



REGIONAL HOUSING AUTHORITY

Serving the Cities of Live Oak, Yuba City and Colusa • Counties of Sutter, Nevada, Colusa and Yuba

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www.RegionalHA.org

October 24, 2024

TO: Chairperson Bob Woten
Vice-Chairperson Denise Conrado
Commissioner Tony Kurlan
Commissioner Lisa Swarhout
Commissioner Sue Hoek
Commissioner Manny Cardoza
Commissioner Jeramy Chapdelaine
Commissioner Marc Boomgaarden
Commissioner Suzanne Gallaty
Commissioner Kent Boes
Commissioner Nicholas Micheli
Commissioner Doug Lofton
Commissioner John Loudon
Commissioner Don Blaser
Legal Counsel Brant Bordsen

Sutter County Board of Supervisors
Nevada County Board of Supervisors
Yuba County Board of Supervisors
Colusa County Board of Supervisors
City Council, Live Oak
City Council, Yuba City
City Council, Colusa
Duane Oliveira, General Counsel Emeritus
Appeal-Democrat
PEU Local #1
Toni Darwazeh, City of Yuba City
The Union

NOTICE OF REGULAR MEETING

November 6, 2024

You are hereby notified that the Commissioners of the Regional Housing Authority are called to meet in Regular Session at **12:15 PM on Wednesday, November 6, 2024, at Richland Neighborhood Center, 420 Miles Avenue, Yuba City, CA 95991.**


Gustavo Becerra
Executive Director

AGENDA
REGULAR MEETING
OF THE BOARD OF COMMISSIONERS OF
REGIONAL HOUSING AUTHORITY

**Richland Neighborhood Center,
420 Miles Avenue, Yuba City, CA 95991
November 6, 2024, 12:15 PM**

- A. CALL TO ORDER: ROLL CALL
- B. PLEDGE OF ALLEGIANCE
- C. PUBLIC PARTICIPATION: Members of the public shall be provided with an opportunity to address the Board on items of interest that are within the subject matter jurisdiction of the Board. Any member of the audience who may wish to bring something before the Board that is not on the agenda may do so at this time; however, State law provides that no action may be taken on any item not appearing on the posted Agenda. Persons who wish to address the Board during public comment or with respect to an item that is on the agenda will be limited to three (3) minutes.
- D. AWARDS AND PRESENTATIONS: NONE
- E. EXECUTIVE SESSION: NONE
May be held under California Government Code regarding pending and/or anticipated litigation, property acquisition, and/or personnel issues.
- F. CONSENT CALENDAR: All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time that the Board votes on the motion unless members of the Board request specific items to be discussed or removed from the Consent Calendar for individual action.
 - 1. Recommend Approval of Minutes – October 2, 2024 pg. 1
 - 2. Approval of Management Agreement between Regional pg. 4
Housing Authority and Sutter Community Affordable Housing
 - 3. Resolution 24-1845 – Rural Development Collection Loss Write-Off pg. 19
 - 4. Resolution 24-1846 – Combined Programs Collection Loss Write-Off pg. 21
 - 5. Resolution 24-1847 – Kingwood Commons Collection Loss Write-Off pg. 23
 - 6. Resolution 24-1848 – Housing Choice Voucher Collection Loss pg. 25
Write-Off

7. Resolution 24- 1849 – Family Self-Sufficiency Graduate Brittney Weeks pg. 27

G. OLD BUSINESS: Discussion/Possible Action: NONE

H. NEW BUSINESS: Discussion/Possible Action:

8. Resolution 24-1850 – Authorizing a \$300,000 Capital Funds Loan To Truckee Pacific Crest Associates, a California Limited Partnership
Marco Cruz, Chief Financial Officer pg. 28

I. ADMINISTRATIVE REPORT:

9. RHA Owned/Managed Properties Occupancy/Eligibility Update Pattra Runge, Occupancy Manager pg. 32

10. Finance Update Marco Cruz, Chief Financial Officer pg. 34

11. Administrative Update Gustavo Becerra, Executive Director

J. HOUSING COMMISSIONERS' COMMENTS:

K. NEXT MEETING: November 20, 2024

L. ADJOURNMENT:

REGIONAL HOUSING AUTHORITY
Minutes
Regular Board Meeting
October 2, 2024

ITEM NO. A - CALL TO ORDER:

Chairperson Bob Woten called the meeting to order.

ITEM NO. A - ROLL CALL:

Chairperson Bob Woten, Commissioners Tony Kurlan, Don Blaser, Jeramy Chapdelaine, Manny Cardoza, Marc Boomgaarden, Kent Boes, Lisa Swarthout, Sue Hoek, and John Loudon were present. Commissioner Suzanne Gallaty arrived later in the meeting. Vice-Chairperson Denise Conrado, Commissioners Nicholas Micheli, and Doug Lofton were absent. Legal Counsel Brant Bordsen was also present.

ITEM NO. B. – PLEDGE OF ALLEGIANCE:

Commissioner Chapdelaine led the pledge of allegiance.

ITEM NO. C. – PUBLIC PARTICIPATION: NONE

ITEM NO. D.1.-FAMILY-SELF SUFFICIENCY GRADUATE MICHELLE BRENNER:

Family Self-Sufficiency Coordinator Josie Alcaraz stated Ms. Brenner was previously homeless and living in her car. She secured housing in the Richland Housing complex and joined the Family Self-Sufficiency program in 2020. Ms. Brenner is employed full-time and recently purchased a home. Ms. Brenner will receive an escrow check in the amount of \$8,094.85.

Ms. Brenner thanked staff for the opportunity to be on the program and giving her family the steppingstones they needed to becoming homeowners.

ITEM NO. E. – EXECUTIVE SESSION: NONE

ITEM NO. F.2.-6. - CONSENT CALENDAR:

Executive Director Gustavo Becerra asked that item 5. Resolution 24-1843 – Approval of Administrative Plan be pulled due to public comment.

Commissioner Cardoza made a motion to approve Items 1-4, and Item 6 of the Consent Calendar as submitted. Commissioner Hoek made the second. The following roll call vote was taken:

Vote: Ayes: Chairperson Bob Woten, Commissioners Manny Cardoza, Kent Boes, Sue Hoek, Tony Kurlan, Don Blaser, Marc Boomgaarden, Jeremy Chapdelaine, Suzanne Gallaty, Lisa Swarthout and John Loudon

Nays: None

Abstain: None

Absent: Vice-Chairperson Denise Conrado, Commissioners Doug Lofton, and Nicholas Micheli

Mr. Becerra stated Resolution 24-1843 is approval of the Housing Choice Voucher, also known as the Section 8 program, Administrative Plan. He said the updates are in line with regulation changes from HUD. Occupancy Manager Alisha Parker mentioned staff waited as long as possible to bring the updated Administrative Plan to the board due to the continuous changes from HUD for Inspire and HOTMA. She explained there are more changes to come with these items and staff will notify all clients accordingly.

Erin Simonitch, CRLA, said she has no objections and understands why the plan is getting updated. She asked that there be changes made to the Terminations section and the fraud definition in the future.

Commissioner Cardoza made a motion to approve Item 5 of the Consent Calendar as submitted. Commissioner Swarthout made the second. The following roll call vote was taken:

Vote: Ayes: Chairperson Bob Woten, Commissioners Manny Cardoza, Kent Boes, Sue Hoek, Tony Kurlan, Don Blaser, Marc Boomgaarden, Jeremy Chapdelaine, Suzanne Gallaty, Lisa Swarthout and John Loudon

Nays: None

Abstain: None

Absent: Vice-Chairperson Denise Conrado, Commissioners Doug Lofton, and Nicholas Micheli

ITEM NO. G. – OLD BUSINESS: NONE

ITEM NO. H.7. – ACCEPTANCE OF AUDIT INTO RECORD:

Chief Financial Officer Marco Cruz went over the audit provided in the packet. He shared that the audit presented fairly in all material respects. Mr. Cruz mentioned the current assets and operating reserves increased from last year and the current liabilities decreased from last year. He said the auditor report on the financial statements and on the compliance for the major programs went unmodified. Mr. Cruz shared there were no findings reported.

Chairperson Woten thanked staff for their great work and all that they do.

Commissioner Kurlan made a motion to accept the audit into record. Commissioner Boes made the second. The following roll call vote was taken:

Vote: Ayes: Chairperson Bob Woten, Commissioners Manny Cardoza, Kent Boes, Sue Hoek, Tony Kurlan, Don Blaser, Marc Boomgaarden, Jeremy Chapdelaine, Suzanne Gallaty, Lisa Swarthout and John Loudon

Nays: None

Abstain: None

Absent: Vice-Chairperson Denise Conrado, Commissioners Doug Lofton, and Nicholas Micheli

ITEM NO. I. 8. - ADMINISTRATIVE UPDATE:

Mr. Becerra said the Section 8 Housing Choice Voucher waitlist should be opening after the first of the year. He mentioned several financing applications have been submitted for various projects. Mr. Becerra stated the Rancho Colus project is on target to be completed mid-December.

ITEM NO. J - HOUSING COMMISSIONERS' COMMENTS:

Commissioner Blaser mentioned the Yuba County library will be closing for renovations.

Commissioner Kurlan thanked staff for their great work on the audit.

Commissioner Cardoza said there will be a cancer run at the Geweke field this weekend.

Commissioner Hoek stated on October 5, 2024, Nevada County will have their Heart of Gold Gravel race.

Commissioner Boomgaarden said good job on a clean audit. He also mentioned the City of Yuba City has double the number of permits for housing.

Commissioner Chapdelaine thanked staff for their hard work.

Commissioner Gallaty also thanked staff for their hard work.

Chairperson Woten expressed his appreciation to staff and Mr. Becerra for continuing to move in a positive direction.

ITEM NO. K – NEXT MEETING: October 16, 2024

ITEM NO. L - ADJOURNMENT: The meeting was adjourned at 12:55 PM.

**REGIONAL HOUSING AUTHORITY
STAFF REPORT**

Date: November 6, 2024
To: Board of Commissioners
From: Marco Cruz, Chief Financial Officer

SUBJECT: Management plan for Sutter Community Affordable Housing, Inc.'s Yolo-Heiken and Town Center Senior Manor properties.

Background:

Regional Housing Authority (RHA) manages and operates the rental properties of Yolo-Heiken and Town Center Senior Manor on behalf of the owner, Sutter Community Affordable Housing, Inc. (SCAH), a 501(c)3 non-profit created by RHA. Additionally, Town Center Senior Manor is operated under a 55-year regulatory agreement made with the Yuba City Redevelopment Agency in 1996.


With the assistance of counsel, RHA staff has updated the 1998 management plan to include:

1. The assignment of Town Center Senior Manor to SCAH.
2. The inclusion of the Yolo-Heiken property.
3. A monthly lease fee to RHA, owner of the Town Center Senior Manor land.
4. An updated fee schedule, reflecting current operations.
5. Various language adjustments, reflecting current operations.

Recommendation:

Staff recommends the Board of Commissioners approve the updated Management Plan between Regional Housing Authority and Sutter Community Affordable Housing, Inc. for the Town Center Senior Manor and Yolo-Heiken properties.

Prepared by:



Marco Cruz
Chief Financial Officer

Submitted by:



Gustavo Becerra
Executive Director

LEASE AND AGREEMENT TO MANAGE PROGRAM

This Agreement (“Agreement”) is made effective _____, 2024 by and between Sutter County Affordable Housing (hereinafter “Owner”) and Regional Housing Authority (hereinafter “Manager”) for the lease of real property and management services regarding the programs described below.

RECITALS

- A. Manager owns parcels of real property, namely, Town Center Senior Manor, with a common address of 506 Plumas Street, Yuba City, California 95991 and Yolo-Heiken with common addresses of 553 Heiken Street, Yuba City, California 95991, 556 Yolo Street, Yuba City, California 95991 and 554 Yolo Street, Yuba City, California 95991 (the “Real Property”).
- B. Owner owns the buildings and improvements on each parcel of the Real Property.
- C. Collectively, the Real Properties and improvements located thereon have been managed by Manager to provide residential housing for senior citizens.
- D. The management of the Town Center Senior Manor with improvements has been undertaken by Manager pursuant to the Yuba City Redevelopment Agency regulatory agreement as recorded as Instrument No. 1996-17854 of Official Records.
- E. This Agreement shall be in effect for three (3) years from the date of acceptance by both parties.

As provided herein, Owner desires to rent from Manager the Real Property parcels and Manager agrees to manage the residential units on these parcels pursuant to the terms, conditions and covenants set forth below.

IN WITNESS WHEREOF the parties agree as follows:

Section 1 Incorporation of Recitals

The foregoing recitals are not merely recitals but are contractual in nature and are incorporated into this agreement.

Section 2 Rental of the Real Property Parcels

Commencing on the effective date of this Agreement and on the first of each month thereafter Owner shall pay in advance on the first of each month the sum of \$300 as rental for such Real Property. On each April 1st, the rental amount shall increase by an amount of 3% over and above the amount of rent for the prior year.

Section 3 Management of the Rental Units

Owner hereby hires Manager to manage the rental units at the improved Real Properties (hereinafter the "Properties") and Manager accept such appointment subject to the terms and conditions set forth in this Agreement. Manager agrees to manage in an efficient and satisfactory manner.

Section 4 Term of Agreement

This Agreement shall be effective from the effective date set forth in the preamble above and continue until terminated as follows:

1. Either party may terminate this Agreement, without cause, upon not less than 60 days written notice to the other party.
2. In the event that either party materially defaults in the performance or observance of any term, condition or covenant contained in this Agreement, and that such default shall continue for a period of 10 days after written notice from the non-defaulting party specifying the default and requesting that the same be remedied, the non-defaulting party may declare by written notice the termination of this Agreement. Notwithstanding the foregoing, if a non-monetary default cannot be remedied within the ten-day period, the defaulting party shall, in good faith, have commenced to remedy the default within that ten-day period, shall subsequently prosecute to completion with diligence and continuity the remedying of the default, and shall remedy the default within a reasonable time.
3. In the event of fraud, willful misconduct, gross negligence or bad faith on the part of either of the Principal Parties, then the other Principal Party may immediately terminate this Agreement.
4. In the event that a petition in bankruptcy is filed by or against either of the parties hereto, or either of the parties seeks relief under any of the chapters of the Federal Bankruptcy Act, or in the event that either of the parties makes an assignment for the benefit of creditors (whether by common law assignment or pursuant to specific provisions of State or Federal law), then the other party may terminate this Agreement.
5. Upon any termination of this Agreement, Manager shall forthwith surrender and deliver to Owner any space in the Development occupied by Manager. Manager shall also surrender, deliver, and account for in writing to Owner, all money due Owner then in the General Operating Account, the Security Deposit Account, (as such terms are defined herein), and any and all money received by Manager from the Development after termination. Manager shall also deliver to Owner such contracts, documents, papers, and records pertaining to the Development or to this Agreement as may be reasonably requested, and furnish all such information and take all such action as shall be reasonably necessary in order to effectuate an orderly and systematic transition of Manager's duties and activities under this Agreement to a new manager. Manager shall transfer any Unlawful Detainer actions in progress to the new manager. Manager shall retain for 3 years copies of all records and other pertinent documents (as required by Business and Professions Code Section 10148). Manager shall provide Owner, each lender or an

assignee of such lender, as applicable, with a final accounting of all records relating to this Agreement no later than thirty (30) days after termination. Owner is required to have all accounts verified for their accuracy by a certified public accountant after receipt of the records. Manager agrees to cooperate with the Owner to satisfy this requirement.

Section 5 Manager's Compensation

Manager shall be compensated for services under this Agreement as shown on Exhibit A attached hereto and incorporated herein by reference.

Section 6 Manager's Duties

The Owner operates the residential properties comprising the real property parcels and improvements thereon. The Manager shall render services hereunder in accordance with the following:

1. Employees. Manager shall hire personnel and supervise, oversee and discharge the same. An employee must reside at one of the Properties. It is agreed that Manager is not an employee of Owner, but is engaged as an independent contractor in the business of managing properties. All employment agreements with employees at the Properties are solely Manager's concern and Manager shall have no authority to hire employees or establish an agency relationship on behalf of Owner. Manager agrees to comply with all applicable laws and regulations concerning workers compensation, social security, unemployment insurance, hours of labor, wages, working conditions and like subjects affecting employees.
2. Eligible Tenants. The management shall rent to tenants in accordance with any regulatory agreements applicable to the respective properties and in keeping with the management plan.
3. Other Obligations Concerning the Properties. Manager shall comply with the requirements of any other term or condition concerning the Properties including loan documents, regulatory agreements, development agreements and all other documents, whether or not recorded against the Properties in connection with the management, operation and maintenance of such Properties and shall comply with all insurance requirements regarding the Properties.
4. Collection of Rents and Other Receipts. Manager shall collect when due all rents and other amounts receivable in connection with the management and operation of the Properties. Subject to the rights of mortgagees under any assignment of rents, such receipts shall be deposited in the general Operating Account or the Security Deposit Account, as applicable, in the name of Owner with Manager as signatory.
5. Establishment and Maintenance of Accounts. Management shall create and oversee three accounts, an Operating account, a Reserve account and a Security deposit account. The operating accounts shall receive all revenue and pay for operating expenses. The reserve account shall be deposited into an interest-bearing insured account. The security deposit account shall operate in compliance with California law to include without limitation

California Civil Code Section 1950.5 and California Assembly Bill 12 adopted during the 2023-2024 regular session of the California legislature.

6. Disbursements. Manager shall disburse funds to pay normal operating costs which shall include employee salaries and benefits, manager's fee (as specified herein), loan servicing payments, insurance, operation costs, emergency expenses, applicable regulatory agreement disbursements, audit expenses and costs and fees associated with actions to terminate tenancies. Manager shall not pay unbudgeted operating expenses exceeding \$25,000 per fiscal year without the written approval of the Owner.

Manager shall establish a reserve account for emergency expenses. Funds may not be spent from this account except subject to an approved annual budget and only when general operating account funds are insufficient.

7. Insurance. Manager shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by Manager, Manager's agents, representatives, employees, or subcontractors.

This Agreement identifies the minimum insurance levels with which Manager shall comply; however, the minimum insurance levels shall not relieve Manager of any other performance responsibilities under this Agreement (including the indemnity requirements) and Manager may carry, at Manager's own expense, any additional insurance Manager deems necessary or prudent.

- 7.1 Minimum Scope of Insurance. Coverage shall be at least as broad as:

Minimum Limits of Insurance - Manager shall maintain limits no less than the following:

- 7.1.2 General Liability: (including operations, products and completed operations): \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

- 7.1.3 Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

- 7.1.4 Workers' Compensation: As required by the State of California.

- 7.1.5 Directors and Officers Liability: \$1,000,000 per incident or claim

- 7.1.6 Deductibles and Self-Insured Retentions: Any deductibles or self-insured Retentions must be declared to and approved by the Owner. At the option of the Owner,

either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Owner, its officers, officials, employee and volunteers; or Manager shall provide a financial guarantee satisfactory to the Owner guaranteeing payment of losses and related investigations, claim administrations and defense expenses.

7.2 Other Insurance Provisions.

7.2.1 The Owner, Owner's officers, officials, employees and volunteers are to be covered as insured with respect to liability arising out of automobiles owned, leased, or hired or borrowed by or on behalf of Manager; and with respect to liability arising out of work or operations furnished in connection with the Amendment. General liability coverage can be provided in the form of an endorsement to Manager's insurance or as a separate owner's policy.

7.2.2 For any claims related to this Agreement, Manager's insurance coverage shall be primary insurance as respects the Owner, Owner's officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by Owner, Owner's officers, officials, employees, or volunteers shall be excess of Manager's insurance and shall not contribute with it.

7.2.3 Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice has been provided to Owner via certified mail with return receipt.

7.3 Waiver of Subrogation. Manager hereby agrees to waive subrogation which any insurer of Manager may acquire from Manager by virtue of the payment of any loss. Manager agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

The Workers' Compensation policy shall be endorsed with a waiver or subrogation in favor of the Owner for all work performed by Manager, Manager's employees, agents and subcontractors.

7.4 Qualifications of Insurers. All insurance companies providing coverage to Manager shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California, and shall have an A.M. Best's rating of not less than "A:VII".

7.5 Verification of Coverage. Manager shall furnish Owner with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by Owner or on other than Owner's forms, provided those endorsements or policies conform to the requirements. Owner reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

7.6 Contractors. Manager shall require and verify that any of its contractors maintain insurance meeting all the requirements sated herein.

8. Indemnification. To the fullest extent allowed by law, Manager specifically agrees to

indemnify, defend, and hold harmless the Owner, its officers, agents, volunteers and employees (hereinafter collectively the "Owner") from and against any and all actions, claims, demands, losses, expenses (including attorneys' fees and expert witness expenses), damages, and liabilities resulting from injury or death of a person or injury to property or any other claim, arising out of or in any way connected with the performance of this Agreement, however caused regardless of any negligence of the Owner, whether active or passive, excepting only such claims as may be caused by the sole active negligence or willful misconduct of the Owner. The Manager shall pay all costs that may be incurred by the Owner in enforcing this indemnity, including reasonable attorneys' fees. Manager shall provide indemnity to the Owner pursuant to this paragraph in the event the Claimant and/or the Owner allege conduct on Manager's part which renders Manager fully or partially responsible for the alleged claim or otherwise obligated to provide a defense and/or indemnity to the Owner. Manager's obligations of defense and indemnity arise even if the claim is frivolous or lacking in merit. Manager shall defend and indemnify the Owner pursuant to this section unless and until it is finally established by a court of law that the Owner's sole active negligence or willful misconduct caused the alleged claim. The defense and indemnification obligations of this Agreement are undertaken in addition to, and shall in no way be limited by, the insurance obligations contained in this Agreement. The indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Manager or its agents under workers' compensation acts, disability benefit acts or other employee benefit acts. The indemnity provisions of this section survive the termination and/or expiration of the Agreement.

Manager's duty to defend is separate and independent of its duty to indemnify. The duty to defend includes claims for which the Owner may be liable without fault or be strictly liable. The duty to defend applies regardless of whether the issues of negligence, strict liability, fault, default or other obligation on the part of the Owner has been determined. The duty to defend applies immediately regardless of whether the Owner has paid any sums or incurred any detriment arising out of or relating (directly or indirectly) to any claims. Notwithstanding the foregoing, the Owner on behalf of itself reserves the right to assume the defense of any action, arbitration or proceeding against which Manager may have an obligation to defend pursuant to this Agreement including the right to appoint counsel of its choice, without affecting Manager's obligation to indemnify for the cost of such defense.

Manager shall be liable to the Owner for any loss of or damage to Authority property arising from or in connection with Manager's performance hereunder. Authority may deduct any costs and expenses incurred pursuant to the above from payments due or which may become due to the Manager.

9. Records and Reports. Manager shall establish and maintain a comprehensive system of records, books of account and other documentation to document Manager's compliance with the terms and conditions of this Agreement. All records, books, accounts and other documentation shall be the property of the Owner and shall be available for inspection at any time upon Owner's request.

10. Annual Budget. Manager shall prepare and submit to the Owner on or before March 1st of each year during the term of this Agreement, budget estimates for the next fiscal year. A fiscal year shall run from April 1st through March 31st of the following year. Manager shall perform its duties as provided in this Agreement and operate within the annual budget approved by Owner. Notwithstanding any other provision of this Agreement, Manager, during any fiscal year, may only approve expenditures exceeding \$25,000 per fiscal year budget with the written approval of the Owner.

The Manager shall have no right to contract or otherwise deal with related parties for services or goods except if (i) compensation paid or promised for the goods and services is reasonable (i.e., at fair market value), is paid only for goods and services actually furnished to the Properties, (ii) the goods or services to be furnished are reasonable for and necessary to the management of the Properties, (iii) the fees, terms and conditions of the transactions are at least as favorable to the Properties as would be obtainable in an arm's-length transaction, and (iv) any necessary consent from the Owner is obtained.

11. Reports.

- A. In addition to reports required elsewhere in this Agreement, upon request, Manager shall send or cause to be sent to Owner for review operating statements in a form approved by the Owner, an income and expense statement, a balance sheet (or, in the alternative if a balance sheet is not typically prepared by Manager for its projects, the balance in the various Owner bank and reserved accounts), a rent roll, and not later than 180 days after the close of each fiscal year, an audited annual financial report of the Owner containing a balance sheet as of the end of the taxable year prepared in accordance with generally accepted accounting principles. At the same time that the report to the Owner is provide, Manager shall also send or cause to be sent to Owner for review and subsequent submission to Owner, an audited income and expense statement for the developments for the taxable year, and the outstanding balances in the General Operating Account, the Reserve Account, and the Security Deposit Account.
- B. Manager shall provide Owner, during budget submission, a report of any material physical defects in the Development, including a description of any major repair or maintenance work undertaken in the previous fiscal year or needed in the current fiscal year. Such statement shall describe what steps the Manager has taken in order to maintain the Development in a safe and sanitary condition in accordance with applicable housing and building codes.
- C. Manager shall provide Owner, within ten days after requested by Owner with:
1. A certification regarding the occupancy of the Development indicating:
 - (i) the income of each current resident as of the date of the last income certification;

- (ii) the current rent charged each resident;
 - (iii) the amount of utilities and whether utilities are included in rent.
 - 2. A statement regarding general management performance, including tenant relations and other relevant information.
 - 3. A summary of the information received from the annual recertification of tenants' incomes.
 - 4. Evidence of a currently paid hazard insurance policy, in compliance with all loan documents and the ground lease and in an amount equal to the replacement cost of the structure.
 - 5. Evidence of a currently paid liability insurance policy with Owner as insured, and naming lenders, as required, as additional insureds with coverage in an amount not less than \$1,000,000 per occurrence or such greater amount as may be required by Owner or lenders.
 - 6. Other information reasonably required by Owner.
12. Maintenance and Repair. Subject to any limitations on expenditures imposed by this Agreement, Manager shall cause the Properties to be maintained and repaired in a condition at all time in compliance with all documents, including the Regulatory Agreements, and otherwise acceptable to Owner and Lender, including but not limited to cleaning, painting, decorating, plumbing, carpentry, grounds care, and such other maintenance and repairs as may be necessary. To properly maintain the Properties the following actions shall be taken:
- A. A maintenance schedule shall be developed by Manager subject to approval by the Owner, upon request.
 - B. Manager may contract with qualified independent contractors for the maintenance and repair of mechanical/electrical systems, etc., and other extraordinary repairs beyond the capability of regular maintenance employees.
 - C. Manager shall systematically and promptly receive and investigate all request for maintenance or repair from residents and subject to limits imposed by this Agreement, shall take action thereon as may be justified, and keep records of the same. Emergency requests shall be received and services provided in 24 hours or such lesser time as is necessary under the circumstances. Manager shall inform tenants of procedures to obtain maintenance services if an emergency occurs after normal office hours. Manager shall maintain records of all service requests and maintenance repairs provided, copies of which shall be made available for inspection by Owner.

- D. Subject to the Annual Budget and other provisions of this Agreement, Manager shall purchase all materials, equipment, tools, appliances, supplies, and services necessary to ensure proper maintenance and repair.
 - E. Owner shall furnish Manager with a complete set of plans and specifications accurately reflecting the Properties as built and copies of all guarantees and warranties pertinent to construction, fixtures, and equipment. With the aid of this information and inspection by competent personnel, Manager shall familiarize itself with the charger, location, construction, layout plan, and operation of the Properties and especially of the electrical, heating, plumbing, air conditioning and ventilating systems, the elevators, and all other mechanical equipment and systems.
13. Resident Selection. Manager shall accept applications for tenancy on a form of tenant application. Manager shall review all applications for eligibility and submit all qualified applications for approval at initial rent-up and whenever filling a vacancy or whenever a tenant wishes to add another person to his/her Lease Agreement. Manager and Owner agree to cooperate in the implementation of the resident selection and affirmative marketing provision of the management plan. In carrying out these provisions, Manager shall:
- A. Lease units in compliance with the unit mix including provision for any special needs such as elderly or adapted units, as prescribed by the Regulatory Agreements.
 - B. Assure that occupancy shall be open to all, regardless of race, color, ancestry, religion, national origin, sex, marital status, handicap, or other arbitrary factors.
 - C. Assure that all advertising, including brochures and media advertising, shall include a reference to "Equal Housing Opportunity."
 - D. Where a significant number of persons in the community have limited fluency in the English language, provide publications, information brochures, and leases in the native language of such persons.
 - E. Notify applicants of their eligibility status, and advise rejected or ineligible applicants of the right to appeal by providing them with a copy of the applicable regulatory maintenance agreement that is part of the Management Plan.
 - F. Assure that resident selection is carried out without favoritism or partiality.
 - G. Give each resident selected for a HOME controlled unit, at the time of acceptance, a written copy of the approved HOME Grievance and Appeal Procedure.
 - H. Have each resident execute the Lease Agreement.

14. Rent Increases. Rents shall be increased at the request of Owner and shall not be increased without the prior approval of owner. Rent increases shall be based on applicable regulatory agreements.
15. Utilities and Services. Manager shall make arrangements and shall pay sewer and water charges servicing the Properties. Manager has the authority to execute such contracts on behalf of Owner as may be necessary to secure such services, subject to the limitations of the annual budget in this Agreement.
16. Enforcement of Lease Agreements. Manager will endeavor to secure full compliance by each resident with the terms of the Lease Agreement. Voluntary compliance will be emphasized. Manager may lawfully terminate any tenancy when, in Manager's judgment, sufficient cause (including, but not limited to, nonpayment of rent) for such termination occurs under the terms of the tenant's lease Agreement, provided such termination would not be a violation of the terms of the Regulatory Agreements or any loan document and is in compliance with the procedures prescribed in the Regulatory Agreements including the Grievance and Appeal procedure. For this purpose, Manager is authorized to consult with legal counsel, selected by manager in consultation with Owner, to bring actions for eviction and execute notices to vacate and judicial pleadings incident to such actions, provided, however, the Manager will keep Owner informed of all situations which might lead to eviction and will take all possible steps to resolve problems without resorting to eviction. Manager will follow such instructions as Owner may prescribe for the conduct of any such action. Attorney's fees and other necessary costs incurred in connection with such actions will be paid from the General Operating Account as Property expenses.
17. Orientation/Training. Manager and appropriate personnel shall attend orientation or training sessions as may be required by Owner. Manager will conduct move-in orientations with residents regarding safety, disaster preparedness, and proper use of the units. All orientation and emergency information will be provided in the primary language of the tenant, if other than English.
18. Resident Grievance and Appeal Procedure. Manager will process grievances filed by residents in compliance with procedures set forth in the approved regulatory agreement.
19. Compliance with Government Orders. Manager shall take such actions as may be necessary to comply promptly with all loan documents, government orders or requirements affecting the Properties, whether imposed by federal, state, county or municipal authority, provided, however, the Manager shall take no such action as long as Owner is contesting, or has informed Manager of its intentions to contest within seventy-two (72) hours of the time of Owner's receipt of notice from Manager, of such order or requirements. Manager will be held harmless if Owner does not contest.
20. Nondiscrimination. In the performance of its obligations under this Agreement, Manager shall comply with the provisions of all federal, state or local laws prohibiting discrimination in housing on the basis of race, color, creed, ancestry, religion, national

origin, sex, marital status, sexual orientation, AIDS, ARC, or physical handicap, including Title VI of the Civil Rights Act of 1964 (Public Law 88-352) and the regulations issued pursuant thereto (24 CFR Part I); Executive Order 11063 and the regulations issued pursuant thereto (25 CFR 570 and 601); Fair Housing Amendment Act of 1988 and the regulations issued pursuant thereto (24 CFR Part 14 et. al.) and Title VIII of the 1968 Civil Rights Act (Public Law 80-384).

21. Inspection of Units. Manager shall inspect all units at the Properties at least annually and shall invite Owner to join in the inspection. Residents shall receive advance notice as provided for by California law.
22. Fidelity Bond. Manager will furnish, as a Property expense, a fidelity bond in an amount at least equal to the gross potential income for two months and is to protect Owner and Manager against misappropriation of project funds by the employees of Manager. Manager will furnish a fidelity bond for its central office staff at Manager's expense.
23. Contracts with Third Parties. Manager shall not enter into any contract for products or services that is for longer than a period of one year without prior approval from Owner.
24. Bids, Discounts, Rebates, and Commissions. Manager shall obtain contracts, materials, supplies, and services on the most advantageous terms available to the Properties, and is required to solicit three (3) written bids for each major item or service required that exceeds \$10,000. Manager shall secure and credit to the General Operating Account all discount, rebates, or commissions obtainable with respect to purchases, service contracts and all other transactions on Owner's behalf.

Section 7

Miscellaneous Provisions.

- A. This Agreement is personal to Manager, and Manager shall have no right, power, or authority to assign all or any portion of this Agreement or any monies due or to become due hereunder, or to delegate any duties or obligations arising hereunder, either voluntarily or involuntarily or by operation of law, without the prior written consent of Owner. Notwithstanding any such assignment, however, Manager shall not be released from liability under this Agreement. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Owner and Manager and their respective legal representatives, successors, and assigns. Notwithstanding anything to the contrary contained in this Agreement, Manager shall be subject to the terms of the Regulatory Agreements. To the extent that this Agreement confers rights upon Lender, it is deemed to enforceable by Lender in the same manner and with the same effect as though Lender were a Principal Party to the Agreement, except that it shall not create liabilities upon Lender.
- B. At its own expense, Manager shall qualify to do business and obtain and maintain such licenses as may be required for the performance by Manager of its services under this Agreement.

- C. Unless otherwise specified in this Agreement, all approvals to be granted by Owner shall occur within 30 days of the submitted request.
- D. This Agreement constitutes the entire agreement between Owner and Manager with respect to the management and operations of the Properties and no change will be valid unless made by supplemental written agreement executed by the parties and approved by Lender.
- E. This Agreement may be signed by the parties hereto in counterparts with the same effect as if the signatories to each counterpart signed a single instrument. Each party hereto expressly represents and warrants that they have the authority to enter into this Agreement. All counterparts (when taken together) shall constitute and original of this Agreement. Manager acknowledges that certain contracts with affiliates may require the approval of Owner, and Manager shall not enter into any such contracts without determining whether any such approval is required (and obtained if required).
- F. Notices. Any notice that either party may or is required to give the other shall be in writing and shall be either personally delivered or sent by regular U.S. mail, certified return receipt requested with a copy also transmitted via email to the following address:

To Manager: Regional Housing Authority
1455 Butte House Road
Yuba City, CA 95993
Attention: Gus Becerra, Executive Director

With a Copy to: Rich, Fuidge, Bordsen & Galyean, Inc.
Attention: Brant J. Bordsen
P.O. Box A
Marysville, CA 95901

To Owner: Sutter Community Affordable Housing
1455 Butte House Road
Yuba City, CA 95993

Either party may change the address for notice upon notification to the other party.

- G. Cancellation of Existing Agreement. There is a “Management Agreement” dated March 4, 1998 which initially listed parties as Rural California Housing Corporation and Consolidated Area Housing Authority of Sutter County. Upon effective date of this Agreement, the “Management Agreement” of March 4, 1998 is terminated and of no further force or effect. From and after the effective date of this Agreement there is no other contract agreement or understanding defining the relationship of the parties other than this Agreement.

H. Survival. This paragraph and the obligations set forth in paragraphs 2, 5, 7, and 8 survive this agreement's expiration, cancellation or termination.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

OWNER:

By: _____
Its: _____
MANAGER:

By: _____
Its: _____

Exhibit A

Upon the effective date of this Agreement Manager shall receive a monthly management fee of \$2,334.00 for the management of Town Center and \$301.00 for management of Yolo-Heiken to cover its overhead expenses, including but not limited to overhead, staff, salaries and benefits. The amount of this management fee will be updated and changed during the Owner's annual budget approval process.

In addition to the foregoing, Owner shall reimburse Manager for expenses to include administrative salaries/benefits, utilities, administrative mileage, landscaping and the cost of any other services supplied at the Properties.

In addition to the foregoing, Owner shall reimburse Manager for maintenance calls during normal business hours at a rate of \$60.00 per hour, rounded up to the nearest hour. After-hour emergency maintenance calls will be billed at the rate of 1 ½ the hourly rate stated above with the minimum charge of two hours. The amount of these reimbursements will be updated and adjusted during Owner's annual budget approval process.

The management fees shall be paid in advance on the first of each month. The reimbursements shall be paid within thirty days after Owner's receipt of an invoice from Manager for such reimbursable expenses.



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RESOLUTION 24-1845

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY AUTHORIZING RURAL DEVELOPMENT COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$938.52

WHEREAS, the Regional Housing Authority operates low-income housing projects Centennial Arms, Butte View Estates and Rural Development farm work housing project Phases I, II and III pursuant to U.S. Department of Agriculture regulations; and

WHEREAS, operations of low-income housing include the collection of monthly rental amounts; and

WHEREAS, the Regional Housing Authority makes every attempt to collect outstanding balances; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending November 30, 2024 and is made a part of this resolution.

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$938.52.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed, and adopted this 6th day of November 2024 by the following vote:

AYES:

NAYS:

ABSTAINED:

ABSENT:

ATTEST: _____

Bob Woten, Chairperson

USDA
Collection Loss Write Off
Period: November 2024

<u>Tenant</u>	<u>Property</u>	<u>Address</u>	<u>Date</u>		<u>Monthly Rent</u>	<u>Rent Owed</u>	<u>Late Fee's</u>	<u>Damages</u>	<u>Solar</u>	<u>Utilities</u>	<u>Legal Fee's</u>	<u>Total Owed</u>	<u>Payback Agreement</u>													
			<u>Move In</u>	<u>Move Out</u>																						
T0007194	USDA-CA	9829 N Street #10 - Live Oak, CA 95953	03/01/16	07/18/24	\$ 583.00	\$ -	\$ -	\$ 303.97	\$ -	\$ -	\$ -	\$ 303.97	No													
T0005213	USDA-RD	294 Samuel Drive #E - Yuba City, CA 95991	03/20/23	08/26/24	\$ 688.00	\$ -	\$ -	\$ 634.55	\$ -	\$ -	\$ -	\$ 634.55	No													
												No														
												10/22/24														
												<table border="1"> <tr> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ 938.52</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ 938.52</td> <td>Total Write Off</td> </tr> </table>	\$ -	\$ -	\$ -	\$ 938.52	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 938.52	Total Write Off
\$ -	\$ -	\$ -	\$ 938.52	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 938.52	Total Write Off													

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.

Deceased *

Exhibit A



REGIONAL HOUSING AUTHORITY

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RESOLUTION 24-1846

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY AUTHORIZING LOW INCOME COMBO PROPERTIES HOUSING COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$235.39

WHEREAS, the Regional Housing Authority operates low-income housing projects; and

WHEREAS, operations of low-income housing includes the collection of monthly rental amounts; and

WHEREAS, the Regional Housing Authority makes every attempt to collect outstanding balances; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending November 30, 2024 and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$235.39.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 6th day of November 2024 by the following vote:

AYES:

NAYS:

ABSTAINED:

ABSENT:

ATTEST:

Bob Woten, Chairperson

Combo Properties
Collection Loss Write Off
Period: November 2024

Tenant	Property	Address	Date	Move In	Move Out	Monthly Rent	Rent Owed	Late Fee's	Damages	Solar	Utilities	Legal Fee's	Total Owed	Payback Agreement
T0002480	CB-RICH	356 John Tee Drive - Yuba City, CA 95991	06/20/13	06/10/24	\$ 1,007.00	\$ -	\$ -	\$ 210.00	\$ 25.39	\$ -	\$ -	\$ -	\$ 235.39	No
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No
													\$ 235.39	Total Write Off

D
11/22/24

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.

Deceased *

Exhibit A



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RESOLUTION 24-1847

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY AUTHORIZING KINGWOOD COMMONS APARTMENTS COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$3,190.57

WHEREAS, the Regional Housing Authority operates Kingwood Commons pursuant to Section 8 regulations; and

WHEREAS, operations of Kingwood Commons include the collection of monthly rental amounts; and

WHEREAS, the Regional Housing Authority makes every attempt to collect outstanding balances; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending November 30, 2024 and is made a part of this resolution.

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$3,190.57.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 6th day of November 2024 by the following vote:

AYES:

NAYS:

ABSTAINED:

ABSENT:

ATTEST: _____

Bob Woten, Chairperson



Kingwood Commons
 1340 Gray Avenue - Yuba City, CA 95991
 Collection Loss Write Off
 Period: November 2024

<u>Tenant</u>	<u>Apartment</u>	<u>Date</u>		<u>Monthly Rent</u>	<u>Rent Owed</u>	<u>Late Fee's</u>	<u>Damages</u>	<u>Solar</u>	<u>Legal Fee's</u>	<u>Total Owed</u>	<u>Payback Agreement</u>
		<u>Move In</u>	<u>Move Out</u>								
T0003486	25	05/20/10	08/08/24	\$ 1,037.00	\$ 2,099.13	\$ 50.00	\$ 834.54	\$ 92.82	\$ -	\$ 3,076.49	No
T0008344	47	08/03/17	09/05/24	\$ 917.00	\$ -	\$ -	\$ 114.08	\$ -	\$ -	\$ 114.08	No
										\$ 3,190.57	Total Write Off

R
10/22/24

Deceased *

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.

Exhibit A



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RESOLUTION 24-1848

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY AUTHORIZING HOUSING CHOICE VOUCHER FRAUD RECOVERY COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$3,844.00

WHEREAS, the Regional Housing Authority operates the Housing Choice Voucher program for Sutter, Nevada, Yuba and Colusa Counties; and

WHEREAS, operations of the Housing Choice Voucher program include assisting families who are low income; and

WHEREAS, the Regional Housing Authority makes every attempt to collect outstanding balances due to fraud; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending November 30, 2024 and is made a part of this resolution.

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$3,844.00.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed, and adopted this 6th day of November 2024 by the following vote:

AYES:

NAYS:

ABSTAINED:

ABSENT:

ATTEST:

Bob Woten, Chairperson



HCV

Collection Loss Write Off
 Period : November 2024

<u>Tenant</u>	<u>HAP</u> <u>Fraud Recovery Amount Owed</u>	<u>Late</u> <u>Fee's</u>	<u>NSF</u> <u>Fee's</u>	<u>Overpaid</u> <u>URP's</u>	<u>Total</u> <u>Owed</u>	<u>Payback</u> <u>Agreement</u>
T0017795	\$ 3,844.00	\$ -	\$ -	\$ -	\$ 3,844.00	Yes
	\$ 3,844.00	\$ -	\$ -	\$ -	\$ 3,844.00	Total Write-Off

Tenants listed with Payback Agreement's failed to honor the Agreement.

Exhibit A

OP
 22 OCT 24



REGIONAL HOUSING AUTHORITY

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RESOLUTION 24-1849

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY EXPRESSING RECOGNITION OF THE ACHIEVEMENTS OF **Brittney Weeks**

WHEREAS, the Regional Housing Authority encourages Housing Choice Voucher participants to enroll in the Family Self-Sufficiency (FSS) Program; and

WHEREAS, Brittney Weeks started in this program on 06/01/2021 and set goals for herself to obtain full time employment and get off of assistance.

WHEREAS, Brittney Weeks met her goals by 10/05/2024 and received sufficient earned income to generate an escrow account in the amount of \$17,863.65; and

WHEREAS, Brittney Weeks has now “graduated” from the FSS program;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Regional Housing Authority congratulates Brittney Weeks for her determination to progress to a life that is independent of government assistance and conveys their best wishes for success in all her future endeavors.

This Resolution was approved at the regular meeting of the Board of Commissioners, this 6th day of November 2024.

AYES:

NAYS:

ABSTAINED:

ABSENT:

Chairperson, Bob Woten

**REGIONAL HOUSING AUTHORITY
STAFF REPORT**

Date: November 6, 2024
To: Board of Commissioners
From: Marco Cruz, Chief Financial Officer

SUBJECT: Capital funds loan deriving from Housing Choice Voucher (HCV) Administrative Fee Reserves for the Pacific Crest Commons development project.

Background:

Regional Housing Authority (RHA) is involved in the construction of Pacific Crest Commons, a 55 (fifty-five) unit affordable multifamily project located in Truckee, California. Ten (10) of the units will be assigned Housing Choice Voucher (HCV) Project Based Vouchers (PBV).

Pacific Crest Commons is located in the highly competitive Rural Region for State Low-Income Housing Tax Credits. In order to close the current gap of \$2,200,000, the State of California's LGMG (Local Government Matching Grant Program) is currently reviewing an additional grant of \$1,200,000, with the condition there is additional local government matching funding committed. The Town of Truckee has committed \$1,000,000 initially and is reviewing a request for additional funds. The Lake Tahoe Region Martis Foundation has committed \$1,000,000 initially, and also reviewing a request for additional funds.

RHA has a highly efficient HCV department and has built an Administrative Fee Reserve (Reserves) in the amount of \$2,200,000. For fiscal year ending 2025, It is budgeted to add an additional \$200,000 in unencumbered cash reserves. These Reserves must be used for HCV related purposes.

The law firm of Ballard Spahr LLP has researched and opined that the Reserves can be used for affordable housing developments that have been assigned PBV's. Ballard Spahr states that in accordance with 24 CFR 982.155(b) and HUD Notice PIH-2015-17 the Authority's HCV administrative fee reserves may be used for "funds for other housing purposes permitted by State and local law", and "project-based voucher development costs." In accordance with RHA's HCV Administrative Plan, "On a case-by-case basis, the PHA will use post-2003 administrative fee reserves to provide gap-financing loans for new construction and rehabilitation projects".

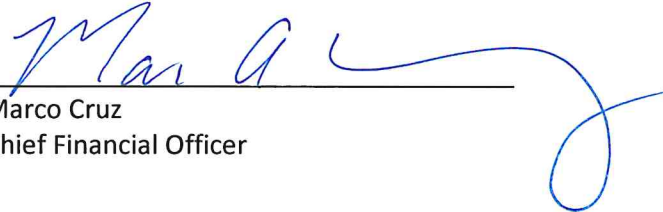
Terms:

RHA's staff proposes to fund the Pacific Crest Commons project \$300,000.00 through a 55-year, 3% simple interest capital loan from the Reserves. It would be a residual receipt loan; interim payments would only be made if there was sufficient cash flow from annual operations. The loan will be secured by a Deed of Trust, Promissory Note and Loan Agreement.

Recommendation:


Staff recommends the Board of Commissioners approve a Capital Funds Loan in the amount of \$300,000.00 to Truckee Pacific Crest Associates, a California Limited Partnership to complete the Pacific Crest Commons affordable housing project and authorize the Executive Director to sign all related documents, with the condition that the State Department of Housing & Community Development commits the additional \$1,200,000 in LGMG funding.

Prepared by:



Marco Cruz
Chief Financial Officer

Submitted by:



Gustavo Bécerra
Executive Director



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RESOLUTION NO. 24-1850

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY HEREBY AUTHORIZING A \$300,000.00 CAPITAL FUNDS LOAN TO TRUCKEE PACIFIC CREST ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP

WHEREAS, the Regional Housing Authority (hereinafter “the Authority”) is a Public Housing Authority organized and existing under the laws of the State of California; and

WHEREAS, Pacific Crest Commons (hereinafter “the Project”), is a planned 55 (fifty-five) unit affordable multifamily project located in Truckee, California; and

WHEREAS, Truckee Pacific Crest Associates, a California Limited Partnership (hereinafter “the Partnership”); whose purpose is to develop and manage the Project; and

WHEREAS, attorneys, Ballard Spahr, have opined that in accordance with 24 CFR 982.155(b) and HUD Notice PIH-2015-17 the Authority’s HCV administrative fee reserves may be used for “funds for other housing purposes permitted by State and local law”, and “project-based voucher development costs”; and

WHEREAS, in accordance with 17-Part X of the Authority’s HCV Administrative Plan “the PHA will use post-2003 administrative fee reserves to provide gap-financing loans for new construction projects”; and

WHEREAS, the Project is in need of a \$300,000.00 capital funds loan (hereinafter “the Loan”) to remove a financing shortfall; and

WHEREAS, the Loan will be a 55-year, 3% simple interest, residual receipt loan; and

WHEREAS, the Authority, acting through its Board of Commissioners, having the authority to enter this contract, desires to accept the staff recommendation to approve the Loan to the Partnership.

NOW, THEREFORE, BE IT RESOLVED, the Board of Commissioners of the Regional Housing Authority hereby deems that it is in the best interest of the Authority to approve the Loan to the Partnership with the terms specified in the accompanying staff report; and



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BE IT FURTHER RESOLVED THAT the Board of Commissioners authorizes the Loan to the Partnership; and

BE IT FURTHER RESOLVED THAT the Board of Commissioners authorizes the Executive Director to sign all documents necessary to effectuate the Loan; and

BE IT FURTHER RESOLVED THAT this Resolution shall be effective as of November 6, 2024, when the Board of Commissioners initially approved the Loan at a meeting duly noticed and at which a quorum of the Board of Commissioners was present.

PASSED AND ADOPTED this 6th day of November 2024 by the following votes:

AYES: Commissioners:

NOES: Commissioners:

ABSTAINED: Commissioners:

ABSENT: Commissioners:

Chairperson, Board of Commissioners

CERTIFICATION

I, Jennifer Ruiz, Board Clerk of the Regional Housing Authority attests or certifies, as a witness to a board meeting held on November 6, 2024, and swears or confirms that the foregoing information in this resolution is true and correct and has not been altered or amended.

By: _____
Jennifer Ruiz, Board Clerk of
Regional Housing Authority

**REGIONAL HOUSING AUTHORITY
STAFF REPORT**

Date: November 6, 2024
 To: Board of Commissioners
 From: Pattra Runge, Occupancy Manager

SUBJECT: Quarterly Occupancy (Q2-2024) report for quarter ending September 30, 2024

RECOMMENDATION: None - update only

FISCAL IMPACT: None – informational only

United States Department of Agriculture (USDA)/Rural Development:

Development	Total Units Available	Units Leased July	Units Leased August	Units Leased September
USDA/Farm Labor (Yuba City)	188	186	186	187
Centennial Arms (Live Oak)	21	19	19	21
Butte View (Live Oak)	31	31	31	31

Office of Migrant (OMS) Services

Development	Total Units Available	Units Leased July	Units Leased August	Units Leased September
Migrant Center (Yuba City)	75	75	75	72

RHA Owned and/or Managed Affordable Housing Properties:

Development	Total Units Available	Units Leased July	Units Leased August	Units Leased September
Kingwood Commons (Yuba City)	63	61	60	61
Percy Avenue (Yuba City)	8	8	8	8
Homes2Families (Yuba City)	4	4	4	4
MH-Teesdale-SRO's (Yuba City)	6	6	6	6
Neighborhood Stabilization Program -1 (Yuba City, Live Oak)	9	9	9	9
Neighborhood Stabilization Program-3 (Yuba City)	12	12	12	12
Trailer Park (Yuba City)	6	6	6	6
Richland Housing (Yuba City)	99	98	96	98
Live Oak Senior Village (Live Oak)	49	49	49	49
River City Manor (Yuba City)	23	22	23	23

Commercial Property

Development	Total Units Available	Units Leased July	Units Leased August	Units Leased September
-------------	-----------------------	-------------------	---------------------	------------------------

Miles Market (Yuba City)	1	1	1	1
YCUSD-Bernard (Yuba City)	1	1	1	1

Sutter Community Affordable Housing

Development	Total Units Available	Units Leased July	Units Leased August	Units Leased September
Town Center (Yuba City)	27	27	27	27
Yolo-Heiken (Yuba City)	5	4	4	5
Maple Park I (Live Oak)	55	54	51	51
Kristen Court (Live Oak)	55	53	53	52
Kristen Court II (Live Oak)	24	22	23	22
New Haven Court (Yuba City)	39	37	37	38
Kristen Court III (Live Oak)	32	32	30	29

Building Better Partnerships Inc.

Development	Total Units Available	Units Leased July	Units Leased August	Units Leased September
MH-814 F-SRO's (Marysville)	10	8	9	9
Maple Park II (Live Oak)	34	33	34	34
Stony Creek II (Williams)	31	30	30	30
Grass Valley Terrace (Grass Valley)	69	69	69	69
Devonshire (Colusa)	27	25	25	25
Lone Oak (Penn Valley)	30	28	28	29
Truckee Artist Lofts (Truckee)	76	74	75	75
Brunswick Commons (Grass Valley)	40	39	38	37
Cashin's Field (Nevada City)	50	48	49	49
Cedar Lane PSH (Linda)	40	38	38	38
Cedar Lane Family (Linda)	107	103	103	102
Bear Ridge (Wheatland)	47	47	46	46

Comments:

Currently the following property waitlists are open: USDA Rural Development – Richland, Centennial Arms, Butte View Estates, and Cashin's Field.

Yuba City Office of Migrant Center (OMS) filed for an extension and was approved by Department of Housing and Community and Development (HCD) to remain open until November 26, 2024. At this time, we have 45 units still occupied.

Prepared by: 
 Pattra Runge/Occupancy Manager

Submitted by: 
 Gustavo Becerra/Executive Director

**REGIONAL HOUSING AUTHORITY
STAFF REPORT**

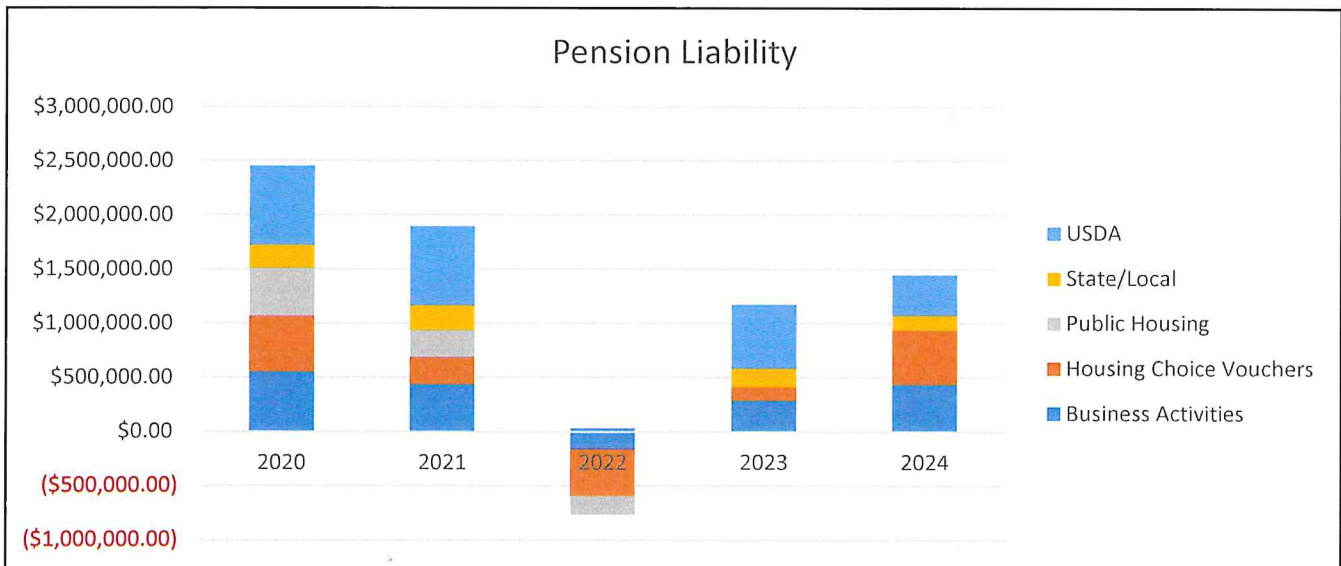
Date: November 6, 2024
To: Board of Commissioners
From: Marco Cruz – Chief Financial Officer
Subject: Financial Review
 Project Net Income April 1, 2024, to September 30, 2024

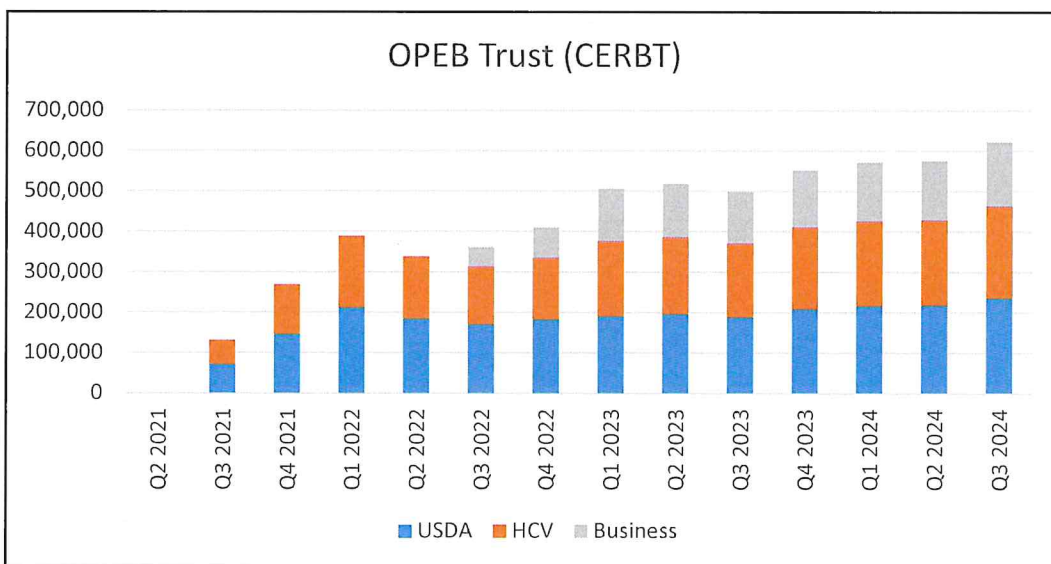
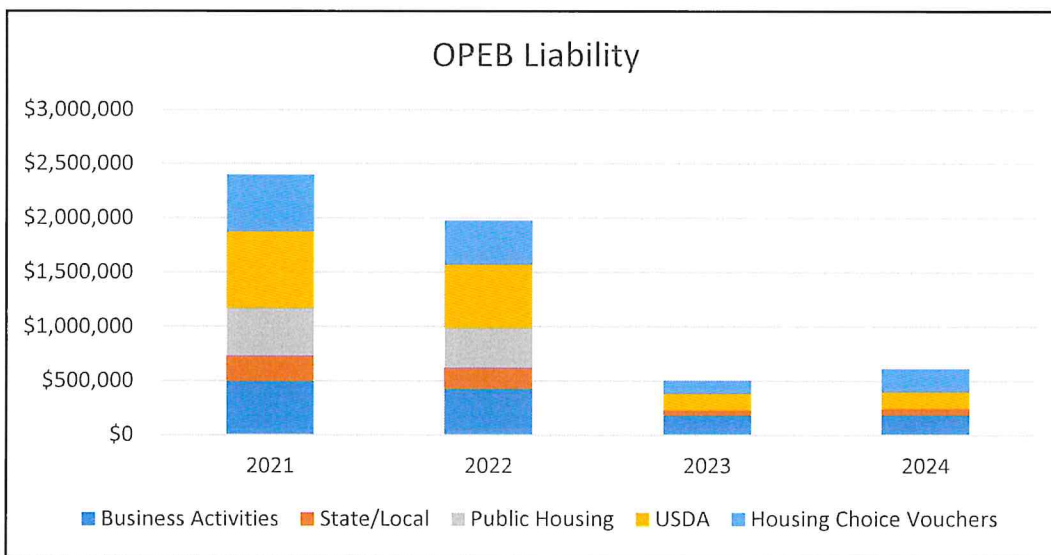
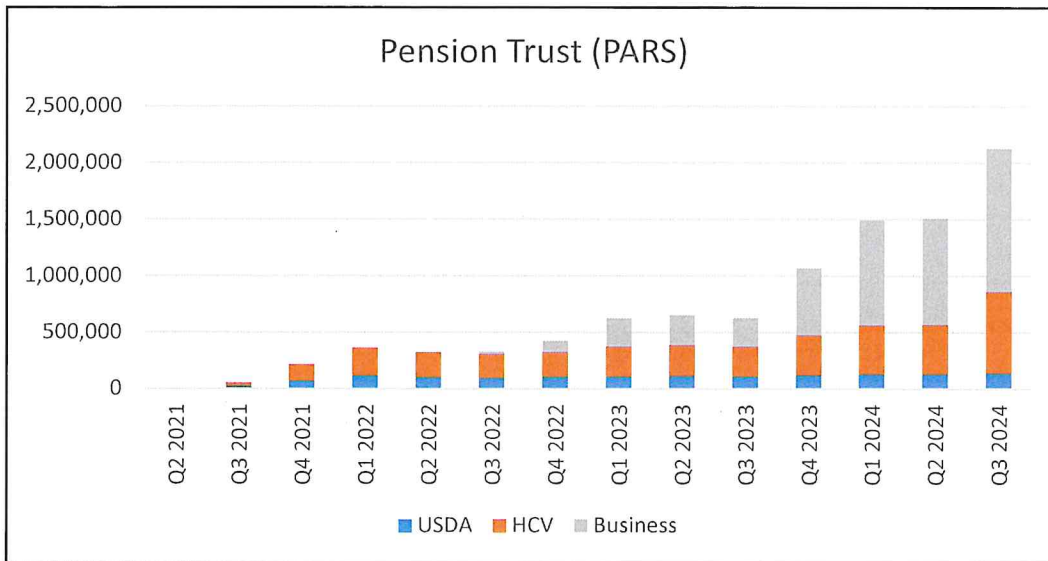
Pension/OPEB Liabilities

As of the most recent FYE 2024 valuation, Regional Housing Authority (RHA) has a CalPERS pension liability of \$1,447,304, up from \$1,174,197 for FYE 2023. This balance reflects the CalPERS 5.8% return on investments through June 30, 2023, which was lower than their target rate of 6.8%. RHA’s FYE 2024 OPEB liability is \$610,918, up from \$502,411 the prior year. The increase was caused by a slight decrease in the actuarial discount rate.

Since Q3 2021 RHA has funded both its OPEB trust with CalPERS and pension trust with PARS. Following general market trends, both funds saw increased asset values in the prior twelve months. As of September 30, 2024, the PARS Pension Trust’s balance was \$2,125,637 and the OPEB Trust was \$622,362.

RHA has met its OPEB trust goal, where the trust can reimburse RHA’s annual OPEB outflows. RHA is currently increasing the funding of the pension trust to a target of \$3,800,000. At this funding level, staff expects to fund future pension costs from the pension trust rather than from operational budgets. Staff anticipate reaching this funding level by March 2025.





Financials

Business Activities & Building Better Partnerships, Inc:

Business Activities (unrestricted funds) had a Net Income of \$1,521,708 vs \$565,706 budgeted. \$550,000 of revenues are unbudgeted development fees for Cashin’s Field, located in Nevada City. Brick-and-mortar projects such as Kingwood Commons and Percy are positive Net Income against budget.

State/Local:

Neighborhood Stabilization has a net income of -\$23,831 vs -\$34,696 budgeted. A large landscaping project was completed in Q2, but the portfolio is still cash flowing. Homes 2 Families (H2F) has net income of \$19,589 vs \$1,025 budgeted due to higher revenues. RHA’s Behavioral Health portfolio has a net income of -\$343 vs -\$4,992 budget. The annual COSR for the Marysville project came in higher than expectations.

Housing Choice Voucher:

HCV net income is -\$188,877 from April – September. HCV Admin had a net income of \$285,512 vs \$403,306 budgeted due to software implementation expenses and \$60,000 grant to Hands of Hope.

USDA:

USDA had a net income of -\$167,902 vs -\$330,885 budgeted. Revenues are higher than expected while expenses are lower, especially in the area of maintenance costs. These projects have positive cash flow.

OMS:

OMS had a net income of \$38,900 vs \$0 budgeted. June’s reimbursements were higher as the remaining budget for 2023-24 was paid to RHA for deposit into reserves. Rental income is forwarded to OMS and they in turn reimburse operating and most of the overhead expenses.

Prepared by:

Submitted by:



Marco Cruz, Chief Financial Officer



Gustavo Becerra, Executive Director

Business Activities & BBP

Period = Apr 2024-Sep 2024

		PTD Actual	PTD Budget	Variance
2999-99-999	Revenue & Expenses			
3000-00-000	INCOME			
3199-00-000	NET TENANT INCOME	2,136,887	2,110,958	25,929
3699-00-000	OTHER INCOME	1,204,524	50,160	1,154,364
3999-00-000	TOTAL INCOME	3,341,411	2,161,118	1,180,293
4000-00-000	EXPENSES			
4199-00-000	ADMINISTRATIVE EXPENSES	360,807	324,643	-36,165
4299-00-000	TENANT SERVICES EXPENSES	27,285	26,697	-588
4399-00-000	UTILITY EXPENSES	214,121	244,678	30,557
4499-00-000	MAINTENANCE EXPENSES	466,029	400,288	-65,741
4599-00-000	GENERAL EXPENSES	99,569	84,378	-15,191
4799-00-000	HOUSING ASSISTANCE PAYMENTS	8,095	-30	-8,125
4899-00-000	FINANCING EXPENSES	219,539	168,144	-51,395
5999-00-000	NON-OPERATING ITEMS	424,258	346,614	-77,644
8000-00-000	TOTAL EXPENSES	1,819,703	1,595,412	-224,292
9000-00-000	NET INCOME	1,521,708	565,706	956,001

Neighborhood Stabilization Program

Period = Apr 2024-Sep 2024

		PTD Actual	PTD Budget	Variance
2999-99-999	Revenue & Expenses			
3000-00-000	INCOME			
3199-00-000	NET TENANT INCOME	134,017	131,760	2,257
3699-00-000	OTHER INCOME	2,869	0	2,869
3999-00-000	TOTAL INCOME	136,885	131,760	5,125
4000-00-000	EXPENSES			
4199-00-000	ADMINISTRATIVE EXPENSES	30,752	31,775	1,023
4299-00-000	TENANT SERVICES EXPENSES	821	85	-736
4399-00-000	UTILITY EXPENSES	20,320	19,752	-568
4499-00-000	MAINTENANCE EXPENSES	59,198	52,756	-6,442
4599-00-000	GENERAL EXPENSES	2,191	13,296	11,105
5999-00-000	NON-OPERATING ITEMS	47,435	48,792	1,357
8000-00-000	TOTAL EXPENSES	160,716	166,456	5,740
9000-00-000	NET INCOME	-23,831	-34,696	10,865

Homes 2 Families

Period = Apr 2024-Sep 2024

		PTD Actual	PTD Budget	Variance
2999-99-999	Revenue & Expenses			
3000-00-000	INCOME			
3199-00-000	NET TENANT INCOME	32,912	19,662	13,250
3699-00-000	OTHER INCOME	7,327	0	7,327
3999-00-000	TOTAL INCOME	40,240	19,662	20,578
4000-00-000	EXPENSES			
4199-00-000	ADMINISTRATIVE EXPENSES	5,640	8,214	2,574
4399-00-000	UTILITY EXPENSES	4,646	3,541	-1,105
4499-00-000	MAINTENANCE EXPENSES	10,348	6,324	-4,024
4599-00-000	GENERAL EXPENSES	16	180	164
5999-00-000	NON-OPERATING ITEMS	0	378	378
8000-00-000	TOTAL EXPENSES	20,650	18,637	-2,013
9000-00-000	NET INCOME	19,589	1,025	18,564

Behavioral Health

Period = Apr 2024-Sep 2024

		PTD Actual	PTD Budget	Variance
2999-99-999	Revenue & Expenses			
3000-00-000	INCOME			
3199-00-000	NET TENANT INCOME	53,073	51,612	1,461
3499-00-000	GRANT INCOME	18,533	11,000	7,533
3699-00-000	OTHER INCOME	1,087	0	1,087
3999-00-000	TOTAL INCOME	72,693	62,612	10,081
4000-00-000	EXPENSES			
4199-00-000	ADMINISTRATIVE EXPENSES	15,631	11,240	-4,391
4399-00-000	UTILITY EXPENSES	23,880	27,522	3,642
4499-00-000	MAINTENANCE EXPENSES	18,404	15,894	-2,510
4599-00-000	GENERAL EXPENSES	2,855	792	-2,063
5999-00-000	NON-OPERATING ITEMS	11,581	12,156	575
8000-00-000	TOTAL EXPENSES	72,350	67,604	-4,746
9000-00-000	NET INCOME	343	-4,992	5,335

HCV Voucher

Period = Apr 2024-Sep 2024

		PTD Actual	PTD Budget	Variance
2999-99-999	Revenue & Expenses			
3000-00-000	INCOME			
3199-00-000	NET TENANT INCOME	25	0	25
3499-00-000	GRANT INCOME	9,941,871	0	9,941,871
3699-00-000	OTHER INCOME	9,114	0	9,114
3999-00-000	TOTAL INCOME	9,951,010	0	9,951,010
4000-00-000	EXPENSES			
4799-00-000	HOUSING ASSISTANCE PAYMENTS	10,139,887	0	-10,139,887
8000-00-000	TOTAL EXPENSES	10,139,887	0	-10,139,887
9000-00-000	NET INCOME	-188,877	0	-188,877

HCV Admin

Period = Apr 2024-Sep 2024

		PTD Actual	PTD Budget	Variance
2999-99-999	Revenue & Expenses			
3000-00-000	INCOME			
3499-00-000	GRANT INCOME	1,241,686	1,330,703	-89,017
3699-00-000	OTHER INCOME	70,565	14,832	55,733
3999-00-000	TOTAL INCOME	1,312,252	1,345,535	-33,283
4000-00-000	EXPENSES			
4199-00-000	ADMINISTRATIVE EXPENSES	850,418	790,363	-60,055
4299-00-000	TENANT SERVICES EXPENSES	136,645	118,682	-17,963
4399-00-000	UTILITY EXPENSES	1,703	2,362	659
4499-00-000	MAINTENANCE EXPENSES	17,209	16,260	-949
4599-00-000	GENERAL EXPENSES	17,046	12,498	-4,548
5999-00-000	NON-OPERATING ITEMS	3,718	2,034	-1,684
8000-00-000	TOTAL EXPENSES	1,026,739	942,199	-84,540
9000-00-000	NET INCOME	285,512	403,336	-117,824

U.S. Department of Agriculture

Period = Apr 2024-Sep 2024

		PTD Actual	PTD Budget	Variance
2999-99-999	Revenue & Expenses			
3000-00-000	INCOME			
3199-00-000	NET TENANT INCOME	1,709,858	1,693,020	16,838
3699-00-000	OTHER INCOME	47,892	432	47,460
3999-00-000	TOTAL INCOME	1,757,749	1,693,452	64,297
4000-00-000	EXPENSES			
4199-00-000	ADMINISTRATIVE EXPENSES	304,274	317,500	13,226
4299-00-000	TENANT SERVICES EXPENSES	33,489	35,578	2,089
4399-00-000	UTILITY EXPENSES	236,291	249,889	13,598
4499-00-000	MAINTENANCE EXPENSES	446,876	505,026	58,150
4599-00-000	GENERAL EXPENSES	75,982	85,134	9,152
4799-00-000	HOUSING ASSISTANCE PAYMENTS	344	0	-344
4899-00-000	FINANCING EXPENSES	181,215	181,212	-3
5999-00-000	NON-OPERATING ITEMS	647,181	649,998	2,817
8000-00-000	TOTAL EXPENSES	1,925,652	2,024,337	98,685
9000-00-000	NET INCOME	-167,902	-330,885	162,983

Office of Migrant Services

Period = Apr 2024-Sep 2024

		PTD Actual	PTD Budget	Variance
2999-99-999	Revenue & Expenses			
3000-00-000	INCOME			
3499-00-000	GRANT INCOME	321,136	487,575	-166,439
3999-00-000	TOTAL INCOME	321,136	487,575	-166,439
4000-00-000	EXPENSES			
4199-00-000	ADMINISTRATIVE EXPENSES	50,798	48,527	-2,271
4299-00-000	TENANT SERVICES EXPENSES	29,660	32,510	2,850
4399-00-000	UTILITY EXPENSES	92,970	81,975	-10,995
4499-00-000	MAINTENANCE EXPENSES	88,289	92,740	4,451
4599-00-000	GENERAL EXPENSES	20,519	231,824	211,304
8000-00-000	TOTAL EXPENSES	282,236	487,575	205,339
9000-00-000	NET INCOME	38,900	0	38,900