ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
HELD AUGUST 23, 2010

Commissioners met at the Central Office. Chair Alan Styles called the meeting to order at 5:01 p.m. Present: Chair Alan Styles, and Commissioners Josh Stewart, Tom Espinoza, Kevin Healy (teleconference) and Andrew Jackson. Absent: Vice Chair Elizabeth Williams. Also Present: Jim Nakashima, Executive Director; Jerome Politzer, Chief Operations and Finance Officer; Jean Goebel, Director of Asset Management and Compliance; Lynn Santos, Director of Finance; Shelley Giancola, Director of Administrative Services; Norm McCollough, Housing Management Manager; Starla Warren, Fee for Service Director of Development; and Tom Griffin, Legal Counsel. Recorder: Sandy Tebbs

COMMENTS FROM THE PUBLIC:

Susan Price from Plaza House commented that she has been coming to the Board meetings for six months about an issue and now she has received an eviction notice and she wants to know what the Board is going to do about it. She also stated she has been trying to get a meeting with Mr. Nakashima for a long time. Chair Styles responded that since Ms. Price has received a notice from the attorney, she knows the reasons for the notice and there is nothing that the Board can do. Ms. Price stated she will keep on coming to the Board meetings until she gets something done; she stated she would be staying for the rest of tonight’s meeting.

PRESENTATION:

A. Service Award: Chair Styles stated this service award would not be taking place this evening.

CONSENT AGENDA

A. Minutes – Approval of Minutes of the Regular Board Meeting held July 26, 2010
B. Resolution 2671: Revision to the Standard Price List for Tenant Charges
C. Amended Conflict of Interest Code
D. Revisions to Specified HACM Personnel Policies Between Policy 805 through Policy 910

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

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

REPORTS OF COMMITTEES

Personnel Committee: Commissioner Stewart reported everything is on the agenda.
Finance/Development Committee: Commissioner Healy responded to query that everything was on the agenda from the Finance/Development Committee.
Monterey County Housing, Inc.: Ms. Warren stated she was asked to report out for MCHI and MCHI-AA. They have cancelled a couple of meetings recently because of lack of a quorum and that’s due largely because of a lot of people’s traveling schedules for the summer. Presently, that meeting is rescheduled for next Wednesday.
Affordable Acquisitions: Same as MCHI.
Resident Advisory Board: Ms. Goebel reported their meeting is scheduled for later this month.
Monterey County Housing Development Corporation and LP’s: Ms. Warren reported that everything was on the agenda for the HDC meeting that follows this meeting.
REPORT OF SECRETARY

A. Executive Report

Mr. Nakashima reported that he and Mr. Politzer had attended the California ED Association meeting where the Southern and Northern associations have merged together as one voice. He further reported that the Executive Directors were able to meet with the primaries instead of staffers because of the merge. He stated it was the 49th day of no budget for California and it doesn't appear a budget will be approved soon. Furloughs for State workers are now three days a month; staffers stated they were not being paid until the budget was approved. To Board query, Mr. Nakashima explained that the divisions he mentions in his written report are nation-wide and that HUD and the Appropriations Committee are divided over PETRA.

NEW BUSINESS

A. Smoking in HACM Residential Rental Properties – Information Only

Commissioner Stewart reported that the Personnel Committee discussed this sensitive issue thoroughly and the need to be very careful on how it is marketed and the need for respecting and balancing the needs of the tenants without having to police the properties.

Mr. Politzer reiterated the direction is to move slowly in order not to cause any marketing or political problems and to evaluate the interests of all concerned. The interests that are important are health, second hand smoke, safety and fires. Another concern was personal freedom associated with the right to smoke. He stated that staff canvassed other housing authorities and the various programs that they had developed and adopted regarding the issue; one housing authority had planned for three years and now was in the third year of implementation because they were implementing at new sites and the tenants at the new site vote on whether the site will be non-smoking.

Mr. Politzer stated that the first approach will be a draft survey and once the surveys are returned from the tenants then staff can focus on how to implement and develop our policy. Commissioner Espinoza stated staff would like feedback from the Commissioners and as a Commissioner, he would not want it to be like a big brother situation. In the Personnel Committee the discussion was that it would be site specific and tenant driven and if the complex wishes to go non-smoking then we would need to create designated smoking areas. It was also discussed about whether we could make Haciendas a flagship property for non-smoking, but it was pointed out that could change the costs associated with that project so it might be cost prohibitive at this site. To a Board query about measuring second hand smoke, Commissioner Espinoza responded that there were probably studies on the affects of second hand smoke and maybe the American Lung Association could be involved with our study. Commissioner Stewart stated maybe some buildings could be designated as smoking and others as non-smoking.

Chair Styles stated that the cost for smoking in a non-smoking room at hotels can be a $275 automatic charge. He stated that he likes the idea of implementation starting at the new complexes because eventually it may be possible to get some financial help from the state and federal on the issue of not smoking indoors. He likes the idea of Haciendas being non-smoking. Ms. Warren noted once the data is received staff could determine what kind of impact it would or would not have as a non-smoking property. Chair Styles stated it is good that staff is looking at this issue even though it may take some time.

Commissioner Healy stated he agrees about moving forward mainly because of the Safety issue.

INFORMATION

A. Financial Report: Finance Update

Ms. Santos reported she doesn't have anything to add to her report; she noted there were some sizeable entries related to the Moss Landing sale so it will change a little. To Board query regarding the $400K for the vouchers, Ms. Santos responded that was for HAP; she responded that it was her feeling that HACM could make it through the rescission without spending this
$400K. Staff noted that HACM is two-thirds finished with the rescission. She stated that before considering issuing to the 54 people whose vouchers were pulled, the move-outs for project based will have to be considered. Ms. Santos responded to another Board query that the post closing of Tynan is under concerns because there are still waterfall issues to be resolved. Ms. Warren stated there will be a presentation on the waterfalls at the HDC meeting following this meeting.

No action required.

B. Human Resources Report /Summary of Activity – August 2010

Ms. Giancola reported she was extremely happy to announce we have an acceptance to our offer on the Housing Programs Manager position; this individual will be starting on September 7th. To Board query, she stated there will be some relocation costs but not until next year when the new hire’s family will relocate.

Ms. Giancola further reported that there is a Property Management Specialist position open due to a voluntary resignation; this position will close this Thursday at 5 p.m. and as of today over 50 applications have been received. We have two workers’ comp claims reported this month; one was deemed non-work related and has been denied so there is just one that should be reportable.

No action required.


Ms. Warren reported staff is looking at some remote monitoring for the solar systems to use the money left over from the solar ARRA contract. A letter has been sent to the owners of Lakeview asking if they will accept a price based on market value versus a pre-dated self priced cost. An application for a $4M grant has been sent in for the Castroville FLC rehab; the grant is through a combination of USDA and Joe Serna plus some reserves. This rehab could start in September-November time frame. A TIGER II application was submitted today for about $44M for the whole Haciendas Phase I and Phase II-China town; this ties transportation into housing. She stated this may be the first application that Department of Transportation and HUD have come together on but we will be the odd application having housing as the main focus. This application did not require Board resolution. To Board query, Ms. Warren responded that we should hear back on this application around October or November. She stated she would keep the Board posted. No action required.

D. Status Report: Monthly Property Management Report

Mr. McCollough reported he has no changes to his report, but he was very pleased with staff’s eagerness to work with him and to tighten up the belt and increase productivity; everybody is responding to the request to be proactive and production is increasing and that’s our goal. Commissioner Stewart requested a copy of last year’s material charges for a comparison to last month’s agenda item. Staff noted that the labor costs were not increased. Mr. Nakashima noted that Mr. McCollough has reduced our turn-around time from 21 days to 14 days and the goal is to get below 10 days. No action required.


Ms. Goebel reported the SEMAP report is finished and we should be considered a high performer after HUD’s approval. The MASS certification should go in by the end of this week. No action required.

F. Status Report: Eligibility/Section 8 Reports

Ms. Goebel reported staff is doing very well on the rescission and eleven specialists have completed their waivers and are now helping the other specialists; we have approximately 600 files to go through but not all of those will receive a payment. No action required.
G. Status Report: Administrative Report

Ms. Giancola reported she had nothing to add to her report; no action required.

H. Legislative Update

Chair Styles stated most of this update was covered in the Secretary's report, but these mid-term elections are history making. Mr. Nakashima noted that he left the homeless situation off his report because we only have one homeless program at Pueblo del Mar, but many other non-profits do have these programs and they have been coming and asking for our help. Our funds are designated funds and we don't have any reserves to help except for the VASH vouchers for the veterans. No action required.

I. Media Update

In a short discussion it was decided that any press release regarding the final rescission should go through the Personnel Committee after the waivers are completed. Ms. Goebel noted that eventually when HACM is at the point of issuing vouchers again, the Board will need to decide whether HACM will allow rent increases to the landlords who have now gone over a year and a half without rent increases. Mr. Nakashima reminded that HACM does not get involved with tenant/landlord negotiations. To Board query regarding a housing issue in Georgia, staff responded that 10,000 applications were originally to be accepted but 13,000 were actually received. No action required.

J. Chief Operations and Finance Officer Report

Mr. Politzer reported that he had planned to bring back a PowerPoint presentation of what the current status is on PETRA, but there will be no PowerPoint because this proposed program is stalled at the national level. After being in Sacramento and meeting with legislative analysts the word stalled is taken to a higher level when things are stalled because of the budget shortfall which permeates the entire aspect of what HACM is doing. There were no clear answers, the hardships are going to fall on all of us and all of our programs for the next year. Mr. Nakashima stated that housing authorities will have to make some tough decisions soon regarding PETRA with their special project based vouchers and a new proposed program called MFH with project based vouchers tied to the unit. In Sacramento it was difficult to explain the vouchers and in particular when a Housing Choice voucher is authorized for someone who wishes to move that the Housing Choice voucher comes out of the housing authority's stock and cannot be replaced.

Mr. Politzer stated he was tasked at the last meeting to make sure the electronic deliveries to the Board members went smoothly. The Commissioners responded in the affirmative and the Commissioners that received hard copies also responded in the affirmative.

The Board convened to Closed Session at 6:03 p.m.

CLOSED SESSION

A. Closed Session: Government Section 54957: Public Employee Performance Evaluation: Title: Executive Director

ACTION: Nothing to report out from Closed Session.

The Board reconvened to regular session at 6:15 p.m.

COMMISSIONER COMMENTS

Commissioner Espinoza thanked everybody for doing a great job; it seems like there is a lot of cohesiveness. He thinks that Mr. McCollough and Mr. Politzer represent some good additions to the HACM team and he is really pleased with the energy and efforts that everybody is putting forth in HACM and HDC.
Commissioner Healy commented he would echo what Commissioner Espinoza said. He stated specifically with regard to everyone's performance, he was appreciative of everything being accomplished; specifically with regard to the efficiency and the profit improvement points that the finance and administration staffs are working on.

Commissioner Jackson commented he wasn't sure we were in a recession or a depression. Commissioner Styles responded that all the intelligent people in this country are confused about that right now also.

Commissioner Styles congratulated staff on the closing of Tyran and stated that issue had been high on his list and he knew it was also really high on Commissioner Williams' list. He stated, we thank everybody who was involved in that closing; nice job! We need to figure out a way to celebrate that because it has been a horrendous year for everybody, but he thinks things are looking up and he is excited about what next year is going to bring. Keep up the good work.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at 6:18 p.m.

[Signature]
Chairman

**ATTEST:**

[Signature]
Secretary

[Date: 9/25/10]