

**ACTION  
MINUTES OF THE REGULAR BOARD MEETING  
OF THE  
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY  
HELD MAY 21, 2012**

Commissioners met at the Central Office. Chair Elizabeth Williams called the meeting to order at 6 p.m. Present: Chair Elizabeth Williams, Vice Chair Kevin Healy, and Commissioners Josh Stewart, Alan Styles, Tom Espinoza, and Andrew Jackson. Also Present: Jean Goebel, Executive Director; Lynn Santos, Director of Finance; Joni Ruelaz, Housing Programs Manager; Pat Wyatt, Human Resources Manager; Shannon Tonkin, Acting Housing Management Manager; and Starla Warren, Fee for Service Director of Development. Recorder: Sandy Tebbs

COMMENTS FROM THE PUBLIC: None

PRESENTATION: Service Awards

The Board recognized Adriana Puente and Edward Goldstein for ten years of loyal service to the Housing Authority; the Board thanks Ms. Puente and Mr. Goldstein for their service. (These employees could not attend tonight's meeting.)

The Board Chair received a Resolution of Appreciation for the Housing Authority's assistance in the NAHRO PSWRC Conference held in Monterey, CA.

CONSENT AGENDA

- A. Minutes - Approval of Minutes of the Regular Board Meeting held April 23, 2012

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

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

REPORTS OF COMMITTEES

Personnel Committee: Commissioner Espinoza reported everything is on the agenda. He stated under Old Business is the job description the committee discussed.

Finance/Development Committee: Commissioner Styles reported everything is on the agenda.

Monterey County Housing, Inc.: Ms. Warren reported beginning with the Monterey County Housing, Inc. through Fano Vista that these items will be covered on the HDC agenda and in the reports with the exception of MCHI Affordable, which is in the midst of scheduling a planning session in June or July. She stated she believes the budgets are in process.

Affordable Acquisitions: Same as MCHI.

Monterey County Housing Development Corporation and LP's: (on the HDC agenda)

REPORT OF SECRETARY

- A. Executive Report

Ms. Goebel reported that HACM received notification from HUD today that they have rejected our financials for REAC, which has been their practice for the last five years; Ms. Santos will call them and provide explanations and make a few changes. Commissioner Stewart agreed that this process is very detailed.

To query on tenant protection vouchers, Ms. Goebel explained an example would be for Haciendas: When we take units out of Public Housing, HUD provides Tenant Protection Vouchers to protect the affordability of housing for these tenants. She further explained

that HACM received 105 Tenant Protection Vouchers for the Charles Apartments which was a Project Based Rental Assistance contract between this owner and HUD. The owner elected not to renew the contract and as a result HUD is protecting the affordability for the tenants that are eligible. These vouchers are administered by HACM; those tenants that are eligible can put their voucher in place or move somewhere else. Regardless of how many of these vouchers are used by these tenants, the 105 vouchers stay in our portfolio; therefore, if there are tenants that are not eligible, their vouchers will go in our portfolio and can be used for our community. To another query, Ms. Goebel responded that the Charles Apartments are not being rehabbed by CHISPA; they are owned by another organization.

Commissioner Williams asked about the scope of work for Portola Vista that was recommended by HUD. Ms. Warren responded that there are critical and noncritical items along with voluntary items. The critical items must be repaired prior to close and that totals a very small amount; these are carbon monoxide sensors, smoke detectors, GFI's in the kitchen areas, and a couple of handrails such as ADA requirements that totals approximately \$17,000. These repairs have to be done before close. Ms. Warren further explained then there are noncritical items and voluntary items which total approximately \$1.2M; she is redeveloping this scope of work with HACM Property Management and Staff.

To a query regarding Fano Vista, Ms. Warren reported she was in a little bit of a holdup because she needs to forward some information and do the analysis based on what we are doing now and on the HACM Property Management structure. She noted she would put that in a spread sheet and get it to Ms. Santos for further discussion. Ms. Warren further responded she would try to get the spreadsheet done as soon as possible but she was working on the Portola Vista closing which is probably the most significant priority currently. To query regarding Plaza House, Ms. Warren replied she is currently in dialogue for the potential final decision. Staff responded to further queries that this property was still on HACM books.

To Commissioner Stewart's query on the timeline for Portola Vista, Ms. Warren replied she would like to close in 30 days, but she has a list of due diligence items that need to be completed. She stated the other good news is she was able to get a commitment from HUD for a 20 year Section 8 contract that is administered by HUD's contract administrator. She stated the final rate was 3.75% and our proforma was for 4.25% so that will be an additional benefit.

To query regarding 9/80 work schedule, Staff reminded this issue is on hold until after the union negotiations.

#### OLD BUSINESS

##### A. New Job Description – Senior Housing Programs Specialist

In a short discussion, Ms. Wyatt explained this is the same job description that came before the Board last month, but now we have a tentative agreement with the union. To queries, Staff stated they were in agreement with the word changes by the union. Ms. Wyatt further responded that the salary range is: Step One is \$24.12 an hour and Step Five is \$29.88. Staff explained that these two jobs were created from a job that paid more and a job that paid less. To query on whether the Committee and Staff were comfortable with the wording on this job description, Ms. Wyatt responded she was comfortable with the wording. Commissioner Espinoza explained that the Committee and Board had discussed wording regarding facilitates versus approves and it was noted that Ms. Ruelaz would be the approving person and these specialists would facilitate or be lead personnel. Ms. Ruelaz further noted that the union felt these positions would be lead positions and not supervisory positions therefore the word change from direction to guidance.

Upon motion by Commissioner Healy, seconded by Commissioner Stewart, the Board approved the new job description and salary range for the Senior Housing Programs Specialist. Motion carried with the following vote:

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

NEW BUSINESS

Commissioner Healy stated he feels the Chair of the Board and the Executive Director could decide the issue of a cell phone for the Clerk of the Board. Item 9C was moved forward.

C. Cell Phone – Clerk of the Board

Upon motion by Commissioner Healy, seconded by Commissioner Stewart, the Board gave permission to the Chair of the Board and the Executive Director to decide whether the Clerk of the Board needed a HACM Cell Phone. Motion carried with the following vote:

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

A. NAHRO Conference – San Francisco

During a short discussion, it was decided this agenda item would be Tabled for the June Board meeting with more information to be provided on the NPDS seminars and costs. Ms. Goebel reminded that one has to be registered for the conference or seminars before NAHRO will provide hotel registration. She further noted that she would provide the seminar and cost information at the June Board meeting, particularly information on Commissioner Certification. Commissioners Styles, Stewart, and Jackson requested they be registered for the Conference in San Francisco before the June Board meeting.

This item was Tabled by the Board of Commissioners for further information at the June Board meeting.

B. Economical Opportunities

After a very lengthy discussion, the Board came to a consensus to schedule a brainstorming session regarding Future Opportunities and Strategic Planning on Sunday, June 3, 2012, from 8 a.m. to 5 p.m. here at the Housing Authority. Commissioner Stewart reminded that he has a radio program that morning, but should be able to come to the meeting around 10 a.m.

C. Cell Phone – Clerk of the Board: This item discussed above.

INFORMATION

A. Finance Report

Ms. Santos reported Staff has finished all the tax returns and the audits with the exception of Benito FLC and Benito Affordable and they should be finished before the due date. The REAC audit rejection was received today; at first glance it seems they are comparing apples to oranges so that will just be an explanation to REAC. Ms. Santos stated she attended a Conference in Los Angeles on combining Capital Fund and Operating Fund in which there were a total of 16 people; seven were from housing authorities and the rest were HUD personnel. HUD has conducted five of these sessions throughout the country; there are two more to conduct. HUD wants to know how we feel about combining the two funding sources; their sense so far from the housing authorities is we do not want to combine the two. She explained we already can use 10% for admin, 20% for operation and 20% for management improvement so that leaves 50% for capital improvements. If HUD takes away the distinction between the two funds, not only will the funding be

reduced, but the internal emphasis in our organization could be spent on operations and there wouldn't be anything left for other things.

Ms. Santos further reported HUD did ask what they could do to reduce some of the burden on housing authorities such as removing the reporting on community service. To this question, there was a comment made that HUD plans to develop its own new one size fits all computer system, but most responded getting PIC working would be great, then to go from there. She stated it was a very interesting discussion and very open. She noted the HUD attendees definitely understood the programs. Ms. Santos stated that Ms. Sorrells, who was on our visit list in Washington, D.C. during the Legislative Conference, was in attendance. Ms. Santos reminded that HUD is constrained by a lot of things also, but they understand the total cost of operating a Public Housing unit is less than operating a Section 8 unit, but their worry is the backlog of capital needs. Commissioner Williams noted that we made it clear to HUD that things on the West Coast are different than things on the East Coast.

To query on whether HUD wanted to combine the two funds, Ms. Santos replied she thought they were trying to find alternatives because funding is decreasing and it is a difficult political environment. Comments came up in the session regarding replacement reserves; one authority wanted to put it all in replacement reserve and another wanted it kept separate. One comment about PHAS inspections from another housing authority was that PHAS inspections are far more stringent for housing authorities than for HUD Multi-family. To another Board query on whether HUD has had any type of outreach in the last five years, Ms. Santos stated there was a session on Section 8 a couple of years ago that she and Ms. Goebel attended. Ms. Santos responded to a query on the Tynan leases that HDC has committed to fund those costs.

No action required.

#### B. Human Resources Report

Ms. Wyatt reported she had no changes to her report; no action required.

#### C. Development Report

Ms Warren requested that an agenda item on the bid protest policy revision be added to the HACM Board agenda for next month. She further stated that Portola Vista will be getting the commitment from HUD for the 20 year HAP contract extension which will also be renewable. To query regarding Castroville, Ms. Warren responded there will be a series of meetings on this project, but we did come to a conclusion that it will be a demolition instead of a rehab. Ms. Goebel reminded that the preference for HACM is to continue to own the property rather than do a tax credit where we have to give the property away because this particular property provides income to HACM and helps offset some of the losses in the other FLC's. Commissioner Healy noted that if the general plan goes through, the Castroville property could potentially be some valuable real estate. Ms. Warren responded that there could be side agreements between HACM and HDC but the focus has to be on the funding stream.

Ms. Warren reported that HACM will need to put Portola Vista on the agenda for next month. She stated there is a special agreement with HDC's transaction counsel to represent HACM on the Portola Vista project because he has closed many multi-family transactions. Ms. Warren further noted that the Portola Vista Monterey LLC was created with the Housing Authority as the sole member, but HUD is now telling us that we have to demonstrate property tax exemption status which HACM does not have but HDC does; therefore, HDC may have to be added into this LLC to close this loan. HACM may need to have a special meeting on the Portola Vista issues prior to next month's board meeting depending on the requirements from HUD.

No action required.

D. Property Management Report

Ms. Tonkin reported she had no changes or updates; no action required.

E. Asset Management Report

Ms. Goebel reported she had no additions; no action required.

F. Housing Programs Report

Ms. Ruelaz reported Staff had a poor turn-out regarding the Charles apartment resident interviews so we will be going out to the site to try to get people to come in to their appointments. She stated yesterday Staff was at family day events put on by the health department and a few nonprofits; she pointed out some colorings placed on the wall that were done by the children at this event.

To Commissioner Stewart's query regarding the mailing process to notify clients about orientation, Staff responded that if a letter is sent to an individual to come to an orientation and that letter is returned by the post office then a second letter is sent out with a 14 day deadline to respond to HACM. The first letter returned from the post office is put into the client's file and if there is no response to the second letter then the client is removed from the waiting list because there is no viable address for this client. Staff further explained that it is the client's responsibility to notify HACM of any change of address and this information is stated on the application. It was further noted that according to HUD if the letter is in the hands of the post office then we have done our due diligence.

Commissioner Healy stated that he was impressed with the speakers at the HCV session at the conference this morning and especially with the gentleman from Alameda who presented how they track their HAP funding and utilization; he provided the Clerk of the Board with documentation from the sessions to be emailed to the other Commissioners. Commissioner Healy further noted the CEO and Executive Vice President of the San Bernardino Housing Authority also gave a subsequent presentation about maximizing efficiency of staff and resources relative to the Housing Choice Voucher Program; he stated this was a great presentation that really inspired him from an efficiency perspective and requested this information also be distributed to the Commission.

No action required.

The Board convened to Closed Session at 7:35 p.m.

CLOSED SESSION

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

- A. Government 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: The Board reached a consensus and gave direction to the negotiating Team.

The Board reconvened to regular session at 8:23 p.m.

COMMISSIONER COMMENTS

Commissioner Stewart thanked Staff for the good job; he stated he knows their jobs are stressful.

Commissioner Healy thanked the Clerk of the Board for making arrangements for the conference; he stated it was beneficial and he was glad he could attend. He further thanked the negotiating team for their hard work.

Commissioner Styles thanked Staff for the great conference going on in Monterey and all the hard work in helping to put that together; it has been a really good conference. He further thanked Staff for all their hard work; it is appreciated.

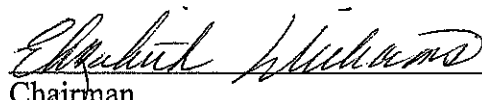
Commissioner Williams asked whether the tenant commissioner letters had gone out; Ms. Goebel responded in the affirmative and stated we have received some responses but the deadline is not until the end of the month.

Commissioner Williams wished Commissioner Jackson a Happy Belated Birthday. She further stated she wanted everyone to know that she has been reappointed by Supervisor Salinas to another four year term. Commissioner Williams stated she would be taking her oath of office next week.

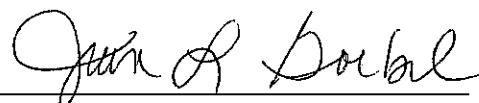
Commissioner Styles thanked Commissioner Jackson for a very well done presentation at the PSWRC Conference this morning. The Board also thanked Commissioner Jackson for his participation.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 8:24 p.m.

  
\_\_\_\_\_  
Chairman

ATTEST:

  
\_\_\_\_\_  
Secretary

6-25-2012  
Date