

**Saint Joseph Community Land Trust**  
**Board Meeting Minutes**  
**February 10, 2021**

**Meeting called to order: 5:34 p.m.**

**Meeting adjourned: 7:10 p.m.**

**Board members present: Francie Alling, Lynn Barnett, MaryAnne Brand, Jesse Walker, Allan Bisbee, and MaKenzie Malone**

**Staff present: Jean Diaz, Charlotte Rosburg, and Diane Rodgers**

**Members: Marissa Fox, Carolyn Meiers, Guest: Vicky Bartley**

1. **Topic:** Amending Minutes

**Discussion:** Due to the meeting's time frame, Barnett asked Diaz what items we could postpone and what items were essential to discuss that evening. Diaz stated that items 6, 7, 8, 9, and 11 should be addressed and that we could table the rest until the next meeting.

2. **Topic:** Opening Prayer

**Discussion:** Alling led an opening prayer to begin the meeting.

3. **Topic:** Call to Order and Approval of Agenda

**Discussion:** Barnett called the meeting to order.

4. **Topic:** Roll Call of Board Members and Determination of Board and Membership Quorums

**Discussion:** Alling determined that a quorum was present with the members in attendance on Zoom and proxies held. Barnett asked if there were any nonmembers. Vicky Bartley, a district manager from MBS, introduced herself.

5. **Topic:** Open Floor

**Discussion:** Barnett inquired if any of the members in attendance would like to speak. After hearing no response, he closed the floor.

6. **Topic:** Consent Calendar

**Discussion:** Barnett inquired if the Board had had a chance to read all the consent calendar items and any need for dialogue. Barnett noted that he would like to see the changes in reports discussed earlier with Diaz by the end of the meeting. Brand asked if a resolution was needed for the budget report that was recently submitted; Diaz confirmed that there was no need.

**Action Taken: Motion to Move**

Moved by Brand,                      Seconded by Bisbee

Ayes: All

Nays: None

7. **Topic:** Sierra Gardens Apartment

**Discussion:** Barnett gave an overview of the meeting, noting that it was required by California and must be held once per year with minutes. The minutes were taken and sent to Dave Michaels, who is the record keeper for the company. Diaz stated that the project is doing well financially and that some maintenance issues need to be

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addressed, such as replacing trees and shrubs that have died. Smoking issues on the property have been resolved, although one tenant still has concerns that the person below her is smoking. There is no evidence that this is currently taking place. Bartley with MBS stated that Dirk, the new community manager, was sorry that he could not make the meeting. Bartley is new to the property but plans on making a trip to Sierra Gardens in the next few weeks. Barnett discussed snow removal and a spring walkthrough for repairs, one being the children's play area. There is a one-year waitlist, and cash flow should start coming in shortly. This will be the last year that we get residuals from development fees; afterward, there will be normal distribution among the partners. Barnett wants to see Malone and Rodgers visit the property this spring if there is a safe way.

8. **Topic:** COVID-19 Response and Possible Program Changes = MTH, Emergency Loan Program

**Discussion:** Diaz introduced the report noting that the last board meeting discussed the two programs not getting much use and reevaluating the programs. The Board asked the staff to research the programs and develop ideas on improving them during COVID-19. The meeting's goal was for the Board to hear the suggestions and come back with direction on how the program should be changed if the Board desired.

Rodgers discussed each line item of the suggestions. First, make the Motel to Housing program open to individuals along with families. Second, have each family or individual who qualifies for the program do a budget sheet and be counseled to create a budget and possibly reduce costs in their expenses. Third, extend funds to those in jeopardy of losing their homes, paying 20% of rent if doing so will allow them to stay in their homes. Fourth, keep a running record of currently available homes, apartments, and rooms for rent. Fifth, advertise on radio and social media platforms to let the public know that our program exists. Sixth, make sure that the program is proactive; from the time we meet the client, counsel them through the budget process, suggest currently available homes, and help with applications.

Rosburg pointed out that many of the houses and apartments are still out of our clients' price range and lack affordable housing. Diaz suggested going to some property management firms to look for rentals that may not be listed on specific search engines. Barnett shared he liked the idea of budget counseling, but his reservation was that some of our donors would not support giving money to individuals and want to help only women and children.

Barnett suggested making a separate program just for individuals for Motel to Housing so as not to lose those donors. Diaz noted that the program's change is only temporary; instead of building two programs, we can keep track of who donates and apply those funds to where each donor wants the money used. Meiers also indicated that a few specific donors were only interested in women and children, so we must keep those funds separate.

Meiers noted that she has not been attending meetings of late but wants to get more involved somehow. Diaz stated we have some committees that we would love for her to join. He will send her the information.

Rodgers discussed the second part of the report, suggesting that we make the Emergency Loan Program available to nonmembers for a limited time while COVID-19 remains a factor. Barnett responded that he would like to see it only for a limited time; the entire point of having people sign up for membership is building up our member list. Alling stated that she liked all the recommendations but wanted to see the end of December 2021. Diaz and Barnett concluded that we would schedule a board meeting for next month; at that time, the staff will present a resolution to be voted on for both the board meeting and the Emergency Loan Program.

9. **Topic:** Sugar Pine Village

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**Discussion:** Diaz stated that we reached a milestone—full entitlement with the City of South Lake Tahoe and TRPA. Barnett noted that this is the largest project that has been approved in the Lake Tahoe Basin for several years. We are now in the phase of getting a construction date, engineering, and securing a loan package. Groundbreaking will take place in 2022, and our goal is to have people moving into the units in 2023. The buildings will be prefabricated in Vallejo, shipped, and then constructed in Lake Tahoe.

Diaz stated that an agenda item was to discuss our limited partnership agreement. He asked Fox to give us the pros and cons of creating an LLC or a separate corporate entity to enter into the limited partnership agreement to limit the organization's liability.

Fox referred everyone to the report that she'd sent earlier; she stated that the Internal Revenue Code allows a for-profit without tax credit limitation. Fox said that there are three main points when entering this agreement.

1. Increased flexibility and streamlined management
2. Reduced liability
3. Management of exposure to unrelated business income

Fox noted that there would be additional administrative time burden and cost; both must be separate. Fox stated that LLC is most likely to proceed because it has more flexibility and fewer restrictions.

Barnett commented about boards and how they should be created. Fox noted that boards must be separate. Usually, a sole incorporator and three members of the community will be brought on. They will need to vote on positions and create the new Board.

Barnett asked if the same should be done with Sierra Gardens. Diaz stated that at this time, the project is not big enough to warrant such action.

Barnett asked if we had discussed this with our CPA. Diaz stated that we do not have a CPA at this time, but he reached out to Andrea for future needs. Brand noted that we should get Stephanie and Andrea involved.

Barnett asked the board members if they would like to move forward with this proposal. Barnett agreed with moving forward. Alling said yes; she would like to see it as an LLC. Bisbee said yes to moving forward, to protect our assets. Walker said yes, but he had some reservations about the administrative time needed and wanted to review further. Malone noted that she was leaning toward the rest of the board members' recommendations but also wanted to research. Meiers agreed that SJCLT should move forward with an LLC due to its protection. The Board decided to move forward with an LLC. Diaz noted that he would be in contact with Fox to get the items moving.

**10. Topic: Riverside Project**

**Discussion:** Diaz presented a spreadsheet on building cost and revenue for the Riverside project and stated that Brian has been working on the complete building permit checklist since December 8, 2020. We need this completed so that we can submit our plans. Ron Du Reyes has indicated that he will do the homes for \$180 per square foot, all in. If we priced the homes at 80% AMI, the max sales price would be \$203,000 for a two-bedroom and \$228,241 for a three-bedroom; at 100% AMI, the prices would be \$374,000 for a two-bedroom and \$403,595 for a three-bedroom. Total sales revenue at 80% would be \$634,241; at 100%, it would be \$1,151,595.

