

MINUTES
SLTSG APARTMENT INVESTORS, LP-PARTNERSHIP MEETING

Friday, February 11, 2022
Held at Sparks Water Bar Restaurant, Sparks, Nevada

Meeting Called to Order: 11:30 a.m.

Meeting Adjourned: 1:00 p.m.

General Partners Present: David Michael, Partner of SPG, LLC; and Representative of Joseph Michael, Partner and Manager of SPG, LLC, Bucky Fong, Partner of SPG, LLC, Lyn Barnett, President, St. Joseph Community Land Trust (SJCLT)

General Partners Absent: David Rutledge, President, Community Revitalization and Development Corporation

Other Attendees: Jean Diaz, Executive Director, SJCLT, Jim Meiers, Program and Stewardship Manager, SJCLT

1. Introductions

Discussion: Everyone greeted each other. Jean Diaz introduced new SJCLT staff member Jim Meiers. Mr. Meiers is assigned to oversight of existing projects such as Sierra Garden Apartments (SGA)

2. Financial Summary

Discussion: David will confirm that SJCLT's total share of revenues including asset management fees, deferred developer fee, and seller note are estimated to be approximately the same as last year, i.e., \$118,000. PDG is exploring refinancing the loan. If completed, the seller note and deferred developer fee may be paid-off (cumulative \$720,000). SJCLT's share will be approximately \$107,000 from deferred developer fee and \$204,000 from seller notes.

3. Recent Site Management Issues

a. Topic: New gas line/new easement.

Discussion: The gas line replacement has been completed and the Grant of Easement is being finalized with Southwest Gas Corporation. This easement relies on a legal description based on a survey prepared by Turner & Associates Land Surveyors (Zephyr Cove Nevada)

b. Topic: Lack of hot water/rent adjustment

Discussion: There was a problem with the hot water supply to one of the buildings that lasted for 3.5 days. Lack of hot water significantly impacted one resident (Dugan Kelly) who has a medical condition that requires a constant supply of hot water. The repair took longer than usual as staff was out sick with Covid or quarantining at home due to exposure. MBS, the contracted property management firm, offered to put Mr. Kelly up in a hotel, but he opted to stay in his unit due to comfort and his medical condition. Mr. Kelly will be given \$100 in rent relief for the inconvenience caused by the frozen hot water pipe that feeds his building.

MINUTES
SLTSG APARTMENT INVESTORS, LP-PARTNERSHIP MEETING

Friday, February 11, 2022

Held at Sparks Water Bar Restaurant, Sparks, Nevada

Going forward, MBS's onsite Maintenance Technician has been assigned to be the first person to be alerted for emergencies, and each resident was once again given the after-hours emergency phone number for this purpose. That number is also mentioned on the recorded telephone message for the SGA office.

c. Topic: Landscaping/Defensible Space

Discussion: A crew of three from the firm BMP Landscaping (BMP) completed defensible space work (such as tree/brush thinning and debris disposal) at the N.E. corner of the property in the Fall of 2021. They removed brush and some of the dead trees smaller than 14 inches DBH. They hauled away ten yards of combustible debris, including piles of pinecones and pine needles around property. Mr. Meiers inspected the completed work and found it to be satisfactory. One dead tree at South Tahoe High School, at risk of falling on SGA property, was removed by the Lake Tahoe Unified School District at their expense. One fallen tree, on SGA property, at risk of sliding down a hill, was removed by MBS maintenance staff. There are currently no dead trees threatening SGA or posing a safety risk to SGA tenants. Most of the branches that fell on property during our December snow storms have been removed and Mr. Meiers sees fewer dead branches on the ground almost every time he inspects the property.

Mr. Meiers' goal is to inspect the property weekly and walk the property with MBS staff regularly. BMP Landscaping will return this Spring to recommend further needed landscaping work. BMP will also create a map of SGA irrigation and landscaping placement. We will need to install drip lines so we don't lose any new planted foliage in the future.

d. Topic: MBS Staffing

Discussion: MBS experienced significant staffing issues in 2021 but are now fully staffed. MBS hired an Assistant Maintenance Technician who started work in late October. The new head Maintenance Technician, William, started work in mid-December. The new Assistant Property Manager, Cristina, started with MBS in mid-December. Cristina and William are husband and wife and live in one unit on the property. According to MBS, the Property Manager and Maintenance Technician were doing the job of two people for 4 to 5 months. Now that the management team is once again fully staffed, they have made good progress in completing backlogged work. According to City, MBS's onsite Property Manager, MBS's fully staffed SGA team is working well together.

e. Topic: Snow Removal

Discussion: The contract with our snow removal company ends this year. MBS is satisfied with the job they're doing and we've only had one tenant complaint this Winter, regarding a walkway not being cleared completely. Since then, MBS has brought onboard a new Maintenance Technician and a new Assistant Maintenance Technician. One of the two snowblowers on property broke down in December. William was able to fix the broken snowblower and it has been functioning properly since. Both snowblowers are currently in good working condition. Following the storms in December, we had excessive ice buildup in the parking lots and walkways that was addressed by spreading salt and sand. There are no known slip & fall or auto accidents, at SGA, this season so far.

MINUTES
SLTSG APARTMENT INVESTORS, LP-PARTNERSHIP MEETING
Friday, February 11, 2022
Held at Sparks Water Bar Restaurant, Sparks, Nevada

f. Topic: Tenant Complaints

Discussion: There have been no tenant complaints since December. Prior complaints included a (frozen hot water line and excessive snow and ice buildup on walkways.)

g. Topic: Caldor Wildfire Evacuation Rent Relief

Discussion: SJCLT provided \$300 grants to 22 tenant households to cover expenses related to the Caldor Fire. With the Caldor Fire Evacuation Grants received from SJCLT, Unemployment, and the State Rental Assistance Program, SGA residents were able to receive the rent assistance they needed. No rent relief was needed or given by MBS.

h. Topic: Vacancies

Discussion: As of January 25, 2022, three units were vacant for 117, 113, and 138 days, respectively. All three units had move-ins scheduled for the following week. Kathryn Brown attributed the slow turns to fire evacuations, snowstorms, COVID concerns and employee turnover. She went on to say that MBS has found a team that works well together at SGA. MBS expects to be able to turn units and process applications faster in the future. As of February 10, 2022, SGA reported just one vacancy and Sity has submitted the file to compliance.

4. Expenditure Commitments

a. Topic: Emergency Repairs

Discussion: No Emergency repairs needed currently.

b. Topic: The Community Room

Discussion: The Community Room is ready to reopen and MBS management has recommended the following hours of operation; 9:45a.m. to 11:45a.m. and 2:30p.m. to 4:30p.m. for the next two months and then reevaluate the situation. The bathrooms are limited to site staff only. This will allow the staff to use the restrooms without contact, if possible, and eat lunch without being disturbed. Mr. Meiers inspected the room in December and it looks great. Mr. Meiers also spoke to Sity last week and she said the computers are currently ready for use. Mr. Meiers will confirm the security and software updates are completed and the printer is in good working order before we open the room. He will also investigate the disposition of the 100 thumb drives donated by SJCLT about two years ago for resident use with the computers. It is not known if they were handed out or if they are missing.

c. Topic: Lawnmowers

Discussion: In July MBS discussed obtaining a quote to fix the mowers at SGA. Lisa recently conferred with David Michael and they agreed to reach out to a local vendor for a quote to fix the mowers.

MINUTES
SLTSG APARTMENT INVESTORS, LP-PARTNERSHIP MEETING
Friday, February 11, 2022
Held at Sparks Water Bar Restaurant, Sparks, Nevada

d. Topic: Possible Improvements/Amenities

Discussion: MBS is working with a vendor to reinforce the grills on the trash enclosure doors to keep bear cubs out of the trash to curb bear activity at SGA. MBS is currently obtaining bids to replace the reception window in the office as the current window is not the right design to use as a reception window. SJCLT will be looking into future bicycle storage options. One of the challenges with the bike storage will be the availability of land coverage. Mr. Meiers will work with MBS to look for solutions. A survey was sent out to the tenants just prior to the Caldor Wildfire evacuation and MBS didn't receive any responses. SJCLT is currently working with MBS to update the survey which will be sent to all tenants following final approval. The survey will include an area for tenant suggestions for possible new amenities in the community room. The survey results will be presented to the partners for review and approval of any recommended improvements or added amenities.

By: *Jim Meiers*

Jim Meiers, Program & Stewardship Manager

Date: February 24, 2022