ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
MONTEREY COUNTY HOUSING AUTHORITY
DEVELOPMENT CORPORATION
HELD APRIL 25, 2011

Directors met at 123 Rico Street, Salinas, CA 93907. The meeting was called to order by Chair Alan Styles at 6:38 p.m. Present: Chair Alan Styles, Vice Chair Elizabeth Williams, and Directors Josh Stewart, Tom Espinoza, Kevin Healy and Andrew Jackson. Also present: Starla Warren, President/CEO HDC and Jean Goebel, Acting Executive Director HACM. Also in attendance HACM Staff: Lynn Santos, Director of Finance. HDC Staff: Carolina Sahagun, Senior Community Development Planner and John Shores, Senior Construction Manager. Recorder: Kimmy Nguyen

COMMENTS FROM THE PUBLIC: None

Mr. Jason Retterer introduced himself and his colleagues; Mr. Jeff Gilles, Mr. Soren Diaz and Mr. Patrick Casey who are attorneys from Lombardo & Gilles, LLP, a local law firm. The Board thanked them for coming.

CONSENT AGENDA

A. Minutes—Approval of Minutes of the Regular Board Meeting held March 21, 2011

Upon motion by Director Williams, seconded by Director Stewart, the Board approved the minutes for the Regular Board Meeting held March 21, 2011. Motion carried with the following vote:

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

NEW BUSINESS

A. Resolution MDC-71: Consider a Resolution Selecting the most Responsive Respondent to the RFP for Board Legal Counsel

Ms. Warren stated that this resolution was a result of an RFP that was placed in December for a Request for Legal Counsel for the Board of Directors for both MCHI & HDC. She stated that HDC directly solicited 7 firms as well as posting the announcement on the website. Ms. Warren reported that there were 4 responses which were reviewed in accordance with the full Board’s direction to include Director Espinoza on the selection committee with staff. The responses were reviewed in accordance with the RFP guidelines. Ms. Warren included some of the information in the RFP for the Board’s reference and noted to the Board that HDC does have a number of transactions that result in a lot of legal counsel. She commented that Levy, Levy & Levy who HDC have used in all transactions in the past and the transaction attorney, Paul Renno are not changing. Ms. Warren reported that the Committee scored Meyers Nave as the most responsive bidder. She commented there is familiarity with the firm and HDC has used them before with construction, environmental, contract law and prevailing wage issues. Mrs. Warren introduced Mr. Eric Danly, a legal counsel from Meyers Nave.

Director Healy wanted to hear more on how we came to select the firm that we selected. Ms. Warren stated that we received the responses during the time we were involved in a personnel matter and were sidetracked. She explained that would be the reason for the lag of the timeline as well as other matters that required the attention of both agencies for a period of time. In the process, the respondents were asked to submit a response based on some of the criteria that were listed in the memo and the Committee discussed what were the strengths and weaknesses in those areas and came to the concurrence. Ms. Warren commented that she had a scoring sheet that she provided to the staff members and the Director that was involved. Director Healy was concerned and felt that he was out of the loop in the selection process. Ms. Warren commented that the RFP was put out in December. On January 24th, the Board directed the Committee to look over the responses with Director Espinoza and on February 2nd, the RFP was reviewed. Ms.
for several months about who should be the Corporate Officers for the HD Group managed by the

and provide direction for the replacement and appointment of New Officers and New Directors. The


direction: Resolution MDC-69: Authorization to appoint the new Amendment to the HD Group:

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The following vote was taken:

MDC-69: Authorization to change bank account signatures for all LP developments. Motion carried.

Lupan motion by Director Miller, seconded by Director Heart. The Board approved Resolution MDC-72.

Resolution MDC-72: Authorization to change bank account signatures for all LP developments.

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The following vote was taken:

Concur: Motion carried with the following vote:

Yes: Lapp, Miller, Sydney

Mr. Wayne, you have 10 days to issue a new directive.
some of the issues that Meyers Nave had raised to her in a phone conference and it was the Board’s desire to have a legal counsel here to discuss the issue relative to assignment of Corporate Officers. Before Mr. Danly spoke, he thanked Ms. Warren and thanked the Board. He stated that he had reviewed the By-laws concerning Officers appointment and was ready to answer any questions that the Board might have. Director Espinoza commented that they did review the By-laws at the last meeting. In terms of the President’s absence, there were discussions about the Vice-President stepping in and whether we had a Vice-President or an acting Vice-President. There were also changes around the Secretary and Treasurer and a thought that HACM staff would be appointed Officers for HDC. Ms. Warren stated that you can have the flexibility to have as many Officers as you want but from an operational perspective, you need to have a President, Secretary and Treasurer which are the officers that would need to be filled.

Director Styles stated that the issue was whether the Officers should all be in HDC or should they be a mixture of HDC & HACM. He felt that the Board was under the impression that they should be a mixture but they were told by Ms. Warren that Mr. Danly didn’t believe that they should be. Mr. Danly reviewed the By-laws and noted to the Board that there are some key languages in there stating that the Board would be directing these Officers and staff functions. He commented that the Officers would only have the independent authority that the By-laws give them and the Board may delegate. He also commented that however these responsibilities are allocated, they will continue to be under the Board’s oversight.

Ms. Warren recommended appointing Ms. Santos as Treasurer and Ms. Nguyen as Secretary since both of their roles fall under these descriptions. Director Healy would be willing to make a motion to appoint Ms. Nguyen as Secretary and Ms. Santos as Treasurer at HDC and leave the Vice-President vacant if that is appropriate for the By-laws. Mr. Danly commented that Director Espinoza was correct that the current By-laws required President, Vice-President, Secretary and Chief Financial Officer. He stated that what was proposed for the amendment was to have the President, Vice-President/Treasurer and Secretary and the Board could act upon what direction they would like to take.

The Board further discussed whether or not to agree on if we should combine the Officers; President/CEO, Vice-President, Treasurer and Secretary or have them all separate. Ms. Warren stated that at the last board meeting, the redlined amended By-laws reflected the change of the title of the CFO to Treasurer. She stated that the CFO is in the current By-laws and her proposed title changed is to Treasurer. The selection of the Officers goes with the changing of the wording in the By-laws. Ms. Warren stated that there were two things in the By-laws which were to add the stipend and the change of the title of CFO to Treasurer. Director Williams stated that the first order of business is to amend the By-laws to say Vice-President, Secretary and Treasurer. Director Espinoza made a motion to amend Article 6, Section 6.1 on the By-laws of HDC to break out the Vice-President and CFO positions to two separate positions and rename the CFO to Treasurer.

Upon motion by Director Espinoza, seconded by Director Williams, the Board approved the first part of the Resolution MDC-69 authorizing to accept the 2nd Amendment to the HDC Bylaws with changes to the amended By-laws. Motion carried with the following vote:

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

Director Healy made a motion to appoint Ms. Nguyen as Secretary and Ms. Santos as Treasurer and leave the Vice-President vacant until such time as the Board has found an acceptable candidate.

Upon motion by Director Healy, seconded by Director Jackson, the Board approved the second part of the Resolution MDC-69 in providing direction for the replacement and appointment of new Officers. Motion carried with the following vote:

AYES: Styles, Williams, Stewart, Espinoza, Healy, Jackson
NOES: None
ABSENT: None
July 17, 2011

I moved that this item be considered in the order of business. The motion was seconded by Mr. Heady. The motion carried. The resolution was adopted by voice vote.

The meeting adjourned at 7:00 p.m.
CLOSED SESSION

The Board convened to Closed Session at 7:38 p.m.

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

A. Closed Session: Government Section 54956.9: Conference with legal counsel regarding existing or anticipated litigation

ACTION: No actions were taken in closed session

The Board reconvened to regular session at 7:51 p.m.

DIRECTOR COMMENTS

Director Jackson commented that everything is okay.

Director Stewart commented that he was impressed with some of the things that staff has been trying to do. Director Stewart congratulated Director Healy again on his newborn son.

Director Williams wished a Happy Birthday to Director Styles & Director Jackson. She also thanked the staff again. She commented that staff is awesome and amazed her with the things they do. She hope’s that Ms. Santos gets better. Director Williams commented that she will make a report on her Washington DC trip at the next board meeting.

Director Healy commented to Ms. Warren, “Way to go”. He commented that he is very happy that we finally have a yellow brick road paved on the money associated with the effortlessness and he thanked her. He also thanked everyone who contributed.

Director Espinoza thanked Ms. Warren for putting up with him especially tonight with the work that was done but he really wanted to congratulate her on the money from the City of Salinas. He commented that it is potentially exciting and will keep a good thought for her future applications.

Director Styles thanked staff very much.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:55 p.m.

ATTEST:

[Signature]
Chairman

[Signature]
President/CEO

6/28/11
Date