Commissioners met at the Central Office. The meeting was called to order by Chair Alan Styles at 6 p.m. Present: Chair Alan Styles, Vice Chair Lyn Ann Rosen (arrived at 6:02 p.m.) and Commissioners: York Gin, Mike Nichols, Tim Escamilla (arrived at 6:03 p.m.), and Carol Schneider. Absent: Commissioner Josh Stewart. Also Present: Jim Nakashima, Executive Director; Mary Jo Zenk, Deputy Executive Director/Chief Financial Officer; Barry Phillips, Chief Administrative Officer, Rosie Anderson, Director of Housing Assistance Programs; Starla Warren, Director of Housing Development; Lynn Santos, Finance Manager, and Tony Caldwell, I.T. Manager. Recorder: Berta R. Torres

COMMENTS FROM THE PUBLIC

Halaine Clark requested that the next board meeting be held at Rippling River. No other public comments were made.

PRESENTATIONS

A. RIPPLING RIVER ADA REPORT BY GERSON/OVERSTREET: Harry Overstreet, Architect and Paula Satlow, Project Manager of Gerson/Overstreet, presented the finding of their Rippling River ADA Report. Ms. Satlow further explained that they arrived at their finding after surveying 12 prototype units, including those that are only accessible by stairs, walked the site, choosing the simplest path of travel and which is accessible by 64 of the units. Ms. Satlow further indicated that the third part of the survey includes all public rooms, i.e., kitchen, community room, office, etc. At this point Mr. Overstreet thanked the HACM staff for their cooperation during the survey and continued to describe some of the items that were found to be out of compliance: all hardware not compliant, landing of doors too steep, clearance in bathrooms doesn’t meet current codes, handicap parking, inadequate hand rails are the wrong height, do not have the proper extension at the end, and don’t have proper grip surfaces. He further stated that their study did not include a structural analysis. At this time, Rippling River resident Helaine Clark posed a question as to whether the corrections needed would be reasonably achievable to meet the codes, to which Mr. Overstreet responded that the code is very clear and governs all construction. At this point, Ms. Satlow explained that the ADA law passed in 1990 as a generic law and to carry out the intent of the law, the codes were created and incorporated into the law. She further explained that there are different sets of codes: The California Building Codes and UFAS, and when the federal and state codes differ, we are required to use the most stringent standards. Mr. Overstreet further stated that the study did not conclude that any of the recommended corrections were not achievable, whether it is cost effective is another question and that the intent of the law is to allow equal access to all public facilities. At this time, Mr. Nakashima requested permission from the board to respond to Ms. Clark’s question, which was granted. Mr. Nakashima stated that in a major rehab project, we can’t use the codes from 25 years ago; current codes require that all new construction must be 5% ADA compliant. Rippling River however, is a frail elderly; disabled and handicapped complex that must have the capability to be fully ADA compliant and the new laws always take precedent. Chair Styles further stated that the problem becomes one when we have to look at rehab because this triggers all the laws. Someone from the audience questioned whether the current problems with the property are due to lack of maintenance from the tenants, to which Chair Styles responded that, no, the problems are due the facility being built prior to ADA requirements, changes in the CBC and deterioration, which triggers the codes. At this time, Ms. Warren clarified that HUD’s current classification of the facility is that of frail, elderly and handicap and that it is funded under that classification. The Board thanked Mr. Overstreet and Ms. Satlow for their clarification.

B. REVISED COST ESTIMATES BY WALD, RUHNKE, DOST ARCHITECTS: Architect Henry Ruhnke stated that his firm had been contacted by the Housing Authority one and half years ago to evaluate the project from a standpoint of the facility being an asset of the Housing Authority and what needed to be done to bring it to current codes and maintain the facility. He further stated that their study included a structural, mechanical, geotechnical, evaluations as well as input from an archeologist. He continued that there are some concerns which need to be addressed and are due to various reasons: The facility was built in sections starting in the 1930s, 1970s, poor design in some instances, structural failures, recent collapse of deck, water damage on walkways, cracking plaster, wear and tear and deterioration, leaks in ceilings, jolesy windows, which let air in and heat escape, deteriorating
May 28, 2003

mechanical and electrical heating system, dry rot, mold, hillside slope, and will require new septic system, which will have to abide by different standards than those required when current one was installed and which will cost $200,000. He continued that the facility has a lot of issues, but that the deck repairs are foremost, which must be done to building code standards to make it compliant and in order to replace the decks, the people must leave. He further stated that his report identifies the minimum things to do as well as the prudent things to do and he recommends that all work be done at once rather than in sections as this would be less disruptive and less costly. His report also takes into consideration the ADA requirements and includes an allowance for those requirements. His revised cost estimate took into account local construction costs, which are the highest in the nation, and totals $9275 million for a complete overhaul. At this time, Commissioner Escamilla questioned Mr. Ruhnke as to whether he could reasonably predict another failure on the decks to which Mr. Ruhnke responded that this is unpredictable. At this time, Commissioner Gin asked Mr. Ruhnke what it would cost to build a new facility to which Mr. Ruhnke responded that it would probably cost $150 - $200 more per square feet, because of the demolition cost. At this time, MacKenzie Gordon stated that he would like to see more cooperation between the residents and the board. Mr. Nakashima responded that he would love to work with the residents of Rippling River and Chair Styles added that the board knows these are issues that are tough, but does not want to get into a contest of “somebody told me this” i.e., that we could get waivers because they don’t understand that the government does not give waivers, rehab triggers ADA requirements and stringent codes and that what the board wants to do it what is best for the people at Rippling River. At this time, Halaine Clark asked if it would help if someone came up with $9 million, to which Chair Styles responded that if someone comes up with $9 million, this creates another set of questions. Mr. Nakashima added that taking over project and debt service to HUD, wouldn’t solve your issue. At this time, Commissioner Escamilla again asked Mr. Ruhnke if it is possible to predict another deck failure and Mr. Ruhnke responded that he doesn’t think anyone can predict this, they can only look and determine that there is a potential for failure. Resident Priscilla Alexander, at this time, questioned whether the decks could be fixed temporarily. Chair Styles responded that that’s what’s going on now and Mr. Nakashima added that even temporary fixes could trigger the codes. And, Commissioner Escamilla noted that temporary fixes already led to failure. Commissioner Styles then added that the board now feels a great responsibility in getting the problems fixed with the coming out of the report. Pricilla further asked the board if there was anything they can do to relieve the fear in the residents because a lot of people are considering moving because they are scared to death and there is a tremendous fear factor among the residents. Commissioner Styles responded that he tried to assure the residents at the last meeting by saying that the board has not intentions of shutting down and added that the board has a responsibility for those people who live at the facility and would definitely give them enough notice and plenty of opportunity when a decision is made. Commissioner Escamilla interjected that the board will probably make a decision by the next board meeting or the one after that. A discussion continued as to why it is not possible to have local contractors come in.

Chair Styles requested New Business item B, Acceptance of ADA Report & Revised Cost Estimates, be moved up.

B. Acceptance of ADA Report and Revised Cost Estimates

Upon motion by Commissioner Rosen, seconded by Commissioner Gin, the Board accepted the ADA Report and accepted the Revised Cost Estimate with the amended changes of an additional 20% for relocation costs and an additional 20% for contingency fees changing the total cost estimate to $9,700,000.00. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla,
NOES: None
ABSTAIN: Schneider
ABSENT: Stewart

Chair Styles called for a 5-minute break.

CONSENT AGENDA

A. Minutes-Approval of Minutes of the Regular Board Meeting held April 28, 2003;
B. Approve Line of Credit
C. Authorization to Apply for SuperNOFA for Continuum of Care – Supportive Housing Program;
D. HCV Program Administrative Plan Revisions
E. Revision to Management Plan – Lakeview Towers
May 28, 2003

Upon motion by Commissioner Escamilla, seconded by Commissioner Nichols, the Board approved the Consent Agenda. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart

REPORTS OF COMMITTEES

Finance/Development Committee  Commissioner Stewart, Chairman
Personnel Committee  Commissioner Nichols, Chairman
Monterey County Housing, Inc.  Commissioner Escamilla, Rep.
Affordable Acquisitions  Commissioner Escamilla, Rep.

Commissioner Nichols reported on behalf of the Safety Committee that a mock fire drill was held recently and that it went pretty well. Further he stated that the need for an emergency alarm system was discovered after the drill and that the Safety Committee is looking into getting one.

Chair Styles opened the meeting for comments and no comments were made.

REPORT OF SECRETARY

A. Executive Report: Mr. Nakashima reported that we have a letter of intent for Carmel Valley Airport.

OLD BUSINESS

A. Resolution 2160 Authorization to submit a Public Housing Pilot Conversion Program Act to the U.S. Congress to convert entire public housing stock to Section 8 project base.

The Board briefly discussed how approval of the this Act would affect Rippling River and other public housing projects and tenants and agreed that the benefits would be advantageous to all.

Upon motion by Commissioner Rosen, seconded by Commissioner Nichols, the Board adopted Resolution 2160, Authorization to submit a Public Housing Pilot Conversion Program Act to the U.S. Congress to convert entire public housing stock to Section 8 project base. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart

NEW BUSINESS

A. Resolutions 2162 & 2163 – Proposed Development

The Board discussed ownership/liability aspects of Castro Block and confirmed that this proposal that both the Finance and Developments Committees recommend approval of this resolution.

Upon motion by Commissioner Escamilla, seconded by Commissioner Gin, the Board adopted Resolutions 2162 & 2163, approving the proposed development. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart

C. Resolution 2161 – Agency-wide Budget 2003-2004

Lynn Santos presented a PowerPoint presentation description the proposed budget and answered the Board’s questions.
Upon motion by Commissioner Gin, seconded by Commissioner Escamilla, the Board adopted Resolutions 2161, approving the Agency-wide Budget 2003-2004. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart

D. Personnel Complement for FY04

Upon motion by Commissioner Nichols, seconded by Commissioner Escamilla, the Board approved the Personnel Complement for FY04. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart

E. Approve refinancing of Plaza House

Upon motion by Commissioner Schneider, seconded by Commissioner Escamilla, the Board approved the refinancing of Plaza House. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart

F. Approval of Lease and Grievance Procedure – 420 Estrella Avenue Apartments

The Board briefly discussed the legality of clause 18d of the lease and recommended that the lease be modified to remove clause 18d in its entirety.

Upon motion by Commissioner Nichols, seconded by Commissioner Schneider, the Board approved the Lease and Grievance Procedure – 420 Estrella Avenue, Monterey with the recommended changes. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart

G. Approval of and Grievance Procedure – Coming Home Program

Upon motion by Commissioner Styles, seconded by Commissioner Rosen, the Board approved the Lease and Grievance Procedure – Coming Home Program. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart

H. Resolution 2164 – Employee Recognition

The Board briefly discussed whether this was a resolution was appropriate in recognizing a staff member and decided to do a letter of recognition instead of the resolution.

Upon motion by Commissioner Escamilla, seconded by Commissioner Nichols, the Board agreed to send a letter of recognition instead of Resolution 2164. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart
I. Adjudication of Claim of Steven Fernandez

The Board briefly discussed the basis for Mr. Fernandez’ claim and agreed to deny this claim in its entirety.

Upon motion by Commissioner Rosen, seconded by Commissioner Escamilla, the Board denied the claim of Steven Fernandez in its entirety. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart

J. Name the Farm Labor Communities

The Board was informed that the USDA has requested that all three farm labor communities be named. The Board reviewed the ballots with the proposed names for the three farm labor communities and voted. Barry W. Phillips tallied the votes.

Upon motion by Commissioner Nichols, seconded by Commissioner Gin, the Board approved the new names of the three farm labor communities pursuant to the election results. Motion carried with the following votes:

AYES: Styles, Rosen, Gin, Nichols, Escamilla, Schneider
NOES: None
ABSENT: Stewart

INFORMATION

A. Administrative Report and Summary of Actions for April/May 2003
B. Status Report: March 2003 Financial Statements and April 2003 Disbursements
D. Status Report: Monthly Housing Management Report
E. Status Report: Eligibility/Section 8 Reports
F. Legislative Update: The Executive Director James Nakashima provided an overview of the legislative information provided in the Board packet.
G. Legislative Correspondence
H. Quarterly Cash Report
I. Nancy Dodd Community Center Development Final Report
J. Landscaping Contract

COMMISSIONER COMMENTS: None

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 8:45 p.m.