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

MEETING AGENDA

July 16, 2026
2:00 p.m.

Due to COVID-19 and California State Assembly Bill 361 that amends the Ralph M. Brown Act to include new authorization for remote meetings, including remote public comment for all local agencies. California State Assembly Bill 361 extends the provision of Governor Newsom's Executive Order N-29-20 and N-35-20 until January 2024. The meeting will be a hybrid meeting both in person at this Housing Authority office and remotely. Members of the Board of Commissioners and HACB staff will be participating either in person or remotely. The Board of Commissioners welcomes and encourages public participation in the Board meetings either in person or remotely from a safe location.

Members of the public may be heard on any items on the Commissioners' agenda. A person addressing the Commissioners will be limited to 5 minutes unless the Chairperson grants a longer period of time. Comments by members of the public on any item on the agenda will only be allowed during consideration of the item by the Commissioners. Members of the public desiring to be heard on matters under jurisdiction of the Directors, but not on the agenda, may address the Commissioners during agenda item 6.

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https://meet.goto.com/294753893
You can also dial in using your phone.
Access Code:
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United States (Toll Free):
1 866 899 4679
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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 marysolp@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. 4998

ITEMS OF BUSINESS

1. ROLL CALL

2. AGENDA AMENDMENTS

3. CONSENT CALENDAR

3.1 Minutes for the meeting of June 18, 2026

3.2 Checks written for:

3.2.1	Accounts Payable (General) –	$477,217.35
3.2.2	Landlords –	$2,276,061.59
3.2.3	Payroll –	$151,577.60

3.3 Finance Update – *N/A will be provided quarterly*

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 Gridley Farm Labor Housing (FLH) Budget – Adopt FY2026-27 Gridley Farm Labor Housing Operating Budget.

Recommendation: Resolution No. 4998

5.2 Gridley Springs II Apartments Budget – Adopt FY2026-27 Gridley Springs II Operating Budget.

Recommendation: Resolution No. 4999

6. MEETING OPEN FOR PUBLIC DISCUSSION

7. MATTERS CONTINUED FOR DISCUSSION

    7.1 HUD Exchange – Lead the Way Training Resources and Guides: Quick Reference Documents and Handouts; https://www.hudexchange.info/trainings/courses/lead-the-way-pha-governance-and-financial-management/resources/

    Recommendation: Information Only

8. SPECIAL REPORTS

9. REPORTS FROM COMMISSIONERS

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, CA

    11.2 Pursuant to California Government Code 54957: Public Employment Performance Evaluation

    One Matter: Executive Director Evaluation

12. COMMISSIONERS' CALENDAR

- **Next Meeting: August 20, 2026**
- **Save the date: NAHRO National Conference, October 15 -17, 2026 Denver Colorado**

13. ADJOURNMENT

HOUSING AUTHORITY OF THE COUNTY OF BUTTE
BOARD OF COMMISSIONERS MEETING

MEETING MINUTES OF
June 18, 2026

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

Chair Pittman called the meeting of the Housing Authority of the County of Butte to order at 2:05 p.m.

1. ROLL CALL

Present for the Commissioners: Bob Crowe, Laurel Faulk, Tim Merrill, Rich Ober, David Pittman, Sarah Richter, and Jean Snow; all attended in person with the exception of Sarah Richter, who attended via web conference.

Present for the Staff: Larry Guanzon, Executive Director; Tamra Young, Deputy Executive Director; Marysol Perez, Executive Assistant; Angie Little, Rental Assistance Programs Manager; Juan Meza, Public Housing Manager; Taylor Gonzalez, Project Manager; Marco Cruz, CFO Consultant, all attended in person.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

3.3 CFO Consultant Marco Cruz commented on the Financials:
- Financials were not provided as previously shared, they will be provided quarterly
- Budgets: Budget season and meeting will be scheduled with budget committee.
- Audits: The Audit was finalized in time and FDS submission was on June 17, 2026.audit. Audit will be discussed later in the agenda.

3.4 Tamra Young, Deputy Executive Director:
- HCV: The agency will be issuing HCV's this year.

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

4. CORRESPONDENCE

4.1 HUD Letter, May 6th, 2026, RE: CA043 Butte County SEMAP Confirmatory and Independent Assessment on-site Assessment Review June 15th – June 18th, 2026 -

4.2 HUD Letter, May 15th, 2026, RE: Notification of PHARS On-Site Independent Assessment June 16th -17th, 2026 –

HUD personnel conducted the scheduled on-site reviews from June 15 to June 17, 2026, a visit prompted by the "troubled" agency status designated last year and the failed SEMAP submission in November 2025. While on site, HUD representatives conducted comprehensive interviews with staff members Larry Guanzon, Tamra Young, Angie Little, Juan Meza, and Marco Cruz, as well as Board Chair David Pittman and Commissioner Snow. Following the conclusion of the review, HUD representatives expressed satisfaction with the progress and strategic updates presented by staff regarding the agency's active efforts to resolve its troubled status. During the debriefing, Board members and staff shared individual takeaways from their interviews with HUD:

Board Training Initiative: In response to the review, Chair Pittman recommended the implementation of a more robust policy for commissioner training. The Board reached a consensus on the need for expanded educational resources, and staff will actively research upcoming training opportunities. Executive Assistant Marysol Perez suggested that commissioners utilize the NorCal NAHRO conference in the winter, noting that the event routinely features a dedicated training track specifically designed for housing authority commissioners. Commissioner Merrill expressed agreement with this recommendation.

Commissioner Feedback: Commissioner Snow characterized her interview with HUD as intensive yet highly professional and courteous. She reported advising HUD that, as a newly appointed commissioner, she remains confident that staff has enacted the appropriate corrective actions required to complete necessary agency audits on schedule.

Public Housing Management Report: Public Housing Manager Juan Meza reported that his interview concluded successfully and noted that he was able to corroborate to federal reviewers that the housing authority is moving in the right direction to exit troubled status.

Financial Oversight Report: CFO Consultant Marco Cruz reported that his interview addressed serious operational and financial questions. He was able to reassure HUD reviewers that the agency's fiscal recovery is firmly underway and that correct structural steps have been successfully implemented.

Section 8 and Compliance Reports: Deputy Executive Director Tamra Young reported a positive overall reception from HUD, during which she detailed the preventive measures established to ensure the agency avoids similar compliance challenges in the future. Regarding the SEMAP assessment, Ms. Young noted that the process served as an excellent training tool, allowing HUD to clarify previously ambiguous program nuances. She advised the Board that while the verbal exit interview was positive, the formal post-review follow-up letter from HUD will likely be highly prescriptive and thorough. Section 8 Manager Angie Little added that the intensive SEMAP assessment functioned as a significant professional training opportunity that clarified several complex compliance elements.

In response to an inquiry from Commissioner Richter regarding whether the missing SEMAP data had been retroactively submitted, staff clarified that HUD systems do not permit late electronic submissions past the regulatory deadline. However, HUD representatives confirmed they will manually review all documentation provided during the on-site visit to calculate and issue an updated agency performance score.

5. REPORTS FROM EXECUTIVE DIRECTOR

5.1 Public Housing Admissions and Continued Occupancy Policy (ACOP) and Section 8 Administrative Plan (AP) –

5.2 Family Self-Sufficiency (FSS) –

5.3 Agency Annual Plan and Five-Year Capital Fund Program – As a public agency administering the HUD Low Income Public Housing and Section 8 Housing Choice Voucher programs, HACB is required to annually submit to HUD applicable agency and administrative plan documents 75 days prior to the end of HACB's fiscal year. Draft revisions of the Public Housing Admissions and Continued Occupancy Policy (ACOP), Section 8 Housing Choice Administrative Plan (AP), (this year) Five-Year Plan, Annual Agency Plan, and Capital Fund Program, were received by the Board during the April 16, 2026 meeting, where they were accepted and authorized for issuance for public comment; the highlights for each plan/document include: description of progress in meeting HACB's annual, including new activity; refinement of Project Based Vouchers program policy in reflecting Development Activity, and changes reflecting HOTMA regulation. The changes recommended in the ACOP and Section 8 Admin Plan are suggested changes provided by policy consultant Nan-McKay. Deputy Executive Director

Young presented a specific administrative correction made to the Section 8 Administrative Plan regarding PBV waitlist preferences by individual development. This preference tracking had been inadvertently omitted from the initial April 2026 draft. It has since been properly restored and relocated to pages 17-48 and 17-49 under the Project-Based Voucher Waitlist Management section of the plan. Staff reported that no public comments or feedback were received from the community during the 45-day public review window. The Board noted that following official board approval, all reviewed plans and structural updates will officially become effective on October 1st, 2026.

*** RESOLUTION NO. 4994***

Commissioner Crowe moved that Resolution No. 4994 be adopted by reading of title only: "ADOPTION OF PUBLIC HOUSING ADMISSIONS AND CONTINUED OCCUPANCY PLAN (ACOP) AND SECTION 8 HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN (AP)". Commissioner Ober seconded. The vote in favor was unanimous.

RESOLUTION NO. 4995

Commissioner Crowe moved that Resolution No. 4995 be adopted by reading of title only: "ADOPTION OF ACTION PLAN FOR SECTION 8 HOUSING CHOICE VOUCHER FAMILY SELF-SUFFICIENCY PROGRAM". Commissioner Ober seconded. The vote in favor was

RESOLUTION NO. 4996

Commissioner Crowe moved that Resolution No. 4996 be adopted by reading of title only: "ADOPTION OF THE ONE-YEAR AGENCY PLAN OF THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE". Commissioner Ober seconded. The vote in favor was unanimous.

5.4 Capital Fund – HUD awarded the HACB 2026 Public Housing Capital Fund Program funds in the amount of $1,137,513.00. The HACB annually identifies its Capital Fund needs for its Public Housing properties in its Annual Plan and Five-Year Plan process. Staff recommends acceptance of the 2026 Public Housing Capital Fund monies.

RESOLUTION NO. 4997

Commissioner Ober moved that Resolution No. 4966 be adopted by reading of title only: "ACCEPTANCE OF U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) 2026 PUBLIC HOUSING CAPITAL FUND PROGRAM FUNDS". Commissioner Crowe seconded. The vote in favor was unanimous.

5.5 Housing Authority of the County of Butte (HACB) Audit – Executive Director Larry Guanzon, shared that CFO Consultant Marco Cruz would be providing a detailed presentation of the audit and use the opportunity as a training for the Board of commissioners. CFO Consultant Marco Cruz commended the housing authority staff for their intense dedication and hard work in finalizing the extensive documentation required for the current board report. Marco recalled for the Board that the agency had previously issued a Request for Proposal (RFP) to procure a new auditing firm, ultimately selecting Smith Marion based on their extensive experience with public housing authorities. He expressed high satisfaction with their selection, specifically praising lead auditor Chad as an excellent presenter. Marco noted that the firm's deep industry expertise—including their active participation in HUD working groups—is highly beneficial to showcase during reviews with the HUD and PHARs teams. The final audit report was received mid-week, allowing management to immediately include the supplemental information and training materials directly into the Board packet.

Board Governance: Financial Audit Interpretation and Training

Marco directed the Board to page 171 of the supplemental materials, explaining that it was a customized training tool he constructed from a separate audit to teach commissioners how to capture 90% of critical audit data quickly. He began by defining the terminology used in financial grading. An "unmodified" or "unqualified" designation represents the cleanest possible report, whereas "modified" or "qualified" designations indicate serious underlying issues that demand immediate board inquiry. He emphasized that an agency can still receive an unmodified report even if it possesses underlying internal control findings. Addressing internal controls over financial reporting, Marco explained that "material weaknesses" are the most severe grading category for an accounting error or omission, whereas "significant deficiencies" represent lower-grade, less severe findings. If a material weakness is identified, staff must present the issue to the board in non-technical terms. While it does not mean "heads need to roll," a material weakness indicates a serious classification error that must never be allowed to recur in subsequent years.

Analysis of the Financial Position and Income Statements: Marco detailed the three primary financial statements to train the Board on conducting proper due diligence: Statement of Net Position (Balance Sheet): On page 110, Marco instructed the Board to first ensure that the total net position is positive, noting that the agency sits at a healthy balance exceeding $3.7 million. He then outlined the "order of magnitude rule," which requires comparing Total Current Assets against Total Current Liabilities to gauge short-term solvency. For the 2025 fiscal year, the agency recorded $19,927,473 in current assets against just $2,749,420 in current liabilities, confirming that the agency's short-term financial position is exceptionally secure.

Statement of Revenues, Expenses, and Changes in Net Position (Income Statement): On page 111, the agency marked a positive financial improvement of $435,738 for the fiscal year. Marco warned the Board to always investigate entries listed as "Corrections of Errors" or "Prior Period Adjustments." The agency recorded a $768,464 non-cash cleanup entry this year, split across three specific adjustments: a $200,000 entry to align the capitalization threshold policy with HUD standards, a $500,000 entry to correct historical misclassifications of Camp Fire Victim Trust funds by prior staff, and a technical reclassification entry to merge an isolated pension trust fund back into existing operational funds.

Statement of Cash Flows: On page 112, Marco emphasized that the "Cash Flows from Operating Activities" is the most vital metric on the sheet because it represents the cash generated from the agency's core business of managing housing, collecting rents, and processing grants. The agency achieved a strong, positive net operating cash flow of $402,335. He explained that high volatility in the capital-related financing section (which recorded a negative $5.7 million) is completely normal for a housing authority, as it fluctuates wildly depending on the year a building or land is purchased versus when the matching grant funding is officially expended. The ultimate check on this volatility is the overall Ending Cash balance, which stands at a highly secure $12,744,676 across bank accounts and short-term investments.

Historical Context and Agency Complications

The Board reviewed the systemic factors that threw the agency's accounting tracking off course over a five-year period. Following the 2018 Camp Fire, a decade's worth of structural disruption was compressed into a five-year window. The agency took on a massive volume of affordable housing development, introducing highly complex federal and state funding streams. Simultaneously, the agency migrated its core management software from HAB to YARDI, underwent a major transition to outsource its payroll system to an external service provider, and operated under a brand-new CFO. This institutional volatility was compounded by a turbulent period where the agency cycled through three different auditing firms—including Harshwal, Novogradac, and Bowman, before finally achieving stability with Smith Marion.

Comparative Review: FY 2024 vs. FY 2025 Audit Findings

Marco provided a side-by-side analysis of the agency's historical audit recovery progress:

The FY 2024 Audit: The agency received an unmodified report but was hit with two severe findings. The first finding involved widespread, unsupported account balances in cash, investments, and prepays, driven by poorly classified tenant accounts receivable. The second finding was a failure to submit the audit report by the federal June 30th deadline. Marco stressed that under FAS reporting, 25 out of 100 total evaluation points are tied directly to timely submission, and missing this deadline instantly dropped the agency's score in that category to zero.

The FY 2025 Audit: The new report marked a massive achievement, showing zero material weaknesses across both financial reporting and major federal programs. The agency did not qualify for "Low-Risk Auditee" status, as this designation requires several consecutive years of clean audits following major historical findings. However, the severe 2024 material weaknesses were successfully downgraded to a minor "significant deficiency" regarding the Financial Data System (FDS) timeline.

The FDS Timeline Emergency: Marco explained that by mid-October 2025, staff were still heavily reconciling legacy accounts and requested a standard 90-day extension from HUD. Due to a HUD shutdown, the government delayed its response until December 17th, granting only a compressed 30-day extension that made the hard deadline December 31st. Because the agency's specialized FDS consultants were unreachable on holiday vacation, Marco made the executive decision to submit data (uncorroborated with the Consultants) on time rather than face an automatic 25-point federal late penalty. The auditors validated this choice by downgrading the issue to a minor significant deficiency, which will naturally fall away next cycle now that the baseline books are clean.

The SEMAP Submission Oversight: The agency received an additional minor compliance finding because the Section 8 Management Assessment Program (SEMAP) report, though 100% completed and auditor-approved on time, missed the deadline simply because staff failed to click the final upload submission button.

Disaster Readiness, Redundancy, and CFO Recruitment

In response to a board inquiry regarding regional disaster resilience, Marco clarified that the agency's primary accounting and core management systems are entirely web-based and hosted online. The platform provider is a global corporation utilizing a matrix of seven highly protected data centers distributed worldwide, ensuring the agency's digital books are entirely disaster-proof. Furthermore, local internal documents, invoices, and checks are nearly 100% paperless, and local servers are backed up daily by IT staff. Finally, the Board discussed the active recruitment process to fill the vacant CFO / Finance Director position. To ensure an uncompromised transition, Marco has officially committed to staying closely involved for the next 6 to 12 months to personally onboard and train the incoming candidate. Due to the extreme regional scarcity of specialized Housing Authority Public Entity experience, the Board established a strict preference to source candidates with multi-fund municipal or county governmental accounting experience, noting that applicants coming solely from the private sector would face an incredibly steep operational learning curve.

Decisions Made

Validation of Management Strategy: The Board formally acknowledged and validated management's tactical decision to submit a premature unaudited FDS report in December 2025 to protect the agency from a late penalty.

Authorization of Operational Safeguards: The Board authorized the immediate implementation of rigorous digital submission checklists to prevent minor clerical omissions, such as the incomplete SEMAP upload button execution, from generating future compliance findings.

Establishment of CFO Hiring Criteria: The Board codified a recruitment preference prioritizing applicant with municipal, county, or multi-fund public agency accounting backgrounds over traditional private-sector candidates.

Action Items

Research Financial Revenue Risks: Marco will research Commissioner Richter's inquiry regarding service credits and revenue recognition compliance under GASB/GAAP guidelines and share his findings.

Finalize 2026 Pre-Audit FDS Uploads: Management and specialized consultants will verify, finalize, and submit the 2026 unaudited FDS data to HUD before the November 30, 2026 deadline to ensure the historical tracking discrepancies officially drop off the next report.

Target Accelerated 2026 Audit Timeline: The accounting staff will coordinate protocols with Smith Marion to target an early February or March 2027 presentation date for the FY2026 audit, permanently re-establishing a routine fiscal timeline.

Retain Board Training References: All Board Commissioners are directed to print and retain pages 172–173 from the current packet to utilize as a direct, comparative baseline reference tool during next year's audit presentation.

MOTION

Commissioner Ober moved the HACB FYE 2025 Audit Report be accepted as presented. Commissioner Crowe seconded. The vote in favor was unanimous.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

8.1 PSWRC-NAHRO – Annual Conference: May 27-29, 2026 Santa Barbara, CA – HACB Staff and Commissioner Crowe provided individual updates regarding their recent attendance at a NAHRO conference held in Santa Barbara, CA. Attendees included Executive Director Larry Guanzon; Deputy Executive Director Tamra Young; Project Manager Taylor Gonzalez; Marco Cruz CFO Consultant, and Commissioner Bob Crowe, who all emphasized the exceptional value of face-to-face networking, exchanging operational resources, and sharing day-to-day best practices with peers from other housing authorities. Executive Director Larry Guanzon reported on his attendance at the housing tour, noting the distinct, uniform public housing architecture in Santa Barbara, where stucco walls and clay roofs are strictly required to match local aesthetics. Executive Director Guanzon also attended workshops regarding agency repositioning and portable housing frameworks. Commissioner Bob Crowe shared takeaways from a live, public demonstration of an AI platform used to dynamically populate project parameters on available parcels in Los Angeles. Commissioner Crowe also detailed an urban housing presentation by a company utilizing a 175,000-square-foot production plant in Los Angeles to manufacture fully finished, container-style modular units. These units potentially cut stick-built construction costs in half and represent an early "Model T" phase of next-generation public-private investments. Taylor Gonzalez reported on his participation in a local trolley development tour, noting that strict local architectural guidelines and high-end location constraints push some affordable housing development costs over $1 million per unit. Mr. Gonzalez also attended educational panels on Asset Management and Low-Income Housing Tax Credit (LIHTC) 101 frameworks. Marco Cruz highlighted alternative financing strategies, noting how the San Bernardino Housing Authority successfully utilizes bond financing to navigate an increasingly competitive LIHTC market. Mr. Cruz also reported on upcoming HUD regulatory restrictions aimed at stopping agencies from recycling public housing authority designations during repositioning, which is anticipated to accelerate future industry reliance on bond financing. Deputy Executive Director Young reported on her attendance at educational tracking sessions focused on Section 8 programs and Emergency Housing Vouchers (EHV). Ms. Young also participated in professional development workshops centered on psychological insights, personal growth, and agency capacity building.

9. REPORTS FROM COMMISSIONERS

Chair Pittman shared observations from a recent site visit to the River Islands development located near the Interstate 5 and State Route 120 intersection. The master-planned community currently includes 5,000 homes, with authorization to expand up to 15,000 units. Commissioner Pittman highlighted the development's unique public utility framework, operated through the Lathrop Irrigation District, which functions independently as its own public power district. The community achieves energy independence and remains isolated from the main PG&E grid load by pairing standard residential solar systems during the day with an onsite array of low-maintenance, ultra-quiet linear generators running on natural gas at night. Chair Pittman noted that the linear generators are remotely managed from a control center in Menlo Park, can utilize alternative fuels like propane, ammonia, or biogas, and operate at a highly efficient cost of approximately five cents per kilowatt-hour. This utility structure has reduced average summer electric bills for a 1,500-square-foot home to between $230 and $300, which reflects early data showing energy costs that are 40 to 45 percent cheaper than standard California utility rates. Additionally, Chair Pittman emphasized that these generator units can be deployed on a site within six months—significantly faster than standard grid interconnection timelines. He concluded by noting that major tech entities like Amazon are selecting these generators over traditional solar-and-battery arrays for new data centers, suggesting that localized, on-site linear power generation represents a vital mechanism for future affordable housing and commercial development discussions.

10. MATTERS INITIATED BY COMMISSIONERS

Under matters initiated by the commissioners, Commissioner Faulk brought forward several concerns and tenant feedback regarding property management, safety, and resident amenities, focusing primarily on the Sunrise Village Apartments, Gridley.

- **Communal Barbecue Areas**: Commissioner Faulk reported that the existing community barbecues are highly unsafe, positioned directly over flammable bark landscaping, and have been flagged by the local fire department as non-compliant for future use. She noted that residents attempting to use personal grills have faced strict storage restrictions from property management, creating significant access barriers. She recommended that the agency evaluate standard, safe outdoor grilling setups across all properties to encourage secure communal gathering spaces.

- **Community Garden Access and Water Restrictions**: Discussion was held regarding the complex's six raised garden beds, which residents had to manually remediate after they were initially filled with gravel and construction debris. Commissioner Faulk highlighted a critical accessibility issue, explaining that the adjacent watering hose was previously placed across a lawn—making it impassable for frail residents and those in wheelchairs—and has since been restricted to an automated 15-minute timer twice a day. Because the beds sit in full sun, residents are forced to haul water jugs from their apartments. She requested that management coordinate with ownership to grant residents 24-hour manual access to the garden hose, noting that expanded, unrestricted dirt plots could eventually allow residents to cultivate enough fresh produce to support all 36 units.
- **Fitness Center and Mobility Resources**: Commissioner Faulk observed that the complex’s gym equipment is largely unutilized due to the medical and health limitations of the resident population. She suggested that the agency explore alternative wellness resources, such as acquiring a shared mobility scooter or adult tricycle. She noted that the property's newly widened sidewalks provide direct access to the nearby Dollar General, and such mobile resources would significantly aid the property's carless, low-income residents in safely executing grocery trips without relying on neighbors.

In response, Executive Director Larry Guanzon confirmed he would look into the property's irrigation timers and follow up directly with property ownership and management to address the water access issues and the other site concerns raised.

11. EXECUTIVE SESSION

Adjourn: 3:53 p.m.
Reconvene: 4:35 p.m.

11.1 Government Code 54956.8: Conference with real estate negotiator – Direction was provided to staff related to Evanswood Apartments, Oroville CA. Discussion continued at next meeting.

11.2 Government Code 54957: Public Employment Performance Evaluation – Board initiated discussion of annual performance evaluation with Executive Director Guanzon. Discussion continued at next meeting.

12. COMMISSIONERS' CALENDAR

- **Next Meeting: July 16, 2026 – Revised Date**
- **Save the date: NAHRO National Conference, October 15 -17, 2026 Denver Colorado**

13. ADJOURNMENT

The meeting was adjourned at 4:37 p.m.

Dated: June 18, 2026.

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David Pittman, Board Chair

ATTEST:

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Lawrence C. Guanzon, Secretary

HOUSING AUTHORITY of the County of Butte

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2039 Forest Avenue • Chico, CA 95928

3.2 Checks Written

June 2026

Sec - 8 HAP

Computer Checks	$	18,306.82
Direct Deposits	$	2,257,754.77
TOTAL	**$**	**2,276,061.59**

PAYROLL

Employees:

6/12/2026	$	73,944.61
6/26/2026	$	76,252.97
TOTAL	**$**	**150,197.58**

Resident Managers:

6/12/2026	$	690.01
6/26/2026	$	690.01
TOTAL	**$**	**1,380.02**

BANK ACCOUNTS SUMMARY

Business Activities	$	455,113.20
Banyard	$	2,089.96
BCAHDC	$	20,014.19
TOTAL	**$**	**477,217.35**

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

HOUSING CHOICE VOUCHER (SECTION 8)

UTILIZATION SUMMARY REPORT

ROLLING 12 MONTH ANALYSIS

UNITS LEASED SUMMARY	JUL'26	JUN'26	MAY'26	APR'26	MAR'26	FEB'26	JAN'26	DEC'25	NOV'25	OCT'25	SEP'25	AUG'25
BUTTE												
ACC UNIT MONTHS	1983	1983	1983	1983	1983	1983	1983	1983	1983	1983	1983	1983
CURRENT LEASED	1877	1844	1821	1837	1849	1855	1859	1867	1856	1870	1851	1851
VOUCHER UTILIZATION %	**94.65%**	**92.99%**	**91.83%**	**92.64%**	**93.24%**	**93.55%**	**93.75%**	**94.15%**	**93.60%**	**94.30%**	**93.34%**	**93.34%**
GLENN												
ACC UNIT MONTHS	87	87	87	87	87	87	87	87	87	87	87	87
CURRENT LEASED	97	97	99	100	99	98	106	98	100	94	102	102
VOUCHER UTILIZATION %	**111.49%**	**111.49%**	**113.79%**	**114.94%**	**113.79%**	**112.64%**	**121.84%**	**112.64%**	**114.94%**	**108.05%**	**117.24%**	**117.24%**
VASH												
ACC UNIT MONTHS	214	214	214	214	214	214	214	214	214	214	214	214
CURRENT LEASED	189	191	190	193	195	189	189	188	188	187	189	187
VOUCHER UTILIZATION %	**88.32%**	**89.25%**	**88.79%**	**90.19%**	**91.12%**	**88.32%**	**88.32%**	**87.85%**	**87.85%**	**87.38%**	**88.32%**	**87.38%**
TOTAL												
ACC UNIT MONTHS	2284	2284	2284	2284	2284	2284	2284	2284	2284	2284	2284	2284
CURRENT LEASED	2163	2132	2110	2130	2143	2142	2154	2153	2144	2151	2142	2140
VOUCHER UTILIZATION %	**94.70%**	**93.35%**	**92.38%**	**93.26%**	**93.83%**	**93.78%**	**94.31%**	**94.26%**	**93.87%**	**94.18%**	**93.78%**	**93.70%**

HAP SUMMARY*	JUL'26	JUN'26	MAY'26	APR'26	MAR'26	FEB'26	JAN'26	DEC'25	NOV'25	OCT'25	SEP'25	AUG'25
ACC BUDGET	$ 2,051,887	$ 2,051,887	$ 2,051,887	$ 2,051,887	$ 2,051,887	$ 2,051,887	$ 2,051,887	$ 1,854,477	$ 1,854,477	$ 1,854,477	$ 1,854,477	$ 1,854,477
ACTUAL HAP	$ 2,011,742	$ 1,986,770	$ 1,957,910	$ 1,973,106	$ 1,992,362	$ 1,997,860	$ 1,987,693	$ 1,974,219	$ 1,945,813	$ 1,939,494	$ 1,933,205	$ 1,922,893
PER UNIT COST	$ 930	$ 932	$ 928	$ 926	$ 930	$ 933	$ 923	$ 917	$ 908	$ 902	$ 903	$ 899
BUDGET UTILIZATION %	**98.04%**	**96.83%**	**95.42%**	**96.16%**	**97.10%**	**97.37%**	**96.87%**	**106.46%**	**104.93%**	**104.58%**	**104.25%**	**103.69%**

ACTIVITY SUMMARY	JUL'26	JUN'26	MAY'26	APR'26	MAR'26	FEB'26	JAN'26	DEC'25	NOV'25	OCT'25	SEP'25	AUG'25
# PORT IN BILLED	6	44	46	47	46	45	41	41	41	41	40	37
#PORT OUT UNDER CONTRACT	89	94	93	90	90	84	82	81	80	80	79	77
ZERO HAP	7	9	9	10	8	9	7	9	9	4	3	5
UTILITY ASSISTANCE PAYMENTS	115	122	123	124	136	129	135	136	136	130	132	111
NEW ADMISSIONS	**	7	4	1	9	12	3	12	23	6	31	26
INITIAL VOUCHERS SEARCHING	27	17	17	11	13	15	14	8	7	15	12	17
ACTUAL/ESTIMATED EOP	15	15	16	21	17	10	8	14	16	13	21	11
REMAIN ON WAITING LIST	1501	1501	1501	1501	1501	1501	1501	1501	1501	1501	1501	1501

*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
2025-2026

HOUSING AUTHORITY OWNED PROPERTIES													
	Gridley FLH	Open Market Units											
Location	FLH	Demo	Other	Gridley Springs II	Cameo	Locust	Alamont	Evanswood	Mayer Commons	Lincoln	Park Place	Total	Occupancy
# of Units	115*	6	0****	24	20	10	30	31	12	18	40	191	%
Jul-26	11**	0	0****	0	0	1	1	0	0	1	1	4	97.9%
Jun-26	11**	0	0****	0	0	0	1	0	1	1	0	3	98.4%
May-26	11**	0	0****	0	0	0	2	0	1	2	0	5	97.4%
Apr-26	11**	0	0****	0	0	0	0	2	2	0	0	4	97.9%
Mar-26	14**	0	0****	0	0	0	0	1	4	0	1	6	96.9%
Feb-26	12**	0	0****	0	2	1	1	0	4	0	2	10	94.8%
Jan-26	13**	0	0****	0	1	1	0	0	4	1	1	8	95.8%
Dec-25	13**	0	0****	1	0	2	0	0	5	0	2	10	94.8%
Nov-25	12**	0	0****	2	2	0	0	0	5	0	1	10	94.8%
Oct-25	11**	0	0****	2	2	0	2	0	8	0	2	16	91.6%
Sep-25	12**	0	0****	2	1	0	3	0	10	0	1	17	91.1%
Aug-25	11**	0	0****	2	1	0	2	0	12***	0	2	5	97.1%

* Unit count adjusted by units offline - (18) uninhabitable and (8) less units due to rehab reconfiguration.

** Vacancy rate does not include units offline for construction; (8) units.

**** Mayer Commons leasing and occupancy began 08/01/205

**** 2131 Fogg Avenue, Oroville Vacant Lot

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	%
Jul-26	1	0	3	0	0	2	0	6	98.3%
Jun-26	1	0	2	2	1	1	1	8	97.7%
May-26	2	1	3	1	1	1	1	10	97.1%
Apr-26	2	0	1	0	6	0	2	11	96.8%
Mar-26	4	1	2	0	2	1	1	11	96.8%
Feb-26	2	0	3	0	2	1	1	9	97.4%
Jan-26	1	0	4	0	2	1	2	10	97.1%
Dec-25	1	0	8	0	1	1	2	13	96.2%
Nov-25	1	0	6	0	1	1	2	11	96.8%
Oct-25	0	2	1	0	4	0	1	8	97.7%
Sep-25	0	2	1	2	4	2	1	12	96.5%
Aug-25	3	2	2	1	2	2	1	13	96.2%

BANYARD MGMT	
Location	Chico Commons
# of Units	72
Jul-26	5
Jun-26	5
May-26	6
Apr-26	6
Mar-26	7
Feb-26	7
Jan-26	7
Dec-25	9
Nov-25	7
Oct-25	6
Sep-25	6
Aug-25	8

BCAHDC				
Location	1200 Park Ave	Gridley Springs I	Harvest Park	Walker Commons
# of Units	107	32	90	56
Jul-26	4	1	1	2
Jun-26	5	1	0	2
May-26	3	0	0	1
Apr-26	3	1	0	1
Mar-26	5	2	1	0
Feb-26	5	2	5	0
Jan-26	7	1	4	0
Dec-25	7	2	1	0
Nov-25	7	1	1	0
Oct-25	8	2	2	0
Sep-25	4	1	3	2
Aug-25	4	1	4	0

Public Housing

Waiting List: Number of Applicants

Bedroom Size	Chico	est wait	Oroville	est wait	Gridley/Biggs	est wait
1	16 Transfer list	6+	2252	6+	1758	6+
2	3732	3+			741	2+
3	564	2+	601	2+	372	2+
4	259	5+			88	4+
5					31	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	15	3	421	3	312	2
2	523	7			57	
3	22	2	15	6	14	
4	4	4+			1	
5					1	

MEMO

Date: July 10, 2026

To: HACB Board of Commissioners

From: Taylor Gonzalez, Project Manager

Subject: Status of HACB Construction Projects

As of July 10, 2026, the status of HACB construction activity follows:

2020A Bond – Activities:

- To date, **$9,190,745** has been obligated, representing approximately **97%** of the **$9,503,644** Project Fund. Expenses paid to date include the Property Condition Assessment Repairs completed at the six properties that were used to leverage the bond proceeds, and the larger scale capital improvement projects listed below. All remaining improvements are anticipated to be completed by the end of 2026, at which point all funds are expected to be fully expended.
- Following the inspections required by the Loan Agreement, HACB staff identified items notated in the reports which require repair (items recommended for completion within the next six months). Items flagged for repair include replacement of Sylvania breaker panels and asphalt parking lot repair. Therefore, projects are currently being planned to address these items, funded by remaining 2020A Bond Funds.

Mayer Commons (formerly Kathy Court Apartments), Paradise:

- In June, 2026 HACB staff submitted the final Town of Paradise CDBG-DR Loan Draw Request, which represents the Developer Fee due to the HACB. As of this writing, the Draw Request is still pending review.
- HACB staff, Town of Paradise staff, and RSC Associates, the third-party property manager, continue to collaborate on leasing activities.

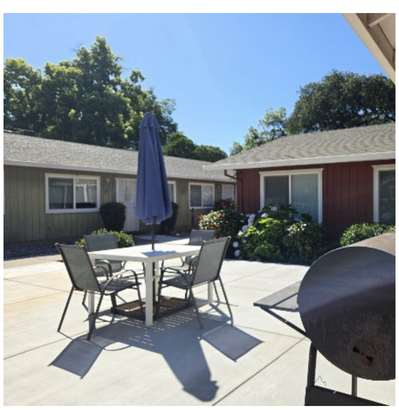
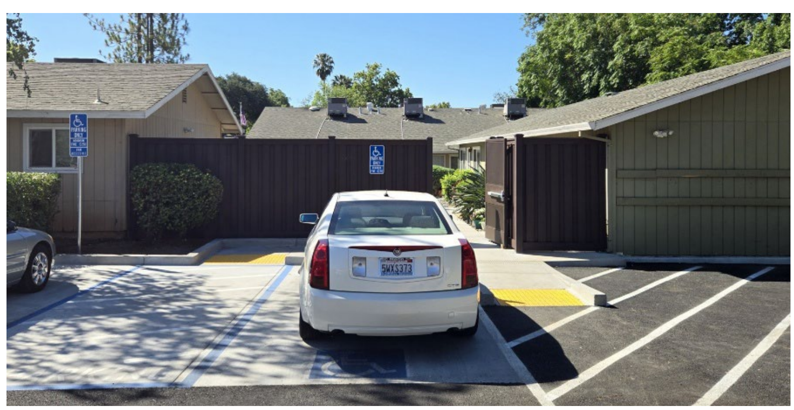
Mayer Common, Paradise (Project Complete)

<u>Park Place Apartments, Oroville</u>: *Exterior Site Rehabilitation with emphasis on an Accessible Path of Travel and replacement of the shade structure.*

- Construction commenced in early March, 2026
- The project team met in early June to conduct a “punch list” walkthrough and all identified items have been corrected.
- The new mailboxes have been fully commissioned and are now in use.
- The design team issued a Certificate of Substantial Completion in late June, 2026 and the project is now fully complete.





Park Place Apartments, Oroville – Site Improvements (Project Complete)

<u>Farm Labor Housing, Gridley</u>: *State Water Board Backup Generator Funding Program includes the installation of a new 200kW natural gas generator and a 200A automatic transfer switch.*

- Construction commenced on-site in early June.
- Completed site work to date includes, installation of underground and aboveground gas piping, installation of underground electrical conduit, installation of the concrete foundation and installation of the chain link fencing.
- The generator is currently slated for delivery and installation in January, 2027.
- The contractor's first application for payment has been reviewed by the project team and is currently being processed by RCAC.

Farm Labor Housing, Gridley – Standby Generator installation commenced

<u>645 Gardella Fire Restoration, Oroville</u>: *Interior Rehabilitation of fire damaged Public Housing Unit*

- The City of Oroville signed off on the permit in late June.
- HACB staff is coordinating with the insurance adjuster to close out the insurance claim.
- The project is now fully complete.






645 Gardella Avenue, Oroville – Fire restoration (Project Complete)

<u>Lincoln Apartments, Chico</u>: *Exterior Rehabilitation with emphasis on railing replacement, stair tread replacement, and exterior painting.*

- In late May, the design team submitted 100% complete drawings to the City of Chico for plan review and permit approval.
- As of this writing, plan review is still ongoing and is expected to be completed by mid-July.
- Construction is slated to begin Summer 2026.


Lincoln Apartments, Chico (prior to planned improvements)

<u>Fogg Avenue Apartments, Oroville:</u> *Development Initiative (Bare land, 1.32-acres)*

- The vacant lot is fully fenced, and the site is secure in anticipation of future development work.
- HACB staff continue to dedicate efforts to exploring and pursuing all available funding opportunities to fulfill the $9.7 million project budget.

Proposed Fogg Avenue Apartments, Oroville

12 Month HACB Construction Project Schedule - July, 2026

	Budgeted Amount	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27
Park Place Apartments, Oroville													
Site Improvements Project	$653,591												
Electric Panel Replacement Project	T.B.D.												
Farm Labor Housing, Gridley													
Well Backup Generator Project	$500,000												
HACB Main Office													
Office Improvement Project (estimate)	$59,850												
Lincoln Apartments, Chico													
Railing and Stair Replacement Project (estimate)	$267,948												
Fogg Avenue Apartments, Oroville													
Design Development and Construction Drawings	$450,000												
Seek Funding and Grant Application Preparation	$50,000												
Other Projects													
645 Gardella Avenue Fire Restoration Project (Public Housing)	$214,603												
2020A Bond Property Parking Lot Repair Project	T.B.D.												
2020A Bond Property Electric Panel Replacement Project	T.B.D.												
Total next 12 months:	**$2,195,992**												

Planning/Design/Bid Phase
Construction Phase
Completed

MEMO
Date: July 7, 2026
To: Board of Commissioners
From: Sheri Bouvier, Contracts Administrator
Subject: Capital Fund Construction Projects – Status Update

As of July 7, 2026, the following summarizes the status of current HACB Capital Fund construction activities:

2026 Capital Improvement Fund Grant Award

- On April 1, 2026 the Housing Authority of the County of Butte (HACB) received notification of the annual HUD Public Housing Capital Improvement Fund Grant award. The amount awarded to HACB for the 2026 Cap Fund year is $1,137,513.00.

Monument Sign Replacement – Rhodes Terrace and Shelton Oaks

- ICE: $20,000
- Contract Award: Visual Impact Signs for $22,690.00
- Status: Work begins July 16, 2026 and estimated to be complete July 24, 20226

Five-Year Environmental Review – All Sites

- RFP issued 8/27/24.
- Contract awarded to: E-Corp selected $48,509.50
- Status: HUD – Waiting on HUD review and certification

Asbestos Floor Tile Abatement – All Sites

- Ongoing during unit turnover. 167 of 232 units completed

<u>DETAILED CAPITAL FUND ACTIVITY BY CAPITAL FUND PROJECT</u>

Capital Fund 2023, Funding Amount $1,147,379.00 to be expended by February 16, 2027
This Capital Fund is 99.82% obligated and 99.82% expended.

- ACM Tile Replacement – All concrete-block units – ongoing
- Paint Trim - at 43-14 and 43-15 in Oroville – project completed
- Fencing – add additional wrought iron fencing and access control systems to the perimeter of the Winston Gardens property. – project completed
- Exterior Lighting – Winston Gardens - upgrade exterior grounds and parking lot pole lighting to LED
- Security Camera – Install security cameras to the grounds and interior of the WG community room
- Access Control System – Install vehicle and pedestrian gates at Winston Gardens
- HVAC Replacement – Replace 20 HVAC unit which reached the end of their useful life at Winston Gardens – project completed
- Roof Replacement – Replace 15 roofs which reached the end of their useful life – Chico PH – project complete

Capital Fund 2024, Funding Amount $1,159,420.00 to be expended by May 5, 2028
This Capital Fund is 91.04% obligated and 84.40% expended.

- HVAC Replacement Project– Select units, replace HVAC units which have reached the end of their useful life, in progress as needed
- Bathroom Tub/Shower Remodel – Select concrete block units, during unit turnover or as needed
- Kitchen Cabinet Replacements – 24 Natoma Ct and 1168 Humboldt Ave. Chico – projects complete
- Paint – at 43-10 in Oroville – Select units in phases, in planning
- New Monument Signs – replace monuments signs at Rhodes Terrance and Shelton Oaks, in progress
- Tree Trim and Removal Project – North County – project complete
- Barrier Free Shower System Installation – 7 Natoma Ct., Chico – project completed
- ADA Access Ramp – 7 La Leita Ct., Chico – project completed
- Roof Replacement – 1239 Ivy Street, Chico – project completed

Capital Fund 2025, Funding Amount $1,115,592.00 to be expended by May 12, 2029
This Capital Fund is 30% obligated and 30% expended.

- HVAC Replacement Project– Select units, replace HVAC units which have reached the end of their useful life, in planning
- Window Replacement Project– Select units, replace windows which have compromised thermo-seals
- Roof Replacement Project– Select units, replace roofs which have reached the end of their useful life, in planning
- Tree Trim and Removal Project – South County
- Kitchen Cabinet Replacements – Select units Amp wide replace kitchen cabinets which have reached the end of their useful life, in planning

Housing Authority of the County of Butte

HUD Low Income Public Housing

Capital Fund Program - Summary by Capital Fund Project

Cash Available as of 07/09/2026

Capital Funds CF-23, CF-24,CF-25

			CF-23			CF-24			CF-25			Totals		
			Original	Obligated	Expended	Original	Obligated	Expended	Original	Obligated	Expended	Orig/Revised	Expended	Balance
Line No.	Summary by Development Account													
	Total Non-CGP Funds													
1	100	Reserved Budget				-			-			-	-	-
2	1406	Operations (25% Max)	45,668.00	45,668.00	45,668.00	231,314.00	231,314.00	231,314.00	223,118.40	223,118.40	223,118.40	500,100.40	500,100.40	-
3	1408	Management Improvements				5,000.00	-	-	-	-	-	5,000.00	-	5,000.00
4	1410	Administration (10% Max)	91,336.00	91,336.00	91,336.00	115,657.00	115,657.00	115,657.00	111,559.20	111,559.20	111,559.20	318,552.20	318,552.20	-
14	1480	General Capital Fund Activity: Site Improvement, Dwelling Structures, Dwelling Equipment	1,010,375.00	1,008,274.44	1,008,274.44	807,449.00	708,620.09	631,559.25	780,914.40		-	2,598,738.40	1,639,833.69	958,904.71
			1,147,379.00	1,145,278.44	1,145,278.44	1,159,420.00	1,055,591.09	978,530.25	1,115,592.00	334,677.60	334,677.60	3,422,391.00	2,458,486.29	963,904.71
				99.82%	99.82%		91.04%	84.40%		30.00%	30.00%			

Housing Authority of the County of Butte

HUD Low Income Public Housing

Capital Fund Program Summary - Projects Proposed or Under Contract

		100 Reserved Budget	1406 Operations	1408 Mgmt. Improvements	1410 Admin	1480 General Capital Activity	Totals	"UC" Under Contract
Acct Code	Cash Available as of 07/09/2026	-	-	5,000.00	-	958,904.71	963,904.71	
	CF-23, CF-24, CF-25 Funding							
100	Reserved Budget	-					-	
1406	Operations		-				-	
1408	Management Improvements			5,000.00			5,000.00	
1410	Administration				-		-	
1480	General Capital Fund Activity: Site Improvement, Dwelling Structures, Dwelling Equipment					958,904.71	958,904.71	
							963,904.71	Total
		0.00	0.00	0.00	0.00	0.00	0.00	

MEMO

Date: July 10, 2026

To: HACB Board of Commissioners

From: Juan Meza, Public Housing Manager
Taylor Gonzalez, Project Manager

Subject: Farm Labor Housing, Gridley – status report

As of July 1st, there's a total of (78) occupied units. There were no move-in's or move-out's during the month of June, 2026. A total of (11) concrete block units are vacant and are rent ready. (18) units are deemed uninhabitable, and (8) are offline, waiting for the next phase renovation. All of the remodeled units are currently occupied. **As residents move-out of the old 1930's-era wooden units the total number of units available for occupancy decreases as they are designated "Uninhabitable" with USDA-RD.** There is one pending unlawful detainers or intent to vacate notices at this time. Unpaid rents – there are several and AWI is in the process of collecting.

AWI Staff Participating in the Dia del Niño Event in Gridley, CA

There are several applicants on the waiting list at this time, and AWI has brought in additional staff to help expedite turns. Marketing includes distribution of flyers to local farms and businesses, a listing on Craig's List, and move-in specials along with referral incentives to attract qualified applicants. AWI is currently running an advertisement in the local Spanish radio station. AWI staff have also placed banners and balloons on the grounds to increase visibility.

Monthly rental income came in at $1,523 less than budget at $113,668. YTD income comes to $28,454 less than budget at $1,008,260. YTD expenses are $157,942 more than budget at

$829,540. Overages are reflected in admin, software and the majority for outside contracting, Our YTD NOI came to a $178,720 or $157,942 less than budget. After debt service, capital replacements, and asset management fees net income is $9,989 more than budget at $37,611.

The proposed annual FLH budget which fiscal year consists of October 1 thru September 30th was submitted to USDA on 7-1-26 and is due to HCD by August 1, 2026. We know there will be some revisions as "rent increases" need to be approved by USDA and utility allowances are being formulated by US Consultants which will revise the anticipated income for the 2026-27 fiscal year.

USDA-RD has acknowledged receipt of the request submitted by AWI for a waiver to rent to non-farm labor households. However, AWI has not received a response from USDA-RD on whether or not the waiver will be approved after multiple follow up attempts. The current government shutdown has further delayed the resolution of this and other pending items. The waiver request would permit occupancy by over-income and/or non-farm labor households, and allow current over-income residents to remain in their home helping decrease the vacancy on the property. Per Housing Community & Development (HCD) the site would still need to maintain at least (86) households that are farm labor eligible to remain in compliance.

Chavarria's Landscaping continues to provide landscaping services for the property. Although AWI staff had originally planned to repaint the exterior of the maintenance shops and install borders around the playground areas, both projects have been deferred and incorporated into the 2027 budget. Pothole repairs will be scheduled annually.

Unrenovated 1980's era Concrete-block Unit

Mi C.A.S.A.'s monthly food distribution will be held on July 14th, 2026. Mi C.A.S.A. has started their summer session of classes, and they will run until the first week of August, 2026. All students attending the classes will be provided breakfast and lunch. Mi C.A.S.A. staff submitted a total of (7) posters on behalf of their students to be considered for NAHRO's Poster Contest "What Home Means to Me". The posters were voted on by HACB staff & Board and one poster was chosen from each category (Elementary and Middle School). The (2) posters were submitted for consideration at the NAHRO NorCal/Nevada conference that was held in Napa on January 25th-27th, 2026, and our poster for the Elementary category was chosen to move on to Regional competition at the upcoming PSWRC conference that was held in Santa Barbara on May 27th, 2026 but unfortunately did not move on to National competition.

The NVCSS Promotores Dual Language Learning (DLL) program is currently working with (14-16) families weekly within the community building on Staff Dr. Promotores staff would like to move forward with a plan to introduce a hydroponic unit to grow herbs and tomatoes as part of a community garden for all residents. The location for the community garden was approved as they will be using raised plantar beds. The location for community garden is near the chapel where the raised plantar beds will be located.

Housing Community & Development (HCD) performed their annual monitoring inspection of the Gridley FLH resident files and rental units on July 8th through July 10th, 2025. AWI and HACB staff were present to assist HCD staff with access to the rental units and answer any questions in regards to the resident files. All requested documents requested by HCD have been submitted by AWI staff. The (213) findings found during the physical inspections of the units will require an extension in order to make all of the repairs needed. AWI sent an initial response to HCD on September 19, 2025 and a partial clearance letter was received in November, 2025. AWI submitted the second response to HCD to resolve all findings. The final clearance letter from HCD dated February 18, 2026 was presented in the February Board **meeting.** The HCD inspection has triggered a letter from the California Department of Justice to ensure we are following Lead Safety requirements at the property. The HACB and AWI 3rd party property manager has submitted a response and has provided all documents requested to ensure compliance. We are currently awaiting a reply from DOJ.

State Demonstration "Demo" Housing Unit

AWI continues their efforts to renovate the old concrete block units. AWI was able to renovate (2) of the cinderblock units (1478/1482 Ogden Ave.) last year and are nearing completion of (2) more cinderblock units (1464/1468 Ogden Ave.) this year. Both cinderblock units are 99% completed and only have electrical repairs pending.

Additional funds are being sought to continue property building renovation. The USDA is not a factor. State Joe Serna Jr. Farmworker Housing and other program funds are contemplated.

Renovation and/or demolition and/or historic preservation of the historically significant 1930's era wooden units is pressing – only nine of the original twenty-four wooden units are habitable.

1930's era Wood Frame Units

Regarding the Well Backup Generator Project; following the passage of Resolution 4990 and execution of the construction contract, work has officially commenced on-site. Completed site work to date includes, installation of underground and aboveground gas piping, installation of underground electrical conduit, installation of the concrete foundation and installation of the chain link fencing. The generator is currently slated for delivery and installation in January, 2027. Please also see Taylor Gonzalez's construction report on the FLH Well Generator narrative.

Please find third party property manager AWI's June, 2026 report following.

Gridley Farm Labor Housing

June 2026

11 units available • 0 Move-in • 0 Move-out

Vacancy Advertising

- The property is offering move-in specials and referral incentives to attract qualified applicants
- Flyers have been placed in heavily trafficked areas
- Banners and balloons are displayed on the grounds to increase visibility
- Running another radio ad
- Staff have visited multiple employers in the area and supplied them with the fliers

Current Staffing

Staffing

Manager: Miriam Sainz
Assistant Manager: Ana Martinez
Maintenance: Eriberto Martinez
Assistant Maintenance: Hillary McClelland

Vacancy Overview

CURRENT

#OG 1461-1103: ***Unit is ready,*** looking for qualifying applicants

#Ern 863-0803: ***Unit is ready,*** looking for qualifying applicants

#OG 1495-1114: ***Unit is ready,*** looking for qualifying applicants

#SU 1517-0305: ***Unit is ready,*** looking for qualifying applicants

UPCOMING

#SU 1528-0311: Forbearance signed with a vacate date of 3/15/26. Failed to vacate. This unit is pre-leased once we get possession.

Capital Projects

Budgeted Items planned for 2026

Rehab 2 more units: ~~Two units scheduled for completion in 2026.~~

Pothole repairs: Yearly pothole repairs

Painting: ~~Paint the property shops if approved~~

Playground upgrades: ~~Add a border around the playground so that ground cover can be added under the playground.~~

Current Status

Rehab 2 more units: Completed

Pothole repairs: This task will be done annually

Painting: This will need to be moved into 2027 budget.

Playground upgrades: This will need to be moved into 2027 budget.

Rehab units

In Progress

#OG 1464-1105: ***Unit is ready,*** looking for qualifying applicants

#OG 1468-1106: ***Unit is ready,*** looking for qualifying applicants

#MC 1464-0503: Bids on hand for the 2027 Rehab

#MC 1468-0504: Bids on hand for the 2027 Rehab

Current site breakdown

- **78 Occupied**
- **8 Units held for the next phase of rehab / in house rehab**
- **18 Units deemed uninhabitable (old wooden units)**
- **11 Units available for occupancy**

Additional Notes

- Staff continue to work on finding qualifying applicants. Handing out flyers at local businesses, Running move-in specials, sending flyers to employers with verifications. 2027 Budget is completed and sent in for final review.
- The 26/27 fiscal year budget was reviewed and submitted to USDA-RD on 7/1/26. Due to HCD on 8/1/26

Gridley Farm Labor Housing (p0645)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
4000-03	**INCOME**									
4110-00	Market/Contract Rent	134,490	138,710	-4,220	-3	648,289	1,248,390	-600,101	-48	1,664,520
4110-10	Tenant Rent	-14,197	0	-14,197	N/A	-14,197	0	-14,197	N/A	0
4130-00	Rental Assistance-USDA-RD	0	0	0	N/A	600,657	0	600,657	N/A	0
4190-00	Gain/Loss to Lease	2,054	0	2,054	N/A	2,054	0	2,054	N/A	0
4999-99	GROSS POTENTIAL RENT	122,347	138,710	-16,363	-12	1,236,803	1,248,390	-11,587	-1	1,664,520
5000-00	INCOME ADJUSTMENTS									
5110-00	Vacancy Loss	-5,893	-20,269	14,376	71	-204,957	-182,420	-22,537	-12	-243,227
5120-00	Admin Unit-Non Rev	-3,214	-3,584	370	10	-24,286	-32,256	7,970	25	-43,008
5150-00	Concessions-Move In Special	-10	0	-10	N/A	-10	0	-10	N/A	0
5190-00	Bad Debt Expense	0	0	0	N/A	-4,824	0	-4,824	N/A	0
5199-98	TOTAL INCOME ADJUSTMENTS	-9,117	-23,853	14,736	62	-234,077	-214,676	-19,401	-9	-286,235
5199-99	NET RENTAL INCOME	113,230	114,857	-1,627	-1	1,002,726	1,033,714	-30,988	-3	1,378,285
5200-00	REIMBURSEMENT INCOME									
5210-00	Utility Reimbursement	0	0	0	N/A	-1,387	0	-1,387	N/A	0
5220-00	Utility Reimbursement Recovery	235	0	235	N/A	235	0	235	N/A	0
5299-99	TOTAL REIMBURSEMENT INCOME	235	0	235	N/A	-1,152	0	-1,152	N/A	0
5500-00	OTHER INCOME									
5510-00	Laundry Income	110	138	-28	-20	1,502	1,238	265	21	1,650
5590-00	Other Tenant Income	0	12	-12	-100	2,212	112	2,100	1,866	150
5600-00	Interest Income	93	183	-90	-49	2,226	1,650	576	35	2,200
5610-00	Interest Income-Restricted Reserve	0	0	0	N/A	745	0	745	N/A	0
5999-98	TOTAL OTHER INCOME	203	333	-130	-39	6,686	3,000	3,686	123	4,000
5999-99	**TOTAL INCOME**	**113,668**	**115,190**	**-1,523**	**-1**	**1,008,260**	**1,036,714**	**-28,454**	**-3**	**1,382,285**
6000-00	**OPERATING EXPENSES**									
6000-01	NON-CONTROLLABLE EXPENSES									
6000-02	TAXES AND INSURANCE									
6100-10	Real Estate Taxes-Special Assessments	2,500	2,500	0	0	22,500	22,500	0	0	30,000
6100-20	Real Estate Taxes-PILOT	1,559	1,559	0	0	14,028	14,028	0	0	18,704
6120-00	Other Taxes/Fees/Permits	0	417	417	100	4,079	3,750	-329	-9	5,000
6150-00	Property Insurance-GL	7,442	7,818	376	5	59,875	70,365	10,490	15	93,820
6170-00	Bond Premiums	0	106	106	100	0	954	954	100	1,272
6199-99	TOTAL TAXES AND INSURANCE	11,501	12,400	898	7	100,482	111,597	11,115	10	148,796
6200-00	UTILITIES									
6210-00	Electricity-Common Areas	2,265	3,157	891	28	24,466	28,411	3,946	14	37,882
6210-10	Electricity-Units	306	0	-306	N/A	1,764	0	-1,764	N/A	0
6220-00	Water-Domestic	3,482	2,917	-565	-19	18,898	26,250	7,352	28	35,000
6230-00	Sewer-Standard Billing	2,470	2,470	0	0	22,226	22,226	0	0	29,635

Gridley Farm Labor Housing (p0645)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6240-00	Gas/Heating Fuel-Units	261	430	169	39	2,381	3,870	1,489	38	5,160
6240-10	Gas/Heating Fuel-Common Areas	88	0	-88	N/A	2,256	0	-2,256	N/A	0
6250-00	Trash-Standard Pickup	2,586	2,500	-86	-3	18,117	22,500	4,383	19	30,000
6250-10	Trash-Bulk Pickup	0	0	0	N/A	585	0	-585	N/A	0
6299-99	TOTAL UTILITIES	11,458	11,473	15	0	90,694	103,258	12,564	12	137,677
6300-00	PROPERTY MANAGEMENT FEES									
6320-00	Management Fees	3,500	8,500	5,000	59	72,010	76,500	4,490	6	102,000
6399-98	TOTAL PROPERTY MANAGEMENT FEES	3,500	8,500	5,000	59	72,010	76,500	4,490	6	102,000
6399-99	TOTAL NON-CONTROLLABLE EXPENSES	26,459	32,373	5,913	18	263,186	291,355	28,169	10	388,473
6400-00	CONTROLLABLE EXPENSES									
6400-01	PROFESSIONAL FEES									
6410-00	Audit Fees	708	708	0	0	6,375	6,375	0	0	8,500
6420-00	Bookkeeping Fees	350	350	0	0	3,150	3,150	0	0	4,200
6430-00	Legal-Evictions	1,009	208	-800	-384	4,035	1,875	-2,160	-115	2,500
6430-60	Legal-Other	0	0	0	N/A	1,470	0	-1,470	N/A	0
6499-99	TOTAL PROFESSIONAL FEES	2,067	1,267	-800	-63	15,030	11,400	-3,630	-32	15,200
6500-00	PERSONNEL COSTS									
6510-00	Maintenance Wages-Base	6,365	8,966	2,601	29	72,339	80,694	8,355	10	107,592
6510-10	Maintenance Wages-Overtime	765	0	-765	N/A	3,187	0	-3,187	N/A	0
6510-30	Maintenance Wages-Vacation	263	0	-263	N/A	4,068	0	-4,068	N/A	0
6510-40	Maintenance Wages-PTO	571	0	-571	N/A	4,034	0	-4,034	N/A	0
6520-00	Manager Wages-Base	7,917	9,167	1,250	14	79,527	82,501	2,975	4	110,002
6520-10	Manager Wages-Overtime	186	0	-186	N/A	1,958	0	-1,958	N/A	0
6520-30	Manager Wages-Vacation	-115	0	115	N/A	3,620	0	-3,620	N/A	0
6520-40	Manager Wages-PTO	613	0	-613	N/A	4,994	0	-4,994	N/A	0
6540-00	Employer Social Security	1,039	1,546	507	33	10,406	13,912	3,507	25	18,550
6540-10	Employer Medicare	243	0	-243	N/A	2,434	0	-2,434	N/A	0
6540-20	FUTA (Federal Unemployment)	0	0	0	N/A	166	0	-166	N/A	0
6540-30	SUTA (State Unemployment)	0	0	0	N/A	1,225	0	-1,225	N/A	0
6540-40	401(k) Match (Employer)	3	0	-3	N/A	19	0	-19	N/A	0
6550-00	Workers Comp Insurance	970	802	-168	-21	8,123	7,214	-910	-13	9,618
6555-00	Personnel Medical Insurance	1,731	4,156	2,425	58	15,361	37,402	22,041	59	49,869
6560-00	Life Insurance	8	0	-8	N/A	73	0	-73	N/A	0
6599-99	TOTAL PERSONNEL COSTS	20,558	24,636	4,077	17	211,535	221,723	10,188	5	295,631
6600-00	MARKETING AND LEASING COSTS									
6610-00	Advertising	0	125	125	100	987	1,125	138	12	1,500
6699-99	TOTAL MARKETING AND LEASING COSTS	0	125	125	100	987	1,125	138	12	1,500
6700-00	GENERAL AND ADMINISTRATIVE									
6700-01	CONTRACT/RECURRING G/A									
6700-10	P/M IT	0	0	0	N/A	818	0	-818	N/A	0

Gridley Farm Labor Housing (p0645)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6700-20	P/M Software	72	0	-72	N/A	2,241	0	-2,241	N/A	0
6700-30	P/M Software-Yardi	1,231	0	-1,231	N/A	11,397	0	-11,397	N/A	0
6710-00	Telephone	343	386	43	11	2,393	3,474	1,081	31	4,632
6710-10	Internet	182	140	-42	-30	1,979	1,260	-719	-57	1,680
6710-20	Cell Phone Reimbursement	240	0	-240	N/A	1,631	0	-1,631	N/A	0
6715-30	Toner/Copier Expense	21	26	5	20	319	237	-82	-34	316
6720-00	Postage/Freight	21	34	13	39	330	309	-21	-7	412
6730-00	Office Supplies/Expense	348	393	45	11	3,880	3,537	-343	-10	4,716
6740-00	Water/Coffee Service	0	5	5	100	5	41	36	88	55
6820-00	Tenant Services-General	0	42	42	100	0	375	375	100	500
6830-00	Resident Services-Supplies	0	0	0	N/A	299	0	-299	N/A	0
6860-00	Security-Svc Contract	4,963	2,000	-2,963	-148	21,816	18,000	-3,816	-21	24,000
6880-00	Pest Control-Svc Contract	0	250	250	100	2,450	2,250	-200	-9	3,000
6890-00	Fire/Alarm-Svc Contract	0	170	170	100	0	1,530	1,530	100	2,040
6895-00	Cable-Internet/TV Service	0	0	0	N/A	449	0	-449	N/A	0
6899-99	TOTAL CONTRACT/RECURRING G/A	7,421	3,446	-3,975	-115	50,007	31,013	-18,994	-61	41,351
6900-00	OTHER G/A									
6910-00	Other Admin-General	0	1,533	1,533	100	853	13,796	12,943	94	18,395
6910-10	Other Admin-UA Calc	0	0	0	N/A	1,308	0	-1,308	N/A	0
6910-20	Other Admin-Bank Fee	40	0	-40	N/A	240	0	-240	N/A	0
6930-00	Mileage	571	0	-571	N/A	1,091	0	-1,091	N/A	0
6940-00	Travel and Promotion	0	67	67	100	0	600	600	100	800
6950-00	Training Expense	0	105	105	100	827	945	118	12	1,260
6955-00	Employee Meals	0	10	10	100	35	93	58	63	124
6999-98	TOTAL OTHER G/A	611	1,715	1,104	64	4,354	15,434	11,080	72	20,579
6999-99	TOTAL GENERAL AND ADMINISTRATIVE	8,032	5,161	-2,871	-56	54,362	46,447	-7,914	-17	61,930
7000-00	REPAIRS AND MAINTENANCE									
7000-01	CONTRACT/RECURRING R/M									
7010-00	R/M Contract-General	514	831	317	38	160,776	7,475	-153,301	-2,051	9,967
7015-00	R/M Contract-Plumbing	0	620	620	100	3,583	5,578	1,995	36	7,438
7020-00	R/M Contract-Electrical	0	0	0	N/A	3,424	0	-3,424	N/A	0
7025-00	R/M Contract-HVAC	0	460	460	100	0	4,136	4,136	100	5,515
7065-00	Grounds-Svc Contract	9,298	10,230	932	9	93,309	92,070	-1,239	-1	122,760
7065-10	Grounds-Trees	0	0	0	N/A	6,190	0	-6,190	N/A	0
7065-20	Grounds-Repairs	120	0	-120	N/A	120	0	-120	N/A	0
7099-99	TOTAL CONTRACT/RECURRING R/M	9,932	12,140	2,208	18	267,403	109,260	-158,143	-145	145,680
7100-00	OTHER R/M									
7110-00	Janitorial Supplies	121	101	-20	-20	1,215	908	-307	-34	1,211
7115-00	Painting and Decorating	315	208	-107	-51	3,028	1,875	-1,153	-62	2,500
7120-00	R/M Supplies-General	1,156	1,773	618	35	9,476	15,959	6,482	41	21,278
7125-00	R/M Supplies-Plumbing	0	0	0	N/A	31	0	-31	N/A	0
7199-99	TOTAL OTHER R/M	1,592	2,082	491	24	13,750	18,742	4,991	27	24,989

Gridley Farm Labor Housing (p0645)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
7200-00	TURNOVER R/M									
7220-00	Unit Turn-Unit Cleaning-Vendor	0	0	0	N/A	3,288	0	-3,288	N/A	0
7299-98	TOTAL TURNOVER R/M	0	0	0	N/A	3,288	0	-3,288	N/A	0
7299-99	TOTAL REPAIRS AND MAINTENANCE	11,523	14,222	2,699	19	284,441	128,002	-156,439	-122	170,669
7399-97	TOTAL CONTROLLABLE EXPENSES	42,181	45,411	3,230	7	566,355	408,697	-157,657	-39	544,930
7399-98	**TOTAL OPERATING EXPENSES**	**68,640**	**77,784**	**9,143**	**12**	**829,540**	**700,052**	**-129,488**	**-18**	**933,403**
7399-99	**NET OPERATING INCOME**	**45,027**	**37,407**	**7,621**	**20**	**178,720**	**336,662**	**-157,942**	**-47**	**448,882**
7400-00	DEBT SERVICE									
7410-00	Interest-Mortgage USDA-RD	12,559	12,559	0	0	113,031	113,027	-3	0	150,703
7499-99	TOTAL DEBT SERVICE	12,559	12,559	0	0	113,031	113,027	-3	0	150,703
7500-00	REPLACEMENT COSTS/OTHER									
7500-01	REPLACEMENT COSTS - OPERATING									
7500-02	TURNOVER REPLACEMENT COSTS									
7510-00	R/M Replacement-General	1,693	17,225	15,532	90	1,939	155,025	153,086	99	206,700
7530-00	R/M Replacement-Window	0	0	0	N/A	16,073	0	-16,073	N/A	0
7545-10	R/M Flooring Replacement-1Bed	0	2,217	2,217	100	0	19,950	19,950	100	26,600
7550-00	R/M Replacement-Refrigerator	0	975	975	100	540	8,775	8,235	94	11,700
7570-00	R/M Replacement-HVAC Unit	0	438	438	100	0	3,938	3,938	100	5,250
7580-00	R/M Replacement-Water Heater	0	300	300	100	0	2,700	2,700	100	3,600
7599-97	TOTAL TURNOVER REPLACEMENT COSTS	1,693	21,154	19,462	92	18,553	190,388	171,835	90	253,850
7799-99	TOTAL REPLACEMENT COSTS - OPERATING	1,693	21,154	19,462	92	18,553	190,388	171,835	90	253,850
7800-00	OTHER NON-OPERATING COSTS									
7860-00	Asset Management Fees	625	625	0	0	5,625	5,625	0	0	7,500
7872-00	Legal-Property Counsel	3,900	0	-3,900	N/A	3,900	0	-3,900	N/A	0
7899-98	TOTAL OTHER NON-OPERATING COSTS	4,525	625	-3,900	-624	9,525	5,625	-3,900	-69	7,500
7899-99	TOTAL REPLACEMENT COSTS/OTHER	6,218	21,779	15,562	71	28,078	196,013	167,935	86	261,350
7999-99	**NET INCOME (LOSS) BEFORE CAPEX**	**26,251**	**3,069**	**23,182**	**755**	**37,611**	**27,622**	**9,989**	**36**	**36,829**
9999-98	**NET INCOME (LOSS)**	**26,251**	**3,069**	**23,182**	**755**	**37,611**	**27,622**	**9,989**	**36**	**36,829**

Date: July 10, 2026

MEMO

To: HACB Board of Commissioners

From: Larry Guanzon, Executive Director
Taylor Gonzalez, Project Manager

Subject: Agenda Item 3.10 - Status Report: Bond-Financed and Other-owned Properties

Bond-Financed
- Alamont Apartments, Chico (30 units, family)
- Cameo Apartments, Chico (20 units, family)
- Evanswood Estates, Oroville (31 units, family)
- Lincoln Apartments, Chico (18 units, family)
- Locust Apartments, Chico (10 units, family)
- Park Place Apartments, Oroville (40 units, senior)

Other-Owned
- Gridley Springs II, Gridley (24 units, family)
- Mayer Commons, Paradise (12 units, family)
- 2131 Fogg Ave, (1 single family house)

For Alamont, Cameo, Evanswood, Lincoln, Locust, Mayer Commons and Park Place Apartments, please see monthly reports provided by the property manager, RSC Associates Inc. following this memo. Please also find Arrowhead Management's narrative and financials for Gridley Springs II.

Alamont Apartments, Chico (30 units, family, RSC) – There was one (1) vacancy as of the first of the month. There is (2) two additional 30-day notices to vacate. There were no unpaid rents for the month. Total YTD Income came in $13,640 more than budget at $310,229 due to rents collected being higher than budget and YTD vacancy loss being lower than anticipated. Total YTD expenses are $14,076 less than anticipated at $105,914 bringing the YTD NOI to $35,325 more than budget, at 89,534. YTD Maintenance Expenses are higher due to Repairs-Labor, Pool Maintenance, & Service to HVAC units. Capital Improvements consisted of interior carpet and flooring replacement; plus, interior painting. YTD Capital Improvements come in under budget by $14,079 at $19,361.

Alamont Apartments, 811 West East Avenue, Chico

Cameo Apartments, **Chico** (20 units, family, RSC) - The property has zero (0) vacancies as of July 1st. There is one 30-day notice to vacate and one unlawful detainer in the process. There was two unpaid rent for the month which RSC is in the process of collecting. Total YTD income is slightly higher than budget by $3,711 at $177,857. YTD vacancy loss is higher than budget at $8,163 or $1,263 more than anticipated. Total YTD Operating Expenses are higher by $6,138 at $96,915. Operating Expense Overages are in Administrative, & Maintenance Expenses. The YTD NOI was lower at $80,942 or $2,427 less than budget, as overall income came in higher and overall expenses came in higher YTD as mentioned previously. YTD Capital Improvements are lower than budget due to less turnover; thus, not having to replace items like cabinets and flooring as unit's turnover for anticipated budget upgrades.

Cordillera Apartments, Cameo Way, Chico

Evanswood Estates Apartments, Oroville (31 units, family, RSC) – There was zero (0) vacancies as of the date of this memo. There are no pending additional 30-day notices to vacate. There were unpaid rents for the month which RSC is in the process of collecting. Total YTD Income is $10,752 more than anticipated, at $392,505. The increased income compared to budget is due to vacancy loss being better than what was budgeted. Total YTD Operating Expenses is $32,317 less than budget, at $175,546. YTD NOI totals $216,960 or $43,070 more than budget. There were no capital improvements for the month. YTD Capital Improvements comes in $7,760 less than budget at $15,040.

Evanswood Estates Apartments, Oroville Units #21, 25, and 33, tracked separately, all three units are occupied as of the date of this memo. There were no additional 30-day notices to vacate or unpaid rents. YTD Income is slightly above budget by $1,994 at $34,775. With YTD expenses being higher than budget at $29,002 or $13,008 more than anticipated, YTD NOI is $11,014 less than budget, at $5,774. The decrease in NOI can be attributed by the Turnover Repairs & Replacements to #25 previously mentioned as when this unit was purchased by the HACB it had a tenant who had lived in this unit for many years and upon move out the unit needed upgrading. The unit was re-rented at a higher rental amount for $1,845 per month.

Evanswood Estates, Table Mountain Boulevard, Oroville - new exteriors.

Lincoln Apartments, 474 East 12th Street, Chico

Lincoln Apartments, Chico (18 units, family, RSC) **–** Lincoln Apartments had one (1) vacancy as of the first of July. There were no additional thirty (30) day notice to vacate. All rents were collected for the month. Total YTD income is above budget by $5,591 at $154,339, as vacancy loss was lower than budget, as well as service income collected YTD came in higher than anticipated. YTD Expenses are under budget by $11,966 at $63,719 bringing NOI to $17,557 more than budget at $90,620.

Exterior Rehabilitation including repairs to the upper level walkway and staircases, and painting of the building exterior are continuing with the new contractor and set to be completed within the next 120 days, as completion has been delayed. There were issues with a specific area of the upper walkways where it needed to be re-done to meet warranty compliance of the materials used. HACB and 3rd party property manager (RSC) as well as, the general contractor developed a strategic plan to minimize tenant disturbances during construction. The first two phases of construction were completed during 2025. Again, weather permitting exterior painting of the buildings will occur as well as exterior railing, revamped exterior concrete stairs also to be replaced in the third and fourth quarter of 2026. Capital Improvements for the interior of two units consisted of new carpet and LVP Flooring as well as a new refrigerator.

Locust Apartments, Chico (10 units, family, RSC) – The property has one (1) vacancy as of July 1st. All rent was collected for the month. Total YTD Income came to $80,9722 or $1,629 less than budget. The decrease in income compared to budget is due to two units being set-aside and leased at 30% of AMI pursuant to the agreement in place by the board. Total YTD Expenses are $38,503 bringing NOI YTD to $42,469 or $1,491 more than budget. The majority of bond-funded capital improvements are complete, with replacement of water heaters, range hoods, and GFCI outlets installed. Capital Improvements YTD are $7,807 less than budget at $6,893.

Locust Apartments, 1519 Locust Street, Chico

Park Place Apartments, 2105 Park Avenue, Oroville

Park Place Apartments, **Oroville** (40 units, senior, RSC) – The month ended with one (1) vacancy. There were no additional 30-day notices to vacate. Unpaid Rents for the month was (0) zero. YTD Income is $9,140 more than budget at $288,108. YTD Expenses comes to $28,242 less than budget at $110,925. YTD NOI is $37,382 more than budget at $177,183. Bond-funded work, including equipment and pergola replacements, upgrade of the Community Room, and site path of travel improvements, are in process, with property management collecting bids - work is anticipated for 3rd & 4th quarter in 2026. We worked with P G & E due to old gas lines having to be replaced at the site which has been completed. P G & E has agreed to work with the HACB cooperatively as we will be upgrading all sidewalks to ADA compliance. Bids are in and approved and site concrete replacement has commenced. See Taylor Gonzalez's Construction narrative for photos.

The 2020A BOND properties are required through the lender BNY Mellon to perform a five (5) year property condition assessment thru a neutral 3rd party vendor. The findings of the property assessment condition will require the HACB to perform repairs and capital improvements to ensure the BOND properties' condition and useful life is stable and enhanced to ensure its "value" is upheld and sustained.

Other-Owned Properties

Gridley Springs II, Gridley (24 units, Family, Arrowhead Housing) The property has no (0) vacancy as of this memo. There are no additional 30-day notices. Property management has transitioned to Arrowhead Housing. YTD Income comes to $179,021 or $2,120 more than budget. YTD Expenses is $45,435 less than budget at $121,239. This brought NOI to $57,782 which is $47,555 more than budget. Smoke & Carbon Monoxide Detectors are being replaced. Gutter cleaning, and tree trimming has been completed. Secondly, a slab leak has been repaired which will be reflected once work is completed. Please find Arrowhead's short narrative, following.

Gridley Springs Apartments II, 210 Ford Avenue, Gridley

Mayer Commons formerly Kathy Court Apartments, Paradise (12 units, family, RSC) – **Applications are being processed for new prospective households.** The Town of Paradise Building Department completed the final inspection on July 30, 2025, and issued a Temporary Certificate of Occupancy, allowing tenants to move in. As of this memo a full certificate of occupancy has been received. The Kathy Court operating account has been closed out with the opening of a new operating account due to the complex's re-naming to Mayer Commons.

A total of twelve (12) units are **occupied** as of July 1st. YTD income collected was $52,855 or $14,327 less than budget due to YTD vacancy loss being more than budget. YTD Expenses totaled $34,785 which brought the YTD NOI to $18,070 or $18,524 less than budget. ***The approval of the Town of Paradise & HCD to increase the 60% of AMI to 80% of AMI enabled 3rd party property management (RSC) to re-rent the last 2-bedroom unit***. See additional information under Taylor Gonzalez, Project Manager Construction Report.

2131 Fogg Ave, **Oroville** (SFH, HACB) – The vacant lot is fully fenced and secure, awaiting future development. Annual weed abatement has been completed and funding opportunities are continually being explored. See additional information under Taylor Gonzalez, Project Manager report on construction.

RSC
ASSOCIATES, INC.
PROPERTY MANAGEMENT

July 8, 2026

Larry Guanzon
Executive Director
Housing Authority of the County of Butte
2039 Forest Ave
Chico, CA 95928

RE: June 2026 HACB Monthly Financial Package

Dear Mr. Guanzon:

Below is a summary of the key operational activities and highlights of significant financial results for HACB properties managed by RSC Associates, Inc. in June 2026. For additional details, please review the following comprehensive financial reports provided for each property.

- **National Homeownership Month –** Recognizing the importance of safe, stable, and affordable housing in building stronger families and communities. Though our focus is on affordable rental housing, we remain dedicated to expanding housing access in all forms.

- **Juneteenth (June 19)** – Commemorating the emancipation of enslaved African Americans. It is a day to reflect on our shared history and recommit to fair and just housing policies that dismantle systemic barriers.

If you have any questions or concerns, please contact Patti or me.

Respectfully,

Susan Critser, CPM
Regional Property Manager
530-893-8228 Ext 240
scritser@rsc-associates.com
DRE# 01312715

cc Richard Gillaspie

Chico Office | 3120 Cohasset Road, Suite 5, Chico, CA 95973 | Phone: 530.893.8228 | Fax: 530.893.9483 www.rsc-associates.com
Sacramento Office | 219 Estates Drive, Suite 103, Roseville, CA 95678 | Phone: 916.780.8228

RSC ASSOCIATES, INC.
PROPERTY MANAGEMENT

1519 Locust Street
June 2026

Monthly Highlights:

Updates – As a reminder, rental income is varied from budget this year due to two units, leased at the 30% AMI.

- ✓ Total Rental Income for June was $7,909.83, under budget by -14.52%.

Occupancy -
- ✓ Occupancy totaled 90%. Unit #3 is vacant. We are marketing the unit.

Rent Collection -
- ✓ There were no delinquent rents for June.

Expense Variances -
- ✓ Total Operating Expenses are favorable to budget by 32.67% and 7.49% YTD.
- ✓ NOI totaled $5,059.91, slightly under budget by -4.45%.

Capital Expenses –
- ✓ No capital improvements for June.

Owner Distributions -
- ✓ The owner's distribution for the month was $1,970.98 and $9,618.00 for the 3rd quarter. The distribution year-to-date is $30,824.98.

EXTERIOR OF PROPERTY

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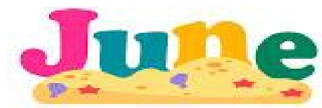
Alamont Apartments
June 2026



Monthly Highlights:

Updates – Total Rental Income for June was $33,715.00. Income is higher than projected by 8.74%.

Occupancy -
- ✓ Occupancy totaled 96.7%. We ended June with unit #10 vacant.
- ✓ Unit #2 moved in.
- ✓ Unit #4 & #26 have both given notice to move out.

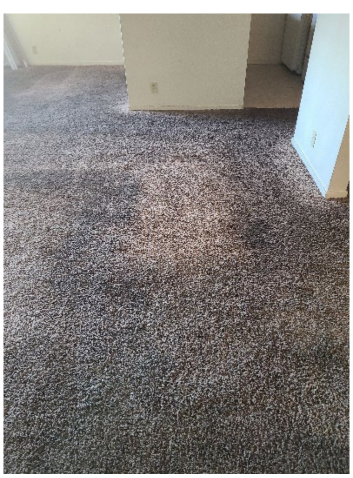
Rent Collection -
- ✓ There were no delinquent rents for June.

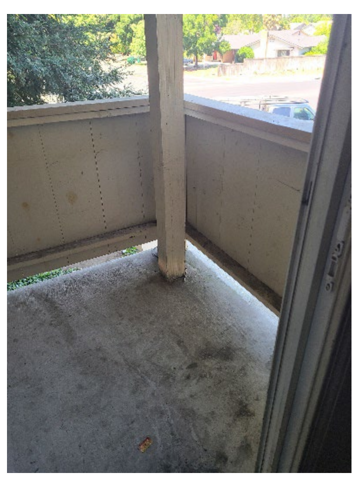
Expense Variances -
- ✓ Total Operating Expenses were below budget for the period by -16.77 % and YTD 6.22%.
- ✓ Net Operating Income for June surpassed the budget by 10.17%, totaling $15,091.65.

Capital Expenses -
- ✓ Carpet replacement $926.10 unit #2.
- ✓ Flooring replacement with LVP $3,405.02 for unit #2
- ✓ Complete paint #1,320.70 for unit #2.

Owner Distributions -
- ✓ The 3rd quarter draw is $28,851.00. The distribution year-to-date is $153,708.40.

MOVE OUT APARTMENT #2





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Cameo Apartments
June 2026

Monthly Highlights:

Updates – June Total Rental Income is $20,145.00 or 7.13%, exceeding budget.

Occupancy –
- ✓ Occupancy totaled 100%.
- ✓ Unit #37-2 was placed in eviction for non-payment of rent.
- ✓ Unit #49-4 has given notice to move out on 7/8/26.

Rent Collection -
- ✓ Unit #37-2 owes a balance of $1,490.00.
- ✓ Unit #49-4 has a balance of $370.00.

Expense Variances -
- ✓ Total Operating Expenses had a favorable variance due to lower expenses by 39.50%, totaling $8,240.06.
- ✓ Net Operating Income – the property operated cost-effectively during the month, totaling $11,955.53.

Capital Expenses -
- ✓ In June, we had a major plumbing project in the kitchen drain line, replacing 60 feet and stretching out to the main line, totaling $9,573.50.

Owner Distributions -
- ✓ The 3rd quarter draw is $19,233.00. The distribution year-to-date is $52,178.77.

MAJOR PLUMBING REPLACEMENT

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RSC ASSOCIATES, INC. PROPERTY MANAGEMENT

Evanswood Estates Apartments
June 2026

Monthly Highlights:

Updates – Total Rental Income exceeded budget projections by 4.69%, totaling $43,728.00.

Occupancy –
- ✓ Occupancy remained at 100%.
- ✓ No new notices to move out.

Rent Collection -
- ✓ There were 3 small delinquent rents:
- ✓ Unit #5 has a balance of $70.00
- ✓ Unit #24 has a balance of $195.00
- ✓ Unit #36 has a balance of $265.00

Expense Variances -
- ✓ Total Operating Expenses remained within and below budget expectations, totaling $19,211.15.
- ✓ Net Operating Income surpassed budget expectations by 7.85%, totaling $24,618.00.

Capital Expenses -
- ✓ No capital improvements for June.

Owner Distributions –
- ✓ The owner's distribution for the month was $18,156.22 and $26,925.00 for the 3rd quarter. The distribution year-to-date is $170,542.18.

Evanswood #21, #25, and #33
June 2026

Monthly Highlights:

Updates –
- ✓ Total Rental Income for June was $4,422.00, exceeding budget by 19.71%.

Occupancy –
- ✓ The property is 100% occupied
- ✓ No new notices to vacate or move out have been received this month.

Rent Collection –
- ✓ There are no delinquent rents for June.

Expense Variances-
- ✓ Total Operating Expenses were unfavorable compared to budget by 52.98%.
- ✓ NOI totaled $1,603.06, a negative budget variance of -15.69%.

Capital Expenses -
- ✓ No capital improvements for June.

Distributions –
- ✓ No owner distribution for June. The distribution year-to-date is $1,109.52.

RSC ASSOCIATES, INC.
PROPERTY MANAGEMENT

Mayer Commons
June 2026

Monthly Highlights:

Updates - Total Rental Income for June was $7,384.40, which did not meet budgeted expectations by -1.41%. Unfavorably affected by vacancy loss.

- ✓ We are researching the $10.50 Liability to Landlord Insurance.

Occupancy -
- ✓ I am pleased to report we are 100% occupied!

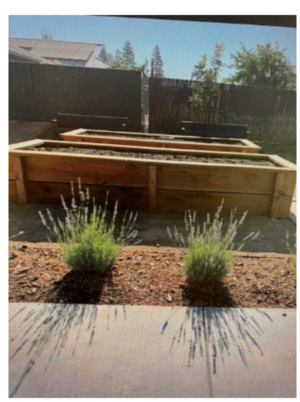
Rent Collection –
- ✓ Unit E has a small balance of $16.00.
- ✓ Unit F has a balance of $50 for a late fee
- ✓ Unit H owes $25.00 for the NSF fee.
- ✓ Unit G has a balance of $1,023.00

Expense Variances -
- ✓ Total Operating Expenses totaled $4,176.48; expenses exceeded budget by 3.54%.
- ✓ NOI was affected by vacancy loss below budget at $3,398.42 variance –0.34%.
- ✓ Replacement Reserves are accruing, totaling $34,000.00.

Capital Expenses -
- ✓ No capital improvements for June.

Distributions -
- ✓ No owner distribution for June. There was no distribution year-to-date.

EXTERIOR AMENITIES



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Lincoln Apartments
June 2026

Monthly Highlights:

Updates - Total Rental Income for June is $16,561.00. Favorable by 5.01% or $790.00.

Occupancy -
- ✓ We concluded June at 94.4% occupancy.
- ✓ Unit #9 moved in June.
- ✓ Unit #6 is currently being marketed.
- ✓ No new notices to vacate or move out have been received this month.

Rent Collection -
- ✓ There are no delinquent rents for June 2026

Expense Variances -
- ✓ Total Operating Expenses $7,236.12 slightly under budget by 4.47%.
- ✓ NOI totaled $9,771.05 above budget expectations by $355.86, or 3.78%.

Capital Improvements –
- ✓ No capital improvements for June.

Owner Distributions -
- ✓ The owner's distribution for the month was $3,863.22 and $17,310.00 for the 3rd quarter. The distribution year-to-date is $65,899.54.

EXTERIOR PICTURES



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RSC ASSOCIATES, INC. PROPERTY MANAGEMENT

Park Place Apartments
June 2026

Monthly Highlights:

Updates - Total Rental Income for June was $32,416.00, exceeding budget by $2,662.00 or 8.95%.

Occupancy -
- ✓ We concluded June with 97.5% occupancy.
- ✓ Unit #21 is vacant and pre-leased. Move-in date is 7/9/26.

Rent Collection -
- ✓ There are no delinquent rents for June 2026

Expense Variances -
- ✓ Total budgeted monthly operating expenses are favorable to the budget, 30.20% at $11,263.10.
- ✓ Net Operating Income for June exceeded budget by 51.95%, totaling $21,635.74.

Capital Improvements -
- ✓ We purchased a new patio set for $255.63.

Owner Distributions -
- ✓ The owner's distribution for the month was $5,000.00 and $33,466.00 for the 3rd quarter. The distribution year-to-date is $87,647.02.

CONCRETE CONSTRUCTION PROJECT – REMOVAL OF CONCRETE

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Property Update – July 1, 2026

Gridley Springs 1 (GS1)

Occupancy 96.88%

Move-Ins

Maintenance

- Gutter cleaning has been completed
- Tree trimming has been completed 06/22-06/24

Gridley Springs 2 (GS2)

Occupancy 100%

Move-Ins

Maintenance

- Gutter cleaning and downspout repairs completed
- Slab leak repairs completed
- Tree trimming completed 06/22-06/24
    - Trash enclosure repairs pending bid
    - Wash Laundry contract review – updated washer/dryers needed

Regional Manager
Lisa Macdonald in Place
Community Manager
Michelle Vargas in Place
Maintenance Tech
Taylor Mader in Place

Gridley Springs 2
Budget Comparison
June 30, 2026

	Month Ending 06/30/2026				Year to Date 06/30/2026			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Rental Income								
5120 - Rent Revenue -- Gross Potential	19,651.50	19,651.50	0.00	0.00	186,999.50	176,863.50	10,136.00	5.73
5180 - Local Section 8 Subsidy Revenue	500.00	500.00	0.00	0.00	4,500.00	4,500.00	0.00	0.00
5195 - Leases Less than Market	841.50	0.00	841.50	100.00	(9,091.50)	0.00	(9,091.50)	(100.00)
5196 - Leases in Excess of Market	619.00	0.00	619.00	100.00	619.00	0.00	619.00	100.00
Total Rental Income	**21,612.00**	**20,151.50**	**1,460.50**	**7.24**	**183,027.00**	**181,363.50**	**1,663.50**	**0.91**
Vacancy, Losses & Concessions								
5220 - Vacancy Loss - Apartments	0.00	(589.89)	589.89	100.00	(7,005.00)	(5,309.01)	(1,695.99)	(31.94)
Total Vacancy, Losses & Concessions	**0.00**	**(589.89)**	**589.89**	**100.00**	**(7,005.00)**	**(5,309.01)**	**(1,695.99)**	**(31.94)**
Net Rental Income	**21,612.00**	**19,561.61**	**2,050.39**	**10.48**	**176,022.00**	**176,054.49**	**(32.49)**	**(0.01)**
Financial Income								
5440 - Interest Revenue -- Replacement Reserve	2.34	0.00	2.34	100.00	20.89	0.00	20.89	100.00
Total Financial Income	**2.34**	**0.00**	**2.34**	**100.00**	**20.89**	**0.00**	**20.89**	**100.00**
Other Income								
5910 - Laundry Revenue	0.00	10.83	(10.83)	(100.00)	108.17	97.47	10.70	10.97
5920 - Tenant Charges (Late Fees, Damages)	0.00	83.33	(83.33)	(100.00)	0.00	749.97	(749.97)	(100.00)
5950 - Utility Bill Back Revenue	0.00	0.00	0.00	0.00	2,870.44	0.00	2,870.44	100.00
Total Other Income	**0.00**	**94.16**	**(94.16)**	**(100.00)**	**2,978.61**	**847.44**	**2,131.17**	**251.48**
Total Income	**21,614.34**	**19,655.77**	**1,958.57**	**9.96**	**179,021.50**	**176,901.93**	**2,119.57**	**1.19**
Expenses								
Administrative Expenses								
6203 - Conventions and Meeting	23.28	29.17	5.89	20.19	299.48	262.53	(36.95)	(14.07)
6311 - Office Supplies	469.68	791.67	321.99	40.67	6,566.06	7,125.03	558.97	7.84
6320 - Management Fee Expense	1,035.00	1,080.00	45.00	4.16	9,090.00	9,720.00	630.00	6.48
6340 - Legal Expense - Project	0.00	100.00	100.00	100.00	0.00	900.00	900.00	100.00
6350 - Audit Expense	0.00	1,083.33	1,083.33	100.00	0.00	9,749.97	9,749.97	100.00
6351 - Bookkeeping Fees/Accounting Services	0.00	200.00	200.00	100.00	0.00	1,800.00	1,800.00	100.00
6352 - Bank Fees	0.00	0.00	0.00	0.00	1.50	0.00	(1.50)	(100.00)
6390 - Misc. Administrative Expenses	0.00	253.00	253.00	100.00	854.49	2,277.00	1,422.51	62.47
Total Administrative Expenses	**1,527.96**	**3,537.17**	**2,009.21**	**56.80**	**16,811.53**	**31,834.53**	**15,023.00**	**47.19**
Marketing Expenses								
6210 - Advertising and Marketing	0.00	54.17	54.17	100.00	495.00	487.53	(7.47)	(1.53)
Total Marketing Expenses	**0.00**	**54.17**	**54.17**	**100.00**	**495.00**	**487.53**	**(7.47)**	**(1.53)**
Payroll Expenses								
6330 - Manager Salaries	1,982.88	1,961.25	(21.63)	(1.10)	19,411.73	17,651.25	(1,760.48)	(9.97)
6512 - Maintenance Salaries	1,876.54	1,968.67	92.13	4.67	18,219.50	17,718.03	(501.47)	(2.83)
6711 - Payroll Taxes	292.95	418.75	125.80	30.04	3,443.19	3,768.75	325.56	8.63
6722 - Workers Compensation Ins	366.98	339.58	(27.40)	(8.06)	3,417.18	3,056.22	(360.96)	(11.81)
6723 - Health Insurance and Other Employee Benefits	170.51	838.25	667.74	79.65	1,733.01	7,544.25	5,811.24	77.02
Total Payroll Expenses	**4,689.86**	**5,526.50**	**836.64**	**15.13**	**46,224.61**	**49,738.50**	**3,513.89**	**7.06**
Utilities								
6449 - Utilities - Vacant	0.00	0.00	0.00	0.00	2,009.03	0.00	(2,009.03)	(100.00)
6450 - Electricity	97.14	254.17	157.03	61.78	6,240.65	2,287.53	(3,953.12)	(172.81)

Gridley Springs 2
Budget Comparison
June 30, 2026

	Month Ending 06/30/2026				Year to Date 06/30/2026			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
6451 - Water	229.05	574.17	345.12	60.10	2,817.84	5,167.53	2,349.69	45.47
6452 - Gas	25.80	102.08	76.28	74.72	1,331.11	918.72	(412.39)	(44.88)
6453 - Sewer	887.36	1,033.33	145.97	14.12	7,060.54	9,299.97	2,239.43	24.07
6525 - Garbage & Trash Removal	489.26	533.33	44.07	8.26	4,449.92	4,799.97	350.05	7.29
Total Utilities	**1,728.61**	**2,497.08**	**768.47**	**30.77**	**23,909.09**	**22,473.72**	**(1,435.37)**	**(6.38)**
Operating & Maintenance Expenses								
6515 - Supplies - Maint. & Repairs	615.14	1,000.00	384.86	38.48	3,300.12	9,000.00	5,699.88	63.33
6520 - Contracts - Maint. & Repairs	6,152.41	3,658.33	(2,494.08)	(68.17)	19,653.32	32,924.97	13,271.65	40.30
6546 - Repairs - HVAC Repairs & Maintenance	935.96	141.67	(794.29)	(560.66)	1,871.19	1,275.03	(596.16)	(46.75)
6590 - Misc. Operating & Maint Expenses	63.83	958.33	894.50	93.33	2,548.56	8,624.97	6,076.41	70.45
Total Operating & Maintenance Expenses	**7,767.34**	**5,758.33**	**(2,009.01)**	**(34.88)**	**27,373.19**	**51,824.97**	**24,451.78**	**47.18**
Taxes & Insurance								
6720 - Property & Liability Insurance (Hazard)	0.00	0.00	0.00	0.00	6,230.54	10,149.96	3,919.42	38.61
6790 - Miscellaneous Taxes / Licenses / Permits / Insurance	0.00	0.00	0.00	0.00	195.12	165.00	(30.12)	(18.25)
Total Taxes & Insurance	**0.00**	**0.00**	**0.00**	**0.00**	**6,425.66**	**10,314.96**	**3,889.30**	**37.70**
Total Expenses	**15,713.77**	**17,373.25**	**1,659.48**	**9.55**	**121,239.08**	**166,674.21**	**45,435.13**	**27.25**
Net Operating Income (Loss)	**5,900.57**	**2,282.52**	**3,618.05**	**158.51**	**57,782.42**	**10,227.72**	**47,554.70**	**464.95**
Net Income (Loss)	**5,900.57**	**2,282.52**	**3,618.05**	**158.51**	**57,782.42**	**10,227.72**	**47,554.70**	**464.95**

MEMO

Date: July 10, 2026

To: HACB Board of Commissioners

From: Larry Guanzon, Executive Director
Taylor Gonzalez, Project Manager

Subject: Status Report – HACB Investor Limited Partner (ILP) 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)

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.***

Chico Commons Apartments, Chico (72 units, LIHTC, Family, MGP: Banyard Management, PM: AWI) –There are (5) vacancies as of this memo's date. 2 of the 5 vacant units are re-leased. Increased vacancies were anticipated with lease up of the new tax-credit subsidized properties in the area. AWI has increased their marketing to address the vacancy loss. In addition, rents have been reduced for the 2-3 bedrooms for a limited time. AWI details current turnover status in the monthly narrative following. AWI's narrative also details the two (2) notices to vacate which have been turned over to legal to start the unlawful detainer actions for non-payment of rent. Parking lot bids to repair/replace sections of asphalt are being updated and work will be completed in the next quarter. HVAC preventative maintenance is also being completed by a qualified vendor. Total YTD income is below budget by $38,858 at $392,113. Budgeted rental income is less and bad debt expense attributed to the decrease in income previously mentioned. YTD Total expenses are over budget by $8,081 at $362,199. This brought Net Operating Income YTD to $29,914 or $46,939 less than budget. Maintenance Expenses & Professional Fees, both come in over budget YTD, thus the decrease in NOI YTD. The property is subject to repositioning, involving refinancing, capital improvements, and replacements. Please find AWI's monthly narrative and financials for your review.

Chico Commons Apartments, 2071 Amanda Way, Chico

Walker Commons Apartments, 678 Buttonwillow Lane, Chico

Walker Commons Apartments, Chico (56 units, LIHTC, Senior & Disabled, MGP: BCAHDC, PM: AWI) – The property has two (2) vacancies as of July 1st. There is two (2) additional 30-day notices to vacate. Residents and staff have continued to partner to create monthly activities supporting all residents, such as donut and ice cream socials, resident birthday cake celebrations, bingo nights monthly, and weekly card games. YTD income is higher than budget by approximately $1,609 at $288,638 with overall YTD expenses lower than anticipated by $11,904 at $207,284. This brought the property's Net Operating Income to $13,512 more than budget, at $81,354. Exterior fascia repairs, gutter replacement and exterior painting of wood areas, as well as window replacement are being performed, as needed. The property is subject to repositioning, involving refinance, capital improvements and replacements. Rebecca Meyer is the new on-site manager. The property generates significant cash, which will help with anticipated renovations. Please find the AWI monthly owners report following.

Walker Commons Apartments, Chico - Community Room Building

1200 Park Avenue - Street Entry

1200 Park Avenue Apartments, Chico (107 units, LIHTC, Senior, MGP: BCAHDC, PM: AWI) – There are four (4) vacancies as of this memo. AWI reviews the turnover and market ready status of these 4 units in their report, following. There is (1) additional 30-day notices as reiterated in AWI's narrative. Any unpaid rents are also being collected. AWI is processing applications and preparing the units for lease. Marketing efforts, including flyers have increased due to vacancies; many fixed-extremely low-income applicants on the waiting lists have insufficient income to pay the 50-60% AMI rents. Pressure Washing, Exterior Window Cleaning, Facia Repairs-Painting & Landscaping needs are being addressed. Roofing repairs, common area flooring, stairwell carpet replacement is also being bid and planned. CAA Food Distribution is on-going. North Valley Catholic Social Services and others are continuing to be contacted to provide activities for property residents. The residents and AWI staff continue to calendar events - monthly bingo and birthdays are celebrated. Butte County Library continues to serve property residents. Total YTD income is lower by $33,599, at $582,335. Gross rents collected have been less contributing to the decrease in projected income. Total YTD expenses come in at $407,864 or $4,327 less than budget. This brought the YTD NOI to $174,472 or $29,9272 less than budget. The property incurred more expenses YTD in both Maintenance & Turnover costs thus the decrease in NOI. Capital Improvements YTD total $76,564 which the majority reflects cabinet replacement, flooring replacement, refrigerator, HVAC, and water heaters.

AWI, 3rd party property management is re-organizing the office to accommodate more space for ADA accessible wheelchairs, looking at removing a desk located in front of main office for clearance, these changes will streamline entry for potential residents and current residents. The computer room will remain the same to accommodate use of the computer room and not lose this complex amenity. Lastly, the office staff has numerous meeting spaces for privacy to accommodate any resident meetings. The property is subject to repositioning, involving refinancing and capital improvements. Please find AWI's monthly financials following.

1200 Park Avenue Apartments, Inner Courtyard view

Chico Commons

June 2026

5 units available • 0 Move-in • 0 Move-out

Vacancy Advertising

- The property is offering move-in specials and referral incentives to attract qualified applicants
- Staff has been coordinating with the Housing Authorities and VA to encourage Section 8 move-ins
- Flyers have been placed in heavily trafficked areas
- Banners and balloons are displayed on the grounds to increase visibility

Current Staffing

Staffing

Manager: Caitlen Murray
Maintenance: Carl Perry
Assistant Maintenance: David Moreland

Vacancy Overview

CURRENT

#65 3BD (60%): (Personal) ***Rent Ready – Applicant in progress***

#07 3BD (60%): (Personal) ***Rent Ready - Applicant in progress***

#51 1BD (60%): (Personal) ***Rent Ready - Move-in scheduled 7/7/26***

#67 2BD (60%): (Personal) ***Rent Ready - Applicant in progress***

#03 3BD (60%): (Non-Payment) Minor Repairs

UPCOMING

#66 - (Non-Payment) Notice expires on 7/14/26, will be sent to Legal

#12 - (Non-Payment) Notice expires on 7/17/26, will be sent to Legal

Capital Projects

Budgeted Items planned for 2026

Asphalt: The site has multiple areas that need filled

Painting: ~~Walked with vendor, finishing touches underway~~

HVAC Cleaning: Semi-Annually

Current Status

Asphalt: New Manager is working on gathering more bids.

Painting: Completed

HVAC Cleaning: Scheduling before summer

Additional Notes

Income qualification requirements remain the most significant challenge in placing residents at this site. The office leasing sign has now been installed. The staff have been contacted by VASH about potential voucher holders looking for housing soon.

Chico Commons (p0549)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
4000-03	**INCOME**									
4110-00	Market/Contract Rent	0	79,759	-79,759	-100	379,183	478,554	-99,371	-21	957,108
4110-10	Tenant Rent	54,737	0	54,737	N/A	54,737	0	54,737	N/A	0
4135-00	Rent Subsidy	15,427	0	15,427	N/A	15,427	0	15,427	N/A	0
4190-00	Gain/Loss to Lease	0	0	0	N/A	7,448	0	7,448	N/A	0
4999-99	GROSS POTENTIAL RENT	70,164	79,759	-9,595	-12	456,795	478,554	-21,759	-5	957,108
5000-00	INCOME ADJUSTMENTS									
5110-00	Vacancy Loss	0	-7,976	7,976	100	-35,296	-47,856	12,560	26	-95,711
5120-00	Admin Unit-Non Rev	-1,101	-1,101	0	0	-6,606	-6,608	2	0	-13,217
5130-00	Rent Adjustments	0	-135	135	100	0	-809	809	100	-1,618
5190-00	Bad Debt Expense	0	0	0	N/A	-29,291	0	-29,291	N/A	0
5199-98	TOTAL INCOME ADJUSTMENTS	-1,101	-9,212	8,111	88	-71,193	-55,273	-15,920	-29	-110,546
5199-99	NET RENTAL INCOME	69,063	70,547	-1,484	-2	385,602	423,281	-37,679	-9	846,562
5500-00	OTHER INCOME									
5510-00	Laundry Income	433	477	-44	-9	4,187	2,864	1,323	46	5,727
5520-00	Late Charges	0	271	-271	-100	25	1,626	-1,602	-98	3,253
5590-00	Other Tenant Income	0	495	-495	-100	-1,170	2,971	-4,141	-139	5,942
5600-00	Interest Income	37	38	-1	-4	963	228	734	321	457
5610-00	Interest Income-Restricted Reserve	0	0	0	N/A	2,097	0	2,097	N/A	0
5690-00	Miscellaneous Income	0	0	0	N/A	409	0	409	N/A	0
5999-98	TOTAL OTHER INCOME	470	1,282	-812	-63	6,511	7,690	-1,179	-15	15,379
5999-99	**TOTAL INCOME**	**69,533**	**71,828**	**-2,296**	**-3**	**392,113**	**430,970**	**-38,858**	**-9**	**861,941**
6000-00	**OPERATING EXPENSES**									
6000-01	NON-CONTROLLABLE EXPENSES									
6000-02	TAXES AND INSURANCE									
6100-10	Real Estate Taxes-Special Assessments	0	118	118	100	695	708	14	2	1,417
6120-00	Other Taxes/Fees/Permits	0	175	175	100	58	1,048	990	94	2,097
6120-10	Other Taxes/Fees/Permits-FTB Fee	0	67	67	100	800	400	-400	-100	800
6150-00	Property Insurance-GL	4,111	4,171	60	1	24,664	25,024	359	1	50,047
6170-00	Bond Premiums	0	32	32	100	0	194	194	100	388
6199-99	TOTAL TAXES AND INSURANCE	4,111	4,562	452	10	26,217	27,374	1,158	4	54,749
6200-00	UTILITIES									
6210-00	Electricity-Common Areas	95	1,033	938	91	666	6,198	5,533	89	12,397
6210-10	Electricity-Units	683	0	-683	N/A	4,919	0	-4,919	N/A	0
6220-00	Water-Domestic	3,193	2,755	-438	-16	13,546	16,529	2,983	18	33,058
6230-00	Sewer-Standard Billing	1,564	1,749	185	11	9,381	10,494	1,113	11	20,988
6240-00	Gas/Heating Fuel-Units	1,143	1,934	791	41	7,804	11,604	3,799	33	23,207
6240-10	Gas/Heating Fuel-Common Areas	192	0	-192	N/A	1,283	0	-1,283	N/A	0
6250-00	Trash-Standard Pickup	86	2,515	2,429	97	3,710	15,090	11,380	75	30,180

Chico Commons (p0549)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6250-10	Trash-Bulk Pickup	475	0	-475	N/A	3,215	0	-3,215	N/A	0
6299-99	TOTAL UTILITIES	7,430	9,986	2,556	26	44,525	59,915	15,390	26	119,830
6300-00	PROPERTY MANAGEMENT FEES									
6320-00	Management Fees	4,173	4,173	0	0	25,039	25,038	0	0	50,077
6399-98	TOTAL PROPERTY MANAGEMENT FEES	4,173	4,173	0	0	25,039	25,038	0	0	50,077
6399-99	TOTAL NON-CONTROLLABLE EXPENSES	15,714	18,721	3,008	16	95,781	112,328	16,547	15	224,656
6400-00	CONTROLLABLE EXPENSES									
6400-01	PROFESSIONAL FEES									
6410-00	Audit Fees	1,042	1,042	0	0	6,250	6,250	0	0	12,500
6430-00	Legal-Evictions	6,911	833	-6,077	-729	9,910	5,000	-4,910	-98	10,000
6499-99	TOTAL PROFESSIONAL FEES	7,952	1,875	-6,077	-324	16,160	11,250	-4,910	-44	22,500
6500-00	PERSONNEL COSTS									
6510-00	Maintenance Wages-Base	5,489	7,994	2,504	31	42,032	47,962	5,930	12	95,925
6510-10	Maintenance Wages-Overtime	40	0	-40	N/A	473	0	-473	N/A	0
6510-30	Maintenance Wages-Vacation	-324	0	324	N/A	2,778	0	-2,778	N/A	0
6510-40	Maintenance Wages-PTO	-42	0	42	N/A	2,776	0	-2,776	N/A	0
6520-00	Manager Wages-Base	2,635	9,789	7,154	73	26,020	58,736	32,715	56	117,471
6520-10	Manager Wages-Overtime	30	0	-30	N/A	677	0	-677	N/A	0
6520-30	Manager Wages-Vacation	199	0	-199	N/A	2,574	0	-2,574	N/A	0
6520-40	Manager Wages-PTO	405	0	-405	N/A	2,856	0	-2,856	N/A	0
6540-00	Employer Social Security	550	1,771	1,220	69	4,760	10,624	5,863	55	21,247
6540-10	Employer Medicare	129	0	-129	N/A	1,113	0	-1,113	N/A	0
6540-20	FUTA (Federal Unemployment)	0	0	0	N/A	162	0	-162	N/A	0
6540-30	SUTA (State Unemployment)	0	0	0	N/A	1,183	0	-1,183	N/A	0
6540-40	401(k) Match (Employer)	5	0	-5	N/A	43	0	-43	N/A	0
6550-00	Workers Comp Insurance	301	760	459	60	2,516	4,562	2,046	45	9,124
6555-00	Personnel Medical Insurance	3	1,776	1,773	100	882	10,655	9,773	92	21,310
6560-00	Life Insurance	3	0	-3	N/A	27	0	-27	N/A	0
6599-99	TOTAL PERSONNEL COSTS	9,424	22,090	12,666	57	90,873	132,538	41,666	31	265,077
6600-00	MARKETING AND LEASING COSTS									
6610-00	Advertising	0	54	54	100	189	325	136	42	650
6620-00	Credit Checking	0	100	100	100	0	600	600	100	1,200
6699-99	TOTAL MARKETING AND LEASING COSTS	0	154	154	100	189	925	736	80	1,850
6700-00	GENERAL AND ADMINISTRATIVE									
6700-01	CONTRACT/RECURRING G/A									
6700-10	P/M IT	0	187	187	100	350	1,122	772	69	2,243
6700-20	P/M Software	36	168	132	79	1,520	1,008	-512	-51	2,017
6700-30	P/M Software-Yardi	881	1,116	235	21	5,799	6,696	897	13	13,392
6710-00	Telephone	344	258	-86	-33	1,836	1,548	-288	-19	3,096
6710-10	Internet	177	272	94	35	954	1,629	675	41	3,258

Chico Commons (p0549)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6710-20	Cell Phone Reimbursement	120	176	56	32	959	1,058	99	9	2,116
6715-30	Toner/Copier Expense	188	188	0	0	732	1,128	396	35	2,257
6720-00	Postage/Freight	230	89	-142	-160	420	532	112	21	1,065
6730-00	Office Supplies/Expense	339	341	2	1	2,482	2,044	-438	-21	4,089
6735-00	Office Furniture and Equipment	273	208	-65	-31	798	1,250	452	36	2,500
6740-00	Water/Coffee Service	0	0	0	N/A	339	0	-339	N/A	0
6820-00	Tenant Services-General	0	42	42	100	0	250	250	100	500
6880-00	Pest Control-Svc Contract	1,535	996	-539	-54	3,350	5,974	2,624	44	11,948
6890-00	Fire/Alarm-Svc Contract	177	740	563	76	1,597	4,440	2,843	64	8,880
6895-00	Cable-Internet/TV Service	0	119	119	100	0	713	713	100	1,426
6899-99	TOTAL CONTRACT/RECURRING G/A	4,300	4,899	599	12	21,137	29,393	8,256	28	58,787
6900-00	OTHER G/A									
6910-00	Other Admin-General	0	86	86	100	209	515	306	59	1,030
6910-20	Other Admin-Bank Fee	40	0	-40	N/A	240	0	-240	N/A	0
6930-00	Mileage	144	0	-144	N/A	384	0	-384	N/A	0
6940-00	Travel and Promotion	0	71	71	100	0	426	426	100	851
6950-00	Training Expense	0	65	65	100	481	388	-93	-24	776
6955-00	Employee Meals	0	55	55	100	0	330	330	100	660
6999-98	TOTAL OTHER G/A	184	276	93	34	1,315	1,658	343	21	3,317
6999-99	TOTAL GENERAL AND ADMINISTRATIVE	4,484	5,175	692	13	22,453	31,052	8,599	28	62,104
7000-00	REPAIRS AND MAINTENANCE									
7000-01	CONTRACT/RECURRING R/M									
7010-00	R/M Contract-General	2,184	3,000	816	27	64,514	18,002	-46,512	-258	36,004
7015-00	R/M Contract-Plumbing	0	468	468	100	1,178	2,809	1,631	58	5,618
7020-00	R/M Contract-Electrical	0	0	0	N/A	1,331	0	-1,331	N/A	0
7025-00	R/M Contract-HVAC	5,467	833	-4,634	-556	8,206	5,000	-3,206	-64	10,000
7030-00	R/M Contract-Carpet Cleaning-Non Unit Turn	0	92	92	100	0	552	552	100	1,103
7065-00	Grounds-Svc Contract	2,035	2,219	184	8	10,540	13,315	2,775	21	26,630
7065-20	Grounds-Repairs	0	0	0	N/A	340	0	-340	N/A	0
7099-99	TOTAL CONTRACT/RECURRING R/M	9,687	6,613	-3,074	-46	86,108	39,678	-46,431	-117	79,355
7100-00	OTHER R/M									
7110-00	Janitorial Supplies	14	137	123	90	352	824	472	57	1,648
7115-00	Painting and Decorating	1,089	481	-608	-126	4,294	2,884	-1,409	-49	5,769
7120-00	R/M Supplies-General	7,936	3,773	-4,163	-110	40,116	22,638	-17,478	-77	45,277
7125-00	R/M Supplies-Plumbing	0	0	0	N/A	288	0	-288	N/A	0
7130-00	R/M Supplies-Electrical	0	0	0	N/A	456	0	-456	N/A	0
7135-00	R/M Supplies-HVAC	238	0	-238	N/A	238	0	-238	N/A	0
7199-99	TOTAL OTHER R/M	9,277	4,391	-4,886	-111	45,744	26,347	-19,397	-74	52,694
7200-00	TURNOVER R/M									
7210-30	Unit Turn-Carpet Cleaning-3Bed	0	0	0	N/A	408	0	-408	N/A	0
7210-90	Unit Turn-Carpet Cleaning-Other	300	0	-300	N/A	829	0	-829	N/A	0
7220-00	Unit Turn-Unit Cleaning-Vendor	750	0	-750	N/A	3,655	0	-3,655	N/A	0

Chico Commons (p0549)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
7299-98	TOTAL TURNOVER R/M	1,050	0	-1,050	N/A	4,892	0	-4,892	N/A	0
7299-99	TOTAL REPAIRS AND MAINTENANCE	20,014	11,004	-9,010	-82	136,744	66,024	-70,720	-107	132,049
7399-97	TOTAL CONTROLLABLE EXPENSES	41,874	40,298	-1,576	-4	266,418	241,790	-24,628	-10	483,580
7399-98	**TOTAL OPERATING EXPENSES**	**57,588**	**59,020**	**1,432**	**2**	**362,199**	**354,118**	**-8,081**	**-2**	**708,236**
7399-99	**NET OPERATING INCOME**	**11,945**	**12,809**	**-864**	**-7**	**29,914**	**76,853**	**-46,939**	**-61**	**153,705**
7400-00	DEBT SERVICE									
7430-00	Interest-Local Agency	2,604	2,604	0	0	15,625	15,625	0	0	31,250
7499-99	TOTAL DEBT SERVICE	2,604	2,604	0	0	15,625	15,625	0	0	31,250
7500-00	REPLACEMENT COSTS/OTHER									
7500-01	REPLACEMENT COSTS - OPERATING									
7500-02	TURNOVER REPLACEMENT COSTS									
7510-00	R/M Replacement-General	802	3,129	2,327	74	1,708	18,775	17,067	91	37,550
7520-00	R/M Replacement-Electrical	0	483	483	100	0	2,900	2,900	100	5,800
7525-00	R/M Replacement-Door	2,678	583	-2,095	-359	6,618	3,500	-3,118	-89	7,000
7530-00	R/M Replacement-Window	249	0	-249	N/A	838	0	-838	N/A	0
7535-00	R/M Replacement-Cabinet	0	250	250	100	0	1,500	1,500	100	3,000
7545-10	R/M Flooring Replacement-1Bed	0	0	0	N/A	977	0	-977	N/A	0
7545-20	R/M Flooring Replacement-2Bed	2,647	0	-2,647	N/A	6,619	0	-6,619	N/A	0
7545-30	R/M Flooring Replacement-3Bed	3,437	0	-3,437	N/A	17,261	0	-17,261	N/A	0
7550-00	R/M Replacement-Refrigerator	838	396	-442	-112	5,845	2,375	-3,470	-146	4,750
7555-00	R/M Replacement-Dishwasher	1,380	0	-1,380	N/A	2,779	0	-2,779	N/A	0
7560-00	R/M Replacement-Range	0	354	354	100	1,791	2,125	334	16	4,250
7565-00	R/M Replacement-Other Appliance	0	217	217	100	0	1,300	1,300	100	2,600
7599-97	TOTAL TURNOVER REPLACEMENT COSTS	12,031	5,412	-6,618	-122	44,437	32,475	-11,962	-37	64,950
7799-99	TOTAL REPLACEMENT COSTS - OPERATING	12,031	5,412	-6,618	-122	44,437	32,475	-11,962	-37	64,950
7800-00	OTHER NON-OPERATING COSTS									
7815-00	Administrative General Partner Fees	1,080	1,080	0	0	6,480	6,480	0	0	12,960
7899-98	TOTAL OTHER NON-OPERATING COSTS	1,080	1,080	0	0	6,480	6,480	0	0	12,960
7899-99	TOTAL REPLACEMENT COSTS/OTHER	13,111	6,492	-6,618	-102	50,917	38,955	-11,962	-31	77,910
7999-99	**NET INCOME (LOSS) BEFORE CAPEX**	**-3,771**	**3,712**	**-7,483**	**-202**	**-36,629**	**22,273**	**-58,901**	**-264**	**44,545**
8000-00	CAPEX/REPLACEMENT RESERVE									
8100-00	Authorized Reserve-Other	0	6,500	6,500	100	85,213	39,000	-46,213	-118	78,000
8110-00	Authorized Reserve-Flooring	0	2,550	2,550	100	0	15,300	15,300	100	30,600
8130-00	Authorized Reserve-HVAC	0	3,333	3,333	100	0	20,000	20,000	100	40,000
8140-00	Authorized Reserve-Water Heaters	0	583	583	100	0	3,500	3,500	100	7,000
8999-99	TOTAL CAPEX/REPLACEMENT RESERVE	0	12,967	12,967	100	85,213	77,800	-7,413	-10	155,600
9999-98	**NET INCOME (LOSS)**	**-3,771**	**-9,255**	**5,484**	**59**	**-121,842**	**-55,527**	**-66,315**	**-119**	**-111,055**

1200 Park Avenue

June 2026

4 units available • 1 Move-in • 0 Move-out

Vacancy Advertising

- The property is offering move-in specials and referral incentives to attract qualified applicants
- Staff has been coordinating with the Housing Authorities and VA to encourage Section 8 move-ins
- Flyers have been placed in heavily trafficked areas
- Banners and balloons are displayed on the grounds to increase visibility
- Staff have redistributed resident referrals

Current Staffing

Staffing

Manager: Cindi Weber
Assistant Manager: Crystal Bickford
Maintenance: John Rainger
Assistant Maintenance: Sergio Valdez

Vacancy Overview

CURRENT

#239 (60%): (Eviction) - Major repairs, Applicant in progress.

#245 (45%): (Transfer) - Cabinets delivered, pending qualifying applicant.

#237 (60%): (Transfer) - **Rent Ready –** Application in progress.

#246 (45%): (Relocating) – Transferring from unit #109

UPCOMING

#334 (60%): (Eviction) Forbearance signed, Vacate date is 5/31/26, Did not vacate the unit. Pending lockout date.

Capital Projects

Budgeted Items planned for 2026

Roofing: Identify roofing that needs replacement/repairs.

Stucco Repairs (Office Exterior Wall): Gather updated bids for the siding.

Painting: Gather bids to follow the office repairs.

Trash Chute Cleaning: Semi-Annually

Dryer Vent Cleaning: Semi-Annually

Current Status

Roofing: 1 Bid on hand, Pending other quotes

Stucco Repairs (Office Exterior Wall): Updated bids on hand.

Painting: 1 Bid on hand for the facia painting, Total is $8920.00

Trash Chute Cleaning: ~~March~~ & September unless more is needed

Dryer Vent Cleaning: ~~March~~ & September unless more is needed

Stairway carpet: ~~Completed~~

Community Events

ONGOING

Monthly Bingo Games

Birthday Cake Celebrations

HIGHLIGHT

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Additional Notes

- Site staff have been coordinating with VASH and Section 8 to secure additional vouchers for the property.
- A physical and file HOME inspection of 5 units was conducted on 6/16/26.

Walker Commons (p0550)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
4000-03	**INCOME**									
4110-00	Market/Contract Rent	37,411	49,723	-12,312	-25	255,084	298,340	-43,256	-14	596,679
4190-00	Gain/Loss to Lease	10,505	0	10,505	N/A	35,015	0	35,015	N/A	0
4999-99	GROSS POTENTIAL RENT	47,916	49,723	-1,807	-4	290,099	298,340	-8,240	-3	596,679
5000-00	INCOME ADJUSTMENTS									
5110-00	Vacancy Loss	-593	-1,243	650	52	-3,201	-7,458	4,257	57	-14,917
5120-00	Admin Unit-Non Rev	-906	-933	27	3	-5,436	-5,599	163	3	-11,198
5150-00	Concessions-Move In Special	245	0	245	N/A	245	0	245	N/A	0
5190-00	Bad Debt Expense	0	0	0	N/A	-781	0	-781	N/A	0
5199-98	TOTAL INCOME ADJUSTMENTS	-1,254	-2,176	922	42	-9,173	-13,058	3,884	30	-26,115
5199-99	NET RENTAL INCOME	46,662	47,547	-885	-2	280,926	285,282	-4,356	-2	570,564
5500-00	OTHER INCOME									
5510-00	Laundry Income	315	272	44	16	2,309	1,631	678	42	3,262
5520-00	Late Charges	0	4	-4	-100	39	25	14	56	50
5590-00	Other Tenant Income	0	9	-9	-100	346	55	291	529	110
5600-00	Interest Income	190	6	184	3,022	1,690	36	1,653	4,531	73
5610-00	Interest Income-Restricted Reserve	0	0	0	N/A	3,329	0	3,329	N/A	0
5999-98	TOTAL OTHER INCOME	505	291	214	73	7,712	1,748	5,965	341	3,495
5999-99	**TOTAL INCOME**	**47,167**	**47,838**	**-671**	**-1**	**288,638**	**287,030**	**1,609**	**1**	**574,059**
6000-00	**OPERATING EXPENSES**									
6000-01	NON-CONTROLLABLE EXPENSES									
6000-02	TAXES AND INSURANCE									
6100-10	Real Estate Taxes-Special Assessments	0	12	12	100	83	75	-8	-11	150
6120-00	Other Taxes/Fees/Permits	0	296	296	100	45	1,776	1,730	97	3,551
6120-10	Other Taxes/Fees/Permits-FTB Fee	0	0	0	N/A	800	0	-800	N/A	0
6150-00	Property Insurance-GL	2,102	2,604	502	19	12,612	15,624	3,011	19	31,247
6170-00	Bond Premiums	0	29	29	100	0	175	175	100	350
6199-99	TOTAL TAXES AND INSURANCE	2,102	2,942	839	29	13,541	17,649	4,108	23	35,298
6200-00	UTILITIES									
6210-00	Electricity-Common Areas	0	819	819	100	4,373	4,916	543	11	9,832
6210-10	Electricity-Units	123	0	-123	N/A	906	0	-906	N/A	0
6220-00	Water-Domestic	1,410	775	-635	-82	7,311	4,650	-2,661	-57	9,300
6230-00	Sewer-Standard Billing	904	1,000	96	10	6,344	6,000	-344	-6	12,000
6240-00	Gas/Heating Fuel-Units	41	387	346	89	161	2,319	2,159	93	4,639
6240-10	Gas/Heating Fuel-Common Areas	0	0	0	N/A	832	0	-832	N/A	0
6250-00	Trash-Standard Pickup	451	760	309	41	2,813	4,562	1,748	38	9,123
6250-10	Trash-Bulk Pickup	986	0	-986	N/A	2,980	0	-2,980	N/A	0
6299-99	TOTAL UTILITIES	3,915	3,741	-174	-5	25,719	22,447	-3,272	-15	44,894

Walker Commons (p0550)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6300-00	PROPERTY MANAGEMENT FEES									
6320-00	Management Fees	3,246	3,246	0	0	19,475	19,474	0	0	38,949
6399-98	TOTAL PROPERTY MANAGEMENT FEES	3,246	3,246	0	0	19,475	19,474	0	0	38,949
6399-99	TOTAL NON-CONTROLLABLE EXPENSES	9,263	9,928	665	7	58,734	59,571	836	1	119,141
6400-00	CONTROLLABLE EXPENSES									
6400-01	PROFESSIONAL FEES									
6410-00	Audit Fees	1,042	1,042	0	0	6,250	6,250	0	0	12,500
6430-00	Legal-Evictions	0	171	171	100	176	1,026	851	83	2,053
6499-99	TOTAL PROFESSIONAL FEES	1,042	1,213	171	14	6,426	7,276	851	12	14,553
6500-00	PERSONNEL COSTS									
6510-00	Maintenance Wages-Base	2,290	5,033	2,743	55	17,914	30,196	12,282	41	60,393
6510-10	Maintenance Wages-Overtime	6	0	-6	N/A	76	0	-76	N/A	0
6510-30	Maintenance Wages-Vacation	145	0	-145	N/A	2,064	0	-2,064	N/A	0
6510-40	Maintenance Wages-PTO	221	0	-221	N/A	1,641	0	-1,641	N/A	0
6520-00	Manager Wages-Base	3,491	6,614	3,124	47	21,217	39,687	18,470	47	79,374
6520-10	Manager Wages-Overtime	44	0	-44	N/A	1,686	0	-1,686	N/A	0
6520-30	Manager Wages-Vacation	155	0	-155	N/A	1,900	0	-1,900	N/A	0
6520-40	Manager Wages-PTO	315	0	-315	N/A	2,473	0	-2,473	N/A	0
6540-00	Employer Social Security	411	1,129	718	64	2,792	6,774	3,982	59	13,548
6540-10	Employer Medicare	96	0	-96	N/A	653	0	-653	N/A	0
6540-20	FUTA (Federal Unemployment)	0	0	0	N/A	78	0	-78	N/A	0
6540-30	SUTA (State Unemployment)	0	0	0	N/A	572	0	-572	N/A	0
6540-40	401(k) Match (Employer)	0	0	0	N/A	2	0	-2	N/A	0
6550-00	Workers Comp Insurance	396	502	106	21	2,717	3,012	295	10	6,025
6555-00	Personnel Medical Insurance	726	2,715	1,989	73	3,777	16,292	12,515	77	32,584
6560-00	Life Insurance	4	0	-4	N/A	21	0	-21	N/A	0
6599-99	TOTAL PERSONNEL COSTS	8,299	15,994	7,694	48	59,582	95,962	36,380	38	191,924
6600-00	MARKETING AND LEASING COSTS									
6610-00	Advertising	0	17	17	100	0	100	100	100	200
6620-00	Credit Checking	0	42	42	100	0	250	250	100	500
6699-99	TOTAL MARKETING AND LEASING COSTS	0	58	58	100	0	350	350	100	700
6700-00	GENERAL AND ADMINISTRATIVE									
6700-01	CONTRACT/RECURRING G/A									
6700-10	P/M IT	0	0	0	N/A	296	0	-296	N/A	0
6700-20	P/M Software	48	0	-48	N/A	1,014	0	-1,014	N/A	0
6700-30	P/M Software-Yardi	685	0	-685	N/A	4,511	0	-4,511	N/A	0
6710-00	Telephone	351	273	-78	-29	2,285	1,636	-648	-40	3,273
6710-10	Internet	0	100	100	100	1,093	600	-493	-82	1,200
6710-20	Cell Phone Reimbursement	120	0	-120	N/A	645	0	-645	N/A	0
6715-30	Toner/Copier Expense	129	110	-19	-17	537	662	125	19	1,324
6720-00	Postage/Freight	90	81	-9	-11	343	486	143	29	972

Walker Commons (p0550)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6730-00	Office Supplies/Expense	362	350	-12	-4	1,866	2,100	234	11	4,200
6740-00	Water/Coffee Service	400	67	-332	-496	854	402	-451	-112	805
6820-00	Tenant Services-General	0	200	200	100	0	1,200	1,200	100	2,400
6820-30	Tenant Services-Other	0	0	0	N/A	631	0	-631	N/A	0
6880-00	Pest Control-Svc Contract	460	333	-127	-38	1,690	2,000	310	15	4,000
6890-00	Fire/Alarm-Svc Contract	0	277	277	100	330	1,660	1,330	80	3,321
6895-00	Cable-Internet/TV Service	144	130	-14	-11	865	781	-84	-11	1,562
6899-99	TOTAL CONTRACT/RECURRING G/A	2,789	1,921	-868	-45	16,959	11,528	-5,430	-47	23,057
6900-00	OTHER G/A									
6910-00	Other Admin-General	0	1,117	1,117	100	170	6,703	6,533	97	13,406
6910-20	Other Admin-Bank Fee	40	0	-40	N/A	240	0	-240	N/A	0
6930-00	Mileage	274	0	-274	N/A	691	0	-691	N/A	0
6940-00	Travel and Promotion	0	67	67	100	1,086	400	-686	-172	800
6950-00	Training Expense	0	58	58	100	318	350	32	9	700
6999-98	TOTAL OTHER G/A	314	1,242	928	75	2,505	7,453	4,948	66	14,906
6999-99	TOTAL GENERAL AND ADMINISTRATIVE	3,104	3,164	60	2	19,464	18,981	-482	-3	37,963
7000-00	REPAIRS AND MAINTENANCE									
7000-01	CONTRACT/RECURRING R/M									
7010-00	R/M Contract-General	510	1,300	789	61	34,871	7,799	-27,072	-347	15,598
7015-00	R/M Contract-Plumbing	100	309	209	68	492	1,852	1,360	73	3,705
7025-00	R/M Contract-HVAC	0	200	200	100	3,097	1,200	-1,897	-158	2,400
7030-00	R/M Contract-Carpet Cleaning-Non Unit Turn	0	75	75	100	0	450	450	100	900
7045-00	R/M Contract-Hauling	356	0	-356	N/A	356	0	-356	N/A	0
7065-00	Grounds-Svc Contract	4,210	2,099	-2,111	-101	12,005	12,592	587	5	25,184
7065-20	Grounds-Repairs	70	0	-70	N/A	70	0	-70	N/A	0
7099-99	TOTAL CONTRACT/RECURRING R/M	5,246	3,982	-1,264	-32	50,891	23,894	-26,997	-113	47,787
7100-00	OTHER R/M									
7110-00	Janitorial Supplies	153	255	103	40	396	1,532	1,135	74	3,063
7115-00	Painting and Decorating	0	301	301	100	218	1,808	1,590	88	3,615
7120-00	R/M Supplies-General	4,179	1,636	-2,543	-155	9,850	9,814	-36	0	19,629
7130-00	R/M Supplies-Electrical	0	0	0	N/A	26	0	-26	N/A	0
7160-00	R/M Supplies-Other	437	0	-437	N/A	437	0	-437	N/A	0
7199-99	TOTAL OTHER R/M	4,768	2,192	-2,576	-118	10,927	13,154	2,226	17	26,307
7200-00	TURNOVER R/M									
7210-00	Unit Turn-Carpet Cleaning-1Bed	150	0	-150	N/A	150	0	-150	N/A	0
7220-00	Unit Turn-Unit Cleaning-Vendor	610	0	-610	N/A	1,110	0	-1,110	N/A	0
7299-98	TOTAL TURNOVER R/M	760	0	-760	N/A	1,260	0	-1,260	N/A	0
7299-99	TOTAL REPAIRS AND MAINTENANCE	10,775	6,174	-4,600	-75	63,078	37,047	-26,031	-70	74,094
7399-97	TOTAL CONTROLLABLE EXPENSES	23,219	26,603	3,384	13	148,550	159,617	11,067	7	319,234
7399-98	**TOTAL OPERATING EXPENSES**	**32,482**	**36,531**	**4,049**	**11**	**207,284**	**219,188**	**11,904**	**5**	**438,375**

Walker Commons (p0550)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
7399-99	**NET OPERATING INCOME**	**14,685**	**11,307**	**3,378**	**30**	**81,354**	**67,842**	**13,512**	**20**	**135,684**
7400-00	DEBT SERVICE									
7410-00	Interest-Mortgage USDA-RD	-6,250	0	6,250	N/A	0	0	0	N/A	0
7499-99	TOTAL DEBT SERVICE	-6,250	0	6,250	N/A	0	0	0	N/A	0
7500-00	REPLACEMENT COSTS/OTHER									
7500-01	REPLACEMENT COSTS - OPERATING									
7500-02	TURNOVER REPLACEMENT COSTS									
7510-00	R/M Replacement-General	433	2,071	1,638	79	455	12,425	11,970	96	24,850
7515-00	R/M Replacement-Plumbing	34	56	22	40	34	338	304	90	675
7520-00	R/M Replacement-Electrical	34	0	-34	N/A	34	0	-34	N/A	0
7525-00	R/M Replacement-Door	164	67	-98	-146	164	400	236	59	800
7530-00	R/M Replacement-Window	0	1,042	1,042	100	0	6,250	6,250	100	12,500
7535-00	R/M Replacement-Cabinet	847	0	-847	N/A	1,141	0	-1,141	N/A	0
7540-00	R/M Replacement-Other	29	0	-29	N/A	29	0	-29	N/A	0
7545-10	R/M Flooring Replacement-1Bed	0	1,125	1,125	100	1,202	6,750	5,548	82	13,500
7550-00	R/M Replacement-Refrigerator	1,045	396	-650	-164	3,136	2,375	-761	-32	4,750
7560-00	R/M Replacement-Range	771	333	-438	-131	3,085	2,000	-1,085	-54	4,000
7570-00	R/M Replacement-HVAC Unit	2,657	583	-2,074	-356	6,381	3,500	-2,881	-82	7,000
7580-00	R/M Replacement-Water Heater	0	667	667	100	0	4,000	4,000	100	8,000
7599-97	TOTAL TURNOVER REPLACEMENT COSTS	6,015	6,340	325	5	15,660	38,037	22,377	59	76,075
7799-99	TOTAL REPLACEMENT COSTS - OPERATING	6,015	6,340	325	5	15,660	38,037	22,377	59	76,075
7800-00	OTHER NON-OPERATING COSTS									
7810-00	Managing General Partner Fees	7,500	1,250	-6,250	-500	7,500	7,500	0	0	15,000
7815-00	Administrative General Partner Fees	625	625	0	0	3,750	3,750	0	0	7,500
7899-98	TOTAL OTHER NON-OPERATING COSTS	8,125	1,875	-6,250	-333	11,250	11,250	0	0	22,500
7899-99	TOTAL REPLACEMENT COSTS/OTHER	14,140	8,215	-5,925	-72	26,910	49,287	22,377	45	98,575
7999-99	**NET INCOME (LOSS) BEFORE CAPEX**	**6,795**	**3,092**	**3,703**	**120**	**54,444**	**18,555**	**35,890**	**193**	**37,109**
8000-00	CAPEX/REPLACEMENT RESERVE									
8100-00	Authorized Reserve-Other	0	13,750	13,750	100	0	82,500	82,500	100	165,000
8999-99	TOTAL CAPEX/REPLACEMENT RESERVE	0	13,750	13,750	100	0	82,500	82,500	100	165,000
9999-98	**NET INCOME (LOSS)**	**6,795**	**-10,658**	**17,453**	**164**	**54,444**	**-63,945**	**118,390**	**185**	**-127,891**

Walker Commons

June 2026

2 units available • 0 Move-in • 0 Move-out

Vacancy Advertising

- The site is not currently running advertising.
- Working off a healthy waiting list when needed.

Current Staffing

Staffing

Manager: Rebbeca Meyer
Maintenance: Gregory Ramirez

Vacancy Overview

CURRENT

#30 (60%): (Medical) - ***Rent Ready,*** Applicant in compliance review.

#32 (50%): (Medical) – Minor repairs, Applicant in progress.

UPCOMING

#12 (50%): (Medical) – Moving to assisted Living.

#33 (50%): (Medical)

Capital Projects

Budgeted Items planned for 2026

Windows: Replace as needed

Siding: Several facia repairs are needed around the site

Painting: ~~Full complex painting~~

Gutter Replacement: Continue the replacement of the front of the site

Current Status

Windows: Replace as needed

Siding: Identifying the areas that need replaced in more detail.

Painting: ~~Per HA this is on hold until further notice.~~

Gutter Replacement: Bids on hand, Narrowing the scope of work to necessary areas. Two additional vendors requested for facia/gutter repairs per HA.

Community Events

ONGOING

Monthly Bingo Games

Wednesday the community holds card games

HIGHLIGHT

No events scheduled for April

[]

Additional Notes

Park Avenue (p0569)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
4000-03	**INCOME**									
4110-00	Market/Contract Rent	82,337	106,457	-24,120	-23	588,349	638,744	-50,394	-8	1,277,487
4190-00	Gain/Loss to Lease	23,183	0	23,183	N/A	23,183	0	23,183	N/A	0
4999-99	GROSS POTENTIAL RENT	105,520	106,457	-937	-1	611,532	638,744	-27,212	-4	1,277,487
5000-00	INCOME ADJUSTMENTS									
5110-00	Vacancy Loss	-10,321	-3,726	-6,595	-177	-28,463	-22,356	-6,107	-27	-44,712
5120-00	Admin Unit-Non Rev	-1,197	-1,196	-1	0	-7,182	-7,176	-6	0	-14,352
5190-00	Bad Debt Expense	0	0	0	N/A	114	0	114	N/A	0
5199-98	TOTAL INCOME ADJUSTMENTS	-11,518	-4,922	-6,596	-134	-35,531	-29,532	-5,999	-20	-59,064
5199-99	NET RENTAL INCOME	94,002	101,535	-7,533	-7	576,001	609,212	-33,210	-5	1,218,423
5500-00	OTHER INCOME									
5510-00	Laundry Income	0	667	-667	-100	4,000	4,000	0	0	8,000
5520-00	Late Charges	0	68	-68	-100	65	411	-346	-84	822
5530-00	Application Fees	0	14	-14	-100	0	84	-84	-100	167
5590-00	Other Tenant Income	447	333	113	34	1,510	2,000	-490	-25	4,000
5600-00	Interest Income	0	18	-18	-100	358	109	249	229	218
5610-00	Interest Income-Restricted Reserve	0	0	0	N/A	117	0	117	N/A	0
5690-00	Miscellaneous Income	100	20	80	404	284	119	166	139	238
5999-98	TOTAL OTHER INCOME	547	1,120	-574	-51	6,334	6,723	-388	-6	13,445
5999-99	**TOTAL INCOME**	**94,549**	**102,656**	**-8,107**	**-8**	**582,335**	**615,934**	**-33,599**	**-5**	**1,231,868**
6000-00	**OPERATING EXPENSES**									
6000-01	NON-CONTROLLABLE EXPENSES									
6000-02	TAXES AND INSURANCE									
6100-10	Real Estate Taxes-Special Assessments	0	28	28	100	198	166	-32	-19	333
6120-00	Other Taxes/Fees/Permits	0	167	167	100	100	1,000	900	90	2,000
6120-10	Other Taxes/Fees/Permits-FTB Fee	0	67	67	100	1,600	400	-1,200	-300	800
6150-00	Property Insurance-GL	7,112	6,947	-165	-2	42,672	41,681	-992	-2	83,362
6150-20	Property Insurance-Flood	157	300	143	48	944	1,800	856	48	3,599
6170-00	Bond Premiums	0	58	58	100	0	350	350	100	700
6199-99	TOTAL TAXES AND INSURANCE	7,269	7,566	297	4	45,515	45,397	-118	0	90,794
6200-00	UTILITIES									
6210-00	Electricity-Common Areas	0	7,060	7,060	100	23,250	42,363	19,113	45	84,726
6210-10	Electricity-Units	181	0	-181	N/A	1,032	0	-1,032	N/A	0
6220-00	Water-Domestic	65	1,522	1,456	96	8,388	9,129	742	8	18,259
6220-10	Water-Irrigation	0	0	0	N/A	138	0	-138	N/A	0
6230-00	Sewer-Standard Billing	2,043	1,964	-80	-4	14,210	11,781	-2,429	-21	23,563
6240-00	Gas/Heating Fuel-Units	23	629	605	96	309	3,772	3,463	92	7,545
6240-10	Gas/Heating Fuel-Common Areas	15	0	-15	N/A	4,795	0	-4,795	N/A	0
6250-00	Trash-Standard Pickup	801	1,129	328	29	3,495	6,773	3,278	48	13,546

Park Avenue (p0569)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6250-10	Trash-Bulk Pickup	945	0	-945	N/A	1,875	0	-1,875	N/A	0
6299-99	TOTAL UTILITIES	4,074	12,303	8,229	67	57,492	73,819	16,328	22	147,639
6300-00	PROPERTY MANAGEMENT FEES									
6320-00	Management Fees	6,202	6,202	0	0	37,210	37,210	0	0	74,421
6399-98	TOTAL PROPERTY MANAGEMENT FEES	6,202	6,202	0	0	37,210	37,210	0	0	74,421
6399-99	TOTAL NON-CONTROLLABLE EXPENSES	17,545	26,071	8,526	33	140,217	156,427	16,210	10	312,854
6400-00	CONTROLLABLE EXPENSES									
6400-01	PROFESSIONAL FEES									
6410-00	Audit Fees	1,042	1,042	0	0	6,250	6,250	0	0	12,500
6430-00	Legal-Evictions	3,778	407	-3,371	-828	13,180	2,443	-10,737	-440	4,886
6499-99	TOTAL PROFESSIONAL FEES	4,820	1,449	-3,371	-233	19,430	8,693	-10,737	-124	17,386
6500-00	PERSONNEL COSTS									
6510-00	Maintenance Wages-Base	7,319	10,683	3,364	31	37,058	64,100	27,042	42	128,200
6510-10	Maintenance Wages-Overtime	263	0	-263	N/A	1,828	0	-1,828	N/A	0
6510-30	Maintenance Wages-Vacation	277	0	-277	N/A	4,102	0	-4,102	N/A	0
6510-40	Maintenance Wages-PTO	560	0	-560	N/A	3,895	0	-3,895	N/A	0
6510-90	Maintenance Wages-Other	0	0	0	N/A	164	0	-164	N/A	0
6520-00	Manager Wages-Base	6,645	9,018	2,373	26	38,929	54,108	15,179	28	108,216
6520-10	Manager Wages-Overtime	381	0	-381	N/A	942	0	-942	N/A	0
6520-30	Manager Wages-Vacation	295	0	-295	N/A	3,170	0	-3,170	N/A	0
6520-40	Manager Wages-PTO	423	0	-423	N/A	4,810	0	-4,810	N/A	0
6540-00	Employer Social Security	935	1,916	981	51	5,285	11,498	6,213	54	22,996
6540-10	Employer Medicare	219	0	-219	N/A	1,236	0	-1,236	N/A	0
6540-20	FUTA (Federal Unemployment)	31	0	-31	N/A	196	0	-196	N/A	0
6540-30	SUTA (State Unemployment)	225	0	-225	N/A	1,434	0	-1,434	N/A	0
6540-40	401(k) Match (Employer)	7	0	-7	N/A	43	0	-43	N/A	0
6550-00	Workers Comp Insurance	749	839	90	11	4,528	5,034	506	10	10,068
6555-00	Personnel Medical Insurance	2,357	1,667	-690	-41	11,045	10,000	-1,045	-10	20,000
6560-00	Life Insurance	6	0	-6	N/A	37	0	-37	N/A	0
6599-99	TOTAL PERSONNEL COSTS	20,694	24,123	3,429	14	118,701	144,740	26,039	18	289,480
6600-00	MARKETING AND LEASING COSTS									
6610-00	Advertising	0	40	40	100	124	238	115	48	477
6620-00	Credit Checking	0	29	29	100	0	175	175	100	350
6699-99	TOTAL MARKETING AND LEASING COSTS	0	69	69	100	124	414	290	70	827
6700-00	GENERAL AND ADMINISTRATIVE									
6700-01	CONTRACT/RECURRING G/A									
6700-10	P/M IT	0	227	227	100	468	1,364	896	66	2,728
6700-20	P/M Software	36	102	66	65	2,043	609	-1,434	-235	1,219
6700-30	P/M Software-Yardi	1,309	1,776	467	26	8,619	10,657	2,038	19	21,314
6710-00	Telephone	1,416	713	-704	-99	7,724	4,278	-3,447	-81	8,555

Park Avenue (p0569)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6710-10	Internet	455	625	170	27	1,835	3,749	1,914	51	7,498
6710-20	Cell Phone Reimbursement	180	164	-16	-10	1,140	986	-154	-16	1,971
6715-10	Copier Expenses	0	0	0	N/A	-220	0	220	N/A	0
6715-30	Toner/Copier Expense	652	125	-527	-421	1,857	750	-1,107	-148	1,500
6720-00	Postage/Freight	70	88	18	20	467	526	59	11	1,052
6730-00	Office Supplies/Expense	960	505	-455	-90	2,948	3,033	85	3	6,065
6735-00	Office Furniture and Equipment	0	0	0	N/A	-87	0	87	N/A	0
6740-00	Water/Coffee Service	74	111	37	34	674	668	-7	-1	1,335
6820-00	Tenant Services-General	0	127	127	100	0	762	762	100	1,525
6820-30	Tenant Services-Other	341	0	-341	N/A	2,710	0	-2,710	N/A	0
6830-00	Resident Services-Supplies	0	0	0	N/A	665	0	-665	N/A	0
6855-00	Resident Services-Other	0	0	0	N/A	168	0	-168	N/A	0
6860-00	Security-Svc Contract	1,311	711	-600	-84	5,615	4,266	-1,349	-32	8,532
6870-00	Elevator-Svc Contract	460	1,188	728	61	7,994	7,126	-868	-12	14,253
6870-20	Elevator-Fees	450	0	-450	N/A	450	0	-450	N/A	0
6880-00	Pest Control-Svc Contract	480	1,182	702	59	-140	7,092	7,232	102	14,185
6890-00	Fire/Alarm-Svc Contract	248	1,524	1,276	84	4,386	9,144	4,757	52	18,287
6899-99	TOTAL CONTRACT/RECURRING G/A	8,441	9,168	727	8	49,317	55,010	5,692	10	110,019
6900-00	OTHER G/A									
6910-00	Other Admin-General	0	156	156	100	476	934	458	49	1,868
6910-20	Other Admin-Bank Fee	40	0	-40	N/A	240	0	-240	N/A	0
6930-00	Mileage	-212	0	212	N/A	792	0	-792	N/A	0
6940-00	Travel and Promotion	0	144	144	100	555	867	311	36	1,733
6950-00	Training Expense	0	64	64	100	967	384	-583	-152	767
6955-00	Employee Meals	0	8	8	100	0	50	50	100	100
6999-98	TOTAL OTHER G/A	-172	372	545	146	3,030	2,234	-796	-36	4,468
6999-99	TOTAL GENERAL AND ADMINISTRATIVE	8,269	9,541	1,271	13	52,347	57,244	4,896	9	114,487
7000-00	REPAIRS AND MAINTENANCE									
7000-01	CONTRACT/RECURRING R/M									
7010-00	R/M Contract-General	11,134	2,250	-8,884	-395	39,402	13,500	-25,902	-192	27,000
7015-00	R/M Contract-Plumbing	1,385	220	-1,165	-530	5,109	1,318	-3,790	-287	2,637
7020-00	R/M Contract-Electrical	1,044	0	-1,044	N/A	1,234	0	-1,234	N/A	0
7025-00	R/M Contract-HVAC	683	167	-516	-310	782	1,000	218	22	2,000
7030-00	R/M Contract-Carpet Cleaning-Non Unit Turn	499	688	189	27	998	4,126	3,128	76	8,252
7035-00	R/M Contract-Appliances	0	0	0	N/A	360	0	-360	N/A	0
7065-00	Grounds-Svc Contract	6,500	2,032	-4,468	-220	15,510	12,190	-3,320	-27	24,380
7099-99	TOTAL CONTRACT/RECURRING R/M	21,246	5,356	-15,890	-297	63,394	32,135	-31,259	-97	64,269
7100-00	OTHER R/M									
7110-00	Janitorial Supplies	483	318	-165	-52	1,119	1,910	790	41	3,819
7115-00	Painting and Decorating	0	224	224	100	2,091	1,343	-748	-56	2,686
7120-00	R/M Supplies-General	2,691	1,548	-1,143	-74	5,139	9,286	4,147	45	18,573
7135-00	R/M Supplies-HVAC	0	0	0	N/A	1,005	0	-1,005	N/A	0
7199-99	TOTAL OTHER R/M	3,174	2,090	-1,084	-52	9,354	12,539	3,185	25	25,078

Park Avenue (p0569)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
7200-00	TURNOVER R/M									
7210-90	Unit Turn-Carpet Cleaning-Other	138	0	-138	N/A	573	0	-573	N/A	0
7220-00	Unit Turn-Unit Cleaning-Vendor	0	0	0	N/A	3,723	0	-3,723	N/A	0
7299-98	TOTAL TURNOVER R/M	138	0	-138	N/A	4,296	0	-4,296	N/A	0
7299-99	TOTAL REPAIRS AND MAINTENANCE	24,557	7,446	-17,112	-230	77,044	44,674	-32,370	-72	89,347
7399-97	TOTAL CONTROLLABLE EXPENSES	58,341	42,627	-15,714	-37	267,647	255,764	-11,883	-5	511,527
7399-98	**TOTAL OPERATING EXPENSES**	**75,886**	**68,698**	**-7,188**	**-10**	**407,864**	**412,191**	**4,327**	**1**	**824,381**
7399-99	**NET OPERATING INCOME**	**18,663**	**33,957**	**-15,294**	**-45**	**174,472**	**203,743**	**-29,272**	**-14**	**407,487**
7400-00	DEBT SERVICE									
7411-00	Interest-Perm Loan 1	8,302	8,463	161	2	50,416	50,778	362	1	101,556
7430-00	Interest-Local Agency	6,125	8,189	2,064	25	36,750	49,134	12,384	25	98,269
7435-00	Interest-Other	2,917	2,917	0	0	17,502	17,500	-2	0	35,000
7499-99	TOTAL DEBT SERVICE	17,344	19,569	2,225	11	104,668	117,412	12,745	11	234,825
7500-00	REPLACEMENT COSTS/OTHER									
7500-01	REPLACEMENT COSTS - OPERATING									
7500-02	TURNOVER REPLACEMENT COSTS									
7510-00	R/M Replacement-General	0	3,043	3,043	100	3,498	18,260	14,762	81	36,520
7525-00	R/M Replacement-Door	0	217	217	100	313	1,300	987	76	2,600
7530-00	R/M Replacement-Window	103	0	-103	N/A	366	0	-366	N/A	0
7535-00	R/M Replacement-Cabinet	0	0	0	N/A	16,232	0	-16,232	N/A	0
7545-10	R/M Flooring Replacement-1Bed	1,921	0	-1,921	N/A	38,593	0	-38,593	N/A	0
7545-20	R/M Flooring Replacement-2Bed	0	0	0	N/A	5,675	0	-5,675	N/A	0
7545-30	R/M Flooring Replacement-3Bed	0	0	0	N/A	2,747	0	-2,747	N/A	0
7545-90	R/M Flooring Replacement-Other	0	0	0	N/A	310	0	-310	N/A	0
7550-00	R/M Replacement-Refrigerator	0	275	275	100	4,372	1,650	-2,722	-165	3,300
7560-00	R/M Replacement-Range	0	225	225	100	771	1,350	579	43	2,700
7560-10	R/M Replacement-Range Hood	0	8	8	100	0	50	50	100	100
7570-00	R/M Replacement-HVAC Unit	2,010	0	-2,010	N/A	2,010	0	-2,010	N/A	0
7580-00	R/M Replacement-Water Heater	0	0	0	N/A	1,678	0	-1,678	N/A	0
7599-97	TOTAL TURNOVER REPLACEMENT COSTS	4,033	3,768	-265	-7	76,564	22,610	-53,954	-239	45,220
7799-99	TOTAL REPLACEMENT COSTS - OPERATING	4,033	3,768	-265	-7	76,564	22,610	-53,954	-239	45,220
7800-00	OTHER NON-OPERATING COSTS									
7810-00	Managing General Partner Fees	1,086	1,106	20	2	6,513	6,633	120	2	13,266
7899-98	TOTAL OTHER NON-OPERATING COSTS	1,086	1,106	20	2	6,513	6,633	120	2	13,266
7899-99	TOTAL REPLACEMENT COSTS/OTHER	5,118	4,874	-245	-5	83,077	29,243	-53,834	-184	58,486
7999-99	**NET INCOME (LOSS) BEFORE CAPEX**	**-3,800**	**9,515**	**-13,314**	**-140**	**-13,273**	**57,088**	**-70,361**	**-123**	**114,176**
8000-00	CAPEX/REPLACEMENT RESERVE									

Park Avenue (p0569)

Budget Comparison

Period = Jun 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
8100-00	Authorized Reserve-Other	0	15,550	15,550	100	0	93,300	93,300	100	186,600
8110-00	Authorized Reserve-Flooring	0	5,175	5,175	100	0	31,050	31,050	100	62,100
8130-00	Authorized Reserve-HVAC	0	800	800	100	0	4,800	4,800	100	9,600
8140-00	Authorized Reserve-Water Heaters	0	333	333	100	0	2,000	2,000	100	4,000
8999-99	TOTAL CAPEX/REPLACEMENT RESERVE	0	21,858	21,858	100	0	131,150	131,150	100	262,300
9999-98	**NET INCOME (LOSS)**	**-3,800**	**-12,344**	**8,544**	**69**	**-13,273**	**-74,062**	**60,789**	**82**	**-148,124**

MEMO

Date: July 09, 2026

To: HACB Board of Commissioners

From: Tiffany Lee, Special Programs Coordinator
Angie Little, Rental Assistance Programs Manager

Subject: Family Self-Sufficiency (FSS) Program update for June 2026

Program Statistics for Period Ending	**June 2026**	**June 2025**
Number of participants as of last day of the month	54	30
Number of Orientation Briefings	1	2
Number of signed contracts	3	1
Number of Port-In's	0	0
Number of Port-Out's	0	0
Number of Graduates	0	0
Contract Expired	0	0
Number of Terminations	1	1
Number of Voluntary Exits	0	1
Number of Families on FSS Waiting List	0	17
Number of participants with annual income increases (YTD)	5	0
Number of participants with new employment (YTD)	14	1
Number of participants with escrow accounts	23	10
Number of participants currently escrowing	19	9
Amount disbursed from escrow account	$0.00	$0.00
Balance of Forfeiture account	$38,863.32	$31,869.27
Balance of Escrow Account	$117,226.72	$62,524.92

FSS FY 2025 HUD Grant Program Tracking Data

Program Management Questions:	**2026 Calendar Year**
PHA mandatory program size (Initial 50)	N/A
PHA voluntary program size (50)	53
Number of FSS participants identified as a person with disabilities	17
Number of FSS participants employed	36
Number of FSS participants in training programs	2
Number of FSS participants enrolled in higher/adult education	13
Number of FSS participants enrolled in school and employed	9
Number of FSS families receiving cash assistance	15
Number of FSS families experiencing a reduction in cash assistance	6
Number of FSS families who have ceased receiving cash assistance	3
How many new FSS escrow accounts were established	8
Number of FSS families moved to non-subsidized housing	2
Number of FSS families moved to home-ownership	0

HACB CoC Programs: A Report to the Board of Commissioners for the Month of June 2026

Grant	Funding Period	Amount Funded	Grantee	Sponsor	Units	Eligibility Criteria	Service Area	06/2026 Enrollment	06/2026 HAP Assistance	Grant Balance
City of Chico - LGP	7/1/25 - 6/30/26	$9,000.00	City of Chico	SSA	8	Low-income, referred by supportive service agency	Chico	2	$0.00	$9,000.00
City of Chico - TBRA	7/1/25 - 6/30/26	$150,000.00	City of Chico	SSA	18	Low-income, under case management with self-sufficiency plan	Butte County	13	$12,600.00	$3,010.00
BHHAP/Security Deposit**	7/1/25 - 6/30/26	$1,695.00	City of Chico	SSA	5	Individuals with a mental illness with homelessness eligibility	Butte County	1	$0.00	$0.00
BHHAP/ASOC	7/1/25 - 6/30/26	$11,915.00	BCBH	BCBH	4	Individuals with a mental illness with homelessness eligibility	Butte County	1	$269.00	$2,747.65
Totals		**$172,610.00**			**35**			**17**	**$12,869.00**	**$14,757.65**

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:07/09/2026
Path: Z:\Boutique Programs\Special Programs Budget and Reports

**Written authorization given from BCDBH to take any over spent dollars from BHHAP/ASOC to cover BHHAP/Security Deposit

July 10, 2026

Memo

To: HACB Board of Commissioners

From: Taylor Gonzalez, Project Manager
Larry Guanzon, Executive Director

Subject: HACB Resolution No. 4998
Gridley Farm Labor Housing, Gridley
Adoption of Fiscal Year 2026-27 Proposed Operating Budget

The FY 2026-27 Budget with Narrative for USDA-RD Gridley Farm Labor Housing is provided for your review and approval. The budget was prepared by AWI, the third-party property management agent, in coordination with HACB management.

Rent Increases are proposed, but will need final approval by USDA. The farm labor households pay 30% of their income and the balance is paid by USDA rental assistance.

The proposed budget is due to USDA-RD by July 31st. The utility allowances are not finalized, so the final rent may vary slightly from the proposed amounts. Once received and reviewed by USDA, there may be some revisions to the budget. These changes are usually minor and will be reported to the Board with the Consolidated Operating Budget. Secondly, HCD will require submission of this budget by August 1st, 2026 as the property contains Joe Serna funds which were used for property infrastructure.

Estimated total income comes to $1,442,256 with an estimated 15% vacancy loss due to the number of uninhabitable units and current property status. Total expenses which include; operating & maintenance, utilities, administrative expenses, taxes & insurance total to an estimated $1,019,964 bringing the net estimated operating income to $422,292. Debt Service with annual reserve transfers and turnover replacements costs bring the estimated net annual cashflow to $2,820. A total of $69,996 will be taken out of reserves for planned capital improvements which consist of concrete walkways, and landscaping tree trimming.

Reserve balance as of June 30, 2026 is $495,286 with $131,095 in operating and $364,191 in bank accounts held by the HACB. Additionally, the HACB holds a separate construction fund account in the amount of $255,643.

If you have any questions, we will gladly answer them at the Board Meeting.

Recommend: motion to approve Resolution No. 4998

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

RESOLUTION NO. 4998

APPROVAL OF
FISCAL YEAR 2026-27
BUDGET FOR THE
USDA-RD FARM LABOR HOUSING PROGRAM

WHEREAS, the Housing Authority of the County of Butte (HACB) approves an Operating Budget on an annual basis for its U.S. Department of Agriculture Rural Development (USDA-RD) Farm Labor Housing (FLH) program, operated at 850 East Gridley Road, Gridley CA; and

WHEREAS, the Operating Budget addresses and budgets anticipated expenses and revenues of the HACB in the operation and administration of its FLH program for the 2026-27 fiscal year, extending from October 1, 2026 through September 30, 2027; and

WHEREAS, in the approval of said Budgets certain USDA-RD forms, reflecting the approved budget, must be completed and signed for program compliance; and

WHEREAS, the HACB has drafted a proposed Operating Budget for its FLH program for the 2026-27 Fiscal Year; and

WHEREAS, the draft Operating Budget has been determined to be in the best interest of the HACB and the FLH program;

THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Butte (HACB) to hereby authorize submittal and negotiation of its U.S. Department of Agriculture Rural Development Fiscal Year 2026-27 Operating Budget, attached to and made a part of this resolution, for its Farm Labor Housing program, operated at 850 East Gridley Road, Gridley, CA, and, further, to authorize the Executive Director to sign all applicable program and contract forms on behalf of the HACB and submit them to the U.S. Department of Agriculture, and other contracting entities as required, to implement and administer the budget upon acceptance by the U.S. Department of Agriculture.

Dated: July 16, 2026.

____
David Pittman, Board Chair

ATTEST:

____
Lawrence C. Guanzon, Secretary

Budget Analysis - Gridley Farm Labor Housing (p0645) - September 2027 Budget

Forecast IQ

For Property(s) p0645 (Gridley Farm Labor Housing)
For Account Tree AWI Budget (awi_bf)
Grouped By Property
Forecasted Budget(s) September 2027 Budget for Budget Year 2027.
Comparison 1: GL Budget, For Oct 2025 - Sep 2026, In Book(s): Accrual

Report Generated 6/30/2026

Account Code	Description	September 2027 Budget Oct 2026 - Sep 2027	GL Budget Oct 2025 - Sep 2026	Variance to Forecasted Budget	Var %	Narratives
4000-03	**INCOME**					
4110-00	Market/Contract Rent	1,736,712	1,664,520	72,192	4.34%	Budget - Gross + Non Rev
4999-99	GROSS POTENTIAL RENT	1,736,712	1,664,520	72,192	4.34%	
5000-00	INCOME ADJUSTMENTS					
5110-00	Vacancy Loss	-253,824	-243,228	-10,596	-4.36%	Budget - 15%
5120-00	Admin Unit-Non Rev	-44,544	-43,008	-1,536	-3.57%	Budget - Non Rev Z2 & Z3
5199-98	TOTAL INCOME ADJUSTMENTS	-298,368	-286,236	-12,132	-4.24%	
5199-99	NET RENTAL INCOME	1,438,344	1,378,284	60,060	4.36%	
5500-00	OTHER INCOME					
5510-00	Laundry Income	1,416	1,656	-240	-14.49%	Budget - Trailing Actual
5590-00	Other Tenant Income	300	156	144	92.31%	Budget - Average
5600-00	Interest Income	2,196	2,196	0	0.00%	Budget - Budget
5999-98	TOTAL OTHER INCOME	3,912	4,008	-96	-2.40%	
5999-99	**TOTAL INCOME**	**1,442,256**	**1,382,292**	**59,964**	**4.34%**	
6000-00	**OPERATING EXPENSES**					
6000-01	NON-CONTROLLABLE EXPENSES					
6000-02	TAXES AND INSURANCE					
6100-10	Real Estate Taxes-Special Assessments	30,000	30,000	0	0.00%	Budget - Levee Assessment / Kept at Budget
6100-20	Real Estate Taxes-PILOT	19,788	18,708	-1,080	-5.77%	Budget - PILOT invoice +2%
6120-00	Other Taxes/Fees/Permits	5,004	5,004	0	0.00%	Budget - Budget
6150-00	Property Insurance-GL	93,816	93,816	0	0.00%	Budget - Invoice*20% = 90,364.82 / Kept at budget
6170-00	Bond Premiums	0	1,272	1,272	100.00%	
6199-99	TOTAL TAXES AND INSURANCE	148,608	148,800	192	0.13%	
6200-00	UTILITIES					
6210-00	Electricity-Common Areas	44,304	37,884	-6,420	-16.95%	Budget - Actuals +15% Shared with Units

6210-10	Electricity-Units	1,596	0	-1,596		Budget - Actuals +15% Shared with Common Area
6220-00	Water-Domestic	38,412	35,004	-3,408	-9.74%	Budget - Actuals + 6%
6230-00	Sewer-Standard Billing	31,416	29,640	-1,776	-5.99%	Budget - Actuals + 6%
6240-00	Gas/Heating Fuel-Units	2,112	5,160	3,048	59.07%	Budget - Actuals +15% Shared with Common Area
6240-10	Gas/Heating Fuel-Common Areas	3,996	0	-3,996		Budget - Actuals +15% Shared with Units, Budget - Actuals +15% Shared with Units
6250-00	Trash-Standard Pickup	30,000	30,000	0	0.00%	Budget - Kept at Budget / May cut if necessary
6250-10	Trash-Bulk Pickup	672	0	-672		Budget - Actuals +15 %
6299-99	TOTAL UTILITIES	152,508	137,688	-14,820	-10.76%	
6300-00	PROPERTY MANAGEMENT FEES					
6320-00	Managment Fees	102,000	102,000	0	0.00%	Budget - $95+$5 (multiple subsidy) x 85 units
6399-98	TOTAL PROPERTY MANAGEMENT FEES	102,000	102,000	0	0.00%	
6399-99	TOTAL NON-CONTROLLABLE EXPENSES	403,116	388,488	-14,628	-3.77%	
6400-00	CONTROLLABLE EXPENSES					
6400-01	PROFESSIONAL FEES					
6410-00	Audit Fees	8,928	8,496	-432	-5.08%	Budget - Budget + 5%
6420-00	Bookkeeping Fees	4,200	4,200	0	0.00%	Budget - Demo Unit Management Fee
6430-00	Legal-Evictions	5,004	2,496	-2,508	-100.48%	Budget - Kept at Budget, Budget - Increase to trailing actuals
6499-99	TOTAL PROFESSIONAL FEES	18,132	15,192	-2,940	-19.35%	
6500-00	PERSONNEL COSTS					
6510-00	Maintenance Wages-Base	121,308	107,592	-13,716	-12.75%	Budget - See Payroll Worksheet
6520-00	Manager Wages-Base	129,348	110,004	-19,344	-17.58%	Budget - See Payroll Worksheet
6540-00	Employer Social Security	23,148	18,552	-4,596	-24.77%	Budget - See Payroll Worksheet
6540-40	401(k) Match (Employer)	804	0	-804		Budget - 4 Employees * 200 / See Payroll Worksheet
6550-00	Workers Comp Insurance	11,832	9,624	-2,208	-22.94%	Budget - See Payroll Worksheet
6555-00	Personnel Medical Insurance	40,128	49,872	9,744	19.54%	Budget - See Payroll Worksheet
6555-10	HRA Medical Insurance	9,600	0	-9,600		Budget - 200 per month per employee
6560-00	Life Insurance	96	0	-96		Budget - 24*4 employees / See Payroll Worksheet
6599-99	TOTAL PERSONNEL COSTS	336,264	295,644	-40,620	-13.74%	
6600-00	MARKETING AND LEASING COSTS					
6610-00	Advertising	1,500	1,500	0	0.00%	Budget - Kept at budget
6699-99	TOTAL MARKETING AND LEASING COSTS	1,500	1,500	0	0.00%	
6700-00	GENERAL AND ADMINISTRATIVE					
6700-01	CONTRACT/RECURRING G/A					
6700-10	P/M IT	2,988	0	-2,988		Budget - 747.52 per Employee
6700-20	P/M Software	1,464	0	-1,464		Budget - 264 per employee 55 per email 1.1 per unit
6700-30	P/M Software-Yardi	21,576	0	-21,576		Budget - 15.5 * 116 Units * 12 months
6710-00	Telephone	3,216	4,632	1,416	30.57%	Budget - Budget + 8% Shared with Internet
6710-10	Internet	3,600	1,680	-1,920	-114.29%	Budget - Budget + 8% Shared with Phone
6710-20	Cell Phone Reimbursement	2,160	0	-2,160		Budget - 540 per Employee

6715-30	Toner/Copier Expense	444	312	-132	-42.31%	Budget - Actuals + 10%
6720-00	Postage/Freight	504	408	-96	-23.53%	Budget - Actuals + 10%
6730-00	Office Supplies/Expense	4,716	4,716	0	0.00%	Budget - Kept at Budget / Actuals + 10% = 4430
6740-00	Water/Coffee Service	60	60	0	0.00%	Budget - Kept at Budget
6820-00	Tenant Services-General	504	504	0	0.00%	Budget - Kept at Budget
6860-00	Security-Svc Contract	25,944	24,000	-1,944	-8.10%	Budget - Increased to 2162 per month, per RM Workook
6899-99	TOTAL CONTRACT/RECURRING G/A	67,176	36,312	-30,864	-85.00%	
6900-00	OTHER G/A					
6910-00	Other Admin-General	480	18,396	17,916	97.39%	Budget - Most moved to Software lines
6940-00	Travel and Promotion	804	804	0	0.00%	Budget - Kept at Budget
6950-00	Training Expense	1,404	1,260	-144	-11.43%	Budget - 350 per Employee
6955-00	Employee Meals	192	120	-72	-60.00%	Budget - Actuals
6999-98	TOTAL OTHER G/A	2,880	20,580	17,700	86.01%	
6999-99	TOTAL GENERAL AND ADMINISTRATIVE	70,056	56,892	-13,164	-23.14%	
7000-00	REPAIRS AND MAINTENANCE					
7000-01	CONTRACT/RECURRING R/M					
7010-00	R/M Contract-General	15,972	9,972	-6,000	-60.17%	Budget - Increased to budget +6% and include Gutter Cleaning
7015-00	R/M Contract-Plumbing	8,004	7,440	-564	-7.58%	Budget - Budget +6%
7025-00	R/M Contract-HVAC	4,500	5,520	1,020	18.48%	Budget - 6% Increase moved to Contracts
7065-00	Grounds-Svc Contract	124,500	122,760	-1,740	-1.42%	Budget - Expected rate 10,041.47 * 12 + 4K Extra
6880-00	Pest Control-Svc Contract	3,000	3,000	0	0.00%	Budget - 245 per Month
6890-00	Fire/Alarm-Svc Contract	3,696	2,040	-1,656	-81.18%	Budget - Increased to include Annual Inspections
7099-99	TOTAL CONTRACT/RECURRING R/M	159,672	150,732	-8,940	-5.93%	
7100-00	OTHER R/M					
7110-00	Janitorial Supplies	2,004	1,212	-792	-65.35%	Budget - Increased to actuals
7115-00	Painting and Decorating	2,508	2,496	-12	-0.48%	Budget - Kept at Budget
7120-00	R/M Supplies-General	26,712	21,276	-5,436	-25.55%	Budget - Increased to actuals +8%
7199-99	TOTAL OTHER R/M	31,224	24,984	-6,240	-24.98%	
7299-99	TOTAL REPAIRS AND MAINTENANCE	190,896	175,716	-15,180	-8.64%	
7399-97	TOTAL CONTROLLABLE EXPENSES	616,848	544,944	-71,904	-13.19%	
7399-98	**TOTAL OPERATING EXPENSES**	**1,019,964**	**933,432**	**-86,532**	**-9.27%**	
7399-99	**NET OPERATING INCOME**	**422,292**	**448,860**	**-26,568**	**-5.92%**	
7400-00	DEBT SERVICE					
7410-00	Interest-Mortgage USDA-RD	150,708	150,708	0	0.00%	
7499-99	TOTAL DEBT SERVICE	150,708	150,708	0	0.00%	
	RESERVES					
1290-00	Reserve Transfers	-34,500	-34,500	0	0.00%	Budget - Kept at Budget
	TOTAL RESERVES	-34,500	-34,500	0	0.00%	

7500-00	REPLACEMENT COSTS/OTHER					
7500-01	REPLACEMENT COSTS - OPERATING					
7500-02	TURNOVER REPLACEMENT COSTS					
7510-00	R/M Replacement-General	176,256	206,700	30,444	14.73%	Budget - Cabinets 10,250 / Paving 15,000 / In house Rehab 131,000 / Canal Cleaning 12,000 / Golf Cart 8,000
7525-00	R/M Replacement-Door	3,096	0	-3,096		Budget - Per 10 Year Plan
7530-00	R/M Replacement-Window	8,004	0	-8,004		Budget - Per 10 Year Plan
7545-10	R/M Flooring Replacement-1Bed	3,000	26,604	23,604	88.72%	Budget - Per 10 Year Plan
7545-20	R/M Flooring Replacement-2Bed	21,000	0	-21,000		Budget - Per 10 Year Plan
7550-00	R/M Replacement-Refrigerator	4,248	11,700	7,452	63.69%	Budget - Per 10 Year Plan
7560-00	R/M Replacement-Range	3,504	0	-3,504		Budget - Per 10 Year Plan
7560-10	R/M Replacement-Range Hood	300	0	-300		Budget - Per 10 Year Plan
7570-00	R/M Replacement-HVAC Unit	3,756	5,256	1,500	28.54%	Budget - Per 10 Year Plan
7580-00	R/M Replacement-Water Heater	3,600	3,600	0	0.00%	Budget - Per 10 Year Plan
7599-97	TOTAL TURNOVER REPLACEMENT COSTS	226,764	253,860	27,096	10.67%	
7799-99	TOTAL REPLACEMENT COSTS - OPERATING	226,764	253,860	27,096	10.67%	
7800-00	OTHER NON-OPERATING COSTS					
7860-00	Asset Management Fees	7,500	7,500	0	0.00%	
7899-98	TOTAL OTHER NON-OPERATING COSTS	7,500	7,500	0	0.00%	
7899-99	TOTAL REPLACEMENT COSTS/OTHER	234,264	261,360	27,096	10.37%	
7999-99	**NET BUDGET BEFORE CAPEX**	**2,820**	**2,292**	**528**	**23.04%**	
8000-00	*CAPEX/REPLACEMENT RESERVE*					
8100-00	*Authorized Reserve-Other*	*69,996*	*0*	*-69,996*		*Budget - Per 10 Year Plan / Concrete 20,000 / Landscaping Tree Trimming 50,000*
8999-99	*TOTAL CAPEX/REPLACEMENT RESERVE*	*69,996*	*0*	*-69,996*		
9999-98	**NET BUDGET**	**-67,176**	**2,292**	**-69,468**	**-3030.89%**	

% Variance Color Reference

% From (>=)	% To (<)
Less	-5.00%
-5.00%	0.00%
0.00%	5.00%
5.00%	More

July 10, 2026

Memo

To: HACB Board of Commissioners

From: Taylor Gonzalez, Project Manager
Larry Guanzon, Executive Director

Subject: HACB Resolution No. 4999
Gridley Springs II Apartments, Gridley
Adoption of Fiscal Year 2026-27 Proposed Operating Budget

The FY 2026-27 Gridley Springs II Proposed Operating Budget is provided for your review and approval. The budget was prepared by Arrowhead Housing, the third-party property management agent, in coordination with HACB management.

Proposed rents for the eight (8) RHCP CA Dept. of Housing and Community Development (HCD) assisted units are $700-$711 for the two-bedroom units; and $684-$743 for the three-bedroom units. The remaining sixteen units' rents are set as Tax Credit-regulated rents, currently between $862 and $1,008 per month, depending on household income tiers. Both capitalized improvements on turnover and HVAC replacements over the $5,000 capitalization threshold are not included in this budget. Capital items are funded by means of Replacement Reserves, as needed, with approval by the HCD. Total Replacement Reserves as of June 30, 2026 is $95,142.23.

HCD loan interest accrues at $6,500/year. Actual interest paid to HCD is based upon year-end cash flow, after a maximum Sponsor Distribution to the HACB of $15,602. Required Replacement Reserve deposits are set by HCD at $5,424/yr. and annual Operating Reserves deposits are calculated at 3% of operating expenses. Total Operating Reserve balance as of June 30, 2026 is $70,406.91. Total Income/Revenues are estimated at $240,206 with Total Operating Expenses at $195,899 bringing the estimated Project Cashflow after Reserve Deposits of $10,236 to $34,071.

The budget will be submitted to HCD for review and approval, the final version may vary slightly due to the new UA's and if rents are adjusted accordingly. The budget will be presented again for final Board approval, along with the Agency-Wide Consolidated Budget, at the September meeting of the Board.

If you have any questions, we will gladly answer them at the Board Meeting.

Recommend: motion to approve Resolution No. 4999

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

RESOLUTION NO. 4999

APPROVAL OF THE FISCAL YEAR 2026-27 OPERATING BUDGET FOR GRIDLEY SPRINGS II APARTMENTS, 210 FORD AVENUE, GRIDLEY

WHEREAS, the Housing Authority of the County of Butte (HACB) owns and operates Gridley Springs II Apartments, 210 Ford Avenue, Gridley, California, a twenty-four (24) unit multi-family affordable housing apartment complex (Property); and

WHEREAS, HACB prepares the budget for Gridley Springs II Apartments in conjunction with costs projected by Gridley Springs II Apartments property manager, Arrowhead Housing; and

WHEREAS, the Operating Budget addresses and budgets anticipated expenses, revenues and capital improvements of the Property for the fiscal year extending from October 1, 2026 through September 30, 2027; and

WHEREAS, the Board of Commissioners of HACB has reviewed the budget as proposed and found the budget to be in the best interest of Gridley Springs II Apartments property, its tenants served, and HACB;

THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Butte, owner of the Gridley Springs II Apartments, 210 Ford Avenue, Gridley, CA, to hereby approve and adopt the Gridley Springs II Apartments Operating Budget for the fiscal year extending from October 1, 2026 to September 30, 2027, such Operating Budget attached to and made a part of this Resolution No. 4999.

Dated: July 16, 2026.

____
David Pittman, Board Chair

ATTEST:

____
Lawrence C. Guanzon, Secretary

3. Cash Flow - 171

Line #	Gridley Sprins II Apartments				HCD Proration	33.33%	COSR Proration	0.00%	Report Period	10/1/2026	to	9/30/2027	
	HCD and CalHFA Use Only: Ready for Review		(A)	(B)	(C)	(D)	(E)	(F)	(H)	(I)	(J)	(K)	(L)
	Account Name	Account Code	Total Proposed Budget (including Commercial)	Proposed Commercial	HCD Proposed Assisted Units	HCD Proposed Non-Assisted Units	CalHFA COSR Proposed Assisted Units	CalHFA COSR Proposed Non-Assisted Units	Current Year 8 Month Actuals	12 Month Actuals Projected	Budget vs. 12 Months of Current Year 12 Months	Budget vs. Current Year 12 Months Variance in %	Comments or Variance Explanation
	Rent Revenue:												
1	Rent Revenue - Gross Potential	5120	244,373		68,357	176,016	0	0	157,215	235,823	8,551	3.63%	
2	Tenant Assistance Payments	5121	5,367		0	5,367	0	0	3,578	5,367	0	0.00%	
3	Rent Revenue - Stores and Commercial	5140	0	0					0	0	0	0.00%	
4	Garage and Parking Spaces	5170	0	0	0	0	0	0	0	0	0	0.00%	
5	Flexible Subsidy Revenue	5180	0	0	0	0	0	0	0	0	0	0.00%	
6	Miscellaneous Rent Revenue (enter below)	5190	0	0	0	0	0	0	0	0	0	0.00%	
7	**Total Rent Revenue**	**5100T**	**249,740**	**0**	**68,357**	**181,383**	**0**	**0**	**160,793**	**241,190**	**8,551**	3.55%	
	Vacancies:												
8	*Vacancy %*				0.00%	5.90%	0.00%	0.00%			0		
9	Apartments	5220	10,702		0	10,702	0	0	0	0	10,702	0.00%	
10	Stores and Commercial	5240	0	0					0	0	0	0.00%	
11	Rental Concessions	5250	0	0	0	0	0	0	0	0	0	0.00%	
12	Garage and Parking Spaces	5270	0	0	0	0	0	0	0	0	0	0.00%	
13	Miscellaneous Vacancies	5290	0	0	0	0	0	0	0	0	0	0.00%	
14	**Total Vacancies**	**5200T**	**10,702**	**0**	**0**	**10,702**	**0**	**0**	**0**	**0**	10,702	0.00%	
15	**Net Rental Revenues (Rent Revenue Less Vacancies)**	**5152N**	**239,038**	**0**	**68,357**	**170,681**	**0**	**0**	**160,793**	**241,190**	(2,151)	-0.89%	
16	**Supportive Services Revenue (enter detail in lines 48-51):**	**5390**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00%**	
	Financial Revenue:												
17	Financial Revenue (don't incl. Reserve Acct. Interest)	5410	0	0	0	0	0	0	0	0	0	0.00%	
18	Revenue from Investments- Miscellaneous (enter below)	5490	0	0	0	0	0	0	0	0	0	0.00%	
19	**Total Financial Revenue**	**5400T**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00%**	
	Other Revenue:												
20	Laundry and Vending Revenue	5910	168	0	56	112	0	168	112	168	0	0.00%	
21	Tenant Charges	5920	1,000	0	333	667	0	1,000		0	1,000	0.00%	
22	Misc. Revenue (enter below; don't include Reserve Withdrawals)	5990	0	0	0	0	0	0	0	0	0	0.00%	
23	**Total Other Revenue**	**5900T**	**1,168**	**0**	**389**	**779**	**0**	**1,168**	**112**	**168**	**1,000**	**595.24%**	
24	**Total Revenue**	**5000T**	**240,206**	**0**	**68,746**	**171,460**	**0**	**1,168**	**160,905**	**241,358**	**(1,151)**	**-0.48%**	
25	**Total Cost of Operations before Depreciation**	**6000T**	**195,899**	**0**	**65,300**	**130,600**	**0**	**195,899**	**102,067**	**153,101**	**42,799**	**27.95%**	
26	**Profit (Loss) before Depreciation**	**5060T**	**44,307**	**0**	**3,447**	**40,860**	**0**	**(194,731)**	**58,838**	**88,257**	**(43,950)**	**-49.80%**	
	Financial Expenses including mandatory debt service:												
27	*1st Mortgage (P&I)*	6820	0	0	0	0	0	0	0	0	0	0.00%	
28	*2nd Mortgage (P&I)*	6825	0	0	0	0	0	0	0	0	0	0.00%	
29	*3rd Mortgage (P&I)*	6825	0	0	0	0	0	0	0	0	0	0.00%	
30	HCD Required Payments	6825	0	0	0	0	0	0	0	0	0	0.00%	
31	CalHFA Servicing/Monitoring Fee	6825	0	0	0	0	0	0	0	0	0	0.00%	
32	Lease Payment	6890	0	0	0	0	0	0	0	0	0	0.00%	
33	Miscellaneous Financial Expenses (enter below)	6890	0	0	0	0	0	0	0	0	0	0.00%	
34	**Total Financial Expenses**	**6800T**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00%**	
	Reserves Deposits:												
35	Replacement Reserve - Deposit	1320	5,424	0	1,808	3,616	0	5,424	0	0	5,424	0.00%	
36	Operating Reserve - Deposit	1330	4,812	0	1,604	3,208	0	4,812	0	0	4,812	0.00%	
37	Transition Reserve - Deposit	1330	0	0	0	0	0	0	0	0	0	0.00%	
38	Other (specify)	1330	0	0	0	0	0	0	0	0	0	0.00%	
39	Other (specify)	1330	0	0	0	0	0	0	0	0	0	0.00%	
40	**Total Reserves Deposits**	**1300T**	**10,236**	**0**	**3,412**	**6,824**	**0**	**10,236**	**0**	**0**	**10,236**	**0.00%**	
41	**Project Cash Flow**		**34,071**	**0**	**35**	**34,036**	**0**	**(204,967)**	**58,838**	**88,257**	**(54,186)**	**-61.40%**	
42	**CalHFA COSR Distribution**						**0**						

4. Cost of Operations - 172

Line #	Gridley Sprins II Apartments				HCD Proration	33.33%	COSR Proration	0.00%	Report Period	10/1/2026	to	9/30/2027	
			(A)	(B)	(C)	(D)	(E)	(F)	(H)	(I)	(J)	(K)	(L)
	Account Name	Account Code	Total Proposed Budget (including Commercial)	Proposed Commercial	HCD Proposed Assisted Units	HCD Proposed Non-Assisted Units	CalHFA COSR Proposed Assisted Units	CalHFA COSR Proposed Non-Assisted Units	Current Year 8 Month Actuals	12 Month Actuals Projected	Budget vs. 12 Months of Current Year 12 Months	Budget vs. Current Year 12 Months Variance in %	Comments or Variance Explanation
	Administrative Expenses:												
1	Conventions and Meetings	6203	700	0	233	467	0	700	276	414	286	69.08%	SOE - 42.86% Additional staff training
2	Management Consultants	6204	0	0	0	0	0	0	0	0	0	0.00%	
3	Advertising and Marketing	6210	765	0	255	510	0	765	495	743	23	3.07%	SOE - 42.86%
4	Other Renting Expenses	6250	0	0	0	0	0	0	0	0	0	0.00%	
5	Office Salaries	6310	0	0	0	0	0	0		0	0	0.00%	
6	Office Expenses	6311	10,000	0	3,333	6,667	0	10,000	6,565	9,848	153	1.55%	
7	Office or Model Apartment Rent	6312	0	0	0	0	0	0	0	0	0	0.00%	
8	Management Fee (do not include GP Management Fee)	6320	13,409	0	4,470	8,939	0	13,409	8,055	12,083	1,327	10.98%	Mgmt Fee True up will bring this current
9	Manager or Superintendent Salaries	6330	25,000	0	8,333	16,667	0	25,000	15,456	23,184	1,816	7.83%	SOE - 42.86% cola increase
10	Administrative Rent Free Unit	6331	0	0	0	0	0	0	0	0	0	0.00%	
11	Legal Expense - Project	6340	1,200	0	400	800	0	1,200	0	0	1,200	0.00%	
12	Audit Expense	6350	8,500	0	2,833	5,667	0	8,500	0	0	8,500	0.00%	Audit Expense
13	Bookkeeping Fees/ Accounting Services	6351	2,400	0	800	1,600	0	2,400	0	0	2,400	0.00%	
14	Bad Debts	6370	0	0	0	0	0	0	0	0	0	0.00%	
15	Misc. Administrative Expenses (enter below)	6390	3,036	0	1,012	2,024	0	3,036	855	1,283	1,754	136.73%	See Notes Below:
16	**Total Administrative Expenses**	**6263T**	**65,010**	**0**	**21,670**	**43,340**	**0**	**65,010**	**31,702**	**47,553**	**17,457**	**36.71%**	
	Utilities:												
17	Electricity	6450	9,085	0	3,028	6,057	0	9,085	5,608	8,412	673	8.00%	8% increase over actuals
18	Water	6451	4,196	0	1,399	2,797	0	4,196	2,590	3,885	311	8.00%	8% increase over actuals
19	Gas	6452	2,114	0	705	1,409	0	2,114	1,305	1,958	157	8.00%	8% increase over actuals
20	Sewer	6453	10,002	0	3,334	6,668	0	10,002	6,174	9,261	741	8.00%	8% increase over actuals
21	**Total Utilities Expenses**	**6400T**	**25,397**	**0**	**8,466**	**16,931**	**0**	**25,397**	**15,677**	**23,516**	**1,881**	**8.00%**	
	Operating and Maintenance Expenses:												
22	Payroll	6510	25,000	0	8,333	16,667	0	25,000	16,344	24,516	484	1.97%	SOE - 42.86% cola increase
23	Supplies	6515	6,000	0	2,000	4,000	0	6,000	2,683	4,025	1,976	49.09%	Increase due to Preventative Maintenance
24	Contracts	6520	21,000	0	7,000	14,000	0	21,000	13,501	20,252	749	3.70%	5% increase over actuals
25	Operating and Maintenance Rent Free Unit	6521	0	0	0	0	0	0	0	0	0	0.00%	
26	Garbage and Trash Removal	6525	6,417	0	2,139	4,278	0	6,417	3,961	5,942	476	8.01%	8% increase over actuals
27	Security Payroll/Contracts	6530	0	0	0	0	0	0	0	0	0	0.00%	
28	Security Rent Free Unit	6531	0	0	0	0	0	0	0	0	0	0.00%	
29	Heating/Cooling Repairs and Maintenance	6546	2,500	0	833	1,667	0	2,500	1,525	2,288	213	9.29%	Increase based on age of units
30	Snow Removal	6548	0	0	0	0	0	0	0	0	0	0.00%	
31	Vehicle and Maintenance Equip. Operation and Repairs	6570	0	0	0	0	0	0	0	0	0	0.00%	
32	Lease Expense	6580	0	0	0	0	0	0	0	0	0	0.00%	
33	Misc. Operating & Maintenance Expenses (enter below)	6590	19,375	0	6,458	12,917	0	19,375	2,486	3,729	15,646	419.58%	See Notes Below:
34	**Total Operating and Maintenance Expenses**	**6500T**	**80,292**	**0**	**26,764**	**53,528**	**0**	**80,292**	**40,500**	**60,750**	**19,542**	**32.17%**	
	Taxes and Insurance:												
35	Real Estate Taxes	6710	0	0	0	0	0	0	0	0	0	0.00%	
36	Payroll Taxes (Project's Share)	6711	4,958	0	1,653	3,305	0	4,958	3,148	4,722	236	5.00%	Increse due to salary increase
37	Property & Liability Insurance (Hazard)	6720	10,749	0	3,583	7,166	0	10,749	6,231	9,347	1,403	15.01%	Anticipated 15% increase per HACB
38	Fidelity Bond Insurance	6721	0	0	0	0	0	0	0	0	0	0.00%	
39	Worker's Compensation	6722	4,828	0	1,609	3,219	0	4,828	3,052	4,578	250	5.46%	Increase due to salary increase
40	Health Insurance and Other Employee Benefits	6723	4,500	0	1,500	3,000	0	4,500	1,562	2,343	2,157	92.06%	Open enrollment in October
41	Misc. Taxes, Licenses, Permits and Insurance (enter below)	6790	165	0	55	110	0	165	195	293	(128)	-43.59%	See Notes Below:
42	**Total Taxes and Insurance**	**6700T**	**25,200**	**0**	**8,400**	**16,800**	**0**	**25,200**	**14,188**	**21,282**	**3,918**	**18.41%**	
	Supportive Services Costs:	**6990**											
43	Staff Supervisors Salaries *(HCD 2017 UMR % shown at right)*	0.0%	0	0	0	0	0	0	0	0	0	0.00%	
44	On-site Services Coordinator Salaries and Benefits		0	0	0	0	0	0	0	0	0	0.00%	
45	On-site Other Supportive Services Staff Salaries		0	0	0	0	0	0	0	0	0	0.00%	
46	Supportive Services Admin Overhead *(UMR % shown at right)*	0.0%	0	0	0	0	0	0	0	0	0	0.00%	
47	Other Supportive Services Costs (enter below)	6990	0	0	0	0	0	0	0	0	0	0.00%	
48	**Total Supportive Services Costs**	**6900T**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00%**	
49	**Total Cost of Operations**	**6000T**	**195,899**	**0**	**65,300**	**130,600**	**0**	**195,899**	**102,067**	**153,101**	**42,799**	**27.95%**	

Foundations:
Roles and Responsibilities

LEAD THE WAY
QUICK REFERENCE

Board of Commissioners

Being named a commissioner is a great opportunity to serve your community, and with your appointment you have assumed significant responsibilities. The Board of Commissioners is the legally and financially responsible governing body of a PHA and the first line of accountability for the PHAs performance.

What Boards of Commissioners Do

Provide Leadership

- Set and champion the mission of the PHA
- Make strategic decisions to ensure the financial solvency of the agency
- Speak up when concerns arise

Provide Oversight

- Monitor the agency’s ability to meet statutory, regulatory, and contractual obligations
- Assure PHAs meet obligations on audit recommendations
- Approve internal controls to safeguard the agency’s assets
- Safeguard the financial integrity of the PHA, preventing fraud, waste, mismanagement, and abuse
- Approve, review, and monitor budgets, contracts, and other financial documents
- Conduct monthly reviews of budgets with actual expenses and revenues
- Ensure ethical, legal, and effective work performance
- Keep informed of subsidized housing industry rules and regulations

Actively Participate in Board Meetings

- Conduct and maintain an accurate record of board proceedings
- Follow open meeting requirements

What Commissioners Should Know

- The agency’s history, mission, programs, financials, and strategic plan
- Agency policies and procedures
- Agency-owned developments and properties
- Board and committee meeting processes, including open meeting requirements and confi-dentiality
- Federal and state laws and regulations

Executive Director and Executive Staff

The commissioner's role is governance—establishing policy and ensuring oversight. The execu-tive director's role is management. Commissioners and executive directors need to be cognizant of one another's roles without overstepping or undermining the other. Specifically, the executive director:

- Keeps commissioners informed
- Develops, implements, and oversees the operating budgets
- Ensures compliance with all federal laws and HUD guidelines
- Manages the day-to-day operations of the PHA
- Hires, evaluates, trains, and terminates staff
- Executes board-approved policies

The executive team at an authority includes more than the executive director or chief ex-ecutive officer. Depending on the size of the PHA, there may also be other executive staff. These staff members are hired by the executive director, and are concerned with the day-to-day man-agement of the PHA.

RESIDENTS: AN ESSENTIAL VOICE

All PHAs must have a Resident Advisory Board (RAB) and Resident Commissioners. These voices can provide an important perspective on the most pressing issues facing the community of residents.

You should also get out, walk around these communities, and get to know the people you serve.

U.S. Department of Housing and Urban Development (HUD)

HUD interprets the laws handed down by Congress, developing regulations to guide PHAs. These regulations are distilled in the Annual Contributions Contract (ACC), a legally-binding con-tract between HUD and the PHA. HUD is a resource for PHAs. HUD guidebooks, notices, and handbooks are important tools to guide your oversight. The PHA may also contact the HUD Field Office, Regional Office, and Headquarters for resources and support.

Skills: Asset Management

Staffing of the PHA was once centralized to a PHA Central Office that provided property management, funding, budgeting, accounting, and maintenance to the entire PHA. Now, there is a separation of the Central Office Cost Center (COCC) and each individual Asset Management Project (AMP). This allows the PHA to assess the physical and financial performance of each AMP, so that it can pinpoint problem areas and improve performance through decentralized, project-based management, funding, budgeting, accounting, and maintenance.

Entities and Roles

Under Asset Management, the Board of Commissioners functions as an owner would on the private market. The board adopts project-based budgets and reviews these budgets with actual expenses and revenues each month. The executive director and staff are responsible for preparing project-level budgets and function as a property management company would. HUD provides oversight and monitoring to the PHA.

Project-Based Housing

By transitioning to Asset Management, each AMP can now be analyzed for how well funds designated to that property are being used, which properties are successful, and which properties need help. The project-based assessment is accomplished using the following:

- **Project-Based Funding:** Prior to project-based funding, the PHA had one standard expense level for all of its units, regardless of whether the properties had more or less financial need. Now, PHAs complete a separate subsidy form for each AMP. This is the Operating Subsidy (OpSub) which is made up of the Project Expense Level (PEL), among other components.
- **Project-Based Budgeting:** Operating budgets are completed at the AMP level, as opposed to the PHA or entity-wide level. Prior to the start of the year, the board must approve these budgets.
- **Project-Based Accounting:** Project-based accounting tracks financial performance at each AMP and facilitates effective decision making at the project level.
- **Project-Based Management:** Property management by AMP is tailored to the unique needs of each property, given the resources available to that property.
- **Project-Based Assessment:** Performance is assessed using the Public Housing Assessment System (PHAS) indicators for each AMP.

Strategies for High Performing AMPs

- Establish an ongoing process for monitoring each AMP's conditions.
- Develop a plan for facility and infrastructure maintenance, informed by monitoring data.
- Develop a data-driven information technology system to inform capital project information.
- Use updated data to produce defensible budget requests.
- Anticipate ongoing needs to maintain HUD housing quality standards.
- Be familiar with every property

Capital Planning

As a board, it is your responsibility to ensure that your PHA provides quality, safe, and decent housing to the residents you serve. This means regular assessment of the physical stock through inspections, a Physical Needs Assessment (PNA), and a strategic plan for capital improvements.

What is a PNA?

A Physical Needs Assessment (PNA) is a systematic review to identify advantages and impediments to a development's major physical components and the actual work that a PHA is required to undertake in order to bring each AMP up to the needed or recommended modernization and energy conservation standards. The PNA is also a tool that assists PHAs in accurately assessing capital project components through prioritization and cost-efficiency measures.

Currently, HUD requires all PHAs to conduct PNAs for their properties aligned with their Five-Year Action Plan. While it is not required, HUD recommends that PHAs conduct an initial 20-year assessment and then update it on a rolling basis.

HUD has created its own PNA tool known as the Green Physical Needs Assessment (GPNA) that is available for PHAs to use. The PNA tool uses public housing asset management information from the PIH Information Centers (PICs) database. HUD strongly encourages PHAs to submit their PNAs through the Department's PNA tool.

Five Key PNA Objectives

1. Enables PHAs to better assess the capital needs of their portfolios;
2. Creates efficient PHA management practices for development-based capital planning
3. Broadens energy integration goals in accordance with the 2005 Energy Policy Act
4. Creates accurate data on the Capital Fund green initiatives
5. Allows HUD to measure the historical impact of the annual Capital Fund appropriations

Skills: Housing Choice Voucher Program

LEAD THE WAY
QUICK REFERENCE

The Section 8 Housing Choice Voucher (HCV) Program allows low-income families to choose to lease or in some cases purchase safe, decent, and affordable privately-owned housing. HCV provides "tenant-based" rental assistance, so a family can move from one unit to another—the subsidy stays with the family.

Concepts for HCV

Housing Assistance Payment (HAP)

Under the HAP contract (the contract between the owner of the unit and the PHA), the family pays for a portion of the rent and utilities. The PHA provides the remainder to the landlord through the HAP.

Portability

Eligible voucher holders may use their voucher to lease a unit anywhere in the United States where there is a housing agency operating an HCV program. If the receiving PHA decides to administer a voucher, they bill the initial PHA for the housing assistance payments. If the receiving PHA decides to absorb the voucher, the initial PHA is free to reissue the voucher.

The Payment Standard

The Payment Standard sets the buying power of the voucher. It is set by a PHA, and is typically 90 – 110% of the HUD-published Fair Market Rent (FMR). It is a standard that reflects or is the amount of money generally needed to rent a moderately-priced unit dwelling in the local housing market.

KEY ACTIVITIES OF THE HCV PROGRAM

Selecting Participants

- Taking applications
- Maintaining the wait-list
- Selecting applicants

Leasing Vouchers

- Briefing participants
- Issuing vouchers
- Processing requests for tenancy approval

Determining Tenant Rent

- Validating right income and deductions
- Annual and interim reexamination

HQS Inspections

- Annual, new leases, special inspections
- Quality control inspections
- Enforcement: re-inspections, abatement

Paying Landlords

- Maintaining HAP register
- Issuing checks or electronic payments

Rent Reasonableness

- Determining market rent norms by neighborhood
- Assessing owner rent for individual units

Rent Reasonableness

PHAs must have a rent reasonableness system and methodology for determining if the rent being requested by the owner is reasonable. They must ensure that it reflects the market—not too generous and not more restrictive than the actual local housing market.

HCV Budgets

PHAs should have an HCV administrative budget. Revenue and expense reports should be reviewed each month by the board.

Strategies for Successful HCV Programs

Positive relationships with landlords participating in the HCV program are key. Strategies for **Landlord Outreach and Management** include:

- Reaching out to inform and recruit landlords by offering seminars or fairs, attending apartment association meetings, circulating a newsletter, etc.
- Enforcing acceptance of vouchers by Tax Credit properties.
- Establishing a HCV Program landlord group.
- Screening participants well so the PHA has a reputation for successful HCV placements.

Positive relationships with applicants and families participating in the HCV program are also very important. Strategies for **Applicant and Resident Outreach and Management** include:

- Updating your wait list periodically so that eligible families are prioritized quickly when vouchers become available;
- Informing and equipping families with information about how the program works through briefings;
- Providing strong case management and customer service to families;
- As appropriate, consider assistance programs to help with needs beyond their initial briefing to link applicants with landlords, transportation, support, and financial assistance.

The board is responsible for **Adopting Appropriate Policies and Plans** including:

- Admission and Continued Occupancy Policy
- PHA Plan
- HCV Administrative Plan, including policies on:
  - » Resident selection
  - » Rent reasonableness
  - » Unit inspection
  - » Approval processes

HQS and SEMAP

HUD program regulations set forth basic housing quality standards (HQS) that all units must meet before assistance can be paid. HQS defines “standard housing” and establishes the minimum criteria necessary for the health and safety of residents. For a rental unit to qualify for HCV payments, the HQS measures must be met. HUD has a performance measurement tool, Section Eight Management Assessment Program (SEMAP), specifically for the HCV program. HQS measures are included in this assessment, among other indicators.

Skills: Ethics

LEAD THE WAY
QUICK REFERENCE

When an individual working for or with the public housing agency (PHA) has interests that could shape his or her decisions, there is a conflict of interest. Identifying these circumstances is the first step toward preventing any impropriety that can result from this potential conflict.

The conflict of interest provisions of [2 CFR 200.317 through 2 CFR 200.326] apply to the procurement of property, services, and legal counsel by PHAs. Other important sources of information for PHA ethical guidelines include the [Procurement Handbook for Public Housing Agencies (7460.8 rev-2)]; the ACC; the HAP Contract; and the PHA's internal bylaws, policies, and procedures (see box). Both federal and state laws apply to public housing agencies, and when the law varies, the strictest rule applies.

Conflict of Interest

Ensuring that your public housing agency is ethically run is one of your core responsibilities as a board member. Any conflicts of interest must be disclosed to the PHA and to HUD, who may waive conflicts of interest for good cause.

Procurement and Housing Choice Voucher Administration

PHA employees or representatives may not participate in the selection or administration of a contract supported by federal funds, including Housing Choice Voucher tenant-based programs, if that person:

- Will also be awarded the contract
- Is any member of the immediate family of the awardee
- Is the partner of the awardee
- Is an organization that employs or is about to employ any of the above individuals
- Has financial interest in the firm selected (real or apparent)
- Is a public official, member of the state or local government body, or in the immediate family of a public official or member of the state or local government body, who exercise functions or responsibilities regarding the PHA
- Is a member of the U.S. Congress

Resources

Annual Contributions Contract (ACC)

- Procurement Restrictions: ACC Section 19(A)(D)
- Nepotism: ACC Section 19(B)
- Moderate Rehabilitation Program: ACC Section 2.18

Federal Law

- Conflict of Interest: 24 CFR 982.161
- Procurement Restrictions: 2 CFR 200.318(c)
- Resident Council Officers: 24 CFR 964.145
- Mixed Finance: 24 CFR 905.604

Housing Assistance Payment (HAP) Contract

- Conflict of Interest: Section 8 HAP Contract Part B Section 13
- Moderate Rehabilitation: Section 8 HAP Contract
- Project-Based Assistance: Section 8 HAP Contract

1

Nepotism

PHAs may not hire employees in connection with a project under the ACC if the prospective employee is an immediate family member of:

- A present or former member or officer of the governing body of the PHA
- An employee of the PHA who makes policy or influences decisions
- A public official, member of local governing body, or state or local legislator who exercises functions or responsibilities with respect to projects or the PHA

Housing Choice Voucher Program Integrity Issues

PHAs with Housing Choice Voucher programs must ensure that landlords, participants, and staff all behave with integrity. Unethical behavior examples are included below.

Landlords

- Requiring side payments of participants
- Misrepresentation of ownership
- Owner living in an assisted unit
- Owner receiving housing assistance payment (HAP) after the tenant family has vacated
- Requiring that the tenant pays utilities included in the rent
- Attempting to evict the tenant for unpaid HAP
- Attempting to bribe PHA staff

Participants

- Non-disclosure of income
- Non-disclosure of household members
- Not using the unit as prime residence

PHA Staff

- HAP paid to phony landlord accounts
- Waiting list fraud
- Inspectors seeking/taking bribes to pass units

The Hatch Act

The HATCH Act applies to political activities of certain state and local employees. As a public housing board member, you may do any of the following activities:

Be a candidate in nonpartisan elections

- Attend political meetings and conventions
- Contribute money
- Campaign in partisan elections
- Hold office in political parties

You may NOT do the following activities:

- Be a candidate in partisan elections
- Use official influence to interfere in elections
- Coerce political contributions from subordinates in support of political parties or candidates

The Office of Special Counsel operates a website that provides guidance concerning Hatch Act issues.

What should you do if you suspect unethical behavior?

- Review your agency's bylaws to better understand how they guide unethical behavior.
- Contact the PHA's legal counsel.
- Do not contact the suspected individual.
- Observe strict confidentiality.

Procurement

See your section resource, **Procurement Practices at Public Housing Agencies,** for more information about procurement practices at PHAs. In summary, concepts that should guide procurement at your PHA include:

- Full and open competition is key.
- Reasonable price must be determined by performing a price/cost analysis.
- Responsive and responsible bidders should be selected.
- Contract files must be documented.
- Contract compliance must be ensured.

Lobbying

PHAs are prohibited from using funds received under Federal contract, grant, loan, or cooperative agreement to pay for certain lobbying activities per the Byrd Amendment of 1989 (31 U.S.C. 1352). Prohibited lobbying activities under this legislation include payments for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the following:

- Awarding Federal contracts
- Making Federal grants or loans
- Entering into cooperative agreements
- Extending, continuing, renewing, amending, modifying Federal contracts, grants, loans, or cooperative agreements

Further details on the Byrd Amendment of 1989 requirements are available in 24 CFR Part 87. Guidance is also available in the PIH Lobbying Handbook No. 7570.1.

In addition, The Lobbying Disclosure Act of 1995 expands the federal activities above to include the following:

- Formulation, modification, or adoption of Federal legislation; adoption of Federal rule, regulation, Executive Order, any program, policy or position of the U.S. government
- Administration of execution of a Federal program or policy
- Nomination or confirmation of a person or a position subject to confirmation by the Senate

It also requires PHAs to disclose lobbying under the administration of execution of a Federal program or policy.

Skills: Assessing and Improving Your PHA

LEAD THE WAY
QUICK REFERENCE

As a commissioner, one of your most important responsibilities is to stay informed so that you can monitor and support your PHA. The best sources of information about how your PHA is doing are the agency's mission and plans, monthly board reports, audits, performance assessment indicators such as the Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP), and your own experience talking with residents and landlords, executive staff, and visiting the properties yourself.

Monthly Reports

Make sure these documents are included in your monthly reports, and that you understand the information provided to you. If you do not understand, ask.

- **Financial Report,** with revenue and expense statements, bank reconciliation, and tenant accounts receivable.
- **Asset Management Report,** with occupancy rates and modernization schedule
- **Contracting and Procurement Report,** with obligation and expenditure deadlines and contract progress
- **Compliance Reports,** with outstanding audit findings and repayment agreements

Audits

Your PHA must submit both unaudited and audited (if your agency expends $500,000 or more of federal awards) financial information to HUD through the Financial Data Schedule (FDS). Your auditor will submit you annual audit to HUD within nine months of the end of the fiscal year. You should request to see this audit.

Performance Assessment

HUD has established mechanisms for assessing the performance of your PHA and its programs. While the management of submitting information for these scores, as well as the strategies to improve them, are in the purview of executive staff, it is important for commissioners to be familiar with these processes and know where to find more information should issues arise.

Public Housing Assessment System (PHAS)

PHAS is the system that HUD uses to assess a PHA's performance in managing its federal awards programs. PHAS uses a 100-point scoring system based on four categories of indicators:

- PASS (Physical Assessment Subsystem)—40 points
  - » Determined by inspection to assess the degree to which the housing meets Housing Quality Standards (HQS)

- FASS (Financial Assessment Subsystem)—25 points
  - Determined by data reported to HUD by the PHA in the FDS to measures the financial condition of each public housing project
- MASS (Management Assessment Subsystem)—25 points
  - Determined by data reported to HUD by the PHA in the FDS to assess the housing development's and PHA's management operations capabilities, including, occupancy, Tenant Accounts Receivable (TAR), and accounts payable
- CFP (Capital Fund Program)—10 points
  - Examines the period of time it takes to obligate the funds provided to the PHA from the Capital Fund Program.

Scores are generated for each Asset Management Project (AMP), are weighted by how many units are in the AMP, and then combined into the agency-wide score. High performers have a score above 90. Troubled performers have a score below 60. Scores below 90 but above 60 are designated as a standard performer. If your PHA scores below 60 in any one indicator, you will be designated as a substandard performer.

Section Eight Management Assessment Program (SEMAP)

SEMAP is HUD's performance measurement tool for the Housing Choice Voucher Program. SEMAP scores are based on performance in 15 indicator areas. Be sure to familiarize yourself with each indicator through the HCV Section and through your handout, Understanding SEMAP. High performers have a score above 90. Troubled performers have a score below 60.

1. Selection from Waiting List (15 points)
2. Rent Reasonableness (20 points)
3. Determination of Adjusted Income (20 points)
4. Utility Allowance Schedule (5 points)
5. HQS Quality Control Inspections (5 points)
6. HQS Enforcement (10 points)
7. Expanding Housing Opportunities (5 points)
8. Payment Standards (5 points)
9. Annual Reexaminations (10 points)
10. Correct Tenant Rent Calculations (5 points)
11. Pre-Contract HQS Inspections (5 points)
12. Annual HQS Inspections (5 points)
13. Lease-Up (15 points)
14. Family Self-Sufficiency Enrollment and Escrow Accounts (10 points)
15. Deconcentration Bonus Indicator (5 points)

Improving Performance

If your PHA is performing poorly, the board is a critical part to ensuring successful recovery of performance. HUD requires PHAs to implement actionable recovery plans and take corrective actions. A troubled PHA is less able to support the families in the community who need the agency's support. It is your responsibility to keep your PHA out of harm's way.

- Focus attention on weak performance areas for efficient use of resources
- Address the root cause for performance issues
- Establish goals for the weak performance areas
- Match performance against goals in every board meeting
- Determine the reason for the failure if goals are not being met

Skills: Budgets

LEAD THE WAY
QUICK REFERENCE

As a commissioner, you provide oversight and guidance to your PHA. To ensure the financial viability of your PHA, your oversight responsibilities include:

- Monitoring your agency's budgets, contracts, and other financial obligations
- Overseeing the annual audit process
- Monitoring the agency's compliance with laws, regulations, and other requirements
- Ensuring that the PHA has a system of internal controls to safeguard the agency's assets
- Reviewing and approving budgets

The budget is a tool to quantify goals and measure success. All PHAs must develop and maintain a system of budgeting and accounting for each project that allows for analysis of the actual revenues and expenses associated with each property. This will facilitate effective decision-making and cost controls at the project level to keep the projects and PHA fiscally solvent overall. There are four pieces of information you should understand to help you review your PHA's budgets:

Income

The annual budget should be constructed so that the PHA at least breaks even, or ideally, operates at a surplus. That is, project expenses should not exceed project revenues. Information needed for budgeting income includes:

- Data on occupancy of units
- Amount of operating subsidy and dwelling income projected
- Other income, including fees and damages projected

Expenses

Expenses that a PHA commonly incurs include administrative and maintenance salaries, utilities, supplies, contracts, as well as resident and other programs. To budget expenses, you need the following information:

- Physical analysis of the property (in other words, physical inspection)

2 CFR Part 200

On December 26, 2013, the *Federal Register* published 2 Code of Federal Regulations (CFR) Part 200, which addresses uniform administrative requirements, cost principles, and audit requirements for Federal awards. This regulation includes coverage for financial criteria such as:

- Monitoring and reporting
- Program performance
- Other areas

Commissioners have the opportunity to ask cost related questions such as:

- Is the cost allowed by our funding sources?
- Is the cost reasonable?
- Is it an ordinary cost?
- Is it a necessary cost?
- Can the cost be allocated to a specific funding source based on what we know about the cost and what it is paying for?

- Fiscal analysis of the property, including past and present data, previous year's budget, and actual income and expenses
- Comparison of the actual income and expenses from two to three previous years to identify trends

Operating Subsidy

The operating subsidy is the primary source of operating revenue for most PHAs. Provided to housing authorities by HUD, it is for operating and maintenance expenses. The subsidies are to help maintain services and provide minimum operating reserves. In general, the operating subsidy is the cost of running a program without non-Federal revenue.

Per Unit Per Month (PUM)

The PUM is an analysis of a property's income and expenses as an average for each unit for one month. It is a budgeting tool that enables property management to do the following:

- Compare across units to determine cost reduction potential
- Plan by using trending data for seasonal spikes in expenses or major payment due dates, such as property insurance
- Compare utility expenses for different units to determine how costs can be reduced

Purpose

Board members use budgets to monitor the management team's planning during the reporting period. At year-end, a comparison of the budget to actual revenue and expenses allows the board to evaluate performance. Did the agency operate at a surplus, break even, or operate at a deficit?

The PHA's finance department keeps the revenue and expense financial records for each Asset Management Project (AMP). The AMP manager uses this data, along with anticipated changes in revenue and expenses for the upcoming year, to prepare the AMP's budget.

For your role as commissioner, these are the most relevant facts to bear in mind:

- Operating budgets should be completed and reviewed at the project level.
- Before to the start of each fiscal year, the board must approve project-based budgets.
- Budgets should reconcile with the updated Financial Data Schedule (FDS). The FDS, which provides additional HUD-required analysis, is a part of the PHA's financial statements that a certified public accounting firm audits.
- The board should review revenue and expense reports each month.

Internal Controls

Ensure that your management team has established an adequate system of internal controls to include segregation of duties and checks and balances in the following areas:

Check Signature Authority

Establish a control over the obligation and drawdown of funds—typically the executive director or chief financial officer has this authority.

LOCCS Security (Authorizing official)

Someone on the PHA's staff will have the authority to access the Line Of Credit Control System (LOCCS), a system that HUD uses for obligating and approving funds.

Designated Contracting Officer

Assure the management team has established a designated contracting officer delegated by the authority over contracts.

Cash Accounts and Credit Card Usage

Credit card internal controls are important for preventing the improper use of your PHA's funds.

Use of Restricted Funds

Assure controls over the transferring of funds between accounts or programs when funds have restricted uses.

Separation of Financial Responsibilities

Segregation of duties is a key financial control.

Proper Cost Allocations

Establish controls to monitor and approve cost allocations charged to federal awards pro-grams.

Financial Reporting and Budget Review

At the end of every month, the books are closed for the month. Each month, the PHA should track the actual income and expenses to the budget projections. As a commissioner, you should request explanations for unusual expenses and verification that payments were made from the proper accounts with eligible program funds.

Some sample questions for you to consider, include:

- Are there variations from the budget? Why?
- Which AMPs are not performing within their budget?
- Are reserves being used to support budget losses?
- Are there intermingling of funds to cover losses?

Strategies to Increase Revenue and Decrease Spending

- Lease and rent collection enforcement
- Raise minimum rents (HUD approval required)
- Sell non-performing public housing (HUD approval required)
- Obtain supplemental funding
- Reduce the scope of non-federal programs to operate within their financial means
- Fully collect portability revenue from the issuing PHAs
- Evaluate utility consumption and energy policies.
- Evaluate all existing contracts for cost and necessity
- Re-price insurance costs
- Evaluate the need and usage of fleet vehicles
- Contract property management or maintenance to another entity or PHA
- Reduce management and line staffing levels or salaries

2 CFR Part 200—Audits

Audits are reviews of an organization's financial accounts and financial accounting systems by independent third-party experts like accountants. A Single Audit Act audit is an independent third-party review of an organization's finances that complies with 2 CFR Part 200, Subpart F. Under the new consolidated circular, recipients and sub-recipients who expend more than $750,000 in Federal funds must complete and submit a Single Audit Act audit.

A Single Audit Act audit is an important component of your financial management system, but it is not adequate by itself to assure proper use of Federal funds. To keep your programs running, you need to make sure that all aspects of your financial management system are functioning well.

HUD's notice on 2 CFR Part 200

Skills: Procurement

LEAD THE WAY
QUICK REFERENCE

As a commissioner you will be involved in, or will review the procurement process of the PHA. The process provides a framework for any bidding process that the PHA needs to carry out. The board should take special care in overseeing that the PHA follows correct methods, justifications, and documentation.

Critical steps include:

- Developing a scope or statement of work (SOW) and determining the type of contract needed
- Identifying short-term versus long-term needs per a physical needs assessment (PNA)
- Identifying time restraints (urgency, type/size of job, market conditions)
- Developing a price independent cost estimate (ICE) for each procurement action before advertising
- Identifying the source and availability of funds (operating versus capital funds or other)
- Developing schedules and due dates

PHAs should use procurement to accomplish the following:

- Provide full, open bid competition
- Determine reasonable pricing through price and cost analysis
- Award contracts to responsive and responsible bidders and offerers
- Document contracts and adhere to contract compliance

2 CFR Part 200

On December 26, 2013, the *Federal Register* published 2 Code of Federal Regulations (CFR) Part 200, which addresses uniform administrative requirements, cost principles, and audit requirements for Federal awards. This regulation also includes financial criteria such as procurement, as seen below. All bidders and offerers must agree to the following procurement requirements in order to participate in the bidding process:

200.112, Conflict of Interest

- The awarding agency must establish conflict of interest policies.
- The non-Federal entity must disclose any potential conflict of interest.

200.113, Mandatory Disclosures

- Non-Federal entities (and applicants) must disclose all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

200.318(c)(1)

- The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts.

Methods of Procurement

Procurement regulations categorize the various types of procurement actions to indicate whether to formally or informally advertise the activity. This decision is based on the Federal simplified acquisition threshold limit of $150,000 or a more stringent State/local threshold implemented by the PHA. Non-Federal entities must use one of the following five methods:

Micro-purchases: Under certain conditions, procurement may be implemented for acquisition of supplies or services without soliciting competitive quotations if the aggregate amount does not exceed $3,000.

Small Purchase Procedures: Small purchase procedures are relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the current threshold of $150,000. If the public housing agency uses these procedures, it must obtain price or rate quotations from an adequate number of qualified sources.

Sealed Bids (formal advertising): This is the preferred procedure for construction contracts. Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the lowest responsible bidder.

Competitive Proposals: Competitive proposals are normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded.

Noncompetitive Proposals: The solicitation of a proposal from only one source may be used only when one or more of the following apply:

- The item is available only from a single source.
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
- The Federal awarding agency (or pass-through entity) expressly authorizes this method in response to a written request from the non-Federal entity.
- After solicitation of a number of sources, competition is determined inadequate.

Key Questions for the Board to Ask

1. Who is the official contracting officer at the PHA?
2. Was the contracting officer officially approved by board resolution?
3. Is there an up-to-date procurement policy at the PHA?
4. Does it conform to 2 CFR Part 200 procurement requirements?
5. Do regular operations at the PHA comply with the procurement procedures in place?
6. Is the PHA following the regulatory requirements outlined in the procurement policy and procedures for operational and capital improvements?
7. Are fair and open procurements undertaken at the PHA?
    - Are formal procurements publicly advertised?
    - Are procurements awarded to the lowest bidder?
    - Are noncompetitive procurements properly justified?

Foundations: Introduction to Risk Management

LEAD THE WAY
QUICK REFERENCE

The role of the PHA Board members or commissioners and executive staff is to identify, control and reduce fraud, waste, and abuse by implementing a comprehensive risk management policy and process. In order for PHAs to carry out their risk management responsibilities, they must implement effective internal management controls.

There are five components that the GAO defines in the "Standards for Internal Controls" (also referred to as the "Green Book"). Understanding these components and principles will help you evaluate your PHA to find controls that will strengthen its soundness.

Control Environment

A culture should be prevalent throughout the organization that sets a positive attitude toward conscientious management.

Management determines the control environment through its overall attitude, awareness, and actions that set expectations for integrity, competence, and internal controls.

In addition, building a commitment towards a culture of competence includes staffing management. PHAs can avoid issues by:

- Hiring experienced, competent managers, requiring background checks, and ensuring staff stay current in knowledge.
- Creating an environment that supports staff and ensures underperformance and dishonesty will be handled through approved investigative protocols.
- Ensuring the PHA has appropriate policies and procedures within its human capital division.

Resources

Standards for Internal Control

- Green Book

OIG Office

- A Primer for PHA Commissioners
  - » HUD Office of Inspector General
  - » Audit Reports
  - » Semiannual Reports to Congress

OIG Integrity Bulletin

- Procurement and contracting
- Embezzlement fraud and/or theft

Risk Assessment

Program managers should assess and rate all risks that could affect the organization's ability to achieve its goals.

The PHA staff should understand the agency's goals and objectives, and be able to identify the risks that could impede the efficient and effective achievement of those goals. The most common risks are mission or program goal risks, management or operational risks, and financial, external, and physical risks.

Management determines how significant the risk may be, how likely is it to reoccur and how to reduce the risk to an acceptable level by:

- Monitoring and analyzing goals.
- Reviewing findings from audits, analyze board meeting discussions, holding management conferences/retreats, developing management initiatives
- Identifying risk categories, individual issues and assessing information received
- Reducing the number of risk categories
- Determining overlapping risks and effects on individual issues
- Board members should practice situational awareness, problem recognition, good judgement in regards to conflicts of interest, nepotism, etc.

Controls

Management issues controls, such as policies and procedures, or establishes processes to eliminate or mitigate risks.

- Policies, procedures, handbooks, and desk guides are all great resources to ensure that staff understand controls that will reduce risk.
- The Board and Executive Staff will need to assess the controls in place regularly, to ensure they are effective and up to date.

Information and Communication

Information and expectations should flow freely both up and down the organization. Board members and Commissioners need regular input and communication with the organization.

Examples of these include receiving regular reports and briefings, attending resident meetings and a presence at projects, reviewing audits, logs and registers, and ensuring that complaints and tips against staff are investigated.

The Independent Public Accountant (IPA Reports) also provides details on the financial condition of the PHA, reliability of financial records, internal control weaknesses, and exposes potential fraud.

Monitoring

Management provides external oversight of internal controls through activities such as quality control reviews. Monitoring may occur by applying customized procedures such as checklists for staff performing the activities.

- Executive staff provides monthly reports to keep the board informed of facts and figures
- Size of the PHA determines what processes are used to inform the board
- Dashboards present multiple indicators of performance/risk (e.g., inancial, physical, management, housing choice voucher, etc.)
- Number of indicators used is decided by the board and Executive Director based on the ability to produce monthly data

HUD Rating and Designations for PHAs

HUD rates small and large PHA risk management based on financial, physical, management, and Capital Fund performance. HUD then places the PHA within the five designations below:

High Performer: Small or large PHA with overall PHAS score > 90%; small PHA scores at least 60% for physical, financial, management operations indicators; small PHA scores at least 50% under Capital Fund performance indicator

Standard Performer: Large PHA with overall PHAS score of 80, but < 90 (every two years) or less than 80 (every year); small PHA with overall PHAS score of 60–89%; small PHA scores at least 60% under the physical, financial, management operations indicators; small PHA scores at least 50% under Capital Fund performance indicator

Substandard Performer: Large PHA with overall PHAS score of 80, but < 90 (every two years) or< 80 (every year); small PHA with overall PHAS score of 60%; small PHA scores < 60% under one or more of the physical or management indicators; small PHA designated as substandard in that respective category

2

Troubled Performer: Large PHA with overall PHAS score of < 60 or Capital Fund Troubled; small PHA with overall PHAS score < 60%

Capital Fund Troubled: Small PHA with PHAS score of < 50% under the Capital Fund program indicator

Office of the Inspector General

As well as the internal controls, PHA Board Members have the opportunity to partner with, and work with HUD's Office of the Inspector General (OIG). It's mission is:

"To provide independent, objective and impactful oversight of the Department to help ensure efficient and effective programs and operations."

Working with the Office of Public and Indian Housing, the IG Act of 1978 was established so they could:

- Conduct audits, investigate fraud, initiate civil, criminal investigations of agency programs and operations
- Access all records and information of the agency and program participants
- Issue subpoenas for records and documents
- Refer people or entities to the U.S. Attorney's Office for prosecution
- Employ Federal special agents with arrest powers to conduct investigations
- Recommend policies designed to promote economy, efficiency, effectiveness and prevent and detect fraud and abuse
- Provide a means for keeping the Secretary and Congress informed

Skills: Development

Overview

Public housing has evolved to become a complex development of large-scale, mixed-use, and mixed-income developments, with stricter requirements than for commercial housing projects. This document gives an outline of the overall process and requirements for building, funding, and overseeing public housing development.

It includes:

- the construction of additional units of housing that will be brought under the PHA's Annual Contributions Contract (ACC) with HUD.
- rehabilitation and modernization of existing public housing units that are already under contract.

Development Process for Housing Authorities

Regardless of the method of finance and construction, the HUD process for review and approval of development is basically the same:

1. Identify, determine if the site is vacant, one with an existing development, turnkey development, or to select a developer with a site.
2. Put the project on the Annual PHA Plan. If Capital Funds will be used, put the project in the 5-Year Action plan.
3. Consult with community members and residents who will be affected by the proposed development to ensure they are informed.
4. If acquiring vacant land, but not prepared to submit full development plan, prepare/submit Acquisition Proposal.
5. Submit a Development Proposal to HUD for review and approval.
6. Upon review and approval, housing authority and HUD Field Office establishes the project in PIC, including assigning a project number and target DOFA date.
7. Record Declaration of Trust, or for mixed-finance, a Declaration of Restrictive Covenant on the property.

Site Selection and Amenities

The following criteria are essential when choosing a site for public housing development.

- **Housing choice opportunities—**PHAs should maximize housing opportunity choice in their communities, and projects should not be located intensively within one part of a community or region where possible, particularly in areas containing a high proportion of low-income persons.
- **Facilities and services—** Sites are accessible to social, recreational, educational, commercial, and health facilities and services.
- **Transportation Options (public and private)—**Sites should be located so that travel time and cost via public transportation or private automobile is not excessive.
- **Site geography—**Sites should be adequate in size, exposure, and contour to accommodate the number and type of units proposed.

8. On project completion, enter a Date of Full Availability or DOFA date into PIC to allow for the flow of operating subsidy including reporting and validation.
9. After one year, submit Actual Development Cost Certificate (ADCC), which is submitted like the Actual Modernization Cost Certificate (AMCC) and the Final Performance and Evaluation (P/E).

Statutes and Regulations

PHAs should know federal, state and local laws as well as federal regulations that guide the development of public housing.

National Environment Policy Act (NEPA) of 1969

- Federal agencies must consider environmental impact of proposed development
- Requires clearance for Operating Fund subsidy, Capital Fund grants, Section 8, energy performance contracting, RAD activities before initiation.
- RE assumes HUDs environmental responsibilities.

Faircloth Limit

- PHAs may not use public housing funds to pay for the development of units that increases the number of units owned/operated by the PHA since October 1, 1999.
- The limit adjusts for PHA transfers of ACC units, consolidations, and RAD removals.
- Units that exceed posted Faircloth limits will not be funded.
- PHAs are responsible for reviewing Faircloth limits and notifying HUD if there are errors in the limits.

Unit Demolition Removals

- Demolition/disposition authorized under Section 18 of the Housing Act of 1937
- Details and administrative steps outlined in 24 CFR 970

Contents of the Development Proposal

The following elements are the same for all types of development.

- Project description
- Site information
- Participant description
- Development schedule
- Accessibility
- Project costs
- Local cooperation agreement and real estate taxes
- Environmental requirements
- Market analysis
- Program income and fees
    - **TDC Workbook—**A TDC Workbook is available for mixed-finance projects that contains templates for the project budget and operating pro forma.

Standard Development Options

Conventional

- Usually consists of new construction or substantial rehabilitation where bids are sealed.
- Uses Capital Fund, Replacement Housing Factor (RHF), or other funding sources, such as Demolition or Disposition Transitional Funding (DDTF).

Turnkey

- PHA advertises for and competitively selects a developer, who develops or renovates housing on property the developer owns, then sells the project to the housing agency.

Acquisition

- PHA buys existing property, and turns it into public housing; may or may not require rehabilitation.
- Use the same methods as new construction, but must certify the property was not built with the intent of selling it to the housing agency, and all HUD requirements (i.e., Davis-Bacon, environmental review) were followed when it was built.

Force Account or Materials

- Labor can be employed directly by the PHA permanently or temporarily based on physical work funded by the Capital Fund.
- PHA may use force account labor, on approval from the PHA Board of Commissioners and HUD, if the plan is included in the 5-Year Action plan.
- PHA can use cost-analysis to compare benefits of hiring and administering own labor or procuring work from an outside contractor.
- **NOTE:** Davis-Bacon and prevailing wage determinations apply to employees conducting force account work just as they would apply to a general contractor's employees.

Other Development Resources

Office of Capital Improvements Learning Tools

Common Tools to Finance Development

- Capital Fund Program
- Low-Income Housing Tax Credits
- Rental Assistance Demonstration (RAD)
- Capital Fund Financing Program
- Federal Housing Administration
  - Insured mortgage loans or mortgage insurance for properties needing extensive rehabilitation (Section 221 (d)(4)
  - Refinance of existing multifamily apartments (Section 223 (f)
  - Rental housing for elderly (Section 231)
  - Supplemental loans for multifamily projects (Section 241 (a))
  - Supportive housing elderly—Special needs (Section 202)
  - Supportive housing for persons with disabilities (Section 811)
- Federal Home Loan Bank
- Community Development Block Grant
- Operating Fund Financing Program
- Conventional Debt

UNDERSTANDING SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM (SEMAP)

LEAD THE WAY PHA GOVERNANCE AND FINANCIAL MANAGEMENT
A Training for Board Members and Staff

The Section Eight Management Assessment Program (SEMAP) is HUD's performance measurement tool for the Housing Choice Voucher Program. A PHA self-certifies to HUD 60 days after the end of the fiscal year. The Field Office will then issue a score within 120 days after the end of fiscal the year. High performers have a score above 90. Troubled performers have a score below 60.

The Board's Role in SEMAP

Your PHA's SEMAP score is an important tool for the Board of Commissioners. Track SEMAP scores each month in board meetings. You can use the SEMAP indicators to guide the way you assess your PHA's performance. Focus your attention on weak performance areas to effectively and efficiently use scarce resources. Failing to meet SEMAP standards means a failure to ensure residents are living in quality housing. Consequences of failing performance can include required corrective actions and limits on new HUD funding awards. Keep your PHA on track.

HUD's Role in SEMAP

HUD reviews and monitors PHA SEMAP scores. The SEMAP certification is analyzed by HUD Field Offices, and may also be confirmed on site. HUD staff will then provide recommendations for improving failing SEMAP indicators, and will assist in preparing a Corrective Action Plan (CAP).

SEMAP Indicators

All SEMAP performance indicators set a standard for a key area of Housing Choice Voucher Program management. PHAs are assessed against these standards to show whether the PHA administers the program properly and effectively. The SEMAP certification that is submitted by PHAs addresses all of the following indicators:

Self-Certified

Indicator 1 – Selection from Waiting List

The score for this indicator is based on whether the PHA has a written policy in its administrative plan for selecting applicants from the waiting list and whether it follows that policy. The certification must be based on the results of a quality control sample measuring the rate at which the PHA follows its selection policy.

> **Score:** The PHA receives a score of 15 for this indicator if it certifies that it has a written policy and the sample shows that 98% of applicants selected from the waiting list were selected in a manner that conformed to the PHA's policy. If the PHA had no policy or less than 98% of selected applicants were selected in the manner the policy prescribes, the PHA receives zero points for this indicator.

Do you know your SEMAP score?

Are you a “high,” “standard,” or “troubled” performer?

Indicator 2 – Rent Reasonableness

The score for this indicator is based on whether the PHA has a written policy for determining and documenting that the rent paid to owners is reasonable based on current rents for comparable unassisted units and whether it follows that policy. The PHA must conduct a quality control sample to determine whether the PHA is following its own policies for determining rent reasonableness.

> **Score:** The PHA receives 20 points for this indicator if the PHA has a written policy that meets HUD’s requirements and the sample shows that the policy was followed at least 98% of the time. The PHA receives 15 points for this indicator if the sample shows that the PHA’s policy was followed at least 80% of the time. If the PHA had no policy that met HUD’s requirements or if the PHA’s policy was followed less than 80% of the time, the PHA receives zero points for this indicator.

Indicator 3 – Determination of Adjusted Income

The score for this indicator is based on whether the PHA verifies and correctly determines adjusted annual income and utility allowances at each family’s admission and annual reexamination. The PHA must conduct a quality control sample to determine whether the PHA: 1) Obtains and uses third party verification of the factors that affect the determination of adjusted income or documents the reasons third party verification was not available, 2) Properly attributes and calculates medical, child care, and disability allowances; and 3) Uses the appropriate utility allowances.

> **Score:** The PHA receives 20 points for this indicator if it certifies that it has verified and correctly determined adjusted annual income and utility allowances for at least 90% of families sampled. The PHA receives 15 points if the PHA correctly processed 80% to 89% of families sampled and zero points if less than 80% were correctly processed.

Indicator 4 – Utility Allowance Schedule

For this indicator, the PHA is scored on whether the PHA maintains an up-to-date utility allowance schedule. A utility allowance schedule is “up-to-date” if the PHA reviewed utility rate data within the last 12 months and adjusted its utility allowance schedule if there has been a change of 10% or more in a utility rate since the last time the utility allowance schedule was revised.

> **Score:** If the PHA certifies that it has updated its utility allowance schedule, it receives 5 points for this indicator. If the PHA has not done so, it receives zero points for this indicator.

Indicator 5 – HQS Quality Control Inspections
This indicator measures whether the PHA has verified or re-inspected a sample of recently completed Housing Quality Standards (HQS) inspections representing a cross section of neighborhoods and a cross section of inspectors.

> **Score:** A PHA receives 5 points for this indicator if it certifies that it has re-inspected a sample and zero points if it has not.

Indicator 6 – HQS Enforcement
The score for this indicator is based on whether the PHA addressed deficiencies found during HQS inspections in a manner that conforms to HUD regulations. To correctly address deficiencies, the PHA must ensure that: 1) Any cited life-threatening HQS deficiencies are corrected within 24 hours from the inspection, 2) All other cited HQS deficiencies are corrected within no more than 30 calendar days from the inspection or any PHA-approved extension, 3) If HQS deficiencies are not corrected timely, the PHA stops (abates) housing assistance payments beginning no later than the first of the month following the specified correction period or terminates the HAP contract, and 4) For family-caused defects, the PHA takes prompt and vigorous action to enforce the family obligations. The PHA must conduct a quality control sample to determine whether the PHA has addressed deficiencies correctly.

> **Score:** The PHA receives 10 points for this indicator if it certifies that the sample shows that all cited life-threatening HQS deficiencies were corrected within 24 hours and 98% of other HQS deficiencies were correctly addressed. Otherwise, the PHA receives zero points.

Indicator 7 – Expanding Housing Opportunities
PHAs with jurisdiction in a metropolitan fair market rent (FMR) area will be scored under this indicator. The score is based on whether the PHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration, as well as whether the PHA has researched and distributed information about areas of poverty or minority concentration to voucher holders.

> **Score:** A PHA receives 5 points if it meets the following conditions. If the PHA does not meet these conditions, the PHA receives zero points.
>
> 1. The PHA has a written policy to encourage participation by owners of units located outside defined areas of poverty or minority concentration;
> 2. The PHA has followed its written policy;
> 3. The PHA has prepared maps of and information about areas that do not contain poverty or minority concentration, which the PHA uses when briefing rental voucher holders about the full range of areas where they may look for housing;
> 4. The PHA's information packet contains information about portability;
> 5. The PHA has analyzed whether rental voucher holders have experienced difficulties in finding housing outside areas of poverty or minority concentration and, if such difficul-

ties have been found, the PHA has considered seeking approval of exception payment standard amounts and has sought such approval when necessary.

Not Self-Certified (evidence of certification is required)

Indicator 8 – Payment Standards

For this indicator, the PHA is scored on whether its payment standards do not exceed 110% and are not less than 90% of the current applicable published FMRs (unless a higher or lower payment standard amount is approved by HUD). The PHA submits the FMRs and payment standards in the SEMAP certification form.

> **Score:** The PHA receives 5 points if the payment standards are between 90 and 110% of the FMRs, and zero points if they are not.

Indicator 9 – Annual Reexaminations

The score for this indicator is based on whether the PHA completes a reexamination for each participating family at least every 12 months.

> **Score:** The PHA receives a score of 10 for this indicator if it certifies that it has completed a timely reexamination for over 95% of families, 5 points if it has completed a timely reexamination for between 90% and 95% of families, and zero points if it has completed a timely reexamination for less than 90% of families.

Indicator 10 – Correct Tenant Rent Calculations

The score for this indicator is based on whether the PHA correctly calculates tenant rent in the rental certificate program and the family's share of the rent to owner in the rental voucher program.

> **Score:** The PHA receives 5 points if it certifies that 2% or fewer of PHA tenant rent and family's share of the rent to owner calculations are incorrect. The PHA receives zero points if more than 2% of these calculations are incorrect.

Indicator 11 – Pre-Contract HQS Inspections

The score for this indicator is based on the %age of newly leased units that pass HQS inspections.

> **Score:** The PHA receives a score of 5 if it certifies that at least 98% of the newly leased units pass HQS inspections and zero points if less than 98% pass HQS inspections.

Indicator 12 – Annual HQS Inspections

The score for this indicator is based on whether the PHA inspects each unit under contract at least annually.

Score: The PHA receives a score of 10 for this indicator if it certifies that it has completed a timely inspection of over 95% of units, 5 points if it has completed a timely inspection of between 90% and 95% of units, and zero points if it has completed a timely inspection of less than 90% of units.

Indicator 13 – Lease-Up

The score for this indicator is based on whether the PHA has entered HAP contracts for the number of units reserved under Annual Contributions Contract (ACC) for at least one year. Data is entered into SEMAP by the field office. The lease-up indicator is measured by the greater of the unit or budget authority percentages.

Score: The PHA receives 20 points for this indicator if the percent of units leased or the percent of allocated budget authority expended during the last PHA fiscal year was 98% or more. The PHA receives 15 points if the relevant percentage is 95-97% and zero points if the percentage is less than 95%.

Indicator 14 – Family Self-Sufficiency (FSS) Enrollment

PHAs with mandatory FSS programs receive a score for this indicator based on whether the PHA has enrolled families in the FSS program as required and the percent of current FSS participants that have had increases in earned income that resulted in escrow account balances. The PHA provides this information as part of the SEMAP certification and the field office verifies it. If the certified mandatory minimum number of FSS units is different from the number listed in HUD records by a reasonable amount, this indicator will be scored based on the smaller number. If there is a large discrepancy between the two numbers, the field office must research the difference to determine the correct number to enter.

Score: The PHA can earn up to 10 points for this indicator.

Deconcentration Bonus Indicator

PHAs that use a payment standard that exceeds 100% of the published FMR set at the 50th percentile rent in accordance with 24 CFR 888.113(c) must submit data for this indicator, while all other PHAs have the option of submitting deconcentration data.

Score: The PHA can earn 5 points for demonstrating that a high percent of its HCV families with children live in, or have moved during the PHA fiscal year to, low poverty census tracts in the PHA's principal operating area. PHAs will not be adversely affected if they get zero points on this indicator.

UNDERSTANDING PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)

LEAD THE WAY PHA GOVERNANCE AND FINANCIAL MANAGEMENT
A Training for Board Members and Staff

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

About PHAS

The Public Housing Assessment System, or PHAS, is the system that HUD uses to assess a PHA's performance in managing its low-rent public housing programs. HUD uses a centralized system to collect individual subsystem scores using various sub indicators and produces a composite PHAS score representing PHA's performance management. PHAS uses a 100-point scoring system based on four categories of indicators:

- PASS (Physical Assessment Subsystem) – 40 points
- FASS (Financial Assessment Subsystem) – 25 points
- MASS (Management Assessment Subsystem) – 25 points
- CFP (Capital Fund Program) – 10 points

Scores are generated for each development, or Asset Management Project (AMP). AMP scores are weighted by how many units are in the AMP and then combined into the agency-wide score. The total score is used to determine the PHA's designation under PHAS. Scores below 60 result in a troubled designation. Scores of 90 points or above result in a high performer designation. Scores below 90 but above 60 are designated as a standard performer. If your PHA scores below 60 in any one indicator, you will be designated as a substandard performer.

HUD/REAC (Real Estate Assessment Center) publishes the PHAS scores after any appeals by the PHA are addressed. A letter is sent to the PHA with the score for the Fiscal Year evaluated.

Deregulation for Small Public Housing Agencies *(fewer than 250 units)*

- High performers receive PHAS assessments every three years
- Standard and substandard performers receive PHAS assessments every other year
- Troubled and Capital Fund-troubled PHAs will receive PHAS assessments every year
- All small PHAs must submit financial information (Financial Data Schedule, FDS)every year

PASS (Physical Assessment Subsystem) – 40 points

What is its Purpose?

The purpose of the PASS is to determine whether public housing units are decent, safe, sanitary and in good repair, and to determine the level to which the PHA is maintaining its public housing in accordance with housing condition standards.

How is it Scored?

The PASS score is determined by an inspection conducted in accordance with HUD's Uniform

Physical Condition Standards (UPCS). An independent physical inspection performed and scored for each project/AMP. A statistically valid sample of the units within the AMP is selected, and project scores roll up to a composite PHA score.

What is a Technical Review (TR)?
A technical review may be requested if, during the physical inspection, an objectively verifiable and material error occurred that, if corrected, would result in an improvement in the property's overall score. The three types of material errors are:

- **Building Data Errors** - The inspection includes the wrong building or a building that is not owned by the property.
- **Unit Count Errors** - The total number of units considered in scoring is incorrect as reported at the time of the inspection.
- **Non-Existent Deficiency Errors** - The inspection cites a deficiency that did not exist at the time of the inspection.

WHAT IS UPCS?

HUD's Uniform Physical Condition Standards (UPCS) is the inspection protocol intended to assure there is uniformity and objectivity in the evaluation of the physical condition of HUD properties. Major inspection areas under UPCS are:

- Site
- Building Exterior
- Building Systems
- Common Areas
- Unit

UPCS Inspections take place every three years for AMPs with high a high performer status, every two years for AMPs with a score above 80 but less than 90, and annually for troubled performers.

Technical review requests must be received at REAC within 30 days from the physical inspection report release date.

What is a Database Adjustment (DBA)?
A request for database adjustment initiates a review of the results of a physical inspection. A database adjustment may be requested for circumstances affecting the inspected property that are out of the ordinary, reflect an inconsistency with ownership, or are allowed by city/county/state codes. Circumstances that may be addressed by a database adjustment include:

- Local conditions and exceptions
- Ownership issues
- Adverse conditions beyond the owner's control
- Modernization work in progress

The PHA will have 45 days to submit from the physical inspection report release date.

How can a PHA improve PASS?

Focus on the basics

- Understand and comply with Uniform Physical Condition Standards (UPCS)
- Inspect 100% of units annually using UPCS protocols
- Examine Capital Fund use and prioritization
- Compare maintenance to new development resources. Is maintenance underfunded?

- Maintain accurate building and unit inventory
- Perform routine maintenance on all properties, units, and systems throughout the year
- Repair health and safety deficiencies immediately

MASS (Management Assessment Subsystem) – 25 points

What is its Purpose?
The purpose of the management operations indicator is to assess the AMP's and PHA's management operations capabilities.

How is it Scored?
MASS is determined by data reported to HUD by the PHA in the Financial Data Schedule (FDS). A score is calculated for each AMP. Scores roll up to a composite PHA score. The FDS is a required report that is sent by the PHA to HUD/REAC both 60 days after the end of the fiscal year for unaudited financial data and nine months after the end of the fiscal year with the audited data. The MASS scores can be generated from either submission, but if there is a discrepancy in data, the Audited submission data will be used. Scores are assigned by the following sub-indicators:

- **Occupancy:** Emphasizes and measures the AMP's performance in keeping available units occupied. The higher the occupancy rate, the higher the score. The maximum points assigned for this sub-indicator is 16 points.
- **Resident Accounts Receivable:** Measures the amount of resident accounts receivable against resident revenue (i.e. rent paid). The maximum points assigned for this sub-indicator is 5 points.
- **Accounts Payable:** Measures total vendor accounts payable, both current and past due against total monthly operating expenses. The lower the ratio, the higher the score. The maximum points assigned for this sub-indicator is 4 points.

AMPs may be eligible for a Physical Condition & Neighborhood Environment (PCNE) score adjustment. AMPs at least 28 years old are eligible for a 1-point adjustment. Additionally, AMPs located in neighborhoods with 40% or more families living below the poverty line are eligible for a 1-point adjustment.

How can a PHA Improve MASS?
Focus on the Basics
- Increase number of occupied units/reduce vacancies
  - Maintain an updated waiting list
  - Turn vacant units around quickly
- Collect the rents on time
  - Enforce rent collection policies as much as possible
  - Increase revenue and lower Tenant Accounts Receivable (TAR) ratio
- Reduce accounts payable by paying bills on time

- Be knowledgeable about your physical conditions
- Review and understand your maintenance reports
- Know the amounts and status of your Capital Fund Program (CFP) grants
- Thoughtfully approve construction contracts

Monitor Vacant Unit Turnaround

- Monitor resident move-out/turn-over rate, which indicates resident satisfaction, vacancy loss issues, waiting list sufficiency, marketing and outreach, and changes in local market.
- Monitor property turn-over/turn around time, which indicates the time it takes to reoccupy vacant units
- Track move-out date to re-occupancy date, which of three periods:
  - **Down time:** Down time starts on the move out date.
  - **Make ready time:** Make ready time starts when the housing manager tells the maintenance supervisor the tenant is gone and it's time to prepare the unit. Date is sometimes documented as the date on a move-out inspection form. The form the housing manager uses for security deposit purposes
  - **Lease-up time:** Lease-up time starts when the maintenance man tells the housing manager the unit is done, the paint is dry, and it's okay to move somebody in. Date is sometimes documented on a work order form or log.

FASS (Financial Assessment Subsystem) – 25 points

What is its Purpose?

The purpose of the financial condition indicator is to measure the financial condition of each public housing project.

How is it Scored?

FASS is determined by data reported to HUD by the PHA in the Financial Data Schedule (FDS). Project financial performance will is scored for each project (AMP). The AMP scores will be averaged across the PHA, weighted according to unit count, and rolled up to a composite PHA score. The FDS is a required reporting that is sent by the PHA to HUD/REAC 60 days after the end of the Fiscal Year for the Unaudited Financial Data and 9 months after the end of the Fiscal Year with the Audited data. The FASS scores can be generated from either submission, but if there is a discrepancy in data the Audited submission data will be used. Late Penalty points and Late Presumptive Failure (LPF) for these submissions do apply to FASS Indicator score.

Late Penalty Points and Late Presumptive Failure (LPF)

Late penalty points are counted against the overall PHAS score if a PHA is late submitting their data in the Financial Data System (FDS). Each data set has a separate due date. To learn more about these schedules and penalties, visit the HUD/REAC site.

A Late Presumptive Failure (LPF) occurs when a PHA does not submit the required financial information and/or management certifications by the established regulatory submission deadlines. An automatic score of zero is assigned to the PHA for that indicator.

Late Penalty Points and Late Presumptive Failure can only be applied to the FASS indicator.

Scores are assigned by the following sub-indicators:

- **Quick Ratio (QR)** – Measures liquidity and current assets. The maximum points assigned for this sub-indicator is 12 points.
- **Months Expendable Net Ratio (MENAR)** – Measures the adequacy of the financial reserves by determine the number of months of operation using the net available resources. The maximum points assigned for this sub-indicator is 11 points.
- **Debt Service Coverage Ratio (DSCR)** – Measures capacity to cover debt obligations through the ability to meet regular debt obligations. The maximum points assigned for this sub-indicator is 2 points.

How can a PHA Improve MASS?

Focus on the Basics

- Maintain accurate financial records
- Submit financial reports to HUD on time
- Increase Quick Ratio by increasing cash available and reducing accounts payable
- Increase Months Expendable Net Assets ratio by increasing savings in the bank and reducing operating costs

CFP (Capital Fund Program) – 10 points

What is its Purpose?

The purpose of the Capital Fund program assessment is to examine the period of time it takes a PHA to obligate the funds provided to it from the Capital Fund program. Ultimately, the purpose is for PHAs to obligate 90% or more of these funds as quickly as possible, and no later than 2 years after funds become available. It is also to modernize and develop units and improve overall occupancy and to meet HUD's Strategic Plan goal to "Meet the Need for Quality Affordable Rental Homes."

How is it Scored?

Uses information reported in eLOCCS for scoring.
Scores are assigned by the following sub-indicators:

- **Fund Obligation** – 5 points are assigned if the PHA obligated 90% of more of the CFP by the obligation end date with no sanctions.
- **Occupancy Rate** – Measures occupancy rate at fiscal year end after adjusting for HUD approved vacancies. A total of 5 points are assigned for a rate of 96% or greater. A total of 2 points are assigned for a rate of 93% but less than 96%. Zero points are assigned if the rate is less than 93%. If the PHA scored less than 5 points for Timeliness of Fund Obligation, the Occupancy Rate score is automatically zero.

The other PHAS indicators require 60% or above to pass. The Capital fund indicator pass rate is 50% or at least 5 points.

How can a PHA Improve CFP?

Focus on the Basics

- Timely obligation of Capital Program Funds
  - Plan for the PHA's use of Capital funds
  - Track obligations made and obligation end dates
  - Request monthly board reports
  - Evaluate PHA procurement/contracting timeliness and effectiveness
- Increase number of occupied units
- Have a well-planned program for vacancy reduction that matches available funding resources
- Reduce turnover vacancy time
- Have tenants ready to move in to units when the units are ready.

Grant Management

- Observe and achieve obligation and expenditure deadlines
  - Sooner is better for your PHA
- Compare projected vs. actual budgets
- Issue several contracts per grant
- File grant close-out documents
- Be aware of the penalties for failure to meet deadlines, which include:
  - Fund recapture
  - Lower PHAS score, which could lead to substandard or troubled designation
- Adhere to the PHA procurement policy

PROCUREMENT PRACTICES AT PUBLIC HOUSING AGENCIES

LEAD THE WAY PHA GOVERNANCE AND FINANCIAL MANAGEMENT
A Training for Board Members and Staff

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Procurement Regulations and Agency

All public housing agencies (PHAs) must have written, up-to-date procurement policies and procedures that follow applicable federal, state, and local laws and regulations in place. They must maintain a contract administration system and a written Code of Standards of conduct governing performance in the award and administration of contracts. In addition, PHAs are required to have an administrative process to manage all procurement and contracting activities. Typically, the Code of Standards is outlined in the procurement policy. It applies to not only the PHA's employees, but also to all board members and their relatives and partners. Other sources of PHA procurement regulations include PIH notices, as well as state and local laws. The PHA should follow the more stringent of the federal, state, and local laws.

Procurement Policies and Procedures

A PHA's procurement policies and procedures are developed by the PHA and approved by the board of commissioners. The purpose of these guidelines is to ensure that a PHA is acting legally and with integrity in its daily operations by providing regulatory and administrative oversight of all procurement activities.

Procurement Policy: The procurement policy identifies specific regulatory aspects of the procurement process. It reflects the regulatory principles outlined in the regulations – PHAs typically use the sample provided by HUD in the Procurement Handbook (see box). The policy should itemize any applicable state and local requirements. The handbook does not state that the board must approve the policy. However, it is standard practice, as per the Annual Contributions Contract (ACC) requirements, that the board approve the policy.

Procurement Procedures: Procurement procedures are the standard operating procedures that implement the policy set by the board. The procedures are developed/adopted by the PHA's executive director/CEO – board approval is not required for these procedures. These procedures are typically in the form of a management guide that outlines the internal administrative steps undertaken at the PHA for all procurement actions. It outlines such procedures as:

- Person designated for issuing purchase orders
- The process for deliveries of equipment and supplies
- Person designated for accepting the delivery of equipment and supplies
- Person designated for paying for services delivered

Roles and Responsibilities

Board of Commissioners

The board must be cognizant of the basic provisions noted in the PHA's procurement policy, including the general procurement activities undertaken through the Capital Fund Program (CFP) and through the regular operating budget. The responsibilities of the board include:

- Approving the procurement policy
- Avoiding direct financial gain from any operational activities at the PHA
- Avoiding conflicts of interest
- Monitoring procurement activities with regular meetings
- Approving contracts and agreements following threshold limits noted in the procurement policy or procedures
- Inquiring and following up on administrative inconsistencies or wrongdoing to prevent fraud and mismanagement at the PHA
- Ensuring, through the review of the personnel policy and position descriptions, that duties are separated to the point that adequate internal controls are maintained at the PHA
- Reviewing the Independent Public Audit for problems with the procurement function
- Always being alert for any indications of fraud and mismanagement

BOARD OF COMMISSIONERS

- Provides general oversight of procurement activities
- Not directly involved in vendor selection
- May approve contracts/agreements that exceed a threshold or address a condition specifically outlined under the PHA's procurement policies and/or procedures

While the board does not have direct administration of the procurement functions at the PHA, they are responsible for monitoring all procurement awards through regular meetings. In particular, the board should inquire about administrative inconsistencies that do not follow the Standard Operating Procedures. As part of the procurement policies and procedures, the board can set a threshold that requires its concurrence on certain purchases. However, the board should not micromanage a PHA's procurement activities.

Sample Board Resolution

RESOLUTION NO. 57 OF 2011

A Resolution – Authorizing the Executive Director or his Designee to enter into an Electrical Contract with Merit Electrical Group, Inc. for Switchboard Replacement at the Bidwell High-rise.

WHEREAS, the Housing Agency has determined that it is in the best interests of the Agency and the residents of Bidwell High-rise to replace the existing electrical switchboard; and

WHEREAS, on May 18, 2011, the Housing Agency tasked the Architectural/Engineering (A/E) firm of D7D Engineering to design the electrical work required to replace the existing switchboard and to provide the bidding documents necessary to produce a contractor to perform the work; and

WHEREAS, on October 31, 2011, the Housing Agency issued an Invitation for Bids ("IFB") for the Switchboard Replacement at the Bidwell High-rise; and

WHEREAS, on November 28, 2011 the Housing Agency received seven (7) bids for the electrical construction work in response to the Invitation for Bids; and

WHEREAS, Merit Electrical Group, Inc. is the lowest responsive and responsible bidder with a bid amount for $84,000.00 which is 80% of the Independent Cost Estimate (ICE) of $106,242.50; and

WHEREAS, this procurement was performed in accordance with applicable Federal regulations and the procurement policies and procedures of the Housing Agency

NOW, THEREFORE, BE IT RESOLVED by the Housing Agency

Section 1. That the Executive Director or his designee is hereby authorized to enter into an Electrical Construction Contract with Merit Electrical Group, Inc. in the amount of $84,000.00 for Switchboard Replacement as the Bidwell High-rise.

Section 2. That the contract will be paid from MtW Funds.

"Ayes": Reverend Ricky V. Burgess, Mr. Frederick Frank, Ms. Beatrice Hogan, and Ms. Doris Carson Williams.

"Nayes": None.

Above is a sample board resolution to enter into an electrical construction contract. Locate and highlight the important aspects of this resolution, including:

1. Scope of work defined
2. Date the bid was issued
3. Number of bids received
4. Bid cost compared to estimate
5. Method of paying for contract

Executive Director

The executive director, sometimes called the CEO, is appointed by the board to conduct procurement activity as the Contracting Officer. The executive director is the only person designated to obligate funds and to execute contracts, purchase orders, intergovernmental agreements, and change orders. This person analyzes bids and proposals to ensure fair and equitable treatment for all parties. The executive director will also grant or deny protests in writing.

EXECUTIVE DIRECTOR

- Has full authority to procure and execute contracts on behalf of the PHA
- May delegate authority to staff if approved by the board per official resolution
- Delegation must specify monetary limits and types of actions allowed

Contracting Officer

The Contracting Officer, in most cases, is the executive director. Therefore, any delegations of authority must be clearly outlined and approved by the board, particularly for project-based developments under Asset Management.

Public Housing Agency

It is the responsibility of the PHA to ensure that subcontract awards are made to responsible contractors with the ability to perform successfully under the terms and conditions of a proposed procurement. The PHA must also:

Maintain sufficient records to detail the history of a procurement contract. Clear and concise records of every action should be properly documented. Then, if the PHA is audited, it can justify the award.

Settle all contractual and administrative issues in accordance with good administrative practice and sound business judgment. This includes all protests, disputes, and claims.

Implement protest procedures to handle and resolve disputes relating to procurements. Protest Procedures should be addressed in both the procurement policies and procedures. PHAs have the legal authority to administer their own programs. Federal agencies will not pass judgment on a PHA's determination unless the matter is primarily a federal concern. HUD's review of a protest is limited to the assessment of violations of federal law or regulation or a PHA's violation of their own Protest Procedures for failure to review a complaint or protest.

Implement a contract administration system that ensures that contractors hired by the PHA perform in accordance with the terms, conditions, and specifications of the contract. A contract administration system can be used for all contracts awarded under:

- Small Purchase Procedures (SPP)
- Invitation for Bids (IFB)
- Request for Proposals (RFP)
- Request for Qualifications (RFQ)

This system relates to the staff assignment and internal coordination needed to administer all procurement activities at the PHA. It helps the PHA answer critical questions such as:

- Is the PHA getting a good value for their payment?
- Are the goods received acceptable?
- Are compliance schedules being met?

PHAs who have had problems administering Architecture/Engineering (A/E) and other professional-type consultants in the past should have specific performance criteria included in their contracts.

Ensure open competition according to the Code of Federal Regulations (2 CFR 200.319(a)), "procurement transactions must be conducted in a manner providing full and open competition…" Activities that might restrict open competition include:

1. Placing unreasonable requirements on firms in order for them to qualify to do business
2. Requiring unnecessary experience and excessive bonding
3. Noncompetitive pricing practices between firms or between affiliated companies
4. Noncompetitive contracts to consultants that are on retainer contracts
5. Organizational conflicts of interest
6. Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement
7. Any arbitrary action in the procurement process.

When you have a concern about procurement, ask yourself, "Did everyone have an opportunity to participate in a fair manner?"

Procurement Planning at PHAs

For each procurement action planned at your PHA, it is important to plan well ahead of time. Good planning determines the procurement method for what is needed, ensures that goods and services are obtained when needed, and enables economy of buying off-season. It will also help your PHA develop a schedule for each action. Planning should include determining your short-term and long-term needs per your physical needs assessment (PNA), the time restraints the activity is under (e.g., urgency, type and size of the job, and market conditions), and the source and availability of funds for the activity, whether they be from operating funds, capital funds, or other funds.

There are **ten basic procurement steps** that PHAs must undertake with all procurement activities. These steps include:

1. Develop a Statement of Work (SOW). An SOW is typically used for service contracts (e.g., accounting or legal services) and establishes a baseline for evaluation factors.
2. Complete an Independent Cost Estimate (ICE). An ICE is the PHA's estimate of the cost of goods and services being sought. It is used to evaluate the contractor's reasonableness.
3. Determine the rationale for the procurement method.
4. Solicit and receive quotes/bids/proposals.
5. Determine responsive/responsible bidder, as applicable.
6. Determine price reasonableness.
7. Award the contract.
8. Implement the contract administration system.
9. Close out the contract.
10. Maintain records for minimum of three years.

Methods of Procurement

There are four primary methods of procurement, described below.

Small Purchase Procedures

Small Purchase Procedures (SPPs) are normally used for purchases equal to or less than $100,000 or based on PHA's small purchase threshold. It is less formal than the other types of procurement procedures. SPPs can be used to procure all types of procurements, such as requests for bids or competitive proposals; however, informal procedures are not recommended for formal requests for proposals due to the evaluation process involsved. Federal regulations state that offers shall be obtained from an "adequate number of qualified sources." HUD recommends a minimum of three qualified sources; however, two is the minimum. If one offer is received under SPP, it becomes a single source. However, no HUD approval is required to award the contract since the procedure is not formal.

Steps to an SPP include:

1. Develop an Independent Cost Estimate for the needed work of materials.
2. Solicit three quotes.
3. Compare the quotes to the cost estimate.
4. Negotiate the price.
5. Execute a purchase order.

Micro Purchases are a subcategory of SPP for procurements costing less than $2,000. For PHAs to use this category, it must be outlined in the PHA's procurement policies. Under this new category, implemented with the revised HUD Procurement Handbook, an ICE and a wage rate are not required. Only one quote is required if the price is considered reasonable.

Sealed Bids

Sealed bids are normally used for construction contracts that are less than $100,000. This procurement method incorporates the qualifications into the request itself, and is awarded based on price alone. To issue and award a sealed bid, PHAs typically use the following process:

1. Develop a cost estimate for the needed work or materials.
2. Draft a request for proposals (RFP).
3. Publicly open the bids as they are received.
4. Determine the lowest responsible and responsive bidder.
5. Execute a fixed price contract with the selected bidder.

An invitation for bids (IFB) is a formal type of procurement. The issuance of IFB is the procurement method used for acquiring tangible items such as equipment and supplies, and for construction activities.

Competitive Procedures

Competitive procedures can be used when sealed bids or small purchases are not practical. This procurement method is useful when there are unclear or incomplete specifications in the scope of work. It is awarded based on the specifications offered by the bidder. There are two types of competitive procedures: 1) Price Considered, where price is included in the assessment of the proposal; and 2) Price Not Considered, where the assessment is based solely on the technical merits of the proposal. Price Not Considered is typically used for A/E and developers. To issue and award a competitive bid, PHAs typically use the following process:

1. Develop a cost estimate for the needed work or materials.
2. Draft an RFP or Competitive-based Proposal (CBP).
3. Receive proposals, but don't open them publicly.
4. Rate the proposals based on the technical merits and price of the proposal (when price is considered).
5. Choose the highest-rated proposal.
6. Negotiate the price with highest-ranked firm, via the Contracting Officer.
7. Execute either a fixed price or cost reimbursement contract with the selected firm.

Non-Competitive Procedures

Non-competitive procedures are used for emergencies and when competition is lacking. A cost analysis must be performed in all cases, due to the lack of competition. All technical and cost aspects may be negotiated with the sole provider. Types of noncompetitive procurement methods include:

Sole source

- PHA solicits an offer from one source through a Non-competitive-based Proposal (Non-CBP) since it knows there is no competition in the open market
- The item or service is available from only one entity

Single source

- PHA solicits offers from multiples sources through a Competitive-based Proposal (CBP) in the open market, but receives only one offer
- PHA was not aware of lack of competition in the open market

Emergencies and Public Exigencies

- Must be a justifiable condition where the health and safety of the residents is at stake and must be corrected immediately
- No HUD approval is required, in order to facilitate a quicker response

Example of Single Source

Legal services for a PHA may be difficult to obtain in smaller communities. The PHA may initially issue an RFP as a CBP, but must process as a Non-CBP if only one response is received. If there is no response to the RFP, the PHA may consider performing a sole source by targeting one firm willing to negotiate. If it is a formal IFB, HUD approval must be obtained before awarding the contract. If it is informal, the PHA may proceed to award without approval from HUD, but it must document the procedure.

Non-competitive bid procedures require a justification. The justification must describe the action required, the history of prior purchases, the HUD exception under which the activity applies (24 CFR 85.36(d)(4)(i)(A) through (D)), a statement of the unique circumstances requiring the award under this method of procurement, any efforts made to achieve competition (past and future), and approval by the Contracting Officer of the executive director or board, as applicable, per the PHA's procurement procedures.

Other Administrative Requirements

Terms of Contracts

All contracts must have a finite performance period, including any options to be exercised, each outlined with the maximum value for the service/materials and/or the limit on total quantities/services being acquired (Section 10-8 of the Procurement Handbook). Specifically:

Contracts shall not exceed five years, including options for renewal or extension.

- Any contracts over five years, including options, must be approved by HUD (Section 12.2 of the Procurement Handbook).
    - HUD has determined that contracts beyond five years inherently restrict the competition and must be re-bid to provide opportunities to other entities and to verify the price being paid for the service.
    - The HUD Field Office may approve contract extensions beyond five years if there is no alternative or if the PHA can verify that state or local law allows that contracts can exceed the five-year limit.

All options must be evaluated at the time of the original award of the contract and assessed by the PHA prior to activating the option.

- Options to extend a contract can only be exercised if the original contract outlined such options; otherwise, the PHA must re-bid the solicitation.

Federal Labor Standards and Wage Rates

For construction and maintenance contracts over $2,000, The Davis-Bacon and Related Acts wages guidelines apply. The Davis-Bacon and Related Acts apply to contractors and subcontractors performing on federally funded or assisted contracts in excess of $2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Under Davis-Bacon, PHAs must pay workers applicable wages based on the established classifications of work. PHAs must also post wages in the job site and other public places and interview employees. Interviews ensure that work performed and salaries paid to workers are consistent with job classification wages reported in the payrolls.

Service contracts are exempt. These might include extermination, security guard services, dumpster/trash pickup, alarm systems, routine servicing and testing of HVAC, building inspections, office equipment maintenance, and vehicle service and repairs.

More information can be found on www.wdol.gov.

Actions Requiring HUD Approval

The following actions require HUD approval, according to the regulations in 24 CFR 85.36(g)(2):

- Any procurement procedures or operational actions which fail to comply with the established regulations
- Formal procurements exceeding the $100,000 Federal Simplified Acquisition Threshold or the limit specified in the PHA's procurement policies where:
  - Only one bid or offer is received
  - The contract is awarded without competition
  - The contract or RFP specifies a "brand" name
  - The contract is awarded to a firm other than the apparent low bidder under an IFB
- A contract modification under any procurement type that changes the Scope of Work or increases the contract amount by more than the $100,000 Federal Simplified Acquisition Threshold or the limit specified in the PHA's procurement policies

The nature of these procurement measures is to limit competition. Therefore, HUD has an interest in assessing their basis to be sure that the justification is legitimate. It is the responsibility of the PHA to contact HUD to obtain approval for these methods.

Key Procurement Questions for the Board to Ask

- Who is the official Contracting Officer at the PHA? Was he/she approved through a board resolution?
- Is there an up-to-date procurement policy at the PHA?
- Do the procurement procedures in place reflect the operation of the PHA?
- Based on the regular board meetings, is the PHA following the regulatory requirements outlined in the procurement policy and the procurement procedures for operational and capital improvements?
- Are fair and open procurements undertaken at the PHA?
  - Are formal procurements publicly advertised?
  - Are contracts awarded to the lowest bidder?
  - Are non-competitive procurements properly justified?

EVENTS - NAHRO.ORG

National Conference

Save the date for the 2026 National Conference in Denver, CO, October 15-17. The conference will be at the Colorado Convention Center in downtown Denver. Registration and agenda information will be available in the summer of 2026.

Click on the following links for more information about the conference:
Call For Session Proposals < https://www.nahro.org/events/national-conference/call-for-session-proposals/> – *Submission period has closed*
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