Meeting called to order: 5:30 p.m.
Meeting adjourned: 6:45pm

Board Members Present: Francie Alling, Lyn Barnett, Allan Bisbee, MaryAnne Brand, Karen Fink

Staff Present: Jean Diaz, C. Rosburg,

1. **Topic:** Opening Prayer, Call to Order and Approval of Agenda  
   **Discussion:** Barnett led the opening prayer and called the meeting to order.

2. **Topic:** Roll Call of Board Members and Determination of Quorum

3. **Topic:** Open Floor  
   **Discussion:** None

4. **Topic:** Review and Approve Updated SJCLT Ground Lease Form  
   a. Confirm Resale Formula: Change in AMI  
   b. Update Ground Lease Fee Grid  
   c. Discuss Replacement Reserve  

   **Discussion:** Freddie Mac and Fannie Mae and now Cal FHA have approved loans have approved mortgage products for Community Land Trust’s but it is premised on using the standard ground lease. The board decided to take the repair reserve fund out of the ground lease and establish a new repair reserve loan fund that is outside of the leases. The repair reserve fund is available for homeowners to borrow from us for major structure repairs if they the homeowners haven’t saved up money for it they can borrow from us. We can take the repair reserve account out of the ground lease and put it into the Programs Plan and amend the fiscal procedures in which we set up this loan account. For the ground lease fee determination to use language giving us the option of increasing the fee based on the CPI of California’s Western Region, by having it voted on by the membership at the annual meeting. For a down payment it was decided to specify 3.5% in brackets as a starting point with each case being addressed individually. Because we are a bi-state organization making use HUD’s numbers in determining qualified income buyers when a homeowner sells the house was considered the best option. If someone who is not income qualified acquires the property through inheritance, they have 12 months after final formal property transfer to transfer it to an income qualified person. They get the benefits of the equity from the resale formula. The resale formula and it is essentially the same, the initial purchase price plus the index appreciation is based on AMI the same as what you have already approved, plus capital improvements credits plus excessive damage charge equals the formula price and that is in essence what you have already. Pulling in the superior maintenance clause from the previous ground lease agreement into the new ground lease agreement was desired by Barnett.

5. **Topic:** Allocation of Sierra Gardens Funds Received  
   a. Allocation recommendations/decisions  
   b. Direction to Treasurer and Executive Director to develop investment Policy
Discussion: Our adopted budget from our retreat included the recommended and approved allocations for seeding $10,000 in the Acquisitions for Development Fund. We also approved the operating reserve of $114,482.00, so it would certainly be appropriate to allocate funds to that. Another item on the agenda is the strategic plan we had budgeted $5,000.00 for that. And then maybe putting some $25,000 to the housing fund and the balance to the general fund. During this meeting the board decided that from the $219,882.56 that we received from Sierra Gardens that instead of the $25,000 the amount needed to bring the housing fund balance up to $200,000.00 would be put into the housing fund. The budget for the strategic plan would be increased by $4000.00 to accommodate the proposal received, and then whatever is left will go into the general fund. B) Brand has been searching out higher interest accounts and recommends spreading out money out into different banks to diversify and help in establishing community relationships. Sitting down and coming up with a more detailed investment policy was recommended by Diaz.

6. **Topic:** Review Draft CCHD Pre-Application
   
   **Discussion:** Unfortunately, the pre-application link is not working.

7. **Topic:** Review/Approve Contract for Strategic Plan
   
   **Discussion:** Alison Handler did the San Diego Community Land Trust strategic plan. She has done a lot of work with California Community Land Trust Network. Her primary experience is with community Land trusts strategic plans. She has been a staff member and executive director, board member, consultant, Proud Ground is one of the oldest community land trust in the west coast in Portland. Barnett questioned if our fiscal procedures manual had a discretionary limit on a sole source or if we need to send a notice, and that this is probably something that we should develop at some point.

   **Action Taken:** the board agreed to approve the contract for the Strategic Plan.

8. **Topic:** Sierra Garden Apartments Executive Session
   
   **Discussion:** Pending Litigation

9. **Topic:** SB 196 Support Letter
   
   **Discussion:** A draft of a letter in support of SB 196 from SJCLT to be sent to the governor was discussed by Diaz and the board approved sending it on.

10. **Topic:** Adjournment and Closing Prayer
    
    **Discussion:** The meeting was adjourned, and Barnett led a closing prayer.

Respectfully Submitted, [Signature] Karen Fink, Secretary SJCLT