ACTION
MINUTES OF THE ANNUAL BOARD MEETING
OF THE
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
HELD SEPTEMBER 23, 2013

Commissioners met at the Central Office. Chair Kevin Healy called the meeting to order at 5:05 p.m. Present: Chair Kevin Healy, Vice Chair Elizabeth Williams, and Commissioners Alan Styles, Thomas Espinoza, Charmagne Scott, Kathy Beuthin, and Mary Jo Zenk. Also Present: Jean Goebel, Executive Director; Joni Ruelaz, Housing Programs Manager; Pat Wyatt, Human Resources Manager; Shannon Tonkin, Housing Management Manager; and Starla Warren, Fee-for-Service Director of Development. Recorder: Sandy Tebbas

COMMENTS FROM THE PUBLIC: None

PRESENTATIONS

A. Re-Dedication & Modernization Plaques for Portola Vista.

Chair Healy presented Ms. Tonkin with a plaque from the City of Monterey on the Re-Dedication & Modernization for Portola Vista.

Chair Healy also presented Ms. Tonkin with a California State Legislature Certificate of Recognition to the Housing Authority, signed by the Honorable Mark Stone, 29th Assembly District and the Honorable William W. Monning, 17th Senate District, on the occasion of the Re-Dedication and Modernization of Portola Vista.

Ms. Tonkin then presented a large picture of the newly re-dedicated and modernized Portola Vista to the Board of Commissioners for display at the Housing Authority.

B. Service Awards

Chair Healy presented a Certificate of Service to Leticia Fowler for five years of loyal service to the Housing Authority; the Board congratulated and thanked Ms. Fowler for her dedication and loyal service to the Housing Authority. Ms. Fowler commented she wanted to let the Board know that her five years at HACM have been a lot of hard work. It has been a pleasure these last almost three years working with Ms. Ruelaz as the head of the department. We’ve gone through a lot of changes and Ms. Ruelaz believed in her enough that in those five years she got a promotion and that has been an awesome experience. Ms. Fowler stated she just wanted to say thank you and that she really appreciates the department that she works for and that Ms. Ruelaz keeps the department true to what the Housing Authority Mission Statement says. Ms. Fowler thanked the Board.

Chair Healy next announced that Elizabeth Natera and Maria Sotelo will also receive a Certificate of Service for Five years; the Board congratulates and thanks Ms. Natera and Ms. Sotelo for their five years of loyal service to the Housing Authority.

CONSENT AGENDA

A. Minutes – Approval of Minutes of the Regular Board Meeting held August 26, 2013

Upon motion by Commissioner Styles, seconded by Commissioner Williams, the Board approved the Consent Agenda. Motion carried with the following vote:

YES: Healy, Williams, Styles, Espinoza, Scott, Beuthin, Zenk
NOES: None
ABSENT: None

REPORTS OF COMMITTEES

Personnel Committee: Commissioner Styles reported everything was on the agenda
Finance/Dev Committee: Commissioner Espinoza reported their items are under New Business.
Monterey County Housing, Inc.: Commissioner Zenk reported MCHI met last week and they are planning a Board Retreat to do strategic planning. She further reported that the MCHI Board
agreed to meet every other month. To query why every other month, Commissioner Zenk responded there isn’t much new business right now. Commissioner Zenk noted maybe after the retreat that will change. To query on the bills being paid, Commissioner Zenk replied the bills are paid automatically.

Affordable Acquisitions: Same as MCHI
Monterey County Housing Development Corporation and LP’s: Ms. Warren reported all these items are covered on the HDC agenda.

REPORT OF SECRETARY

A. Executive Report: Ms. Goebel reported that the REAC Schedule was filed for the agency and as expected HUD rejected it. HUD wants Ms. Santos to add a couple of comments and a few other things and then resubmit to them within ten days.

NEW BUSINESS

A. Resolution 2756: Authorization to Terminate the Lease Agreement on Lakeview Towers

Ms. Warren explained this item was tabled at the Finance/Development Committee pending additional guidance from legal counsel; that guidance was obtained in a Closed Session last month so this item was returned to the Finance/Development Committee this month and moved by that Committee to the full Board for consideration.

To query on any risks or downsides associated with moving this item forward, Ms. Warren replied Staff has had a lot of legal reviews on the issue and the direction at last month’s closed session was there may be a risk but it was a calculated risk. As it stands right now, HACM is managing a property that is pushing the health and safety issues and that risk needs to be mitigated. The only issue is the definition of wear and tear and legal counsel has provided sufficient opinion relative to that issue on this project.

Commissioner Espinoza responded to question that the consensus of the Finance/Development Committee was to move this issue forward to the full Board. He stated that Commissioner Zenk had requested an additional paragraph be incorporated in the resolution to make it clear there was not a separate property management agreement and that the role of HACM as Property Manager was part of the Lease Agreement. Commissioner Espinoza stated we will be terminating the lease agreement and therefore terminating the property management at the same time. The Committee also discussed that the notice to the owners would be going through the CPA firm that was acting on behalf of the owners. The Committee further talked about being proactive on issuing a press release on this matter to get ahead of any negative press. Due to the financial dilemma that the Board has heard over the last three years on this project, it is the consensus of the Finance/Development Committee to recommend approval of Resolution 2756.

Ms. Warren reminded the agreement is part of an old program with the State of California that is essentially losing all of its funding because it is coming to the end of its life. The purchase price was set 30 years ago at $4.1M and with an estimated current fair market value of $1.5M, Staff has tried over the years to negotiate some kind of transaction with the owners that would make the project work but without success.

Upon motion by Commissioner Williams, seconded by Commissioner Espinoza, the Board adopted Resolution 2756 to authorize Staff to terminate the lease agreement on Lakeview Towers. Motion carried with the following vote:

YES: Healy, Williams, Styles, Espinoza, Scott, Beuthin, Zenk
NOES: None
ABSENT: None

B. Resolution 2760: Changes to Pueblo Del Mar Lease Agreement

In a short discussion, Staff explained HUD’s regulations have changed the way we can charge residents a utility fee every month. This resolution amends the agreement so the residents can pay their own utility bill, but they will also receive a utility allowance to help them do that. Each unit already has its own meter at this site so this will not be a problem. Staff will still have to do some tracking to make sure payments are made and utilities are not turned off. Ms. Goebel noted we don’t know if we’ll break even or not because HACM will still pay for their water, sewer, and garbage. She responded to query that the allowance will be an average of the utility allowance based on usage throughout the program; Public Housing also gets a utility allowance. Ms. Goebel further noted this will be beneficial to the tenants because when they leave Pueblo
Del Mar, they will have to put utilities in their own name so this will make it easier for them plus it also gives them an understanding of what it really costs for utilities. She further stated if the tenants have payment issues, they can get help through Social Services who has some funds to help with this issue. Staff explained these changes are to update our agreement and policy with the changes by HUD.

Upon motion by Commissioner Williams, seconded by Commissioner Styles, the Board adopted Resolution 2760, approval of the change to the Pueblo Del Mar Lease Agreement and Policy to reflect the changes in the Supportive Housing Grant from HUD. Motion carried with the following vote:

YES: Healy, Williams, Styles, Espinoza, Scott, Beuthin, Zenk
NOES: None
ABSENT: None

C. Resolution 2761: Revisions to Pueblo Del Mar Admissions and Continued Occupancy Plan (ACOP)

Ms. Goebel explained with the changes at HUD along with the Hearth Act, which amended the McKinney-Vento Act under which HACM received the property at Fort Ord known as Pueblo Del Mar, HUD has come out with a new definition of what a homeless person or family is. Therefore we have to amend our Admissions and Continued Occupancy Plan (ACOP) to reflect these homeless preferences. The other change was to put in the language about the utility allowance which was described in the previous issue.

To query on does the change make the program more accessible to more people or less accessible, Ms. Goebel responded it makes it more difficult. They have tightened up the program and want a lot of back-up documentation and certifications plus their criteria has changed first to people living in places unfit for habitation, then for people living in shelters, and after that for people about to be evicted within 14 days and the last criteria is transitional and is spelled out in the regulation. It is no longer an easy process. Other agencies have different definitions for homeless, but HUD has a narrow definition because the government wants to end homelessness in this Country in 10 years. In order to do this, they change the definition and then people don't qualify and the government can say we don't need these programs any longer. By 2020, they want all family homelessness ended.

To query on whether we have a choice, Ms. Goebel explained we don't have a choice or we will have to give the grant money back if we are not implementing HUD's program and that would amount to $500K between our Pueblo Del Mar program and the Section 8 program.

Ms. Goebel noted that every two years the Coalition of Homeless Services Providers does a point in time homeless count during the last week of January and it is done across the Country by all Continuums of Care. In Monterey County we had approximately 3,000 homeless singles and families counted on that one night; she emphasized another thing HUD changed is now you have to visibly see them instead of people reporting they are homeless. To query whether this resolution will result in displacement of any of the current program participants, Staff responded in the negative because Staff has been using this definition to be in compliance with the grant requirements. Ms. Goebel commented that soon they could be asking us for vouchers specifically for homeless to end homelessness and if we continue to be restricted by HUD with funding, we may not be able to do the vouchers.

Upon motion by Commissioner Williams, seconded by Commissioner Beuthin, the Board adopted Resolution 2761, approval of the revisions to the Pueblo Del Mar Admissions and Continued Occupancy Plan (ACOP) to reflect the changes in the HUD Definition for Homelessness and the implementation of Utility Allowances. Motion carried with the following vote:

YES: Healy, Williams, Styles, Espinoza, Beuthin, Zenk
NOES: None
ABSENT: None
ABSTAIN: Scott

D. Resolution 2762: Office of Migrant Services Standard Agreement Contract 13-OMS-967(RD)

Ms. Goebel reported this information was received after the Finance/Development Committee met. This is the standard agreement for the operation of the Migrant Center. The season started
July 1st and without this contract we will not receive any funds from OMS; currently the Migrant Center is operating with HACM funds.

To query on why is there such a difference on the Major Equipment Repair Maintenance budget at $27,023 and the actual being under budget at $25,824, Ms. Tonkin explained there was a lawsuit and money was received as part of that settlement which was distributed to various migrant centers throughout the State and our portion had to be used for tenant improvement stuff so it was spent on mattresses and ceiling fans for the units. Ms. Goebel explained OMS controls the budget; we put in our request and usually they deny it.

Upon motion by Commissioner Zenk, seconded by Commissioner Williams, the Board adopted Resolution 2762 approving the acceptance of Standard Agreement Contract 13-OMS-967(RD). Motion carried with the following vote:

YES: Healy, Williams, Styles, Espinoza, Scott, Beuthin, Zenk
NOES: None
ABSENT: None

Commissioner Beuthin requested the motion on the minutes be reopened because she has a comment.

CONSENT AGENDA

A. Minutes – Approval of Minutes of the Regular Board Meeting held August 26, 2013

Upon motion by Commissioner Beuthin, seconded by Commissioner Scott, the Board opened the motion for the Minutes of August 26, 2013. Motion carried with the following vote:

YES: Healy, Williams, Styles, Espinoza, Scott, Beuthin, Zenk
NOES: None
ABSENT: None

Commissioner Beuthin questioned the name of Jose Alfaro on the Portola Vista rehab paragraph on page 10 of the packet. Commissioner Espinoza noted that paragraph is in the Secretary's Report, not the minutes.

Commissioner Healy called for a motion to re-approve the minutes of August 26, 2013.

Upon motion by Commissioner Williams, seconded by Commissioner Espinoza, the Board re-approved the Consent Agenda and the minutes of August 26, 2013. Motion carried with the following vote:

YES: Healy, Williams, Styles, Espinoza, Scott, Beuthin, Zenk
NOES: None
ABSENT: None

Commissioner Williams noted a motion is not needed for further discussion on the Secretary's Report. Ms. Goebel explained she has the wrong last name in the first paragraph of page 10 and the name should be Jose Acosta. Chair Healy stated the minutes will reflect the change in the Secretary's Report.

E. Holiday Dinner

The Board directed the Clerk of the Board to poll the Commission to find a date for the Commissioners' Holiday dinner in December. Commissioner Williams reminded last year it was mentioned that the Board might like to consider having the meeting and dinner on different nights.

F. Procedures for Election of Officers

Chair Healy stated the floor is now open for nominations for the Chair of the Board and asked, are there any nominations for the Chair of the Board.

Commissioner Scott nominated Commissioner Williams, seconded by Commissioner Styles, for Chair of the Board of Commissioners.

Chair Healy asked are there any other nominations for the Chair of the Board.

Commissioner Beuthin nominated Commissioner Zenk; Commissioner Zenk declined and thanked Commissioner Beuthin.
Chair Healy asked if there were any other nominations for the Chair of the Board and hearing none, stated the nominations for the Chair of the Board are now closed.

Commissioner Beuthin stated it is not necessary to vote for a person that has been nominated; one can write anyone’s name on the ballot regardless of the nomination.

The Board decided to vote by secret ballot. The result of the ballot vote was Commissioner Williams was elected Chair of the Board of Commissioners. The Board congratulated Commissioner Williams as the new Chair of the Board of Commissioners. Commissioner Healy noted that the new Chair would take over as Chair at the next meeting.

Commissioner Williams noted that if there are no other nominations then it is a vote by acclamation.

Chair Healy stated the floor is now open for nominations for the Vice Chair of the Board and asked, are there any nominations for the Vice Chair.

Commissioner Williams nominated Commissioner Scott, seconded by Commissioner Healy, for Vice Chair of the Board of Commissioners

Commissioner Beuthin nominated Commissioner Zenk; Commissioner Zenk responded she will have to decline again due to her busy schedule.

Commissioner Espinoza nominated Commissioner Healy; Commissioner Healy respectfully declined since he had already seconded the nomination of Commissioner Scott.

Commissioner Williams reminded that Robert's Rules of order states if you don't have a second nomination, then you agree with the nomination by acclamation.

Upon nomination by Commissioner Williams, seconded by Commissioner Healy, the Board elected Commissioner Scott as Vice Chair of the Board of Commissioners with the following voice vote:

YES: Healy, Williams, Styles, Espinoza, Scott, Beuthin, Zenk
NOES: None
ABSENT: None

The Board congratulated Commissioner Scott on being elected as the Vice Chair of the Board of Commissioners. Commissioner Scott thanked the Board.

Commissioner Williams thanked Commissioner Healy for a very good job as the Chair of the Board. She hoped he enjoyed his time as the Chair. Commissioner Healy responded it was a great ride.

INFORMATION

A. Finance Report
Ms. Goebel reported that Ms. Santos was on a vacation day and she had nothing to add to this report.

B. Human Resources Report
Ms. Wyatt reported she had no changes to her report.

C. Development Report
Ms. Warren reported that HACM and HDC Finance/Development Committees discussed the Rental Assistance Demonstration program that had been mentioned a month or two ago after attending a conference in Chicago with SAC's multi-family. There was discussion about the new changes that came out with the latest PHH Notice and talked about HACM's desire to move forward with a RAD application on all sites. To that end HDC has been collecting hard construction data and looking at AMPs, analyzing the demographics of the public housing programs, reviewing eligibility and any potential issues with eligibility, looking at INS issues, and also looking at over-income issues. She stated she has been communicating directly with the architect of RAD, Greg Byrne with HUD and the person heading up the multi-family RAD component. Staff has also had some discussions with legal counsel and financial advisors on this matter. One of HACM's concerns is the end result of the structure and how we overlay that with potential financing. Both Staffs are busy doing that with some consultants and will be coming back to the HACM Board in October for potential action on this matter. Ms. Warren stated she is working on the final agreement with HACM to come up with two financing options.
To query, Ms. Warren responded there is a myriad of things and not a one size fits all. She noted out of 495 tenants, there are three over-income which is a particular issue and we will need to ask for a waiver so they can continue to be assisted in some way. There are approximately 120 people that the program would call ineligible citizens which may have some pro-ration so it is not just about hard units but also about the tenants. It is important for Staff to know who we are dealing with and be able to ask for waivers for things early on so there is no negative impact as a result of our actions.

Ms. Goebel noted it is clear from the RAD Notice that HUD thought through a lot of waivers but not through them all. Maybe HUD wants to do them as needed rather than carte blanche so we have some questions that we are trying to get answers on.

Commissioner Espinoza stated what came out of the HACM Finance/Development Committee meeting discussion was Ms. Goebel, Ms. Warren, and Ms. Santos needed to look at RAD more closely to be able to advise the Board. There are a lot of layers the Board will need to review and we may have some tough decisions to make so we need to be fully informed from HDC and HACM.

Ms. Warren further noted another key issue is what are the physical requirements on these sites and Staff has done an exhaustive analysis at this stage. We just need to put it all together and update the numbers but everyone that is involved and invested in this issue has had an opportunity to say what needs to be done. Also what is critical or not critical as well as what can be paid for out of reserves. We may overlay with the different funding sources but we will get the best product we can back to the Board.

Commissioner Healy thanked Ms. Warren for continuing to work on the Castroville project. To query, Ms. Warren responded that H2A should come back to the forefront. After September, Staff will get together with the two major agriculture groups. Commissioner Healy noted that the large growers are entering into H2A contracts now to set up for the subsequent season so time is of the essence.

D. Property Management Report

Ms. Ionkin reported we have not heard from OMS about the resident meeting which was scheduled in May and then cancelled. She stated we are still pending notification from HUD on the REAC inspections. Ms. Goebel noted that HCD has lost a lot of employees plus they are going through a consolidation with CalHFA.

E. Housing Programs Report

Ms. Ruelaz reported that Gabilan Apartments is going to apply for a RAD project for Project Based and they have had their tenant meetings. Gabilan Phase I had 31 out of 32 tenants agree to the conversion to RAD. For Gabilan II, Staff is currently interviewing the 20 people that are coming on the program. Gabilan is completing their RAD application which is due September 30th.

Ms. Ruelaz pointed out there were a couple of flyers on the table for the Commission. One is on the Power Project Workshop No. 3 which will focus on the internet and how to do a job search as well as how to create an online account. This workshop will be held on Wednesday. She further noted that Goodwill and HACM will be doing a mini job fair where employers throughout the area are invited to participate. It will primarily be for employers that are hiring for the Holidays. That job fair is set for October 22nd. Goodwill has a very good marketing person so you may hear about the job fair on the radio plus press releases have gone out. Ms. Ruelaz mentioned that our FSS Specialist, Suzanne Cook-Turner did a Your Town television spot last week on the job fair and we hope to get a copy to show everyone. To query, Ms. Ruelaz noted that the workshop is open to everybody.

The Board convened to Closed Session at 5:52 p.m.

CLOSED SESSION

The Board of Commissioners met in Closed Session for the following purposes and reasons:
A. Government Code Section 54957.6: CONFERENCE WITH LABOR NEGOTIATORS AGENCY DESIGNATED REPRESENTATIVES: Lynn Santos, Pat Wyatt, Joni Ruelaz, and Jean Goebel
EMPLOYEE ORGANIZATION: Service Employees International Union 521
ACTION: No action taken.

B. Government Code Section 54957(b) Personnel Matter
ACTION: No action taken.

The Board reconvened to regular session at 6:25 p.m. following a five minute recess.

COMMISSIONER COMMENTS

Commissioner Zenk commented Good Night.

Commissioner Styles congratulated the new officers and thanked Commissioner Healy for the excellent job this past year as Chair; was a little different and a little hectic. He thanked Staff for a wonderful job and stated keep up the good work. Good night.

Commissioner Scott echoed her fellow Commissioners' comments. She thanked Commissioner Healy for being a wonderful Chair and for being instructive on how these things work. Commissioner Scott further thanked Staff for a wonderful job; the Board trusts Staff a lot and we keep expecting the best.

Commissioner Beuthin commented on September 27th the Veterans Transition Center will be having an Open House; she noted Congressman Farr and Senator Monning will be speakers from 12 p.m. to 3 p.m. then there will be a Barbeque plus a tour of the units that they have just acquired. Commissioner Scott requested the Board Clerk send out this information to the Board members.

Commissioner Beuthin further commented that Assemblyman Stone and Congressman Farr's office are very knowledgeable about what is happening with the new health insurance, Affordable Care Act, and they are very supportive of it and they have all the information. If you need to find out more about it as we come close to the October 1st kick-off, please contact Assemblyman Stone's office as well as Congressman Farr and Senator Monning's offices. She further thanked Staff for their hard work and wished the new officers good luck as they move into their new positions.

Commissioner Williams thanked Commissioner Healy for his service as the Chair for the past year; she knows it hasn't been easy and at times challenging but she wholeheartedly appreciates the work that he has done. She next thanked the Board for their confidence in her again as their Board Chair; she will do her very best to do whatever this Board needs done and help the Staff in any way she can as well as be available when and where she is needed.

Commissioner Williams further thanked Staff and noted the Board says this time and time again but they truly mean it. Without Staff it would be chaos and the Board feels very lucky to have the Staff that they do. Regarding the invitation to the dinner at Portola Vista, she needs to wait a little closer to the date due to her scheduling. Commissioner Williams noted she is already putting the committee appointments together and hopes they will accept.

Commissioner Espinoza congratulated the new Chair and Vice Chair. He further thanked Commissioner Healy for all his hard work and noted he was a brave man to do what he did this last year. Commissioner Espinoza stated to Ms. Goebel and Ms. Warren, he is looking forward to hearing about the conversion to RAD and what options they have for the next meeting. He knows it will be a lot more work to bring it to the Board.

Commissioner Williams stated she would like to acknowledge Commissioner Scott as her new Vice Chair; she noted they would work closely together. She thanked Commissioner Scott for accepting this position.

Commissioner Healy reiterated the congratulations to Commissioners Williams and Scott. He noted his own personal thanks to Commissioner Williams, Ms. Goebel, Commissioner Styles, Ms. Warren and Ms. Tebbs for helping him to make the most of his service as the Chair. It was quite an experience and very illuminating. It was a very great experience and all of you are very dedicated professionals and he is honored to have had the opportunity to continue to work with each one. Thank you all very much and again congratulations. He further thanked Staff for all their hard work and asked them to continue the effort on behalf of the mission. Commissioner Healy stated he would like to suggest to the newly elected Chair that an item be placed on the
agenda for the Ad Hoc Committee for the Travel Policy. Commissioner Williams noted that committee should have an item forthcoming.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:27 p.m.

[Signature]
Chairman

ATTEST:

[Signature]
Secretary

10-29-2013
Date