



CaliforniaAffordableHousingAgency

NOTICE OF MEETING

DUE TO COVID-19 and PURSUANT TO CHANGES TO THE BROWN ACT ISSUED BY EXECUTIVE ORDER N-29-20 FROM GOVERNOR GAVIN NEWSOM, THE EXECUTIVE COMMITTEE OF THE BOARD OF COMMISSIONERS MEETING HAS BEEN CHANGED FROM MEETING AT 806 West 19th Street Merced, CA to a TELEPHONIC CONFERENCE CALL.

Executive Committee of the Board of Directors of the California Affordable Housing Agency, which is a Joint Powers Agency consisting of various Housing Authorities located throughout California, including this Housing Authority, will hold a conference call meeting on:

December 14, 2020 at 10:00 a.m.

Call in Number: (712) 770-4010

Passcode 968361#

PUBLIC IS WELCOME

Anyone interested may attend.

You may attend this meeting by teleconference at this local Housing Authority. The Board Member representative from this local Housing Authority may be attending this meeting by teleconference. Please ask for assistance at the front lobby area if you wish to participate in this scheduled meeting.

The Agenda for this meeting is posted next to or below this notice.

806 West 19th Street, Merced, CA 95340
(209) 384-0001



CaliforniaAffordableHousingAgency

AGENDA

**THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS
CALIFORNIA AFFORDABLE HOUSING AGENCY
EXECUTIVE BOARD MEETING**

December 14, 2020

10:00 a.m.

**806 W. 19th Street
Merced, CA 95340
(209) 384-0001**

DUE TO COVID-19 and PURSUANT TO CHANGES TO THE BROWN ACT ISSUED BY EXECUTIVE ORDER N-29-20 FROM GOVERNOR GAVIN NEWSOM, THE EXECUTIVE COMMITTEE OF THE BOARD OF COMMISSIONERS MEETING HAS BEEN CHANGED FROM MEETING AT 806 West 19th Street Merced, CA to a TELEPHONIC CONFERENCE CALL.

Call in Number: (712) 770-4010

Passcode 968361#

Executive Committee Member Locations

**2039 Forest Avenue Suite 10
Chico, California 95928**

**1701 Robertson Blvd.
Modesto, California 95351**

**1402 D Street
Brawley, California 92227**

**1400 West Hillcrest Drive
Newbury Park, California 91302**

**2575 Grand Canal Blvd. Suite 100
Stockton, California 95207**

I. CALL TO ORDER AND ROLL

II. DIRECTORS' AND/OR AGENCY ADDITIONS/DELETIONS TO THE AGENDA

(M/S/C): ____/____/____

III. APPROVAL OF MEETING MINUTES

1. Minutes of May 11, 2020 Meeting

(M/S/C): ____/____/____

2. Minutes of July 13, 2020 Meeting

(M/S/C): ____/____/____

3. Minutes of November 9, 2020 Meeting

(M/S/C): ____/____/____

IV. UNSCHEDULED ORAL COMMUNICATIONS

NOTICE TO THE PUBLIC

At this time, any person(s) may comment on any item that is not on the Agenda. Please state your name and address for the record. Action will not be taken on an item that is not on the Agenda. If it requires action, it will be referred to Staff and/or placed on the next Agenda. In order that all interested parties have an opportunity to speak, please limit comments to a maximum of five (5) minutes.

V. FINANCIAL REPORT OF ADMINISTRATOR

Current Financials of the Agency

1. September 2020

2. October 2020

(M/S/C): ____/____/____

VI. RESOLUTION, ACTION AND INFORMATION ITEMS

None

B. ACTION ITEMS:

1. Action Item 2020-01A

**Acceptance and Approval of the Year 2019 Annual CalAHA Audit
(with addition of M D & A)**

(M/S/C): ____/____/____

2. Action Item 2020-02A

Renewal of Benjamin Development Services Annual Contract

(M/S/C): ____/____/____

C. INFORMATION/DISCUSSION ITEM(S)

1. Power Point Presentation on 2020 –The Road to Here and Now
2. Executive Director's Report;
3. Current update on Trio Program;
4. Current update on prospective projects and financings;
5. Current update on member projects and administrative matters.

VII. CLOSED SESSION

None.

VIII. DIRECTORS' COMMENTS

IX. SCHEDULING OF FUTURE EXECUTIVE BOARD MEETINGS

(The second Monday of the month):

January 11, 2021, February 8, 2021 (Annual Meeting), March 8, 2021,
April 12, 2021, May 10, 2021, June 14, 2021, July 12, 2021, August 9, 2021,
September 13, 2021, October 11, 2021, November 8, 2021 and December 13, 2021

X. ADJOURNMENT



CaliforniaAffordableHousingAgency

MINUTES

THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS CALIFORNIA AFFORDABLE HOUSING AGENCY MEETING

May 11, 2020
10:00 a.m.

806 West 19th Street
Merced, CA

- I. The Board Meeting of the Executive Board of the California Affordable Housing Agency was called to order by Ed Mayer at 10:04 a.m. The roll was taken and a quorum declared present. The following Executive Board Members were present for the meeting:

CalAHA Executive Board Members Present:

1. Ed Mayer, Executive Director, Housing Authority of the County of Butte
2. Kirk Mann, Secretary/Treasurer, Executive Director, Imperial Valley Housing Authority
3. Teresa Kinney for Barbara Kauss, Vice Chairperson – Housing Authority of the County of Stanislaus
4. Peter Ragsdale, Executive Director, Housing Authority of the County of San Joaquin

Members Not Present:

5. Michael Nigh, Executive Director – Area Housing Authority of the County of Ventura

Others Present:

6. Kao Xiong, Law Office of Thomas E. Lewis
7. Thomas E. Lewis, General Counsel
8. Nicolas Benjamin, Executive Director

9. Patrick Howard, Founding Member – Evergreen Pacific Capital
10. Bob Havlicek, Executive Director of the Housing Authority of the County of Santa Barbara

II. Directors' and/or Agency Additions/Deletions to the Agenda:

(M/S/C): P. Ragsdale/K. Mann -Motion to approve agenda.
Approved: 4-0

III. Approval of the Minutes on January 27, 2020:

(M/S/C): /K. Mann/P. Ragsdale-Motion to approve meeting minutes as presented.
Approved: 4-0

IV. Unscheduled Oral Communication:

None.

V. FINANCIAL REPORT OF ADMINISTRATOR:

Tom Lewis indicated that February and March 2020 financial reports were attached. There were charges for promotional items for the annual retreat. There were also charges for hotel reservations for Tom Lewis and Nick Benjamin to attend the annual NAHRO conference. Due to the Covid-19 situation, we should be receiving refunds from the reservations.

VI. RESOLUTION, ACTION AND INFORMATION/DISCUSSION ITEMS:

A. RESOLUTION ITEMS:

RESOLUTION NO. 2020-05

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY AUTHORIZING THE BOARD CHAIR VICE CHAIR SECRETARY OR ASSIGNEE TO ENTER INTO LOAN REFINANCING AGREEMENTS AND OTHER RELATED DOCUMENTS FOR THE REFINANCING OF A SINGLE FAMILY HOME LOCATED AT 630 CHERRY LANE NEWCASTLE CA AND FURTHER AUTHORIZING THE BOARD CHAIR VICE CHAIR SECRETARY OR ASSIGNEE TO TAKE ANY NECESSARY ACTIONS TO COMPLETE THE REFINANCING OF THE HOME

Nick Benjamin indicated that this is a series of refinance rate change in APR on the loan. Refinancing will benefit Trio Program and the lessee as it will lower the monthly cost. Patrick Howard indicated that this will be a straight refinance. He will report back if the loan goes

through as he is still working with lenders on assessing numbers.

(M/S/C): P. Ragsdale/K. Mann
Approved: 4-0

RESOLUTION NO. 2020-06

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY AUTHORIZING THE BOARD CHAIR VICE CHAIR SECRETARY OR ASSIGNEE TO ENTER INTO LOAN REFINANCING AGREEMENTS AND OTHER RELATED DOCUMENTS FOR THE REFINANCING OF A SINGLE FAMILY HOME LOCATED AT 704 11th STREET WEST SACRAMENTO CA AND FURTHER AUTHORIZING THE BOARD CHAIR VICE CHAIR SECRETARY OR ASSIGNEE TO TAKE ANY NECESSARY ACTIONS TO COMPLETE THE REFINANCING OF THE HOME

(M/S/C): P. Ragsdale/K. Mann
Approved: 4-0

RESOLUTION NO. 2020-07

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY AUTHORIZING THE BOARD CHAIR VICE CHAIR SECRETARY OR ASSIGNEE TO ENTER INTO LOAN REFINANCING AGREEMENTS AND OTHER RELATED DOCUMENTS FOR THE REFINANCING OF A SINGLE FAMILY HOME LOCATED AT 811 B STREET LINCOLN CA AND FURTHER AUTHORIZING THE BOARD CHAIR VICE CHAIR SECRETARY OR ASSIGNEE TO TAKE ANY NECESSARY ACTIONS TO COMPLETE THE REFINANCING OF THE HOME

(M/S/C): P. Ragsdale/K. Mann
Approved: 4-0

RESOLUTION NO. 2020-08

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY AUTHORIZING THE BOARD CHAIR VICE CHAIR SECRETARY OR ASSIGNEE TO ENTER INTO LOAN REFINANCING AGREEMENTS AND OTHER RELATED DOCUMENTS FOR THE REFINANCING OF A SINGLE FAMILY HOME LOCATED AT 308 CASTLE COURT ROSEVILLE CA AND FURTHER AUTHORIZING THE

BOARD CHAIR VICE CHAIR SECRETARY OR ASSIGNEE TO TAKE ANY NECESSARY ACTIONS TO COMPLETE THE REFINANCING OF THE HOME

(M/S/C): P. Ragsdale/K. Mann

Approved: 4-0

B. ACTION ITEMS:

None.

C. INFORMATION/DISCUSSION ITEMS.

1. Executive Director's Report – Mr. Benjamin indicated that Edwards Estates has two Trio homes for sale but is at a standstill due to Covid-19. Bentley Estates is still seeking City funding and in negotiation with general contractor. Foothill Terrace should receive bids by May 30, 2020. Butte County Housing Authority Bond project completed appraisal and portfolio analysis and will target late June, 2020 to close.
2. Current update on Trio Program: Patrick Howard indicated that with Covid-19, people are actually out shopping in the market as lenders are offering lower interest rates.
3. CalAHA 2020 Planning Retreat: Mr. Benjamin indicated that the Annual Retreat will be moved to August 23 and 24, 2020 for now.
4. Current update on prospective projects and financings – Ed Mayer indicated that at last week's conference call with Mary Ellen Shay, she introduced them to R.J. McGrail with ACI Community of Practice and discussed unused tax credit allocation and how to best utilize the funds..
5. Current update on member projects and administrative matters: none.

VII. CLOSED SESSION:

None.

VIII. DIRECTORS' COMMENTS:

None.

IX. SCHEDULING OF FUTURE EXECUTIVE BOARD MEETINGS:

(The second Monday of the month):

June 8, 2020, July 13, 2020, August 10, 2020, September 14, 2020, October 12, 2020,
November 9, 2020, December 14, 2020

X. ADJOURNMENT:

Meeting adjourned @ 10:42am.

(M/S/C): P. Ragsdale/K. Mann

Secretary

DATE: _____



CaliforniaAffordableHousingAgency

MINUTES

THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS CALIFORNIA AFFORDABLE HOUSING AGENCY MEETING

July 13, 2020
10:00 a.m.

806 West 19th Street
Merced, CA

- I. The Board Meeting of the Executive Board of the California Affordable Housing Agency was called to order by Ed Mayer at 10:05 a.m. The roll was taken and a quorum declared present. The following Executive Board Members were present for the meeting:

CalAHA Executive Board Members Present:

1. Ed Mayer, Executive Director, Housing Authority of the County of Butte
2. Kirk Mann, Secretary/Treasurer, Executive Director, Imperial Valley Housing Authority
3. Barbara Kauss, Vice Chairperson – Housing Authority of the County of Stanislaus
4. Peter Ragsdale, Executive Director, Housing Authority of the County of San Joaquin
5. Michael Nigh, Executive Director – Area Housing Authority of the County of Ventura

Members Not Present:

None.

Others Present:

6. Kao Xiong, Law Office of Thomas E. Lewis
7. Thomas E. Lewis, General Counsel
8. Nicolas Benjamin, Director of Development
9. Patrick Howard, Founding Member – Evergreen Pacific Capital

10. Bob Havlicek, Executive Director of the Housing Authority of the County of Santa Barbara
11. Julie Wunderlich, Bond Counsel – Jones Hall

II. Directors' and/or Agency Additions/Deletions to the Agenda:

(M/S/C): B. Kauss/M. Nigh -Motion to approve agenda.
Approved: 5-0

III. Approval of the Minutes:

None.

IV. Unscheduled Oral Communication:

None.

V. FINANCIAL REPORT OF ADMINISTRATOR:

Tom Lewis presented a brief overview of the CalAHA financials and current status of the Agency's accounts. Mr. Lewis went over the 2019 Audit with Bowman & Company. There were no deficits and non-compliance issues. Mr. Lewis will have the 2019 Audit available for the next meeting for approval. Ed Mayer went over CalAHA's assets and current account. CalAHA owns Olive Tree Apartments and Court of Fountains. Previously sold Manchester Apartments and used the proceeds to hire our current Executive Director, Nick Benjamin. CalAHA has moved in the direction of development and currently have many income producing projects.

VI. RESOLUTION, ACTION AND INFORMATION/DISCUSSION ITEMS:

A. RESOLUTION ITEMS:

None.

ACTION ITEMS:

None.

C. INFORMATION/DISCUSSION ITEMS.

1. Year 2019 Audit Report: discussed in Financial Report
2. The 1612 – Micro Community Project Report: Nick Benjamin went over the chronology of the project. The Housing Authority of the County of Stanislaus and Barbara Kauss wanted to use their Public Housing Operating Fund Reserves for a new administrative office and

workforce housing project through HUD's OFFP program. Work on the application began in May of 2019 where a proposal packet was sent to HUD. A series of conference calls and responses to requests for documents were made in late 2019 as HUD had a lot of questions and need for further information. Stanislaus maintained contact with HUD throughout 2019 and early 2020. From March to April 2020, HUD denied the project as it was not eligible for OFFP Funds. After the CARES Act was enacted HUD indicated that Stanislaus could move forward under the provisions of the CARES Act. After numerous responses to HUD's requests and weekly conference calls with HUD, escrow finally closed on June 30, 2020. Barbara Kauss commended Nick Benjamin and Tom Lewis for their hard work and having Mr. Benjamin gave the project a lot of credibility. Mr. Benjamin is currently negotiating for 1% fee for CalAHA for its work on this project.

3. Executive Director's Report – Ed Mayer indicated that CalAHA has been approached by RJ McGrail with the Lincoln Institute. There is an interview scheduled next week where we will be sharing some ideas and see if they will work with CalAHA in an effort to develop new funding concepts for increasing the housing stock.
4. Current update on Trio Program: Patrick Howard indicated Courtyard Loops and Strand Road homes have been converted. Refinancing of the homes have not been completed. Mr. Howard will prepare an updated spreadsheet for the next meeting. Mr. Howard indicated that there has been an increase in application for the program.
5. CalAHA 2020 Planning Retreat: Mr. Lewis indicated that the Annual Retreat will be moved to November, 2020 for now due to Covid-19.
6. Current update on prospective projects and financings – none.
7. Current update on member projects and administrative matters: Mr. Lewis indicated that Sonoma County Housing Authority is interested in joining our agency.

VII. CLOSED SESSION:

None.

VIII. DIRECTORS' COMMENTS:

None.

IX. SCHEDULING OF FUTURE EXECUTIVE BOARD MEETINGS:

(The second Monday of the month):

August 10, 2020, September 14, 2020, October 12, 2020, November 9, 2020, December 14, 2020

X. ADJOURNMENT:

Meeting adjourned @ 10:49am.

(M/S/C): B. Kauss/P. Ragsdale

Secretary

DATE: _____



CaliforniaAffordableHousingAgency

MINUTES

THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS CALIFORNIA AFFORDABLE HOUSING AGENCY MEETING

November 9, 2020
10:00 a.m.

806 West 19th Street
Merced, CA

- I. The Board Meeting of the Executive Board of the California Affordable Housing Agency was called to order by Thomas E. Lewis at 10:05 a.m. The roll was taken and a quorum declared present. The following Executive Board Members were present for the meeting:

CalAHA Executive Board Members Present:

1. Ed Mayer, Executive Director, Housing Authority of the County of Butte
2. Kirk Mann, Secretary/Treasurer, Executive Director, Imperial Valley Housing Authority
3. Barbara Kauss, Vice Chairperson – Housing Authority of the County of Stanislaus
4. Peter Ragsdale, Executive Director, Housing Authority of the County of San Joaquin
5. Michael Nigh, Executive Director – Area Housing Authority of the County of Ventura

Members Not Present:

None.

Others Present:

6. Kao Xiong, Law Office of Thomas E. Lewis
7. Thomas E. Lewis, General Counsel
8. Nick Benjamin, Executive Director

9. Bob Havlicek, Executive Director of the Housing Authority of the County of Santa Barbara
10. Julie Wunderlich, Bond Counsel – Jones Hall

II. Directors' and/or Agency Additions/Deletions to the Agenda:

(M/S/C): K. Mann/B. Kauss - Motion to amend Resolution 2020-10 to 2020-12.
Approved: 5-0

(M/S/C): M. Nigh/P. Ragsdale -Motion to approve agenda.
Approved: 5-0

III. Approval of the Minutes:

Minutes of Meeting of September 21, 2020

(M/S/C): B. Kauss/K. Mann -Motion to approve agenda.
Approved: 5-0

IV. Unscheduled Oral Communication:

None.

V. FINANCIAL REPORT OF ADMINISTRATOR:

Tom Lewis presented a brief overview of the CalAHA financials and current status of the Agency's accounts. Mr. Lewis indicated that the agency should be receiving reimbursements from Housing Authority of the County of Butte and Stanislaus for consultants. The agency will also be receiving payment for work on 1612 Sisk Road project.

VI. RESOLUTION, ACTION AND INFORMATION/DISCUSSION ITEMS:

A. RESOLUTION ITEMS:

RESOLUTION 2020-12

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING POOL REVENUE BONDS (BUTTE COUNTY PROJECTS), SERIES 2020A, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, A SERIES INDENTURE, A LOAN AGREEMENT, A REGULATORY AGREEMENT, A BOND PURCHASE AGREEMENT AND A PRELIMINARY OFFICIAL STATEMENT, AND AUTHORIZING THE EXECUTION AND DELIVERY OF AND APPROVING OTHER RELATED DOCUMENTS AND APPROVING OTHER RELATED ACTIONS IN CONNECTION THEREWITH

Tom Lewis indicated this bond resolution is to give final approval on the Butte County Projects 2020A Series bonds for six multifamily housing complexes in Butte County. Ed Myer

ad descriptions of the projects and the fact that a credit rated of HACB will be used in conjunction with the marketing for these bonds.

(M/S/C): B. Kauss/M. Nigh
Approved: 5-0

ACTION ITEMS:

1. Action Item 2020-01A

Acceptance and Approval of the Year 2019 CalAHA Audit

Nick Benjamin indicated that the audit came back clean with no issues. The Agency will be implementing check register list to new checks going out on a monthly basis. Michael Nigh noted that an MD&A was not included in the audit. Mr. Lewis and Mr. Benjamin indicated that it will be included in the 2020 Audit moving forward.

Mr. Benjamin indicated that Olive Tree Apartments is a working asset. Court of Fountains has had issues regarding annual site performance and is trying to stabilize by implementing rent increase an. CalAHA is working hard with property management agency to increase cashflow. Mr. Benjamin will prepare a presentation for the next meeting regarding development services CalAHA provide, anticipated future projects, income etc. Mr. Mayer would like to compare 2018 and 2019 audit before adopting today. The rest of the Executive Board Members would like to see an MD&A included. Mr. Benjamin will prepare MD&A and submit to auditor.

C. INFORMATION/DISCUSSION ITEMS.

1. Review of Audit for Year 2019: Audit was discussed in Action Item 2020-01A.
2. Executive Director's Report – Nick Benjamin provided an updated Executive Director's Monthly Report with the agency's current projects. Mr. Benjamin indicated that Foothill Terrace is moving forward with site bids and should be received by November 30, 2020. Regarding San Joaquin Housing Authority's project, Mr. Benjamin will try to schedule site plan with Peter Ragsdale and set up meeting with everyone to see Mr. Ragsdale's project.
3. Current update on Trio Program: Mr. Lewis indicated that there are no new contracts yet. However, there were two contracts submitted in Merced and Stockton, but the properties did not pass inspections. Customers will continue to search again. There will be another conversion on the way. Trio is adding real estate agents and mortgage agents to their team. They are struggling to find income qualified customers for the Trio homes at Edwards Estates. Mr. Lewis will work

with local housing authorities to have them post Trio information on their websites. Trio is also marketing through Facebook and Google now.

4. Current update on prospective projects and financings – Ed Mayer indicated that Butte County Bonds project is about ready to issue bond in the next month. Mr. Lewis indicated that CalAHA was approached by an equity firm, KH Equity, that has projects ready to invest in. Mr. Lewis will have a conference call with the firm tomorrow to see if they're a match for the agency.
5. Current update on member projects and administrative matters: Mr. Benjamin indicated that 1612 Sisk Road project is going well. CalAHA is being responsive to all our agencies and will be helping with No Place Like Home project, Vine Street project and projects in Mariposa and Tuolumne Counties.. Mr. Benjamin indicated that he sent letters to all members and will schedule Zoom meetings with members. Mr. Lewis suggested to also send similar letters to prospective members.

VII. CLOSED SESSION:

None.

VIII. DIRECTORS' COMMENTS:

None.

IX. SCHEDULING OF FUTURE EXECUTIVE BOARD MEETINGS:

(The second Monday of the month):

December 14, 2020

X. ADJOURNMENT:

Meeting adjourned @ 10:47am.

(M/S/C): B. Kauss/P. Ragsdale

Secretary

DATE: _____

CALIFORNIA AFFORDABLE HOUSING AGENCY JPA

COMPILED FINANCIAL STATEMENTS

September 2020

Grey B. Roberts & Co.
2824 Park Avenue, Suite B
Merced, CA 95348

GREY B. ROBERTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
2824 PARK AVENUE, SUITE B
MERCED, CALIFORNIA 95348
TELEPHONE (209) 383-2442
FAX (209) 383-3583

Board of Directors
California Affordable Housing Agency JPA

We have compiled the accompanying cash basis statement of net assets of the general fund of California Affordable Housing Agency JPA as of September 30, 2020 and the related cash basis statement of activities for the nine months ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the Statement of Cash Flows required by generally accepted accounting principles. If the omitted disclosures and statement were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.



December 3, 2020

California Affordable Housing Agency
Balance Sheet
As of September 30, 2020

	<u>Sep 30, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	42,000.00
WestAmerica	503,713.21
RaboBank Checking	576,718.46
RaboBank Money Market	231,618.74
Court of Fountains Supplemental	2,929.25
Court of Fountains Main Reserve	59,550.09
Total Checking/Savings	1,416,529.75
Other Current Assets	
Accounts Receivable	
Housing Assistance Receivable	16,768.00
Ben Harvy Investments, LLC	50,097.33
A/R Foothill Terrace	22,500.00
A/R Court of Fountains	32,220.00
Accounts Receivable - Other	5,110.00
Total Accounts Receivable	126,695.33
Intercompany Due To	13,436.17
Prepaid Insurance	6,810.36
Tenant Security Deposits	21,035.00
Mortgage Escrow Deposits	-854.29
Other Reserves	437,903.59
Total Other Current Assets	605,026.16
Total Current Assets	2,021,555.91
Fixed Assets	
Land Olive Tree Apartments	110,000.00
Buildings and Improvements	1,333,018.03
Depreciation Building and Improvements	-381,594.00
Total Fixed Assets	1,061,424.03
Other Assets	
AHA Organizational Costs	21,902.48
Accum Amort of Costs	-21,902.48
Bond and loan fees	173,999.52
Accumulated amortizations	-37,539.52
Total Other Assets	136,460.00
TOTAL ASSETS	3,219,439.94

See accountants' report and notes to financial statements

California Affordable Housing Agency
Balance Sheet
As of September 30, 2020

Sep 30, 20

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable 64,470.00

Total Accounts Payable 64,470.00

Other Current Liabilities

Accrued Interest 27,324.00

Deposit 154,900.00

Direct Deposit Liabilities 50,000.00

Tenant Security Deposits (L) 12,057.00

Series 2004A Bonds 20,000.00

U. S. Dept of Ag Note Payable 1,299.00

Series 2009A Bonds -8,333.34

LT Portion of Bonds Payable 760,684.00

Current Portion of Notes Pay 215,280.00

LT Portion of Notes Payable 980,447.00

3220.00 · Issuer Holding Acct 296,884.00

Total Other Current Liabilities 2,510,541.66

Total Current Liabilities 2,575,011.66

Total Liabilities 2,575,011.66

Equity

Change in Net Assets -45,285.00

Unrestricted Net Assets -819,602.00

Restricted Net Assets 776,639.00

Owner Contributions 175,000.00

Fund Balance 902,290.84

Net Income -344,614.56

Total Equity 644,428.28

TOTAL LIABILITIES & EQUITY 3,219,439.94

See accountants' report and notes to financial statements

California Affordable Housing Agency
Profit & Loss
 January through September 2020

	<u>Jan - Sep 20</u>
Ordinary Income/Expense	
Income	
Annual Issuer's Fee	58,195.00
Total Income	<u>58,195.00</u>
Expense	
Administrative Expenses	5,750.00
Financial Advisor Fees	-47,771.83
Operation and Maintenance	24,767.06
Bank fees/wires	430.76
Insurance Expense	6,996.00
Accounting & Auditing Fee	23,625.00
Legal Expense	224,382.88
Training & Travel	5,721.92
Contract Costs	112,510.00
Office Supplies	948.13
Office Rent	9,000.00
Meals & Entertainment	163.66
Other Administrative Costs	26,012.90
Website & Internet Expenses	215.00
Annual Retreat/Conference	9,818.32
Dues & Memberships	895.00
Taxes	-285.72
Total Expense	<u>403,179.08</u>
Net Ordinary Income	-344,984.08
Other Income/Expense	
Other Income	
Interest Income	369.52
Total Other Income	<u>369.52</u>
Net Other Income	369.52
Net Income	<u>-344,614.56</u>

See accountants' report and notes to financial statements

CALIFORNIA AFFORDABLE HOUSING AGENCY JPA

COMPILED FINANCIAL STATEMENTS

October 2020

Grey B. Roberts & Co.
2824 Park Avenue, Suite B
Merced, CA 95348

GREY B. ROBERTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
2824 PARK AVENUE, SUITE B
MERCED, CALIFORNIA 95348
TELEPHONE (209) 383-2442
FAX (209) 383-3583

Board of Directors
California Affordable Housing Agency JPA

We have compiled the accompanying cash basis statement of net assets of the general fund of California Affordable Housing Agency JPA as of October 31, 2020 and the related cash basis statement of activities for the ten months ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the Statement of Cash Flows required by generally accepted accounting principles. If the omitted disclosures and statement were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.



December 3, 2020

California Affordable Housing Agency

Balance Sheet

As of October 31, 2020

	Oct 31, 20
ASSETS	
Current Assets	
Checking/Savings	
Cash	42,000.00
WestAmerica	503,713.21
RaboBank Checking	515,070.89
RaboBank Money Market	231,598.97
Court of Fountains Supplemental	2,859.33
Court of Fountains Main Reserve	59,552.54
Total Checking/Savings	1,354,794.94
Other Current Assets	
Accounts Receivable	
Housing Assistance Receivable	16,768.00
Ben Harvy Investments, LLC	50,097.33
A/R Foothill Terrace	22,500.00
A/R Court of Fountains	32,220.00
Accounts Receivable - Other	5,110.00
Total Accounts Receivable	126,695.33
Intercompany Due To	13,436.17
Prepaid Insurance	6,810.36
Tenant Security Deposits	21,035.00
Mortgage Escrow Deposits	-854.29
Other Reserves	437,903.59
Total Other Current Assets	605,026.16
Total Current Assets	1,959,821.10
Fixed Assets	
Land Olive Tree Apartments	110,000.00
Buildings and Improvements	1,333,018.03
Depreciation Building and Improvements	-381,594.00
Total Fixed Assets	1,061,424.03
Other Assets	
AHA Organizational Costs	21,902.48
Accum Amort of Costs	-21,902.48
Bond and loan fees	173,999.52
Accumulated amortizations	-37,539.52
Total Other Assets	136,460.00
TOTAL ASSETS	3,157,705.13

See accountants' report and notes to financial statements

California Affordable Housing Agency
Balance Sheet
As of October 31, 2020

	Oct 31, 20
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	64,470.00
Total Accounts Payable	64,470.00
Other Current Liabilities	
Accrued Interest	27,324.00
Deposit	154,900.00
Direct Deposit Liabilities	50,000.00
Tenant Security Deposits (L)	12,057.00
Series 2004A Bonds	20,000.00
U. S. Dept of Ag Note Payable	1,299.00
Series 2009A Bonds	-8,333.34
LT Portion of Bonds Payable	760,684.00
Current Portion of Notes Pay	215,280.00
LT Portion of Notes Payable	980,447.00
3220.00 · Issuer Holding Acct	296,884.00
Total Other Current Liabilities	2,510,541.66
Total Current Liabilities	2,575,011.66
Total Liabilities	2,575,011.66
Equity	
Change in Net Assets	-45,285.00
Unrestricted Net Assets	-819,602.00
Restricted Net Assets	776,639.00
Owner Contributions	175,000.00
Fund Balance	902,290.84
Net Income	-406,349.37
Total Equity	582,693.47
TOTAL LIABILITIES & EQUITY	3,157,705.13

See accountants' report and notes to financial statements

California Affordable Housing Agency
Profit & Loss
January through October 2020

	<u>Jan - Oct 20</u>
Ordinary Income/Expense	
Income	
Annual Issuer's Fee	58,195.00
Total Income	<u>58,195.00</u>
Expense	
Administrative Expenses	5,750.00
Financial Advisor Fees	-47,771.83
Operation and Maintenance	24,767.06
Bank fees/wires	514.82
Insurance Expense	6,996.00
Accounting & Auditing Fee	24,110.00
Legal Expense	259,280.78
Training & Travel	6,286.57
Contract Costs	125,010.00
Office Supplies	948.13
Office Rent	10,000.00
Meals & Entertainment	198.66
Other Administrative Costs	38,148.90
Website & Internet Expenses	269.53
Annual Retreat/Conference	9,818.32
Dues & Memberships	895.00
Taxes	-285.72
Total Expense	<u>464,936.22</u>
Net Ordinary Income	-406,741.22
Other Income/Expense	
Other Income	
Interest Income	391.85
Total Other Income	<u>391.85</u>
Net Other Income	391.85
Net Income	<u>-406,349.37</u>

See accountants' report and notes to financial statements



CaliforniaAffordableHousingAgency

MEMO TO: Executive Committee
FROM: Nick Benjamin

Regarding: Management Discussion & Analysis
For Year 2019 Audit

Attached for your review and consideration is the proposed Management Discussion & Analysis for the Year 2019 annual CalAHA audit. Pursuant to your request, an M D & A was created and prepared for inclusion in the year 2019 annual agency audit. It is a bit lengthier than usual but we wanted to tell the story that we could build on in subsequent years as to how CalAHA has been evolving itself to meet the needs of its members.

Upon approval of the Executive Committee it will be forwarded on to the CalAHA auditor, Bowman & Company, for inclusion in the audit.

806 West 19th Street, Merced, CA 95340
(209) 384-0001

California Affordable Housing Agency JPA

Management Discussion & Analysis

Financial Audit - Year Ended December 31, 2019

The California Affordable Housing Agency JPA (CalAHA, or Agency) management discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of agency financial activity, and (c) identify changes in the Agency financial position for the year ended December 31, 2019.

Basic Financial Statements

The CalAHA financial statements consist of three components: 1) the MD&A, 2) Agency-wide financial statements, and 3) notes to the basic financial statements. In addition, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of CalAHA.

Discussion of Financial Highlights

The cash, cash equivalents and restricted cash for FYE 12/31/2018 was \$2,978,770. The cash, cash equivalents and restricted cash for FYE 12/31/2019 was \$2,433,568. The difference of (\$545,202) includes \$145,948 used for capital acquisitions and long term debt service. The remaining \$399,254 was used for agency operations, a small reduction (\$149.00) from 2018. Of the agency owned assets, Olive Tree Apartments is solvent and covering debt service requirements. The Court of Fountains Apartments is meeting its debt service requirements by way of Agency subsidy in the annual amount of about \$20,000 per year.

Outlook

In efforts to more fully serve its membership, the CalAHA Board of Directors elected to offer development services to its members. The cost of the newly offered services, consisting mostly of personnel retention, was planned to be offset by income derived from the project management and development fees charged to respective member projects. Since development projects take time to reach fruition, at current, no revenue has been realized from these efforts. However, projections of revenue for the FY 2020 year suggest the development services of the Agency will be self-supporting once projects are completed and contracted billings realized.

In addition to its bond-issuance business serving member agencies and their jurisdictions, CalAHA has strategically initiated development consulting services to its members, comprised principally of small to medium sized PHA's that do not have robust internal development capacities. Consistent with this objective, CalAHA has taken on project management services in the delivery of a hotel acquisition/conversion project and several small-home manufactured and modular housing development projects on behalf of the Stanislaus Housing Authority; has provided appraisal, capital needs assessment, financial consulting, and bond issuance services in the repositioning and leveraging of other-owned properties on behalf of the Housing Authority of

the County of Butte. In particular, CalAHA is creatively advancing small-home development initiatives modeling new approaches to subdivision development, such product lending itself to both rental and for-sale opportunities. It is yet to be seen whether the product can be married to the CalAHA-developed and offered lease-option-to-purchase program known as TRIO.

The operating year has shown that CalAHA's overhead runs about \$400,000 per year. CalAHA's strategy is to use the approximately \$2.4 million in net proceeds from 2016's sale of Village Park Apartments, Brentwood, and 2018's sale of Manchester Apartments, San Leandro as working capital to carry the Agency far enough to generate positive cash flow from its development consulting and other operations.

California's demand for affordable housing and, in particular, creative affordable housing strategies and solutions, has never been greater. State markets are typically impacted, with many communities characterized as "high cost", where wages are insufficient to support housing prices. Interest rates are at historic lows, supporting financing initiatives. CalAHA, with its proven and flexible consultant-driven team, offering conduit financing, financial consulting services, a lease-option-to-purchase home ownership program, and real property development project management services, is uniquely situated to support affordable housing program and property development opportunities on behalf of its member PHA's.



California Affordable Housing Agency

NICK BENJAMIN

EXECUTIVE DIRECTOR

DECEMBER 14, 2020

EXECUTIVE COMMITTEE MEETING

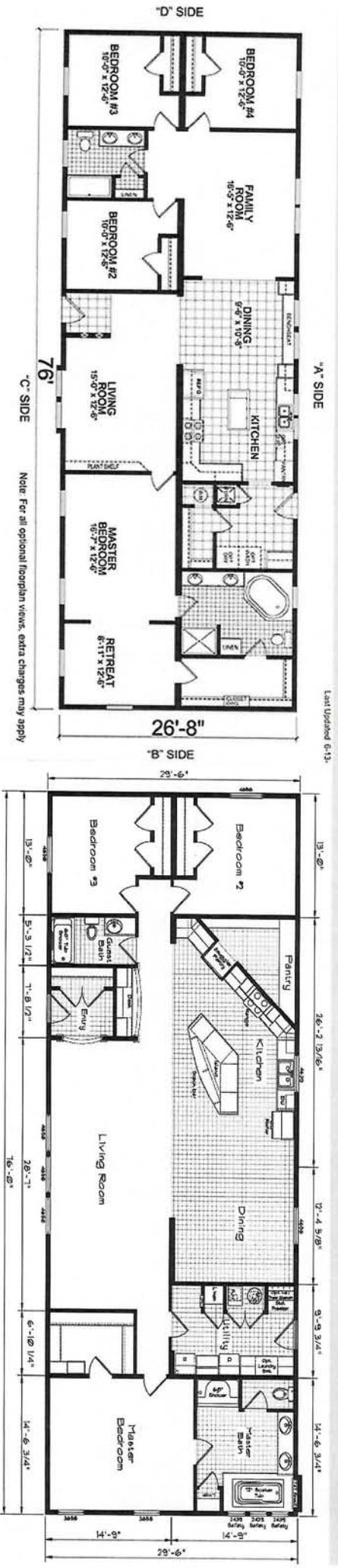


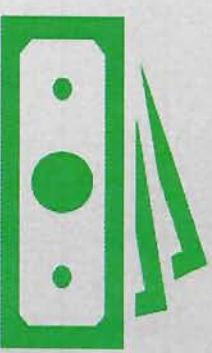
The road to here and now...

August of 2018, the CalAHA Board decides to serve members by offering development services.

December 2018, N. Benjamin, Benjamin Development Services joins CalAHA as Director of Development. (changed to Executive Director 12/2019)

December 2018 to present, has been a period of internal development coupled with actual project work. Project work has included, feasibility determinations and financial modeling, construction support and management, project presentation and advocacy with HUD. In addition, licensing was obtained from HCD that allows CalAHA, as a conduit, to purchase manufactured/modular housing product.





What additional costs has the agency incurred along this road?

Operational costs for the agency have been impacted by compensation for the contract of the agency Executive Director. Through December 2020, the total compensation to the Executive Director (excluding mileage reimbursement) is \$289,000.00.

What is the Bottom Line?

Some member projects are easily billed up front or through by the hour estimates (BTH). Other's however, are worked by commission and payable upon completion or close of a respective project. (Comm)

The total of invoices billed to date is:

Foothill Terrace- (Member-Stanislaus HA, BTH) \$24,759.00 (Remaining balance est. \$10,000.00)

1612-(Member-Stanislaus, Comm) \$207,000.00 (Remaining balance by agreement \$100,000.00)

Total Billed \$231,759.00

Remaining Balance \$110,000.00

Other Income for 2020:

Annual issuer fees (including Butte County Bonds 2020A) \$105,300.00

Additional development fees earned: \$4,500.00 (subcontractor bills - 15% mark up fee)

Total 2020 CalAHA Income: \$341,559.00

Future projects...anticipated income!

Outreach efforts are underway with membership to service their respective development needs. The figures below are representative only of member projects currently in the pipeline.

*It should be noted that these projections correlate directly to development activities. The agency can and does derive income for bond activity, legal consultation etc.

Edwards Estates-Phase II - \$425,700.00 (33 SFD @ \$12,900 per)

Bentley Estates - \$111,800.00 (13 SFD @ \$8,600 per)

Fogg Ave. - \$161,500.00 (17 unit small homes 4% PM Fee and Unit cut)

2021/2022 Anticipated revenue: \$699,000.00

