ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
HELD APRIL 28, 2014

Commissioners met at the Central Office. Chair Elizabeth Williams called the meeting to order at 5 p.m. Present: Chair Elizabeth Williams, Vice Chair Kevin Healy, and Commissioners Thomas Espinoza, Kathy Beuthin, Mary Jo Zenk, and Kathleen Ballesteros. Also present: Jean Goebel, Executive Director; Lynn Santos, Director of Finance; Joni Ruclaz, Housing Programs Manager; Pat Wyatt, Human Resources Manager; Shannon Tonkin, Housing Management Manager; and Starla Warren, Fee-for-Service Director of Development. Recorder: Sandy Tobbs

PRESENTATION: Service Award

Chair Williams presented Jean Goebel, Executive Director, with a 25-year Certificate of Appreciation and 25-year pin; the Board thanks Ms. Goebel for her many years of service.

CONSENT AGENDA

A. Minutes – Approval of Minutes of the Regular Board Meeting held March 24, 2014

Upon motion by Commissioner Zenk, seconded by Commissioner Healy, the Board approved the Consent Agenda. Motion carried with the following roll-call vote:

YES: Williams, Healy, Espinoza, Beuthin, Zenk, Ballesteros
NOES: None
ABSENT: None

COMMENTS FROM THE PUBLIC

Rosa E. Espinoza and Shawn Grandille complained about being on the waiting list for four years while other individuals that signed up after they did were getting housing. Chair Williams noted that their information would be passed to Staff for review; she also requested they provide their phone number to the Clerk of the Board, which they did.

The Board moved agenda item 8D, Resolution 2786, forward on the agenda to accommodate the out of town auditors.

NEW BUSINESS

A. Resolution 2786: Acceptance of the Audited Financial Statements for the year ending June 30, 2013

Mr. Jon Adkins and Mr. Lucky Biaardwaj, Auditors, provided a brief overview and pointed out the changes from the previous audit. The biggest change is the fixed assets which increased by $13M due to Haciendas 1, Haciendas 2, and Oak Park 1 which are now on the books; Haciendas 2 and Oak Park 1 will be finished next year so the fixed assets will increase again.

To query, Mr. Adkins noted there were some GAAP changes such as new terminology of net position which is the same as net asset. Commissioner Zenk stated For The Record that this is an Unqualified Opinion Audit and there are no findings in the single audit reporting to the Federal government. To another query, Mr. Adkins responded that one weakness might be that others need to be brought into the process for backup purposes. Ms. Goebel responded that cross-training is already taking place. Ms. Santos noted there are a lot of people involved, but she does most of the compiling portion. Chair Williams stated if the Commissioners have any questions regarding the audit to please call Ms. Santos or Ms. Tobbs who can forward the questions to the auditors.

Upon motion by Commissioner Healy, seconded by Commissioner Espinoza, the Board adopted Resolution 2786, Acceptance of the Audited Financial Statements for the year ending June 30, 2013. Motion carried with the following roll-call vote:

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YES:     Williams, Healy, Espinoza, Bouthin, Zenk, Ballesteros
NOES:    None
ABSENT:  None

REPORTS OF COMMITTEES

Personnel Committee: Commissioner Zenk reported the ED Succession plan was recommended by the Committee after discussion; the Committee is still working on the Board Manual.

Finance/Dev Committee: Commissioner Espinoza reported Ms. Santos put together a lot of information regarding property management; it is doable but logistically complicated. Ultimately, this belongs as an HDC agenda and decision issue. HACM and HDC will continue to work together on this issue and bring it back to the HDC’s subcommittee with regard to using a third party property manager or HACM to provide these services. The time frame for coming back to the Board will be July 2014. Commissioner Healy noted there is potentially a lot of opportunity on this issue. Commissioner Williams pointed out there was a presentation provided to the Committee about the assumption of property management for properties by HACM which was quite lengthy; this issue was referred to HDC with the cooperation of HACM and HDC Staffs.

Monterey County Housing, Inc.: Mr. Rose provided a business card advertisement handout for recruiting potential board members and encouraged the Commission to pass the business cards out to others. He reminded that Mr. Styles and Ms. Scott are both now not available. He stated MCHI has advertised in the Monterey County Herald online where there were over 100 likes but no applications submitted yet. Mr. Rose pointed out that on the reverse side of the business card, there is a quick code to be put on a smart phone to obtain the job description for a director’s position as well as an application format. Mr. Rose stated the meeting on May 14th will be the same as tonight’s meeting with respect to the auditors. Commissioner Healy complimented Mr. Rose on the business card and QR code. To query on Board Connect, Mr. Rose replied that MCHI applied too late. He further stated that there are currently four active MCHI Board members.

Affordable Acquisitions: Same as MCHI

Sunrise House: Staff noted there hasn’t been a meeting yet; it is scheduled for May 8th.

Monterey County Housing Development Corporation and LP’s: Ms. Warren suggested these items be removed from the HACM agenda and placed on the HDC agenda. The Chair directed the Board Clerk to remove these items from the HACM Board agenda.

REPORT OF SECRETARY

A. Executive Report

Ms. Goebel reported former Commissioner Alan Styles was nominated and is the winner of the PSWRC Commissioner of the Year award. Mr. Styles will be going to the conference to receive the award. Chair Williams thanked Staff for submitting the application.

NEW BUSINESS

A. Resolution 2785: Executive Director Succession Plan

Commissioner Zenk reported there was a long discussion at the Personnel Committee meeting regarding cross-training backup personnel. Ms. Goebel reminded that the Finance Director has been cross-training her staff for the last year.

Upon motion by Commissioner Zenk, seconded by Commissioner Healy, the Board adopted Resolution 2785, approval of the Executive Director Succession Plan. Motion carried with the following roll-call vote:

YES:     Williams, Healy, Espinoza, Bouthin, Zenk, Ballesteros
NOES:    None
ABSENT:  None

B. NAHRO 2014 Summer Conference

Chair Williams polled the Commissioners on whether anyone would like to attend the NAHRO Summer Conference in Tampa, Florida; there were no responses. She requested that the Board Clerk be notified soon if there was any interest because the early bird deadline is May 30th.
C. Proposed County Resolution

Upon motion by Commissioner Espinoza, seconded by Commissioner Zenk, the Board approved forwarding the draft resolution honoring former Commissioner Alan Styles to the Chair of the Board of Supervisors for consideration and adoption. Motion carried with the following roll-call vote:

YES: Williams, Healy, Espinoza, Beuthin, Zenk, Ballesteros
NOES: None
ABSENT: None

D. Resolution 2786: Acceptance of the Audited Financial Statements for the year ending June 30, 2013

This Resolution was previously considered after Comments from the Public above.

INFORMATION

A. Finance Report

Ms. Santos responded to query that Ms. Warren is pursuing an extension request for the HELP loan. Commissioner Zenk requested for the Record a status report be provided in June regarding this issue so there could be some discussion. To a query regarding the Crypto-Locker Virus, Staff noted options are being pursued that cannot be discussed in the meeting regarding this virus; Staff further noted that the affected files have been restored.

B. Human Resources Report

Ms. Wyatt responded to query that the negotiating team did meet with SEIU regarding the 9/80 schedule and after that the next step is to talk with HACM management at a meeting on Thursday and then sit down with SEIU and discuss the details.

C. Development Report

Ms. Warren reported the RFP for the 123 Building renovation has been forwarded to Ms. Goebel for final comments and then will go out for advertising on May 7th for 30 days. She further reported that she has been approached by MCHI to do a scope of work needed for Parkside. Wells Fargo bank is working on the analyses relative to the defeasance and any pre-payment penalties that might be involved on this project, but the rehab estimate has gone from $2.1M to approximately $3M due to some significant infrastructure issues. All the work needed comes to about $80K a unit on a rehab and past the TDC (total development cost) calculation; once you pass a certain level, it is no longer beneficial to rehab. Ms. Warren stated she will be taking information for a potential demolition/reconstruction to the MCH Board for direction on May 14th. She noted she would propose MCHI work with HACM to potentially apply for Project Based Section 8 vouchers, since HACM is the Property Management, there could be some opportunity to create more rental stream. Ms. Warren stated she would keep the Board posted on this issue.

To query on Lakeview, Staff explained that the owners are non-responsive and the plan is to hand them the records and keys on May 16th. Ms. Warren stated she would be following up with this group tomorrow morning. To query regarding concern for the tenants, Staff explained a letter would be forwarded to the tenants with a mailing address to pay their rent, but they would already be paid up for the month of May. Commissioner Williams stated the tenants have been our concern and the reason we have allowed this issue to drag on for so long.

D. Property Management Report

Ms. Tonkin reported the REAC Inspections are completed and we scored 90% or above on all the sites. She noted that her Staff attended the Aging with Vitality Conference at Hartnell College and they in turn provided information to HACM senior sites. Ms. Tonkin further reported Staff hopes to hit the 90% mark for units occupied at Haciendas 2 by next week.
E. Housing Programs Report

Ms. Ruelaz reported HACM partnered with Shoreline to submit an application for the County Workforce Investment Act funding application. This would provide assistance for tenants in job training programs. She noted her staff has also applied for and was approved for the State of California Tax Intercept Program in order to retrieve some money owed to HACM through income tax refunds.

Ms. Ruelaz further reported she and her Senior Housing Specialists have been updating the Admin Plan and adding Homeless and Working Preferences. She next pointed out that HACM won again this year for the PSWRC Award for Partnership Innovation for the Power Project. Ms. Ruelaz stated we also applied to National and won the Award of Merit for the same Power Project. Ms. Goebel stated that HACM is also being considered for an Award of Excellence on this same project.

Commissioner Williams stated one of the best things for HACM was to team up with Shoreline; it seems to have brought good things our way and their way. She encouraged the Commissioners to visit Shoreline the next time HACM partners with them to do a Job Fair.

To query regarding adding a homeless preference to the Admin Plan, Staff explained the communities have been requesting this for years, but the homeless preference referrals would come from other agencies. Families would have to meet the definition of the Hearth Act for homelessness. Agencies would also have to commit to one year of case management.

COMMISSIONER COMMENTS

Chair Williams introduced new Commissioner Viviana Gama who was in the audience; she stated Ms. Gama will join the Board next month. Ms. Gama stated she feels honored to be a Board member and to help the community.

Commissioner Beuthin congratulated Staff on the inspection results and on the awards for the housing programs.

Commissioner Ballesteros congratulated Ms. Goebel for 25 years of service. She thanked Ms. Santos for the audit. Commissioner Ballesteros next congratulated Ms. Ruelaz and her Staff for all their accomplishments. She thanked Ms. Warren for all the information she provided tonight. Commissioner Ballesteros welcomed newly appointed Commissioner Gama.

Commissioner Healy congratulated Ms. Goebel for 25 years of service; HACM is lucky to have her for this long period. He congratulated Ms. Ruelaz for all the awards. Commissioner Healy next thanked Ms. Santos for the voluminous financial statements and all the hard work that went into the audit. He complimented Mr. Rose on the business card as an advertising tool for new Board members. Commissioner Healy congratulated and welcomed Ms. Gama on her appointment to the Board.

Commissioner Zenk welcomed Ms. Gama and noted she looks forward to serving with her; she further stated the Board will be happy to help in any way they can. Commissioner Zenk next congratulated Ms. Goebel for 25 years of service. She thanked Ms. Santos and Staff for all the hard work on the audit. Commissioner Zenk stated great job to everybody that worked on the terrific PHAS scores. She noted she likes the idea of the Tax Intercept Program and thanked Ms. Ruelaz and Staff for applying; she further congratulated Ms. Ruelaz for the regional award and NAHRO Award of Merit. Commissioner Zenk thanked everyone for doing some great work. She next stated she had heard there will be a Salinas Valley celebration for Community Development and Affordable Housing the week of May 11th through May 17th with a reception planned on May 16th with Congressman Farr. Ms. Goebel requested this information be forwarded to her.

Commissioner Espinoza congratulated Ms. Goebel for 25 years of service and noted this meeting typifies all the hard work that Staff does and he is very proud to be associated with each and everyone. He welcomed Ms. Gama and commented he was on the Ad Hoc Committee for the Selection of Tenant Commissioners and knew she would be an excellent addition to the Board; he thanked Ms. Gama for accepting the Commissioner appointment.
Commissioner Williams thanked Ms. Goebel for her 25 years of service and stated when the Board picked you for the Executive Director, we picked the right person and it has been an asset to have you here and we hope for another 25 more years. She next thanked Ms. Ruelaz and her staff for all their accomplishments and noted one of the best things was the teaming up with Shoreline. Commissioner Williams also thanked Ms. Tonkin for the good job she is doing. Commissioner Williams encouraged the Commissioners to take the business cards for MCHI and pass them out to people; she noted it is difficult to function without a full Board. She thanked Ms. Santos for all the hard work on the audit.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 5:59 p.m.

[Signature]
Chairman

ATTEST:

[Signature]
Secretary

[Date]
5-21-2014