



AREA HOUSING AUTHORITY  
OF THE COUNTY OF VENTURA

**REGULAR BOARD OF COMMISSIONERS  
MEETING TO BE HELD**

**September 27, 2023**

1400 W. HILLCREST DRIVE  
NEWBURY PARK, CALIFORNIA

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**REGULAR MEETING OF THE AREA HOUSING AUTHORITY  
OF THE COUNTY OF VENTURA**

**Wednesday, September 27, 2023 at 3:00 P.M.**

**1400 W. Hillcrest Drive, Newbury Park, CA 91320**

"The Area Housing Authority of the County of Ventura shall be a leader in providing opportunities and assistance to people in need of affordable housing through development, acquisitions, and partnerships."

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This meeting will be conducted in person and via phone calling services.

**HOW TO PARTICIPATE VIA PHONE**

To access the meeting by phone:

Dial: **1-669-900-6833**

When prompted, enter meeting ID: **922 4213 5103**

Once connected, if you wish to speak during Public Comment, press \*9 to raise your hand

**PUBLIC COMMENT**

To allow the opportunity for all to speak, a time limit of 3 minutes has been set for public speakers wishing to address the Board of Commissioners. The Chair has the discretion to further limit this time if warranted.

**HOW TO SUBMIT A PUBLIC COMMENT**

Comments may be submitted by one of the following:

1. In person:
  - Complete a Public Comment card prior to **Agenda Item #5** and give to a staff member
  - During **Agenda Item #5** the Chair will call for Public Comments from the cards received
2. By phone during the meeting:
  - Connect to the meeting via phone (above), once connected **press \*9** on your phone to raise your hand and you will be recognized during **Agenda Item #5** to make your comment.
3. By phone prior to the meeting (by 2:00 pm on the day of the meeting):
  - Leave your comments on a voice message at **805-480-9991 ext. 850**, please speak clearly. Your voice message will be transcribed and presented at the meeting during **Agenda Item #5**.
4. By email prior to the meeting (by 2:00 pm on the day of the meeting):
  - Email your comment to [admin@ahacv.org](mailto:admin@ahacv.org) and include "Public Comment" in the subject line. Your email will be presented at the meeting during **Agenda Item #5**.

Please note: Any documentation distributed to the Board **becomes a public document** and may be requested at any time by the public. The Board will not respond to these comments, but will take them into consideration and the item may appear on a future agenda.

**1. CALL TO ORDER/WELCOME**

**A. PLEDGE OF ALLEGIANCE**

**B. COMMISSIONER ATTENDANCE:** BRADLEY, HOOPER, JOHNSON, LAINE, LECH, LUNN, MASON, NIELSEN, PIECHOWSKI, PONCE, RAMOS-CRUZ, REISENDER, RUSSELL, AND WALL

**2. ADOPTION OF AGENDA**

**3. APPROVAL OF MINUTES: REGULAR MEETING OF JULY 26, 2023**

**4. CONSENT CALENDAR ITEMS**

Review and approve unless an item is pulled for separate action by the Board and moved to the Regular agenda for consideration. Consent items are to be routine and non-controversial. All items are approved as recommended without discussion.

**A. Receive Executive Director Report (Michael Nigh)**

**B. Receive Financial Report (Denise Howells)**

**C. Receive Section 8 Report (Carrie Sabatini & James Markot)**

**D. Receive Housing Programs Report (Carrie Sabatini)**

**E. Receive Housing Assets and Development Report (George McGehee, Jr.)**

**5. PUBLIC COMMENTS**

Any member of the public may address the Board of Commissioners on an item appearing on the agenda or any subject within the jurisdiction of the Housing Authority. *Please note that public comments will not be responded to, acted on or discussed during the meeting, but may appear on a future agenda. If you wish to make a comment, please refer to meeting announcement on previous page.*

**6. 2024 SCHEDULE OF BOARD MEETINGS**

Mark Lunn, Board Chair

Michael Nigh, Executive Director

Motion to Approve, Second, Discuss, Voice Vote

**7. RESOLUTION No. 1147 – A RESOLUTION OF THE AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA AUTHORIZING THE ACQUISITION OF ADMINISTRATIVE GENERAL PARTNER INTEREST AND FORGIVENESS OF AHP LOAN (OAK CREEK SENIOR VILLAS)**

Michael Nigh, Executive Director

Motion to Approve, Second, Discuss, Roll Call Vote

**8. BOARD RESPONSIBILITIES: CONFLICTING OPEN MEETING REQUIREMENTS**

Ian Elsenheimer, Ferguson Case Orr Paterson LLP

Information Only

**9. REVIEW OF FINANCIAL REPORTS: PROGRAMS AND FUNDING**

Carrie Sabatini, Deputy Executive Director/Director of Housing Programs

Michael Nigh, Executive Director

Information and Discussion

**10. STAFF COMMENTS**

Information Only

**11. EXECUTIVE DIRECTOR COMMENTS**

Information Only

**12. COMMISSIONER COMMENTS**

Comments by Commissioners on matters they consider appropriate and housing related topics for consideration for a future agenda. The Board of Commissioners will not respond to comments but will take them into consideration and the item may appear on a future agenda if discussion is determined necessary. Commissioners are asked to limit their comments to three (3) minutes or less

**13. CHAIR COMMENTS (5 MIN)**

**NEXT SCHEDULED MEETING  
Regular Meeting October 25, 2023  
1400 W. Hillcrest Drive  
Newbury Park, CA 91320 AT 3:00 P.M.**

Americans with Disabilities Act (ADA): In compliance with ADA, if you need special assistance to participate in this meeting, please contact the Area Housing Authority of the County of Ventura via email at [admin@ahacv.org](mailto:admin@ahacv.org) or by phone at (805) 480-9991 ext. 850. Notification at least 48 hours prior to the meeting will ensure that reasonable accommodations can be addressed appropriately.



**REGULAR MEETING OF THE  
AREA HOUSING AUTHORITY  
OF THE COUNTY OF VENTURA  
BOARD OF COMMISSIONERS**

**MEMBERS OF THE BOARD:**

**Angela Bradley**, Resident Commissioner  
**Doug Hooper**, Camarillo  
**Susan L. Johnson**, Fillmore  
**Deborah Laine**, Simi Valley  
**Charles Lech**, Thousand Oaks  
**Mark Lunn**, Thousand Oaks  
**Steve Mason**, Ojai  
**Jorgen Nielsen**, Moorpark  
**Joseph Piechowski**, Simi Valley  
**Juan Ponce**, Moorpark  
**Marci Ramos-Cruz**, Fillmore  
**Brent Reischer**, Camarillo  
**Chelsee Russell**, Unincorporated County  
**Terry Wall**, Unincorporated County

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**MINUTES – July 26, 2023**

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**DISCLAIMER:** These minutes are DRAFT minutes. These minutes do not constitute an official record of the Area Housing Authority and are subject to change upon further review by the Board of Commissioners of the Area Housing Authority. Official minutes, incorporating any approved revisions, are available after approval of the corresponding draft minutes by the Board of Commissioners at a subsequent meeting.

**1. CALL TO ORDER / WELCOME**

This regular meeting of the Area Housing Authority of the County of Ventura's Board of Commissioners was held on Wednesday, July 26, 2023, at 1400 W. Hillcrest Drive, Newbury Park, California. Chair Lunn called the meeting to order at 3:02 pm.

**A. PLEDGE OF ALLEGIANCE**

Commissioner Ponce led the Pledge of Allegiance.

**B. COMMISSIONER ATTENDANCE**

Commissioners present: Doug Hooper, Susan Johnson, Deborah Laine, Chuck Lech, Mark Lunn, Steve Mason, Jorgen Nielsen, Joseph Piechowski, Juan Ponce, Chelsee Russell, Terry Wall

Commissioners absent: Angela Bradley, Marci Ramos-Cruz, Brent Reischer

Staff present: Executive Director Michael Nigh, Linda Fisher-Helton, Mandy Green, Denise Howells, Jim Markot, George McGehee Jr.<sup>1</sup>, Roxanne Robinson-Jones, Carrie Sabatini

Staff participating via conference or video call: George McGehee Jr.<sup>1</sup>, Nancy Reidy

Legal Counsel present: Ian Elsenheimer, Ferguson Case Orr Paterson LLP

**2. ADOPTION OF AGENDA**

Chair Lunn called for a motion to adopt the Agenda. Commissioner Piechowski moved to adopt the Agenda; the motion was seconded by Commissioner Johnson. Following a voice vote, the Agenda for the Board meeting of July 26, 2023 was adopted.

**3. APPROVAL OF MINUTES REGULAR MEETING OF JUNE 28, 2023**

Chair Lunn called for a motion to approve the Minutes of June 28, 2023. Commissioner Hooper requested a change to indicate one member of the public spoke. Commissioner Hooper moved to approve the amended Minutes of June 28, 2023 and Commissioner Laine seconded. Following a voice vote, the Meeting Minutes of June 28, 2023 were approved as amended.

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<sup>1</sup> Mr. McGehee initially participated in the meeting via teleconference, but left the teleconference at approximately 3:10 pm to join the in-person meeting. Mr. McGehee arrived at the in-person meeting at 3:27 pm.

#### **4. CONSENT CALENDAR ITEMS**

The following consent items required no discussion and had no objections: Executive Director Report, Financial Report, Section 8 Report, Housing Programs Report, and the Housing Assets & Development Report.

Chair Lunn called for a motion. Commissioner Johnson moved to adopt the Consent Calendar Items; Commissioner Mason seconded. Following a voice vote, the Consent Calendar Items were adopted.

#### **5. PUBLIC COMMENTS**

One member of the public was present.

#### **6. FY 2024 BUDGET PRESENTATION**

Denise Howells, Director of Finance, presented the FY2024 Budget and highlighted significant budget items. Ms. Howells stated that the Public Housing Program budget was approved by the Board on June 28, 2023 and would not be part of the discussion. For the Section 8 Program, projected program-specific reserves are \$3.99 million at the end of this fiscal year, which is the equivalent of one year's administrative fee income. Projected reserves for the General Fund are \$9.77 million and \$2.93 million for Agency Owned; this equates to projected unrestricted reserves of over \$12.7 million, a \$1.3 million increase. Ms. Howells stated that the FY2024 Budget indicates that the AHA will continue to be financially sound at the end of FY2024.

Chair Lunn called for a motion. Commissioner Nielsen moved to adopt the FY2024 Budget; Commissioner Lech seconded. Following a voice vote, the FY2024 Budget was adopted.

#### **7. OVERVIEW OF COMMITTEES AND BOARD RESPONSIBILITIES**

Ian Elsenheimer, Ferguson Case Orr Paterson LLP, provided a presentation on the different types of committees, their structure, regulatory requirements, and their use in public administration. In addition, Mr. Elsenheimer recognized AHA's appropriate use of committees, specifically ad hoc committees, for short-term tasks.

#### **8. PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS) PRESENTATION**

Carrie Sabatini, Deputy Executive Director/Director of Housing Programs, explained the elements of PHAS, the challenges, and the significance of being ranked as a "High Performer". Ms. Sabatini discussed the process involved, the role of HUD inspections, and the AHA's ongoing efforts to ensure properties are well maintained. In addition, Ms. Sabatini informed the Board that the AHA has consistently earned the "High Performer" designation every year since 2012, and announced that the agency received the high performer designation again for 2022.

#### **9. STAFF COMMENTS**

George McGehee Jr, Director of Housing Assets, provided a photo presentation on the ongoing construction at Rancho Sierra Senior Apartments (unincorporated/Camarillo) and Vista Campanario (Camarillo). Mr. McGehee also provided photos of the solar panel and roofing project at Pepper Tree Court (Simi Valley), and drought-tolerant landscaping in progress at Roth Apartments (Ojai).

Carrie Sabatini, Deputy Executive Director/Director of Housing Programs, announced the opening of the Rancho Sierra Senior Apartments (unincorporated/Camarillo) waiting list on August 8, 2023. Ms. Sabatini also provided information regarding the community outreach efforts, which included local social service agencies and non-profits, cities and county departments, an email announcement to over 6,000 households, public service announcements on local radio stations, and an advertisement in the Ventura County Star (English) and Vida (Spanish) newspapers.

Linda Fisher-Helton, Community Relations Manager, provided the Board with tools and suggestions when individuals contact Commissioners for housing assistance.

Roxanne Robinson-Jones, Human Resources Manager, reminded the Commissioners to provide emergency contact information and offered hard-copy forms to those who need them.

**10. EXECUTIVE DIRECTOR COMMENTS**

Mr. Nigh congratulated Commissioners Ponce and Nielsen on their reappointments to the Board by the City of Moorpark for another four years.

Mr. Nigh announced that the ground breaking ceremony for the Vista Campanario Apartments (Camarillo) will take place on Thursday, September 14, 2023 at 3:00 pm.

**11. COMMISSIONER COMMENTS**

Commissioners congratulated Commissioner Ponce and Commissioner Nielsen on their reappointments and thanked staff for their informative presentations.

**12. CHAIR COMMENTS**

Chair Lunn thanked staff for their presentations and extended congratulations to Commissioners Nielsen and Ponce on being reappointed to the Board. Chair Lunn announced that the Regular Meeting scheduled for August 23, 2023 is cancelled; the next meeting of the Board of Commissioners will be on September 27, 2023 at 3:00 pm.

At 4:18 pm Chair Lunn adjourned the Open Session and entered into Closed Session.

**13. CLOSED SESSION**

*Conference with Legal Counsel - Anticipated Litigation  
Significant exposure to litigation pursuant to Government Code Section 54956.9(e)(3)  
Three (3) potential cases: tort claims on behalf of B. Schuh, H. Schuh, D. Jones.*

**14. CLOSED SESSION**

*Government Code Section 54957(b)(1) – Evaluation of Performance  
Conference with the Executive Director Performance Evaluation Committee  
regarding Public Employee Performance Evaluation  
Title: Executive Director*

Chair Lunn adjourned the Closed Session and re-entered into Open Session at 4:45 pm. Chair Lunn reported that the Board unanimously voted to deny the tort claim(s) filed on behalf of B. Schuh, H. Schuh and D. Jones.

Chair Lunn adjourned the meeting at 4:50 pm.

Prepared by: \_\_\_\_\_  
Michael Nigh, Executive Director

Date: \_\_\_\_\_

Reviewed by: \_\_\_\_\_  
Ian Elsenheimer, General Counsel

Date: \_\_\_\_\_

Accepted by: \_\_\_\_\_  
Mark Lunn, Chair

Date: \_\_\_\_\_





**Meeting Date:** September 27, 2023  
**Agenda Item:** 4A  
**Subject:** Executive Director Report  
**Prepared by:** Michael Nigh, Executive Director  
**Requested Action:** Information Only

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This report reflects progress for the period of July 24, 2023 to September 21, 2023. I continue to actively pursue the goals established by the Board of Commissioners. Please contact me for additional information or questions.

- Attended the August Ventura County Continuum of Care Board Meeting
- Met with executive director of Mesa Farm in Ojai and County of Ventura Community Development staff regarding the Section 8 Housing Choice Voucher program
- Met with Santa Paula Housing Authority Executive Director to share aspects of AHA operations
- Attended the September Cal AHA Meeting
- Hosted Vista Campanario (Camarillo) groundbreaking ceremony
- Monitored weekly Owner/Architect/Contractor (OAC) meetings for Vista Campanario
- Reviewed monthly pay request from contractor for Vista Campanario construction, compiled and submitted funding draw to construction lender for payment and reimbursement
- Continue to meet with potential developer of the eight for sale condos at Vista Campanario to discuss process of land transfer and construction of units
- Monitored weekly Owner/Architect/Contractor (OAC) meetings for Rancho Sierra (unincorporated/Camarillo)
- Continue to negotiate AHA's acquisition of the limited partner's interest of the owning partnership of Oak Creek Senior Villas (Thousand Oaks) Note:15-year compliance term has ended
- Met with City of Thousand Oaks staff regarding Oak Creek Senior Villas
- Continue to investigate options for AHA's acquisition of the limited partner's interest of the owning partnership of Meadowbrook Apartments (Camarillo) Note:15-year compliance term has ended
- Completed Executive Director review feedback meeting with Board Chair and HR Manager
- Met with Many Mansions President and Executive Director regarding future projects
- Attended *Development Options for Public Housing Authorities* webinar
- Continue to follow city council and planning meetings for our jurisdictions
- Continue to monitor HUD communications on proposed program changes and funding
- Continue to discuss with management team succession planning, the future of our operations, the physical and organizational changes necessary to continue to serve our clients



**Meeting Date:** September 27, 2023  
**Agenda Item:** 4B  
**Subject:** Financial Report  
**Prepared by:** Denise Howells, Director of Finance  
**Requested Action:** Information Only

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### **June 2023 Financial Statements**

Please find following the financial reports for the fiscal year ended June 30, 2023.

- **Summary Financial Statement**

The General Fund received a \$384,544 developer fee from Mountain View (Fillmore). AHA earned this fee for the successful conversion to permanent financing.

- **Statement of Revenue, Expenditures and Changes in Net Position**

The following budgeted maintenance repairs and improvements occurred in June 2023:

1. Whispering Oaks (Ojai) - \$64,009 for driveway and concrete repairs; \$6,458 in roof repairs
2. Florence Janss (Thousand Oaks) - \$4,354 to install an automatic entry door; \$4,911 in roof repairs
3. Leggett Court (Thousand Oaks) - \$5,064 for new monument sign; \$6,615 for tub refinishing, flooring, painting and vacancy repairs for one unit
4. Roth Apts. (unincorporated, Ojai) - \$120,437 to remove turf and install drought tolerant landscaping; \$60,111 to remove and replace sidewalks; \$2,512 for tub refinishing, flooring and painting
5. Ellis Terrace (Camarillo) - \$34,761 for curb and asphalt repairs and replacement; \$8,648 for flooring, painting and vacancy repairs for two units
6. Fiore Gardens (Thousand Oaks) - \$4,911 in roof repairs; \$6,484 for tub refinishing, flooring, painting and vacancy repairs
7. Glenn Oaks (Thousand Oaks) - \$59,988 to repave and restripe the parking lot; \$6,458 in roof repairs
8. Royal Oaks (Thousand Oaks) - \$15,671 for flooring in three occupied units
9. Los Arboles (Thousand Oaks) - \$157,685 for roof replacement; \$56,900 for new trash enclosures; \$7,032 for tub refinishing, flooring and painting
10. Sunset Villas (Thousand Oaks) - \$17,553 for flooring in four occupied units; \$14,753 for new trash enclosure
11. Summer Street (Ojai) - \$7,540 for tub refinishing, flooring, painting and vacancy repairs
12. Pepper Tree Court (Simi Valley) - \$419,982 to replace roof and repair existing solar panels on main building
13. Casa Velasquez (Camarillo) - \$8,305 in roof repairs

The following non-budgeted maintenance repairs occurred in June 2023:

1. Grand Avenue (Ojai) - \$5,744 in roof repairs
  2. Pepper Tree Court (Simi Valley) - \$8,148 to replace heat pump system
- **Analysis of Reserve Summary**  
This report includes all year to date activity for the fiscal year.
  - **Actual versus Budget Reports**  
Items of note are detailed on the individual fund reports

Please contact me at extension 610 or via email at [dhowells@ahacv.org](mailto:dhowells@ahacv.org) in order to discuss your individual questions.

Area Housing Authority of the County of Ventura Summary Financial Statement Period Ended June 30, 2023	Combined Low Rent Public Housing	Housing Choice Vouchers	General Fund	Combined Agency Owned Housing	Tax Credit Property Management	FY 2023 Budget	Variance Favorable/ (Unfavorable)
<b>Statement of Net Position</b>							
Current assets	2,573,436	5,310,605	8,716,493	3,929,378	99,439		
Current liabilities	287,040	538,550	116,619	486,524	39,063		
<b>Current Ratio</b>	<b>8.97</b>	<b>9.86</b>	<b>74.74</b>	<b>8.08</b>	<b>2.55</b>		
Long term assets	6,634,013	27,700	11,650,419	14,269,740	79,765		
Long term liabilities	12,575	122,715	2,026,060	13,353,141	27,971		
Net position invested in capital	4,965,222	27,700	(954,957)	941,537	111		
Restricted net position	-	48,024	-	-	-		
Unrestricted net position	3,942,912	4,601,316	19,179,190	3,417,916	112,059		
<b>Statement of Revenue, Expenditures and Changes in Net Position</b>							
<b>Operating revenue</b>							
Tenant revenue	2,146,461	-	-	3,352,118	-	5,317,374	181,205
Management fee income	-	-	476,944	-	489,504	968,301	(1,853)
Portability	-	33,001	-	-	-	21,060	11,941
Other	30,981	10,064	2,232,552	20,242	112,750	1,094,615	1,311,974
<b>Total operating revenue</b>	<b>2,177,442</b>	<b>43,065</b>	<b>2,709,496</b>	<b>3,372,360</b>	<b>602,254</b>	<b>7,401,350</b>	<b>1,503,267</b>
<b>Operating expenses</b>							
Salaries and benefits	422,181	2,942,246	713,443	431,206	519,263	5,271,459	243,120
Administrative expenses	118,985	563,705	172,334	63,734	22,905	718,008	(223,655)
Management fee expense	476,944	-	-	-	-	475,074	(1,870)
Resident services	203,665	-	-	1,118	-	210,932	6,149
Utilities	535,152	39,546	12,859	379,531	6,078	958,812	(14,354)
Maintenance and operations	1,190,622	72,552	29,453	880,258	145,755	2,015,358	(303,282)
General expenses	113,439	44,586	12,240	71,879	5,485	290,184	42,555
Housing assistance	-	38,416,949	-	-	-	37,070,112	(1,346,837)
<b>Total operating expenses</b>	<b>3,060,988</b>	<b>42,079,584</b>	<b>940,329</b>	<b>1,827,726</b>	<b>699,486</b>	<b>47,009,939</b>	<b>(1,598,174)</b>
<b>Nonoperating revenue/expenses</b>							
Grant revenue	1,372,033	41,624,614	-	-	-	41,870,700	1,125,947
Investment income	23,153	63,164	84,336	47,223	-	66,286	151,590
Loan payments/reserve deposits	(119,423)	-	(145,326)	(900,537)	-	(1,161,449)	(3,837)
Deferred maintenance/capital improvements	(346,152)	-	-	(707,492)	-	(1,481,000)	427,356
<b>Total nonoperating revenue/expense</b>	<b>929,611</b>	<b>41,687,778</b>	<b>(60,990)</b>	<b>(1,560,806)</b>	<b>-</b>	<b>39,294,537</b>	<b>1,701,056</b>
<b>Change in net position</b>	<b>46,065</b>	<b>(348,741)</b>	<b>1,708,177</b>	<b>(16,172)</b>	<b>(97,232)</b>		

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA  
**Public Housing - Statement of Revenue, Expenditures and Changes in Net Position**  
For the period ended June 30, 2023

	Whispering Oaks 100 units Senior/ Disabled Ojai	Florence Janss 63 units Senior/ Disabled Thousand Oaks	Leggett Court 48 units Family Thousand Oaks	Roth Apts 34 units Family unincorporated/ Ojai	Tafoya Terrace 30 units Senior/ Disabled Moorpark	Ellis Terrace 26 units Family Camarillo	Fiore Gardens 49 units Family Thousand Oaks
<b>Operating revenue</b>							
Tenant revenue	376,780	268,544	385,991	193,001	131,776	285,505	504,864
Other revenue	-	4,082	5,672	4,000	516	3,979	12,732
<b>Total operating revenue</b>	<b>376,780</b>	<b>272,626</b>	<b>391,663</b>	<b>197,001</b>	<b>132,292</b>	<b>289,484</b>	<b>517,596</b>
<b>Operating expenses</b>							
Total administrative expenses	231,455	140,274	130,154	93,984	80,065	78,738	135,872
Resident services	22,818	18,859	34,780	32,301	20,786	31,866	40,850
Utilities	120,044	76,002	68,607	80,075	26,363	36,026	128,035
Maintenance and operations	233,175	195,758	167,259	107,826	107,455	128,763	250,386
General expenses	29,762	20,241	4,143	15,545	9,470	10,233	24,045
<b>Total operating expenses</b>	<b>637,254</b>	<b>451,134</b>	<b>404,943</b>	<b>329,731</b>	<b>244,139</b>	<b>285,626</b>	<b>579,188</b>
<b>Nonoperating revenue/expenses</b>							
Grant revenue	369,603	203,282	115,527	283,207	135,527	41,424	94,490
Investment income	5,202	2,563	4,048	2,468	2,166	2,693	4,013
Loan payments	(45,596)	(17,146)	(13,780)	(27,257)	(4,972)	(10,672)	-
Deferred maintenance/capital improvements	(64,009)	-	-	(180,548)	(5,456)	(34,761)	(61,378)
<b>Total nonoperating revenue/expense</b>	<b>265,200</b>	<b>188,699</b>	<b>105,795</b>	<b>77,870</b>	<b>127,265</b>	<b>(1,316)</b>	<b>37,125</b>
<b>Change in net position</b>	<b>4,726</b>	<b>10,191</b>	<b>92,515</b>	<b>(54,860)</b>	<b>15,418</b>	<b>2,542</b>	<b>(24,467)</b>

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA  
**Agency Owned - Statement of Revenue, Expenditures and Changes in Net Position**  
For the period ended June 30, 2023

	Raemere Street 2 units Family Camarillo	Glenn Oaks 39 units Senior Thousand Oaks	Royal Oaks 5 units Family Thousand Oaks	Los Arboles 43 units Family Thousand Oaks	Sunset Villas 11 units Family Thousand Oaks	Grand Ave 5 units Family/ Senior Ojai	Summer Apts 10 units Family/ Senior Ojai	Summerwind 15 units Family/ Senior unincorporated/ Piru	Pepper Tree Court 36 units Senior Simi Valley	Casas de Sueño 10 units Family Camarillo	Casa Velasquez 13 units Family Camarillo
<b>Operating revenue</b>											
Tenant revenue	32,715	689,347	140,382	829,701	208,452	68,344	136,684	168,696	646,262	186,696	244,839
Other revenue	-	1,201	-	6,278	-	523	2,739	4,861	4,408	-	-
<b>Total operating revenue</b>	<b>32,715</b>	<b>690,548</b>	<b>140,382</b>	<b>835,979</b>	<b>208,452</b>	<b>68,867</b>	<b>139,423</b>	<b>173,557</b>	<b>650,670</b>	<b>186,696</b>	<b>244,839</b>
<b>Operating expenses</b>											
Total administrative expenses	1,749	30,348	178	60,927	3,904	5,528	7,022	16,014	29,085	12,425	15,670
Resident services	-	775	-	343	-	-	-	-	-	-	-
Utilities	1,991	40,322	9,494	119,598	23,536	11,965	21,209	34,571	74,687	20,690	16,593
Maintenance and operations	8,426	122,635	14,761	113,604	28,385	46,307	26,853	72,436	141,139	50,875	85,570
General expenses	713	8,671	2,630	14,065	3,406	1,837	3,968	3,263	20,430	5,569	5,152
<b>Total operating expenses</b>	<b>12,879</b>	<b>202,751</b>	<b>27,063</b>	<b>308,537</b>	<b>59,231</b>	<b>65,637</b>	<b>59,052</b>	<b>126,284</b>	<b>265,341</b>	<b>89,559</b>	<b>122,985</b>
<b>Nonoperating revenue/expenses</b>											
Grant revenue	-	-	-	-	-	-	-	-	-	-	-
Investment income	150	20,173	2,289	13,054	7,160	2,215	21	70	163	168	189
Loan payments/replacement reserves	(600)	(133,411)	(42,882)	(139,788)	(83,124)	(1,500)	(59,375)	(4,500)	(278,278)	(71,717)	(85,362)
Deferred maintenance/capital improvements	-	(74,856)	(50,671)	(63,244)	(72,693)	(6,680)	-	-	(431,978)	(3,169)	(4,201)
<b>Total nonoperating revenue/expense</b>	<b>(450)</b>	<b>(188,094)</b>	<b>(91,264)</b>	<b>(189,978)</b>	<b>(148,657)</b>	<b>(5,965)</b>	<b>(59,354)</b>	<b>(4,430)</b>	<b>(710,093)</b>	<b>(74,718)</b>	<b>(89,374)</b>
<b>Change in net position</b>	<b>19,386</b>	<b>299,703</b>	<b>22,055</b>	<b>337,464</b>	<b>564</b>	<b>(2,735)</b>	<b>21,017</b>	<b>42,843</b>	<b>(324,764)</b>	<b>22,419</b>	<b>32,480</b>

Area Housing Authority of the County of Ventura  
**Analysis of Projected Reserves By Program**  
 June 2023

	<b>AHA General Fund</b>	<b>Agency Owned</b>	<b>Section 8 Program*</b>	<b>Public Housing*</b>
<b><u>Cash &amp; Equivalents</u></b>				
Cash	10,060	74,097	6,207	30,200
Investments	6,779,580	3,338,549	5,230,721	2,457,813
Replacement Reserve		464,260		
Accounts Receivable	1,926,853	26,692	36,194	41,753
<b>Total Cash &amp; Equivalents</b>	<b>8,716,493</b>	<b>3,903,598</b>	<b>5,273,122</b>	<b>2,529,766</b>
<b><u>Uses of Cash &amp; Equivalents</u></b>				
Accounts Payable	(96,474)	(944,512)	(150,408)	(284,507)
Accrued Liabilities	(59,118)	(31,210)	(558,880)	(12,502)
<b>Total Uses of Cash &amp; Equivalents</b>	<b>(155,592)</b>	<b>(975,722)</b>	<b>(709,288)</b>	<b>(297,009)</b>
<b>Sub Total</b>	<b>8,560,901</b>	<b>2,927,876</b>	<b>4,563,834</b>	<b>2,232,757</b>
<b><u>Projected Other Uses thru 6/30/23</u></b>				
Remaining Yr Projected Income/(Loss)	0	0	0	0
Vista Campanario (Camarillo)			0	
Capital Improvements/Deferred Maintenance		0		0
Transfer to Property Management/Pepper Tree Court	0			
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fiscal Year End Balance</b>	<b>8,560,901</b>	<b>2,927,876</b>	<b>4,563,834</b>	<b>2,232,757</b>

\*Restricted use for specific program only.

*This report is not prepared in accordance with GAAP and is intended for internal use only.*

## LOW RENT PUBLIC HOUSING

	FY 2023 Actual	FY 2023 Budget	Variance Favorable/ (Unfavorable)	
Operating revenue				
Tenant revenue	2,146,461	2,023,418	123,043	A
Management Fees				
Other	30,981	22,000	8,981	
Total operating revenue	<u>2,177,442</u>	<u>2,045,418</u>	<u>132,024</u>	
Operating expenses				
Administrative expenses	1,221,775	1,206,832	(14,943)	
Utilities	535,152	540,607	5,455	
Maintenance and operations	1,190,622	1,052,465	(138,157)	B
General expenses	113,439	139,464	26,025	
Housing assistance				
Total operating expenses	<u>3,060,988</u>	<u>2,939,368</u>	<u>(121,620)</u>	
Nonoperating revenue and (expenses)				
Grant revenue	1,372,033	1,268,947	103,086	
Investment interest	23,153	5,845	17,308	
Loan payments/interest/deposits	(119,423)	(115,586)	(3,837)	
Deferred maintenance/Capital improvements	(346,152)	(439,000)	92,848	B
Total nonoperating revenue and (expenses)	<u>929,611</u>	<u>720,206</u>	<u>209,405</u>	
Income (loss) before capital contributions and transfers	46,065	(173,744)	219,809	
Transfers	<u>0</u>	<u>0</u>	<u>0</u>	
Change in net position	<u>46,065</u>	<u>(173,744)</u>	<u>219,809</u>	

A Rental income high due to vacancy rate being lower than budgeted.

B As vacancy and repair expenses were higher than budgeted, the Housing Assets Department elected to delay some of the deferred maintenance and improvements until FY 2024.



## SECTION 8 HOUSING CHOICE VOUCHER

	FY 2023 Actual	FY 2023 Budget	Variance Favorable/ (Unfavorable)
Operating revenue			
Tenant revenue			
Management fees			
Incoming port admin fees/other	43,065	31,810	11,255
Total operating revenue	<u>43,065</u>	<u>31,810</u>	<u>11,255</u>
Operating expenses			
Administrative expenses	3,505,951	3,602,581	96,630
Utilities	39,546	40,452	906
Maintenance and operations	72,552	46,240	(26,312)
General expenses	44,586	45,237	651
Housing assistance	38,416,949	37,070,112	(1,346,837) A
Total operating expenses	<u>42,079,584</u>	<u>40,804,622</u>	<u>(1,274,962)</u>
Nonoperating revenue and (expenses)			
Grant revenue	41,624,614	40,601,753	1,022,861 A
Investment interest	63,164	17,995	45,169
Loan payments/interest/deposits			
Deferred maintenance/capital improvements			
Total nonoperating revenue and (expenses)	<u>41,687,778</u>	<u>40,619,748</u>	<u>1,068,030</u>
Income (loss) before capital contributions and transfers	(348,741)	(153,064)	2,354,247 A
Transfers	<u>0</u>	<u>0</u>	<u>0</u>
Change in net position	<u>(348,741)</u>	<u>(153,064)</u>	<u>2,354,247</u>

A AHA received \$351,127 excess Housing Assistance Payment (HAP) funds in FY 2022. Per HUD's cash management requirements, which state PHA's should only receive the funds required to cover HAP expenses, HUD's HAP disbursements to AHA were reduced accordingly in FY 2023.

## AHA GENERAL FUND

	FY 2023 Actual	FY 2023 Budget	Variance Favorable/ (Unfavorable)
Operating revenue			
Tenant revenue			
Management fees	476,944	475,074	1,870
Other	2,232,552	925,898	1,306,654
Total operating revenue	<u>2,709,496</u>	<u>1,400,972</u>	<u>1,308,524</u>
Operating expenses			
Administrative expenses	885,777	867,045	(18,732)
Utilities	12,859	13,161	302
Maintenance and operations	29,453	26,148	(3,305)
General expenses	12,240	14,932	2,692
Total operating expenses	<u>940,329</u>	<u>921,286</u>	<u>(19,043)</u>
Nonoperating revenue and (expenses)			
Investment interest	84,336	26,163	58,173
Loan payments/interest/deposits	(145,326)	(145,326)	0
Deferred maintenance/Capital improvements			
Total nonoperating revenue and (expenses)	<u>(60,990)</u>	<u>(119,163)</u>	<u>58,173</u>
Income (loss) before capital contributions and transfers	1,708,177	360,523	1,385,740
Transfers	<u>(529,210)</u>	<u>(338,794)</u>	<u>(190,416)</u>
Change in net position	<u>1,178,967</u>	<u>21,729</u>	<u>1,195,324</u>

A Non-budgeted income includes:

Developer fees:

- \$307,500 from Sycamore (Simi Valley)
- \$400,000 from Vista Campanrio (Camarillo)
- \$375,000 from Rancho Sierra (unincorporated Ventura County)

\$160,303 cash distribution received from Mira Vista (Camarillo)

\$39,929 dividends received from property, liability and workers' compensation carriers

## AGENCY OWNED HOUSING

	FY 2023 Actual	FY 2023 Budget	Variance Favorable/ (Unfavorable)
Operating revenue			
Tenant revenue	3,352,118	3,293,956	58,162
Management fees			
Other	20,242	16,680	3,562
Total operating revenue	<u>3,372,360</u>	<u>3,310,636</u>	<u>61,724</u>
Operating expenses			
Administrative expenses	496,058	492,736	(3,322)
Utilities	379,531	358,369	(21,162)
Maintenance and operations	880,258	747,905	(132,353) A
General expenses	71,879	84,345	12,466
Housing assistance			
Total operating expenses	<u>1,827,726</u>	<u>1,683,355</u>	<u>(144,371)</u>
Nonoperating revenue and (expenses)			
Investment interest	47,223	16,283	30,940
Loan payments/interest/deposits	(900,537)	(900,537)	0
Deferred maintenance/Capital improvements	(707,492)	(1,042,000)	334,508 A/B
Total nonoperating revenue and (expenses)	<u>(1,560,806)</u>	<u>(1,926,254)</u>	<u>365,448</u>
Income (loss) before capital contributions and transfers	(16,172)	(298,973)	571,543
Transfers	431,978	290,000	141,978 C
Change in net position	<u>415,806</u>	<u>(8,973)</u>	<u>713,521</u>

A As vacancy and repair expenses were higher than budgeted, the Housing Assets Department elected to delay some of the deferred maintenance and improvements until FY 2024.

B Due to continued COVID concerns and supply availability interior improvements delayed until FY 2024 include replacement of: flooring in occupied units, kitchen cabinets, shower stalls and bathroom fans

C The transfer of funds from the General Fund for the roof replacement at Pepper Tree Court was higher than budgeted due to rising costs.

## PROPERTY MANAGEMENT

	FY 2023 Actual	FY 2023 Budget	Variance Favorable/ (Unfavorable)
Operating revenue			
Tenant revenue			
Management fees	489,504	493,227	(3,723)
Other	112,750	119,287	(6,537)
Total operating revenue	<u>602,254</u>	<u>612,514</u>	<u>(10,260)</u>
Operating expenses			
Administrative expenses	542,168	506,279	(35,889) A
Utilities	6,078	6,223	145
Maintenance and operations	145,755	142,600	(3,155)
General expenses	5,485	6,206	721
Housing assistance			
Total operating expenses	<u>699,486</u>	<u>661,308</u>	<u>(38,178)</u>
Nonoperating revenue and (expenses)			
Grant revenue			
Investment interest			
Loan payments/interest/deposits			
Deferred maintenance/capital improvements			
Total nonoperating revenue and (expenses)	<u>0</u>	<u>0</u>	<u>0</u>
Income (loss) before capital contributions and transfers	(97,232)	(48,794)	(48,438)
Transfers	<u>97,232</u>	<u>48,794</u>	<u>48,438</u> A
Change in net position	<u>0</u>	<u>0</u>	<u>0</u>

A Salaries and benefits exceeded budget.



**Meeting Date:** September 27, 2023  
**Agenda Item:** 4C  
**Subject:** Section 8 Report  
**Prepared by:** James Markot, Director of Information Systems and Carrie Sabatini, Deputy Executive Director/Director of Housing Programs  
**Requested Action:** Information Only

**HOUSING CHOICE VOUCHER PROGRAM STATUS**

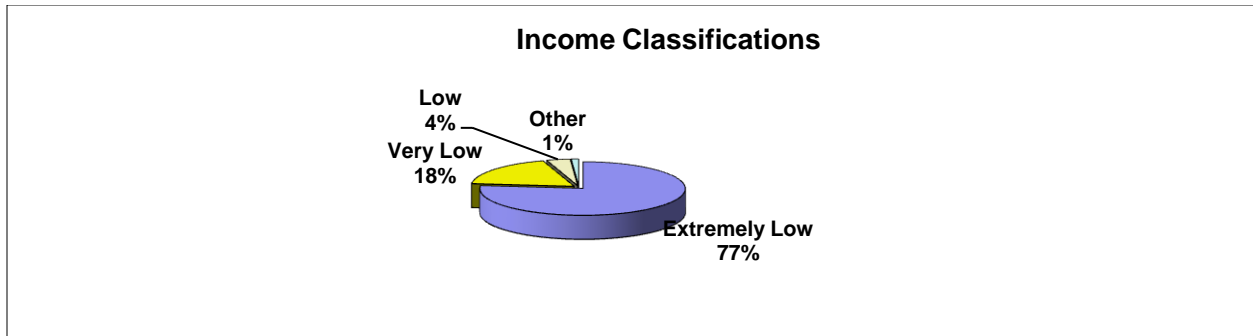
Total Family Members Assisted 4,299

**WAITING LIST STATUS**

Current S8 Waiting List Closed 11/16/2020 1,645

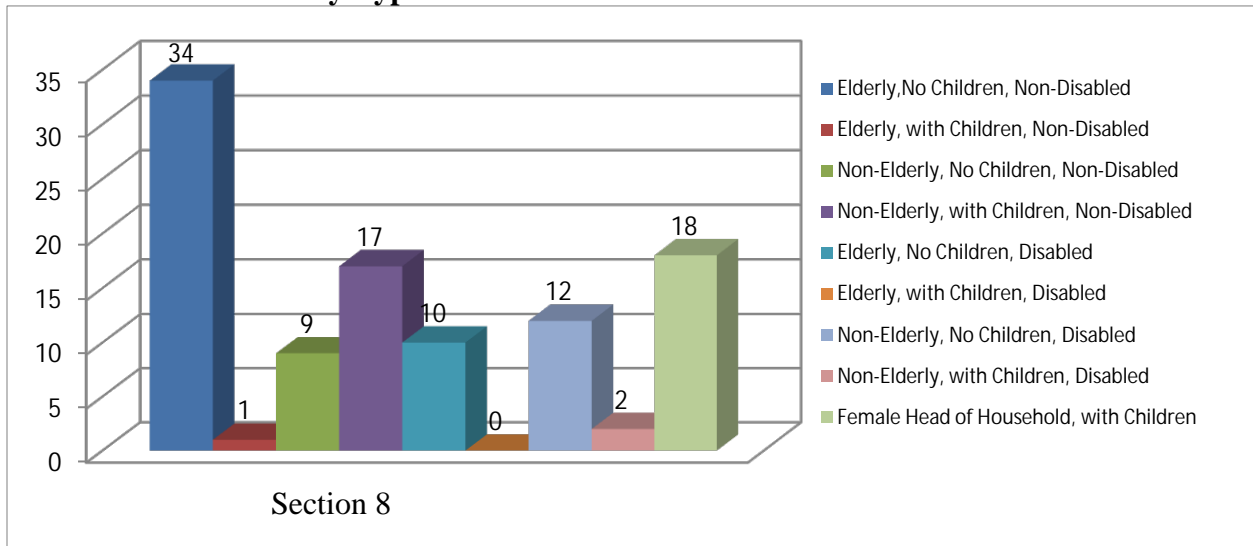
**DEMOGRAPHICS**

**Voucher Holders Income Classifications - All Cities**



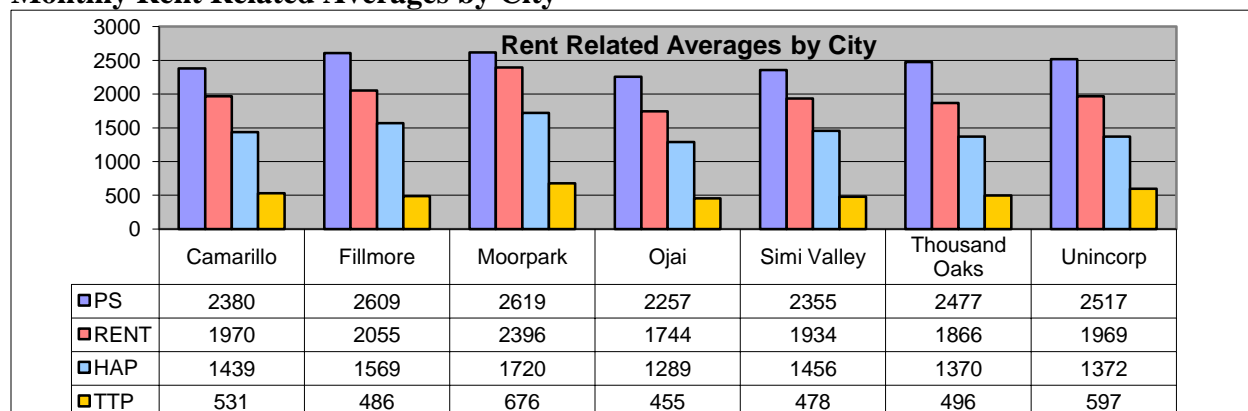
**EXTREMELY LOW, <= 30% of Median Income; VERY LOW, >30% and <= 50% of Median Income; LOW, > 50% and <= 80% of Median Income; OTHER, > 80% of Median Income**

**Voucher Holders Family Types - All Cities**



**DEMOGRAPHICS**

Reporting Date: July 31, 2023

**Monthly Rent Related Averages by City****PS = Avg. Payment Standard at time of Lease Up****RENT = Contract Rent****HAP = Housing Assistance Payment****TTP = Total Tenant Payment (Tenant Portion of Rent)****DEMOGRAPHICS****Monthly Vouchers in use, Dollars – Comparison of City to All Vouchers**

	Vouchers	% of All Vouchers	HAP Dollars	% of all HAP Dollars
<b>Camarillo</b>	531	23.1%	\$764,237	22.9%
<b>Fillmore</b>	250	10.9%	\$392,141	11.7%
<b>Moorpark</b>	131	5.7%	\$225,308	6.7%
<b>Ojai</b>	60	2.6%	\$77,325	2.3%
<b>Simi Valley</b>	676	29.4%	\$984,570	29.5%
<b>Thousand Oaks</b>	513	22.3%	\$703,044	21.0%
<b>Unincorporated</b>	119	5.2%	\$163,265	4.9%
<b>Outside of Area</b>	20	0.9%	\$31,803	1.0%
	2300	100.0%	\$3,341,693	100.0%

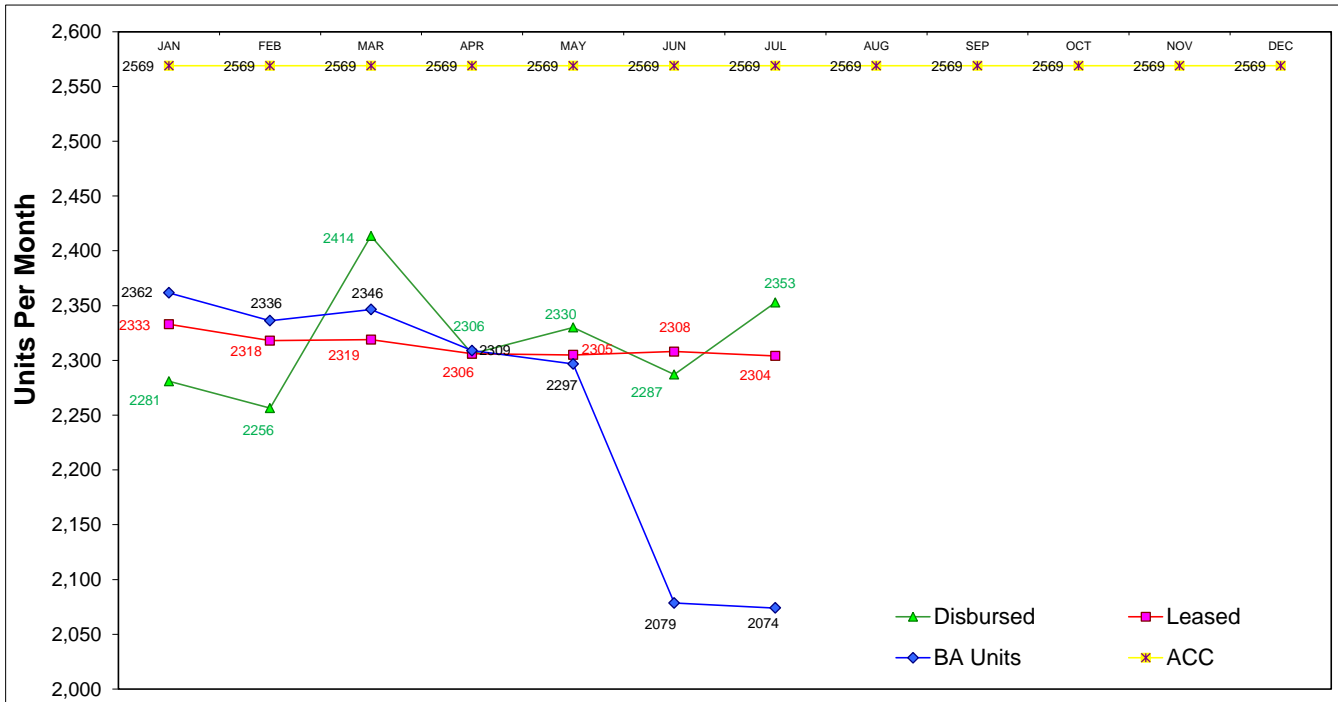
**Vouchers = Number of vouchers actively in use in designated city.****% of Vouchers = Percentage of monthly vouchers leased in a city compared to all vouchers in use.****HAP Dollars = Total monthly Housing Assistance Payments made in designated city.****% of Dollars = Percentage of monthly voucher HAP paid in a city compared to all HAP dollars paid.**

Please contact Jim at extension 888 or via email at [jmarkot@ahacv.org](mailto:jmarkot@ahacv.org) or Carrie at extension 390 or via email at [csabatini@ahacv.org](mailto:csabatini@ahacv.org) in order to discuss your individual questions.

Area Housing Authority of the County of Ventura  
**Section 8 Voucher Program Leasing Summary**  
 January 1, 2023 - July 31, 2023

	HUD Budget Authority (BA)	HUD Disbursement	AHA Actual	Percentage of Actual Compared to BA	Per Unit Average HAP
<b>Housing Assistance Payments</b>					
Current Month	\$2,999,619	\$3,402,777	\$3,332,203	111.1%	\$1,446
Year To Date	\$22,172,524	\$22,793,532	\$22,741,643	102.6%	\$1,404
<b>Administrative/Other Fees</b>					
		AF Disbursed	AF (Prorated) Earned		
Current Month		\$281,222	\$294,540		
Year To Date		\$1,987,012	\$2,064,276		
<b>Total Dollars (HAP+Admin Fees)</b>					
Current Month		\$3,683,999	\$3,626,743		
Year To Date		\$24,780,544	\$24,805,918		

<b>Units Leased</b>						
	Budget Authority (BA) Funded Units	HUD Disbursement Funded Units	AHA Actual Units	% of Actual Compared to BA	HUD BA Units (Over) / Under Leased	Average Units Leased
Current Month	2,074	2,353	2,304	111.1%	(230)	
Year To Date	15,803	16,227	16,193	102.5%	(390)	2,313





# Area Housing Authority of the County of Ventura

1400 West Hillcrest Dr. Newbury Park, CA 91320-2721

(805) 480-9991 · FAX (805) 480-1021

Serving Camarillo, Fillmore, Moorpark, Ojai, Simi Valley, Thousand Oaks, and the unincorporated areas of Ventura County

Revised For 5-15-2023

## PAYMENTS STANDARDS

Effective 12-01-2022 ALL AREAS OF COUNTY

### AHA

0-BR \$1,850

1-BR \$2,200

2-BR \$2,650

3-BR \$3,700

4-BR \$4,300

5-BR \$4,600

### SRO23

Single Room Occupancy

75% of 0BR \$1,388

## INCOME LIMITS

Effective 05-15-2023

INCOME LIMITS: Median Family Income \$123,500

	%	1	2	3	4	5	6	7	8
30% OF MEDIAN	30	27900	31900	35900	39850	43050	46250	49450	52650
VERY LOW-INCOME	50	46500	53150	59800	66400	71750	77050	82350	87650
LOW-INCOME	80	74400	85000	95650	106250	114750	123250	131750	140250

REVISED Effective 5-15-2023





**Meeting Date:** September 27, 2023  
**Agenda Item:** 4D  
**Subject:** Housing Programs Report  
**Prepared by:** Carrie Sabatini, Deputy Executive Director/Director of Housing Programs  
**Requested Action:** Information Only

**PUBLIC HOUSING PROGRAM STATUS**

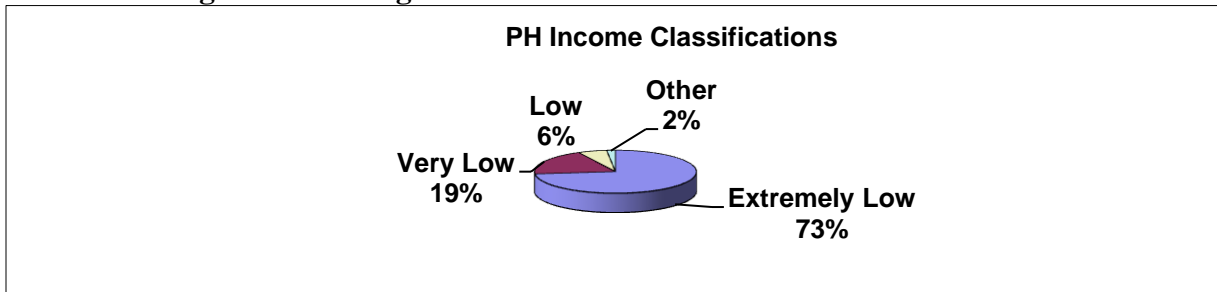
Total Family Members Assisted 715

**WAITING LIST STATUS**

Current Public Housing Elderly Waiting List 1,113  
 Current Public Housing Family Waiting List 1,692  
 Waiting List Closed 02/15/2023

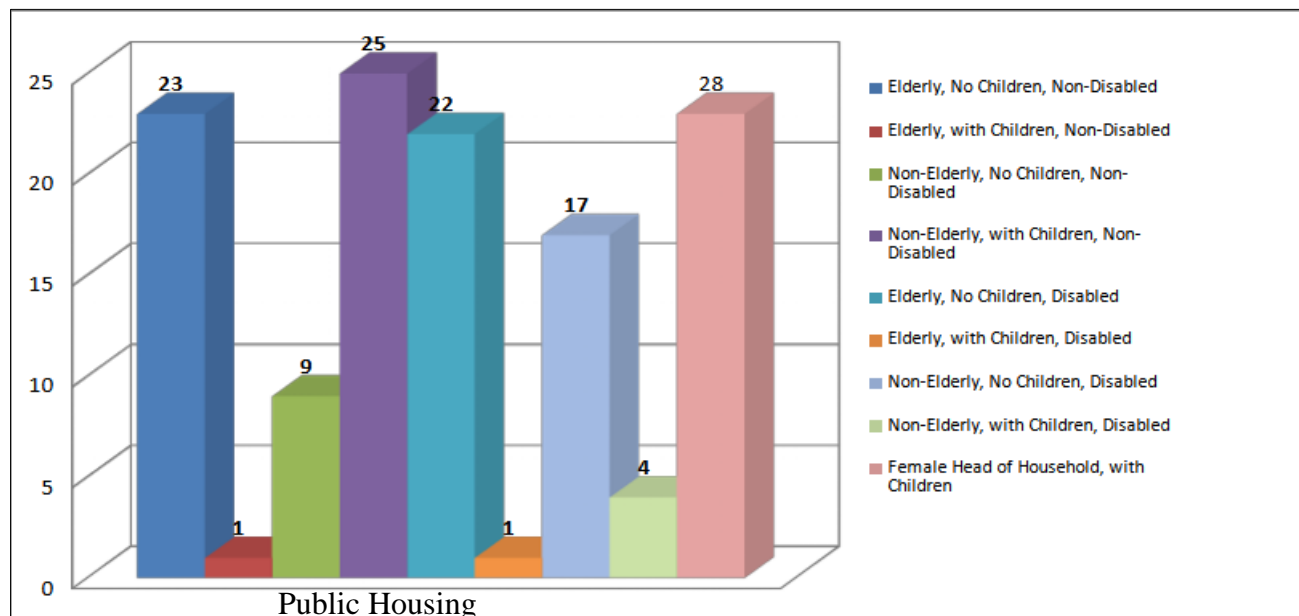
**DEMOGRAPHICS**

**Public Housing Income Categories**



**EXTREMELY LOW**, <= 30% of Median Income; **VERY LOW**, >30% and <= 50% of Median Income; **LOW**, > 50% and <= 80% of Median Income; **OTHER**, > 80% of Median Income

**Public Housing Family Types**



**DEMOGRAPHICS****Reporting Date: July 31, 2023**

## Occupancy By Program

	<b>Units</b>	<b>Units Leased</b>	<b># of Vacancies</b>	<b>Occupancy %</b>
<b>Public Housing</b>	349	344	5	99%
<b>Agency Owned</b>	189	185	4	98%
<b>TCP Managed Property</b>	225	219	6	97%
<b>Mira Vista Village</b>	303	300	3	99%
	1066	1048	18	98%

**RESIDENT SERVICES:**

Services are provided in partnership with a wide network of service partners. A partial list of partnering agencies includes Conejo Recreation and Parks District, Senior Concerns, VC United, Ventura County Area Agency on Aging, LifeSTEPS, and Help of Ojai.

For questions on the demographic information, please contact Jim at extension 888 or via email at [jmarkot@ahacv.org](mailto:jmarkot@ahacv.org). For questions on other Housing Programs related information, please contact Carrie at extension 390 or via email at [csabatini@ahacv.org](mailto:csabatini@ahacv.org).



**Meeting Date: September 27, 2023**  
**Agenda Item: 4E**  
**Subject: Housing Assets and Development Report**  
**Prepared by: George McGehee, Jr., Director of Housing Assets**  
**Requested Action: Information Only**

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**UPDATES:**

- The roof replacement project along with the reinstallation of the solar panels at the Pepper Tree Court Apartments (Simi Valley) has been completed. The project focused on the main building and included the replacement of the tile on the mansards as well as the flat roof area.
- The new 5-year Capital Fund Program (CFP) plan submitted to HUD in their Energy and Performance Information Center (EPIC) has been approved. The 2023 CFP 1-year plan will be created in EPIC and is available for use.
- The AHA was awarded funds for capital improvements at the Grand Avenue Apartments (Ojai) through the County of Ventura's Community Development Block Grant (CDBG) program. Improvements include the replacement of the roofs. We anticipate that the contract will be issued for the work in October.

**DEVELOPMENT UPDATE**

**Vista Campanario at 2800 Barry Street (Camarillo)**

- The site was formerly Stockyard Lumber and is owned by Barry 60 LP.
- The development includes 68 units of affordable housing, eight of which will be for-sale units.
- A Notice to Proceed with commencement of work was issued on April 10, 2023.
- The installation of the off-site (Barry Street) utilities as well as the curb, gutter, driveway approaches and street repairs has been completed. On-site utilities continue and are expected to be completed this month.
- Southern California Edison (SCE) plans have been approved and the on-site vaults have been placed.

- Cal Trans plans have been approved and we have received the necessary permits to begin the work on Lewis Road. This work is expected to be completed in October 2023.
- The Pleasant Valley Recreation and Parks District (PVRPD) water conservation measures projects have been completed. This project included the removal of 82,000 square feet of turf replacing it with drought tolerant planting. This project is required to meet our water saving measure of 10.25 acre feet per year.
- We have received approval for the building plans. Building permits will be issued upon the completion of grading, pad certification, off-site improvements, and confirmation of the water saving measures.
- Construction is expected to be completed October 2024.

### **Rancho Sierra Senior Apartments (County)**

- Rancho Sierra is a 50-unit permanent supportive housing development for seniors located near Camarillo in unincorporated Ventura County at 1732 Lewis Road, adjacent to Casa Pacifica and Villa Calleguas Apartments.
- The project will utilize conventional building methods, as well as modular construction to minimize cost and accelerate the development schedule.
- Installation of underground utilities has begun, including water, storm drains, sewer and SCE.
- The first set of modular units is expected to begin arriving the first week in October 2023.
- Construction is expected to be completed August 2024.

### **Moorpark VI (Scattered Sites):**

- The proposed development of 56 family units on six parcels is on hold and will be updated when it becomes a viable development opportunity.

Please contact me at extension 520 or via email at [gmcgehee@ahacv.org](mailto:gmcgehee@ahacv.org) to discuss your individual questions.



**Meeting Date:** September 27, 2023  
**Agenda Item:** 6  
**Subject:** 2024 Schedule of Board Meetings  
**Prepared by:** Mark Lunn, Board Chair  
Michael Nigh, Executive Director  
**Requested Action:** Motion to Approve, Second, Discuss, Voice Vote

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The Board is asked to review and approve the attached proposed 2024 Schedule of Board Meetings.

Enclosed: 2024 Schedule of Board Meetings

# Area Housing Authority of the County of Ventura

WHEN WE HOUSE ONE WE CHANGE THE WORLD



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## 2024 CALENDAR

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### OBSERVED HOLIDAYS

New Year's Day 2024 01/01/24  
Martin Luther King, Jr. Day 01/15/24  
President's Day 02/19/24  
Memorial Day 05/27/24  
Juneteenth 06/19/24  
Independence Day 07/04/24  
Labor Day 09/02/24  
Veteran's Day 11/11/24  
Thanksgiving Day 11/28/24  
Christmas Day 12/25/24  
Holiday Closure 12/24/24 – 12/31/24  
New Year's Day 2025 01/01/2025

### BOARD MEETINGS

January 24, 2024  
February 28, 2024  
March 27, 2024  
April 24, 2024  
May 22, 2024  
June 26, 2024  
July 24, 2024  
August 28, 2024  
September 25, 2024  
October 23, 2024  
December 4, 2024

**Regular Board Meetings 4<sup>th</sup> Wednesday @ 3:00 pm (Except Nov. & Dec.)**

The AHA is closed between Christmas Eve and New Year's Day



**Meeting Date:** September 27, 2023

**Agenda Item:** 7

**Subject:** **Resolution No. 1147 – A Resolution of the Area Housing Authority of the County of Ventura Authorizing the Acquisition of Administrative General Partner Interest and Forgiveness of AHP Loan (Oak Creek Senior Villas)**

**Prepared by:** Michael Nigh, Executive Director

**Requested Action:** Motion to Approve, Second, Discuss, Roll Call Vote

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Oak Creek Senior Villas is a Low Income Housing Tax Credit (“LIHTC”) property located at 367 E. Thousand Oaks Boulevard, Thousand Oaks that opened in December 2004. The complex consists of 56 rental units for low income seniors age 62 and over and one manager unit. The project is owned by a limited partnership named Oak Creek Housing Investors, LP (“Partnership”). The Area Housing Authority (“AHA”) is the managing general partner and Urban Pacific Builders, LLC (“UP”) is the administrative general partner of the Partnership. The tax credit investor and limited partner is SHS Guaranteed II, L.P.

As is typical with LIHTC properties, the investor utilizes the tax credits over the first 10-years following the project’s placed in service date (credit period) while regulatory compliance must be maintained over the first 15-years (compliance period) to ensure that the tax credits remain valid. Following the compliance period it is not uncommon for the for-profit general partner, UP, to sell its interest and to exit the partnership.

The 15-year compliance period ended December 2019 and UP desires to sell its partnership interest in the Partnership to the AHA pursuant to a Purchase and Sale Agreement. The agreed upon purchase price is \$25,000 plus the prorated amount of the Partnership Management Fee due at the time of closing. Should the Board approve Resolution No.1147 at the September 27, 2023 Board Meeting, the closing can be scheduled to occur prior to September 30, 2023. The fee due at closing would be \$10,815.75.

As part of the construction financing, the Partnership obtained an Affordable Housing Program loan for \$228,000 (“AHP Loan”) from U.S. Bank. The loan terms were such that following the end of the compliance period the loan and all accrued interest could be forgiven. The Partnership did request and was granted forgiveness in August, 2023. With the approval of Resolution No. 1147 the Partnership will enter into certain documents necessary to effectuate loan forgiveness.

Staff requests the Board approve Resolution No. 1147.

Please contact me at extension 850 or via email at [mnigh@ahacv.org](mailto:mnigh@ahacv.org) to discuss your individual questions if desired.

Enclosed: Draft Resolution No. 1147  
Purchase and Sale Agreement



**RESOLUTION NO. 1147**

**A RESOLUTION OF THE AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA AUTHORIZING THE ACQUISITION OF ADMINISTRATIVE GENERAL PARTNER INTEREST AND FORGIVENESS OF AHP LOAN (Oak Creek Senior Villas)**

At a duly constituted meeting of the Board of Commissioners ("**Board**") of the Area Housing Authority of the County of Ventura ("**Authority**"), held on September 27, 2023, the following resolutions were adopted:

**WHEREAS**, The Authority is the managing general partner of Oak Creek Housing Investors, L.P., a California limited partnership (the "**Partnership**"), with Urban Pacific Builders, LLC, a California limited liability company, as the administrative general partner (the "**AGP**"), and SHS Guaranteed II, L.P., a California limited partnership (the "**Limited Partner**").

**WHEREAS**, in this Resolution, when it states that: (i) the Authority will act, the Board deems such action to be in the best interest of the Authority in its own capacity; and (ii) the Partnership will act, the Board deems such action to be in the best interest of the Authority, in its capacity as the managing general partner of the Partnership;

**WHEREAS**, under California Health and Safety Code Section 34312.3, the Authority may "participate in the development, rehabilitation, or financing of housing projects" provided that at least 20 percent of all units in housing projects assisted by the Authority shall be available for occupancy on a priority basis to persons of low income;

**WHEREAS**, under California Health and Safety Code Section 34315, the Authority may own, hold and improve real or personal property and acquire any real or personal property;

**WHEREAS**, the Partnership is the owner of Oak Creek Senior Villas, an affordable housing project located in Thousand Oaks, California (the "**Project**"), and is governed by that certain First Amended and Restated Agreement of Limited Partnership dated as of November 15, 2002, as amended by that certain First Amendment to Amended and Restated Agreement of Limited Partnership dated December 31, 2002 (as may be amended, modified, or supplemented from time to time, the "**Partnership Agreement**");

**WHEREAS**, the AGP desires to sell its partnership interest in the Partnership to the Authority pursuant to a Purchase and Sale Agreement to be entered into between the Authority and the AGP (the "**Purchase Agreement**") and to



withdraw as a general partner of the Partnership (collectively, the "**AGP Transfer and Withdrawal**"). In connection therewith, the Authority and AGP desire to enter in an amendment to the Partnership Agreement, an amendment to the certificate of limited partnership, and any other documents, certificates, or instruments necessary to transfer the AGP interest to the Authority and for the AGP to withdraw from the Partnership (collectively with the Purchase Agreement, the "**AGP Transfer Documents**"); and

**WHEREAS**, the Partnership has obtained a loan in the original principal amount of \$228,000 (the "**AHP Loan**") from U.S. Bank, as successor-in-interest to MUFG Union Bank, as successor-in-interest to Pacific Capital Bank (the "**AHP Lender**"), and now the Partnership desires for the AHP Lender to forgive the AHP Loan pursuant to the terms of the AHP Loan documents and program, cancel the promissory note evidencing the AHP Loan, and reconvey that deed of trust securing the AHP Loan, and for the Partnerships to enter into any documents, instruments, and certificates necessary to effectuate the forgiveness of the AHP Loan (the "**AHP Loan Forgiveness Documents**").

**NOW, THEREFORE, BE IT RESOLVED** that the Board finds that the above recitals are true and correct.

**BE IT FURTHER RESOLVED** that the Authority and Partnership are authorized to take all actions necessary to effectuate the AGP Transfer and Withdrawal and to enter into the AGP Transfer Documents.

**BE IT FURTHER RESOLVED** that requesting the forgiveness of the AHP Loan is authorized and the Authority and Partnership are authorized to enter into the AHP Loan Forgiveness Documents.

**BE IT FURTHER RESOLVED** that Michael Nigh, Executive Director of the Authority, or in the absence or unavailability of the aforementioned, the Chair or Vice-Chair of the Authority, acting alone, on behalf of the Authority, acting as itself, acting as the managing general partner of the Partnership, is authorized, empowered, and directed to execute, deliver and file any and all necessary documents listed in and/or contemplated in this Resolution on the behalf of the Authority and the Partnership in such form as are approved by the Authority signatory and the Authority counsel (such approval to be conclusively evidenced by the execution of the documents) and all other types of agreements, certificates or documents, and to take any and all further actions necessary to effectuate the transactions contemplated herein.

**BE IT FURTHER RESOLVED** that Michael Nigh, Executive Director of the Authority, shall be authorized and directed to certify any and all forms of

resolutions required by a lender or investor which is determined by Michael Nigh, Executive Director of the Authority, to incorporate the substantive intent of this Resolution with respect to the Project.

**BE IT FURTHER RESOLVED** that to the extent that any actions authorized in this Resolution have already been performed, such actions are ratified and approved.

**BE IT FURTHER RESOLVED** that this Resolution shall take immediate effect from and after its passage and approval.

DATED: September 27, 2023

---

MARK LUNN, CHAIR  
Area Housing Authority Board of Commissioners

STATE OF CALIFORNIA  
COUNTY OF VENTURA

I, Michael Nigh, Executive Director of the Area Housing Authority of the County of Ventura, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the Commissioners of the Area Housing Authority of the County of Ventura at a regular meeting thereof held on September 27, 2023 by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN

ABSENT:

---

MICHAEL NIGH, EXECUTIVE DIRECTOR  
Area Housing Authority of the County of Ventura

**PURCHASE AND SALE AGREEMENT**

**for**

**GENERAL PARTNER INTEREST**

**between**

**URBAN PACIFIC DEVELOPMENT GROUP, LLC,**

**as Seller**

**and**

**AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA,**

**as Buyer**

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**PURCHASE AND SALE AGREEMENT  
FOR  
GENERAL PARTNER INTEREST**

THIS PURCHASE AND SALE AGREEMENT is made as of \_\_\_\_\_ (the "Effective Date"), by and between Urban Pacific Development Group, LLC, a California limited liability company ("Seller") and Area Housing Authority of the County of Ventura, a public body, corporate and politic (the "Buyer"). The Buyer and the Seller shall collectively be referred to as the "Parties" and individually as a "Party" in this Agreement.

**RECITALS**

A. Oak Creek Housing Investors, L.P., a California limited partnership (the "Partnership"), is a California limited partnership, operating under the First Amended and Restated Agreement of Limited Partnership of the Partnership dated as of November 15, 2002, as amended by that First Amendment to Amended and Restated Agreement of the Partnership, dated as of December 31, 2002 (as may be amended, modified, or supplemented from time to time, the "Partnership Agreement").

B. The Partnership is the owner of a 57-unit (including one manager's unit) affordable housing project known as "Oak Creek Senior Villas" at 367 E. Thousand Oaks Blvd., Thousand Oaks, CA 91360 (the "Project").

C. The Buyer is the managing general partner of the Partnership, with a 0.005% partnership interest. The Seller is the administrative general partner of the Partnership, with a 0.005% partnership interest. SHS Guaranteed II, L.P., a California limited partnership, is the limited partner of the Partnership (the "Limited Partner") with a 99.99% partnership interest.

D. The Seller is the successor-in-interest to Urban Pacific Builders, LLC, a California limited liability company with company number C200027610031 ("UPB"). UPB was cancelled pursuant to a Certificate of Cancellation filed with the California Secretary of State on April 26, 2010, filed by Scott K. Choppin. The Seller is a California limited liability company with company number C201405810332.

E. Buyer desires to purchase, and Seller desires to sell, the entirety of the Seller's general partnership interest in the Partnership, (the "GP Interest") on the terms and conditions contained in this Agreement.

F. The parties desire to enter into this Agreement to effectuate the withdrawal of Seller from the Partnership and the sale of Seller's GP Interest to Buyer, along with certain related matters, all as set forth below.

**AGREEMENT**

In consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**ARTICLE 1.  
DEFINITIONS**

1.1 Definitions. For purposes of this Agreement, certain terms used in this Agreement and not otherwise defined herein shall have the meanings designated below:

- (a) "Affiliate" means any person or artificial entity controlling, controlled by, or under common control with the referenced entity.
- (b) "Agreement" means this Purchase and Sale Agreement, including schedules, exhibits, and appendices, as any of the foregoing may be amended, modified or supplemented in writing from time to time.
- (c) "Amendment" means the form of Second Amendment to the First Amended and Restated Agreement of Limited Partnership attached hereto as Exhibit A.
- (d) "Buyer's Documents" means this Agreement, the Amendment, the LP-2, and such other agreements and documents required to be delivered by Buyer at Closing.
- (e) "Closing" means the occasion upon which the transactions contemplated by this Agreement are carried out by the delivery of documents, payment of funds and other actions contemplated herein, as described in Article 7, to occur no later than September 30, 2023, which date may be extended as mutually agreed in writing by the Parties.
- (f) "Closing Date" shall mean the date upon which the Closing occurs.
- (g) "Contract" and "Contractual Obligation" means any term, condition, provision, representation, warranty, agreement, covenant, undertaking, commitment, indemnity or other obligation which is outstanding or existing under any instrument, contract, lease or other contractual undertaking, whether written or oral, to which the Partnership is subject or to which the Project or other Partnership assets are bound.
- (h) "Event of Bankruptcy" means with respect to any person:
  - (i) The entry of a decree or order for relief by a court having jurisdiction in respect of such person in an involuntary case under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) for such person or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days;
  - (ii) The commencement by such person of a voluntary case under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar law, or the consent by such person to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) for such person or for any substantial part of its property,



or the making by such person of any assignment for the benefit of creditors, or the taking of action by such person in furtherance of any of the foregoing;

(iii) The commencement against such person of an involuntary case under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy insolvency or similar laws which has not been vacated, discharged or bonded within sixty (60) consecutive days.

(iv) The admission by such person of its inability to pay its debts as they become due; or

(v) Such person becoming "insolvent" by the taking of any action or the making of any transfer or otherwise, as insolvency is or may be defined pursuant to federal bankruptcy laws, the Uniform Fraudulent Conveyances Act, any applicable state or federal act or law, or the ruling of any court.

(i) "Required Consents" means all required consents or approvals from existing general and limited partners in the Partnership and from any lenders and public agencies associated with the Project, including, but not limited to the Tax Credit Agency, as applicable, any consent required pursuant to the terms of the Partnership Agreement and any applicable project documents associated therewith, in each instance as determined by Buyer in its reasonable discretion.

(j) "Seller's Documents" means this Agreement, the Amendment, the LP-2, and such other agreements and documents required to be delivered by Seller at Closing.

(k) "Tax Credit Agency" shall mean the California Tax Credit Allocation Committee (TCAC).

Section 1.2 Exhibits.

- |           |   |
|-----------|---|
| EXHIBIT A | Form of Second Amendment to the First Amended and Restated Agreement of Limited Partnership |
| EXHIBIT B | Non-Foreign Affidavit   |

**ARTICLE 2.**  
**SALE AND PURCHASE OF GP INTEREST**

Section 2.1 Sale and Transfer. Subject to the terms and conditions set forth in this Agreement, Seller shall sell, convey, transfer, and deliver to Buyer, and Buyer shall purchase and receive from Seller, the GP Interest.

Section 2.2 Purchase Price.

(a) Purchase Price. The aggregate purchase price to be paid by Buyer for the GP Interest shall be the sum of (i) Twenty-Five Thousand Dollars (\$25,000) and (ii) the amount of Partnership Management Fee (as defined in the Partnership Agreement) due to the Seller as of the Closing, anticipated to be Ten Thousand Eight Hundred Fifteen Dollars and Seventy-Five

cents (\$10,815.75), for a total purchase price of Thirty-Five Thousand Eight Hundred Fifteen Dollars and Seventy-Five cents (\$35,815.75) (the "Purchase Price"), which shall be paid in United States currency. The Purchase Price shall be in full satisfaction of all amounts due and payable to Seller, arising from and with respect to the GP Interest, including without limitation any positive capital account balance of Seller with respect to the GP Interest and any other interests it may have in the Partnership and any and all fees and other payments due to Seller from or with respect to the Partnership.

(b) Payment of Purchase Price. The Purchase Price shall be payable to Seller at the Closing.

### **ARTICLE 3. WAIVER AND RELEASE**

Section 3.1 Buyer Release of Claims. Subject to the representations, warranties and covenants of Seller set forth in this Agreement and all other obligations of Seller that expressly survive the Closing, Buyer on its own behalf and on behalf of its agents, members, partners, employees, representatives, related and affiliated entities, successors and assigns hereby agrees that each of Seller, Seller's partners or members, as the case may be, and each of their partners, members, trustees, directors, officers, employees, representatives, agents, attorneys, affiliated and related entities, heirs, successors and assigns (collectively, the "Seller Releasees") shall be, and are hereby, fully released and discharged from any and all liabilities, losses, claims (including third party claims), demands, damages (of any nature whatsoever), expenses, causes of action, costs, penalties, fines, taxes and assessments, judgments, attorneys' fees, consultants' fees and costs and experts' fees (collectively, the "Claims"), whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with the Project, and any other matters, issues, claims or liabilities directly or indirectly relating to the Partnership or the Project.

Section 3.2 Seller Release of Claims. Subject to the representations, warranties and covenants of Buyer set forth in this Agreement and all other obligations of Buyer that expressly survive the Closing, Seller on its own behalf and on behalf of its agents, members, partners, employees, representatives, related and affiliated entities, successors and assigns hereby agrees that each of Buyer, the Partnership, Buyer's and the Partnership's partners or members, as the case may be, and each of their partners, members, trustees, directors, officers, employees, representatives, agents, attorneys, affiliated and related entities, heirs, successors and assigns (collectively, the "Buyer Releasees") shall be, and are hereby, fully released and discharged from any and all Claims, whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with the Project, and any other matters, issues, claims or liabilities directly or indirectly relating to the Partnership or the Project.

Section 3.3 Title. Subject to the representations, warranties and covenants of Seller and Buyer set forth in this Agreement and all other obligations of Seller and Buyer that expressly survive the Closing, Buyer and Seller each hereby expressly waive the provisions of Section 1542 of the California Civil Code which provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

Seller and Buyer have each initialed this Section to indicate their awareness and acceptance of each and every provision hereof. The provisions of this Section shall survive the Closing and shall not be deemed merged into any instrument or conveyance delivered at the Closing.

BUYER'S INITIALS: \_\_\_\_\_ SELLER'S INITIALS: \_\_\_\_\_

Section 3.4 Confidentiality. Seller on the one hand, and Buyer, on the other hand, shall use reasonable precautions to prevent the use or disclosure to others of any non-public information furnished by each to the other (including confidential information transmitted by each to its representatives, accountants, counsel, advisors or bankers ("Representatives") in the course of negotiations relating to this Agreement) and the business and financial reviews and investigations referred to in this Agreement, except to their respective officers, directors, employees, advisors and representatives who need to know such information (and who will each be subject to confidentiality as provided herein) in connection with this Agreement. Non-public information shall not include information which: (i) was in the public domain at the time it was communicated to Buyer or Seller or subsequently enters the public domain through no fault of Buyer or Seller; (ii) which Buyer or Seller can prove was already known to such party at the time of receipt; (iii) was rightfully communicated to Buyer or Seller free of any obligation of non-disclosure and without restriction as to use; or (iv) is disclosed by Buyer or Seller pursuant to judicial order or other compulsion of law, provided that each party shall give the other prompt notice of any such order ("Disclosure Notice") and shall comply with any protective order (or equivalent) imposed on such disclosure and provided that the disclosure shall not occur earlier than five business days after receipt by the non-disclosing party of the Disclosure Notice. Notwithstanding the foregoing, (i) disclosure of such information may be made to the extent required by judicial or regulatory process, and reviews by financial institutions which are lenders to either party; or (ii) such information may be used to the extent necessary as evidence in or in connection with any pending or threatened litigation relating to this Agreement or any transaction contemplated hereby. In the event that the sale contemplated by this Agreement is not consummated for any reason, each party agrees to promptly return to the other party all materials containing non-public information provided by the other promptly upon the request of the other party. The confidentiality obligation set forth in this Section shall survive termination of this Agreement.

Section 3.5 Continued Efforts. Seller shall use commercially reasonable efforts to (a) cause to be fulfilled and satisfied all of Buyer's conditions to the Closing including without limitation obtaining the Required Consents, and (b) take such steps and do such acts as may be necessary to make all of its warranties and representations true and correct as of the Closing Date with the same effect as if the same had been made, and this Agreement had been dated, as of the Closing Date.

Buyer shall use commercially reasonable efforts to (a) cause to be fulfilled and satisfied all of Seller's conditions to the Closing, and (b) take such steps and do such acts as may be necessary to make all of its warranties and representations true and correct as of the Closing Date with the same effect as if the same had been made, and this Agreement had been dated, as of the Closing Date.

Notwithstanding anything in this Agreement to the contrary, the Parties acknowledge that the Tax Credit Agency, limited partners of the Partnership, or other parties whose consent to this transaction is required may require certain changes in the form of the Amendment attached hereto as Exhibit A, including, but not limited to, the execution of a separate amendment to the Partnership Agreement. Buyer and Seller agree to negotiate in good faith and not act unreasonably in disapproving any changes requested by the parties giving consents to the Amendment, any required amendment to the Partnership Agreement and any other related document that may be required to accomplish the transfer of the GP Interest from Seller to Buyer.

Section 3.6 Operation of Partnership Prior to Closing. From the date hereof until the Closing:

(a) With respect to the Project, Seller covenants to the Buyer that Seller shall discharge when due its obligations as a general partner of the Partnership owning such Project and will use commercially reasonable efforts to operate, maintain and manage the Project in a manner consistent with current practice and in a normal businesslike manner.

(b) Seller shall not enter into any material amendments or modifications to the Partnership Agreement without Buyer's prior written consent.

(c) After the Effective Date, Seller shall not knowingly create or consent to the creation of any lien, encumbrance or other matter affecting title to the Project without Buyer's prior written consent.

(d) Seller shall use best efforts not to take any action which will or would cause any of the representations or warranties in this Agreement to become untrue or be violated and to take all actions that will or would cause the representations and warranties in this Agreement to remain true.

(e) Seller shall not make any distributions to limited partners except as required by the Partnership Agreement (with prior written notice to Buyer) or as approved by Buyer, and Seller shall not make any distributions to Seller.

#### **ARTICLE 4. SALE OF GP INTEREST; WITHDRAWAL OF SELLER**

Section 4.1 Withdrawal of Seller. As of the Closing Date, Seller hereby agrees to enter into that certain Second Amendment to the First Amended and Restated Agreement of Limited Partnership for the Partnership in a form substantially similar to that set forth on Exhibit A attached hereto and incorporated herein by reference. Pursuant to the terms of the Amendment, Seller shall withdraw as a general partner of the Partnership and convey all of its

right, title and interest as a general partner in the Partnership to Buyer. Seller acknowledges that upon the Closing Date it shall have no further general partnership interest in the Project, including any rights to receive any price appreciation and any cash flow, sale or refinancing proceeds, tax benefits, or other economic benefits from the Project, including, but not limited to, cash on hand of the Partnership as of the Closing Date. Seller hereby acknowledges, agrees, confirms and reaffirms, however, that it shall remain obligated and liable, except as set forth herein, for all obligations incurred by Seller through the Closing Date with respect to the Project. In connection with Seller's withdrawal, Seller hereby covenants and agrees to assign, convey and deliver to Buyer, concurrent with the execution and delivery of the Amendment, all rents, documents, files, reports, instruments, books and records, keys, personal property, bank accounts and other items held by Seller as a general partner of the Partnership, which Seller or any of its affiliates have in its possession or control, or which they would have in their possession or control with the exercise of reasonable diligence thereto which are necessary to the successful operation and management of the Project owned by the Partnership. With respect to any such items which come into the possession or control of Seller after the Closing Date, Seller hereby agrees to deliver all such items within ten (10) days of their receipt of same to Buyer.

## **ARTICLE 5. CONDITIONS PRECEDENT TO OBLIGATION OF BUYER TO CLOSE**

The obligation of Buyer to purchase the GP Interest for the Project and carry out the other transactions contemplated hereby ("Buyer Closing Conditions") are, unless waived in writing by Buyer, subject to the satisfaction, on the Closing Date, of the following conditions:

Section 5.1 Accuracy of Representations and Performance of Seller. The representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date with the same force and effect as though made on and as of such date; and each and all of the covenants to be performed by Seller hereunder at or prior to the Closing Date shall have been duly performed in all material respects.

Section 5.2 Absence of Certain Litigation. On the Closing Date, no suit, action or other proceeding, or injunction or judgment relating thereto, shall be pending or threatened before any court or governmental or regulatory official or agency, in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, or which might materially and adversely affect the Partnership, the Property, the Project, or the GP Interest, and no investigation that might result in any such suit, action or proceeding shall be actually pending.

Section 5.3 Third Party Consents. The Buyer has or will obtain the Required Consents within six (6) months following the Closing. The Buyer will keep the Seller apprised of the status of these requests and shall provide the Seller copies of all material correspondence related thereto, including, without limitation, of written confirmation of consents. The Parties hereto acknowledge that the conveyance by Seller of the GP Interest to Buyer is contingent upon receipt of the Required Consents. Notwithstanding anything to the contrary set forth herein, in the event that any Required Consent, as determined by Buyer in its reasonable discretion, is not obtained within six (6) months following the Closing, then, upon written notification from Buyer to Seller, the Seller shall immediately return the Purchase Price and any other amounts paid in

connection with the sale of the GP Interest, and such sale shall be unwound as if such sale had never occurred, and this Agreement and any ancillary documents shall be terminated and of no further force or effect. The foregoing notwithstanding, the Parties may mutually agree in writing to extend the time to obtain the Required Consents.

Section 5.4 Amendment to Certificate of Limited Partnership. Buyer shall file an amended Certificate of Limited Partnership (the "LP-2") with the California Secretary of State within ten (10) business days following the later of the Closing or the receipt of all Required Consents.

Section 5.5 Failure of Conditions. In the event that any of the foregoing conditions have not been satisfied on the Closing Date, Buyer may terminate this Agreement by delivering written notice to Seller, and neither Party shall have any further liability hereunder to the other, except with respect to any obligation that by its terms survive termination of this Agreement.

## **ARTICLE 6. CONDITIONS PRECEDENT TO OBLIGATION OF SELLER**

The obligation of Seller to sell, assign, transfer and deliver the GP Interest to Buyer hereunder and to carry out the other transactions contemplated hereby are, unless waived in writing by Seller, subject to the satisfaction at or prior to the Closing Date of the following conditions:

Section 6.1 Accuracy of Representations and Performance of Conditions. The representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date with the same force and effect as though made on and as of such date; each and all of the covenants to be performed by Buyer hereunder at or prior to the Closing Date shall have been duly performed in all material respects.

Section 6.2 Absence of Certain Litigation. On the Closing Date, no suit, action or other proceeding, or injunction or final judgment relating thereto, shall be threatened or pending before any court or governmental or regulatory official or agency, in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, and no investigation that might result in any such suit, action or proceeding shall be pending.

## **ARTICLE 7. THE CLOSING**

Section 7.1 Closing and Closing Provisions. The Closing shall be effected by delivery of documents and cash or readily available funds in the amount of the Purchase Price as of the Closing Date. The parties acknowledge that time is of the essence with regard to the Closing.

Section 7.2 Deliveries by Seller. At or prior to Closing, Seller shall deliver to Buyer the following with respect to the Project:

(a) The Amendment duly executed by Seller and all other partners in the Partnership.

- (b) The LP-2 duly executed by Seller, to be filed with the California Secretary of State.
- (c) A non-foreign certificate in the form attached hereto as Exhibit B.
- (d) All financial, development and operations records of the Partnership held by Seller as the general partner of the Partnership.

Section 7.3 Deliveries by Buyer. At Closing Buyer shall deliver to the following with respect to the Project:

- (a) The Amendment duly executed by Buyer.
- (b) The LP-2 duly executed by Buyer, to be filed with the California Secretary of State.
- (c) All Required Consents, duly executed by the parties from whom a Required Consent is necessary, or shall deliver such Required Consents within six (6) months of Closing.
- (d) The Purchase Price, only after receipt of all items set forth in Section 7.2.

Section 7.4 Further Documents. Seller and Buyer agree to execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any and all other instruments and documents as may be reasonably necessary in order to complete the transaction herein provided and to carry out the intent and purposes of this Agreement.

## **ARTICLE 8. POST-CLOSING MATTERS**

Section 8.1 Records of the Partnership. All original books and records relating to the Partnership shall be transferred by Seller to Buyer within thirty (30) days of the Closing Date; provided, however, that Seller may retain copies of any such books and records, such copying costs to be borne by Seller.

Section 8.2 Transition Assistance. Seller shall make its key personnel and other applicable Seller's Representatives available to assist Buyer with and consult with Buyer's employees, representatives and advisors with respect to any transition matters relating to Buyer's acquisition of the GP Interest including without limitation matters relating to any Internal Revenue Code Section 754 election, such obligation to continue until the completion of all Partnership financial statements and the filing of all Partnership information tax returns with respect to the year in which the Closing Date occurs.

Section 8.3 Audit Assistance. Seller shall make its key personnel available to assist Buyer with and consult with Buyer's employees, representatives and advisors with respect to any tax audits, tax credit audits, or other governmental audits, reviews, or investigations relating to the Partnership and the Project, such obligation to continue with respect to the Partnership until

the expiration of the general three-year statute of limitations applicable to the information tax return filed by such Partnership with respect to the year in which the Closing Date occurs.

## **ARTICLE 9. REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents, warrants and covenants to Buyer as follows as of the date hereof and the date of Closing with respect to the Project and as otherwise stated:

Section 9.1 Organization and Good Standing. Seller is a California limited liability company, duly organized, validly existing and in good standing under the laws of the State of California, and has all requisite power and authority to own, hold, sell and transfer the GP Interest, and to execute and deliver, and perform its obligations under, this Agreement.

Section 9.2 Authorization. The execution and delivery of this Agreement by Seller and the performance by each of its obligations hereunder, and all transactions contemplated hereby, have been, or will be prior to the Closing, duly and validly authorized by all necessary corporate or company action. Seller's Documents will be, duly executed and delivered as required on behalf of Seller, by duly authorized officers of Seller and this Agreement constitutes, and the Seller's Documents when executed and delivered will constitute, the valid and binding obligations of Seller enforceable in accordance with their respective terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization or similar laws from time to time in effect affecting creditors' rights generally and by legal and equitable limitations on the availability of specific remedies (the "Enforceability Limitations"). The signatories hereto have the sole authority to sell the GP Interest and no other person or entity has any interest in the GP Interest.

Section 9.3 No Governmental or Other Authorization Required. Except for the Required Consents and the LP-2, no authorization or approval of, or filing with, any governmental agency, authority or other body or any other third persons will be required in connection with the execution and delivery of this Agreement by Seller or the consummation of the transactions contemplated hereby.

Section 9.4 Contracts and Other Interests. All Contracts relating to the GP Interest and the Partnership are in full force and effect, and, to Seller's knowledge, valid and enforceable in accordance with their respective terms against Seller and against the other parties thereto; and there are no existing defaults of Seller or the other party or parties thereto, or events of default that, with the giving of notice or lapse of time, or both, would constitute defaults of Seller or the other contract party or parties under any such Contracts, nor are material amendments pending with respect to any such Contracts.

Section 9.5 Litigation; Claims; Defaults. Seller and the Partnership have not been served with any currently effective summons or complaint and there is no action or suit, equitable or legal, to which Seller or the Partnership is a party, nor any administrative, arbitration or other proceeding pending or, to Seller's knowledge, threatened against Seller or the Partnership in respect of the GP Interest or the Partnership.



Section 9.6 Bankruptcy. No Event of Bankruptcy has occurred with respect to Seller or the Partnership and, as of the Effective Date, no event has triggered the 60-day cure period included in the definition of same.

Section 9.7 Defaults. To the best of Seller's knowledge, no default (or event that, with the giving of notice or the passage of time or both, would constitute a default) has occurred and is continuing under any contract, agreement, or instrument to which the Partnership or Seller is subject.

Section 9.8 Personal Liability. Seller does not have any personal liability as maker, guarantor, partner or otherwise with respect to the payment of principal or interest on any Partnership loans, and in the event of default thereon, the sole recourse with respect to the payment of principal or interest on the loans of any lender to the Partnership, other than with respect to trade payables incurred in the ordinary course of business, shall be to the property owned by the Partnership and pledged as collateral for the loan. There are no currently pending capital calls with respect to the GP Interest.

Section 9.9 General Partner Loans. There are no outstanding loans or advances from the Seller or its members or affiliates to the Partnership, and the Partnership has no unsatisfied obligation to make any payments of any kind to the Seller or its members or affiliates.

Section 9.10 Developer Fee. There is no outstanding Developer Fee to be paid under the Partnership Agreement or the Developer Agreement. There are no outstanding obligations or fees to be paid under the Developer Agreement or the Project Agreement by and among the Partnership, the Seller, Scott K. Choppin, and Mark F. Tolley, which are hereby terminated and of no further force and effect.

Section 9.11 GP Interest. (a) Seller is the true and lawful owner of the GP Interest and no other person or entity has any rights to or claims to own the GP Interest, (b) Seller has not previously assigned, pledged, encumbered or otherwise transferred all or any portion of the GP Interest, which has not been terminated or cancelled, and (c) the GP Interest is not subject to any lien, judgment or claim, and no event has occurred which with giving of notice, the passage of time, or both would result in any lien, judgment or claim being filed or levied against the GP Interest, and (d) Seller has the right and power to transfer the GP Interest to Buyer.

Section 9.12 Rights and Options. Seller has not granted, and to Seller's knowledge, there exists no, recorded or unrecorded options to purchase or rights of first refusal or first offer on the GP Interest, or any portion thereof.

Section 9.13 Partnership Guaranties. As to the Partnership and its Limited Partner(s), Seller and its Affiliates have no current or outstanding liability with respect to any income tax benefit (including, but not limited to, any benefit associated with low income housing tax credits or tax losses) guaranteed by Seller and/or its Affiliates under any guaranty or other agreement with a Partnership or its Limited Partner(s), and Seller and its Affiliates have no knowledge of any such liability that may arise under any such guaranty or such other agreement.

Section 9.14 Disclosure. No representation or warranty made by Seller in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statement of facts contained within it not materially misleading.

Section 9.15 Covenants. As of the Closing, Seller shall have performed or shall have caused to be performed all covenants set forth in Section 3.6.

## **ARTICLE 10. REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer hereby represents and warrants to Seller as follows as of the date hereof and as of Closing:

Section 10.1 Organization and Good Standing. Buyer is a public body, corporate and politic, duly organized, validly existing and in good standing under the laws of the State of California. Buyer possesses all requisite power and authority to acquire the GP Interest and to execute and deliver, and perform its obligations under this Agreement.

Section 10.2 Authorization. The execution and delivery of this Agreement and performance by Buyer of its obligations hereunder, and all transactions contemplated hereby, have been duly and validly authorized by all necessary company action. Buyer's Documents will be duly executed and delivered on behalf of Buyer by its duly authorized representatives; and this Agreement constitutes, and Buyer's Documents when executed and delivered will constitute, the valid and binding obligations of Buyer, enforceable in accordance with their respective terms, except as enforcement may be limited by the Enforceability Limitations.

Section 10.3 No Governmental or Other Authorization Required. Except as otherwise set forth herein, no authorization or approval of, or filing with, any governmental agency, authority or other body or any other third persons will be required in connection with Buyer's execution and delivery of this Agreement and Buyer's Documents or their consummation of the transactions contemplated hereby and thereby.

Section 10.4 Disclosure. No representation or warranty made by Buyer in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statement of facts contained within it not materially misleading.

## **ARTICLE 11. DEFAULT**

Section 11.1 Events of Default. A party shall be in default of this Agreement if it fails to perform any material obligation, covenant, or provision of this Agreement that it is obligated to perform or if any of such party's representations or warranties is untrue or becomes untrue in any material respect, and if the failure to perform or the breach of such representation or warranty is not cured within fifteen (15) days after written notice of the default has been given to such party by the non-defaulting party (an "Event of Default").

Section 11.2 Breach by Seller. If Seller commits an Event of Default, Buyer shall have the right to exercise all of its legal and equitable remedies, including, without limitation, specific

performance and, either alone and in conjunction with specific performance, the right to claim damages for breach of contract; provided that if such an Event of Default shall occur prior to a Closing, Buyer's damages shall be limited to Buyer's actual and reasonable out-of-pocket costs.

Section 11.3 Breach by Buyer. If Buyer commits an Event of Default, Seller, as its sole and exclusive remedy, shall be entitled to terminate this Agreement. Except for any of Seller's rights arising from Buyer's indemnification obligations contained in this Agreement, Seller hereby waives any and all claims, actions and rights against Buyer, including, without limitation, any action for specific performance or damages.

## **ARTICLE 12. INDEMNIFICATION**

Section 12.1 Indemnification Obligation of Seller. Seller shall reimburse, indemnify and hold harmless the Partnership and Buyer, its successors and assigns and their members, managers, officers, directors, stockholders and partners (each an "Indemnified Buyer Party") against and in respect of any and all damages, losses, deficiencies, liabilities, costs and expenses (including assessments, legal fees, litigation costs, fines and judgments) incurred or suffered by any Indemnified Buyer Party that result from, relate to or arise out of:

(a) any and all liabilities and obligations of Seller of any nature whatsoever, arising from actions or omissions, including without limitation actions or omissions that result in the tax credits of limited partners in the Partnership being disqualified or otherwise not recognized, occurring prior to the Closing Date, notwithstanding the fact that those actions and omissions may not be discovered by the Internal Revenue Service or other parties until after the Closing Date, including, without limitation, any unsatisfied judgments, except for those liabilities and obligations of Seller which Buyer expressly assumes pursuant to this Agreement;

(b) any and all actions, suits, claims or legal, administrative, arbitration, governmental or other proceedings or investigations, against the Partnership to the extent (and only to the extent) the basis therefor or subject thereof arose or occurred prior to the Closing Date or which resulted from or arose out of any action or inaction prior to the Closing Date of Seller or any manager, member, employee, agent, or representative of Seller;

(c) any breach of the Seller's representations, warranties, and obligations in this Agreement.

Upon the determination of liability under Section 12.1 hereof, Seller shall pay to Buyer within ten (10) days after such determination, the amount of any claim for indemnification made hereunder.

Section 12.2 Indemnification Obligation of Buyer. Buyer shall reimburse, indemnify and hold harmless Seller, its successors and assigns and their members, managers, officers, directors, stockholders and partners (each an "Indemnified Seller Party") against and in respect of any and all damages, losses, deficiencies, liabilities, costs and expenses (including assessments, legal fees, litigation costs, fines and judgments) incurred or suffered by any Indemnified Seller Party that result from, relate to or arise out of:

(a) any and all liabilities and obligations of Buyer of any nature whatsoever, arising from actions or omissions, including without limitation actions or omissions that result in the tax credits of limited partners in the Partnership being disqualified or otherwise not recognized, occurring on or after the Closing Date, including, without limitation, any unsatisfied judgments, except for those liabilities and obligations of Buyer which Seller expressly assumes pursuant to this Agreement; and

(b) any and all actions, suits, claims or legal, administrative, arbitration, governmental or other proceedings or investigations, against the Partnership to the extent (and only to the extent) the basis therefor or subject thereof arose or occurred subsequent to the Closing Date or which resulted from or arose out of any action or inaction subsequent to the Closing Date of Buyer or any manager, member, employee, agent, or representative of Buyer.

Upon the determination of liability under Section 12.2 hereof, Buyer shall pay to Seller within ten (10) days after such determination, the amount of any claim for indemnification made hereunder.

**Section 12.3 Procedure.** In the event either party hereto receives notice of a claim or demand against which it is entitled to indemnification pursuant to this Article 12, such party shall give notice thereof to the other party within fifteen (15) business days of receipt ("Notice of Claim"). The party obligated to indemnify shall promptly take such measures as may be reasonably required to properly and effectively defend such claim, and may defend same with counsel of its own choosing approved by the other party (which approval shall not be unreasonably withheld or delayed). In the event the party obligated to indemnify fails to properly and effectively defend such claim, then the party entitled to indemnification may defend such claim with counsel of its own choosing at the expense of the party obligated to indemnify. The failure by one party to provide timely Notice of Claim to the other party, shall relieve the other party from any indemnification obligation under this Article 12 with respect to such claim, only to the extent that the indemnifying party is prejudiced by the delay. The provisions of this Article 12 shall survive any Closing and the termination of this Agreement.

## **ARTICLE 13. MISCELLANEOUS PROVISIONS**

**Section 13.1 Commissions.** Each party represents and warrants that it has dealt with no broker or finder in connection with this Agreement and, insofar as it knows, no broker or other person is entitled to any commission or finder's fee in connection with the consummation of the transactions contemplated by this Agreement. If either party has retained or been represented by a broker or finder in this transaction, such party shall indemnify the other from any claims for fees or commissions by such person. The provisions of this Section 13.1 shall survive Closing and any termination of this Agreement.

**Section 13.2 Expenses.** Each of the parties shall pay all costs and expenses incurred or to be incurred by it in the negotiation and preparation of this Agreement and in closing and carrying out the transactions contemplated by this Agreement, including without limitation each party's legal fees. Seller shall pay such costs as are customarily the responsibility of a seller of an equity interest in a real estate partnership in each jurisdiction. Buyer will pay all costs

associated with due diligence and the financing of the Purchase Price and such other costs as are customarily the responsibility of a purchaser of an equity interest in a real estate partnership in each jurisdiction. The foregoing shall be subject to the allocation of costs expressly provided elsewhere in this Agreement.

Section 13.3 Headings; Schedules. The subject headings of the sections and subsections of this Agreement are included only for purposes of convenience, and shall not affect the construction or interpretation of any of its provisions.

Section 13.4 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures on this Agreement delivered by fax or scanned copy delivered as an email attachment shall be considered original signatures for purposes of effectiveness of this Agreement.

Section 13.5 Rights of Parties. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the parties to it and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third persons any right of subrogation or action against any party to this Agreement.

Section 13.6 Assignment. Except as provided herein, the rights and obligations of the parties to this Agreement or any interest in this Agreement shall not be assigned, transferred, hypothecated, pledged or otherwise disposed of without the prior written consent of the nonassigning party which consent may be withheld in such party's sole discretion. Notwithstanding the foregoing, Buyer shall have the right to assign its rights hereunder to an affiliate or affiliates, provided each is controlled by, controlling or under common control with Buyer.

Section 13.7 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of delivery if served personally on the party to whom notice is to be given; or if delivered by overnight private carrier, on the date of delivery; or on the third day after mailing if mailed to the party to whom notice is to be given by first class mail, certified, postage prepaid, and properly addressed as following:

Seller:                   Urban Pacific Development Group, LLC  
244 Pine Avenue  
Long Beach, California 90802  
Attn: Scott Choppin

Buyer:                   Area Housing Authority of the County of Ventura  
1400 W. Hillcrest Drive  
Newbury Park, California 91320  
Attn: Executive Director

Partnership: Oak Creek Housing Investors, L.P.  
c/o Area Housing Authority of the County of Ventura  
1400 W. Hillcrest Drive  
Newbury Park, California 91320  
Attn: Executive Director

Any party may change its address for purposes of this Section by giving the other parties written notice of the new address in the manner set forth above.

Section 13.8 Applicable Law; Jurisdiction and Remedies. This Agreement is governed by and shall be construed and enforced in accordance with the laws of the State of California (without reference to principles of conflicts or choice of law that would cause the application of the internal laws of any other jurisdiction), except that matters of law concerning the internal corporate, partnership or company affairs of any artificial entity which is a party to or the subject of this Agreement shall be governed by the jurisdiction under which such entity derives its powers. The parties hereto expressly consent and agree that any dispute, controversy, legal action or other proceeding that arises under, results from, concerns or relates to this Agreement must be brought in the federal and state courts in and of the State of California and acknowledge that they will accept service of process by registered or certified mail or the equivalent directed to their last known address as determined by the other party in accordance with this Agreement or by whatever other means are permitted by such courts. The parties hereto hereby acknowledge that said courts have exclusive jurisdiction over any such dispute or controversy, and that they hereby waive any objection to personal jurisdiction or venue in these courts or that such courts are an inconvenient forum. Subject to the express terms of this Agreement, all remedies at law, in equity, by statute or otherwise shall be cumulative and may be enforced concurrently or from time to time, and the election of any remedy or remedies shall not constitute a waiver of the right to pursue any other available remedies.

Section 13.9 Attorneys' Fees. With respect to any dispute relating to this Agreement, or in the event that a suit, action, arbitration, or other proceeding of any nature whatsoever, any action seeking a declaration of rights or an action for rescission, is instituted to interpret or enforce this Agreement or any provision of this Agreement, the prevailing party shall be entitled to recover from the losing party its reasonable attorneys', paralegals', and other experts' and professional fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the judge or arbitrator at trial or other proceeding, or on any appeal or review, in addition to all other amounts provided by law.

Section 13.10 Additional Instruments and Assistance. Each party hereto shall from time to time execute and deliver such further instruments, provide additional information and render such further assistance as the other party or its counsel may reasonably request in order to complete the transactions contemplated herein.

Section 13.11 Severability. If any provision of this Agreement is held or deemed to be invalid or unenforceable to any extent when applied to any person or circumstance, such invalidity or unenforceability shall not affect the remaining provisions of this Agreement; the remaining provisions hereof and the enforcement of such provision with respect to other persons or circumstances, or to another extent, shall not be affected thereby and each provision hereof

shall be enforced to the fullest extent allowed by law. Moreover, the invalid or inoperative provision shall be reformed and construed so that it shall be valid and enforceable to the maximum extent permitted.

Section 13.12 Pronouns and Terms. In this Agreement, the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

Section 13.13 Entire Agreement, Amendments and Waivers. This Agreement, together with all exhibits and schedules hereto, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no representations, warranties or other agreements among the parties in connection with the subject matter hereof except as set forth specifically herein or contemplated hereby. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

Section 13.14 Construction. The language in this Agreement will be deemed the language chosen by the parties to express their mutual intent and no rule of strict construction will be applied against any party.

Section 13.15 Survival. All of the parties' representations, warranties, covenants and agreements hereunder, to the extent not fully performed or discharged by or through Closing, shall be deemed not merged into any instrument delivered at Closing and shall remain fully enforceable thereafter, subject to any limitations specifically set forth herein.

Section 13.16 Dates. If any date set forth in this Agreement for the delivery of any document or the happening of any event should, under the terms hereof, fall on a weekend or federal or State of California holiday, then such date shall be automatically extended to the next succeeding weekday that is not a federal or State of California holiday (a "Business Day").

*[Signatures appear on following page]*

**IN WITNESS WHEREOF**, the Parties to this Purchase and Sale Agreement have duly executed it as of the date first above written.

**BUYER:**

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA, a public body, corporate and politic

By: \_\_\_\_\_  
Michael Nigh, Executive Director

*[Signatures Continue on Following Page]*

DRAFT



**SELLER:**

URBAN PACIFIC DEVELOPMENT GROUP, LLC,  
a California limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

DRAFT

## **EXHIBIT A**

### **SECOND AMENDMENT TO FIRST AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF OAK CREEK HOUSING INVESTORS, L.P.**

This Second Amendment to the First Amended and Restated Agreement of Limited Partnership (the "Amendment") is effective as of \_\_\_\_\_, 2023 (the "Effective Date"), is by and between Urban Pacific Development Group, LLC, a California limited liability company, as the Administrative General Partner (the "AGP"), Area Housing Authority of the County of Ventura, a public body, corporate and politic (the "MGP") and is consented to by the Consenting Partner with reference to the following recitals of fact:

#### **RECITALS**

A. Oak Creek Housing Investors, L.P. (the "Partnership"), is a California limited partnership, operating under the First Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of November 15, 2002, as amended by that First Amendment to First Amended and Restated Agreement of the Partnership, dated as of December 31, 2002, (collectively, the "Partnership Agreement").

B. Pursuant to the terms of the Partnership Agreement, SHS Guaranteed II, L.P., a California limited partnership (the "Limited Partner") is the investor limited partner of the Partnership. The Limited Partner shall be called the "Consenting Partner."

C. This Agreement is made pursuant to that certain Purchase and Sale Agreement between AGP and MGP, dated December 1, 2022 (the "Purchase Agreement"). Capitalized terms used but not defined herein shall have the meanings set forth in the Purchase Agreement.

D. Pursuant to the Purchase and Sale Agreement, the parties hereto desire to enter into this Agreement to effectuate the withdrawal of AGP as a general partner of the Partnership, the sale of AGP's entire general partner interest in and to the Partnership to MGP, and the continuation of the Partnership with the MGP as the sole general partner of the Partnership, all as more fully set forth hereinbelow.

NOW, THEREFORE, in consideration of the Purchase Price paid by MGP to AGP pursuant to the Purchase Agreement and the mutual covenants contained herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto hereby agree as follows:

#### **AGREEMENT**

1. Sale of GP Interest. Pursuant to the Purchase Agreement and on the terms and conditions set forth therein, AGP hereby conveys all of its right, title and interest in and to its general partner interest (the "Interest") in the Partnership to MGP, and MGP hereby purchases all of AGP's right, title and interest in and to the Interest in the Partnership, all as of the Effective Date. AGP conveys and assigns all keys, account books, signature cards, personal property, records,

reports, contracts, files, entitlements, permits, and any and all other items of whatever kind or nature (collectively, the "AGP Items") associated with (1) the AGP's role as general partner of the Partnership, prior to AGP's withdrawal, and (2) the ownership, construction, development and operation of the Project. MGP accepts such conveyance and assignment and assumes all of AGP's obligations under the AGP Items.

2. Withdrawal of the AGP. AGP hereby withdraws from the Partnership as a general partner thereof as of the Effective Date. AGP acknowledges that it has no further interest in the Partnership as of the Effective Date, and shall be deemed to have withdrawn as a general partner of the Partnership as of such date. AGP acknowledges that it no longer has any interest in or rights or claims against the Partnership in its capacity as a withdrawn general partner, including any rights to receive unpaid or unreturned capital contributions or loans to the Partnership, if any, or for unpaid fees or compensation earned in its capacity as a general partner of the Partnership prior to the Effective Date.

3. Continuation of the MGP as the General Partner. The MGP shall continue to be the managing general partner of the Partnership, accepts its role as the sole general partner of the Partnership, and shall execute such further documents or instruments as may be required to effectuate the transfer of the Interest.

4. Amendment of Partnership Agreement. As of the Effective Date, the Partnership Agreement is hereby amended as follows:

(a) Exhibit G is hereby added to the Partnership Agreement as follows:

<b>PARTNERS</b>	<b>PERCENTAGE OF OWNERSHIP</b>
Area Housing Authority of the County of Ventura, Managing General Partner	.01%
SHS Guaranteed II, L.P., Limited Partner	99.99%

(b) All references to "General Partner" or "Administrative General Partner" in the Partnership Agreement and all related documents and agreements shall mean and refer to "Area Housing Authority of the County of Ventura, a public body, corporate and politic, with an address of 1400 W. Hillcrest Drive, Newbury Park, California 91320, Attention: Executive Director."

(c) The following definitions shall be added to Article I ("Defined Terms") of the Partnership Agreement:

***"Budget Act*** means the Bipartisan Budget Act of 2015, Pub L. No. 114-74;

***Designated Individual*** means the individual appointed by the Partnership to serve as the "designated individual" pursuant to Treasury Regulation

301.6223-1(b)(3) and who is the sole party through whom the Partnership Representative shall act;

**Partnership Audit Rules** means the partnership audit provisions of the Budget Act;

**Partnership Representative** means the Partner designated to act as partnership representative of the Partnership for purposes of Code Section 6223(a) or the designated successor as provided in Section 10.6; and

**TCJA** means the Tax Cuts and Jobs Act, Pub. L. No. 115-97;"

(d) The definition of "Tax Matters Partner" and any reference to Tax Matters Partner shall be deleted from the Partnership Agreement and replaced with "Partnership Representative".

(e) The title of Section 7.5 "Tax Matters Partner" and Section 7.5 of the Partnership Agreement shall be deleted and replaced in its entirety by the following:

#### **"7.5 Partnership Representative**

(a) The Managing General Partner shall serve as the Partnership Representative and the Executive Director of Managing General Partner shall serve as the Designated Individual. The Partnership Representative shall have all of the powers and obligations set forth in this Section 7.5. The Partnership Representative shall take any and all action required under the Code or the Treasury Regulations, as in effect from time to time, to designate itself (including on all applicable Partnership tax returns) as the Partnership Representative and the Executive Director of Managing General Partner as the Designated Individual.

(b) The Partnership Representative and Designated Individual shall fully comply with the requirements of the Partnership Audit Rules, the Treasury Regulations thereunder, and other Internal Revenue Service guidance and the Partnership shall fully indemnify the Partnership Representative and Designated Individual for undertaking such statutory responsibilities, unless the actions of the Partnership Representative or Designated Individual constitute gross negligence or intentional misconduct.

(c) The Partnership Representative through the Designated Individual shall represent the Partnership, at the Partnership's expense, in connection with all examinations of the Partnership's affairs by tax authorities and all administrative and/or judicial proceedings by the Internal Revenue Service or any government authority involving any income tax return of the Partnership."

#### **5. Releases.**

(a) As of the Effective Date, the MGP and the Partnership remise, release, and discharge the AGP from any claims of any kind whatsoever which have been or could have been asserted in connection with the Partnership or the Project, whether known or unknown, asserted or unasserted, accrued or unaccrued. The MGP and the Partnership waive the protections of

California Civil Code § 1542, which states: "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party." The foregoing shall not apply to provisions of the Purchase Agreement that survive the withdrawal of the AGP from the Partnership.

(b) As of the Effective Date, the AGP remises, releases, and discharges the MGP and the Partnership from any claims of any kind whatsoever which have been or could have been asserted in connection with the Partnership or the Project, whether known or unknown, asserted or unasserted, accrued or unaccrued. The AGP waives the protections of Cal. Civ. Code § 1542, which states: "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party." The foregoing shall not apply to provisions of the Purchase Agreement that survive the withdrawal of the AGP from the Partnership.

6. Principal Office of the Partnership. The principal office of the Partnership and the office to be maintained pursuant to the Act shall be located at 1400 W. Hillcrest Drive, Newbury Park, California 91320.

7. Agent for Service of Process. The name and address of the agent of the Partnership for service of process are Michael Nigh, 1400 W. Hillcrest Drive, Newbury Park, California 91320.

8. Representations and Warranties. AGP hereby represents and warrants as of the Effective Date hereof that (a) immediately prior to the transactions set forth herein, it is the true and lawful owner of the Interest, (b) it has not previously assigned, pledged, encumbered or otherwise transferred all or any portion of the Interest, which has not been terminated or cancelled, and (c) the Interest is not subject to any lien, judgment or claim, and no event has occurred which with giving of notice, the passage of time, or both would result in any lien, judgment or claim being filed or levied against the Interest. AGP hereby further represents and warrants to MGP and the Consenting Partner that AGP has all necessary power and authority to enter into this Amendment and withdraw as a general partner of the Partnership. AGP acknowledges that the foregoing representations and warranties are a material inducement to MGP to accept the conveyance of the Interest hereunder, and to the Consenting Partner to consent to such conveyance, and that without such representations and warranties MGP would not purchase the Interest and the Consenting Partner would not consent to such sale. The foregoing representations and warranties shall survive the Effective Date.

9. Further Assurances. AGP and MGP shall execute and deliver such further instruments and do further acts and things as may be required, including, but not limited to, obtaining any Required Consents, to carry out the intent and purposes of this Amendment to more fully reflect and further evidence the withdrawal of AGP from the Partnership, the sale of the Interest from AGP to MGP and the other transactions effected hereby

10. Consent of Limited Partner. Pursuant to Section 14.1 of the Partnership Agreement, AGP may not withdraw as general partner of the Partnership or sell its Interest without the consent of the Limited Partner. As evidenced by its signed acknowledgement of this Amendment, the

Limited Partner hereby consents to (a) the sale of the Interest by the AGP to the MGP and (b) the withdrawal of AGP as a general partner of the Partnership.

11. Section 754 Election. MGP, as general partner of the Partnership, shall cause the Partnership to elect pursuant to Internal Revenue Code (the "Code") § 754 and Treasury Regulation § 1.754-1, to adjust the basis of the Partnership assets and properties as provided in Code §§ 734 and 743.

12. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

13. Effectiveness of Partnership Agreement. Except as amended hereby, the Partnership Agreement shall remain in full force and effect.

14. Governing Law. This Agreement shall be governed by the laws of the State of California.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, each of the undersigned has executed this Amendment as of the date first above written.

**MGP:**

AREA HOUSING AUTHORITY OF THE COUNTY OF  
VENTURA, a public body, corporate and politic

By: \_\_\_\_\_  
Michael Nigh, Executive Director

*[Signatures Continue on Following Page]*

**AGP:**

URBAN PACIFIC DEVELOPMENT GROUP, LLC,  
a California limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

*[Signatures Continue on Following Page]*



**LIMITED PARTNER:**

SHS GUARANTEED II, L.P.,  
a California limited partnership

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT B**

**Form of FIRPTA Certificate**

**CERTIFICATION BY ENTITY TRANSFEROR  
THAT IS NOT A FOREIGN CORPORATION,  
PARTNERSHIP, TRUST OR ESTATE**

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign corporation, partnership, trust or estate. To inform Area Housing Authority of the County of Ventura, a public body corporate and politic ("Transferee"), that withholding of tax is not required upon the real property interests identified on Exhibit A attached hereto by Urban Pacific Development Group, LLC, a California limited liability company ("Transferor"), the undersigned hereby certifies the following, on behalf of Transferor:

- a. Transferor is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
- b. The U.S. employer identification number of Transferor is \_\_\_\_\_; and
- c. Transferor's office address is: \_\_\_\_\_.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by the Transferee, and that Transferee is relying upon this Certification.

Under penalty of perjury, Transferor declares that it has examined this certificate and to the best of its knowledge and belief, it is true, correct and complete.

Dated: \_\_\_\_\_

TRANSFEROR

URBAN PACIFIC DEVELOPMENT GROUP, LLC,  
a California limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**Meeting Date:** September 27, 2023  
**Agenda Item:** 8  
**Subject:** Board Responsibilities: Conflicting Open Meeting Requirements  
**Prepared by:** Ian Elsenheimer, Ferguson Case Orr Paterson LLP  
**Requested Action:** Information Only

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In addition to government, individual business sectors may be required to adhere to open meeting laws. This can cause confusion for organizations, the media and the public, and impact their expectations. Ian Elsenheimer, General Counsel, will discuss the most common misconceptions and provide insight into the applicable open meeting law requirements.



**Meeting Date:** September 27, 2023  
**Agenda Item:** 9  
**Subject:** Review of Financial Reports: Programs and Funding  
**Prepared by:** Carrie Sabatini, Deputy Executive Director/Director of Housing Programs  
Michael Nigh, Executive Director  
**Requested Action:** Information and Discussion

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AHA's financial reports are a tool to assess the agency's fiscal health. The financial reports provide a wealth of information regarding the agency's operations, priorities, and restrictions placed on funds.

In order to accurately interpret the financial data, it is essential to clearly understand HUD-funded programs (Public Housing and Section 8), the parameters for the use of the funds in those programs, and the relationships between and within these programs. Program allocations, mandates, and HUD policies play a significant role in AHA operations, because HUD programs comprise the majority of AHA's funding.

Staff will provide a brief overview of AHA's HUD housing programs followed by a comprehensive review of the program funding to initiate the Board's interactive discussion.

Please contact Carrie Sabatini at extension 390 or via email at [csabatini@ahacv.org](mailto:csabatini@ahacv.org) or Michael Nigh at extension 850 or via email at [mnigh@ahacv.org](mailto:mnigh@ahacv.org) in order to discuss your individual questions.



**Meeting Date:** September 27, 2023

**Agenda Item:** 10

**Subject:** Staff Comments

**Prepared by:** Staff

**Requested Action:** Information Only

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Staff will provide comments and updates as needed.



**Meeting Date:** September 27, 2023  
**Agenda Item:** 11  
**Subject:** Executive Director Comments  
**Prepared by:** Michael Nigh, Executive Director  
**Requested Action:** Information Only

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The Executive Director will provide updates as needed.