

**CITY OF DAVIS**  
**2009-2010 HOME INVESTMENT PARTNERSHIPS PROGRAM APPLICATION**

**Organization Name: Yolo Mutual Housing Association**

Street Address: 3451 Fifth Avenue Sacramento, CA 95817  
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Phone: (916) 453-8400 ext 24

(Be sure to list the **best contact** to get information to the organization as quickly as possible.)

**Total Proposal Request: \$100,000**

**Is the applicant claiming status as a Non-Profit Community Housing Development Organization (CHDO)? (Applicants will be required to provide qualifying documentation)**

X  Yes                          No

**HOME Eligible Activities Category:** Rental Housing Development  
(See List A)

**National Objective Compliance/Low and Mod Benefit:** Low and Very Low Income 50% and 60%  
(See List B)

**City Council Identified Critical Needs:** (See List C)

- 1) Development of Affordable Housing
- 2) Housing for Very Low Income Residents
- 3) N/A

**Beneficiary Information:**

86 Residents Total number of beneficiaries in proposed project  
86 Residents Number of beneficiaries in proposed project to be served with **HOME** funds  
100 Percentage of the **HOME** beneficiaries with low, low/moderate income  
\$1162 Cost (\$) per **HOME** beneficiary (HOME Request/HOME Beneficiaries)

## **PROJECT NARRATIVE**

### **a. Need**

In March of 1998 the Twin Pines community was completed and opened to provide affordable homes to very low and low income-households to help address the greatest housing need for one-, two- and three-bedroom multifamily units in the Davis community. The development consists of 36 affordable housing units, and currently houses 86 residents. YMHA currently operates four affordable housing communities in Davis. Approximately 400 households have submitted applications for those developments and are now on the waiting list.

### **b. Benefit**

The property addresses a wide array of housing needs in the City of Davis, with special emphasis on housing for low income households and much needed two-bedroom units. All units will be affordable to households with incomes under 60% of median income, with half of them affordable to households with incomes below 50% AMI.

The property offers a wide range of amenities, which includes a private laundry room in each unit with both washers and dryers provided to the residents, dedicated parking, ample bike parking, a children's play area, outdoor gathering space, basketball hoop, a community garden, and a solar heated pool located near the community building. The community center includes a kitchen area, fire place, large meeting/all purpose room for resident activities and meetings, a manager's office, and ADA accessible restrooms.

### **c. Other Resources and Collaboration**

A total award of \$155,000 was committed by NeighborWorks® America to Sacramento Mutual Housing Association to loan into the project. , yet has been recently reassigned by the NeighborWorks® America organization. Due to NeighborWorks® America's previous commitment of funds to the project, SMHA anticipates being re-awarded the same amount in the fall of 2009 for the project. These funds will leverage the \$100,000 request, and will be loaned into the project for costs related to the rehabilitation of the Twin Pines community.

### **d. Organizational Capacity**

Yolo Mutual Housing Association (YMHA) owns Twin Pines. It is managed by Jon Berkley Property Management which specializes in managing affordable housing developments. Sacramento Mutual Housing Association (SMHA), as an affiliate of YMHA, provides staffing to YMHA, including asset management services, construction oversight, and community organizing support. The CEO/Executive Director of SMHA is also the Executive Director of YMHA.

YMHA began in 1995 as Davis Mutual Housing Association. Since that time the organization has developed four mutual affordable housing complexes located in Davis, CA. All YMHA housing units are designated as low-income units.

SMHA was incorporated in 1988 and was formed as a partnership of neighborhood residents, business representatives, housing advocates, and local government officials dedicated to improving housing

opportunities for lower income families. SMHA continues to have a high level of local support.

In March of 2008 Sacramento Mutual Housing Association legally affiliated with Yolo Mutual Housing Association. Together, these non-profits now operate over six hundred units of affordable housing in 14 mutual housing communities, housing over 2,500 low income individuals. SMHA staff organizers provide leadership development support to resident leaders who are active in increasing the participation of other residents. The goal of Mutual Housing organizing is to encourage the involvement of all residents in operating the specific sites, working in the community, and providing leadership in the non profit organizations. This involvement enables residents to work together to more effectively identify solutions and resources which will strengthen communities and build safe, healthy neighborhoods.

Rachel Iskow, Executive Director of YMHA and SMHA, has twenty years of experience in community development and nonprofit leadership, including mutli-family housing development, community organizing, and administration of nonprofit corporations. Her development experience includes new construction, including several tax-credit developments in urban and rural Northern California, and acquisition and rehabilitation of several bank-and-HUD-REO's. Ms. Iskow holds an M.A. in Urban Planning from the University of California at Los Angeles, and a B.A. from the University of California at Berkley.

## **SCOPE OF SERVICES**

### **a. Project Description** (Activity Summary: Describe the activities of the proposed budget)

The proposed project consists of exterior renovation of the Twin Pines affordable housing property. This property is a 36 unit multi-family apartment complex contained in eight buildings on a 2.65 acre site. The unit mix of the property consists of 10 one bedroom units, 14 two bedroom units, and 12 three bedroom units. The eight buildings are designed in courtyards to create community and daily interaction. Each building is separated by parking areas which are internal to the site. The parking spaces are covered spaces designated to each unit.

The project will involve moderate rehab to the exterior of the property. This includes replacing deteriorated exterior wooden railings to the balconies, patios and staircases, repairs to damaged exterior concrete walkway, iron sanding and painting to exterior iron fencing, re-stripping and signage to paving and parking area, and replacement of interior flooring to the properties community room.

While YMHA has maintained the project to the best of its ability, given the low rents, high debt service on the mortgage, and the resulting tight maintenance budget, much of the exterior care has been deferred to ensure that the unit interiors have remained safe, attractive and habitable for residents. The improvements will contribute to the life of the buildings, pride of residents, and neighborhood good-will.

### **b. Target Group**

Twin Pines has been addressing the need for affordable housing in the Davis community, which lacks two-bedroom units affordable to households earning 60% AMI and below. The project provides 36 apartment units with a unit mix consisting of 10 one bedroom units, 14 two bedroom units, and 12 three bedroom units. Half of the units are targeted to low income families, while the remaining half are targeted to very low income families.

### **c. Outreach**

According to a 2008 vacancy and rental rate survey conducted by the Student Housing department at UC Davis, the apartment vacancy rate in the city of Davis declined to 0.7 percent in the fall of 2007, and rental rates rose by an average of 4.18 percent. At the end of 2006, the City of Davis, with the assistance of SMHA, conducted a market analysis of the city's affordable housing stock. The identified need was greatest from family households with two to three children.

While there is a long waiting list for YMHA housing, a fair housing marketing campaign is conducted a minimum of once a year. Out reach to low income households is conducted through newspaper ads and fliers to agencies serving low income individuals. Affirmative marketing is conducted to Davis residents and workers.

## PERFORMANCE SCHEDULE

(Prepare a Work Plan for implementation/ completion of the services and activities identified in the Scope of Services.)

**Work Plan** (Identify activities and completion dates)

<u>List Activity</u>	<u>Completion Date</u>
Rehab Exterior Wooden Railings	July 2010
Repair concrete walkways	July 2010
Repair Iron Fencing	July 2010
Restriping and signage to parking area	August 2010
Replace flooring in Community Room	June 2010

## PERFORMANCE MEASUREMENTS

<b>ACTIVITY</b> (What the program does to fulfill its mission)	<b>INDICATOR</b> (The direct products of program activities) Service #s	<b>OUTCOME</b> (Benefits that result from the program)
<b>Rehab Exterior Wooden Railings</b>	<b>The rehab contractor will have removed and replaced deteriorated wooden railings throughout exterior of structure.</b>	<b>Improve quality, appearance and safety of decks and stairways.</b>
<b>Repair Concrete Walkway</b>	<b>Damaged walkways will have been demolished and replaced by new concrete walkways.</b>	<b>Eliminate tripping hazards and improve appearance, and increase safety and accessibility of residents and guests.</b>
<b>Repair Iron Fencing</b>	<b>All iron fencing will be sanded down and re-painted.</b>	<b>Improve appearance of community, and increase pride of residents</b>
<b>Restriping and signage to parking area</b>	<b>Parking areas will have been re-painted, striped, and new signage installed throughout.</b>	<b>Improve appearance of community and make parking rules easier to monitor and enforce.</b>
<b>Replace flooring in Community Room</b>	<b>All carpet in the property's community room will have been replaced with new carpeting.</b>	<b>Improve appearance of common area for community, increase use by residents Prevent accelerated deterioration and prevent tripping hazards.</b>

**CITY OF DAVIS  
HOME INVESTMENT PARTNERSHIPS PROGRAM**

**BUDGET SUMMARY FOR PROPOSED CAPITAL PROJECT\***

<i>Budget Category</i>	<b>Proposed Project</b>	<b>Other Sources</b>	<b>Total</b>
<b>Project Development</b> Wages and Salaries Fringe Benefits Materials Other Costs: SMHA Project Management		<b>26,000</b>	<b>26,000</b>
<b>Land Acquisition</b>			
<b>Design</b> Consulting Fees Materials Other Costs			
<b>Final Development</b> Wages and Salaries Fringe Benefits Materials Soft Costs Carrying Costs Fees Permits Other Costs			
<b>Renovation or Construction</b> Electrical Plumbing Heating Interior Rehabilitation Exterior Rehabilitation Grounds Improvements Framing Rough Finish	<b>2,000</b> <b>98,000</b>	<b>129,000</b>	<b>2,000</b> <b>227,000</b>
<b>Maintenance</b> Grounds Other Maintenance			
<b>TOTAL PROJECT BUDGET</b>	<b>100,000</b>	<b>155,000</b>	<b>255,000</b>

\* Please revise this form and annotate budget items as needed.

**REQUIREMENTS:** All applicants are requested to submit a copy of their Operating Budget.

Twin Pines Community Associates, LP  
 Historical Operating Statement  
 36 Units

run: 02/04/2009

	Audited Actual 2006	Audited Actual 2007	September Forecast 2008	Draft Budget 2009	\$ Change Better/ (Worse)	% Percent Better/ (Worse)	2009 Budget Per Unit	Comments
<b>Revenue</b>								
Gross Potential Rent	272,356	287,008	294,848	308,464	13,616	4.6%	\$2,487.61	
Vacancies	-3,648	-1,736	-2,370	-6,169	-3,799	-160.3%	-49.75	2% vacancy per YMHA Board due to market conditions
Net Rent	268,708	285,272	292,478	302,295	9,817	3.4%	2,437.86	
Vacancy rate			0.8%	2.0%				
Interest Income	3,763	4,308	600	575	-25	-4.2%	4.64	
Laundry Commission	0	0	0	0	0	-	0.00	
NSF & Late Charges	0	0	0	0	0	-	0.00	
Damages & Cleaning	0	0	1,509	660	-849	-56.3%	5.32	
Credit Checks/Other	4,263	5,285	2,100	2,400	300	14.3%	19.35	
Subtotal	8,026	9,593	4,209	3,635	-574	-13.6%	29.31	
<b>Total Revenue</b>	<b>276,734</b>	<b>294,865</b>	<b>296,687</b>	<b>305,930</b>	<b>9,243</b>	<b>3.1%</b>	<b>2,467.18</b>	
<b>Expenses</b>								
<b>Administrative</b>								
Advertising	0	0	136	300	-164	-120.8%	2.42	
Concessions to Tenants	0	0	4,902	0	4,902	100.0%	0.00	
Credit Reports	0	0	400	600	-200	-50.0%	4.84	
Resident Services Organizer	0	0	2,779	2,880	-101	-3.6%	23.23	
Resident Council	0	0	0	1,800	-1,800	-	14.52	
Resident Programs	0	0	1,820	0	1,820	100.0%	0.00	
Office Expenses	3,489	1,747	1,500	1,800	-300	-20.0%	14.52	
Computer/Copier Expense	1,162	801	908	780	128	14.1%	6.29	
Postage and delivery	0	0	0	0	0	-	0.00	
Management Fee	15,120	11,215	11,443	12,288	-846	-7.4%	99.10	
Compliance Payroll	0	0	380	600	-220	-57.9%	4.84	
Administrator/Manager Salary	28,592	21,405	19,643	20,640	-997	-5.1%	166.45	
Manager Apartment Allowance	7,656	7,656	7,656	7,656	0	0.0%	61.74	
Assistant Manager	0	0	1,145	1,020	125	10.9%	8.23	
Legal Expense	0	0	3,729	600	3,129	83.9%	4.84	
Audit Expense	11,322	9,334	12,545	6,500	6,045	48.2%	52.42	Unusual accounting expenses in 2008
Telephone	2,891	4,080	3,300	3,720	-420	-12.7%	30.00	
Miscellaneous	5,847	5,597	203	600	-397	-196.0%	4.84	
Bad Debts	0	0	898	600	298	33.2%	4.84	
Mileage/Travel	0	0	283	300	-17	-6.1%	2.42	
Training	0	0	0	1,200	-1,200	-	9.68	
Total Administrative	76,079	61,835	73,668	63,884	9,784	13.3%	515.20	
<b>Utility Expense</b>								
Electricity (external lights & launc	4,696	4,739	4,753	5,340	-587	-12.3%	43.06	
Water	26,618	21,254	4,879	4,920	-41	-0.8%	39.68	
Gas	843	1,730	1,281	1,320	-39	-3.1%	10.65	
Sewer (2 acts)	0	0	11,992	10,845	1,147	9.6%	87.46	
Total Utilities	32,157	27,723	22,905	22,425	480	2.1%	180.85	
<b>Operating &amp; Maint.</b>								
Janitor Supplies	1,306	456	611	600	11	1.7%	4.84	
Janitorial Payroll	0	0	0	0	0	-	0.00	
Contract Cleaners	0	0	620	1,950	-1,330	-214.5%	15.73	
Pest Control	1,372	1,315	1,636	1,440	196	12.0%	11.61	
Trash Removal	0	0	10,198	9,375	823	8.1%	75.60	
Security Contract	911	0	0	0	0	-	0.00	
Alarm/Fire	0	0	591	600	-9	-1.6%	4.84	
Locks & Keys	0	0	227	120	107	47.1%	0.97	
Pool Supplies & Repairs	0	0	3,573	3,444	129	3.6%	27.77	
Grounds Supplies	193	195	423	600	-177	-42.0%	4.84	
Grounds Contract	7,509	6,000	6,300	6,300	0	0.0%	50.81	
Maintenance Payroll	14,983	0	20,247	15,420	4,827	23.8%	124.35	Unusually high in 08 due to deferred maintenance needs
Maintenance Contract	9,057	12,429	9,255	6,000	3,255	35.2%	48.39	Unusually high in 08 due to deferred maintenance needs
Repairs Material	0	0	6,958	2,820	4,138	59.5%	22.74	Unusually high in 08 due to deferred maintenance needs
Appliance Repair Parts	0	0	528	600	-72	-13.6%	4.84	
Appliance Replacement	2,423	4,988	2,215	1,440	775	35.0%	11.61	
Laundry Equipment Repairs	0	0	0	0	0	-	0.00	
Decorating/Painting Contract	399	278	3,182	1,500	1,682	52.9%	12.10	Based on 1 turn per month
Electrical Parts & Repairs	888	460	1,831	1,500	331	18.1%	12.10	
Heat/Cooling Repair	0	0	791	900	-109	-13.8%	7.26	
Plumbing Parts & Repairs	0	0	1,202	1,056	146	12.1%	8.52	
Carpet & Flooring	0	0	8,733	5,070	3,663	41.9%	40.89	Based on 1 turn per month
Other Operating & Maintenance	3,137	13,061	0	0	0	-	0.00	
Window/Door Repair	0	0	891	300	591	66.3%	2.42	
Total Operat. & Maint.	42,178	39,182	80,011	61,035	18,976	23.7%	492.22	

Twin Pines Community Associates, LP  
 Historical Operating Statement  
 36 Units

run: 02/04/2009

	Audited Actual 2006	Audited Actual 2007	September Forecast 2008	Draft Budget 2009	\$ Change Better/ (Worse)	% Percent Better/ (Worse)	2009 Budget Per Unit	Comments
<b>Tax &amp; Insurance</b>								
Real Estate Taxes	6,991	6,991	9,120	9,120	0	0.0%	73.55	
Payroll Tax	9,731	5,790	4,015	6,226	-2,211	-55.1%	50.21	15% of payroll per Mgmt. Agent
Misc. Tax & License	800	4,871	5,705	5,718	-13	-0.2%	46.11	
Property Insurance	20,752	16,272	18,791	18,240	551	2.9%	147.10	
Workers' Comp.	0	0	2,559	2,645	-85	-3.3%	21.33	
Pension Plan	0	0	0	0	0	-	0.00	
Health Insurance	6,660	6,995	6,775	7,308	-533	-7.9%	58.94	
<b>Total Tax &amp; Insur.</b>	<b>44,934</b>	<b>40,919</b>	<b>46,965</b>	<b>49,256</b>	<b>-2,291</b>	<b>-4.9%</b>	<b>397.23</b>	
<b>Financial Expenses</b>								
Mortgage Interest	103,439	102,293	78,612	78,612	0	0.0%	633.97	
<b>Total Financial</b>	<b>103,439</b>	<b>102,293</b>	<b>78,612</b>	<b>78,612</b>	<b>0</b>	<b>0.0%</b>	<b>633.97</b>	
<b>Other Expenses</b>								
Partnership Mgmt. Fee	7,500	7,500	7,500	7,500	0	0.0%	60.48	
<b>Total Other</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>0</b>	<b>0.0%</b>	<b>60.48</b>	
<b>Total Expenses</b>	<b>306,287</b>	<b>279,452</b>	<b>309,662</b>	<b>282,713</b>	<b>26,949</b>	<b>8.7%</b>	<b>2,279.94</b>	
<b>Net Income Before Depreciation</b>	<b>-29,553</b>	<b>15,413</b>	<b>-12,975</b>	<b>23,217</b>				
Amortization	3,858	3,858	3,858	3,858				
Depreciation Expense	95,755	93,078	93,500	93,500				
<b>Net Income / (Loss)</b>	<b>-129,166</b>	<b>-81,523</b>	<b>-110,333</b>	<b>-74,141</b>				
operating expenses per unit (excluding interest/depreciation)	5,426	4,713	6,210	5,461				
balance check			0.00	0.00	0.00			
<b>Cash Flow</b>								
Total revenue	276,734	294,865	296,687	305,930				
Operating expenses	-195,348	-169,659	-223,550	-196,601				
Net operating income	81,386	125,206	73,137	109,329				
Replacement reserve	-12,816	-12,816	-12,816	-18,000				Increased to 500/unit per year because reserves are drastically underfunded for the condition of this property
Fixed asset additions	0	0	0	0				
Other adjustment/reserve draw	0	0	0	0				
Debt service	-78,610	-78,610	-78,610	-78,610				
Cash flow for distribution	-10,040	33,780	-18,290	12,719				
Ending operating cash balance	1,681	19,074	3,943	16,662				