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

PRESENTATIONS:

A. Service Award: Chair Williams announced service awards for Veronica Valdez for five years, Lucila Vera for ten years, and Juan Torres for 20 years of loyal service to the Housing Authority. The Board congratulates and thanks Ms. Valdez, Ms. Vera, and Mr. Torres for their many years of service.

COMMENTS FROM THE PUBLIC:

Dolores Escobar commented that she had applied for housing in 2013 and each time she comes in to find out what her status is, they say they're going to send her a letter but she never gets a letter. She decided to come to the Board meeting to find out what the protocol is for getting into housing. Another reason is she is considering moving to the State of Washington and she was wondering if there was a voucher that she could get from HACM to where she could get housing in the State of Washington. If she could get someone to call her regarding that she would appreciate that. Ms. Escobar further commented her other concern is people living in Section 8 housing that are subleasing their houses and these people are getting houses at a very cheap rate but yet have $1,500 birthday parties every three months. That doesn't make sense to her. She is renting a room from somebody and she can't afford to have a $1,500 a month party every three months. And it is just totally out of control. The person she is talking about in particular has a Section 8 house and the house behind her house is a Section 8 house and their landlord lives right next door to them; so he has put in a fence to where those that live in the circle can no longer see the people that are subleasing coming and going. But they are parking around the corner and they can be seen in the house. Chair Williams stated she would help put Ms. Escobar in touch with Ms. Ruelaz, Housing Programs Manager, regarding her concerns.

When asked his name, Jose Castaneda replied, by government code you don't have to write your name down as long as it's a public meeting. Mr. Castaneda stated he would reiterate the previous speaker. He has worked with a community group; they have come here before. Ms. Watkins was the one who attended to us. We provided an abundant amount of evidence—pictures-declarations-depositions in regards to Section 8 abuses—subleasing—interruption of the peace within the neighborhood as well. It is his understanding the Housing Authority has some type of agreement or contract with the landlords and also with the tenants.

Mr. Castaneda stated he would leave his phone number with the Board Clerk. He further stated, last but not the least of the important points to make and it's for the Board to know. He understands that these individuals have contact with some Board members and these Board members have vouched for them as well — made numerous references and appointments with County Board of Supervisors. It's his understanding the County Board of Supervisors appoint board members on this Board and to his understanding he thinks that is a conflict of interest as well. Besides the conflict, he thinks there may be some investigations that need to be done independently. If this continues — this is one of the steps to take, to bring it to your attention; therefore, it can never be said that no one has known about it or never has heard about it. After this, then we go to the next step.

CONSENT AGENDA

Commissioner Zenk requested follow-up items from the Strategic Planning session be added to the Retreat Goals; she stated that she would provide these follow-up issues to the Board Clerk.
November 17, 2014

A. Minutes – Approval of Minutes of the Special Joint HACM/HDC Board Meeting held October 4, 2014

B. Minutes – Approval of Minutes of the Regular Board Meeting held October 27, 2014

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

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

REPORTS OF COMMITTEES

Personnel Committee: Commissioner Zenk stated all items are on the agenda.
Finance/Dev Committee: Commissioner Gama reported all items are on the agenda.

Monterey County Housing, Inc.: Mr. Rose reported MCHI has a new Board member, Nancy Lloyd, who was seated on Monday and has a strong commitment to housing especially as it relates to children; that leaves only one vacancy and we hope to fill that at the next meeting in January. Mr. Rose further reported the MCHI website is technically launched but it will be even better in the weeks to come. Mr. Rose stated he is pleased to report that the Board membership of MCHI will probably be at the December 15th Holiday Dinner.

Affordable Acquisitions: Same as MCHI

Sunrise House: Chair Williams noted Commissioner Espinoza has not arrived yet.

REPORT OF SECRETARY

A. Executive Report

Ms. Goebel reported that a letter was received from HUD confirming that when Congress raises the cap on RAD that HACM stands approved and ready to move forward. She reported she and Ms. Santos attended the CalALIFA Conference in Sacramento and the different State agencies are trying very hard to work together plus trying to figure out their future direction.

OLD BUSINESS

A. Appointment to Ad Hoc Marketing Committee

Chair Williams appointed Commissioners Zenk, Beuthin, and herself to the Ad Hoc Marketing Committee; Commissioner Zenk volunteered to be the Chair.

NEW BUSINESS

A. Schedule for Annual Plan – Information Only

Ms. Goebel reminded HACM has to submit an Annual Plan to HUD every year for our Public Housing and Section 8 programs; it is due April 15th and we have to do a 45-day public comment period before the Board approves.

B. Holiday Dinner

The Chair noted there is a menu selection sheet on the Table with a deadline of December 8th to the Board clerk. To query whether there were other options, the Clerk of the Board responded if there is a dietary requirement to please call her with that information. The Board Clerk stated estimated arrival time at the restaurant is 6:30 p.m.

C. Approval to sign ancillary documents - for Oak Park Phase Two Loan Closing

Ms. Warren explained the Housing Trust Fund decided to add a requirement that the HDC Board authorize specifically by resolution a signature authority resolution which will be an added agenda item for HDC Board that satisfies that requirement, but also listed was an item that included a requirement for the Housing Authority to sign an assignment. There are about 15 different types of assignments that will occur in the HDC construction close process and one of those is that the Housing Authority is listed as the Property Management of Record and that they agree they will assign that contract to the bank should there be a foreclosure action. It is a
standard assignment but the HACM Executive Director is requesting Board authorization for her to sign that consent form. Ms. Goebel noted the documentation had been forwarded to Legal Counsel who agreed it should come to the Board for consideration. The consent form is produced by the bank and isn’t included in these documents.

At this point, Commissioner Zenk made a motion to authorize the Executive Director to sign the ancillary documents for Oak Park Phase 2 loan closing. Commissioner Gama seconded the motion.

The Chair of the Board suggested Mr. Griffin, Legal Counsel, come forward to the Table and speak to the issue at hand. To query to Mr. Griffin on whether the Board would need to address these issues each time, Mr. Griffin explained that it depends on what the ancillary documents the Executive Director is being asked to execute. He stated executing this scope of authority for the Executive Director exists to a particular level and then it becomes the Board responsibility. Mr. Griffin stated the Board is discussing undertaking significant financial risks for assigning substantial property that belongs to HACM, which is a Board responsibility, that the Executive Director needs authority to do and that is a case-by-case decision. Mr. Griffin stated in this instance the Executive Director recognized that this was a type of commitment that she was being asked to sign that she felt would be appropriate to have Board authority before she executed the documents. Between the Executive Director and Finance Director, Staff will know which items should be brought before the Board for authorization. Through the role of the Finance/Development Committee, the Commission would become aware of these transactions in advance, but the Board needs to expect and anticipate that the Executive Director will ask for authority where it is appropriate for the decision to be at Board level and not at the Executive Director level.

Mr. Griffin further noted that if the Board wants more specificity, they could issue guidelines to the Executive Director as to when they think the issue would require Board approval. And it would be reasonable to make sure that the Executive Director is comfortable with that kind of proposal because the person in that role needs to be confident that they are making decisions within the scope of their authority. It is not fair to ask that person to make decisions that may subsequently turn out to be a decision in retrospect looks less than a great resolve and have it on the shoulders of the Executive Director.

Commissioner Zenk stated she is hearing three different things: One is a possible future agenda item regarding written guidelines that the Board and Executive Director agree regarding signature authority and what issues need to come back to the Board and maybe through one of the committees. Mr. Griffin replied that is an option but it is not on the agenda before us and is a suggestion, but it would probably go through the Personnel Committee.

Commissioner Zenk next asked if this item needed to be added to the agenda. Mr. Griffin replied there is an amended agenda and there is sufficient time to have it decided today and there is some very short timelines that the organization is facing and on that basis alone the issue needs to be considered. Mr. Griffin stated that the Amended Agenda has been posted and a motion to add this issue to the agenda is not necessary but can be done.

The Chair reminded there was a motion and a second already on the floor that needs to be rescinded. Commissioner Zenk rescinded her motion and Commissioner Gama rescinded her second.

Upon motion by Commissioner Zenk, seconded by Commissioner Gama, the Board added agenda item 9C, Approval to sign ancillary documents — for Oak Park Phase Two Loan Closing, to the agenda. Motion carried with the following roll-call vote:

**YES:** Williams, Beuthin, Zenk, Ballesteros, Gama

**NOES:** None

**ABSENT:** Espinoza, Healy
Upon motion by Commissioner Zenk, seconded by Commissioner Beuthin, the Board authorized the Executive Director to execute ancillary documents for Oak Park Phase Two loan closing pending review by Legal Counsel. Motion carried with the following roll-call vote:

YES: Williams, Beuthin, Zenk, Ballesteros, Gama
NOES: None
ABSENT: Espinosa, Healy

The Board thanked Mr. Griffin for his input.

INFORMATION

A. Finance Report

Ms. Santos reported we discussed this report at the Finance/Development Committee meeting and there were not a lot of questions. She stated audits are still in process and that HACM’s unaudited financials that were submitted to REAC are still in review. Ms. Santos replied to query that Public Housing has high maintenance costs this quarter due to PHAS, but those costs will probably be going down and other sites that had savings in maintenance will likely increase due to staff being pulled from various sites to accomplish the work for the PHAS inspections.

To query, Ms. Goebel responded that HACM was asked by CalALHFA to forward a reminder to Congress that we need a budget in order to take care of our clients. She noted that we are safe until December 11th when the Continuing Resolution expires.

B. Human Resources Report

Ms. Wyatt reported she has nothing to add to her report. Commissioner Zenk stated that the Personnel Committee requested that starting in January the Human Resources report include the percentage of evaluations that have been completed on time by department. To another query, Ms. Wyatt replied that if an evaluation is delayed the employee is paid retroactively. She also responded to query on new software that Staff has narrowed it down to two which Staff will determine best fits HACM needs.

C. Development Report

Ms. Warren reported with regards to this building that there was a response from a General Contractor bidding the work; now it is a matter of identifying the funding source. She next introduced Mike Egan, who is in the Construction Management position for HDC and doing a very effective job in vetting these firms. Ms. Warren reiterated she would start researching no interest or low interest loans and grant funding now that the scope of work is known. She and Mr. Egan will create a timeline to make sure the contractor holds his bid for an extended period of time. To query whether some of the proceeds from the Portola Vista property could be used, Ms. Warren replied that is a possibility plus energy efficiencies funding sources. She stated she would probably identify the funding sources in January. Taking the time to look at the financing scheme is going to be important versus going through another winter without new equipment. Ms. Warren replied to query on the contractor that we have 180 days and she would be negotiating to get more time because it will probably be needed; there could be a 1% escalation over a period of time. She also stated there are quite a few possible funding sources. Ms. Goebel noted there also might be something through the State of California such as municipal loans for physical improvements.

Commissioner Zenk requested a list of options and whether or not HDC has vetted them and what options are being looked at. Ms. Warren replied she can attempt to do the listing but currently HDC is working on closing and the meeting in December is scheduled earlier that month. She also mentioned that the USDA unused fund issue has been provided to Congressman Farr who was going to the Secretary in charge of that particular funding source; she has not heard back on the Castroville issue.
D. Property Management Report

Ms. Tonkin thanked her co-workers and the Executive Director for taking care of things while she was out on an unexpected leave; it was nice not to come back to a whirlwind. To query regarding the nutritional presentation by the County and whether they would do some for other senior sites, Ms. Tonkin replied the County has extended the invitation to other senior sites but they are not happy about the current turn-outs by the residents. There is a nutritional program already in South County.

E. Housing Programs Report Ms. Ruelaz reported

Ms. Ruelaz reported the Project Based RFP closed on November 6th and her department is now in the process of screening the proposals; five proposals were received for the 130 units. She noted these will be new construction and they will be located throughout the County. There is a South County project, a Salinas project, and a Peninsula area project. Ms. Ruelaz stated we have to respond to those five proposal developers this week.

F. Retreat Goals

The Chair of the board stated these Retreat Goals are for information and the Commissioners might want to keep them handy; she noted the Board clerk will be revising them to reflect future agenda items.

The Board convened to Closed Session at 5:49 p.m.

CLOSED SESSION

Commissioner Espinoza arrived at 5:55 p.m.

The Board met in Closed Session for the following purpose and reason:

A. Government Code Section 54957(b) Personnel Matters
ACTION: No action taken.

The Board reconvened to regular session at 6:50 p.m.

COMMISSIONER COMMENTS

Commissioner Beuthin thanked Staff for their patience while the Board was in Closed Session. She thanked everyone for all that they do; the Board really appreciates it.

Commissioner Ballesteros thanked HDC Staff for the delicious dinner. She also thanked Staff for all their information. Commissioner Ballesteros congratulated those that received service awards because they dedicate their work in order to satisfy the needs of our community. She noted she always welcomes public opinion and it helps her to remember who she represents. Commissioner Ballesteros further thanked the Chair of the Board and the other Commissioners for their expertise.

Commissioner Gama thanked everybody for their information; she is not trying to rush into learning everything right away.

Commissioner Zenk echoed the thoughts of gratitude from the other Commissioners to the staff—the Board does appreciate all the work. She further stated that her condolences go to Commissioner Healy's family in the loss of his father. Commissioner Zenk next wished everyone a happy thanksgiving.

Commissioner Espinoza commented that he would provide a trip report for the NAHRO Conference in Baltimore at the January meeting; he stated he attended some finance courses that were very informative with regards to the flow of money from one organization to another; there are some online hand-outs that he is interested in possibly obtaining. Commissioner Espinoza further commented that former Commissioner Styles was gracious when he received the NAHRO Elizabeth B. Wells award at the conference. He next noted that Thursday is the Sunrise House meeting and the priority item on that agenda will be the replacement of their Executive
Director, Jim Rear, who is retiring.

Commissioner Williams wished everyone a Happy Thanksgiving and thanked everyone for all they do and the Board truly means this. She noted that Commissioner Healy was making arrangements for his father’s memorial service which is planned for Sunday at 2 p.m. at Healy Mortuary. Commissioner Williams thanked her fellow Board members for always being gracious enough to agree to disagree; she thinks this is a really good Board with a good make-up and she is excited about what is going to happen next year. Commissioner Williams welcomed Mr. Egan, new employee with HDC.

There being no further business to come before the Board, the meeting was adjourned at 6:56 p.m.

[Signature]
Chairman

ATTEST:

[Signature]
Secretary

12:16 2014
Date