

# Yolo County Housing Yolo County, California

October 26, 2016

## MINUTES

The Yolo County Housing met on the 26th day of October, 2016, in regular session in its Chambers in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California at 4:00 p.m.

Present: Cecilia Aguiar-Curry; Mark Johannessen; Tom Stallard; Helen Thomson; Karen Vanderford; Jennifer Wienecke-Friedman; Will Arnold

Staff Present: Lisa Baker, CEO  
Hope Welton, Agency Counsel  
Janis Holt, General Managing Director  
Julie Dachtler, Clerk

### CALL TO ORDER

1. Pledge of Allegiance.
2. Consider approval of the agenda.

Minute Order No. 16-23: Approved agenda as submitted noting the incorrect staff report was attached to Agenda Item No. 11 and that a hard copy of the correct staff report was distributed to each member to replace it.

MOTION: Wienecke-Friedman. SECOND: Johannessen. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

3. Public Comment: Opportunity for members of the public to address the Housing Authority on subjects not otherwise on the agenda relating to Housing Authority business. The Board reserves the right to impose a reasonable limit on time afforded to any topic or to any individual speaker.

There was no public comment.

## PRESENTATIONS

4. Presentation: Family Self Sufficiency Graduate, Vicki Archuleta.

Janis Holt, General Managing Director, presented Family Self Sufficiency Graduate, Vicki Archuleta.

5. Presentation: Outstanding Risk Control Award - 4 Stars - HAI Group.

Janis Holt, General Managing Director, presented the Outstanding Risk Control Award - 4 Stars - HAI Group.

6. Presentation: Low Loss Achievement Award for 2012, 2013, 2014 - HAI Group.

Janis Holt, General Managing Director, presented the Low Loss Achievement Award for 2012, 2013, 2014 - HAI Group.

7. Certificate of Completion in Procurement and Contract Management awarded to Tom Dogias, Real Estate Services Supervisor.

Janis Holt, General Managing Director, presented a Certificate of Completion in Procurement and Contract Management awarded to Tom Dogias, Real Estate Services Supervisor.

8. Presentation: National Association of Housing and Redevelopment Official (NAHRO) National Award of Excellence for Bridge to Housing.

Lisa Baker, CEO, presented the National Association of Housing and Redevelopment Official (NAHRO) National Award of Excellence for Bridge to Housing.

## CONSENT AGENDA

Minute Order No. 16-24: Approved Consent Agenda Item Nos. 9-12.

MOTION: Thomson. SECOND: Johannessen. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

9. Approval of Minutes from the meeting of September 14, 2016.

Approved the minutes from the meeting of September 14, 2016 on Consent.

10. Review, Approve and Adopt PEMHCA Resolution effective January 1, 2017. (Holt)

Approved **Resolution No. 16-11** on Consent.

11. Review, Approve and Authorize Opening and Closing of the Housing Choice Voucher Wait lists. (Holt, Jimenez-Perez)

Approved recommended action on Consent.

12. Receive and File Unaudited Financial Report for the Year Ending June 30, 2016. (Gillette and Baker)

Approved recommended action on Consent.

## REGULAR AGENDA

13. Review and Approve Strategy for Potential Housing Choice Voucher Funding Shortfall. (Baker, Holt, Gillette)

Minute Order No. 16-25: Approved recommended action.

MOTION: Thomson. SECOND: Arnold. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

14. Review and Approve Memorandum of Understanding between Mercy Housing, Yolo County Housing and New Hope CDC for Development of 180 W. Beamer MESA development and authorize the CEO to execute. (Baker)

Minute Order No. 16-26: Approved recommended action by **Agreement No. 16-05.**

MOTION: Stallard. SECOND: Thomson. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

15. Receive Verbal Update from CEO on Status of Governance Change. (Baker)

Receive Verbal Update from CEO on Status of Governance Change noting they are in the final stretch and hope to have the change completed by January 2017.

16. Receive Verbal Update from CEO on Community Center and Boxing Club. (Baker)

Received verbal update from the CEO on the Community Center and Boxing Club. They are getting ready to take down the old building, which should be completed by the end of November. Estimates for the new building have been determined and they will be coming back in December to form an ad-hoc subcommittee to work on the fundraising aspect. Cost is between \$1.8 to \$2 million and in order to keep the costs down, they are using metal pre-fab with an agricultural feel.

17. Receive comments from CEO. (Baker)

CEO Lisa Baker reported that they had a recent incident at the Pacifico property but there was a good outcome through the restorative justice from Neighborhood Court. She also reported they had an incident the day prior at the El Rio Villas, whereby, YCH is unfortunately stuck with the costs of the damages. Regarding the boxing club in Woodland that is currently being taken down, she is happy to report that high speed infrared security cameras have been installed, and they will be able to view video feed remotely. The cameras will cover the Head Start, computer center, TANA, boxing club and child center. They will also be putting in No Loitering signs at the parks. She noted they are working with the City of Winters in applying for grants. Also talking with Sutter Hospital and the City of Davis about a shelter-in-place transition to permanent housing to partner with the New Pathways Project. Grant application going in now. For Pacifico project they expect the appraisal to be done by the 31st, so hopefully the rehab can begin soon. Spoke of Esperanza II for affordable housing and they are also finalizing engineering quotes for the Westucky project. She also spoke of the settlement with PG&E that was approved by CPUC, noting this will help them out in their energy improvement projects in the near future.

18. Receive comments from Commissioners.

No comments from the Board of Commissioners.

#### CLOSED SESSION

19. **Public Employment, Employee Appointment or Evaluation**  
Pursuant to Government Code Section 54957  
Position title: Chief Executive Officer

Public Report of action taken in Closed Session.

#### ADJOURNMENT

Next meeting is December 14, 2016 at 4:00 p.m.

\_\_\_\_\_  
Cecilia Aguiar-Curry, Chair  
Yolo County Housing

\_\_\_\_\_  
Julie Dachtler, Clerk  
Yolo County Housing

# YOLO COUNTY HOUSING

## AGENDA

### REGULAR MEETING

October 26, 2016

4:00 p.m.



**YOLO COUNTY HOUSING**  
HOUSING COMMISSION

WILL ARNOLD  
CECILIA AGUIAR-CURRY  
MARK JOHANNESSEN  
TOM STALLARD  
HELEN MACLEOD THOMSON  
KAREN VANDERFORD  
JENNIFER WIENECKE-FRIEDMAN

**BOARD OF SUPERVISORS CHAMBERS**  
625 COURT STREET, ROOM 206  
WOODLAND, CALIFORNIA 95695

LISA A. BAKER  
CHIEF EXECUTIVE OFFICER

HOPE WELTON  
AGENCY COUNSEL

## **Reminder: Please turn off cell phones.**

### **CALL TO ORDER**

1. Pledge of Allegiance.
2. Consider approval of the agenda.
3. Public Comment: Opportunity for members of the public to address the Housing Authority on subjects not otherwise on the agenda relating to Housing Authority business. The Board reserves the right to impose a reasonable limit on time afforded to any topic or to any individual speaker.

### **PRESENTATIONS**

4. Presentation: Family Self Sufficiency Graduate, Vicki Archuleta.
5. Presentation: Outstanding Risk Control Award - 4 Stars - HAI Group.
6. Presentation: Low Loss Achievement Award for 2012, 2013, 2014 - HAI Group.
7. Certificate of Completion in Procurement and Contract Management awarded to Tom Dogias, Real Estate Services Supervisor.
8. Presentation: National Association of Housing and Redevelopment Official (NAHRO) National Award of Excellence for Bridge to Housing.

### **CONSENT AGENDA**

9. Approval of Minutes from the meeting of September 14, 2016.
10. Review, Approve and Adopt PEMHCA Resolution effective January 1, 2017. (Holt)
11. Review, Approve and Authorize Opening and Closing of the Housing Choice Voucher Wait lists. (Holt, Jimenez-Perez)
12. Receive and File Unaudited Financial Report for the Year Ending June 30, 2016. (Gillette and Baker)

## REGULAR AGENDA

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17. Receive comments from CEO. (Baker)
18. Receive comments from Commissioners.

## CLOSED SESSION

19. **Public Employment, Employee Appointment or Evaluation**  
Pursuant to Government Code Section 54957  
Position title: Chief Executive Officer  
  
Public Report of action taken in Closed Session.

## ADJOURNMENT

Next meeting is December 14, 2016 at 4:00 p.m.

I declare under penalty of perjury that the foregoing agenda was posted October 21, 2016 by 5:00 p.m. at the following places:

- On the bulletin board at the east entrance of the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California; and
- On the bulletin board outside the Board of Supervisors Chambers, Room 206 in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California; and
- On the bulletin board of Yolo County Housing, 147 West Main Street, Woodland, California.

I declare under penalty of perjury that the foregoing agenda will be posted no later than Friday, October 21, 2016 by 5:00 p.m. as follows:

- On the Yolo County website: [www.yolocounty.org](http://www.yolocounty.org).

Julie Dachtler, Clerk of the Board

By: \_\_\_\_\_  
Clerk

### NOTICE

If requested, this agenda can be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. Persons seeking an alternative format should contact the Clerk of the Board for further information. In addition, a person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting should telephone or otherwise contact the Clerk of the Board as soon as possible and at least 72 hours prior to the meeting. The Clerk of the Board may be reached at (530) 666-8195 or at the following address:

Yolo County Housing  
c/o Clerk of the Board of Supervisors  
County of Yolo  
625 Court Street, Room 204, Woodland, CA 95695

Yolo County Housing  
Yolo County, California

To: Co. Counsel ✓  
Yolo County Housing ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 16-24 Item No. 9, of the Yolo County Housing meeting of October 26, 2016.

MOTION: Thomson. SECOND: Johannessen. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

9.

Approval of Minutes from the meeting of September 14, 2016

Approved the minutes from the meeting of September 14, 2016 on Consent.

# Yolo County Housing Yolo County, California

September 14, 2016

## MINUTES

The Yolo County Housing met on the 14th day of September, 2016, in regular session in its Chambers in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California at 4:00 p.m.

Present: Mark Johannessen; Tom Stallard; Helen Thomson; Karen Vanderford; Jennifer Wienecke-Friedman; Will Arnold

Absent: Cecilia Aguiar-Curry

Staff Present: Lisa Baker, CEO  
Hope Welton, Agency Counsel  
Janis Holt, General Managing Director  
Julie Dachtler, Clerk

### CALL TO ORDER

1. Pledge of Allegiance.
2. Consider approval of the agenda.

Minute Order No. 16-19: Approved agenda as submitted.

MOTION: Thomson. SECOND: Arnold. AYES: Arnold, Johannessen, Thomson, Vanderford, Wienecke-Friedman. ABSENT: Aguiar-Curry, Stallard.

3. Public Comment: Opportunity for members of the public to address the Housing Authority on subjects not otherwise on the agenda relating to Housing Authority business. The Board reserves the right to impose a reasonable limit on time afforded to any topic or to any individual speaker.

There was no public comment.

## PRESENTATIONS

4. Presentation, New Employees and Interns: Scott Carpenter, Senior Maintenance; Trevor Brinkman-Gass, Maintenance II; Miyuko Abe, MSW Intern from Sacramento State University

Janis Holt, General Managing Director, presented new employees and acknowledged intern Miyuko Abe, MSW, who could not be in attendance.

## CONSENT AGENDA

Minute Order No. 16-20: Approved Consent Agenda Item Nos. 5-8.

MOTION: Wienecke-Friedman. SECOND: Vanderford. AYES: Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman. ABSENT: Aguiar-Curry.

5. Approval of Minutes from the meeting of August 10, 2016

Approved the minutes of the meeting of August 10, 2016 on Consent.

6. Review, Approve and Execute the General Depository Agreement (Gillette and Baker)

Approved **Agreement No. 16-04** on Consent.

7. Review, Approve and Adopt Resolution Authorizing an Amendment to Agreement No. 15-OMS-10558 for the Davis Migrant Center to Reflect Additional Water Conservation Grant Funding for FY 2015 - 2017 (Ichtertz and Holt)

Approved **Resolution No. 16-09** on Consent.

8. Review, Approve and Adopt Resolution Authorizing an Amendment to Agreement No. 15-OMS-10559 for the Madison Migrant Center to Reflect Additional Water Conservation Grant Funding for FY 2015 - 2017 (Ichtertz and Holt)

Approved **Resolution No. 16-10** on Consent.

## REGULAR AGENDA

9. Review and Approve Proposed Changes to the YCH Housing Admissions and Continued Occupancy Policy (ACOP) to Update the Plan in Conformance with Requirements under the Department of Housing and Urban Development Final Streamlining Rule (Dogias and Holt)

Minute Order No. 16-21: Approved recommended action.

MOTION: Wienecke-Friedman. SECOND: Arnold. AYES: Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman. ABSENT: Aguiar-Curry.

10. Review and Approve Proposed Changes to the YCH Administrative Plan to Update the Plan in Conformance with Requirements under the Department of Housing and Urban Development Final Streamlining Rule (Jimenez-Perez and Holt)

Minute Order No. 16-22: Approved recommended action.

MOTION: Thomson. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman. ABSENT: Aguiar-Curry.

11. Receive Verbal Update from CEO on Proposed Governance (Baker)

CEO Lisa Baker provided a verbal update on the Proposed Governance, noting they have settled on a proposed structure that resembles the current structure but would eliminate the Board of Governors. All Cities would have a seat with no alternates, one County appointment and two consumers. This item is expected to come before the Board of Supervisors on October 11, 2016 for action.

12. Receive Verbal Update from CEO on City Boxing Club (Baker)

CEO Lisa Baker provided a verbal update on the City Boxing Club, noting that given the direction from the last meeting, they are working with a team from the City and the Commission. At this point, the City and YCH are working on a plan. It appears things are progressing appropriately.

13. Receive comments from CEO Baker

At the October or December meeting, YCH will be bringing home the National Award of Excellence, the first time they have been recipients of this award, which is the highest achievement. They also won the National Award of Excellence for community revitalization for the Bridge to Housing project, specifically for their work around the interim housing solution and the permanent housing outcome. They have received a lot of national attention on this project. Also mentioned the shortfall in the voucher program and are watching this very closely as they may have to apply for shortfall funding from the Federal Government. She also noted that 'All Hands Today,' a joint training for all nine offices, went well. Signed agreements with interim legal services to conduct certain meetings. Long term eviction council is retiring and they are looking at a couple of firms to take over this duty. Lisa showed a video clip from Fox 40 news regarding the demolition of the old Yolo County General Hospital.

14. Receive comments from Commissioners

Comments from Commissioners included Commissioner Thomson speaking of the demolition of the former Yolo County Hospital and thanked all those involved to get this project moving along. CEO Lisa Baker added her own appreciation to the County for taking on this project, as well. Commissioner Stallard made comments about the demolition as well. Commissioner Wieneke-Friedman noted she attended a Community Service Action Board meeting and they are still seeking more members.

### **CLOSED SESSION**

15. Conference with Labor Negotiator: Lisa A. Baker, CEO; Janis Holt, Resource Administrator; Hope Welton, Agency Counsel

Bargaining Unit: General, Management

### **ADJOURNMENT**

Next meeting is October 26, 2016 at 4:00 p.m.

\_\_\_\_\_  
Cecilia Aguiar-Curry, Chair  
Yolo County Housing

\_\_\_\_\_  
Julie Dachtler, Clerk  
Yolo County Housing

Yolo County Housing  
Yolo County, California

To: Co. Counsel ✓  
Yolo County Housing ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 16-24 Item No. 10, of the Yolo County Housing meeting of October 26, 2016.

MOTION: Thomson. SECOND: Johannessen. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

10.

Review, Approve and Adopt PEMHCA Resolution effective January 1, 2017. (Holt)

Approved **Resolution No. 16-11** on Consent.



## **Yolo County Housing**

147 W. Main Street  
WOODLAND, CA 95695

Woodland: (530) 662-5428  
Sacramento: (916) 444-8982  
TTY: (800) 545-1833, ext. 626

DATE: October 26, 2016  
TO: YCH Board of Commissioners  
FROM: Lisa A. Baker, Chief Executive Officer  
PREPARED BY: Janis Holt, General Director

**SUBJECT: Review, Approve and Adopt PEMHCA Resolution Effective January 1, 2107 Fixing the Employer Contributions under the Public Employees' Medical and Hospital Care Act (PEMHCA)**

### **RECOMMENDED ACTION:**

That the Housing Commission Review, Approve and Adopt Resolution Fixing the Employer Contributions under the PEMCHA.

### **BACKGROUND / DISCUSSION**

Annually, prior to October 1st of each year, YCH analyzes the employer contributions to the Public Employees' Medical and Hospital Care Act (PEMHCA) for all employees in the Management, Confidential and General units. At the March 31, 2016 meeting, the Housing Commission approved the resolution for the General and Management units effective January 1, 2016 for the new cafeteria amounts of:

- a. Employee only: \$700.00
- b. Employee plus one dependent: \$1,200.00
- c. Employee plus family: \$1,505.00

Upon review, staff discovered that a corrected resolution is required to be submitted to CalPers to include the Confidential Unit in the approved cafeteria amounts.

### **FISCAL IMPACT**

None.

### **CONCLUSION**

Staff recommends that the Board approve the Resolution Fixing the Employer Contributions under the (Public Employees' Medical and Hospital Care Act (PEMCHA) to assure accurate employer contributions are applied to medical benefits.

**Attachment:** Resolution Fixing the Employer's Contribution under the Public Employees' Medical and Hospital Care Act.

**FILED**

NOV 09 2016

**YOLO COUNTY HOUSING  
RESOLUTION NO. 16-11**

CLERK OF THE BOARD  
BY Julie Rachte  
DEPUTY

**Resolution Revising Employer's Contribution Under the Public Employees' Medical and Hospital Care Act (PEMHCA)**

**WHEREAS**, Government Code Section 22892(a) provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act (PEMHCA) shall fix the amount of the employer's contribution at an amount not less than the amount required under Section 22892(b)(a) of the Act; and

**WHEREAS**, Government Code Section 22892(c) provides that a contracting agency may fix the amount of the employer's contribution for employees and the employer's contribution for annuitants at different amounts, provided that the monthly contribution for annuitants is annually increased to equal an amount not less than the number of years the contracting agency has been subject to this subdivision multiplied by 5 percent of the current monthly contribution for employees, until such time as the amounts are equal; and

**WHEREAS**, Yolo County Housing, hereinafter referred to as Public Agency, is the local agency contracting under the Act.

**NOW, THEREFORE, BE IT RESOLVED:**

I. That the employer's contribution for each employee shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of his/her family members in a health benefits plan up to a maximum of:

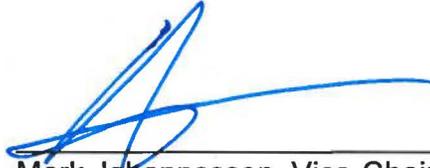
CODE	BARGAINING UNIT	CONTRIBUTION PER MONTH		
		1-Party	2-Party	Family
001	GENERAL	\$700	\$1,200	\$1,505
002	CONFIDENTIAL	\$700	\$1,200	\$1,505
003	MANAGEMENT	\$700	\$1,200	\$1,505

II. That Yolo County Housing has fully complied with any and all applicable provisions of Government code Section 7507 in electing the benefits set forth above.

**PASSED AND ADOPTED**, by the Board of Commissioners of the Housing Authority of the County of Yolo, State of California, this 26<sup>th</sup> day of October, 2016 by the following vote:

**AYES:** Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford,  
**NOES:** None. Weinecke-Friedman.  
**ABSENT:** None.

ABSTAIN: **None.**



Mark Johannessen, Vice-Chair  
Board of Commissioners of the  
Housing Authority of the County of Yolo

Approved as to Form:



Hope Welton, Agency Counsel

Attest:

Julie Dachtler, Clerk  
Board of Commissioners of the  
Housing Authority of the County of Yolo

By 



Yolo County Housing  
Yolo County, California

To: Co. Counsel ✓  
Yolo County Housing ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 16-24 Item No. 11, of the Yolo County Housing meeting of October 26, 2016.

MOTION: Thomson. SECOND: Johannessen. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

11.

Review, Approve and Authorize Opening and Closing of the Housing Choice Voucher Wait lists.  
(Holt, Jimenez-Perez)

Approved recommended action on Consent.



## **Yolo County Housing**

147 W. Main Street  
WOODLAND, CA 95695

Woodland: (530) 662-5428  
Sacramento: (916) 444-8982  
TTY: (800) 545-1833, ext. 626

DATE: October 26, 2016  
TO: YCH Board of Commissioners  
FROM: Lisa A. Baker, Chief Executive Officer  
PREPARED BY: Irma Jiménez-Pérez, Housing Assistance Supervisor

**SUBJECT: Review, Approve and Authorize Opening and Closing the Housing Choice Voucher and Project Based Voucher Programs Wait Lists**

### **RECOMMENDED ACTIONS:**

That the Housing Commission authorize the CEO to:

1. Review the proposed methodology for opening the wait list for Housing Choice Tenant-Based and Project Based vouchers;
2. Approve the opening and closing of the wait list for the Housing Voucher Tenant-Based and Project Based Voucher programs; and
3. Authorize the Chief Executive Officer to open and close the wait lists.

### **BACKGROUND / DISCUSSION**

#### ***Overview***

YCH must have policies regarding various aspects of organizing and managing the wait list for applicant families. These include:

- Opening the wait list to new applicants,
- Closing the wait list to new applicants,
- Notifying the public of wait list openings and closings,
- Conducting outreach to ensure that a sufficient number of applicants are received.

In addition, HUD imposes additional statutory and regulatory requirements on how YCH may structure its wait list and how families must be treated if they apply for assistance from YCH in more than one assisted housing program. Both the federal and YCH specific requirements are included in YCH's Administrative Plan.

*Working together to provide quality affordable housing and community development services for all*

Under the law, if the wait list has been closed, it cannot be reopened until YCH publishes a notice in local media, including newspapers of general circulation. As part of Fair Housing requirements, YCH must also use other media, including minority media, to reach populations that are underserved or difficult to reach.

## ***Background***

YCH last opened its Housing Choice Voucher Tenant-Based (HCV) program wait list in the spring of 2011, and the Project Based Voucher (PBV) program in the summer of 2014. It also opened a limited preference for displacement and government referral in 2014 which remains open.

Generally, the wait list, in accordance with our Administrative Plan is opened every two years. However, due to federal Sequestration, the Commission authorized a delay in opening the list. Sequestration caps remain in place at the federal level until 2020 and will continue to have an impact in ongoing programming.

Since the last time the wait list was open, and in accordance with our Administrative Plan, HUD and Fair Housing requirements, staff have been calling names from the waitlist and purging from the list those applicants who do not respond when contacted. As a result, YCH needs to open the list to those who would be interested in participating and in creating a new list of applicants.

## ***Opening the Wait List***

Staff recommends that the Housing Commission authorize the CEO to reopen the HCV and PBV wait lists. Opening the list includes the publication of notices. The notices must comply with HUD Fair Housing requirements and must specify who may apply, where and when applications will be received. In addition, YCH's Administrative Plan states that YCH will announce the reopening of the waiting list prior to the date applications will first be accepted.

Staff recommends that the following actions, consistent with our policies, the law and regulatory requirements be taken:

1. Authorize the opening and closing of the wait list for the Housing Choice Voucher and Project Based Voucher programs as follows:
  - Open the list on January 9, 2017 and accept applications until either January 19, 2017 or until the CEO determines that a sufficient number of applications have been received to be served within a five (5) year period;

2. Authorize the CEO to conduct outreach and publication in media outlets, including minority media, to reach all populations, including underserved and hard to reach populations.

### **FISCAL IMPACT**

There are costs that are unknown at this time for media outreach and publication, as well as staff time that will be accrued to this project. Funds are currently budgeted to meet these needs. Not opening the wait list will mean that there will be insufficient families to fill future available Project Based Vouchers and that families who need housing assistance would have less opportunities to have a safe place to live.

### **CONCLUSION**

In order to ensure that YCH has a sufficient number of applicants on the waiting list to use the HCV and PBV resources it has been allocated, YCH is requesting authorization to open its Housing Choice Voucher and Project Based Voucher programs wait lists.

Yolo County Housing  
Yolo County, California

To: Co. Counsel ✓  
Yolo County Housing ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 16-24 Item No. 12, of the Yolo County Housing meeting of October 26, 2016.

MOTION: Thomson. SECOND: Johannessen. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

12.

Receive and File Unaudited Financial Report for the Year Ending June 30, 2016. (Gillette and Baker)

Approved recommended action on Consent.



## ***Yolo County Housing***

**Lisa A. Baker, Executive Director**

147 W. Main Street  
WOODLAND, CA 95695

Woodland: (530) 662-5428  
Sacramento: (916) 444-8982  
TTY: (800) 545-1833, ext. 626

DATE: October 26, 2016

TO: YCH Board of Commissioners

FROM: Lisa A. Baker, Chief Executive Officer

PREPARED BY: Jim Gillette, Finance Director

SUBJECT: **Receive and File Unaudited Financial Report for the Year Ending June 30, 2016**

**RECOMMENDED ACTION:**

Receive and file the unaudited financial report for the fiscal year ending June 30, 2016.

**BACKGROUND/DISCUSSION:**

Annually each housing authority is required to submit to HUD its "Unaudited" Financial Data Schedule by the end of the second month after the housing authority's year end with an automatic fifteen day extension prior to imposing penalties. YCH's Unaudited Financial Data Schedule (FDS) has been submitted to HUD as required. A summary of the results is included in this document with the printed FDS reports attached. Depreciation is a "non-cash" expense which spreads the cost of capital assets over their useful life, but which has no useful meaning for a public agency not subject to income tax and is therefore ignored in the analysis.

These financial statements do not include the impact of current year entries for GASB68 adjustments from the pending actuarial report from CalPERS related to the pension plan.

*Working together to provide quality affordable housing and community development services for all*

Below is a program by program overview of revenue and expenses. A more detailed discussed will be incorporated into the audited financial statements.

- **Low Income Public Housing**

- All three public housing Asset Management Projects (AMPs) receive an Operating Subsidy from HUD.
- The program combined had an operating decrease to fund balance of \$29,301 (excluding depreciation) on revenue of \$3,135,934, which was primarily related to OPEB contributions of \$140,000 made partially from cash reserves;
- The operations of all three AMPs are subsidized by a portion of the annual Capital Fund grants which are used to help pay for normal operating expenses (line 1406), staff training and tenant services (line 1408), Fees and Costs (line 1430) such as architectural fees and Plan Updates and Dwelling Equipment (line 1465.1) and Non-Dwelling Equipment (line 1475) that are durable but do not meet agency capitalization criteria (stoves, refrigerators, water heaters, etc);
- Capital Fund grants also subsidize capital improvements that meet the agency capitalization criteria (roads, wells, building rehab, etc.). These improvements are shown on the balance sheet while the subsidy is shown as revenue, which will appear as an increase to fund balance in the financial statements;
- Income earned in the AMPs is restricted for use within the AMPs.
  
- **Woodland (AMP1)** – An increase in fund balance of \$17,260 (excluding depreciation) on revenues of \$1,107,380 which includes \$416,652 of operating subsidy and \$69,137 of capital fund subsidy. An OPEB contribution of \$75,000 was made during the year.
  
- **Winters (AMP2)** – A decrease in fund balance of \$23,944 (excluding depreciation) on revenues of \$1,143,380 which includes \$358,570 of operating subsidy and \$102,052 of capital fund subsidy. An OPEB contribution of \$65,000 was made during the year.
  
- **West Sacramento (AMP3)** – A decrease in fund balance of \$22,617 (excluding depreciation) on revenues of \$885,174 which includes \$260,205 of operating subsidy and \$172,867 of capital fund subsidy. No OPEB contribution was made during the year.

- **Rural Rental Assistance Payments – Davis Solar Homes** essentially broke even for the current year with a net increase in fund balance (excluding depreciation) of \$9.
- **Resident Opportunity and Supportive Services – ROSS Grant** is a reimbursement program for specific types of expenses related to self-sufficiency programs within our public housing portfolio. Any small income or loss is the result of timing differences between the actual expenses incurred and the billing for the related reimbursements.
- **Housing Choice Vouchers –**  
Though the administration and management of this program is combined in the attached reports, we have highlighted the notable items below.

Revenue for the HCV administration and management portion of the program from HUD during the year was \$1,342,417, which equates to an increase in unrestricted administrative fund balance (UNP) of \$157,103.

The Housing Assistance Payments (HAP) funded by HUD during the year were \$11,966,032 with HAP payments of \$11,850,712 which translated into \$115,320 increase in the HAP reserves (NRP). Due to ongoing cost increases of about 9% per voucher, primarily related to rent and payment standard increases, we were forced to allow the number of voucher holders in the program to shrink by about 4.8% since December 2015.

- **Discretely Presented Component Unit (Crosswood Apartments under New Hope Crosswood Associates LP) –** Is a tax credit partnership where a subsidiary of New Hope CDC is the sole general partner and therefore the entire financial picture for this project is included in our financials even though our ownership interest is only 0.01%.
- **Blended Component Unit (New Hope CDC).** An increase in fund balance of \$58,918 (excluding depreciation) for the year, which is primarily related to the activities of Cottonwood Meadows Senior Apartments (wholly owned by NHCDC) on revenues of \$338,085.

Since expected fee revenue was recognized in FY2015, only adjustments for these items will be recognized in the current and future years, which are expected to be minor.

- **State & Local (Pacifico, ADMH/Helen Thompson Homes, 3 migrant centers)**  
– These are all cost reimbursement programs where YCH is reimbursed for costs

plus a management fee. Any increase in fund balance is for funding into replacement or operational reserves which are restricted for use only within the originating program.

- **Business Activities (Woodland Community Center II)** – Is a development project related to the demolition of an old YCH building and future construction of a new community center. These costs are capitalized on the balance sheet.
- **COCC** – Increase in fund balance of \$3,650,021 (excluding depreciation) on revenues of \$5,849,697 primarily due to the contribution of the 180 Beamer Street property from the County that has an appraised value of \$3,250,000.

Capital fund contributions of \$173,552 were made through the CFFP to pay debt service on the administration building. These debt service payments included principal payments of \$155,288, which represents an increase to fund balance.

Fee revenue of \$2,063,459 is offset by fee expenses paid by the programs, which is therefore eliminated on consolidation.

### **FISCAL IMPACT**

Overall, YCH has been able to maintain operating revenue slightly above operating expenses across the portfolio and the property contribution to COCC of \$3.25 million makes up the vast majority of the fund balance contributions for the year.

YCH will continue to prepare its budget forecasts in a conservative manner as funding levels remain uncertain.

Although this is the “Unaudited FDS,” staff expects the final report will have no significant changes at conclusion of the audit other than reclassification entries for presentation purposes and the items noted above.

### **Attachments:**

Agency Wide Unaudited FDS Balance Sheet and Revenue & Expense Reports  
Project (AMP-level) Unaudited FDS Balance Sheet and Revenue & Expense Reports

Housing Authority of the County of Yolo (CA044)

WOODLAND, CA

Project Balance Sheet Summary

(170,293) (143,015) (21,476)  
247,136 190,138 187,696

Submission Type: Unaudited/Single Audit

	CA044000001	CA044000002	CA044000003	Total
111 Cash - Unrestricted	417,429	333,153	209,172	959,754
112 Cash - Restricted - Modernization and Development				0
113 Cash - Other Restricted				0
114 Cash - Tenant Security Deposits	64,411	57,548	46,228	168,187
115 Cash - Restricted for Payment of Current Liabilities				0
100 Total Cash	481,840	390,701	255,400	1,127,941
121 Accounts Receivable - PHA Projects				0
122 Accounts Receivable - HUD Other Projects				0
124 Accounts Receivable - Other Government				0
125 Accounts Receivable - Miscellaneous	5,375	2,970	36	8,381
126 Accounts Receivable - Tenants	3,299	6,682	788	10,769
126.1 Allowance for Doubtful Accounts - Tenants	-2,000	-1,300	-1,000	-4,300
126.2 Allowance for Doubtful Accounts - Other	0	0	0	0
127 Notes, Loans, & Mortgages Receivable - Current				0
128 Fraud Recovery				0
128.1 Allowance for Doubtful Accounts - Fraud				0
129 Accrued Interest Receivable				0
120 Total Receivables, Net of Allowances for Doubtful Accounts	6,674	8,352	-176	14,850
131 Investments - Unrestricted				0
132 Investments - Restricted				0
135 Investments - Restricted for Payment of Current Liability				0
142 Prepaid Expenses and Other Assets	20,323	7,356	31,599	59,278
143 Inventories	47,926			47,926
143.1 Allowance for Obsolete Inventories	0		0	0
144 Inter Program Due From	0	245,648	118,146	363,794
145 Assets Held for Sale				0
150 Total Current Assets	556,763	652,057	404,969	1,613,789
161 Land	63,308	1,202,816	1,919,532	3,185,656
162 Buildings	7,965,926	10,388,774	8,561,843	26,916,543
163 Furniture, Equipment & Machinery - Dwellings			144,447	144,447
164 Furniture, Equipment & Machinery - Administration	107,592	31,715	41,106	180,413
165 Leasehold Improvements				0
166 Accumulated Depreciation	-7,331,747	-8,279,456	-4,907,118	-20,518,321
167 Construction in Progress		101,163		101,163
168 Infrastructure				0
160 Total Capital Assets, Net of Accumulated Depreciation	805,079	3,445,012	5,759,810	10,009,901
171 Notes, Loans and Mortgages Receivable - Non-Current				0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past				0
173 Grants Receivable - Non Current				0
174 Other Assets				0
176 Investments in Joint Ventures				0
180 Total Non-Current Assets	805,079	3,445,012	5,759,810	10,009,901
200 Deferred Outflow of Resources	22,241	26,544	21,733	70,518
290 Total Assets and Deferred Outflow of Resources	1,384,083	4,123,613	6,186,512	11,694,208
311 Bank Overdraft				0
312 Accounts Payable <= 90 Days			327	327
313 Accounts Payable >90 Days Past Due				0
321 Accrued Wage/Payroll Taxes Payable				0
322 Accrued Compensated Absences - Current Portion	1,140	733	1,275	3,148
324 Accrued Contingency Liability				0
325 Accrued Interest Payable				0
331 Accounts Payable - HUD PHA Programs				0
332 Account Payable - PHA Projects				0
333 Accounts Payable - Other Government	41,965	40,911	33,452	116,328
341 Tenant Security Deposits	61,506	54,690	43,074	159,270
342 Unearned Revenue				0
343 Current Portion of Long-term Debt - Capital				0
344 Current Portion of Long-term Debt - Operating Borrowings				0
345 Other Current Liabilities			960	960
346 Accrued Liabilities - Other			150	150
347 Inter Program - Due To				0
348 Loan Liability - Current				0
310 Total Current Liabilities	104,611	96,334	79,238	280,183
351 Long-term Debt, Net of Current - Capital Projects/Mortgage				0
352 Long-term Debt, Net of Current - Operating Borrowings				0
353 Non-current Liabilities - Other				0
354 Accrued Compensated Absences - Non Current	3,422	2,198	3,825	9,445
355 Loan Liability - Non Current				0
356 FASB 5 Liabilities				0
357 Accrued Pension and OPEB Liabilities	255,885	294,168	246,968	797,021
350 Total Non-Current Liabilities	259,307	296,366	250,793	806,466
300 Total Liabilities	363,918	392,700	330,031	1,086,649
400 Deferred Inflow of Resources	65,488	78,156	63,994	207,638

Housing Authority of the County of Yolo (CA044)

WOODLAND, CA

**Project Balance Sheet Summary**

(170,293) (143,015) (21,476)  
 247,136 190,138 187,696

Submission Type: Unaudited/Single Audit

	CA044000001	CA044000002	CA044000003	Total
508.4 Net Investment in Capital Assets	805,080	3,445,012	5,759,810	10,009,902
511.4 Restricted Net Position	0			0
512.4 Unrestricted Net Position	149,597	207,745	32,677	390,019
513 Total Equity - Net Assets / Position	954,677	3,652,757	5,792,487	10,399,921
600 Total Liabilities, Deferred Inflows of Resources and Equity -	1,384,083	4,123,613	6,186,512	11,694,208

**Housing Authority of the County of Yolo (CA044)**

**WOODLAND, CA**

**Entity Wide Balance Sheet Summary**

Submission Type: Unaudited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	10.427 Rural Rental Assistance Payments	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	959,754	53,068		737,061	25,631	216,108	646,694		28,871	2,667,187		2,667,187
112 Cash - Restricted - Modernization and Development	0	44,585					985,093			1,029,678		1,029,678
113 Cash - Other Restricted	0			268,269	126,621	162,168	17,063		22,974	597,095		597,095
114 Cash - Tenant Security Deposits	168,187	2,209			13,311	20,891	62,879			267,477		267,477
115 Cash - Restricted for Payment of Current Liabilities	0									0		0
100 Total Cash	1,127,941	99,862	0	1,005,330	165,563	399,167	1,711,729	0	51,845	4,561,437		4,561,437
121 Accounts Receivable - PHA Projects	0			5,033						5,033		5,033
122 Accounts Receivable - HUD Other Projects	0									0		0
124 Accounts Receivable - Other Government	0			7,752		621	499,688		70,514	578,575	0	578,575
125 Accounts Receivable - Miscellaneous	8,381			0	29,743		215,878		41,157	295,159		295,159
126 Accounts Receivable - Tenants	10,769	21			4,615	3,305	11,078			29,788		29,788
126.1 Allowance for Doubtful Accounts - Tenants	-4,300	0	0			-1,000	-5,500			-10,800		-10,800
126.2 Allowance for Doubtful Accounts - Other	0	0	0	0		0	0		0	0		0
127 Notes, Loans, & Mortgages Receivable - Current	0									0	0	0
128 Fraud Recovery	0									0		0
128.1 Allowance for Doubtful Accounts - Fraud	0									0		0
129 Accrued Interest Receivable	0									0		0
120 Total Receivables, Net of Allowances for Doubtful Accounts	14,850	21	0	12,785	34,358	2,926	721,144	0	111,671	897,755		897,755
131 Investments - Unrestricted	0					100			38,395	38,495		38,495
132 Investments - Restricted	0									0		0
135 Investments - Restricted for Payment of Current Liability	0									0		0
142 Prepaid Expenses and Other Assets	59,278				13,036	9,817	15,612		169,810	267,553	0	267,553
143 Inventories	47,926									47,926		47,926
143.1 Allowance for Obsolete Inventories	0									0		0
144 Inter Program Due From	363,794						0		1,423,783	1,787,577	-1,787,577	0
145 Assets Held for Sale	0									0		0
150 Total Current Assets	1,613,789	99,883	0	1,018,115	212,957	412,010	2,448,485	0	1,795,504	7,600,743		5,813,166
161 Land	3,185,656	40,839			414,504	239,463	177,220		3,528,120	7,585,802		7,585,802
162 Buildings	26,916,543	379,275			5,856,035	1,508,372	741,896		4,637,902	40,040,023		40,040,023
163 Furniture, Equipment & Machinery - Dwellings	144,447				5,647	77,110				227,204		227,204
164 Furniture, Equipment & Machinery - Administration	180,413			65,974					291,504	537,891		537,891

**Housing Authority of the County of Yolo (CA044)**

**WOODLAND, CA**

**Entity Wide Balance Sheet Summary**

Submission Type: Unaudited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	10.427 Rural Rental Assistance Payments	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
165 Leasehold Improvements	0									0		0
166 Accumulated Depreciation	-20,518,321	-307,058		-56,178	-244,180	-601,285	-118,668		-2,427,480	-24,273,170		-24,273,170
167 Construction in Progress	101,163				1,953	550	142,699	49,903	29,236	325,504		325,504
168 Infrastructure	0									0		0
160 Total Capital Assets, Net of Accumulated Depreciation	10,009,901	113,056	0	9,796	6,033,959	1,224,210	943,147	49,903	6,059,282	24,443,254		24,443,254
171 Notes, Loans and Mortgages Receivable - Non-Current	0				256,447				775,000	1,031,447		1,031,447
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	0									0		0
173 Grants Receivable - Non Current	0									0		0
174 Other Assets	0					969,784			44,600	1,014,384	-698,088	316,296
176 Investments in Joint Ventures	0									0		0
180 Total Non-Current Assets	10,009,901	113,056	0	9,796	6,290,406	2,193,994	943,147	49,903	6,878,882	26,489,085		25,790,997
200 Deferred Outflow of Resources	70,518	460		43,244		2,247	40,561		77,692	234,722		234,722
290 Total Assets and Deferred Outflow of Resources	11,694,208	213,399	0	1,071,155	6,503,363	2,608,251	3,432,193	49,903	8,752,078	34,324,550	-2,485,665	31,838,885
311 Bank Overdraft	0									0		0
312 Accounts Payable <= 90 Days	327			798	2,783	315	215,883		160,814	380,920		380,920
313 Accounts Payable >90 Days Past Due	0									0		0
321 Accrued Wage/Payroll Taxes Payable	0									0		0
322 Accrued Compensated Absences - Current Portion	3,148	1	233	9,330		185	5,642		30,595	49,134		49,134
324 Accrued Contingency Liability	0									0		0
325 Accrued Interest Payable	0					2,076				2,076		2,076
331 Accounts Payable - HUD PHA Programs	0									0		0
332 Account Payable - PHA Projects	0									0		0
333 Accounts Payable - Other Government	116,328						365,596		16,661	498,585	0	498,585
341 Tenant Security Deposits	159,270	2,362				18,811	48,617		2,520	231,580		231,580
342 Unearned Revenue	0			0	6,521	113,651	448,509		3,313	571,994		571,994
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	0					34,750	2,950		42,510	80,210		80,210
344 Current Portion of Long-term Debt - Operating Borrowings	0									0		0
345 Other Current Liabilities	960						209,493		25,913	236,366	0	236,366
346 Accrued Liabilities - Other	150			2,803		3,500	58,934		45,304	110,691		110,691
347 Inter Program - Due To	0	526	11,652	70,400		12,984	345,949	3,625	1,342,441	1,787,577	-1,787,577	0

**Housing Authority of the County of Yolo (CA044)**

**WOODLAND, CA**

**Entity Wide Balance Sheet Summary**

Submission Type: Unaudited/Single Audit Fiscal Year End: 06/30/2016

	Project Total	10.427 Rural Rental Assistance Payments	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
348 Loan Liability - Current	0				65,716					65,716		65,716
310 Total Current Liabilities	280,183	2,889	11,885	83,331	75,020	186,272	1,701,573	3,625	1,670,071	4,014,849		2,227,272
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	0				5,200,349	1,521,324	5,626		619,039	7,346,338		7,346,338
352 Long-term Debt, Net of Current - Operating Borrowings	0					368,800				368,800		368,800
353 Non-current Liabilities - Other	0			54,598	707,865		369,664			1,132,127	-698,088	434,039
354 Accrued Compensated Absences - Non Current	9,445	4	700	27,990		555	16,927		91,786	147,407		147,407
355 Loan Liability - Non Current	0									0		0
356 FASB 5 Liabilities	0									0		0
357 Accrued Pension and OPEB Liabilities	797,021	5,134	7,400	229,726		31,872	414,525		1,115,740	2,601,418	0	2,601,418
350 Total Non-Current Liabilities	806,466	5,138	8,100	312,314	5,908,214	1,922,551	806,742	0	1,826,565	11,596,090		10,898,002
300 Total Liabilities	1,086,649	8,027	19,985	395,645	5,983,234	2,108,823	2,508,315	3,625	3,496,636	15,610,939		13,125,274
400 Deferred Inflow of Resources	207,638	1,355		127,330		6,617	119,429		228,759	691,128		691,128
508.4 Net Investment in Capital Assets	10,009,902	113,055	0		767,894	-665,914	943,146		5,440,243	16,608,326		16,608,326
511.4 Restricted Net Position	0		0	1,071,752	0	162,169	666,066			1,899,987		1,899,987
512.4 Unrestricted Net Position	390,019	90,962	-19,985	-523,572	-247,765	996,556	-804,763	46,278	-413,560	-485,830		-485,830
513 Total Equity - Net Assets / Position	10,399,921	204,017	-19,985	548,180	520,129	492,811	804,449	46,278	5,026,683	18,022,483		18,022,483
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	11,694,208	213,399	0	1,071,155	6,503,363	2,608,251	3,432,193	49,903	8,752,078	34,324,550	-2,485,665	31,838,885
	OK	OK	OK	OK	OK	OK	OK	OK	OK		0	
	OK											

Sum of lines 10000, 11030, and 11040	10,399,921	204,017	-19,985	548,180	520,129	492,811	804,449	46,278	5,026,683			
Line 513 from balance sheet	10,399,921	204,017	-19,985	548,180	520,129	492,811	804,449	46,278	5,026,683			
Difference	0	0	0	0	0	0	0	0	0			

Net capital asset balance (line 160)	10,009,901	113,056	-	9,796	6,033,959	1,224,210	943,147	49,903	6,059,282			
Debt related to capital assets (lines 348 and 351)	-	-	-	-	5,266,065	1,521,324	5,626	-	619,039			
Net invested in capital assets	10,009,901	113,056	-	9,796	767,894	(665,914)	937,521	49,903	5,440,243			
					520,129	492,811	804,449	46,278	5,026,683			

Housing Authority of the County of Yolo (CA044)  
WOODLAND, CA

Project Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

	CA044000001	CA044000002	CA044000003	Total
70300 Net Tenant Rental Revenue	604,590	651,952	440,995	1,697,537
70400 Tenant Revenue - Other	8,143	13,036	6,441	27,620
70500 Total Tenant Revenue	612,733	664,988	447,436	1,725,157
70600 HUD PHA Operating Grants	416,652	358,570	260,205	1,035,427
70610 Capital Grants	69,137	102,052	172,867	344,056
70710 Management Fee				0
70720 Asset Management Fee				0
70730 Book Keeping Fee				0
70740 Front Line Service Fee				0
70750 Other Fees				0
70700 Total Fee Revenue	0	0	0	0
70800 Other Government Grants	0	10,500		10,500
71100 Investment Income - Unrestricted	848	910	509	2,267
71200 Mortgage Interest Income				0
71300 Proceeds from Disposition of Assets Held for Sale				0
71310 Cost of Sale of Assets				0
71400 Fraud Recovery				0
71500 Other Revenue	8,010	6,360	3,337	17,707
71600 Gain or Loss on Sale of Capital Assets			820	820
72000 Investment Income - Restricted				0
70000 Total Revenue	1,107,380	1,143,380	885,174	3,135,934
91100 Administrative Salaries	64,774	76,941	67,573	209,288
91200 Auditing Fees	13,448	13,449	13,449	40,346
91300 Management Fee	173,028	160,930	159,150	493,108
91310 Book-keeping Fee	13,590	12,480	12,285	38,355
91400 Advertising and Marketing	1,259	1,258	1,217	3,734
91500 Employee Benefit contributions - Administrative	104,499	125,150	44,708	274,357
91600 Office Expenses	65,898	66,876	77,535	210,309
91700 Legal Expense	3,275	2,389	1,645	7,309
91800 Travel	1,373	1,512	1,363	4,248
91810 Allocated Overhead				0
91900 Other				0
91000 Total Operating - Administrative	441,144	460,985	378,925	1,281,054
92000 Asset Management Fee	18,240	16,800	16,680	51,720
92100 Tenant Services - Salaries	2,642	1,890	2,359	6,891
92200 Relocation Costs				0
92300 Employee Benefit Contributions - Tenant Services	484	720	75	1,279
92400 Tenant Services - Other	2,554	475	773	3,802
92500 Total Tenant Services	5,680	3,085	3,207	11,972
93100 Water	90,483	44,726	27,918	163,127
93200 Electricity	35,188	33,901	27,741	96,830
93300 Gas	385	457	4,972	5,814
93400 Fuel				0
93500 Labor				0
93600 Sewer	55,468	166,093	49,223	270,784
93700 Employee Benefit Contributions - Utilities				0
93800 Other Utilities Expense				0
93000 Total Utilities	181,524	245,177	109,854	536,555
94100 Ordinary Maintenance and Operations - Labor				0
94200 Ordinary Maintenance and Operations - Materials	74,217	89,833	75,773	239,823
94300 Ordinary Maintenance and Operations Contracts	297,975	365,319	223,580	886,874
94500 Employee Benefit Contributions - Ordinary				0
94000 Total Maintenance	372,192	455,152	299,353	1,126,697
95100 Protective Services - Labor				0
95200 Protective Services - Other Contract Costs	672	768	1,333	2,773
95300 Protective Services - Other				0
95500 Employee Benefit Contributions - Protective Services				0
95000 Total Protective Services	672	768	1,333	2,773
96110 Property Insurance	21,776	15,336	45,986	83,098
96120 Liability Insurance	4,374	3,200	3,424	10,998
96130 Workmen's Compensation	2,374	1,807	1,800	5,981
96140 All Other Insurance	6,950			6,950
96100 Total insurance Premiums	35,474	20,343	51,210	107,027
96200 Other General Expenses	34,606	5,784	11,981	52,371
96210 Compensated Absences	-2,426	-1,600	946	-3,080
96300 Payments in Lieu of Taxes	41,965	40,911	33,452	116,328
96400 Bad debt - Tenant Rents	-1,800	-3,028	850	-3,978
96500 Bad debt - Mortgages				0
96600 Bad debt - Other				0
96800 Severance Expense				0
96000 Total Other General Expenses	72,345	42,067	47,229	161,641

Housing Authority of the County of Yolo (CA044)  
WOODLAND, CA  
Project Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

	CA044000001	CA044000002	CA044000003	Total
96710 Interest of Mortgage (or Bonds) Payable				0
96720 Interest on Notes Payable (Short and Long Term)				0
96730 Amortization of Bond Issue Costs				0
96700 Total Interest Expense and Amortization Cost	0	0	0	0
96900 Total Operating Expenses	1,127,271	1,244,377	907,791	3,279,439
97000 Excess of Operating Revenue over Operating	-19,891	-100,997	-22,617	-143,505
97100 Extraordinary Maintenance				0
97200 Casualty Losses - Non-capitalized				0
97300 Housing Assistance Payments				0
97350 HAP Portability-In				0
97400 Depreciation Expense	135,670	220,736	239,739	596,145
97500 Fraud Losses				0
97600 Capital Outlays - Governmental Funds				0
97700 Debt Principal Payment - Governmental Funds				0
97800 Dwelling Units Rent Expense				0
90000 Total Expenses	1,262,941	1,465,113	1,147,530	3,875,584
10010 Operating Transfer In	36,824	76,960		113,784
10020 Operating transfer Out				0
10030 Operating Transfers from/to Primary Government	327	93		420
10040 Operating Transfers from/to Component Unit				0
10050 Proceeds from Notes, Loans and Bonds				0
10060 Proceeds from Property Sales				0
10070 Extraordinary Items, Net Gain/Loss				0
10080 Special Items (Net Gain/Loss)				0
10091 Inter Project Excess Cash Transfer In				0
10092 Inter Project Excess Cash Transfer Out				0
10093 Transfers between Program and Project - In				0
10094 Transfers between Project and Program - Out				0
10100 Total Other financing Sources (Uses)	37,151	77,053	0	114,204
10000 Excess (Deficiency) of Total Revenue Over (Under)	-118,410	-244,680	-262,356	-625,446
Excess (Deficiency) of Total Revenue Over (Under) Total Expenses before Depreciation	17,260	-23,944	-22,617	-29,301
11020 Required Annual Debt Principal Payments	0	0	0	0
11030 Beginning Equity	1,345,443	4,221,722	6,320,828	11,887,993
11040 Prior Period Adjustments, Equity Transfers and	-272,356	-324,285	-265,985	-862,626
11050 Changes in Compensated Absence Balance				0
11060 Changes in Contingent Liability Balance				0
11070 Changes in Unrecognized Pension Transition				0
11080 Changes in Special Term/Severance Benefits				0
11090 Changes in Allowance for Doubtful Accounts -				0
11100 Changes in Allowance for Doubtful Accounts - Other				0
11170 Administrative Fee Equity				0
11180 Housing Assistance Payments Equity				0
11190 Unit Months Available	1,824	1,680	1,668	5,172
11210 Number of Unit Months Leased	1,812	1,664	1,639	5,115
11270 Excess Cash	289,964	444,669	218,483	953,116
11610 Land Purchases	0	0	0	0
11620 Building Purchases	0	0	0	0
11630 Furniture & Equipment - Dwelling Purchases	0	0	0	0
11640 Furniture & Equipment - Administrative Purchases	0	0	0	0
11650 Leasehold Improvements Purchases	0	0	0	0
11660 Infrastructure Purchases	0	0	0	0
13510 CFFP Debt Service Payments	0	0	0	0
13901 Replacement Housing Factor Funds	0	0	0	0

Housing Authority of the County of Yolo (CA044)  
WOODLAND, CA  
Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

	Project Total	10.427 Rural Rental Assistance Payments	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	1,697,537	37,642			174,471	187,378.00			35,140	2,132,168		2,132,168
70400 Tenant Revenue - Other	27,620	40			538	278				28,476		28,476
70500 Total Tenant Revenue	1,725,157	37,682	0	0	175,009	187,656	0	0	35,140	2,160,644	0	2,160,644
70600 HUD PHA Operating Grants	1,035,427		74,315	13,308,449	295,664	113,534				14,827,389		14,827,389
70610 Capital Grants	344,056								33,272	377,328		377,328
70710 Management Fee	0								932,411	932,411	-932,411	0
70720 Asset Management Fee	0								79,140	79,140	-79,140	0
70730 Book Keeping Fee	0								179,235	179,235	-179,235	0
70740 Front Line Service Fee	0								872,673	872,673	-872,673	0
70750 Other Fees	0								16	16		16
70700 Total Fee Revenue	0	0	0	0	0	0	0	0	2,063,475	2,063,475	-2,063,459	16
70800 Other Government Grants	10,500					7,447	1,444,831		3,250,000	4,712,778		4,712,778
71100 Investment Income - Unrestricted	2,267	214		1,426	227	379			453	4,966		4,966
71200 Mortgage Interest Income	0									0		0
71300 Proceeds from Disposition of Assets Held for Sale	0									0		0
71310 Cost of Sale of Assets	0									0		0
71400 Fraud Recovery	0			5,971						5,971		5,971
71500 Other Revenue	17,707			1,324	4,987	28,756	75,487		464,897	593,158	-92,080	501,078
71600 Gain or Loss on Sale of Capital Assets	820			820					2,460	4,100		4,100
72000 Investment Income - Restricted	0					313				313		313
70000 Total Revenue	3,135,934	37,896	74,315	13,317,990	475,887	338,085	1,520,318	0	5,849,697	24,750,122	-2,155,539	22,594,583
91100 Administrative Salaries	209,288	1,378	4,298	358,037	54,841	24,933	51,778		985,992	1,690,545	-872,673	817,872
91200 Auditing Fees	40,346	235		14,820	14,150	15,917	4,560		7,353	97,381		97,381
91300 Management Fee	493,108	5,208	0	255,919	25,855		178,176			958,266	-932,411	25,855
91310 Book-keeping Fee	38,355			140,880	9,723					188,958	-179,235	9,723
91400 Advertising and Marketing	3,734		558	4,878	22		140			9,332		9,332
91500 Employee Benefit contributions - Administrative	274,357	1,786	4,386	210,842	18,503	12,265	83,627		326,200	931,966		931,966
91600 Office Expenses	210,309	1,558	8,061	144,544	17,955	18,560	54,210		241,670	696,867	-92,080	604,787
91700 Legal Expense	7,309				6,689		3,228		50,000	67,226		67,226
91800 Travel	4,248		49	6,020	5,156		3,225		8,874	27,572		27,572
91810 Allocated Overhead	0									0		0
91900 Other	0	617			220					837		837
91000 Total Operating - Administrative	1,281,054	10,782	17,352	1,135,940	153,114	71,675	378,944	0	1,620,089	4,668,950	-2,076,399	2,592,551
92000 Asset Management Fee	51,720				3,762	19,320	8,100			82,902	-79,140	3,762
92100 Tenant Services - Salaries	6,891		50,574	15,411						72,876		72,876
92200 Relocation Costs	0											
92300 Employee Benefit Contributions - Tenant Services	1,279		15,765	2,357						19,401		19,401
92400 Tenant Services - Other	3,802			5,000	369					9,171		9,171
92500 Total Tenant Services	11,972	0	66,339	22,768	369	0	0	0	0	101,448	0	101,448
93100 Water	163,127	6,201			8,024	9,071	88,046		2,251	276,720		276,720
93200 Electricity	96,830				2,811	5,349	140,229		24,858	270,077		270,077
93300 Gas	5,814				5,328	1,395	39,431		1,434	53,402		53,402

Housing Authority of the County of Yolo (CA044)  
WOODLAND, CA  
Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

	Project Total	10.427 Rural Rental Assistance Payments	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
93400 Fuel	0									0		0
93500 Labor	0									0		0
93600 Sewer	270,784	5,329			20,218	18,339	111,237		676	426,583		426,583
93700 Employee Benefit Contributions - Utilities	0									0		0
93800 Other Utilities Expense	0									0		0
93000 Total Utilities	536,555	11,530	0	0	36,381	34,154	378,943	0	29,219	1,026,782	0	1,026,782
94100 Ordinary Maintenance and Operations - Labor	0				4,034		218,655		342,912	565,601		565,601
94200 Ordinary Maintenance and Operations - Materials and Other	239,823	5,605		498	10,877	18,411	32,438		18,449	326,101		326,101
94300 Ordinary Maintenance and Operations Contracts	886,874	7,298	0	1,482	49,330	36,907	100,146		92,566	1,174,603		1,174,603
94500 Employee Benefit Contributions - Ordinary Maintenance	0			218			86,279		127,894	214,391		214,391
94000 Total Maintenance	1,126,697	12,903	0	2,198	64,241	55,318	437,518	0	581,821	2,280,696	0	2,280,696
95100 Protective Services - Labor	0									0		0
95200 Protective Services - Other Contract Costs	2,773					624	4,622		10,326	18,345		18,345
95300 Protective Services - Other	0									0		0
95500 Employee Benefit Contributions - Protective Services	0									0		0
95000 Total Protective Services	2,773	0	0	0	0	624	4,622	0	10,326	18,345	0	18,345
96110 Property Insurance	83,098	1,132			8,737	5,173	103,013		2,098	203,251		203,251
96120 Liability Insurance	10,998	335		6,054		4,329	9,810		463	31,989		31,989
96130 Workmen's Compensation	5,981	24	1,318	9,198	9,017	776	16,912		46,493	89,719		89,719
96140 All Other Insurance	6,950			704			2,816		5,767	16,237		16,237
96100 Total insurance Premiums	107,027	1,491	1,318	15,956	17,754	10,278	132,551	0	54,821	341,196	0	341,196
96200 Other General Expenses	52,371	1,176		27,363	158,690	10,216	15,181		39,670	304,667		304,667
96210 Compensated Absences	-3,080	5	635	1,919		-342	4,119		19,018	22,274		22,274
96300 Payments in Lieu of Taxes	116,328					20,156				136,484		136,484
96400 Bad debt - Tenant Rents	-3,978					22	17,043			13,087		13,087
96500 Bad debt - Mortgages	0									0		0
96600 Bad debt - Other	0									0		0
96800 Severance Expense	0									0		0
96000 Total Other General Expenses	161,641	1,181	635	29,282	158,690	30,052	36,343	0	58,688	476,512	0	476,512
96710 Interest of Mortgage (or Bonds) Payable	0				244,438	48,161	148,222			440,821		440,821
96720 Interest on Notes Payable (Short and Long Term)	0								18,264	18,264		18,264
96730 Amortization of Bond Issue Costs	0				8,998	1,232				10,230		10,230
96700 Total Interest Expense and Amortization Cost	0	0	0	0	253,436	49,393	148,222	0	18,264	469,315		469,315
96900 Total Operating Expenses	3,279,439	37,887	85,644	1,206,144	687,747	270,814	1,525,243	0	2,373,228	9,466,146	-2,155,539	7,310,607
97000 Excess of Operating Revenue over Operating Expenses	-143,505	9	-11,329	12,111,846	-211,860	67,271	-4,925	0	3,476,469	15,283,976	0	15,283,976
97100 Extraordinary Maintenance	0						8,353			102,153		102,153
97200 Casualty Losses - Non-capitalized	0									0		0
97300 Housing Assistance Payments	0			11,811,274						11,811,274		11,811,274
97350 HAP Portability-In	0			28,149						28,149		28,149
97400 Depreciation Expense	596,145	12,141		11,289	168,778	43,489	18,598		135,125	985,565		985,565

Housing Authority of the County of Yolo (CA044)  
 WOODLAND, CA  
 Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

	Project Total	10.427 Rural Rental Assistance Payments	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
97500 Fraud Losses	0									0		0
97600 Capital Outlays - Governmental Funds	0									0		0
97700 Debt Principal Payment - Governmental Funds	0									0		0
97800 Dwelling Units Rent Expense	0									0		0
90000 Total Expenses	3,875,584	50,028	85,644	13,056,856	856,525	322,656	1,637,641	0	2,508,353	22,393,287	-2,155,539	20,237,748
10010 Operating Transfer In	113,784								173,552	287,336		287,336
10020 Operating transfer Out	0									0		0
10030 Operating Transfers from/to Primary Government	420						11,461			11,881		11,881
10040 Operating Transfers from/to Component Unit	0									0		0
10050 Proceeds from Notes, Loans and Bonds	0									0		0
10060 Proceeds from Property Sales	0									0		0
10070 Extraordinary Items, Net Gain/Loss	0									0		0
10080 Special Items (Net Gain/Loss)	0									0		0
10091 Inter Project Excess Cash Transfer In	0									0		0
10092 Inter Project Excess Cash Transfer Out	0									0		0
10093 Transfers between Program and Project - In	0									0		0
10094 Transfers between Project and Program - Out	0									0		0
10100 Total Other financing Sources (Uses)	114,204	0	0	0	0	0	11,461	0	173,552	299,217	0	299,217
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-625,446	-12,132	-11,329	261,134	-380,638	15,429	-105,862	0	3,514,896	2,656,052	0	2,656,052
Excess (Deficiency) of Total Revenue Over (Under) Total Expenses before Depreciation	-29,301	9	-11,329	272,423	-211,860	58,918	-87,264	0	3,650,021	3,641,617		3,641,617
11020 Required Annual Debt Principal Payments	0	0	0	0		34,750	3,062	0	148,840	186,652		186,652
11030 Beginning Equity	11,887,993	220,978	-7,400	814,688	68,914	645,684	1,208,276	697,425	1,739,785	17,276,343		17,276,343
11040 Prior Period Adjustments, Equity transfers and Correction of Errors	-862,626	-4,829	-1,256	-527,642	831,853	-168,302	-297,965	-651,147	-227,998	-1,909,912		-1,909,912
11050 Changes in Compensated Absence Balance	0									0		0
11060 Changes in Contingent Liability Balance	0									0		0
11070 Changes in Unrecognized Pension Transition Liability	0									0		0
11080 Changes in Special Term/Severance Benefits Liability	0									0		0
11090 Changes in Allowance for Doubtful Accounts - Dwelling	0									0		0
11100 Changes in Allowance for Doubtful Accounts - Other	0									0		0
11170 Administrative Fee Equity	0			291,968						291,968		291,968
11180 Housing Assistance Payments Equity	0			256,212						256,212		256,212
11190 Unit Months Available	5,172	84		20,026	576	564	2,084	0		28,506		28,506
11210 Number of Unit Months Leased	5,115	84		19,972	536	561	1,981	0		28,249		28,249
11270 Excess Cash	953,116									953,116		953,116
11610 Land Purchases	0								0	0		0
11620 Building Purchases	0								0	0		0
11630 Furniture & Equipment - Dwelling Purchases	0								0	0		0
11640 Furniture & Equipment - Administrative Purchases	0								0	0		0
11650 Leasehold Improvements Purchases	0								0	0		0
11660 Infrastructure Purchases	0								0	0		0
13510 CFFP Debt Service Payments	0								173,552	173,552		173,552

Yolo County Housing  
Yolo County, California

Meeting Date: October 26, 2016

To: County Counsel ✓  
Yolo County Housing ✓

13.

Review and Approve Strategy for Potential Housing Choice Voucher Funding Shortfall.  
(Baker, Holt, Gillette)

Minute Order No. 16-25: Approved recommended action.

MOTION: Thomson. SECOND: Arnold. AYES: Aguiar-Curry, Arnold, Johannessen,  
Stallard, Thomson, Vanderford, Wienecke-Friedman.



## **Yolo County Housing**

147 W. Main Street  
WOODLAND, CA 95695

Woodland: (530) 662-5428  
Sacramento: (916) 444-8982  
TTY: (800) 545-1833, ext. 626

DATE: October 26, 2016  
TO: YCH Board of Commissioners  
FROM: Lisa A. Baker, Chief Executive Officer  
PREPARED BY: Janis Holt, General Director

**SUBJECT: Review and Approve Strategy for Potential Housing Choice Voucher Funding Shortfall**

### **RECOMMENDED ACTION:**

That the Housing Commission authorize the CEO to:

- 1) Request approval from the U.S. Department of Housing and Urban Development for a short term advance of funds from the end of the calendar year if determined necessary due to voucher funding shortfall; and/or
- 2) Use a portion of its Administrative Fee Reserve in an amount not to exceed \$100,000 to cover Housing Assistance Payments (HAP) costs where it is deemed feasible and in the Agency's best interest.

### **BACKGROUND / DISCUSSION**

Housing Assistance Payments (HAP), made on behalf of Housing Choice Voucher (HCV) holders, are a direct pass through from the U.S. Department of Housing and Urban Development (HUD) to individual landlords on behalf of eligible tenants. HAP is separate from funds earned by Yolo County Housing (YCH) for administration of the program.

There are several economic factors which can impact projected budgets for the HCV program that can lead to potential HAP shortfall including unemployment, joblessness, benefit reductions, lower attrition rates, low vacancy rates and increases in rental rates just to name a few variables. Staff monitors costs, wages, attrition, and rental rates on a monthly basis and, as a result recognized back in January 2016 that there may be potential shortfall in program funds by the end of the calendar year.

This prediction was made based on an accelerated rental market across the jurisdiction with an average of **\$88/month** increase per housing assistance contract with a total of **500** requested rent increases in the first nine months of this calendar year, along with

continued low attrition and extremely low vacancy rates. When a landlord requests a rent increase, YCH can only limit that increase to comparable rent costs in non-assisted units. As a result, overall average HAP cost has **increased 9%** over fiscal year 2015. Rents are expected to continue to rise and vacancy rates are at an all time low which isn't just a Yolo issue, but is a statewide and national issue.

In an effort to be proactive and avoid funding shortfall, staff took a number of operational steps to slow the impact of increased rents and has kept the Commission apprised of the issue during the course of the year. The actions taken to date include:

- Ceased issuing vouchers to applicants as of February 9, 2016;
- Limited the term of the voucher to the approved 60 day time period except for reasonable accommodation for the disabled;
- Ceased adding portable vouchers from other jurisdictions to our portfolio;
- Ceased issuing tenant based vouchers to Project Based Voucher holders who wanted to move;
- Used existing YCH and HUD held reserves to cover HAP.

These measures have yielded results that have slowed the monthly increase in HAP. While these measures have yielded results in slowly the monthly increase in HAP, it has come at a very high cost for our communities. The negative impact of having to implement these measures is that in this fiscal year to date, voucher utilization went from a high of 1,582 to the current 1,480 for a total reduction of **101** of our jurisdiction's most vulnerable and needy families from being assisted (the number of lost families rises even higher over the last year and a half when we went from 1,602 families to the current 1,480 - a loss of assistance to 122 families). Because YCH is paid a fee for each family under lease as the first of the month, the loss of 101 families from the portfolio has also had a large downward trend for income to the Agency in the form of lost administrative fee. This amounts to a loss of over \$90,000 in foregone fee from units not leased.

Whether or not YCH reaches shortfall and at what amount continues to be highly variable and volatile depending on HUD's changing allocations and our market conditions. At this time, YCH will either narrowly avoid shortfall or, what is more likely, have a potential shortfall of approximately \$30,000 to \$80,000 by December 2016.

It should be noted that, at this time, HUD does not project shortfall for YCH, but staff believes the modelling that HUD is employing does not take into account a rapidly rising rental market and extremely low vacancy rates and that their confidence in our ability to avoid shortfall is incorrect.

In order to address this potential shortfall and ensure that our existing families continue to receive assistance, staff recommends a two-prong approach to the issue:

- a) **Request a short term advance of funds from the end of the calendar year.** HUD allows an advance to cover HAP shortfall for December which would be funded through HUD shortfall set-aside funds. The deadline to request the advance is November 9, 2016.

- b) Use a portion of its Administrative Fee Reserve to cover HAP costs.** While HAP cannot be used to cover administrative program costs, administrative fees are able to be used to cover HAP costs at the agency's discretion. Through prudent management, staff has been able to set aside administrative fee reserves. However, if YCH uses administrative reserves to cover HAP prematurely and then gets set-aside funds, it will not be able to use those funds to reimburse its use of fees.

Currently, as stated above, HUD does not show YCH in shortfall. As a result, YCH is still able to issue vouchers at its discretion. Should YCH request and receive shortfall funds, then YCH would be precluded from issuing vouchers, including for existing families to a new location. This would also continue to have an impact on administrative fee reductions.

If the Commission approves these recommendations, staff will move forward with closely monitoring the potential shortfall and if considered necessary, determine if it is in the best interest of the Agency to apply for set-aside funds through HUD or to use a portion of administrative fee reserve to cover program costs.

### **FISCAL IMPACT**

Failure to take actions to address potential shortfall funds for housing assistance payments has the potential to result in insufficient funds to provide subsidy to existing families on the HCV program.

### **CONCLUSION**

Staff recommends that the Commission approve and authorize the CEO to implement the recommended actions.

Yolo County Housing  
Yolo County, California

Meeting Date: October 26, 2016

To: County Counsel ✓  
Yolo County Housing ✓

14.

Review and Approve Memorandum of Understanding between Mercy Housing, Yolo County Housing and New Hope CDC for Development of 180 W. Beamer MHSA development and authorize the CEO to execute. (Baker)

Minute Order No. 16-26: Approved recommended action by **Agreement No. 16-05.**

MOTION: Stallard. SECOND: Thomson. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.



# Yolo County Housing

Lisa A. Baker, Chief Executive Officer

147 W. Main Street  
WOODLAND, CA 95695

Woodland: (530) 662-5428  
Sacramento: (916) 444-8982  
TTY: (800) 545-1833, ext. 626

DATE: October 26, 2016  
TO: YCH Housing Commission  
FROM: Lisa A. Baker, CEO  
SUBJECT: **Review and Approve Memorandum of Understanding between Mercy Housing, Yolo County Housing and New Hope CDC for Development of 180 W. Beamer MHSA**

## **RECOMMENDATION:**

Staff recommends that the Commission:

1. Review and Approve the MOU between the parties; and
2. Authorize the CEO to execute the MOU

## **BACKGROUND/DISCUSSION:**

The Housing Authority has been working with the County and County HHSA on a development that would include 80 units of housing at the old hospital site located at 180 W. Beamer Avenue. The Commission has previously authorized staff to put together this development. The proposed project will have 20 Project Based Vouchers for MHSA full service mental health clients with wrap around services, an additional 12 units for HHSA case-managed clients and the balance of units will be affordable housing for families.

At this time, the Housing Authority is the owner of the site and the County is in the midst of demolition and clearance activities. The project was also awarded highly competitive 9% tax credit allocation, MHSA funds and has Multi-family Housing Program (MHP) funds along with an Enterprise Green planning grant. The project has received all MHSA, State, County and City approvals and is moving forward.

At this time, it is appropriate to execute this Memorandum of Understanding between the parties. This MOU will ultimately serve as the template from which the general partnership agreements will be drawn.

YCH will continue to be the underlying land owner. It will enter into a long term lease with the partnership for the development. New Hope CDC will be a general partner with Mercy in the development. As such, YCH and New Hope will share in the construction and completion project guarantees in return for a portion of development and management fees on the property.

**Fiscal Impact:**

None at this time. Failure to execute would jeopardize the project timeline and funding.

**Conclusion:**

Staff recommends that the Commission enact the recommendations and allow the project to move forward.

**Attachment:** Draft MOU

**MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding (“MOU”) is entered into as of October 31st by and between Mercy Housing California (“MHC”), a California nonprofit public benefit corporation, and Yolo County Housing and its subsidiary New Hope Community Development Corporation (jointly and severally, “YCH”) (together, the “Partners”) with reference to the following matters.

**RECITALS**

A. YCH selected MHC as its development partner through a competitive proposal process for the development of an affordable housing development with a Mental Health Services Act component on the 180 W. Beamer site in Woodland, Yolo County.

B. MHC and YCH intend to work together cooperatively to cause the development of up to 80 Rental Housing units, including up to 20 units funded through Yolo County Mental Health Services Act funds, to be located on that certain real property located at 180 West Beamer consisting of approximately 5 acres and designated as APNs **064-010-021-000** and **064-051-037-000** (the “Property”). The mixed population family and special needs housing is to be affordable at or below very-low income (not to exceed sixty percent (60%) of Area Median Income) with an integration of resident support services provided by Yolo County Mental Health, MHC and partnering agencies.

C. The Property is currently owned by Yolo County Housing and it is anticipated that MHC and YCH will negotiate in good faith toward a final executed long term ground lease between YCHO and limited partnership owner entity.

D. It is the intent of the parties to subsequently enter into a Limited Partnership Agreement, with MHC or its subsidiary, and New Hope Community Development Corporation, as co-general partners of the Limited Partnership.

E. MHC and YCH wish to enumerate the responsibilities, rights, and obligations that each party will undertake and assume in connection with the construction and operation of the Development.

NOW THEREFORE, in consideration of the recitals hereof and the mutual covenants and agreement contained in the MOU, the parties agree as follows:

**1. OWNERSHIP STRUCTURE**

A. **Partnership/Housing Development.** A limited partnership (the “Partnership”) will be formed to acquire a leasehold interest in the Property and construct and operate the Development as permanent, affordable housing. If “Low Income Housing Tax Credits” are utilized, a limited partnership will be formed with MHC or its affiliate as managing general partner, and another MHC affiliate as initial limited partner, for the purposes of acquiring the leasehold interest in the Property and initiating the development process. Pursuant to the terms of this MOU, YCH or its subsidiary may choose to serve as a co-general partner, or co-members in the case of an LLC serving as the general partner. The general partners/members will share a 99% general partnership interest and the initial limited partner will hold a 1%, or less, limited partner interest. YCH or its affiliate will hold a minority of the general partner interest. On or about the start of construction, an Amended and

Restated Agreement of Limited Partnership of the Partnership (the “**Amended Partnership Agreement**”) will be entered into with a tax credit investor as the limited partner (“**Limited Partner**”), replacing the MHC affiliate as the initial limited partner and holding a 99.99% limited partnership interest, with the general partner(s) holding a 0.01% general partner interest (“**General Partnership Interest**”). YCH or the YCH affiliate will hold a .0049 General Partner Interest, and the MHC affiliate will hold a .0051 General Partner Interest as the managing general partner. In addition to financing received in the form of capital contributions made by the Limited Partner, MHC and YCH will seek additional financing for the Development from third party lenders (the “**Lenders**”). MHC shall have lead responsibility for the management of the day-to-day operations of the Partnership. In the event of a conflict between the General Partners, the General Partners will commit to make every reasonable effort to resolve conflicts to their mutual satisfaction; however, the managing general partner will ultimately have final decision making authority. The principal office of the Partnership shall be MHC’s address. If a single asset LLC corporation is required by the tax credit investor limited partner, then MHC and YCH will be the “members” with the same structure listed above for general partnership interest.

**B. Reserved Rights.** Except as otherwise expressly provided in Section 3.E. below, the Partnership and the actions of the Limited Partners shall be subject to the rights reserved to MHC and its affiliates, as outlined below (the “**Reserved Rights**”). The Reserved Rights identify actions of the Partnership over which the MHC–affiliate General Partner reserves both approval rights, as well as the right to act unilaterally, including but not limited to:

- Admission or change of members of the Partnership
- Pledge or mortgage the assets of the Partnership
- Selection of project design team, consultants and general contractor
- Make changes to corporate formation documents of the Partnership
- Establish or change the operating budget of the Property
- Establish or change the development budget for the Development, including final design, financing sources, and underwriting criteria
- Selection and approval of auditor and audits of the Partnership
- Selection of the property management firm
- Enter into all contracts on behalf of the Partnership
- Selection of legal counsel, for purposes of creating partnership related documents and serving as tax counsel

All of the Reserved Rights, including the actions listed above, extend to the Partnership, the Property, and actions pertaining to the Development prior to the establishment of the Partnership, meaning that MHC may exercise the Reserved Rights, as applicable, prior to the formation of the Partnership. Notwithstanding anything to the contrary herein, the Reserved Rights shall not include any action which would increase the liability and/or obligations of YCH or the YCH affiliate or diminish the rights of YCH or its subsidiary or otherwise be contrary to the terms and conditions of this MOU.

**C. Sole Purpose.** The sole purpose of the Partnership shall be to acquire, construct, own, and operate the Development as affordable housing. Upon execution of the Amended Partnership Agreement, the parties shall assign over to the Partnership any contracts, loans, financing commitments, materials or other documents related to the Development that either party may have in its possession or control.

**D. Tax Credit Application.** It is acknowledged by both parties that if the Limited Partnership will not be established prior to the tax credit application deadline, MHC will be the applicant for Low Income Housing Tax Credits, with MHC and YCH or their respective affiliates listed as the future General Partners of the to be established Limited Partnership. If an award is received, MHC will transfer the award to the Limited Partnership.

## **2. THE DEVELOPMENT**

**A. Income, Rent Levels, and the Target Population.** The Development shall serve tenants with annual incomes at or below 60% of area median income for Yolo County, CA, as determined by the U.S. Department of Housing and Urban Development (“HUD”). Tenants will be referred by Yolo County Housing and other service providers, if any, as appropriate. Specific income and rent affordability levels shall be governed by the requirements of the Development funders as documented in recorded regulatory agreements.

**B. Financing Strategies.** The strategies used to finance the Development may include but are not limited to the following approaches:

- (i) seeking public funds for acquisition, predevelopment, construction, and operating costs;
- (ii) seeking foundation and grant monies to reduce the need for amortized debt and to benefit the Development and its operations;
- (iii) securing of private bank loans as needed for construction and permanent financing;
- (iv) forming a tax credit limited partnership to provide tax credit equity funding; and
- (v) seeking rental and operating subsidies including VASH, Section 8, and/or Shelter Plus Care for the purpose of enabling the Development to offer residential units at lower rents.

**C. Development Services Agreement.** If a tax credit investor is admitted as the Limited Partner to the Partnership under the terms of an Amended Partnership Agreement, a development services agreement and a resident services agreement shall evidence the obligation of the Partnership to pay developer fees and/or fees for service to MHC and YCH, as applicable, in accordance with Section 5.A of this MOU.

## **3. ROLES AND RESPONSIBILITIES**

The parties intend to work cooperatively to assemble the resources necessary to finance construction of the Development; to design the Development so that its elements complement one another in design and function; to expedite construction of the Development; to comply with regulatory and other funding requirements; and to meet the varied needs of the residential tenants.

**A. Division of Responsibilities.** The respective responsibilities of the parties are listed in Exhibit B, with an assignment of level of responsibility for each party. The parties may amend

this exhibit in writing by mutual consent from time to time to reflect changes to the proposed responsibilities of the parties. Subject to the Reserved Rights, the exhibit shall control in the event of any inconsistency between the exhibit and the text of this MOU. As used in this MOU, the following definitions shall apply:

- **“Lead”** entails primary responsibility for schedule, production, construction, provision of services and meeting agreed deadlines, as applicable.
- **“Secondary”** responsibility means that the party is not required to take an active role but shall be provided with copies of all relevant information and documents, including iterative drafts, and participate in drafting and negotiation as needed, and will review draft documents before signature.

Issues will be raised in joint staff meetings or by memorandum. The Lead will allow sufficient time for consultation and resolution of issues in every case where the signature of both parties is required for finance-, development- or partnership-related matters, or other issues.

**B. Staffing.** MHC shall provide a project manager to oversee the predevelopment and construction of the Development and to coordinate and serve as a liaison between MHC and YCH. YCH’s CEO, Lisa Baker, or her designee, will be its primary contact for all matters relating to the Development.

**C. MHC Responsibilities.** Except as otherwise provided in this MOU, and subject to Sections 3.D. and 4.A. below, MHC shall have the Lead responsibility for all activities related to the predevelopment and construction of the Development. In this capacity, MHC shall take the lead role in obtaining predevelopment financing; selecting the architect and leading design process in consultation with YCH; determining the scope of construction; creating a predevelopment budget; selecting the tax credit investor, management agent, the Lenders, contractor and consultants in consultation with YCH; managing relations with the Lenders and tax credit investors in consultation with YCH; managing construction; and providing financial management and reporting services for the Development. MHC and/or its affiliates shall be responsible for the long term property management for the Development starting with initial lease up at the completion of construction.

**D. YCH Responsibilities.** YCH shall co-lead in the acquisition negotiations and support MHC in 1) determining the amount of and securing MHSA funding; 2) in all funding applications 3) in attending and planning community meetings; 4) in securing public support and discretionary approval for the County MHSA funding and with the City on the design concept. YCH shall give input on the space and programming needs of the Development, the final design of which shall be subject to YCH’s approval.

**E. Limitations on Authority.** Notwithstanding anything herein to the contrary, without the prior written consent of the other party, neither party shall have the authority to:

- (i) Do any act in contravention of this MOU;
- (ii) Do any act which would make it impossible for the parties to carry out their businesses;
- (iii) Possess property related to the Development for its own purposes, or assign any of its rights in the Development to a third party, provided that either party

- may assign its rights in the Development to affiliates, subject to the other party's reasonable prior approval;
- (iv) Transfer or assign their rights in the MOU, provided that either party may assign its rights in the MOU to affiliates, subject to the other party's reasonable prior approval;
  - (v) Terminate this MOU other than pursuant to Section 11 below;
  - (vi) Sell, lease or dispose of substantially all of the assets of the Partnership; or
  - (vii) Incur debts or liabilities on behalf of the other party.

#### **4. FINANCIAL OBLIGATIONS**

**A. Development Funding.** The parties shall use all reasonable efforts to raise any funding necessary for the construction of the Development. Except as the parties may otherwise mutually agree, MHC will be responsible for preparing and submitting all required funding applications. The parties will cooperate to assemble required documentation for funding applications. YCH will also assist MHC in securing the appropriate letters of support from elected officials and community representatives. Subject to the Reserved Rights, the parties shall each have an opportunity to review, comment upon, and approve prior to submittal all funding applications submitted on behalf of the Development, including but not limited to construction funding and services funding. The party responsible for preparation and submission of the application shall make all reasonable efforts to provide drafts of such applications with sufficient time for the other to review. Understanding that funding applications must be submitted to meet strict deadlines, and a decision to apply may sometimes leave little time for discussion and revision, both parties will endeavor to review funding applications promptly.

**B. Loan Guarantees.** MHC will secure and guarantee all at-risk predevelopment financing required prior closing on the construction financing. MHC and YCH or their respective affiliates shall be jointly responsible for providing construction completion or other guarantees that may be required by the Limited Partner and any Lenders to the Development prior to 100% qualified occupancy. YCH or its affiliate will be obligated, along with MHC or its affiliate, to execute the construction, operating deficit and the tax credit compliance guarantees with the Limited Partner and/or construction lender, provided however the split of liability under such guarantees will be 80% MHC and 20% YCH.

#### **5. FEES AND COMPENSATION**

**A. Development Period.**

**(i) Developer Fees.** MHC will receive 80% of the total developer fee in connection with the Development, and YCH will receive 20%. Developer fees paid in connection with the Development under this Section shall only be paid to the extent funding is available and payment is permitted by the applicable funding sources and feasible under the Development budget. All scheduled developer fee payments from the partnership to the general partners shall be split 80/20. The budgeted amount and timing of these fees will be determined when all permanent funding is in place, or at the time the Amended Partnership Agreement is entered into with the Limited Partner, and pursuant to a separate Development Agreement with the Partnership. Should there be insufficient funds to pay the full developer fee in accordance with the Development Agreement, any deferred developer fee shall be paid out of available housing cash flow during the

first twelve (12) years of operations as a priority distribution according to the fee split agreed to by both parties and the limited partner (each dollar paid shall be allocated 80% to MHC and 10% to YCH).

(ii) **Construction Management Fees.** Construction management fees shall be paid to a party hired by MHC to act as construction manager, which may be either an unrelated entity or, subject to Lender and YCH approval, an MHC affiliate. The Partnership and the construction manager shall enter into a separate Construction Management Agreement. The construction management fee shall be included in the development budget.

**B. Operations.**

(i) **Property Management and Related Fees.** Mercy Housing Management (MHM) will provide property management services, and will enter into a Property Management Agreement with the Partnership for the Development. MHM will receive reasonable and customary property management and related fees as an operating expense of the Development. In the event YCH or a YCH affiliate eventually becomes the property manager for the Development, subject to the approval of the Limited Partner and the Lenders, YCH will be entitled to the fees customarily paid to a third party property management firm.

(ii) **Limited Partner Fee.** An annual reasonable Limited Partner Fee will be paid subject to the terms of the Amended Partnership Agreement.

(iii) **Partnership Management Fee.** To the extent of available cash flow and to the extent allowed by funding sources, the Partnership shall pay an total annual partnership administration fee to the General Partners or Members in the maximum amount of \$25,000 (in 2016 dollars, subject to annual adjustment). This fee relates to the management of the Partnership and will be paid after the annual audit is completed to the extent of available cash flow. Because Lenders, in particular CA HCD, will have a say over the maximum allowable and each years allowable amount, the actual amount can not be known at this time. The sharing of this fee between General Partners or Members shall be as follows: 100% of the fee shall be paid to MHC up to \$17,500 per year in 2016 dollars inflated by 3% each subsequent year. Anything above \$17,500 shall be paid to YCH up to \$5,000. Anything above \$22,500 will be paid to MHC.

(iv) **Cash Flow.** MHC and YCH shall share residual cashflow (after payment of operating expenses, funding reserves, paying debt service, deferred fee, partnership fees, and any residual receipts loan obligations) 50%/50%.

**6. SYNDICATION OF THE HOUSING DEVELOPMENT**

A. **Syndication of the Development.** The parties intend that a 99.9% limited partnership interest of the Partnership will be syndicated to a tax credit investor, at which point the MHC affiliate shall withdraw as initial limited partner.

**B. Tax Credit Investor Requirements.** MHC or its affiliate and YCH or its affiliate shall be responsible for providing Limited Partner guarantees. Subject to the provisions of Section 4.B above, including the limitations on the scope of YCH's guarantor liability, the obligations under the operating deficit guarantee will be shared by MHC or its affiliate and YCH.

**C. Right of First Refusal and Right to Purchase interests.** Subject to investor limited partner approval, MHC and YCH will have the Right of First Refusal to jointly purchase option from the Limited Partner in the Partnership. If at any time one of the Partners proposes to exit the Partnership or not exercise its option under the Right of First Refusal, the other party shall have the right to purchase the property and/or partnership interest. In any case of such transfer of interest solely to one of the Partners, the price shall be no more than the appropriate share of the amount of outstanding debt and accrued interest, which shall only be paid through an assignment and assumption.

## 7. ACCOUNTING RECORDS AND REPORTS

**A. Books and Records.** At all times during the existence of the Partnership, MHC shall keep or cause to be kept books of account for the Development until such time as it withdraws from the Partnership, which shall be adequate, appropriate, and in conformance with generally accepted accounting principles. A copy of the Partnership's tax returns shall at all times be maintained at the principal office of the Partnership, and shall be available for inspection by the parties. Upon reasonable notice to the other party, each party shall have the right to inspect all books and records in the possession or under the control of the other party. All costs of preparing tax returns and maintaining records of the Partnership shall be treated as costs of the Partnership.

**B. Disbursements.** During the predevelopment phase, MHC shall be responsible for payment of all invoices incurred in the process of developing the Development. For disbursements during the construction phase, the Amended Partnership Agreement and Lender agreements shall govern disbursement procedures. Following completion of construction, the Amended Partnership, Services and Property Management Agreements shall govern disbursement procedures.

**C. Status Reports.** Each party shall keep the other party informed of matters related to the purpose of this MOU and shall provide regular status reports of all activities undertaken in connection with this MOU.

**D. Status Meetings.** Both parties shall meet on a regular basis at times agreed to by the parties to review and discuss issues pertaining to the development and operation of the Development.

## 8. INDEMNIFICATION

**A. Indemnification.** Each party agrees to indemnify, defend, and hold harmless the other from and against any and all claims, demands, losses, liabilities, actions, lawsuits and other proceedings, judgments and awards, and costs and expenses (including reasonable attorney's fees) (collectively, "**Claims**"), arising directly or indirectly, in whole or in part, out of the gross acts, omissions, negligence or willful misconduct of the indemnifying party in connection with this MOU and services or work provided hereunder, provided, however, neither party shall be obligated to indemnify the other to the extent such Claim arises out of the comparative or contributory

negligence or willful misconduct of the indemnified party. The provisions of this Section shall survive termination of this MOU.

**B. Notice of Claim and Demand.** A party with notice of any claim or demand made of MHC or YCH with respect to any matter covered by this MOU shall promptly communicate details of the claim or demand to the other party by email or facsimile, with hard copy to follow by U.S. mail.

## **9. AUTHORIZED REPRESENTATIVES**

**A. No Employees.** The Partnership shall not have any employees of its own. MHC and YCH shall each supply the services of their respective staffs to the Partnership as needed for the Partnership to be able to carry on its activities and as described in this MOU.

**B. Signatures.** Subject to the provisions of the Reserved Rights and any other provision of the Amended Partnership Agreement to the contrary, the signatures of both General Partners shall be required to bind the Partnership.

## **10. TERM**

**A. Termination.** This MOU shall be effective as of the date set forth above, and shall continue thereafter until the earliest of the following events:

- (i) by either party, with 30 days notice, in the event that final notification is received from the Tax Credit Allocation Committee of a failure to obtain a tax credit allocation after applying a minimum of two rounds and after expiration of any appeal period and rejection of appeals;
- (ii) upon execution of the Amended Partnership Agreement, a Contributions Agreement (an agreement between YCH and MHC or its affiliate specifying the split of liability between the General Partners in the event of a call on the operating deficit guarantee, and codifying other obligations surviving this MOU not outlined in the Amended Partnership Agreement), if necessary, and a Resident Services Agreement or Development Services Agreement between the parties, codifying all terms that survive this MOU;
- (iii) upon notice of either party, if the other party shall fail to perform its obligations under this MOU and such failure shall continue for a period of at least thirty (30) days after written notice thereof from the party claiming such default, or such longer period as reasonably necessary to cure such default, provided that the defaulting party commences to cure the default within 30 days and thereafter proceeds diligently with such cure;
- (iv) the failure of the parties to receive all financing necessary to begin construction of the Development by December 31, 2016, or such later date as the parties may mutually agree; or

## **11. MISCELLANEOUS**

**A. Notices.** All notices under this MOU shall be in writing, shall be effective upon delivery by an express delivery service which shall show the location and the delivery date and shall be addressed as follows:

**YCH:**

Lisa A. Baker  
Chief Executive Officer  
Yolo County Housing  
147 W. Main Street, Woodland, CA 95695  
Phone: 530-662-5428 (general line)

**MHC:**

Mercy Housing California  
3120 Freeboard Drive, Suite 202  
West Sacramento, CA 95691  
Attn: Stephan Daues  
Tel: (916) 414-4440

All notices shall be deemed effective on the earliest of (i) actual receipt; (ii) rejection of delivery.

**B. Binding Effect.** This MOU shall inure to and bind the parties, their respective representatives, successors and permitted assigns.

**C. Counterparts.** This MOU may be executed in counterparts, all of which taken together shall be deemed one original agreement.

**D. Captions.** Section, titles, or captions in no way define, limit, extend or describe the scope of this MOU or the intent of any of its provisions, and are for convenience of reference only.

**E. Governing Law.** This MOU shall be construed in accordance with and be governed by the provisions of the laws of the State of California.

**F. Waiver.** No waiver of any right under this MOU shall be deemed effective unless contained in writing signed by the party charged with the waiver. No waiver of any breach or any failure to perform shall be deemed to be a waiver of any future breach or failure to perform or of any other right arising under this MOU.

**G. Entire Agreement.** This MOU between the Parties sets forth the entire agreement of the parties and this MOU may not be modified except in writing signed by authorized signatories of MHC and YCH.

**H. Mediation/Arbitration.** In the event of any dispute between the parties regarding this MOU, the parties shall first attempt in good faith to resolve such dispute through non-binding mediation for a period of at least sixty (60) days. The parties shall equally share the costs of mediation. If the parties are unable to resolve the dispute through mediation, then arbitration shall constitute the sole remedy for the resolution of such dispute. Any of the parties may submit such disputes for binding resolution to the American Arbitration Association, under its commercial arbitration rules. The arbitration shall be held in Los Angeles, California before a single arbitrator. If the parties cannot agree on a single arbitrator within ten (10) days after the request of either party, such arbitrator shall be appointed by the American Arbitration Association in accordance with its

rules. The non-prevailing party or parties in such arbitration, as determined by the arbitrator, shall pay all costs associated with such arbitration, including the prevailing party's or parties' attorneys' fees. The arbitrator's decision shall be final and binding upon the parties and judgment thereon may be entered in any court of competent jurisdiction.

**I. Other Activities.** Neither MHC nor YCH shall be bound to devote all of its business time to the development of the Development and the parties acknowledge that MHC and YCH are and will continue to be engaged in other activities, some of which may be connected with business investments and other enterprises which may be in competition with the Development, including but not limited to other multi-family residential developments which may be located in the same geographic area as the Development.

**J. Supersedes Other Agreements.** All other agreements, either verbal or in writing, are superseded by this Memorandum of Understanding.

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

**YCH:**

YOLO COUNTY HOUSING

By: \_\_\_\_\_

Its: CEO \_\_\_\_\_

NEW HOPE COMMUNITY DEVELOPMENT  
CORPORATION

By: \_\_\_\_\_

Its: Executive Director \_\_\_\_\_

**MHC:**

MERCY HOUSING CALIFORNIA, a California nonprofit  
public benefit corporation

By: \_\_\_\_\_

Its: Vice President

EXHIBIT A

PROPERTY SITE

EXHIBIT B

**DIVISION OF RESPONSIBILITIES**

Mercy Housing California and Yolo County Housing

	<b>Lead</b>	<b>Secondary</b>
<b>Site Control</b>		
Negotiate terms of site transfer	YCH-MHC	
Site control documentation (ENA, DDA, or P&S)	MHC	YCH
<b>Financing – Residential</b>		
Secure Predevelopment Financing	MHC	YCH
Financial Analysis	MHC	YCH
local/state Financing	MHC	YCH
Tax Credit Financing	MHC	YCH
Affordable Housing Program Loan (if applicable)	MHC	YCH
MHSA Funding	MHC	YCH
Construction Loan	MHC	YCH
Permanent Take Out Loan	MHC	YCH
Section 8 and other operating funds	MHC	YCH
Services Funding	MHC	YCH
<b>Design and Construction</b>		
Architectural and Engineering	MHC	YCH
Community Outreach	MHC	YCH
Zoning and Building Permits	MHC	YCH
Construction Bids	MHC	YCH
Construction/Rehab Contract	MHC	YCH
Construction Administration	MHC	YCH
City Contract Compliance	MHC	YCH
<b>Property Management</b>		
Accounting and Audit	MHC	YCH
Maintenance, Janitorial and Ground	MHC	YCH
Tenant Screening – Special Needs	MHC	YCH
Marketing and Lease Up	MHC	YCH
Tax Credit Compliance and Certification	MHC	YCH
<b>Partnership Management</b>	MHC	YCH
<b>Development Accounting</b>		
Accounting and Audit	MHC	YCH
Lenders’ Cost Certifications	MHC	YCH
Tax Credit Cost Certifications	MHC	YCH