below is a chart comparing 2020 to the past four years, along with the five-year averages.

Year	Public Housing	Farm Labor Housing	Housing Authority Owned	Housing Choice Voucher	VASH Security Deposits	Total
2020	\$ 74,034	\$ 10,765	\$ 8,428	\$ 18,480	\$ 500	\$ 112,207
2019	\$ 71,784	\$ 264	\$ 5,164	\$ 14,024	\$ -	\$ 91,236
2018	\$ 37,988	\$ 7,617	\$ 17,550	\$ 24,004	\$ -	\$ 87,158
2017	\$ 11,312	\$ 1,984	\$ 16,151	\$ 50,861	\$ -	\$ 80,307
2016	\$ 33,139	\$ 116	\$ 11,984	\$ 20,470	\$ 550	\$ 66,258
Averages	\$ 45,651	\$ 4,149	\$ 11,855	\$ 25,568	\$ 210	\$ 87,433

There was significant fire damage to a Public Housing unit, accounting for \$32,435 of the charges to be written off. The damage was covered by insurance, but legal counsel recommended the amount be recognized for possible future restitution. Housing Authority-Owned and Section 8 HCV amounts were lower than average, and Farm Labor Housing was higher than average. The amount written off the balance sheet is not the same as Bad Debt and Allowance for Doubtful Accounts (ADA), which are calculated as a percentage of the total tenant accounts receivable. The process of recording the ADA does not require Board action; its purpose is to account for potentially uncollectible amounts, and not to write-off the debt.

These write-off accounts have been, or will be, sent to a Collection Agency for further action.

If you have any questions I will be happy to answer them at the Board Meeting.

Recommend adoption of Resolution No. 4794.

HOUSING AUTHORITY OF THE COUNTY OF BUTTE
RESOLUTION No. 4794
WRITE-OFF UNCOLLECTIBLE ACCOUNTS RECEIVABLE

THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Butte to hereby authorize the following accounts receivable amounts to be written off the Balance Sheet as uncollectible as of September 30, 2020:

PROJECT	# of UNITS	RENT	OTHER CHARGES	TOTAL
<u>PUBLIC HOUSING:</u> Balances from 07/01/2019 to 06/30/2020				
BIGGS (43-02A, 02B)	2	\$106.58	\$1,918.38	\$2,024.96
CHICO (43-3)	5	\$1,297.52	\$41,282.11	\$42,579.63
CHICO (43-13)	2	\$462.71	\$6,483.20	\$6,945.91
GRIDLEY (43-01A, 01B, 04)	2	\$0.00	\$824.87	\$824.87
OROVILLE (43-14)	4	\$1,499.94	\$15,005.07	\$16,505.01
OROVILLE (43-15)	2	<u>\$2,400.00</u>	<u>\$2,753.49</u>	<u>\$5,153.49</u>
TOTAL PUBLIC HOUSING:		<u>\$5,766.75</u>	<u>\$68,267.12</u>	<u>\$74,033.87</u>
<u>FARM LABOR HOUSING:</u> Balances from 07/01/2019 to 06/30/2020				
GRIDLEY	4	<u>\$6,506.94</u>	<u>\$4,258.10</u>	<u>\$10,765.04</u>
TOTAL FARM LABOR HOUSING:		<u>\$6,506.94</u>	<u>\$4,258.10</u>	<u>\$10,765.04</u>
<u>HOUSING AUTHORITY OWNED:</u> Balances from 07/01/2019 to 06/30/2020				
LOCUST ST APTS	1	\$0.00	\$640.00	\$640.00
ALAMONT APTS	4	\$540.00	\$5,333.34	\$5,873.34
EVANSWOOD ESTATES	1	<u>\$265.00</u>	<u>\$1,650.00</u>	<u>\$1,915.00</u>
TOTAL AUTHORITY OWNED:		<u>\$805.00</u>	<u>\$7,623.34</u>	<u>\$8,428.34</u>
<u>HOUSING CHOICE VOUCHER PROGRAM: (SEC 8):</u> Balances from 07/01/2019 to 06/30/2020				
TENANTS	13	\$18,480.00	\$0.00	\$18,480.00
LANDLORDS	0	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL SECTION 8:		<u>\$18,480.00</u>	<u>\$0.00</u>	<u>\$18,480.00</u>
<u>GENERAL FUND:</u> Balances from 07/01/2019 to 06/30/2020				
Vash Security Deposits	1	<u>\$500.00</u>	<u>\$0.00</u>	<u>\$500.00</u>
TOTAL VASH SECURITY DEPOSIT:		<u>\$500.00</u>	<u>\$0.00</u>	<u>\$500.00</u>
GRAND TOTAL:				<u>\$112,207.25</u>

Date: October 15, 2020

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

RESOLUTION NO. 4795

MEMORANDUM OF AGREEMENT WITH CHICO RANCHERIA HOUSING CORPORATION
AUTHORIZING APPLICATION FOR 2020 HUD ROSS SERVICE COORDINATOR FUNDS

WHEREAS, the Housing Authority of the County of Butte (HACB) administers under contract to the United States Department of Housing and Urban Development (HUD) the Low Income Public Housing program (Public Housing); and

WHEREAS, on August 18, 2020 HUD issued a Notice of Funding Availability (NOFA) for FY2020 Public and Indian Housing Resident Opportunity and Self-Sufficiency (ROSS) Service Coordinator funds; and

WHEREAS, threshold criteria for application for ROSS Service Coordinator funds requires a minimum of fifty (50) participating households, and

WHEREAS, the HACB has determined it infeasible to apply for ROSS Service Coordinator funds on behalf of its 345 Public Housing tenants because the estimated size of the participant pool is not sufficient to sustain a Public Housing Family Self Sufficiency program; and

WHEREAS, the Chico Rancheria Housing Corporation (CRHC), the Mechoopda Indian Tribe of Chico Rancheria's California Tribally Designated Housing Entity (TDHE), owns and operates fifty (50) units of HUD-funded Tribal Housing; and

WHEREAS, as of October 9, 2020 HACB had fifteen (15) Public Housing units occupied by Native American households; and

WHEREAS, the HACB has been approached by the Chico Rancheria Housing Corporation (CRHC) to enter into a Memorandum of Agreement for purposes of joint application to HUD for ROSS Service Coordinator funds to retain a Service Coordinator to coordinate and provide culturally appropriate family self-sufficiency services to Native American households served by both CRHC and the HACB; and

WHEREAS, the HACB has determined it to be in the best interest of the HACB and its clients to coordinate and partner in the delivery of services wherever possible with other affordable housing and services providers, particularly those that serve minority populations, and to pro-actively promote the self-sufficiency of its clients;

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Butte to authorize its Executive Director to enter into a Memorandum of Agreement, attached to and made a part of this resolution, with the Chico Rancheria Housing Corporation for purposes of applying for and operating a FY 2020 U.S. Department of Housing and Urban Development Resident Opportunities and Self Sufficiency program serving Native American households occupying its HUD Low Income Public Housing.

Dated: October 15, 2020.

Laura Moravec, Chair

ATTEST:

Edward S. Mayer, Secretary

**MEMORANDUM OF
AGREEMENT**

AN AGREEMENT BETWEEN THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE AND THE
CHICO RANCHERIA HOUSING CORPORATION

This agreement is between the **Housing Authority of the County of Butte (HACB)**, its principle offices located at 2039 Forest Ave., Chico, CA 95928 and **Chico Rancheria Housing Corporation (CRHC)**, the Mechoopda Indian Tribe of Chico Rancheria, California's Tribally Designated Housing Entity (TDHE), its office located at 585 East Ave., Chico, CA 95926. HACB and CRHC (hereafter, "Parties") hereto do mutually agree as follows:

A ROSS Service Coordinator specifically experienced to coordinate and provide *culturally appropriate* family self-sufficiency services to Native Americans will greatly benefit those Native American tenants in each Parties' housing units. Utilization of the ROSS Service Coordinator's Program to serve the combined units of CRHC and HACB that house Native American Families is an effective way to maximize federal funding sources needed to provide specialized services specific to Native Americans.

CRHC, as a TDHE, will be the lead agency and the applicant responding to the HUD 2020 ROSS Service Coordinator NOFA. CRHC will administer the program in accordance with and abide by the provisions of 24 CFR Parts 964 and 85 as well as OMB Circulars A-87 (2 CFR Part 225) "Cost Principles for State, Local, and Indian Tribal Governments" and A-133 "Audits of States, Local Governments, and Non-Profit Organizations."

CRHC will provide ROSS Service Coordinator Services to HACB to its PHA units which house Native American Families during the term of the grant, provided the ROSS Service Coordinator grant is funded. The term of the grant will be equivalent to the term of this Agreement, which will be three (3) consecutive years from the date the funding agreement is executed. If HUD does not fund the grant, this agreement shall be null and void.

CRHC, as the TDHE, has fifty (50) housing units under management that are owned by the tribe and operated by CRHC. These are identified in CRHC's housing inventory as of July 31, 2020. Each family in tribally owned units under management of CRHC is mandated to participate in housing counseling, budget counseling, and self-sufficiency activities and will greatly benefit from a ROSS Service Coordinator. As of October 9, 2020, HACB has fifteen (15) Public Housing units occupied by Native American Families, and thirty-six (36) Native American Families on its Public Housing Wait List, households that will benefit greatly by specialized and *culturally appropriate* family self-sufficiency services. This totals sixty-five (65) units of tribally-owned and PHA units that will be served by a ROSS Service Coordinator.

IN WITNESS WHEREOF, the Housing Authority of the County of Butte and the Chico Rancheria Housing Corporation have executed this Agreement.

By: _____ Date: _____
Edward S. Mayer,
HACB Executive Director

By: _____ Date: _____
Anthony Tyler,
CRHC Housing Director

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

RESOLUTION NO. 4796

RESOLUTION OF THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE
ADOPTING DEBT POLICY

WHEREAS, California Government Code Section 8855(i), effective as of January 1, 2017, requires that issuers of state or local government indebtedness adopt debt policies which include specific provisions concerning the use of indebtedness; and

WHEREAS, the Housing Authority of the County of Butte (the “Authority”) expects to issue indebtedness, or participate as a borrower in the issuance of indebtedness, and to comply with Government Code Section 8855(i);

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Butte to hereby find, determine and certify as follows:

Section 1. The foregoing recitals are true and correct;

Section 2. The Debt Management Policy, herein attached to and made a part of this Resolution Number 4796, is hereby approved and adopted for the purpose of establishing agency debt policies; and,

Section 3. This resolution shall take effect on and after its adoption.

PASSED AND ADOPTED by the Board of Commissioners on this 15th day of October, 2020 by the following vote:

AYES:

NOES:

ABSENT:

Laura Moravec, Chair

Attest:

Edward S. Mayer, Secretary

MULTIFAMILY HOUSING BOND POLICIES (Governmental Bonds and Conduit Bonds)

The Board of Commissioners (the “Governing Body”) of the Housing Authority of the County of Butte (the “Issuer”) adopted these Multifamily Housing Bond Policies (Conduit Bonds) (the “Policies”) on October 15, 2020 pursuant to Resolution No. ____ to establish policies and procedures in connection with tax-exempt and taxable Conduit Bonds and Governmental Bonds (as such terms are defined below) (collectively, the “Bonds”) issued by the Issuer for multifamily rental housing projects (the “Projects”) located in the Jurisdiction of the Issuer (as such term is defined below). The purpose of the Policies is to help ensure that the Applicable Requirements (defined below) are satisfied.

These Policies may be amended, and waivers from the requirements of these Policies may be granted, by the Governing Body as it deems appropriate from time to time in the discretion of the Issuer with the advice of counsel. Any applicant seeking a waiver must request the waiver in writing and state the reason or reasons why the waiver is necessary and appropriate.

I. DEFINITIONS

The following terms, when capitalized herein, shall have the following meanings:

“Accredited Investor” has the meaning given in Rule 501 of Reg. D promulgated under the Securities Act of 1933.

“Act” means Chapter 1 of Part 2 of Division 24 of the California Health and Safety Code.

“Applicable Requirements” means certain requirements of the Act, the California Debt and Investment Advisory Commission (Section 8855(i) of the California Government Code), and the California Debt Limit Allocation Committee (Division 9.5 of Title 4 of the California Code of Regulations).

“Approved Buyer” means an Accredited Investor or a Qualified Institutional Buyer.

“Bonds” means tax-exempt and taxable Bonds authorized to be issued pursuant to the Act for Projects.

“Borrower” means the owner of a Project.

“CDLAC” means the California Debt Limit Allocation Committee, or any successor entity.

“CDLAC Regulations” means the regulations of the California Debt Limit Allocation Committee, consisting of Division 9.5 of Title 4 of the California Code of Regulations, as the same may be amended from time to time.

“CDLAC Resolution” means a resolution of CDLAC granting private activity bond volume cap to a Project.

“Compliance Manager” has the meaning given in Section V.E. of these Policies.

“Compliance Team” has the meaning given in Section V.E. of these Policies.

“Conduit Bonds” means taxable or tax-exempt bonds, notes or other evidence of indebtedness authorized to be issued by the Issuer, for which an allocation from CDLAC is required to be obtained prior to issuance thereof.

“Governing Body” means the Issuer’s Board of Commissioners.

“Governmental Bonds” means taxable or tax-exempt bonds, notes or other evidence of indebtedness authorized to be issued by the Issuer, or issued by a joint powers agency for the benefit of the Borrower, in order to finance Issuer-owned Projects.

“Investor Letter” means a certification from the initial investor(s) of a Bond offering containing representations that (i) they are an Accredited Investor or a Qualified Institutional Buyer, (ii) they have no present intention of reoffering the Bonds in a subsequent offering, but may be allow to subsequently transfer the Bonds in a limited offering to another permitted transferee subject to the provisions of the Bond documents, and (iii) such other representations, warranties and agreements as may be required by the Issuer.

“Issuer” means Housing Authority of the County of Butte, a public body corporate and politic organized and existing pursuant to laws of the state of California.

“Jurisdiction of the Issuer” means the area of operation of the Issuer.

“Policies” means these Multifamily Housing Bond Policies, as they may be amended from time to time.

“Project” means a multifamily rental housing development or developments situated in the Jurisdiction of the Issuer, as well as other appurtenant facilities, authorized to be financed by Bonds pursuant to the Act.

“Qualified Institutional Buyer” has the meaning given in Rule 144A promulgated under the Securities Act of 1933.

“Regulatory Agreement” means a regulatory agreement executed by the Issuer and the Borrower upon the issuance of Bonds, and which is recorded in the official records of the county in which the Project is located.

“State” means the State of California.

“TCAC” means the California Tax Credit Allocation Committee, or any successor entity.

“Travelling Investor Letter” means a certification from each investor(s) of a Bond offering containing representations that (i) they are an Accredited Investor or a Qualified Institutional Buyer, (ii) they have no present intention of reoffering the Bonds in a subsequent offering, but may be allow to subsequently transfer the Bonds in a limited offering to another permitted transferee provided the transferee agrees to provide the same representation letter and subject to the other conditions of the Bond documents, and (iii) such other representations, warranties and agreements as may be required by the Issuer.

“Underwriting Statement” means a written statement from the firm contracted to market the Bonds that includes a brief paragraph on the firm’s history and principals, a summary of the firm’s initial underwriting review, an overview of proposed issuance structure including anticipated debt service

coverage ratio, and a statement certifying that the proposed transaction has been initially underwritten and meets the firm's standards for participation

II. GENERAL DEBT POLICIES

A. Findings

(1) The Issuer hereby recognizes that a prudent multifamily housing bond policy is required in order to:

(a) Protect the Issuer's creditworthiness and exposure to financial and legal liabilities.

(b) Ensure that the government-subsidized financing represented by tax-exempt and taxable Conduit Bonds and Governmental Bonds furthers the policy goals of preserving and expanding affordable rental housing and other policy goals for which they were intended.

(c) Ensure that all debt is structured in order to protect the Issuer, residents of facilities owned or financed by the Issuer, investors in the Issuer's bonds, the Issuer's borrowers and other stakeholders.

(d) Ensure the Issuer has the flexibility to respond to changes in future service priorities and market requirements.

(e) Ensure that the Issuer's debt is consistent with the Issuer's planning goals and objectives and capital improvement program or budget, as applicable.

(2) This Section II is intended to comply with the requirements of Section 8855(i) of the California Government Code and shall be construed accordingly.

B. Purposes of Debt

(1) Debt may be issued by the Issuer to finance the acquisition, construction, rehabilitation and improvement of real and personal property, equipment, furnishings and other capital facilities to be owned and operated as rental housing facilities and related uses by the Issuer, as may be authorized under the Act and any other applicable laws of the State of California.

(2) Debt may be issued to finance the acquisition, construction, rehabilitation and improvement of real and personal property, equipment, furnishings and any other capital facilities to be owned and operated by third parties as rental housing facilities and related uses as may be authorized under the Act and any other applicable laws of the State of California.

(2) Long term debt financings are appropriate when one or more of the following conditions exist:

(a) The debt is intended to assist the Issuer, or a third party in financing or providing rental housing facilities, programs or services or have other public benefits, all as authorized by the Act or other applicable law.

(b) The debt will be used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt or legal covenant restructuring.

(3) Short-term debt may be issued to provide financing for the Issuer's or a third-party owner or operator's operational cash flows in order to improve or maintain cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the Issuer may undertake lease-purchase financing for equipment.

(4) All debt financings must satisfy the following requirements:

(a) The issuance of the debt will comply with the Act and any other applicable state and federal law;

(b) The debt does not impose an unreasonable burden to the Issuer, as determined by the Governing Body;

(c) The debt must be approved by the Governing Body; and

(d) The debt must comply with these Policies, or a waiver must be obtained by the Governing Body.

C. Types of Debt

(1) The following types of debt are allowable under this Debt Policy:

(a) governmental revenue Bonds or notes;

(b) conduit revenue Bonds or notes; and

(c) any other type of debt authorized by the Act or other applicable law.

(2) The Issuer may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of these Policies.

(3) Subject to the Act and any other applicable law, Bonds may bear current interest at fixed or variable rates, with or without credit or liquidity enhancement, or may be sold at a discount or premium, and with or without current interest.

D. Relationship of Debt to Capital Improvement Program and Budget

1. Governmental Bonds for Projects to be owned by the Issuer may be secured by the Project and the Issuer's general revenues.

2. Conduit Bonds for Projects are intended to be non-recourse conduit financing in which the Issuer will not be responsible for the repayment of the debt. The Issuer's own capital improvement plans and budgets should not be impacted by Conduit Bond financing of Projects.

E. Policy Goals Related to Planning Goals and Objectives

(1) Among other policy objectives, the Issuer desires to preserve, protect, increase and improve the supply of affordable housing within the Jurisdiction of the Issuer. These Policies will help the Issuer to function in an efficient and effective manner, to the benefit of the Issuer, residents of facilities financed by the Issuer, and investors in the Issuer's debt issuances.

(2) The Issuer's purpose in adopting these Policies is to provide for a fair, efficient and effective process for facilitating the issuance of its Bonds, providing substantial flexibility in structuring its transactions while striking a balance in protecting the interests of the Issuer, residents of facilities financed by the Issuer, and investors in the Issuer's Bonds.

F. Internal Control Procedures

(1) When issuing debt, in addition to complying with the terms of these Policies, the Issuer shall comply with (i) any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance legal compliance, and investment of bond proceeds, and (ii) all applicable laws including the Act and federal tax and securities laws, to the extent applicable.

(2) The Issuer will periodically review the requirements of and will remain in compliance with the following:

(a) any continuing disclosure undertakings under SEC Rule 15c2-12,

(b) any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance, related to any prior or future bond issues, and

(c) any requirements of State agencies such as the California Debt and Investment Advisory Commission, CDLAC and TCAC.

(3) In issuing conduit revenue debt, the Issuer shall require the Borrower or the lender to provide such information as may be needed by the Issuer to comply with Section 8855(k) of the California Government Code, as the same may be amended from time to time, and any regulations or guidance promulgated with respect thereto by any governmental body with authority over the matter.

(4) With respect to conduit revenue debt with respect to which the Issuer is not responsible for repayment, the Issuer shall not hold the proceeds of debt and shall not be authorized to requisition such proceeds, whenever reasonably possible.

III. ISSUANCE POLICIES

A. Governmental Bond Requirements. The requirements in this Section apply to all Governmental Bonds issued by the Issuer, or issued by a joint powers agency for the benefit of the Issuer, in order to finance Projects.

(1) Bonds shall satisfy the applicable requirements of the Act. The final maturity of the Bonds and the interest rate on the Bonds shall not exceed any limitations imposed by law, including federal tax law.

(2) The Issuer shall retain a law firm with experience as bond counsel in tax-exempt mortgage revenue bonds for rental residential facilities to conduct a legal review of the financing documents and to render a final opinion with respect to the Bonds.

(3) Any offering material or disclosure document shall contain language to the effect that the Issuer will take no responsibility for the disclosures contained therein (except for information under the sections titled "THE ISSUER" (or, in the case of bonds issued by a joint powers agency, "THE

BORROWER”) and “LITIGATION” to the extent such information pertains to the Issuer);

(4) For certain financings as may be determined by the Issuer and its counsel, the developer shall have its counsel deliver a 10b-5 opinion at closing. The contents of such opinion shall be to the satisfaction of the Issuer and its counsel.

(5) The Issuer shall have the discretion to select and determine the finance team participants with respect to each transaction.

B. Conduit Bond Requirements. The requirements in this Section apply to all Conduit Bonds issued by the Issuer for Projects.

(1) Bonds shall satisfy the applicable requirements of Article 6 of Chapter 2 of the CDLAC Regulations, including, without limitation, Sections 5061-5063, inclusive, and Section 5193 (relating to debt service coverage) thereof. The Governing Body, in its discretion, reserves the right to impose more restrictive requirements on any Bond issuance by the Issuer. Additionally, the final maturity of the Bonds and the interest rate on the Bonds shall not exceed any limitations imposed by law, including federal tax law.

(2) The Borrower shall agree to defend and indemnify the Issuer and to reimburse the Issuer for all expenses incurred by the Issuer in issuing the Bonds and monitoring the Project. The Issuer reserves the right to require a parent company or personal guaranty of such indemnification and expense reimbursement obligations.

(3) The Issuer may retain a financial advisor who shall conduct a review of the financing structure and the associated public benefits, the cost of which shall be borne by the Borrower.

(4) The Issuer shall retain a law firm with experience as bond counsel in tax-exempt mortgage revenue bonds for rental residential facilities to conduct a legal review of the financing documents and to render a final opinion with respect to the Bonds.

(5) Any offering material or disclosure document shall contain language to the effect that the Issuer will take no responsibility for the disclosures contained therein (except for information under the sections titled “THE ISSUER” and “LITIGATION” to the extent such information pertains to the Issuer);

(6) For certain financings as may be determined by the Issuer and its counsel, the developer shall have its counsel deliver a 10b-5 opinion at closing. The contents of such opinion shall be to the satisfaction of the Issuer and its counsel.

(7) The Issuer shall have the discretion to select and determine the finance team participants with respect to each transaction.

C. Minimum Credit Requirements - Conduit Bonds.

(1) Subject to the exceptions in Sections III.D. and III.E. below, Bond sale structures that include a credit rating shall be subject to the following minimum requirements:

(a) Bonds with recourse to the corporate parent entity of the Borrower via a corporate guarantee must have an investment grade credit rating for the Project or for the source of the guarantee.

(b) Bonds without a governmental or corporate guarantee shall provide a credit rating specifically for the transaction.

(c) Bond issues with limited recourse (i.e. project-specific recourse) may provide either a credit rating specifically for the transaction or provide evidence of a current credit rating for an existing outstanding Bond with the same source of debt repayment.

(d) All Bond ratings shall include evidence that the credit rating has been provided within the last six (6) months, or that the current credit rating for outstanding Bond(s) has been substantiated via the most recent updated surveillance review completed by a rating agency within the last thirty-six (36) months.

(2) Notwithstanding the requirements set forth in these Policies, the Issuer may apply more stringent requirements and thresholds for a given Project based upon factors such as, but not limited to the size of the Bond issue and/or the specific ratings of the Borrower and/or the Project sponsor.

D. Credit Enhanced Bonds - Conduit Bonds.

(1) Bonds to be issued and sold through a public sale with credit enhancement will be deemed to have satisfied Section III.C., above, if the following conditions are satisfied:

(a) The credit enhancer provides a commitment, signed by both the credit enhancer and the Borrower, to provide credit enhancement for the Bonds. The commitment letter shall include the salient terms and conditions of the agreement, including but not limited to the fee structure, term, rate, security, collateral, guarantee, and recourse of the commitment and evidence that the credit enhancer is committed to move forward with the transaction if the terms and conditions in the commitment letter are met.

(b) If Fannie Mae, (a government-sponsored enterprise) or any additional or successor entity possessing a similar federal government charter is providing the credit enhancement, the commitment issued by a qualified lender under the Delegated Underwriting and Servicing (DUS) program of Fannie Mae will constitute acceptable proof of credit enhancement.

(2) If the Bonds are to be variable rate Bonds, the short-term rating shall be no less than "A1" by Standard & Poor's, "VMIG1" by Moody's, or "F-1" by Fitch IBCA, Inc. or the equivalent.

(3) If the Bonds are to be fixed rate Bonds, the Bond rating shall be no less than an "A" category or the equivalent as rated by a Nationally Recognized Statistical Rating Organization. If the Bond rating is below an "A" category or the equivalent, they will be evaluated pursuant to Section III.D. below.

E. Privately Placed Bonds - Conduit Bonds.

(1) Bonds to be issued and sold through a private placement will be deemed to have satisfied Section III.C., above, if the private placement purchaser provides a commitment, signed by both the bond purchaser and the Borrower, to purchase the Bonds in a private placement. The commitment letter shall include the salient terms and conditions of the agreement, including but not limited to the fee structure, term, rate, security, collateral, guarantee, and recourse of the commitment and evidence that the bond purchaser is committed to move forward with the transaction if the terms and conditions in the commitment letter are met.

(2) Cash Flow Permanent Bonds (as defined in the CDLAC Regulations) to be issued and sold through a private placement including, without limitation, bonds purchased by a property seller in consideration of the provisions of a purchase and sale agreement, will be deemed to have satisfied the requirements of Section III.B, above, if the provisions of paragraph (1) of this Section III.D. have been satisfied and, additionally, if the bond purchaser agrees to:

(a) submit a Traveling Investor Letter from an Approved Buyer due prior to Bond issuance; and

(b) ensure a minimum Bond denomination of not less than \$100,000.

F. Bond Defaults - Conduit Bonds. Bond Applications on behalf of a Project sponsor with a bond-related default or bankruptcy shall be subject to Section 5066 of the CDLAC Regulations and the Issuer's discretion.

IV. ISSUANCE PROCEDURES - CONDUIT BONDS

A. Application for Bond Financing. In order to apply for Bond financing of a Project, the Borrower or Project sponsor shall provide (1) a description of the Project (including, without limitation, street address, parcel size, tenant population, unit mix and affordability restrictions), (2) a breakdown of the Project costs, (3) a breakdown of the sources of funds for the Project, including the names of each lender, equity investor or other funding source, (4) a description of the Bond structure, (5) a description of the ownership entity, including the true corporate name and organization of the entity, an organization chart and federal tax identification number, and a description of the default history of any member of the ownership entity with respect to multifamily or other commercial real estate projects, (6) information concerning the property management plan and the identity of the property manager, (7) the developer fee proposed for the Project, and (8) such other information as the Issuer may request. The foregoing information shall be provided on such form or in such format as the Issuer may request.

The application for Bond financing shall be accompanied by a non-refundable application fee of \$2,500. The application will not be processed until such application fee is received. The application fee shall be credited, however, against the issuance fee described below in Section IV.C.(1).

B. Issuer Approval Process. The Issuer shall complete the following approval process before any Bond is issued for a Project:

(1) Issuer staff shall review the application and shall make a determination that the Project and the Borrower will satisfy all Issuer requirements for Bond financing, and that staff is prepared to recommend approval of the Bonds and the Project to the Governing Body. Prior to making such a determination, the Issuer shall review (i) the ownership structure and any related defaults, as mentioned in Section IV.A. above, (ii) the property management plan and the qualifications of the proposed property manager, and shall also ascertain whether any proposed developer fee exceeds the amount that would be allowed by TCAC for a similar project.

(2) The Governing Body or Issuer staff shall arrange for the authorized elected representative where the Project is located to conduct a public hearing regarding the Bonds and the Project after publication of a notice of such hearing to comply with Section 147(f) of the Internal Revenue Code and to adopt a resolution authorizing the Bonds for purposes of Section 147(f) of the Internal Revenue Code (the "TEFRA Resolution").

(3) The Governing Body shall declare its official intent to issue tax-exempt Bonds to reimburse Project expenditures, for purposes of Section 1.150-2 of the U.S. Treasury Regulations, and shall authorize the Issuer's staff to submit an application to the State for an allocation of private activity bond volume cap for the Bonds.

(4) After receipt of the TEFRA Resolution from the authorized elected representative where the Project is located, the Issuer's staff, with the Borrower's cooperation and at the Borrower's expense, shall submit an application to the State for an allocation of private activity bond volume cap for the Bonds.

(5) After receipt of an allocation of private activity bond volume cap for the Bonds, the Governing Body shall adopt a resolution at a regular meeting thereof granting final approval of the issuance of the Bonds for the Project, including authorizing substantially final forms of any offering documents for the Bonds and of the principal legal documents to be executed and delivered by the Issuer.

This Section IV.B. is descriptive of the Issuer approvals that must be obtained prior to the issuance of the Bonds. Notwithstanding any mandatory language used in this Section IV.B., the Issuer is under no obligation to the Borrower to consider or grant any such approval. Each of the foregoing approvals shall be considered and granted at the sole discretion of the Issuer. Any approval described herein shall not be construed to be an approval of the Project or the Bonds for any other purpose, and shall not obligate the Issuer to grant any other approval of the Project or the Bonds.

C. Issuer Fees. The Borrower will pay to the Issuer the Issuer fees to be determined by the Issuer from time to time, including an initial issuance fee payable upon issuance of the bonds, and an annual monitoring fee, payable in advance of the issuance date and on each anniversary thereof. For purposes of the annual monitoring fee for draw-down Bonds, the maximum authorized principal amount of the Bonds shall be deemed to be outstanding from the issuance date until the conversion to a permanent loan.

V. POST ISSUANCE TAX-EXEMPT BOND COMPLIANCE - CONDUIT BONDS

A. External Advisors / Documentation

(1) The Issuer and the Borrower shall consult with bond counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the Bonds will continue to qualify for tax-exempt status. Those requirements and procedures shall be documented in the arbitrage certificate, use of proceeds certificate, indenture, loan agreement, bond regulatory agreement and/or other related documents (collectively, the "Tax Documents") finalized at or before issuance of the Bonds. Those requirements and procedures shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the Bonds.

(2) The Borrower shall also consult with bond counsel and other legal counsel and advisors, as needed, following issuance of the Bonds to ensure that all applicable post-issuance requirements are met. This shall include, without limitation, consultation in connection with future contracts with respect to the use of Bond-financed or refinanced assets.

(3) The Issuer shall require the Borrower to engage expert advisors ("Rebate Service Provider") to assist in the calculation of arbitrage rebate payable in respect of the investment of Bond

proceeds, unless the Tax Documents specify that arbitrage rebate will not be applicable to an issue of Bonds.

(4) Unless otherwise provided by the indenture or other authorizing documents relating to the Bonds, unexpended Bond proceeds shall be held by a trustee, and the investment of Bond proceeds shall be managed by the Borrower. The Borrower shall prepare (or cause the trustee to prepare) regular, periodic statements regarding the investments and transactions involving Bond proceeds and such statements shall be delivered to the Issuer if it so requests.

(5) A copy of the CDLAC Resolution for a project shall be included as an attachment to the Regulatory Agreement.

B. Arbitrage Rebate and Yield. Unless the Tax Documents state that arbitrage rebate will not be applicable to an issue of Bonds, it is the Issuer's policy that the Borrower shall be responsible for:

(1) Engaging the services of a Rebate Service Provider and, prior to each rebate calculation date, causing the trustee or other account holder to deliver periodic statements concerning the investment of Bond proceeds to the Rebate Service Provider;

(2) Providing to the Rebate Service Provider additional documents and information reasonably requested by the Rebate Service Provider;

(3) Monitoring efforts of the Rebate Service Provider;

(4) Assuring payment of required rebate amounts, if any, no later than 60 days after each 5-year anniversary of the issue date of the Bonds, and no later than 60 days after the last Bond of each issue is redeemed;

(5) During the construction period of each capital project financed in whole or in part by Bonds, monitoring the investment and expenditure of Bond proceeds and consult with the Rebate Service Provider to determine compliance with any applicable exceptions from the arbitrage rebate requirements during each 6-month spending period up to 6 months, 18 months or 24 months, as applicable, following the issue date of the Bonds; and

(6) Retaining copies of all arbitrage reports and account statements as described below under Section V.D., "Record Keeping Requirements," and, upon request, providing such copies to the Issuer.

The Borrower, in the Tax Documents relating to the Bonds and/or other documents finalized at or before the issuance of the Bonds, shall agree to undertake the tasks listed above (unless the Tax Documents provided that arbitrage rebate will not be applicable to an issue of Bonds).

C. Use of Bond Proceeds and Bond-Financed or Refinanced Assets. It is the Issuer's policy that the Borrower shall be responsible for:

(1) Monitoring the use of Bond proceeds and the use of Bond-financed or refinanced assets (e.g., facilities, furnishings or equipment) throughout the term of the Bonds to ensure compliance with covenants and restrictions set forth in the Tax Documents relating to the Bonds;

(2) Maintaining records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of Bonds, including a final allocation of Bond proceeds as described below under Section V.D., "Record Keeping Requirements";

(3) Consulting with bond counsel and other legal counsel and advisers in the review of any contracts or arrangements involving use of Bond-financed or refinanced assets to ensure compliance with all covenants and restrictions set forth in the Tax Documents relating to the Bonds;

(4) Maintaining records for any contracts or arrangements involving the use of Bond-financed or refinanced assets as described below under Section V.D., “Record Keeping Requirements”;

(5) Conferring at least annually with personnel responsible for Bond-financed or refinanced assets to identify and discuss any existing or planned use of Bond-financed or refinanced assets, to ensure that those uses are consistent with all covenants and restrictions set forth in the Tax Documents relating to the Bonds; and

(6) To the extent that the Borrower discovers that any applicable tax restrictions regarding use of Bond proceeds and Bond-financed or refinanced assets will or may be violated, consult promptly with bond counsel and other legal counsel and advisers to determine a course of action to remediate all nonqualified bonds, if such counsel advises that a remedial action is necessary.

The Borrower, in the Tax Documents relating to the Bonds and/or other documents finalized at or before the issuance of the Bonds, shall agree to undertake the responsibilities listed above.

D. Record Keeping Requirements.

(1) It is the Issuer’s policy that the Borrower shall be responsible for maintaining the following documents for the term of each issue of Bonds (including refunding Bonds, if any) plus at least three years:

(a) A copy of the Bond closing transcript(s) and other relevant documentation delivered to the Borrower at or in connection with closing of the issue of Bonds, including any elections made by the Issuer or Borrower in connection therewith;

(b) A copy of all material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, draw requests for Bond proceeds and evidence as to the amount and date for each draw down of Bond proceeds, as well as documents relating to costs paid or reimbursed with Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds, including a final allocation of Bond proceeds;

(c) A copy of all contracts and arrangements involving the use of Bond-financed or refinanced assets; and

(d) A copy of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements, in connection with any investment agreements, and copies of all bidding documents, if any.

(2) For housing bond financings subject to the requirements of Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”), it is the Issuer’s policy that the Borrower shall be responsible for maintaining the following additional documents until the end of the “qualified project period” within the meaning of Section 142(d)(2)(A) of the Code, plus at least three years:

(a) A copy of all records evidencing compliance with the requirements of Section 142(d) of the Code, including income verifications, leases, and rental records.

(3) The Borrower, in the Tax Documents relating to the Bonds and/or other documents finalized at or before the issuance of the Bonds, shall agree to the foregoing records retention requirements and procedures.

E. Post-Issuance Compliance Team. The Issuer shall form a “Compliance Team” that may include Issuer staff and/or outside consultants and which shall be headed by a Compliance Manager. Initially, the Compliance Team shall consist of Thomas Lewis, general counsel to the Issuer, and Patrick Howard, consultant to the Issuer, and may be changed at any time by the Issuer. The General Counsel of the Issuer shall be the Compliance Manager. The Compliance Team is responsible for all aspects of monitoring the Bonds for compliance with post-issuance requirements. The Compliance Team will meet quarterly to review any regulation or policy changes.

VI. POST ISSUANCE PROJECT COMPLIANCE - CONDUIT BONDS

A. Background

(1) When CDLAC provides a private activity bond volume cap for a Project, a Regulatory Agreement between the Issuer and the Borrower is recorded upon the issuance of the Bonds. The regulatory agreement summarizes several important use restrictions, including:

- Project compliance period;
- Total units;
- Total common area units;
- Total housing units in low-income housing commitment, and the particular set aside requirement (20% at 50% or 40% at 60%);
- Percent of area median gross income for qualified low-income housing units; and
- Any additional low-income housing commitments.

(2) In order for a multifamily housing project to remain in compliance with the Regulatory Agreement and CDLAC’s requirements, the Issuer must collect, review and monitor documents outlined in the Regulatory Agreement and the CDLAC’s Regulations. These certifications and forms provide the information that exhibits the project maintaining its tax-exempt status. The Issuer is required to collect and store these forms. The process of collecting, reviewing and monitoring these forms is outlined in Section VI.B., “Affordable Housing Post Issuance Compliance Procedures.”

(3) The Issuer and the Borrower shall consult with bond counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the Bonds will continue to qualify for tax-exempt status. Those requirements and procedures shall be documented in the Tax Documents for the Bonds. Those requirements and procedures shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirement of federal tax law beyond the term of the Bonds.

(4) The Issuer reserves the right to use its discretion as necessary and appropriate to make exceptions or request additional provisions as circumstances warrant. The Issuer also reserves the right to change these policies and procedures from time to time.

B. Affordable Housing Post Issuance Compliance Procedures

(1) The Issuer is required to collect, review and monitor the Certification of Compliance I, Certification of Compliance II, CDLAC Completion Certificate, Regulatory Completion Certificate, TCAC Project Status Report (PSR), Certification as to Commencement of Qualified Project Period, and Certificate of Continuing Program Compliance for each issuance of Bonds, when applicable. The Issuer is also required to review 20% of management files associated with Bond – restricted units listed in the PSR upon project completion, and every 3 years thereafter for projects receiving allocation after December 31, 2016. This section reviews the compliance certifications and forms set forth under Federal, State, Regulatory and IRS regulations. The Borrower must certify under penalty of perjury that the Project was in compliance with certification provisions set forth under Federal, State and IRS regulations for the preceding 12-month period. The failure of the Borrower to comply with those provisions may result in a revocation of the tax-exempt status of the Bonds by the IRS. The Issuer relies exclusively on the representations, warranties and agreements of the Borrower made in the Tax Documents (as defined below) relating to the Bonds.

(2) Record Keeping & Document Retention:

(a) It is the Issuer's policy that the following tax-exempt Bond documents will be retained for the compliance period term plus an additional three years. For each closed affordable housing transaction, a digital compliance folder is filed in the Compliance Database. The digital Compliance folders will contain a copy of the Regulatory Agreement, CDLAC and other documents and certificates the Issuer or its Bond Counsel deem important or relevant. A spreadsheet labeled "Compliance" is updated with the appropriate project information which is found in the Regulatory Agreement and CDLAC Resolutions. The Regulatory Agreement and CDLAC Resolution outline the certifications and forms that will need to be collected, reviewed and sent to the appropriate parties.

(b) The Bond closing transcripts and other relevant documentation will be retained in the form delivered to the Issuer for the applicable compliance period plus three years. Issuer's Affordable Housing record retention policy is consistent with IRS section 1.148-5(d)(6)(iii)(E) requirements and CDLAC Regulations.

(c) The applicable records to be maintained include:

- These Policies (updated as deemed necessary by the Issuer)
- *Certification of Compliance I (CDLAC)*
- *Certification of Compliance II (CDLAC)*
- *Annual Applicant Public Benefits & On-Going Compliance Self Certification (CDLAC)*
- *CDLAC Completion Certification (CDLAC)*
- *Regulatory Completion Certification (where applicable)*
- *Certification as to Commencement of Qualified Project Period (where applicable)*
- *Certificate of Continuing Program Compliance (where applicable)*

(d) The Project sponsor is also required to submit IRS Form 8703 annually to the Internal Revenue Service on or before March 31. Form 8703 provides annual information to the IRS to help them determine whether a project continues to be a qualified residential rental project under section 142(d). While the Issuer is not required to collect Form 8703 from the Project

Sponsor, we include a copy of Form 8703 with our annual Compliance request and ask for a confirmation from the Project Sponsor that the Form has been submitted to the IRS.

(e) The following procedures outline the process for collecting and reviewing the required documents or certifications:

(i) *Certification of Compliance I & II (CDLAC)*: the *Certification of Compliance I* document is provided to the Issuer in the CDLAC Resolution for projects receiving allocation prior to December 31, 2016. The *Certification of Compliance II* document is provided to the Issuer in the CDLAC Resolution for projects receiving allocation after December 31, 2016. These certifications are to be completed by the Project Sponsor in which the Project Sponsor certifies that the Project is in compliance with all of the terms and conditions set forth in the CDLAC Resolution.

(A) All Housing Projects that receive an Allocation from CDLAC and an award of low income housing tax credits are subject to the provisions of section 10337 of Title 4 of the California Code of Regulations. These projects shall be monitored for compliance by the terms and conditions of the CDLAC Resolution by the Issuer. The certification must be submitted by the Borrower on the Borrower's letterhead to the Issuer by February 1st of each year. The Issuer will then verify receipt of the Certification of Compliance I & II for all housing projects that have received CDLAC allocation to the California Debit Limit Allocation Committee's online certification system no later than one week before March 1st of each year for the Certification of Compliance I and every three years after project completion for the Certificate of Compliance II.

(B) An email reminder from the Issuer's staff will be sent to the Borrower's asset management group during the first week of January. The preformatted email will contain a list of instructions on how to complete the Certification of Compliance I or Certificate of Compliance II, as applicable, as well as an attached draft copy of the certification. Detailed instructions on how to complete the certification is contained in Exhibit A.

(ii) *Annual Applicant Public Benefits & On-Going Compliance Self Certification (CDLAC)*: The Annual Applicant Public Benefits & On-Going Compliance Self Certification document is located on CDLAC's online certification system. This certification is to be completed by the Issuer in which the Issuer certifies that the Project is in compliance with all of the terms and conditions set forth in the CDLAC Resolution.

(A) All projects that receive an allocation of private activity bond volume cap from CDLAC are subject to the provisions of section 10337 of Title 4 of the California Code of Regulations. These projects shall be monitored for compliance by the terms and conditions of the CDLAC volume cap resolution by the Issuer. The Issuer shall submit an annual Applicant Public Benefits & On-Going Compliance Self Certification to CDLAC on March 1st for projects receiving allocation prior to December 31, 2016. For projects receiving allocation after December 31, 2016, the Issuer shall submit an annual Applicant Public Benefits & On-Going Compliance Self Certification to CDLAC on March 1st until project completion, and then every 3 years thereafter. The Issuer will submit all Certifications from all projects that have received allocation to the California Debit

Limit Allocation Committee's online certification system no later than one week before March 1st of each year.

(B) CDLAC does not expect to hold the Issuer responsible for conditions that the Issuer is not aware of; only for the Issuer to confirm its understanding of the status of the project based upon our own post-issuance compliance procedures. CDLAC will not review the Issuer's procedures, and in good faith, will assume that the Issuer has in-place procedures that the Issuer judges adequate to satisfy its post-issuance responsibilities as defined under the Internal Revenue Code and CDLAC Regulations. The Issuer is free to request project information from the Project Sponsor and rely on that information if we believe it satisfies our own compliance procedures and responsibilities. That information can then serve as the basis for the Issuer's response to the questions within this certification.

(iii) *Completion Certification (CDLAC)*: The Completion Certification is required by CDLAC to be delivered by the Borrower to the Issuer when the project is completed or substantially completed.

(A) The term completed in this case refers to a new construction project. The Borrower certifies that all construction work on the Project was completed and all units in the project are available for occupancy. On the Completion Date of the project, the Borrower will submit to the Issuer a duly executed and completed Completion Certificate.

(B) The term substantially completed is a reference to a project that is a rehabilitation of an existing housing complex. The Borrower certifies that all construction work on the Project was substantially completed and all units in the Project are available for occupancy. On the Completion Date of the project, the Borrower will submit to the Issuer a duly executed and completed Completion Certificate.

(iv) *TCAC (PSR) Project Status Report (CDLAC)*: For projects receiving allocation after December 31, 2016, Borrowers are required to utilize TCAC's Compliance Manual Section VI: Qualify Tenants for Low Income Housing Tax Credit Units, to verify tenant income in conjunction with initial occupancy.

(A) Specifically, the TCAC Project Status Report (PSR) is required by CDLAC to be delivered to the Issuer in the year the project is completed. The PSR is to be completed by the Project Sponsor in which the Project Sponsor verifies tenant income for Federally Bond-Restricted Units in conjunction with initial occupancy.

(B) An email reminder from the Issuer's staff will be sent to the Development team's asset management group during the first week of January.

(v) *Completion Certification (Regulatory Agreement & CDLAC)*: The Completion Certification is required by CDLAC and the Regulatory Agreement to be delivered by the Borrower to the Issuer when the Project is completed or substantially completed.

(A) The term completed in this case refers to a new construction project. The Borrower certifies that all construction work on the Project was completed and all units in the project are available for occupancy. On the Completion Date of the project, the Borrower will submit to the Issuer a duly executed and completed Completion Certificate.

(B) The term substantially completed is a reference to a project that is a rehabilitation of an existing housing complex. The Borrower certifies that all construction work on the Project was substantially completed and all units in the Project are available for occupancy. On the Completion Date of the project, the Borrower will submit to the Issuer a duly executed and completed Completion Certificate.

(C) Not all projects are required by their Regulatory Agreements to submit Completion Certificates. Some Completion Certificates require the borrower to submit a trailing form when a project is 50% occupied. It is the Issuer policy to require Completion Certification forms for all projects and a trailing document at 50% occupancy for new construction projects only. Once the Bond has been issued the Issuer's staff will inquire as to the completion date. When a date is established, the Issuer's staff will request a copy of the Completion Certification by email.

(vi) *Certification as to Commencement of Qualified Project Period (Regulatory Agreement):* The Commencement of Qualified Project Period also known as the Affordability Period is defined in the regulatory agreement of each Project financed by Bonds. For new construction, the Qualified Project Period begins on the first day on which at least ten percent of the residential units are first occupied, and for rehabilitated projects, on the later of a) the date the bond funds are disbursed to the Borrower, or b) the date ten percent of the units are first reoccupied. The Qualified Project Period ends on the latest of a) the date which is a specified number of years (typically 15) after the date on which 50% of the residential units in the project were first occupied, b) the last day on which any Bond remains outstanding or c) a date specified by the regulatory agreement.

(A) Although the end of the Qualified Project Period is set by federal code, CDLAC has specified an additional Affordability Period for all Projects.

(B) For the Qualified Project Period the Borrower will obtain, complete and maintain on file Verification of Income forms for each Qualified Tenant, including (a) Verification of Income document for each tenant before the occupancy of each unit, (b) if requested by the Issuer an annual Verification of Income for tenant that is due to the Issuer on March 1st (the reporting period ends December 31st of each year).

(C) Formerly, not all projects were required by the Regulatory Agreements to submit Certifications as to Commencement of Qualified Project Periods to the Issuer. Various Bond Counsels had previously not included the Certifications as to Commencement of Qualified Project Periods be added to Regulatory Agreements. It is the Issuer's policy to require Certifications as to Commencement of Qualified Project Periods forms for all Projects.

(vii) *Certificate of Continuing Program Compliance (Regulatory Agreement)*: All regulatory agreements require that for the duration of the Qualified Project Period, Borrower must periodically submit a Certificate of Continuing Program Compliance (generally, Section 4(e)). The reporting periods may vary and are specified in each regulatory agreement. The certificate reflects the changes that have occurred in the occupancy of the Bond-financed units over the reporting period, commencement, termination of occupancy, vacancies, changes in household size and changes in rents charged. The Borrower further states whether the project has or has not been in default of the terms and provisions of the agreement and if a determination of taxability has occurred. In the event of a default or determination of taxability, the Borrower certifies that the necessary remedial actions have been taken or initiated, or alternatively, explains the material facts obviating the need for action. This Certificate generally requires the Borrower to attach a rent roll or occupancy summary together with certificates of tenant eligibility of new or recertifying tenants. This Certificate must be signed by the Borrower or a duly designated representative. The Compliance Team shall date stamp the certificate and all the attached documents upon receipt in order to demonstrate compliance and identify the reporting period.

(A) Borrowers may be required by the regulatory agreement to file, every February 15th of each bond year, a copy of Internal Revenue Service Form 8703 with the Issuer through the Compliance Team. The Borrower must also submit the Certificate of Continuing Program Compliance to CDLAC on the anniversary of issuance date. The Issuer is not responsible for overseeing the borrower's compliance with CDLAC on this process.

(B) Some Regulatory Agreements dictated that the Certificate of Continuing Program Compliance be filed quarterly during construction and then annually at completion. All Issuer Regulatory Agreements should request this form to be filed annually. In the case where a project's Regulatory Agreement dictated a quarterly filing the Issuer reserved the right to update the filing requirements to coincide with the policy of requesting annual filings. Not all Regulatory Agreements require a Certificate of Continuing Program Compliance to be filed with the Issuer. All Issuer Regulatory Agreements should request this form to be filed with the Issuer. These projects shall be monitored for compliance by the terms and conditions of the Regulatory Agreement by the Issuer. The Issuer shall collect and retain the Certificate of Continuing Program Compliance by March 1st of each year.

(viii) *Arbitrage Rebate Forms*: It is the Issuer's policy that the Borrower shall be responsible for compliance with all requirements under Federal arbitrage regulations. Per the Regulatory Agreement of each Bond issuance the Borrower shall be responsible to determine (or obtain expert advice to determine) whether Arbitrage Rebate calculations will be submitted to the IRS. If it is determined that such calculations are likely to be required, the Borrower shall engage expert advisors ("Rebate Service Provider") to assist in the calculation of arbitrage rebate payable in respect of the investment of Bond proceeds, or else ensure that it has adequate financial and legal resources of its own to make such calculations. Borrowers shall make any rebate payments required on a timely basis.

(ix) *On Site Audit*: The Issuer's policy is that an onsite audit of each Project should take place no later than 3 years from date of the Completion Certification and every

3 years thereafter. Even though doing an onsite audit is the policy of the Issuer it is not required that the Issuer conduct audits. These audits will be performed as a matter of best practices.

The Issuer's Compliance Team or a designee will take a tour of the Project grounds and visit at least one selected unit. Notes will be taken of the site's general upkeep. The Issuer will report to the lender if the upkeep is not being maintained. As a best practice, the Compliance Team will report to the Governing Body if there are problems with the Project. If the Compliance Team finds that the agency is out of compliance for reasons such as individuals have been assisted who do not meet the income limits, or the facility is unsafe, the Compliance Team will report the compliance violations to the appropriate oversight entities. Reporting to appropriate oversight entities is done after the Issuer gives the developer an opportunity to remedy the oversights.

(x) *CDLAC Compliance Audit.* For projects receiving allocation after December 31, 2016, CDLAC requires that a review of 20% of all management files associated with Federally Bond-Restricted units either on site or electronically be performed upon project completion and every 3 years thereafter. The Issuer will send an email requesting the files to be tested the first week of January. A sample will be taken from the TCAC PSR report and the files will be submitted electronically to the Issuer.

The Issuer will verify the following information for each sample unit:

- Unit Location
- Size of the Unit
- Unit Income Level
- Initial and Subsequent occupant income verification documents to support the Tax Income Calculation (TIC) and to determine whether the unit is in compliance with the income and affordability. This number should tie to the TCAC Project Status Report (PSR).
- An executed Lease Agreement for each unit sampled.

This review, in conjunction with the collection of a valid Certificate of Compliance II will permit the Issuer to report the project is in compliance with Federally Bond-Restricted unit restrictions.

C. Post-Issuance Compliance Team. In addition to monitoring the Bonds for compliance with post-issuance requirements, the Compliance Team is also responsible for all aspects of monitoring the Project for compliance with post-issuance requirements.

VII. DEFAULT PROCEDURES - CONDUIT BONDS

When an apparent problem is identified through audits or collection of documents, the Compliance Team will bring said problem to the attention of the Borrower by informal contact. The Borrower is given a reasonable period to demonstrate that no noncompliance exists, and the nature of the noncompliance determines the grace period for the Borrower's response. The Borrower can usually resolve the matter by providing clarification and/or additional documentation. However, if the project is actually out of compliance with its regulatory agreement or CDLAC Resolution then the Compliance Team responds according to the nature of the violation.

If there is an infraction of the Regulatory Agreement or CDLAC Resolution that would jeopardize the tax-exempt status of the Bonds, the Issuer will respond within five (5) working days by sending a formal notice of Noncompliance and Need to Cure with copies to all parties to the Regulatory Agreement. The Notice defines the instance of noncompliance and states the period in which to correct it according to the provisions of the Regulatory Agreement.

EXHIBIT A: COMPLETION PROCESS FOR CERTIFICATION OF COMPLIANCE I & II (CDLAC):

Process for Monitoring the *Certification of Compliance*:

- Projects that received CDLAC allocation prior to December 31, 2016 are required to submit a yearly *Certification of Compliance I*.
- Projects that received CDLAC allocation after December 31, 2016 are required to submit a yearly *Certification of Compliance II* until the project is completed, and then every 3 years thereafter.
- An email reminder will be sent the first week of January stating that the *Certification of Compliance* form is due to the Issuer on February 1st.
- The preformatted email will contain a list of instructions on how to complete the certification and an attached draft copy of the certification.
- The *Certifications of Compliance* are due to CDLAC March 1st. Issuer intends to send a complete package of all certifications to CDLAC one week early.
- The *Certification of Compliance I* will have the following information completed:
 - Certifications will be on the Developers Letterhead
 - Project name
 - Bond Issuer Name
 - CDLAC Application number
 - CDLAC Resolution and Adoption Date
 - A check mark or N/A filled in on the two appropriate lines
 - If the project received points for Title 24 then attach the Energy Performance Certificate
 - This is due the first year the project is in service
 - Borrower collects the certificate from the Project's architect
 - Signatures and dates
- The *Certification of Compliance II* will have the following information completed:
 - Certifications will be on the Developer's letterhead
 - Project name
 - CDLAC Application number
 - If there has been a change in Issuer, Regulatory Agreement, Borrower, and/or Management Company.
 - Status of Qualified Project Period
 - Status of Project Construction
 - If the project has been placed in service
 - Any significant events affecting the Bond Allocation
 - If the project is providing the required service amenities
 - CDLAC Resolution and Adoption Date
 - Signatures and dates
- Update the *Compliance* spreadsheet in the compliance database once a certification is received.
 - Receipt of the *Certification of Compliance I* or *II* is reported on the CDLAC Self Certification and submitted online through the CDLAC Compliance web site.

[ADD COMPANY LETTERHEAD]

CERTIFICATION OF COMPLIANCE I

Project Name: XXXXXXXX Apartments

(If project has changed named since the award of allocation please note the original project name as well as the new project name)

Name of Bond Issuer: _____

CDLAC Application No.: XX-XXX

(if more than one award was awarded please list all the applications numbers)

Pursuant to Section 13 of Resolution No. XX-XXX (the "Resolution"), adopted by the California Debt Limit Allocation Committee (the "Committee") on XXXX XX, 20XX (Meeting date) I, _____, an Officer of the Project Sponsor, hereby certify under penalty of perjury that, as of the date of this Certification, the above-mentioned Project is in compliance with all of the terms and conditions set forth in the Resolution.

I further certify that I have read and understand the CDLAC Resolution, which specifies that once the Bonds are issued, the terms and conditions set forth in the Resolution Exhibit A, shall be enforceable by the Committee through an action for specific performance, negative points, with holding future allocation or any other available remedy.

Please check or write N/A to the items list below:

_____ The project is currently in the Construction or Rehabilitation phase.

_____ The project has incorporated the minimum specifications into the project design for all new construction and rehabilitation projects as evidenced by attached the applicable thirty party certification (HERS Rater, Green Point Rater or US Green Building Council). For projects under construction or rehabilitation, the information is due following receipt of the verification but in no event shall the documentation be submitted more than two years after the issuance of bonds.

_____ For projects that received point for exceeding the minimum requirements please attach the appropriate California Energy Commission Compliance form for the project which shows the necessary percentage improvement better than the appropriate standards. The compliance form must be signed by a California Association of Building Consultants, Certified Energy Plans Examiner of HERS Rater as applicable.

Signature of Officer

Date

Printed Name of Officer

Title of Officer

Phone Number

**CERTIFICATION OF COMPLIANCE II
FOR QUALIFIED RESIDENTIAL RENTAL PROJECT**

- 1. Project Name Change?** ☐ Yes ☐ No
(If project name has changed since the award of allocation, please note the new project name as well as the original project name.)

New: _____ Original: _____

- 2. CDLAC Application Number:** _____

- 3. Bond Issuer Change?** ☐ Yes ☐ No
(If Bond Issuer has changed since the award as a result of refinancing or refunding of an allocation, please note the new Issuer as well as the original Issuer.)

New Issuer: _____ Original: _____
Address: _____
City/State/Zip: _____
Phone Number: _____
E-Mail: _____

- 4. Has a termination of the Regulatory Agreement occurred or is a termination planned in the next year? Has proper noticing occurred?** ☐ Yes ☐ No
If yes, please describe and explain: _____

If you answered Yes, there is no need to complete the rest of the form. Please submit the form completed through Question 4.

- 5. Change in Borrower?** ☐ Yes ☐ No
(If Borrower has changed since the award affecting the CDLAC Resolution, please provide the new Borrower information as well as the original Borrower.)

New Borrower: _____ Original: _____
Address: _____
City/State/Zip: _____
Phone Number: _____
E-Mail: _____

- 6. Change in Management Company?** ☐ Yes ☐ No
(If yes, please provide the following information for the new Management Company.)

Name: _____
Address: _____
City/State/Zip: _____
Phone Number: _____
E-Mail: _____

- 7. Has the Qualified Project Period commenced?** ☐ Yes ☐ No
(If yes, please submit the Certificate of Qualified Project Period [one time only].)

☐ Certificate of Qualified Project already submitted

8. Has the project been completed and placed in service? ☐ Yes ☐ No

9. Have any of the following events occurred associated with the bond allocation including, but not limited to, notices of defaults associated with rents and income requirements, Bond Default or a Qualified Bond Default? ☐ Yes ☐ No

If yes, please explain: _____

10.	Federally Bond Restricted Units (Reflected in PSR)	Other Restrictions (Reflected in PSR)	Total (Reported in CDLAC Resolution)
	_____ at 50% AMI	_____ at 50% AMI	_____ at 50% AMI
	_____ at 60% AMI	_____ at 60% AMI	_____ at 60% AMI

Please attach a copy of the Project's TCAC Project Status Report (PSR) or equivalent documentation.

11. Please indicate the distribution of the CDLAC restricted 10% of the 50% AMI units.

Bedroom Type	# of Units in PSR	# of Units in CDLAC Resolution
1 Bedroom	_____	_____
2 Bedroom	_____	_____
3 Bedroom	_____	_____

12. If the Project has committed to and is currently providing the service amenities for a term as specified in the CDLAC Resolution, please verify the services are being provided: on a regular and ongoing basis and are provided free of charge and all hour requirements are being met:

_____ After-school programs
_____ Education, health and wellness or skill development classes
_____ Health and wellness services and programs (not group classes)
_____ Licensed childcare provided for a minimum of 20 hours per week (Monday-Friday)
_____ Bona Fide service coordinator/social worker

Is the service being offered on an ongoing basis and provided free of charge (excluding childcare)?
☐ Yes ☐ No

Are all hour requirements being met?
☐ Yes ☐ No

Attach evidence demonstrating that the above listed services are being provided and have met the requirements in the CDLAC Resolution. Including but not limited to MOUs and/or contracts associated with the services rendered, a 12-month schedule (current reporting year) of the services offered, flyers, sign-up sheets, etc.

Pursuant to Section 13 of Resolution No. _____ (the "Resolution"), adopted by the California Debt Limit Allocation Committee (the "Committee") on _____,

_____, an Officer of the Borrower, hereby certify under penalty of perjury that, as of the date of this Certification, the above-mentioned Project is in compliance with the terms and conditions set forth in the Resolution as outlined above. I further certify that I have read and understand the CDLAC Resolution, which specifies that once the Bonds are issued, the terms and conditions set forth in the Resolution Exhibit A, shall be enforceable by the Committee through an action for specific performance, negative points, withholding future allocation or any other available remedy.

Signature of Officer

Date

Printed Name of Officer

Phone Number

Title of Officer

EXHIBIT B: ISSUER SELF CERTIFICATION (ISSUER SC):

Process for Monitoring the *Issuer SC*:

- Developers are required to submit a yearly *Issuer SC* form
- An email reminder will be sent the first week of January stating that the *Issuer SC* form is due to the Issuer on February 1st
- The preformatted email will contain a list of instructions on how to complete the certification and an attached draft copy of the certification.
- The *Issuer SC* will have the following information completed:
 - Project name
 - Resolution Number
 - Application Number
 - Property Address
 - Completion Date
- The Project Sponsor will complete questions 1-5
- Update the *Compliance* spreadsheet in the compliance database once a certification is received.

ANNUAL BORROWER PUBLIC BENEFITS AND ONGOING COMPLIANCE SELF-CERTIFICATION FORM

Project Name: XXXXXX Project
CDLAC Resolution No.: XXXX-XX
CDLAC Application No.: XXXX-XX
Property Address:
Completion Date:

The undersigned, on behalf of XXXXXXXXXXXX (the "Borrower") and not in an individual capacity, hereby certifies to the following:

- (1) I am an officer of the Borrower holding the office set forth under my signature below.
- (2) The Project was completed on XXXXXXXX. If the Project has not yet been completed or placed in operation, please only respond to question (3) below and mark "N/A" for all other questions).
- (3) There have been no changes to the ownership entity, principals or property management of the Project since the Bonds were issued, or since the last certification was provided, except as described below: [If there have been changes, please attach a request to revise the CDLAC Resolution noting all pertinent information regarding the change]
- (4) There have been no changes of use for the Project except as described below:
- (5) The Project has satisfied all of the requirements memorialized in the Exhibit A of the CDLAC Resolution (i.e. qualifying project completion, qualifying depreciable asset purchase, qualifying loan originations, the use of public funds, etc.; as applicable), and thus achieving all public benefit requirements as presented to the CDLAC. (If there is more than one resolution for this Project, the most recent resolution will supersede all previous resolutions).

The representations set forth herein are true and correct to the best of the undersigned's knowledge and belief, and the undersigned acknowledges and agrees that the Issuer will be relying solely on the foregoing certifications and accompanying documentation, if any, in making its certification to CDLAC pursuant to Section 5144 of the CDLAC Regulations, and agrees to provide to the Issuer such documentation or evidence, in support of the foregoing certifications, as the Issuer or CDLAC may request.

Signature of Officer

Date

Printed Name of Officer

Title of Officer

[attach current CDLAC resolution prior to submitting]

**EXHIBIT C: COMPLETION PROCESS FOR ANNUAL APPLICANT PUBLIC
BENEFITS AND ON-GOING COMPLIANCE SELF CERTIFICATION (CDLAC):**

Process for Monitoring the *Annual Applicant Public Benefits and On-going Compliance Self Certification*:

- For all Projects that received allocation, Issuer is required to submit a yearly *Annual Applicant Public Benefits and On-going Compliance Self Certification* form
- An email reminder will be sent the first week of January stating that the *Annual Applicant Public Benefits and On-going Compliance Self Certification* form is due to the Issuer on February 1st
- The preformatted email will contain a list of instructions on how to complete the certification and an attached draft copy of the certification.
- The *Annual Applicant Public Benefits and On-going Compliance Self Certification* form are due to CDLAC March 1st. Issuer intends to send a complete package of all certifications to CDLAC one week early.
- The *Annual Applicant Public Benefits and On-going Compliance Self Certification* form will have the following information completed:

Certification of Delivery of Public Benefits Section:

- Issuer's Name:
- Project name:
- Application Number:
- Resolution Number:
- Property Address:
- Project Completion Date:
 - 1. (if applicable)
 - 2. No, or description
 - 3. Yes, or description
 - A) Yes, or description
 - B) Yes, or description
 - C) Yes, or description
 - D) Yes, or description

QRRP Certification of Post-Issuance Compliance Section:

- Submit the completed project sponsor certification that is provided in the Committee Resolution (CDLAC Resolution)
- Complete questions in Section 1.
- Section 1. A) – Brief description of documents used to complete this form
- Section 1. B) – NA or brief description of follow up corrective actions
- Update the Compliance spreadsheet in the compliance database once a certification is received.
 - Print the certificate and prepare a package to send to CDLAC one week before March 1st
CDLAC/ *Certification of Compliance*
915 Capitol Mall, Room 311
Sacramento, CA 95814

Annual Applicant Public Benefits and On-Going Compliance Self Certification

ACKNOWLEDGMENT: The California Debt Limit Allocation Committee (“CDLAC” or “Committee”) does not expect to hold an Applicant (Issuer) responsible for conditions they are not aware of; only for the Applicant to confirm their understanding of the status of the project/program based upon their own post-issuance compliance procedures. CDLAC will not review the Applicant’s procedures, and in good faith, will assume that the Applicant has in-place procedures they judge to adequately satisfy their post-issuance responsibilities as defined under the Internal Revenue Code and CDLAC Regulations. An Applicant is free to request project information from the Project Sponsor and rely on that information if they believe it satisfies their own compliance procedures and responsibilities. That information can then serve as the basis for the Applicant’s response to the questions within this certification.

INSTRUCTIONS: Per the CDLAC Regulations, all Projects/Programs within an existing bond regulatory period and/or CDLAC compliance period shall be monitored for compliance with the terms and conditions of the Committee Resolution by the Applicant (Issuer). Mortgage Credit Certificate Single Family Housing Programs with outstanding authority shall be monitored for the same requirements. The Applicant shall complete and submit the Annual Applicant Public Benefits and On-going Compliance Self Certification via the CDLAC Online Compliance Certification System. The self-certification must be submitted by the Applicant to CDLAC no later than March 1 of each year (or at such other time as defined in the CDLAC Regulations or requested by the Committee).

ALL APPLICANTS: Applicant/Issuer Certification of Delivery of Public Benefits (All)

Applicant/Issuer Name:

(All) Project Name (N/A for Single Family Housing Programs): (All) Program Type (QRRP, SFH, EXEMPT, IDB, Etc.):

(All) Application Number(s): (All) Resolution Number(s):

(All) Property Address (N/A for Single Family Housing Programs):

(All Prior to 2017) Project Completion Date (Enter Placed in Service Date or program completion date):

(QRRP 2017 and BEYOND) Commencement of Qualified Project Period Date (Enter the date of the Qualified Project Period commenced)

(NON-QRRP 2017 and BEYOND) Project Completion Date (Enter Placed in Service Date or program completion date).

(QRRP PRIOR TO 2017) Has the Applicant received the Project Sponsor’s complete Compliance Certification for this reporting period? (Applicable to projects awarded allocation after 2000) If no, please explain or indicate “Not Applicable”.

(All 2017 and BEYOND) Has the Applicant received the Project Sponsor’s complete Compliance Certification II for this reporting period?

(All 2017 and BEYOND) If the Project Sponsor/Borrower indicated in the Certification of Compliance II or like form:

- a. A change in project name, please provide the new project name
- b. A change in ownership affecting the CDLAC resolution, please provide contact information for the new owner
- c. A change in Issuer, please provide the new Issuer name
- d. All bonds have been redeemed, please provide the redemption notice
- e. A notice or event of default or of foreclosure has occurred, please explain

(ALL 2017 AND BEYOND) *Please note if any of these circumstances have occurred, request revision to the CDLAC resolution

(QRRP PRIOR TO 2017) Has the project satisfied the following requirements as memorialized in the Exhibit A of the CDLAC Resolution and bond regulatory agreement?

1. QRRP PRIOR TO 2017 ONLY: Has the project satisfied all of the income rent requirements memorialized in the Exhibit A (Applicable to projects awarded allocation after 2000)? If no, please explain or indicate "Not Applicable".
2. ALL QRRP ONLY: Has the project satisfied all of the income rent requirements memorialized in the bond regulatory agreement? If no, please explain.
3. QRRP PRIOR TO 2017 ONLY: Is the Project currently providing service amenities on a regular and ongoing basis? (Note: services must be provided for the minimum committed term beginning after the project has been placed in service) If no, please explain or indicate "Project did not commit to Service amenities; or Project has completed term of commitment".
4. ALL PRIOR TO 2017: Has the project/program satisfied all other requirements as memorialized in the Exhibit A? If no, please explain.
5. QRRP ONLY 2017 and BEYOND: If the Project Sponsor/Borrower indicated in the Certification of Compliance II or like form:
 - a. Has the regulatory agreement has been terminated, if yes please explain
 - b. Are the number of Federal Bond Restricted Units and Other Restricted Units consistent with the CDLAC resolution, if not please explain
 - c. Is the 10% at 50% general distribution requirement being met in a manner consistent with the CDLAC resolution, if no please explain.
 - d. Are the service amenities being provided in a manner consistent with the CDLAC resolution, if no please explain.
6. IDB 2017 and BEYOND ONLY: If the Project Sponsor/Borrower indicated jobs had been created or retained, please report on how many jobs were created or retained.
7. SINGLE FAMILY 2017 and BEYOND ONLY: Has the single family program met the income and geographical targets identified in the CDLAC resolution? If no, please explain.

EXHIBIT D: COMPLETION PROCESS FOR *COMPLETION CERTIFICATION*
(REGULATORY AGREEMENT and CDLAC):

Process for Monitoring the *Completion Certification*:

- An email reminder should be sent one month before anticipated completion day of construction
- The preformatted email will contain a list of instructions on how to complete certification and an attached draft copy of the certification
- The certification will be filed with the Issuer on completion day (this form is filed once per project)
- Update the *Compliance* spreadsheet in the compliance database once a certification is received.
 - Update official completion date
 - Mark the appropriate box with green that the Issuer has received the certificate
 - Save a copy of the *Completion Certification* in the Compliance database
 - Print a copy of the *Completion Certification* and file the document in the compliance filing cabinet
- The Completion Certificate should have the following information completed:
 - Project Completion date
 - For a new construction project the date is the day the project is completed, for an acquisition rehab project the form is dated when the project is “substantially completed” and all units are available to be occupied
 - Some Regulatory Agreements specify that an updated form should be filed with the Issuer at 50% occupancy
 - Aggregate amount of loan disbursed on completion date
 - It is not Issuer’s role to verify the dollar amount that will be filled in on line (a)
 - Authorized Signature

EXHIBIT X
COMPLETION CERTIFICATE (REGULATORY)

The undersigned hereby certifies that all construction work on the Project was substantially completed and all units in the Project were available either for occupancy or use by tenants in the Project as of _____.

The undersigned hereby further certifies that:

(a) the aggregate amount disbursed on the Loan to date is \$_____;

(b) all amounts disbursed from proceeds of the Bonds have been applied to pay or reimburse the undersigned for the payment of Project Costs, and none of the amounts disbursed from the proceeds of the Bonds have been applied to pay or reimburse any party for the payment of costs or expenses other than Project Costs; and

(c) at least 97 percent of the amounts disbursed from the proceeds of the Bonds have been applied to pay or reimburse the Borrower for the payment of Qualified Project Costs (as those terms are used in the Regulatory Agreement) and less than 25 percent of the amounts disbursed from the proceeds of the Bonds, exclusive of amounts applied to pay the costs of issuing the Bonds, have been applied to pay or reimburse the Borrower for the cost of acquiring land.

PROJECT NAME, L.P.,
a California limited partnership

By: **Project Name, LLC,**
a California limited liability company,
its general partner

By: **Non-Profits Name,**
Incorporated, a California nonprofit public
benefit corporation, its sole member/manager

By: _____
Authorized Signer
Title

**CERTIFICATE OF COMPLETION (CDLAC)
FOR QUALIFIED RESIDENTIAL RENTAL PROJECTS**

1. Project Name:

(If Project Name has changed since the award of allocation, please note the original project name and request a change in the CDLAC Resolution.)

Original Project Name: _____

2. CDLAC Application Number:

3. Name of Bond Issuer:

4. Name of Borrower:

(If Borrower has changed name since the award, please note the original Borrower and request a change in the CDLAC Resolution.)

Original Borrower Name: _____

5. The undersigned hereby certifies that all work on the Project was substantially completed as of _____, 20____.

The undersigned hereby further certifies that:

- a. The aggregate amount disbursed on the Loan to date is \$_____.
- b. All amounts disbursed from proceeds of the Bonds have been applied to pay or reimburse the undersigned for the payment of Project Costs and none of the amounts disbursed from the proceeds of the Bonds have been applied to pay or reimburse any party for the payment of costs or expenses other than Project Costs; and
- c. At least 95 percent of the amount disbursed from the proceeds of the Bonds have been applied to pay or reimburse the Borrower for the payment of Qualified Project Costs (as that term is used in the Regulatory Agreement) and less than 25 percent of the amount disbursed from the proceeds of the Bonds, exclusive of amounts applied to pay the costs of issuing the Bonds, have been applied to pay or reimburse the Borrower for the cost of acquiring land.

6. The undersigned hereby certifies that the project meets the general federal rule for a Qualified Project Period. ☐ Yes ☐ No

- a. 10% of the dwelling units in the project financed in part from the proceeds of the captioned Bonds were first occupied on _____, 20____;
- b. 50% of the dwelling units in the project financed in part from the proceeds of the captioned Bonds were first occupied on _____, 20____.

7. If the answer to #6 is NO, the undersigned hereby certifies the project meets the special federal rule for a Qualified Project Period. ☐ Yes ☐ No

(Project qualified if it is an acquisition/rehabilitation where no more than 90% of the units were not available for occupancy within 60 days of the earlier of the project acquisition or the Bond Issuance Date.)

- a. Bonds were issued on _____, 20____;
- b. Property was acquired on _____, 20____;

- c. The date 10% of the units were available to occupy (within 60 days of the earlier of the acquisition or Bond Issuance) _____, 20_____.

Signature of Officer

Date

Printed Name of Officer

Phone Number

Title of Officer

**EXHIBIT E: COMPLETION PROCESS FOR CERTIFICATION AS TO COMMENCEMENT
OF QUALIFIED PROJECT PERIOD (REGULATORY AGREEMENT):**

Process for Monitoring the Commencement of Qualified Project Period:

- An email reminder will be sent one month after the Issuer receives the *Completion Certification*
- The preformatted email will contain a list of instructions on how to complete certification and an attached draft copy of the certification.
- Some project's Regulatory Agreement did not require the *Certification as to the Commencement of Qualified Project Period* to be completed. The Issuer is now requiring this form regardless of the requirements stated in the Regulatory Agreement
- The certification should be filed with the Issuer at 50% occupancy
- Update the *Compliance* spreadsheet in the compliance database once a certification is received
 - Mark the appropriate box with green that the Issuer has received the certificate
 - Save a copy of the *Certification as to Commencement of Qualified Project Period* in the Compliance database
 - Print a copy of the *Certification as to Commencement of Qualified Project Period* and file the document in the compliance filing cabinet
- The *Certification as to Commencement of Qualified Project Period* should have the following information filled in:
 - 10% Occupancy Date
 - 50% Occupancy Date (if stipulated by the Regulatory Agreement)
 - Document Completion Date
 - Authorized Signature

EXHIBIT X

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

[Name of Issuer]

[Mailing Address of Issuer]

CERTIFICATE AS TO COMMENCEMENT OF QUALIFIED PROJECT PERIOD

[Name of Issuer]
Multifamily Housing Revenue Bonds
(Project Name Apartments)
Series 201XA

The undersigned, on behalf of Project Name, L.P., hereby certifies that: (complete blank information):

10% of the dwelling units in the Project Name Apartments, financed in part from the proceeds of the captioned Bonds, were first occupied on _____, 20__.

50% of the dwelling units in the Project Name Apartments, financed in part from the proceeds of the captioned Bonds, were first occupied on _____, 20__.

DATED: _____, 20__

Project Name, L.P.,
a California limited partnership

By: Project Name LLC,
a California limited liability company,
its general partner

By: Company Name,
Incorporated, a California nonprofit public
benefit corporation, its sole member/manager

By: _____
Authorized Signer
Title

**EXHIBIT F: COMPLETION PROCESS FOR CERTIFICATE OF
CONTINUING PROGRAM COMPLIANCE (REGULATORY AGREEMENT):**

Process for Monitoring the *Certificate of Continuing Program Compliance*:

- An email reminder will be sent January 1st reminding the borrower that the *Certificate of Continuing Program Compliance* period ends January 1st and is due on February 1st to the Issuer
- The preformatted email will contain a list of instructions on how to complete the certification and an attached draft copy of the certification
- Some projects Regulatory Agreements did not require the *Certificate of Continuing Program Compliance* to be completed. The Issuer is now requiring this form regardless of the requirements stated in the Regulatory Agreement
- For some earlier projects this certificate was filed quarterly during construction and then annually at completion.
 - As of 2009 all *Certificate of Continuing Program Compliance* are filed with the Issuer annually regardless of the requirements stated in the Regulatory Agreement
- Update the *Compliance* spreadsheet in the compliance database once a certification is received
 - Mark the appropriate box with green that the Issuer has received the certificate
 - Save a copy of the *Certificate of Continuing Program Compliance* in the Compliance database
 - Print a copy of the *Certificate of Continuing Program Compliance* and file the document in the compliance filing cabinet
- The *Certificate of Continuing Program Compliance* should have the following information filled in:
 - Date
 - Section "A": N/A or Updates
 - Section "B": % of units occupied by qualified tenants
 - Section "C": 1-5 Completed
 - Section "D": Yes or No
 - Section "E": N/A or filled in and actions taken
 - Section "F": N/A or description
 - Section "G": N/A or description
 - Section "H": N/A or Check Mark
 - 1&2: N/A or description
 - Section "I": Date
 - Borrower (authorized representative) signature
- The borrower must keep rent roles onsite. The Issuer does not keep these records

EXHIBIT X
CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE
(PROJECT NAME APARTMENTS)

Witnesseth that on this ___ day of _____, 20___, the undersigned, having borrowed certain funds from the _____ (the "Issuer") for the purpose of financing a multifamily rental housing development (the "Project"), does hereby certify that:

A. Have there been any changes to the ownership entity, principals or property management of the Project since the Bonds were issued, or since the last certification was provided?
(If so please attach a request to revise the resolution noting all pertinent information regarding the change)

B. During the preceding twelve-months (i) such Project was continually in compliance with the Regulatory Agreement executed in connection with such loan from the Issuer, (ii) ___% of the units in the Project were occupied by Qualified Tenants (minimum of 20%).

C. Set forth below is certain information regarding occupancy of the Project as of the date hereof.

1. Total Units: _____
2. Total Units Occupied: _____
3. Total Units Held Vacant
and Available for Rent to Qualified Tenants _____
4. Total Qualified Units Occupied: _____
5. % of Qualified Units to Total Units _____%
(equals the Total of Lines 3 and 4, divided by the lesser of Line 1 or Line 2)

D. The units occupied by Qualified Tenants are of similar size and quality to other units and are dispersed throughout the Project.

E. *Select appropriate certification:* [No unremedied default has occurred under this Regulatory Agreement, the Note, Loan Agreement or the Deed of Trust.] [A default has occurred under the _____. The nature of the default and the measures being taken to remedy such default are as follows: _____.]

F. Has there been a change of use for the project? (if so, please describe)

G. *Select appropriate certification:* The undersigned hereby certifies that the project [has satisfied all] [except as described below, has satisfied all] of the requirements memorialized in the Exhibit A of the CDLAC Resolution (i.e. qualifying project completion, qualifying depreciable asset purchase, qualifying loan originations, the use of public funds, QRRP manager units, QRRP income rent restrictions, QRRP sustainable building methods, etc.; as applicable), and thus has achieved all public benefit requirements (excluding QRRP service amenities) as presented to CDLAC.
[Describe any requirements not satisfied: _____]

H. As captured in Exhibit A of the Resolution, the Project has committed to and is currently providing the following service amenities for a minimum of ten years, on a regular and ongoing basis, which are provided free of charge (with the exception of day care services):

Please check the services that apply or write N/A where appropriate:

_____ After-school Programs

_____ Educational, health and wellness, or skill building classes

_____ Health and Wellness services and programs (not group classes)

_____ Licensed Childcare provided for a minimum of 20 hours per week (Monday-Friday)

_____ Bona-Fide Service Coordinator/ Social Worker

1) For this reporting period, attached is evidence (i.e. MOUs, contracts, schedules, calendars, flyers, sign-up sheets, etc.) confirming that the above listed services are being provided and have met the requirements of Exhibit A of the Resolution.

2) If any of the above services requirements were not met, what corrective action is being taken to comply?

(Please also attach the completed project sponsor certification form as provided in the CDLAC Resolution)

I. The representations set forth herein are true and correct to the best of the undersigned's knowledge and belief, and the undersigned acknowledges and agrees that the Issuer will be relying solely on the foregoing certifications and accompanying documentation, if any, in making its certification to CDLAC pursuant to Section 5144 of the CDLAC Regulations, and agrees to provide to the Issuer such documentation or evidence, in support of the foregoing certifications, as the Issuer or CDLAC may request.

Date: _____

PROJECT NAME, L.P.,
a California limited partnership

By: **Project Name LLC,**
a California limited liability company,
its general partner

By: **Company Name,**
Incorporated, a California nonprofit public
benefit corporation, its sole member/manager

By: _____
Authorized Signer
Title

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

RESOLUTION NO. 4797

RESOLUTION OF THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE
ADOPTING DISCLOSURE POLICIES AND PROCEDURES

WHEREAS, Securities and Exchange Commission Rule 15c2-12Act requires that issuers of state or local government indebtedness adopt continuing disclosure policies and procedures that address the informational needs and concerns regarding issuance of indebtedness; and

WHEREAS, the Housing Authority of the County of Butte (the “Authority”) expects to issue indebtedness, or participate as a borrower in the issuance of indebtedness, and seeks to comply with the continuing disclosure requirements of Security and Exchange Commission Rule 15c2-12;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Butte to hereby find, determine and certify as follows:

Section 1. The foregoing recitals are true and correct;

Section 2. The Disclosure Policies and Procedures, herein attached to and made a part of this Resolution Number 4797, is hereby approved and adopted for the purpose of establishing agency disclosure policies and procedures regarding issuance of indebtedness; and,

Section 3. This resolution shall take effect on and after its adoption.

PASSED AND ADOPTED by the Board of Commissioners on this 15th day of October, 2020 by the following vote:

AYES:

NOES:

ABSENT:

Laura Moravec, Chair

Attest:

Edward S. Mayer, Secretary

DISCLOSURE POLICIES AND PROCEDURES

Housing Authority of the County of Butte

Article I ***General***

These Disclosure Policies and Procedures (the “**Disclosure Procedures**”) of the Housing Authority of the County of Butte (the “**Authority**” or the “**Issuer**”) are intended to ensure that the Issuer is in compliance with all applicable federal and state securities laws.

Article II ***Disclosure Coordinator***

The Executive Director of the Authority, or such other employee of the Authority so designated, shall be the disclosure coordinator of the Issuer (the “**Disclosure Coordinator**”).

Article III ***Review and Approval of Official Statements***

The Disclosure Coordinator of the Authority shall review any Official Statement prepared in connection with any debt issuance by the Authority in order to ensure there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by the Authority.

In connection with its review of the Official Statement, the Disclosure Coordinator shall consult with third parties, including outside professionals assisting the Authority, and all members of Authority staff, to the extent that the Disclosure Coordinator concludes they should be consulted so that the Official Statement will include all “material” information (as defined for purposes of federal securities law).

As part of the review process, the Disclosure Coordinator shall submit all Official Statements to the Executive Director of the Issuer and the Board of Commissioners for approval.

The Board of Commissioners shall undertake such review as deemed necessary by the Board of Commissioners, following consultation with the Disclosure Coordinator, to fulfill the Board of Commissioners’ responsibilities under applicable federal and state securities laws. In this regard, the Disclosure Coordinator shall consult with the Issuer’s disclosure counsel to the extent the Disclosure Coordinator considers appropriate.

Article IV ***Continuing Disclosure Filings***

Under the continuing disclosure undertakings that the Issuer has entered into in connection with its debt offerings, the Issuer is required each year to file annual reports with the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access (“**EMMA**”) system in

accordance with such undertakings. Such annual reports are required to include certain updated financial and operating information, and the Issuer's audited financial statements.

The Issuer is also required under its continuing disclosure undertakings to file notices of certain events with EMMA.

The Disclosure Coordinator is responsible for establishing a system (which may involve the retention or one or more consultants) by which:

- (i) the Issuer will make the annual filings required by its continuing disclosure undertakings on a complete and timely basis, and
- (ii) the Issuer will file notices of enumerated events on a timely basis.

In connection with preparation of annual reports and event filings, the Disclosure Coordinator shall consult with third parties, including outside professionals assisting the Authority, and all members of Authority staff, to the extent that the Disclosure Coordinator concludes they should be consulted so the annual report and event filings will include all "material" information (as defined for purposes of federal securities law).

As part of the review process, the Disclosure Coordinator shall submit all annual reports and event filings to the chief executive officer of the Issuer for approval.

The Disclosure Coordinator shall retain a record of the actions taken to prepare, check and approve each annual report and event filing.

Article V

Public Statements Regarding Financial Information; Website

Whenever the Issuer makes statements or releases information relating to its finances to the public that are reasonably expected to reach investors and the trading markets, the Issuer is obligated to ensure that such statements and information are complete, true, and accurate in all material respects.

The Authority may include a disclaimer on the Authority website:

"No information on the Authority's website is intended to be the basis of or should be relied upon in making an investment decision. The information on this website is not posted for the purpose of reaching the investing public, including bondholders, rating analysts, investment advisors, or any other members of the investment community. Because each security issued by the Authority or its related entities may involve different sources of payment and security, you should refer for additional information to the official statement and continuing disclosure filings for the particular security, which can be found on the Municipal Security Rulemaking Board's Electronic Municipal Market Access website: <https://emma.msrb.org/>."

Article VI

Training

The Disclosure Coordinator shall ensure that the members of the Issuer staff involved in the initial or continuing disclosure process are properly trained to understand and perform their responsibilities.

The Disclosure Coordinator shall arrange for disclosure training sessions conducted by the Issuer's disclosure counsel. Such training sessions shall include education on these Disclosure

Procedures, the Issuer's disclosure obligations under applicable federal and state securities laws and the disclosure responsibilities and potential liabilities of members of the Issuer's staff and members of the Board of Commissioners. Such training sessions may be conducted using a recorded presentation.

Article VII

Updates to Disclosure Procedures

The Disclosure Coordinator shall review the Disclosure Procedures annually and propose updates to the Disclosure Procedures as needed to address changes, including but not limited to changes in the Issuer's debt management program, financial reporting processes, or organizational structure. In addition, at any time all officers and employees of the Issuer are invited and encouraged to make recommendations for changes to these Disclosure Procedures so that they foster better compliance with applicable law, result in better information to investors, or makes the procedures required by these Disclosure Procedures more efficient. Following receipt of any such recommendation, the Disclosure Coordinator shall consult with third parties, including outside professionals assisting the Issuer and members of Issuer staff, where appropriate, and shall determine whether such recommendation should be submitted as a proposal to the chief executive officer.

Upon receipt of a proposal from the Disclosure Coordinator, the Executive Director shall approve and implement any change to these Disclosure Procedures that is proposed by the Disclosure Coordinator if it does not change the fundamental policies or procedures established by these Disclosure Procedures and it is determined by the Executive Director to be advisable. Any proposal that changes the fundamental policies or procedures established by these Disclosure Procedures will require Board of Commissioners approval

Article VIII

Documenting Compliance

The Disclosure Coordinator is responsible for establishing a system (which may involve the retention or one or more consultants) by which compliance with these Disclosure Procedures is documented.

Article IX

Waiver of Procedures

The Disclosure Coordinator may, with the approval of the Executive Director, depart from this Disclosure Policy when he or she in good faith determines that such departure is in the best interests of the Issuer and is consistent with the duties of the Issuer under federal and state securities laws.

Article X

Internal Use Only

These Disclosure Procedures are intended for the internal use of the Issuer only and are not intended to establish any duties in favor of or rights of any person other than the Issuer.

October 9, 2020

Memo

To: HACB Board of Commissioners

From: Ed Mayer, Executive Director

Subject: Agenda Item 5.5 – Strategic Asset Plan, Status Report

Refinance of the Housing Authority's other-owned properties has been authorized. Authorization to leverage six properties will result in generation of up to \$9.8 million in proceeds, to be used to improve the properties, pay off debt to BCAHDC, make extraordinary capital improvements, purchase units, and kick-off reconstruction of the Kathy Court Apartments, Paradise. Bond issuance is scheduled for early December 2020.

The Housing Authority has reached agreement for purchase of the investor Limited Partner interests at 1200 Park Avenue Apts, Chico, the first step to the property's refinance/re-structuring after completion of the IRS's 15-year Low Income Housing Tax Credit compliance period.

Completion of the buyout of the LP interests at 1200 Park Avenue Apartments will initiate re-finance/re-positioning of the Walker Commons and Chico Commons properties, both tax-credit partnerships that are fully controlled by the HACB's non-profit instrumentalities, Banyard Management and BCAHDC. Such effort would entail dissolution of Banyard Management, simplifying overall administration.

HACB has been approached by Dawson Holdings, partner in the Gridley Springs I tax-credit project, regarding consolidation of the Gridley Springs I and II properties. Gridley Springs II is wholly owned by the Housing Authority.

Housing Authority of the County of Butte - Butte County Affordable Housing Development Corporation

Development Activity

October 9, 2020

BCAHDC

BCAHDC							HACB PBV's	BCAHDC MOA	BCAHDC LPA prelim	Estimated Placed in Service Date		
	PWC-AMG/BCAHDC	City	Units	Serves	Funding							
1	Sunrise Village Apts.	Gridley	37	Seniors	MHP	4% LIHTC's	Mar 2021	36	√	√	December 2022	20% owner: 10% cash fee (\$170K at 8609's), 10% loan back
2a	Riverbend Apts. Phase 1	Oroville	72	Family		9% Disaster LIHTC's	July 2020		√	√	Spring 2022	10% owner: 10% cash fee (\$220K at 8609's)
	Riverbend Apts. Phase 2	Oroville	48	Family	CDBG-DR?	4% LIHTC's	Mar 2022		anticipated		December 2023	TBD - unknown
3	Liberty Bell Apts.	Orland	32	Seniors	HOME	4% LIHTC's	Mar 2021	31	√		October 2021	10% cash fee (\$120K)
4	Woodward Apts.	Orland	36	Family	MHP	4% LIHTC's	July 2021	25	√	√	December 2022	10% cash fee (\$170K)
	8th Street	Orland	40	PSH	TBD				anticipated		TBD	TBD - unknown
5	Mitchell Ave Apts	Oroville	36	Seniors		9% Disaster LIHTC's	July 2020		√	√	January 2022	10% owner: 10% cash fee (\$150K at 8609's)
	Mitchell Ave Apts Phase II	Oroville	32	Seniors	TBD						TBD	
6	Ford Ave Apts	Gridley	36	Family		9% Disaster LIHTC's	July 2020		√	√	January 2022	10% owner: 10% cash fee (\$180K at 8609's)
7	Deer Creek Apts Phase I	Chico	156	Family		9% Disaster LIHTC's	July 2020		√	√	Summer 2022	10% owner: 10% cash fee (\$220K at 8609's)
	Deer Creek Apts Phase II	Chico	48	Family	CDBG-DR?	9% Disaster LIHTC's	Mar 2021		anticipated		December 2022	10% owner: 10% cash fee (\$150K? at 8609's)
	Prospect View	Oroville	40	PSH	NPLH	9% LIHTC's	July 2021		anticipated		December 2022	20% owner: 5% cash fee (\$85K at 8609's), 15% loan back (\$255K)

	AHDC/BCAHDC											
8a	North Creek Crossing Apts., Phase I	Chico	106	Family		9% Disaster LIHTC's	July 2020	25	√		Spring 2022	10% Dev Fee, loan back?; \$25K at Close; \$100/unit/year MGP Fee
8b	North Creek Crossing Apts., Phase II	Chico	60	Family		9% Disaster LIHTC's	2nd Round	14			Spring 2023	

	Jamboree/BCAHDC											
9	1297 Park Ave. Apts.	Chico	59	Singles/PSH		9% Disaster LIHTC's	July 2020	43	√		Spring 2023	10% Dev Fee, \$10K min at close

	CHIP											
	Creekside Place Apts	Chico	101	Seniors	NPLH, City	9% Disaster LIHTC's	July 2020	100	n/a		Spring 2023	
	Paradise Community Village - rebuild	Paradise	36	Family		LIHTC			n/a			

	HACB											
10	Kathy Court Apts - rebuild	Paradise	12	Family	TBD				n/a			
11	Fogg Ave Apts	Oroville	16	Singles	TBD				n/a			

OTHER

	Willow Partners											
14	Sierra Heights Apts II	Oroville	48	Senior		9% Disaster LIHTC's			n/a			
15	Oroville Heights Apts II	Oroville	40	Family		9% Disaster LIHTC's			n/a			

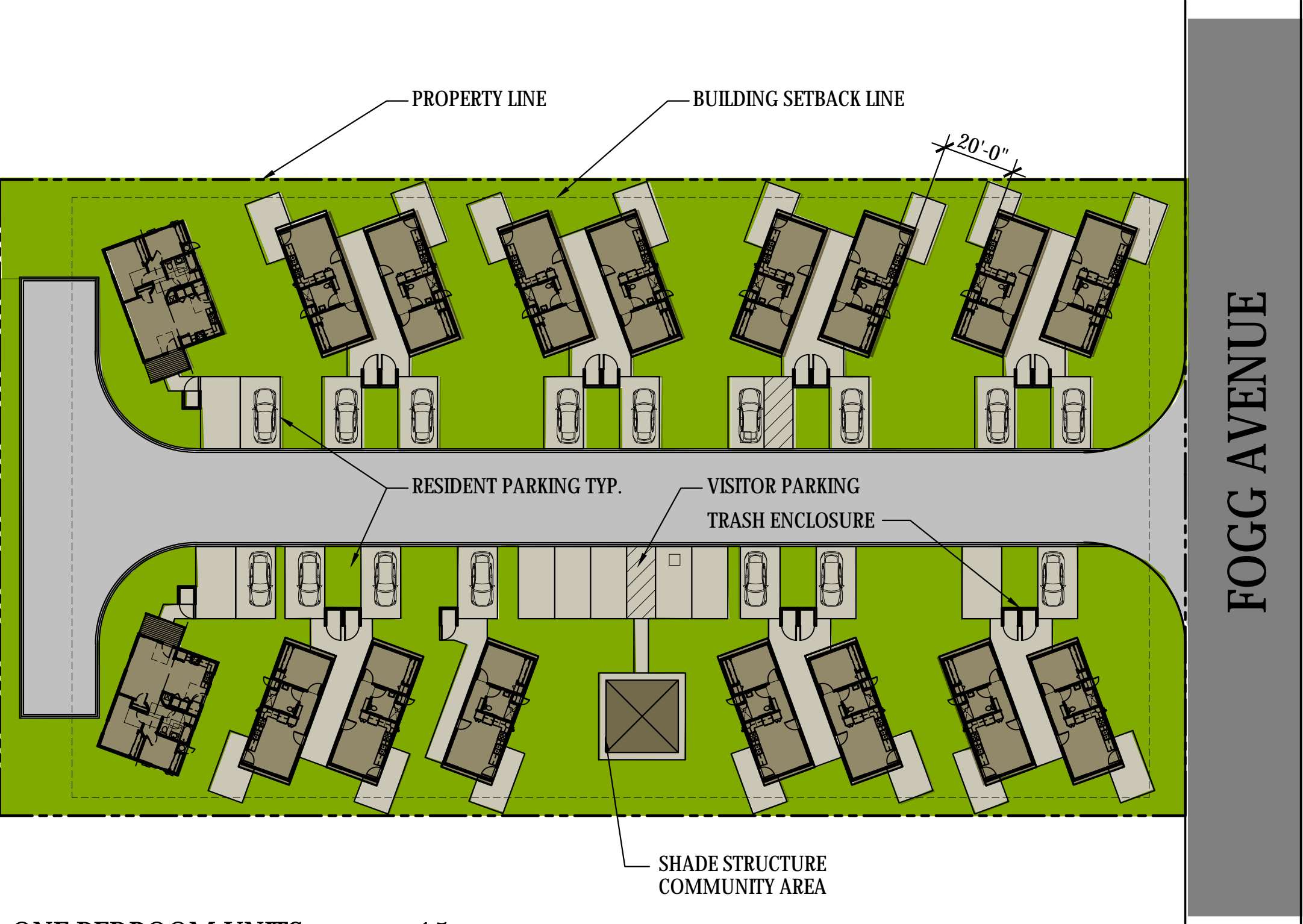
	Domus - Newport Partners											
16	Floral Ave. Apts.	Chico	23	Family		9% Disaster LIHTC's			n/a			
17	Lava Ridge Apts, 2796 Native Oaks Dr.	Chico	98	Family		9% Disaster LIHTC's			n/a			

	K2 Development											
18	Bruce Village Commons, 1993 Bruce Rd	Chico	60	Senior		9% Disaster LIHTC's			n/a			
19	Olive Ranch Apts. I, Table Mtn & Grand	Oroville	84	Family		9% Disaster LIHTC's			n/a			
20	Olive Ranch Apts. II	Oroville	83	Family		9% Disaster LIHTC's			n/a			

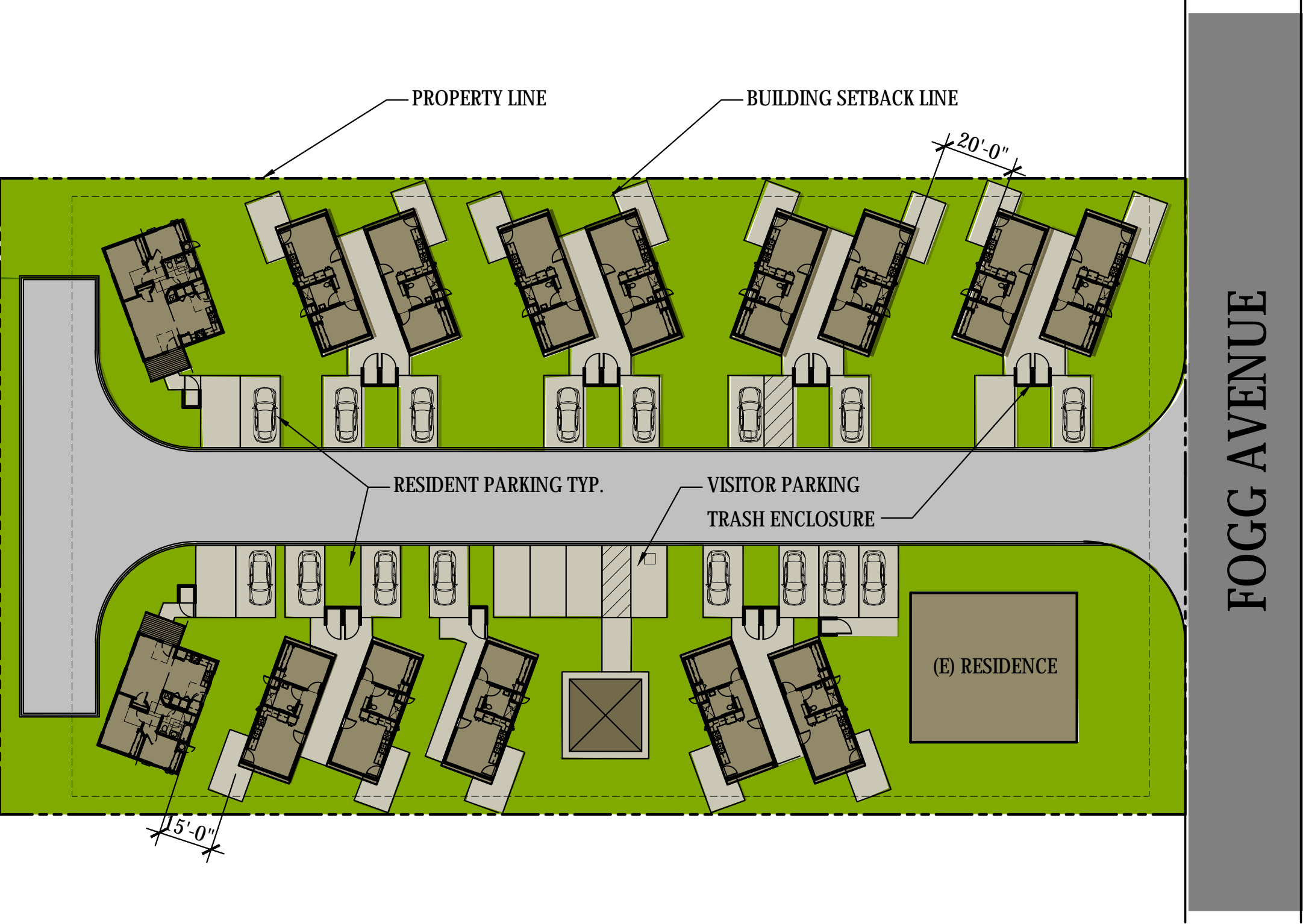
	CRP Affordable											
21	Senator Conness Apartments	Chico	162	Family		9% Disaster LIHTC's			n/a			

1,601 units \$ 640,400,000 est. 274 PBV Vouchers Committed

1,224 9% Disaster LIHTC's



ONE BEDROOM UNITS	=	15
TWO BEDROOM UNITS	=	2
TOTAL UNITS	=	17



ONE BEDROOM UNITS	=	13
TWO BEDROOM UNITS	=	2
EXISTING UNIT	=	1
TOTAL UNITS	=	16

HOUSING AUTHORITY
FOR COUNTY OF BUTTE

FOGG AVENUE
HOUSING
SITE
DEVELOPMENT

2131 FOGG AVENUE
OROVILLE, CA 95965

SUBMITTAL SET

REVISIONS		
NO.	DESCRIPTION	DATE

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OCTOBER 08, 2020

DRAWN BY:
CHECKED BY:
JOB NO. 20025

A1

■■■

HOUSING AUTHORITY
FOR COUNTY OF BUTTE

FOGG AVENUE
HOUSING
SITE
DEVELOPMENT

2131 FOGG AVENUE
OROVILLE, CA 95965

■■■

SUBMITTAL SET

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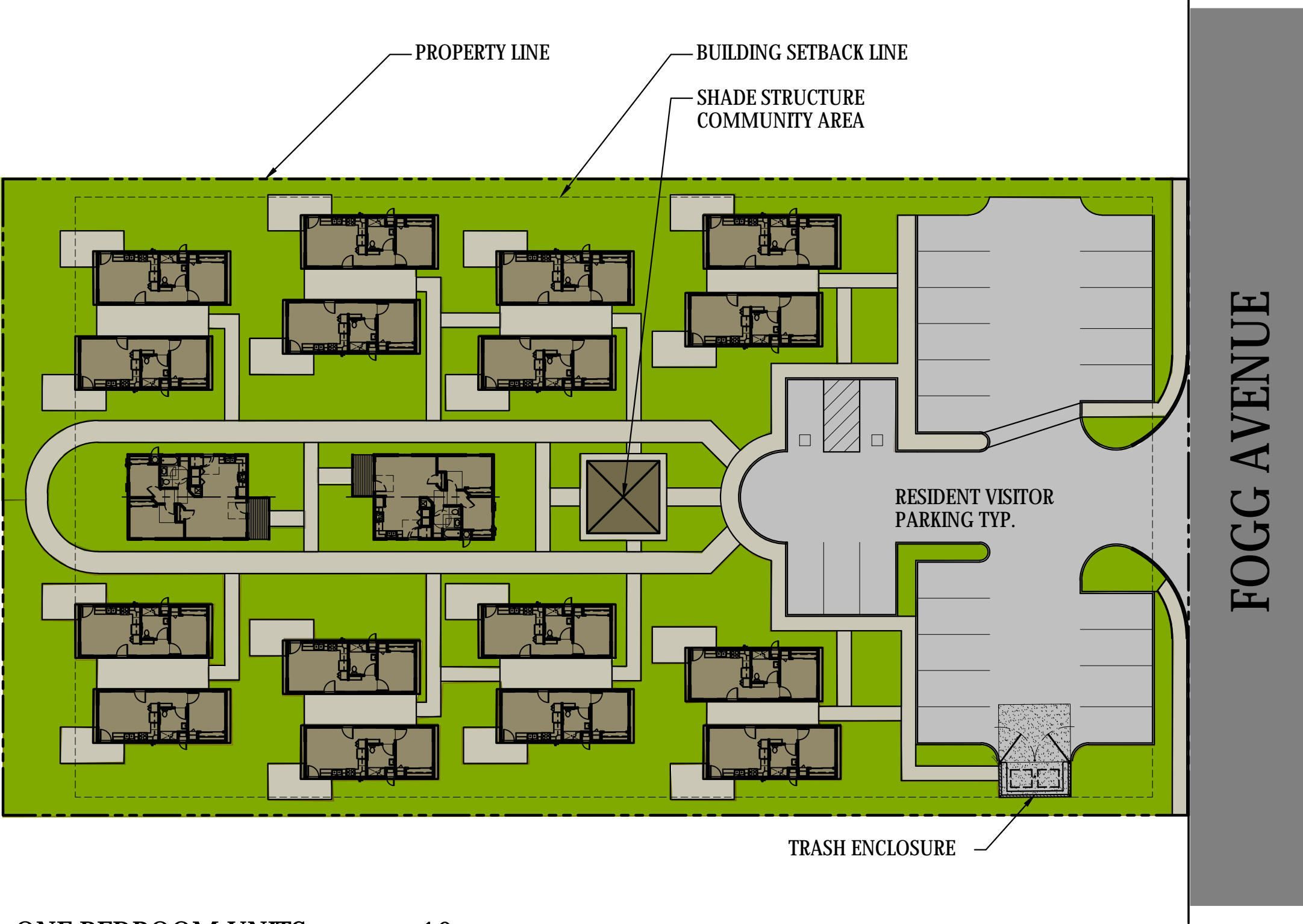
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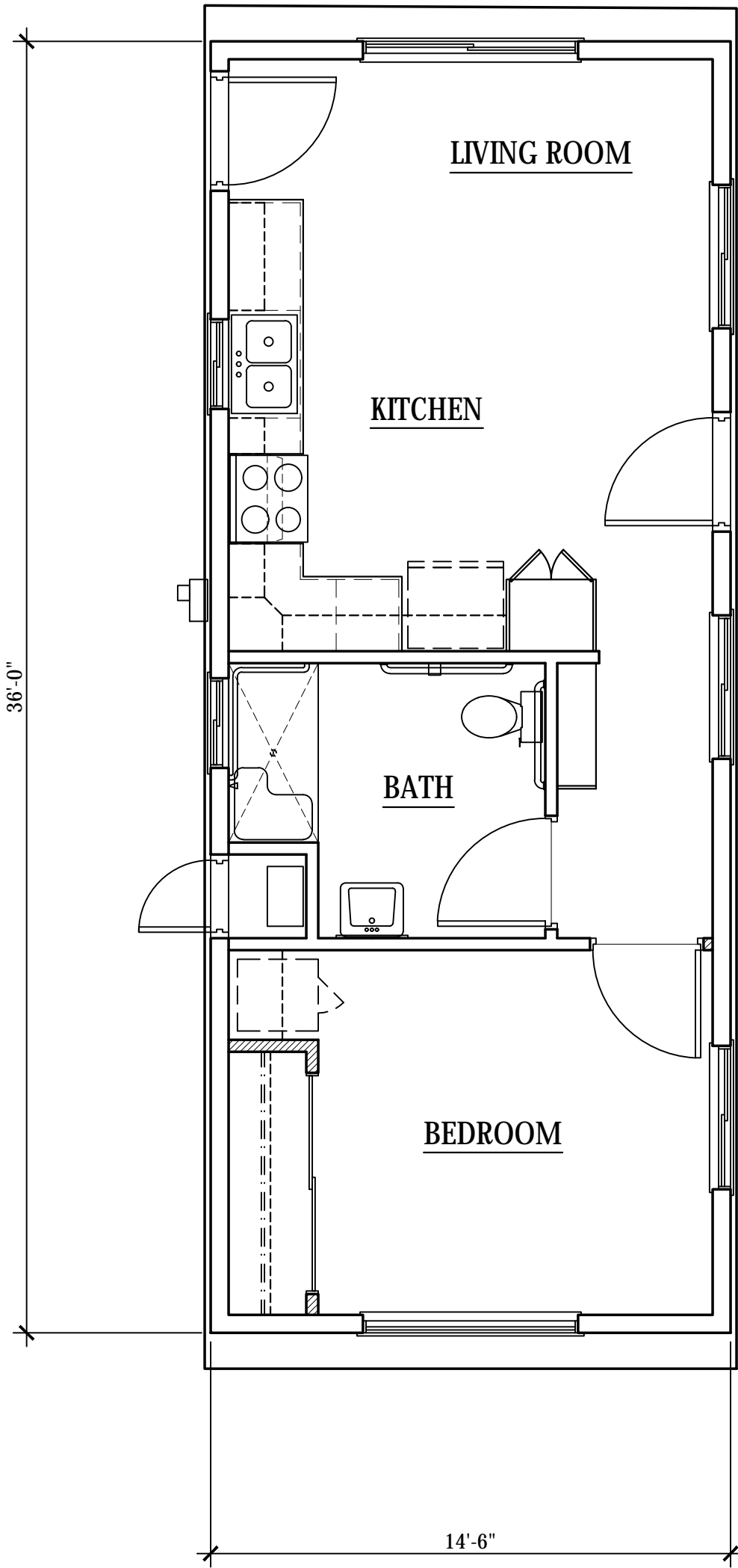
A2



ONE BEDROOM UNITS	=	16
TWO BEDROOM UNITS	=	2
TOTAL UNITS	=	18

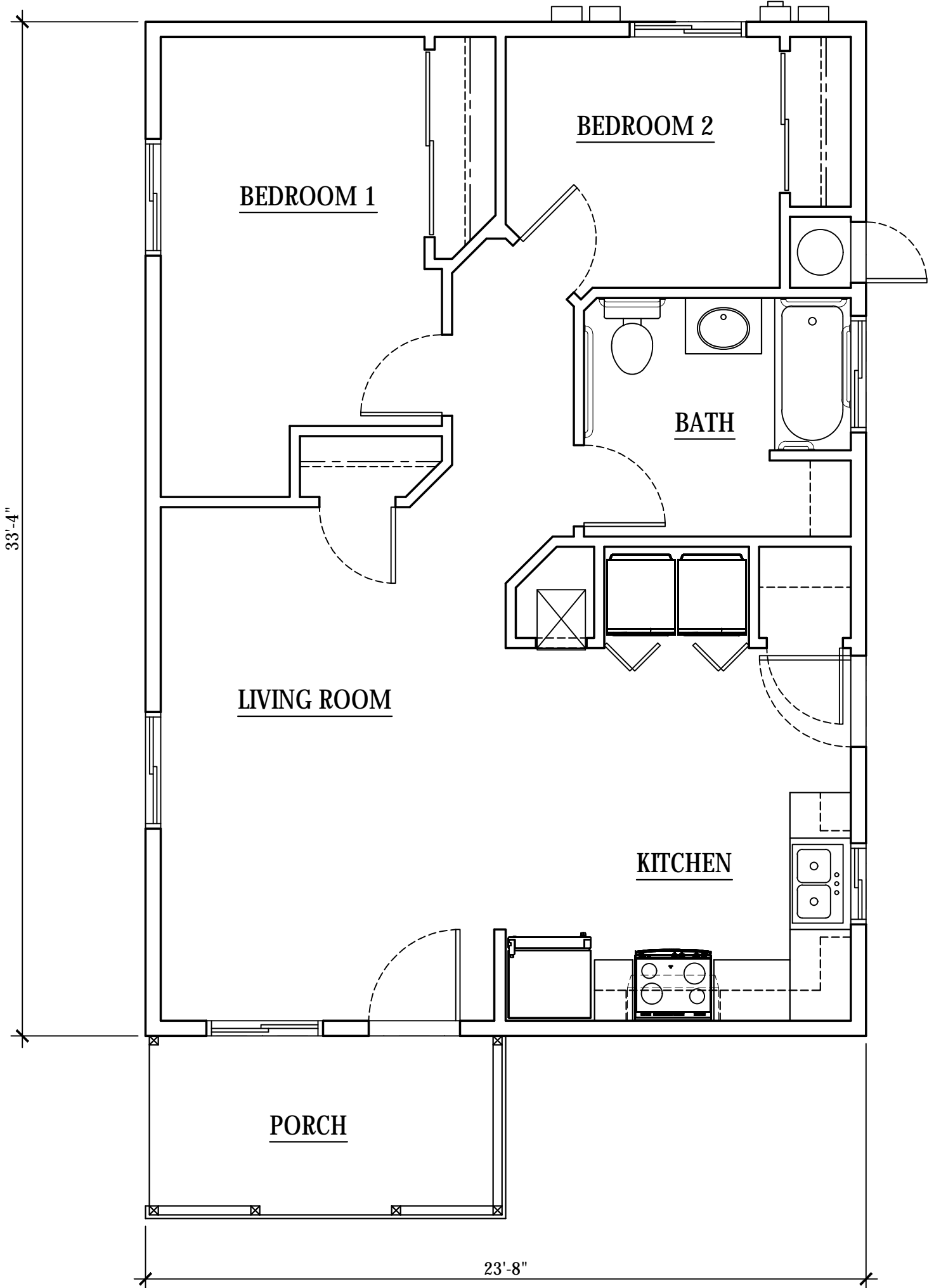
FOGG AVENUE - DESIGN 2B

SCALE: 1/32" = 1'-0"



○ ONE BEDROOM UNIT - 522 SF

SCALE: 1/4"=1'-0"



○ TWO BEDROOM UNIT - 788 SF

SCALE: 1/4"=1'-0"

■■■

HOUSING AUTHORITY
FOR COUNTY OF BUTTE

FOGG AVENUE
HOUSING
SITE
DEVELOPMENT

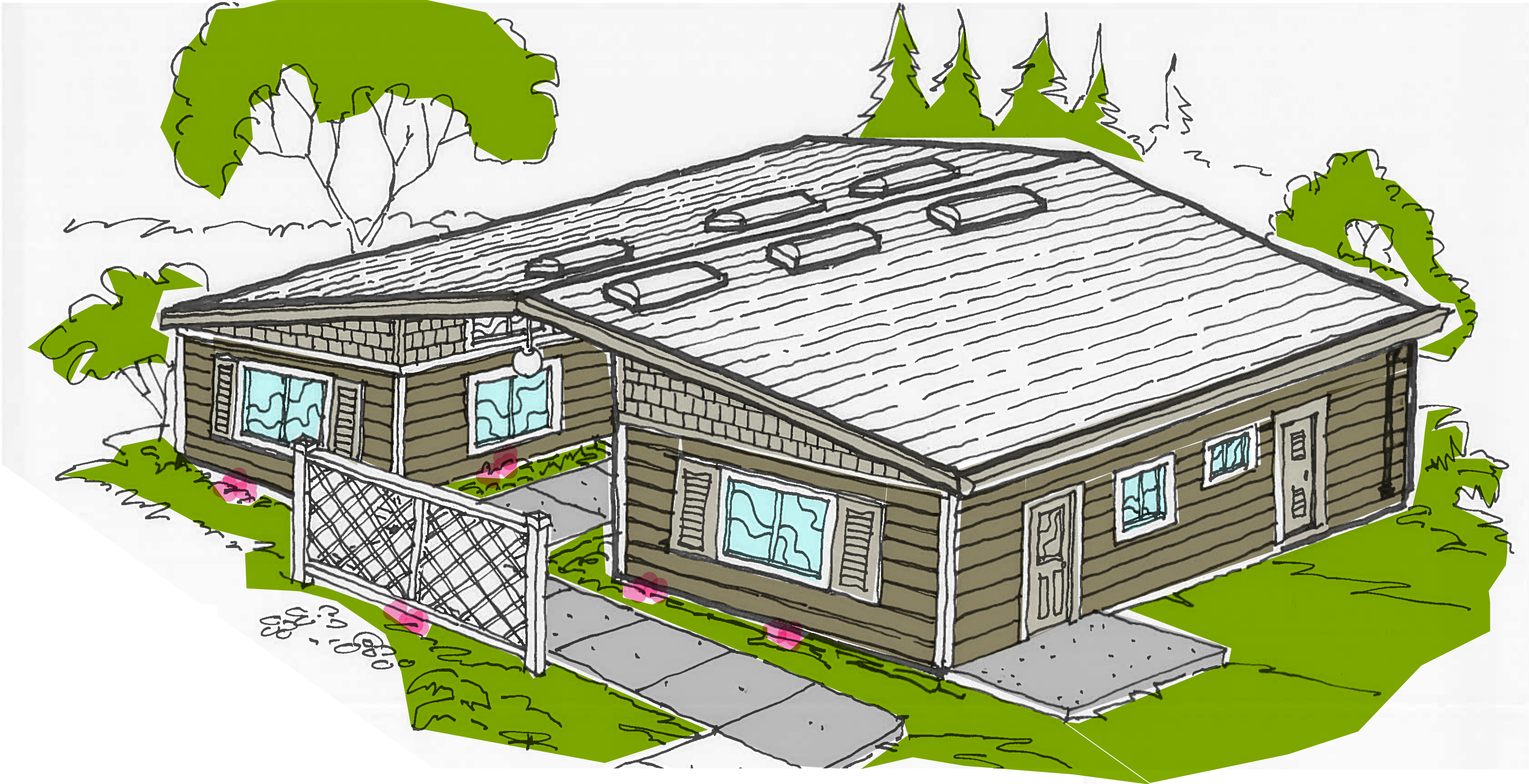
2131 FOGG AVENUE
OROVILLE, CA 95965

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○ ONE BEDROOM UNIT - EXTERIOR PERSPECTIVE

SCALE: 1/32" = 1'-0"

■■■
HOUSING AUTHORITY
FOR COUNTY OF BUTTE

FOGG AVENUE
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SITE
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2131 FOGG AVENUE
OROVILLE, CA 95965

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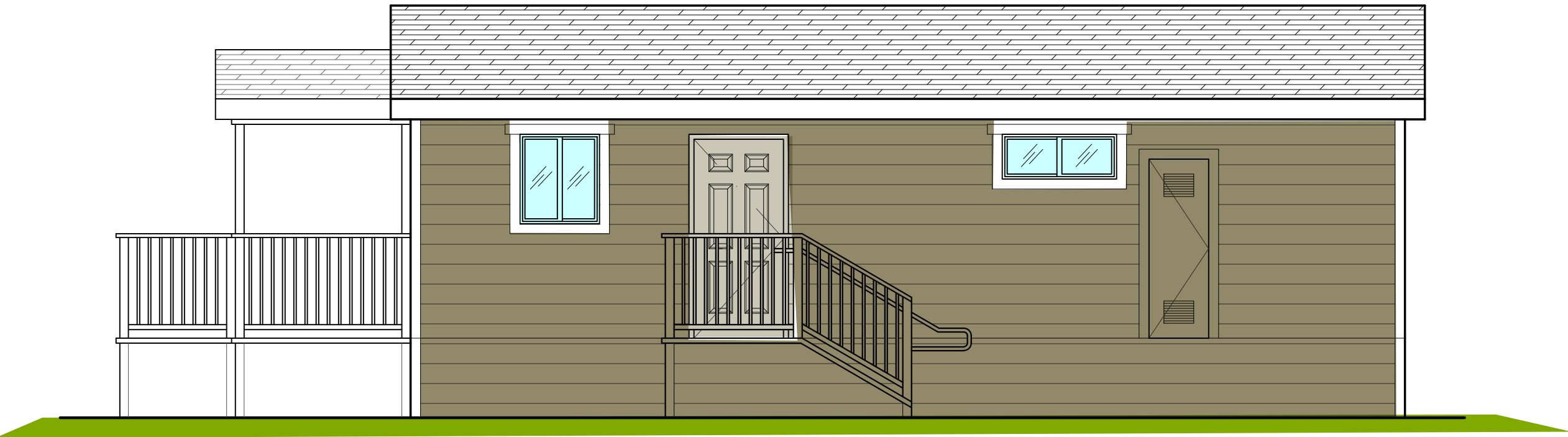


LEFT SIDE



BACK

FRONT



RIGHT SIDE

○ TWO BEDROOM UNIT - EXTERIOR ELEVATIONS

SCALE: 1/4"=1'-0"

■■■

HOUSING AUTHORITY
FOR COUNTY OF BUTTE

FOGG AVENUE
HOUSING
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OROVILLE, CA 95965

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October 09, 2020

Memo

To: Board of Commissioners
Housing Authority of the County of Butte

From: Laura Moravec, Chairperson of the Board of Commissioners

Subject: Executive Director Compensation

On behalf of the Board, I would like to acknowledge Executive Director Ed Mayer's exemplary performance in service to the agency, the Board, and the citizens of Butte County over the past 12 years.

While the nation, the state, and our county have faced unprecedented challenges in recent years, Ed's dedication and steady leadership have ensured that the HACB continues to provide the highest level of service possible to our community. With creative problem solving and always an eye to the future, Ed uses every resource available to achieve more with diminishing resources. With sensitivity and compassion, he leads by example, and his staff reflects these essential values.

We are grateful for Ed's continued leadership and wish him many more happy and productive years at the agency.

To this end, the Board of Commissioners proposes to publicly acknowledge our support by authorizing the following commitments to Mr. Mayer:

1. A \$8,000 one-time cash bonus.

Recommendation: motion authorizing a \$8,000 one-time cash bonus.