

**ACTION  
MINUTES OF THE REGULAR BOARD MEETING  
OF THE  
MONTEREY COUNTY HOUSING AUTHORITY  
DEVELOPMENT CORPORATION  
HELD JANUARY 24, 2011**

Directors met at 123 Rico Street, Salinas, CA 93907. The meeting was called to order by Chair Alan Styles at 8:35 p.m. Present: Chair Alan Styles, Vice Chair Elizabeth Williams, and Directors Josh Stewart, Tom Espinoza, Kevin Healy and Andrew Jackson. Also Present: Starla Warren, President/CEO HDC and Jean Goebel, Acting Executive Director HACM. Also in attendance HACM Staff: Lynn Santos, Director of Finance. HDC Staff: Carolina Sahagun, Senior Community Development Planner and Marilyn Rose, Senior Finance Officer. Recorder: Kimmy Nguyen

**COMMENTS FROM THE PUBLIC:** None

**CONSENT AGENDA**

- A. Minutes—Approval of Minutes of the Regular Board Meeting held November 29, 2010

Upon motion by Director Williams, seconded by Director Stewart, the Board approved the minutes for the Regular Board Meeting held November 29, 2010. Motion carried with the following vote:

AYES: Styles, Williams, Stewart, Espinoza, Healy, Jackson  
NOES: None  
ABSENT: None

**NEW BUSINESS**

- A. Resolution MDC-61: Authorization to Adopt Monterey County Housing Authority Development Corporation's Section 125 Cafeteria Premium Only Plan

Ms. Warren stated that this is relative to the HDC's medical insurance plan. She explained that on the pension plan, we were able to be a participating employer but for the existing HACM insurance plan, we had to get our own insurance because we are a small group. Ms. Warren stated that this is already in place as of January 1 and this Resolution is what is necessary for the insurance program.

Upon motion by Director Williams, seconded by Director Stewart, the Board approved Resolution MDC-61 authorizing to adopt Monterey County Housing Authority Development Corporation's Section 125 Cafeteria Premium Only Plan.

Motion carried with the following vote:

AYES: Styles, Williams, Stewart, Espinoza, Healy, Jackson  
NOES: None  
ABSENT: None

- B. Resolution MDC-62: Authorization to Adopt a Second Tier Employer Contribution Level for Monterey County Housing Authority Development Corporation's Pension Plan

Ms. Warren mentioned that HDC is a participating employer on the HACM plan and discussions were made to the administrators allowing us a second tier contribution. Currently the HACM contribution for retirement is at 11.9% and a request to have a second tier at 4% for new hires is an attempt to control costs going forward.

Upon motion by Director Williams, seconded by Director Stewart, the Board moved that we adopt Resolution MDC-62 authorizing to Adopt a Second Tier Employer Contribution Level for Monterey County Housing Authority Development Corporation's Pension Plan.

Motion carried with the following vote:

AYES: Styles, Williams, Stewart, Espinoza, Healy, Jackson  
NOES: None  
ABSENT: None

C. Resolution MDC-63: Authorization to submit HOME Funding Application to the City of Salinas for the Redevelopment of Haciendas

Ms. Warren stated that we have had a lot of discussion on Haciendas at our previous meetings. This is the City's annual funding round for HOME money and this Resolution is requesting authorization to apply for up to \$2 million dollars.

Upon motion by Director Stewart, seconded by Director Jackson, the Board moved that we adopt Resolution MDC-63 authorizing submission of Home Funding Application to the City of Salinas for the Redevelopment of Haciendas

Motion carried with the following vote:

AYES: Styles, Williams, Stewart, Espinoza, Healy, Jackson  
NOES: None  
ABSENT: None

D. Finance and Personnel Committee Meeting

Chair Styles appointed the following Directors to serve for the HDC Personnel & Finance/Development Committee. Director Stewart & Director Williams will serve the Personnel Committee. Director Espinoza, Director Healy & Director Jackson will serve the Finance/Development Committee. The two committee meetings will be scheduled on an as needed basis.

E. Appoint Director to Review Legal RFP's

Chair Styles appointed Director Espinoza to review the Legal RFP's.

### **OLD BUSINESS**

A. Change of Officers

Chair Styles stated that until we get a new Executive Director at HACM, he can't make any changes. This item has been tabled.

B. Haciendas Project Name

Chair Styles tabled this item.

C. Resolution MDC-58: Approve Modifications to Personnel Policy

Chair Styles recommended that Resolution MDC-58 be moved to the next HDC Personnel Committee Agenda.

D. Resolution MDC-59: Open Bank Accounts and Delegation of Signature Authority

Chair Styles mentioned that when HDC applied for insurance, the insurance company would not accept a Housing Authority check. He recommended that for any type of incidental issues, HDC have some funds to cover any operational costs when HACM checks are not accepted. Ms. Warren stated that she can work with HACM in that matter. Chair Styles suggested that this Resolution go to the HDC Finance Committee Agenda. This item has been tabled.

### **INFORMATION**

A. Monthly Development Report – Jan 2010

Ms. Warren stated that she wanted to point out one item on the report regarding the Pacific Meadows issue. She explained that when they closed the construction loan, they paid HACM \$300K and then they negotiated portions of their developer fee going forward in lieu of lease payments until Year 13. She stated that the total amount of the deferral is \$780K. Ms. Warren speculated that they may have pulled down some developer fee at conversion that we don't know about. She has inquired about it and is awaiting a response. She stated that there may be some additional cash that will be coming out of this transaction for HACM. Since they have completed construction, HACM can book \$780K in revenue and it is programmed to be paid over time.

B. Letter to the City of Soledad

Ms. Warren stated that this letter indicated that we had a lot of issues with the City of Soledad specifically the utility billings. She explained that the City originally billed us for \$663K, in which we did the analysis on it and came out to be \$322K. She stated that we are holding back \$60K on the garbage issue pending resolution with the City. Ms. Warren, Director Williams and Director Styles met with the Mayor and discussed all of these items. She recapped the meeting into a letter and sent it to the new Mayor for action. The letter will be sent tomorrow.

Director Healy was curious to know if there were any ideas on what the outcome of the letter to the Mayor would be. Ms. Warren stated that she thinks that he can probably give a \$60K credit, make the FOG Agreement and the backflow prevention device issues go away and the rents will most likely increase. She was hopeful that he would entertain some kind of affordable housing utility basis. He commented that he felt that some of the utility rates have been based on what other jurisdictions on the Peninsula have done and perhaps there is room to negotiate with some kind of reduction in the utility fees. Ms. Warren stated that the status of the Soledad Housing Authority will be an ongoing issue for a bit until he decides how he's going to resolve that internally in the City. Ms. Warren stated that she will definitely follow up with the mayor in regards to the letter.

Director Styles commented that one other thing the Mayor talked about was the possibility of the City Council becoming the Housing Authority Board of Directors. Director Styles has not seen that happen yet although he thinks that the Mayor has had a couple of meetings with his counsel to talk about it.

C. Status on the Joint RFP for Organizational Review

Ms. Warren stated that she has a draft of the Joint RFP for Organizational Review and will give that to Ms. Goebel some time in the week.

D. Status on Fano Property Management Transition

Ms. Warren reported that she has tentatively scheduled a call that Ms. Goebel requested for Friday morning on the 28th and have not gotten that confirmed yet. She stated that we need that piece to happen and then can continue to move the process.

Chair Styles mentioned that he thought the Board had agreed that the Joint RFP Organizational Review should be ready, and that by the time the new Executive Director comes in, he would have that in commission. Ms. Warren stated it does not need to go to Board and that the issue is for Ms. Warren & Ms. Goebel to agree on the scope of work.

**FUTURE AGENDA ITEMS**

Ms. Warren commented that this is a recap of the Saturday Special Joint HACM/HDC Board meeting.

**DIRECTOR COMMENTS**

Director Jackson commented that he has no comment.

Director Stewart commented good night to everyone.

January 24, 2011

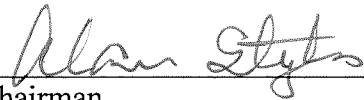
Director Williams thanked everyone for their hard work and commented good night.

Director Styles commented that he will echo what Director Williams said and commented that some of these meetings are bringing us to where we want to be but we still have a ways to go and he thanked everyone.

Director Healy thanked Ms. Nguyen & Ms. Tebbs for setting up the call and thanked everyone else.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at 6:33 p.m.

  
\_\_\_\_\_  
Chairman

ATTEST:

  
\_\_\_\_\_  
Secretary

3/1/11  
\_\_\_\_\_  
Date