



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 ZOOM VIDEO AND 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:

July 11, 2022 at 10:00 a.m.

<https://us06web.zoom.us/j/5600363167?pwd=RmZTR0NabzcrY0ZYQlZyYUd6blpwZz09>

Meeting ID: 560 036 3167
Passcode: 293018
Phone Number:
1(720) 707-2699

PUBLIC IS WELCOME

Anyone interested may attend.
You may attend this meeting by Zoom video call or teleconference at the information above.

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



CaliforniaAffordableHousingAgency

CERTIFICATION OF POSTING

The undersigned hereby acknowledges and declares that the attached Notice of Meeting and the Agenda for this meeting were duly posted in a location that was freely accessible to members of the public and at least seventy-two (72) hours before the time and date of the meeting.

DATE POSTED: _____
TIME POSTED: _____
LOCATION POSTED: _____

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Dated: _____ Signed: _____

Print Name: _____

Print Title: _____

Print Name of Housing Authority: _____

Please **email** completed Certification to:
Tom Lewis at tom@lewislawca.com or fax to (209) 384-0003



CaliforniaAffordableHousingAgency

AGENDA

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

July 11, 2022

10:00am

**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 ZOOM VIDEO AND TELEPHONIC CONFERENCE CALL.

Zoom

<https://us06web.zoom.us/j/5600363167?pwd=RmZTR0NabzcrY0ZYQlZyYUd6blpwZz09>

Meeting ID: 560 036 3167

Passcode: 293018

Phone Number:

1(720) 707-2699

Executive Committee Member Locations

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

**1612 Sisk Road
Modesto, California 95350**

**1402 D Street
Brawley, California 92227**

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

**815 W. Ocean Ave
Lompoc, CA 93436**

I. CALL TO ORDER AND ROLL

II. TELECONFERENCE MEETING AUTHORIZATION

RESOLUTION 2022-07

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY AUTHORIZING THE CONTINUANCE OF TELECONFERENCE MEETINGS AS PROVIDED FOR IN STATE OF CALIFORNIA ASSEMBLY BILL 361 AND GOVERNMENT CODE SECTION 54953

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

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

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

IV. APPROVAL OF MEETING MINUTES

1. Minutes of May 9, 2022

(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

Monthly Report

VI. RESOLUTION, ACTION AND INFORMATION ITEMS

A. RESOLUTIONS:

RESOLUTION NO. 2022-08

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY APPROVING THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNADINO AS A FULL VOTING AND PARTICIPATING MEMBER OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY

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

B. ACTION ITEMS:

None

C. INFORMATION/DISCUSSION ITEM(S)

1. Executive Director's Report
2. Current update on Trio Program;
3. Current update on prospective projects and financings;
4. Current update on member projects and administrative matters.

VIII. CLOSED SESSION

1. Conference call with North Property Negotiators (Government Code Section 54956.8) One Property: 502 Mercey Springs Road Los Banos, CA

IX. DIRECTORS' COMMENTS

X. SCHEDULING OF FUTURE EXECUTIVE BOARD MEETINGS

(The second Monday of the month): August 8, 2022; September 12, 2022; October 10, 2022; November 14, 2022; December 12, 2022

XI. ADJOURNMENT

RESOLUTION 2022-07

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY AUTHORIZING THE CONTINUANCE OF VIRTUAL/TELECONFERENCE MEETINGS AS PROVIDED FOR IN STATE OF CALIFORNIA ASSEMBLY BILL 361 AND GOVERNMENT CODE SECTION 54953

WHEREAS, the California Affordable Housing Agency (the “Agency”) is a joint exercise of powers agency consisting of nineteen California housing authorities located throughout California; and

WHEREAS, the Agency is authorized pursuant to Chapter 1 Part 2 of Division 24 of the Health and Safety Code of the State of California (the “Act”) to issue bonds and/or finance loans and mortgages for the purpose of acquiring multifamily rental housing facilities and single family housing units to be located within any area of operation of the Agency or where a local housing authority, or other housing agency provides the Agency with a cooperative agreement to operate in the entity’s jurisdiction; and

WHEREAS, the Agency is also authorized to purchase and sell real property when the Agency deems any such purchase or sale to be appropriate; and

WHEREAS, California Affordable Housing Agency has made virtual/teleconference meetings possible due to COVID-19 and changes to the Brown Act issued by Executive Order N-29-20 from Governor Gavin Newsom; and

WHEREAS, California State Assembly Bill 361 amends the Ralph M. Brown Act to include new authorization for remote meetings, including remote public comment, for all local agencies; and

WHEREAS, California State Assembly Bill 361 extends the provisions of the Governor’s Executive Order N-29-20, signed March 17, 2020 and Executive Order N-35-20 signed March 21, 2020 until January 1, 2024; and

WHEREAS, California State Assembly Bill 361 and Government Code Section 54953 authorizes a local agency to use virtual/teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency; and

WHEREAS, a state of emergency is defined when state or local health officials have imposed or recommended measures to promote social distancing, during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided.

NOW, THEREFORE, BE IT RESOLVED by the Executive Committee of the California Affordable Housing Agency as follows:

1. The above stated recitals are true and correct.
2. Virtual and/or teleconference meetings will continue to be utilized as in so much as declared in Assembly bill 361 and the provisions of Government Code Section 54953.
3. This Resolution shall take effect immediately.

PASSED AND ADOPTED this 11th Day of July, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

Chair, Board of Directors
California Affordable Housing Agency

Attest:

Secretary, Board of Directors
California Affordable Housing Agency



California Affordable Housing Agency

MINUTES

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

May 9, 2022
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 Bob Havlicek at 10:04a.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. Bob Havlicek, Chairperson and Executive Director, Housing Authority of the County of Santa Barbara
2. Jim Kruse, Vice Chair and Executive Director, Stanislaus Regional Housing Authority
3. Kirk Mann, Secretary/Treasurer and Executive Director, Imperial Valley Housing Authority
4. Ed Mayer, Executive Director, Housing Authority of the County of Butte
5. Michael Nigh, Executive Director, Housing Authority of the County of Ventura

Others Present:

6. Thomas E. Lewis, General Counsel
7. Nick Benjamin, Executive Director - CalAHA
8. Julie Wunderlich, Bond Counsel, Jones Hall
9. Patrick Howard, Founding Member, Evergreen Pacific Capital
10. Kao Xiong, Law Office of Thomas E. Lewis

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



II. Teleconference Meeting Authorization

RESOLUTION 2022-05

**A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING
AGENCY AUTHORIZING THE CONTINUANCE OF VIRTUAL MEETINGS
AS PROVIDED FOR IN STATE OF CALIFORNIA ASSEMBLY BILL 361
AND GOVERNMENT CODE SECTION 54953**

(M/S/C): E. Mayer/J. Kruse - Motion to approve
Approved: 5-0

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

(M/S/C): E. Mayer/J. Kruse -Motion to approve
Approved: 5-0

IV. Approval of the Minutes:

Minutes of February 14, 2022

(M/S/C): M. Nigh/E. Mayer – Motion to approve minutes as presented.
Approved: 5-0

Minutes of April 11, 2022

(M/S/C): M. Nigh/E. Mayer – Motion to approve minutes as presented.
Approved: 5-0

V. Unscheduled Oral Communication:

None.

VI. FINANCIAL REPORT OF ADMINISTRATOR:

Tom Lewis gave a short overview of the current financials. Mr. Benjamin indicated that CalAHA is running negative on cashflow. Court of Fountains is still running low on cash. The new management company that bought Trilar Management is working on the property's pool and parking. CalAHA has been increasing rent for the project and revenue has been increasing with deferred maintenance. The goal for the project is defeasance through the project which the Board already approved for sale through AREF.

Mr. Mayer asked if Mr. Lewis can give a quick overview of how CalAHA acquired Court of Fountains. Mr. Lewis indicated that it was a deal that Tom Seaman brought to the agency. Mr. Seaman wanted to buy the project with his nonprofit. It was a really good project that was built during the recession. CalAHA bought Court of Fountains in 2013 when TRIO Program was getting started. The goal was to sell individual units through TRIO with FHA loans. However, with FHA guidelines, we were unable to get the FHA mortgage loans and only one unit was sold. In 2018, Court of Fountains was refinanced to a 30-year bond. Court of Fountains is known to be the nicest gated property in the city of Los Banos. Mr. Lewis believe that the value has increased since then.

Mr. Howard indicated that the one unit that was sold was all cash. CalAHA can look at going the condominium model again. An option is to look at doing a conventional sale, if there is a market out there, to make more money for the agency. Mr. Benjamin is currently working on a market analysis on the units. Another option is to do individual sale through TRIO too. Mr. Howard indicated that since FHA is not available for us, we can either go through a conventional loan or through a private lender that we have worked with. Court of Fountains has 34 units total and one unit privately owned.

VII. RESOLUTION, ACTION AND INFORMATION/DISCUSSION ITEMS:

A. RESOLUTION ITEMS:

RESOLUTION NO. 2022-06

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY MAKING DETERMINATIONS WITH RESPECT TO THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT, DECLARING ITS INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS, AND AUTHORIZING RELATED ACTIONS

Mr. Benjamin indicated that this project is located in the Inland Empire in San Bernadino. There are 272 units that are very well cared for. AREF is in the process of negotiating the price. The original price offered was 90M from AREF, but might have to increase to 105M. Gus Jocelyn, Deputy Director of San Bernadino County Housing Authority, is excited about this deal and working with CalAHA. Mr. Jocelyn is going to recommend to the Executive Director, Maria Razo, about being a member instead of signing a cooperative agreement with CalAHA. Mr. Mayer asked what is the share of development fee for CalAHA. Mr. Benjamin indicated that depending on the situation the fees may be

different as San Bernadino Housing Authority is planning to be a member of CalAHA. However, the project meets our mission of converting current market rate to more affordable housing. Mr. Mann asked if the Board will be provided with proformas if they approve the resolution. Mr. Benjamin indicated that the Board will be provided with proformas once the final costs are in.

(M/S/C): M. Nigh/E. Mayer – Motion to approve
Approved: 5-0

B. ACTION ITEMS:

**1. Action Item 2022-02A
Acceptance/Approval of 2021 FY Agency Audit**

Nick Benjamin indicated that the audit came back clean with no findings. An MD&A was included.

(M/S/C): E. Mayer/K. Mann -Motion to approve
Approved: 5-0

C. INFORMATION/DISCUSSION ITEMS.

1. Executive Director's Report – Mr. Benjamin indicated that he just went to the Edwards Estates open house with Stanislaus Regional Housing Authority. Edwards Estates Phase II is up and running. He is also working on a project No Place Like Home in Modesto, 8-unit project called Kestral Ridge, selling Court of Fountains and Axis II.

2. Current update on Trio Program: Mr. Howard indicated that we should update previous resolution for the signors of CalAHA to reflect the new Board of Directors. Mr. Howard indicated that there hasn't been much activities from TRIO as it is still very challenging for individuals to get FHA or VA loans approved.

3. Current update on prospective projects and financings: Mr. Benjamin indicated that he was contacted by Executive Director Patricia Wells at Oakland Housing Authority regarding Alice House project. Alice House is a 79-unit luxury apartment homes built in 2020 that Oakland Housing Authority is interested in. Mr. Lewis provided CalAHA's informational packet to Oakland Housing Authority and they're interested in joining CalAHA.

Mr. Lewis indicated that Merced County Housing Authority has been working with us. They have a project in Dos Palos that they want to work with us for more housing. They are also working with us on Axis II.

Mr. Benjamin indicated that regarding Madera Housing Authority, their Executive Director, Massey Casper, has been terminated. Madera Housing Authority just hired Rene Wright from Fresno Housing Authority. Ms. Wright has just accepted the position and is starting soon.

4. Current update on member projects and administrative matters: Mr. Benjamin indicated that he has encountered a difficult situation with his family and will be moving back to Georgia. However, he will be able to work remotely and occasionally travel to California if needed. Mr. Havlicek indicated that he and Mr. Mayer discussed this. Mr. Benjamin's job has front end and back-end activities. Mr. Benjamin works at the front end which brings in the deals and making sure the deals go through. The back-end activity requires construction oversight. Mr. Havlicek expressed that he has no issue with Mr. Benjamin working remotely as he brings in the income/revenue. CalAHA can hire someone to handle the construction oversight. Mr. Mayer indicated that the agency just needs someone to handle the construction oversight. In the past, it was Mr. Lewis who handled all the site work for CalAHA.

Mr. Benjamin indicated that his plan is to remain in California until the end of September 2022. There are two individuals that were interviewed by Mr. Lewis and Mr. Benjamin that are interested and willing to help do construction oversight. They will be getting hourly pay for sight work and reporting. Both individuals have an extensive background in construction.

Each board member expressed their support for Mr. Benjamin to return to Georgia and work remotely.

VIII. CLOSED SESSION:

None.

IX. DIRECTORS' COMMENTS:

None.

X. SCHEDULING OF FUTURE EXECUTIVE BOARD MEETINGS:

(The second Monday of the month):

June 13, 2022; July 11, 2022; August 8, 2022; September 12, 2022; October 10, 2022; November 14, 2022; December 12, 2022

XI. ADJOURNMENT:

Meeting adjourned @ 11:05 am.

(M/S/C): E. Mayer/K. Mann -Motion to approve
Approved: 5-0

Secretary

Date

**CALIFORNIA AFFORDABLE HOUSING AGENCY JPA
COMPILED FINANCIAL STATEMENTS**

May 2022

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

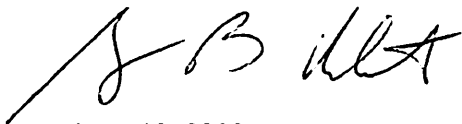
GREY B. ROBERTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
2824 PARK AVENUE, SUITE B
MERCED, CALIFORNIA 95348
(209) 383-2442

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 May 31, 2022, and the related cash basis statement of activities for the five 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 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.



June 16, 2022

California Affordable Housing Agency
Balance Sheet
As of May 31, 2022

	May 31, 22
ASSETS	
Current Assets	
Checking/Savings	
Cash	42,000.00
WestAmerica	503,709.21
Mechanics Bank Checking	40,645.77
Mechanics Money Market	17,066.57
Court of Fountains Supplemental	1,530.46
Court of Fountains Main Reserve	59,573.60
F & M Bank - Checking	8,522.56
F & M Bank - Money Market	107,874.80
Total Checking/Savings	780,922.97
Other Current Assets	
Accounts Receivable	
Housing Assistance Receivable	16,768.00
Ben Harvy Investments, LLC	50,097.33
A/R Foothill Terrace	45,000.00
A/R Court of Fountains	102,220.00
Accounts Receivable - Other	2,663.84
Total Accounts Receivable	216,749.17
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	695,080.00
Total Current Assets	1,476,002.97
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	2,673,887.00

See accountants' report and notes to financial statements

California Affordable Housing Agency
Balance Sheet
As of May 31, 2022

May 31, 22

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable 39,981.82

Total Accounts Payable 39,981.82

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

Issuer Holding Acct 296,884.00

Total Other Current Liabilities 2,510,541.66

Total Current Liabilities 2,550,523.48

Total Liabilities 2,550,523.48

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 237,135.47

Net Income -200,523.95

Total Equity 123,363.52

TOTAL LIABILITIES & EQUITY 2,673,887.00

See accountants' report and notes to financial statements

California Affordable Housing Agency
Profit & Loss
 January through May 2022

	<u>Jan - May 22</u>
Ordinary Income/Expense	
Income	
Annual Issuer's Fee	6,302.00
Other Income	3,007.33
Total Income	<u>9,309.33</u>
Expense	
Administrative Expenses	2,000.00
Operation and Maintenance	6,518.49
Bank fees/wires	519.71
Insurance Expense	12,233.84
Accounting & Auditing Fee	2,827.00
Legal Expense	94,022.39
Training & Travel	3,929.12
Contract Costs	67,500.00
Office Supplies	168.87
Office Rent	4,000.00
Other Administrative Costs	12,000.00
Website & Internet Expenses	244.35
Annual Retreat/Conference	3,550.96
Dues & Memberships	149.00
Taxes	218.16
Total Expense	<u>209,881.89</u>
Net Ordinary Income	-200,572.56
Other Income/Expense	
Other Income	
Interest Income	48.61
Total Other Income	<u>48.61</u>
Net Other Income	48.61
Net Income	<u><u>-200,523.95</u></u>

See accountants' report and notes to financial statements

RESOLUTION NO. 2022-08

A RESOLUTION OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY APPROVING THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNADINO AS A FULL VOTING AND PARTICIPATING MEMBER OF THE CALIFORNIA AFFORDABLE HOUSING AGENCY

WHEREAS, the California Affordable Housing Agency (the "Agency") is a joint exercise of powers agency consisting of nineteen California housing authorities located throughout California pursuant to Chapter 1 Part 2 of Division 24 of the Health and Safety Code of the State of California (the "Act"); and

WHEREAS, the Agency is authorized by the Act to issue bonds, and/or finance loans and mortgages for the purpose of acquiring multifamily rental housing facilities and single-family housing units to be located within any area of operation of the Agency; and

WHEREAS, the Housing Authority of the County of San Bernardino (HACSB) has indicated its interest in joining the Agency as a full voting and participating member; and

WHEREAS, HACSB will pass resolution of its agency authorizing HACSB to join the Agency and has further authorized its executive director to enter into a New Member Agreement with the California Affordable Housing Agency; and

WHEREAS, HACSB designated its Executive Director to act on behalf of HACSB as its representative to the Board of Directors of the California Affordable Housing Agency.

NOW THEREFORE, BE IT RESOLVED as follows:

1. The Agency finds and declares that the above recitals are true and correct.
2. The Executive Committee of the Board of Directors of the California Affordable Housing Agency does hereby approve and accept the Housing Authority of the County of San Bernardino as a full voting and participating member of the California Affordable Housing Agency.

PASSED AND ADOPTED this 11th Day of July, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

Chair, Board of Directors
California Affordable Housing Agency

Attest:

Secretary, Board of Directors
California Affordable Housing Agency



California Affordable Housing Agency

MEMORANDUM

July 11, 2022

TO: CalAHA Executive Committee

FROM: Nick Benjamin, Executive Director

SUBJECT: Update on Court of Fountains; Request to market property through Marcus & Millichap (MM) for November 1, 2022 Bond Call Date

After many months of toiling (mostly revolving around the related party issue) Aspen Real Estate Financial (AREF) has withdrawn interest in restructuring the Court of Fountains (CoF) debt (see attached).

Though it was known that the AREF structure was not ideal for repositioning the CoF debt and would present a challenge, ample effort and time was invested towards that goal. The AREF structure works ideally with third party product that is available for acquisition.

As you are aware, the property has been in an annual negative cash flow position of \$30,000 to \$40,000. The sale will relieve the agency of the negative cash flow and provide working income for future operations and projects.

Attached for your review is the MM property evaluation, BPO and relevant information for the listing of CoF.

If the asking price is obtained for the property, a net of \$1.4M will result. This figure is reached by the following:

Gross Sales Price \$6,750,000

Commission/cost of sale - \$300,000 (4% commission plus estimated costs)



\$6,475,000 – Bond Defeasance/Premium- \$5,420,000

\$1,075,000 + Bond Reserves \$331,000 = \$1,406,000 NET from sale.

I recommend that the Executive Committee approve the sale of the Court of Fountains apartments and allow the Executive Director and Agency Legal Counsel to initiate agreements/documents for the sale and bond defeasance as required.



California Affordable Housing Agency

MEMORANDUM

July 11, 2022

TO: CalAHA Executive Committee

FROM: Nick Benjamin, Executive Director

SUBJECT: DRAFT Format for CalAHA Budget

Attached for your review and comment is the DRAFT format for the agency budget. I suggest a format that allows for inserting income received into a standing expense budget. I believe this format will work well with the agency's reliance on projected income. The DRAFT includes basic current expenses and the projection of \$1.6M from the pending sale of the Court of Fountains apartments (board approval required). The numbers used in the DRAFT are purely for presentation of the template. I appreciate your feedback and comments which will be incorporated to create a final agency budget which will include accurate and up to date numbers/dollar amounts.



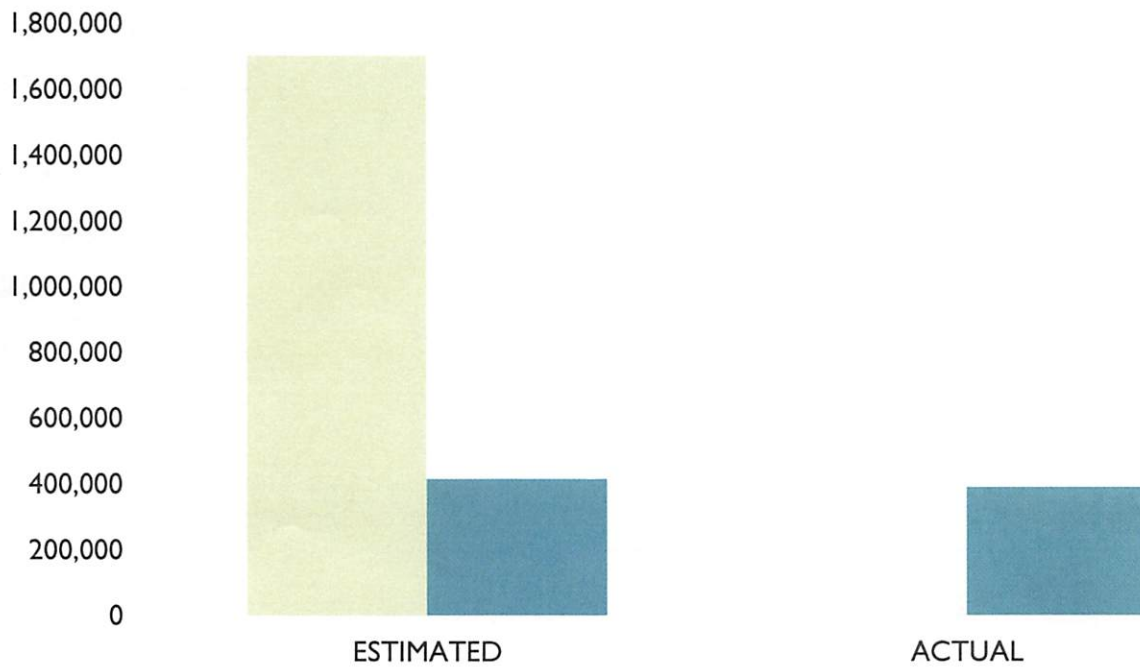
Annual Budget

September 2022

BUDGET TOTALS	ESTIMATED	ACTUAL	DIFFERENCE
Income	1,703,200.00	0.00	(1,703,200.00)
Expenses	413,750.00	389,280.00	24,470.00
Balance (Income minus Expenses)	1,289,450.00	(389,280.00)	(1,678,730.00)

BUDGET OVERVIEW

Income Expenses



California Affordable Housing Agency

Annual Budget

INCOME	ESTIMATED	ACTUAL	DIFFERENCE
Annual	3,000.00	0.00	(3,000.00)
Interest income	200.00	0.00	(200.00)
Acquisitios/Sales	1,700,000.00	0.00	(1,700,000.00)
Total Income	1,703,200.00	0.00	(1,703,200.00)

California Affordable Housing Agency

Annual Budget

PERSONNEL EXPENSES	ESTIMATED	ACTUAL	DIFFERENCE
Consultant Payment	168,000.00	168,000.00	0.00
Employee benefits	0.00	0.00	0.00
Commission/Bonus	0.00	0.00	0.00
Total Personnel Expenses	168,000.00	168,000.00	0.00

California Affordable Housing Agency

Annual Budget

OPERATING EXPENSES	ESTIMATED	ACTUAL	DIFFERENCE
Dues and subscriptions	500.00		500.00
Insurance	1,300.00		1,300.00
Legal	220,000.00	200,000.00	20,000.00
Accounting/Audit	4,500.00	4,600.00	(100.00)
Office supplies	800.00	500.00	300.00
Postage	400.00	350.00	50.00
Rent or mortgage	12,000.00	12,000.00	0.00
Supplies	5,000.00	2,800.00	2,200.00
Telephone	250.00	280.00	(30.00)
Utilities	0.00	0.00	0.00
Other	1,000.00	750.00	250.00
Total Operating Expenses	245,750.00	221,280.00	24,470.00