503 Nightmist
Irvine, CA 92618

AGENDA
IRVINE COMMUNITY LAND TRUST
REGULAR MEETING

October 21, 2024

THIS MEETING WILL BE HELD IN PERSON AT:
503 Nightmist, Community Room
Irvine, CA

- **CALL TO ORDER** **4:00 p.m.**

- **ROLL CALL**

CHAIR:	Ryan Aeh
VICE-CHAIR/TREASURER:	Nancy Donnelly
SECRETARY:	Russell Felbob
BOARD MEMBER:	Larry Agran
BOARD MEMBER:	Mike Carroll
BOARD MEMBER:	Leon Napper
BOARD MEMBER:	Patrick Strader

- **EXECUTIVE DIRECTOR'S REPORT**

- **PUBLIC COMMENTS –** The Irvine Community Land Trust welcomes and encourages community participation. At this time in the meeting, any person may address the Board of Directors on matters related to the business of the Irvine Community Land Trust. Comments may be made both on matters on the agenda of today's meeting or on other matters and issues not on the agenda. Each speaker is limited to three minutes.

- **BOARD COMMENTS-**

- **BOARD BUSINESS – OPEN SESSION**

1. **APPROVAL OF MINUTES**
   RECOMMENDED ACTION:

   Approve the Minutes of the Regular Meeting of the Irvine Community Land Trust held on September 16, 2024.

2. **YTD Q1/24-25 FINANCIAL UPDATE**
RECOMMENDED ACTION:

Approve presentation of budget revenues and expenses for Q1/24-25.

BOARD BUSINESS- PRIVATE

3. **PRESENTATION OF THE 2023-2024 AUDIT**
NO ACTION NECESSARY:

Abel Sanchez of the CPA firm Redwitz CPA will be presenting the financial audit for the fiscal year ending on June 30, 2024.

- **ADJOURNMENT**
Adjourn to a regular meeting on Monday, November 18, 2024, at 4:00 p.m.

MINUTES OF THE REGULAR MEETING OF
THE IRVINE COMMUNITY LAND TRUST
September 16th, 2024

CALL TO ORDER

The regular meeting of the Irvine Community Land Trust was called to order by Chair Aeh at 4:07 p.m. on September 16, 2024.

ROLL CALL

Chair:	Ryan Aeh
Vice Chair/Treasurer:	Nancy Donnelly
Secretary:	Russell Felbob
Board Member:	Larry Agran- Remote
Board Member:	Mike Carroll- Absent
Board Member:	Leon Napper
Board Member:	Patrick Strader-Absent

Members of the public present: None in-person. There were multiple members of the public that joined via streaming service.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Hughes gave a review of the activity of the last month. He stated that the majority of time of the ICLT was spent on the annual audit. The audit is being completed by Redwitz CPA and is expected to be completed by 9/28 which is three months ahead of last year's schedule. ICLT also sponsored and attended the CACLT Network annual conference where ICLT was recognized and appreciated. Design efforts continue for PA-40. ICLT will be meeting with the City. ICLT participated (or will be attending) various panel discussions including Cal Optima Funds, Irvine Conservancy Group, Homekey and Quasar. ICLT continues to identify new opportunities in the County.

PUBLIC COMMENTS

The Irvine Community Land Trust discussed public comments and the reelection of officers. Doug Elliot and Sylvia Walker expressed concerns about Patrick Strader's continued presence on the board due to his role as a lobbyist for developers, which they believe conflicts with the board's mission. Jeremy echoed these concerns, emphasizing the need for a thorough consideration of Strader's role. Larry then raised a procedural question about the meeting's agenda and the handling of the election issue. The conversation ended with Larry expressing broader concerns and the intention to return to the election matter.

BOARD COMMENTS

Board Member Agran discussed the importance of affordable housing and the role of the Land Trust in providing it. He praised the Irvine Community Land Trust for its outstanding work in providing affordable housing in perpetuity, particularly for hard-to-house individuals. Larry also mentioned that the Land Trust has been under attack from his political opponent, who criticized it for only providing 500 permanently affordable housing units. Larry expressed his belief in the future of the Land Trust and its potential to provide more permanently affordable housing. He also shared his opposition to the proposed 57,000 and 23,000 housing units over the next 20 and 8 years, respectively, arguing against moving forward with mega housing developments in the city without the proper study for supporting infrastructure to support it.

Larry discussed the importance of addressing transit and affordability issues first, and how the Land Trust could play a role in this. He proposed an agreement with the Irvine Company to provide instant affordability by writing down rental costs for qualified families. Larry also expressed his support for a Board Member Strader based on his development and lobbying experience, despite past disagreements, and emphasized the need for the city to cut deals with developers to address affordable housing issues sooner.

ADDITIONS AND DELETIONS TO THE AGENDA

None.

BOARD BUSINESS – OPEN SESSION:

1. APPROVAL OF MINUTES

ACTION: It was moved by Board Chair Aeh and seconded by Board Member Napper to approve the minutes of the August 12, 2024 monthly meeting and the motion passed without objection by those members present.

AYES:	5	BOARD MEMBERS: Aeh, Donnelly, Felbob, Agran, Napper
NOES:	0	BOARD MEMBERS:
ABSENT:	2	BOARD MEMBERS:
ABSTAIN:	0	BOARD MEMBERS:

2.YTD AUGUST FINANCIAL UPDATE

ACTION: It was moved by Board Member Napper and seconded by Board Member Donnelly to approve the presentation of budget revenues and expenses for YTD August 2024.

AYES:	5	BOARD MEMBERS: Aeh, Donnelly, Felbob, Agran, Napper
NOES:	0	BOARD MEMBERS:
ABSENT:	2	BOARD MEMBERS:

ABSTAIN:	0	BOARD MEMBERS:

3. BOARD MEMBER ELECTIONS

ACTION :		It was moved by Board Member Agran and seconded by Chair Aeh that the members up for renewal of their seats be voted on as one action and moved to approve.
AYES:	5	BOARD MEMBERS: Aeh, Donnelly, Felbob, Agran, Napper
NOES:	0	BOARD MEMBERS:
ABSENT:	2	BOARD MEMBERS:
ABSTAIN:	0	BOARD MEMBERS:

ADJOURNMENT

The Board adjourned the meeting at 4:50 p.m. to the regular meeting on Monday, October 21, 2024 at 4:00 p.m.

Russell Felbob, Secretary

Item

#2

YTD Financial Update

Irvine Community Land Trust

REQUEST FOR IRVINE COMMUNITY LAND TRUST BOARD ACTION

LAND TRUST BOARD MEETING DATE: October 21, 2024

TITLE: FISCAL Q1/2024 YTD FINANCIAL STATUS

Executive Director

RECOMMENDED ACTIONS:

Approve presentation of budget revenues and expenses for 1Q/24 YTD.

SUMMARY:

The Land Trust budget update is presented for the FY through the month of September 2024. The report also lists cumulative revenues and expenses for the fiscal year.

Revenues:

For the month of YTD September 2024, Land Trust operating revenues were approximately $147,535 with the amounts coming from rents, leases and loan repayments. There was an additional interest income amount of $39,907 from our holding bank account at Banner Bank. Revenue sources including rents are received monthly while others are received as single payments, such as loan payments. The revenues report below (Table 1) provide details by categories.

REVENUES – Table 1

Program Revenues	Budget	Year to Date	YTD Percentage
Nine Condominium Rent	$ 60,094.76	$ 15,973.94	27%
Alegre Ground Lease Payment (Received annually during the second half of the year)	$ 141,200.62	$ 53,033.00	38%
Salerno Ground Lease	$ 55,952.00	$ 13,989.00	25%
Sage Park Ground Lease	$ 122,400.00	$ 30,600.00	25%
Alegre Loan Repayment	$ 1.00	$ 5,115.66	511566%
Doria Loan Repayment	$ 80,000.00	$ -	0%
Salerno Loan Repayment	$ 1.00	$ 18,823.83	1882383%
Santa Ana Homes	$ 30,000.00	$ 10,000.00	33%
Interest on Banner Bank	$ 108,000.00	$ 39,907.86	37%
Subtotal: On-going revenues	**$ 597,649.38**	**$ 187,443.29**	**31%**

Short Term/ One-Time Revenue	Budget	Year to Date	YTD Percentage
Grants/Donations	$ -	$ -	#DIV/0!
Miscellaneous	$ -	$ -	#DIV/0!
			#DIV/0!
			#DIV/0!
			#DIV/0!

*The revenue reflected in the table above for the nine condominiums is shown as a net revenue number. ICLT receives the net rent check from the properties after all necessary expenses and deductions are taken. This is a change in reporting details from previous reporting years. The details of the rents and expenses are contained in a Properties Report issued by the manager.

** Terms on the Sweep Account with Bank were renegotiated to a higher interest rate.

As a reminder, the Land Trust receives annual payments on agreements and loans at different times of the fiscal year. Settlement agreement payments are made in January and June with the final settlement payments being received in February 2024. The Alegre project typically pays rent in January and April and its loan payment is also made in April, and the Doria project makes its loan payment in May.

Investment Income	Budget	Year to Date	YTD Percentage
Wells Fargo Advisors	$ 1,096,717.61	$ 572,631.00	52%
Total Revenues	**$ 1,694,366.99**	**$ 779,793.91**	**46%**

Expenditures:

During the 1Q/2024, expenditures for general operations, including employment and office costs were approximately $104,174 with consultant costs at approximately $13,550. Detailed quarterly expenditures are shown on Table 2 for various categories including employee costs, general office costs, and non-project related consultant costs.

Operating Expenses:

Operating expenses for the 1Q/2024 are shown on Table 2 below.

OPERATING EXPENSES – Table 2

Operational Expenses	Budget	Year to Date	YTD Percentage
Total Employer Costs	$ 394,308.24	$ 89,513.48	23%
General Operationg Costs	$ 22,642.00	$ 2,221.47	10%
Office Operations and Supplies			#DIV/0!
Computer/ Network	$ 22,600.00	$ 7,439.49	33%
Conference/ Events/ Meetings	$ 7,950.00	$ 5,000.00	63%
Advocacy Work/ Sponsor	$ 4,000.00	$ -	0%
Subtotal Operations	**$ 451,500.24**	**$ 104,174.44**	**23%**

General Consultant Expenses:

General consultant costs through August are shown on Table 3 below. Bookkeeping, payroll, advocacy, and lobbying services are paid monthly. Expenses for legal, administrative management, financial, marketing and communication services will vary monthly as work is done on non-project related activities. Expenses are inclusive of all billed invoices received as of the date of this report.

CONSULTANT EXPENSES – Table 3

Administrative Consultant Costs	Budget	Year to Date	YTD Percentage
Accounting/ Payroll Services	$ 16,654.00	$ 4,640.00	28%
Administrative Management	$ 34,961.00	$ 6,538.00	19%
Advocacy/ Lobbying Services	$ -	$ -	#DIV/0!
Legal Services	$ 30,487.00	$ 2,372.54	8%
Auditing Services	$ 28,900.00	$ -	0%
Communication Services	$ 5,952.00	$ -	0%
Subtotal Consulting	**$ 116,954.00**	**$ 13,550.54**	**12%**

Total Operating Expenses:

With 25% of the fiscal year behind us, the year-to-date operating expenses are approximately 21% of the annual budget or, 4% below the budget.

Total Operating Expenses	Budget	Year to Date	YTD Percentage
Total Fiscal Year Operations	**$ 564,454.24**	**$ 117,724.98**	**21%**

Capital Project Expenses:

The Land Trust has four budgeted capital expenditure activities plus tenant rental guarantees as part of the approved Budget. These include the management and maintenance of existing condominiums and group homes owned by the Land Trust, any on-going maintenance at Sage Park and the new development site in Irvine.

Conclusion:

Staff is recommending the Board approve the revenues and expenditures report as presented for 1Q/24-25.

Item

#3

Presentation of the Fiscal Year Audit

Redwitz CPA