

**ACTION  
MINUTES OF THE  
JOINT SPECIAL BOARD MEETING  
OF THE  
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY  
BOARD OF COMMISSIONERS  
AND  
MONTEREY COUNTY HOUSING DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS  
HELD JUNE 3, 2012**

Commissioners met at the Central Office. HACM Chair Commissioner Elizabeth Williams opened the Joint meeting at 8:05 a.m. Present for HACM: Chair Elizabeth Williams, Vice Chair Kevin Healy, and Commissioners Alan Styles, Tom Espinoza and Andrew Jackson. Absent: Commissioner Josh Stewart. Also Present: Jean Goebel, Executive Director; Lynn Santos, Director of Finance; Joni Ruelaz, Housing Programs Manger; Pat Wyatt, Human Resources Manager; and Starla Warren, Fee for Service Director of Development. Present for HDC: Chair Alan Styles, Vice Chair Elizabeth Williams; and Directors Tom Espinoza, Kevin Healy, and Andrew Jackson. Absent: Director Josh Stewart. Also Present: Starla Warren, CEO/President; Marilyn Rose, Senior Finance Officer; and Ray Helali, Senior Construction Manager. Recorder: Sandy Tebbs

COMMENTS FROM THE PUBLIC: None

NEW BUSINESS

A. Future Opportunities / Strategic Planning

Commissioner/Director Williams thanked all Staff for coming today and all Staff that worked on getting ready for this meeting. She further thanked the Commissioners/Directors and Staff for giving up their Sunday. The Board feels this is very important and we hope it will be a productive day.

Commissioner/Director Williams further thanked Ms. Goebel and Ms. Warren for preparing an outline with key issues and possible questions for today's brainstorming and discussion meeting to start the ball rolling on developing a strategic plan for HACM and HDC. She noted that the outline does not have to be followed but if there are issues on the outline someone wants to discuss to please bring it up. Commissioner/Director Styles thanked everyone for being at this meeting also; he volunteered to do the writing on the flip charts during the brainstorming sessions. Commissioner/Director Styles requested everyone to please participate because the Board wants everyone to be involved in this planning session. He noted it is also Staff's opportunity to talk to the Boards about their issues and what works and what doesn't work.

Commissioner/Director Jackson arrived at 8:09 a.m.

Commissioner/Director Styles stated he had researched strategic plans and one thing he discovered was the beginning point for a strategic plan was a mission statement. He recommended everyone read the mission statement hanging on the wall and noted that was probably done about nine years ago. He asked does that mission statement still fit what we want to do. Ms. Goebel noted that the Mission Statement for HACM would not include building because that was provided by HDC. It was further noted by the Board that a Vision Statement was created at the last Board Retreat.

The Board and Staff brainstormed bullet points for a Strategic Plan as follows:

1. HDC Mission Statement needed.
2. Sources of Income (Fresno example)
3. HDC & HACM Sell Product
4. Seat on FORA
5. Homeless
6. People

7. Property Maintenance
8. Hire PR Firm
9. HDC & HACM Working Together
10. Customer Service
11. Consultant Regarding HDC & HACM
12. How to Achieve the Mission
13. Money – Resources
14. Strengths, Weaknesses, Opportunities, and Threats (SWOT) – HDC & HACM
15. Working as a Team within Staff
16. Marketing & PR

Ms. Santos provided a copy of the last Strategic Plan for HACM FYE 2011-2015 dated December 15, 2009. Ms. Warren suggested taking a minute to review the goals in the last strategic plan. She further noted the discussion points could cover both organizations but also talk about the bridging that happens between the two organizations. Commissioner/Director Williams recommended Fresno Housing Authority making a presentation in the future on their successful homeless model; Ms. Warren reminded that agency is overseen by the City Council of Fresno and is governed differently than HACM. Commissioner/Director Espinoza pointed out that Butte County outsources their financial resources as a way of gaining revenue.

The Board then decided to brainstorm Strength, Weaknesses, Opportunities, and Threats (SWOT) starting with Strengths for HACM as follows:

1. Public Agency since 1941
2. HUD
3. Property Management
4. Staff
5. Board
6. Budget
7. Assets

The Board simultaneously brainstormed Weaknesses for HACM as follows:

1. Public Agency since 1941
2. HUD
3. Property Maintenance – Cost
4. Board (same)
5. Community Leadership
6. Budget
7. Level of Communication
8. Lack of Clear Mission
9. Working as a Team

Commissioner/Director Jackson noted that since he arrived at Casanova he has seen property maintenance and property management change to a more economical situation. He stated Staff has done a tremendous job with the costs at that site.

The Board next brainstormed Opportunities for HACM as follows:

1. Price Competitive with Private Industry (Customer Service)
2. Knowledgeable Staff
3. Longevity
4. Successor Housing Agency
5. Visibility (Increasing) PR Firm
6. Operational Capacity
7. Home Ownership
8. Community Investment (FORA)
9. Unite the Community
10. Common Message
11. Board Community Involvement
12. H2A Immigration

Ms. Goebel noted that HACM Staff does have relationships with a lot of people in the community and we need to communicate that more often to the Board.

The Board then brainstormed Threats for HACM as follows:

1. Financial Stability from Outside Sources
2. Divisiveness on All Levels
3. Industry Competitors
4. On-going Maintenance Cost
5. Sense of Entitlement
6. Cost Effectiveness Throughout
7. Performance Levels
8. Micro-Management on All Levels

Commissioner/Director Styles explained sequestration means that come January 1<sup>st</sup> if there is no budget in place with a deficit reduction that everyone likes, mandatory cuts across the board will take effect. These cuts could be anywhere from 18% to 25% and the cuts will be automatic.

The Board took a break from 9:31 a.m. to 9:41 a.m.

Commissioners/Directors Styles and Healy noted that the titles for both HACM and HDC need to be discussed at some point. Commissioner/Director Styles noted he would like to have the word "County" removed from the HACM title because people perceive we work for the County.

The Board decided to next brainstorm SWOT for HDC beginning with Strengths as follows:

1. Staff
2. Flexibility (Changing Environment)
3. Relationship with HACM (Partnership)
4. Vision
5. Revenue Generation
6. Experience
7. Providing Housing Opportunity
8. Nonprofit Status
9. External Relationships
10. Financial Stability

The Board next brainstormed Weaknesses for HDC as follows:

1. Funding (Financial Limitations)
2. Lack of Understanding (Both In and Out) – (PR Firm)
3. Level of Communication (Consultant)
4. Periodic Demands on HACM Staff
5. Board
6. Development Pipeline
7. Depth of Staff
8. Board Chair
9. Lack of Sharing (Knowledge)
10. Lack of Clear Mission

The Board next brainstormed Opportunities for HDC as follows:

1. Partnerships with other Housing Authorities
2. Future Development
3. (More Entrepreneurial) PR Firm
4. Partnerships with other Nonprofits (Homeless Housing)
5. Community Involvement
6. H2A Immigration
7. Customer Service

The Board next brainstormed Threats for HDC as follows:

1. Overextension of Staff
2. Funding
3. HACM Financial Stability
4. Bidding Levels
5. Policy & Procedures
6. Development Pipeline
7. Volatility of Financial Markets
8. Competition
9. Force Account

The Board discussed the bullet points that were listed first and crossed off the items added to the SWOT lists for HACM and HDC. To query, Staff responded that the listing they provided was not to be used as an agenda but just for discussion purposes. It was noted that Fresno has a model program which they created to help homeless in their city; Preston Prince would be the point of contact for this model. Staff reminded that with homeless, there is a need for a lot of social services and related higher costs.

The Board took a break from 10:49 a.m. to 10:59 a.m.

Commissioner/Director Healy asked who are the end consumers of HACM and HDC. At this point a lengthy discussion ensued regarding the properties for both agencies and how they were intertwined. Commissioner/Director Styles emphasized that sometime down the road there will be a point where the HDC Board is going to be forced to make decisions that will totally affect what HACM does; Commissioner/Director Healy noted those decisions should be easily guided based on the mission statement.

The Board next addressed a possible Mission Statement for HDC as follows:

Original HDC mission when it was formed was to bring in additional revenue and/or developments to assist in bringing financial stability to HACM and also to:

1. Increase Affordable Housing
2. HDC's Financial Stability

The Mission statement was forwarded to Ms. Warren for further discussion/input and for clarity.

Ms. Warren commented during this dialogue that HDC's pricing strategy always takes into consideration whether HACM has an impact or whether HACM will be involved in a development. She further noted that she thinks there may be more mission to add to HDC's mission statement, but she and her staff will refine it. She emphasized she also needs to ensure that HDC has financial capacity in order to continue development. Ms. Warren will bring the revised Mission Statement for HDC back to the HDC Board for approval. Commissioner/Director Williams suggested the Mission Statement for HDC also be discussed with the HACM Executive Director. Ms. Santos noted that both agencies need to live within their means. Ms. Goebel reminded that development does affect HACM's overhead costs because we don't have as much revenue from these properties to offset the losses; she stated much of HACM's revenues are restricted. When HACM is managing property, we have revenue to offset some of those losses on properties.

The Board requested comments from each attendee on how they think this joint meeting is going:

Ms. Wyatt stated the discussion about how the two agencies (HACM & HDC) work together is very good; she stated personally she is getting a great deal out of this meeting.

Ms. Santos stated it is incredible and it will further help us to work together.

Ms. Warren stated any opportunity for clarifying communication is always a positive.

Commissioner/Director Espinoza stated he thinks it is going extremely well and he is pleased.

Commissioner/Director Healy stated this is progress against the goals that we are trying to establish and it is really serving us all very well from his perspective.

Commissioner/Director Jackson stated he didn't expect to see as much progress in such a short time.

Ms. Goebel stated there has been a lot of water under the bridge and we all know the pitfalls we've run through so this meeting helps to refocus us back on where we should be heading.

Ms. Rose stated she appreciates the additional clarity that is coming out of this meeting.

Ms. Ruelaz stated she thinks when it gets down to the nitty gritty that will really help.

Mr. Helali stated it is helping him to understand a lot better than before.

Commissioner/Director Styles stated it has just been clarifying—something we should have done many years ago.

Commissioner/Director Williams stated what we just did to give HDC a possible Mission Statement is more than any of us here could have imagined would have happened today. She stated she is happy to see there's a definite clarification which will help bring HACM and HDC forward. She further thanked everyone for giving up their Sunday and coming today.

In a short discussion, the current Mission Statement for HACM, To provide, administer, and encourage quality affordable housing and related services to eligible residents of Monterey County, remained as HACM's mission statement.

The Board took a lunch break from 11:50 a.m. to 12:06 p.m.

The Board next prioritized the items under all the charts for HACM. The items with the most check marks will determine the top priority list. HACM's top priority:

The Board next selected from the all the HACM lists for Staff Strengths:

1. Well Trained
2. Longevity
3. Low Turnover
4. Work as a Team
5. Sellable Skills
6. Flexibility
7. Passion
8. Professional

The Board then selected from the all the HACM lists for Staff Weaknesses:

1. Divisiveness in Departments
2. Sense of Entitlement
3. Growth and Career Opportunities
4. Morale (Pay etc.)
5. Monetary
6. Lack of Clear Vision on Board Policy
7. Lack of Focus on Mission
8. Lack of Benchmarking
9. Job Security
10. 9/80 Schedule (Held up by Union)

The Board then brainstormed the Solutions for HACM Staff:

1. TQS - ( Board Member)
2. Bench Marks
3. Golden Handshake
4. 9/80 move forward
5. Performance Reviews
6. Bonuses
7. Extra vacation Day
8. Get rid of Us versus Them

There was a lengthy discussion on the items in the lists above regarding what could improve some of the situations. Regarding the 9/80 schedule, it was suggested that a letter be forwarded to employees to let them know that the Union has requested this issue be put on hold until after more pressing issues are considered. Staff invited Board members to attend TQS meetings when possible. Commissioner/Director Styles noted these solutions will go to Ms. Goebel who can get them out to Staff. Commissioner/Director Williams stated she would like to see timelines on each of the solutions.

Commissioner/Director Styles noted when Staff receives these lists, if they need or want to add to them to feel free to do so.

The Board took a break at 1:40 p.m. and reconvened to regular session at 1:50 p.m.

The Board next addressed Working as a Team for HACM Strengths:

1. Better Outcomes
2. Efficiency
3. Transparency
4. Better Customer Service
5. Get along better
6. Two ED's Ability to Communicate

7. Work History (Grown Together)
8. Shared Knowledge
9. Renewed Dedication
10. More sellable Opportunities

The Board next addressed Working as a Team for HACM Weaknesses:

1. Lack of Clear Roles and Responsibility
2. No Common Message
3. Competing Priorities

The Board next addressed Working as a Team for HACM Solutions:

1. Recreate Customer Service Culture
2. TQS Meetings
3. Community Leadership (not on chart)

Commissioner/Director Healy commented that when there are priorities that compete for your time, the guiding light for prioritization will be the customer service culture. During a discussion on disagreements amongst Board members or Staff members, it was noted any differences should be left outside of the meeting room. It is important to keep negative energy out of the Board room and to be respectful of each other's opinions.

The Board next considered Community Leadership for HACM Strengths:

1. Participation List
2. Benefit to Customers
3. Networking

The Board requested a list be provided to the Board of the other Boards and Organizations with which HACM is associated. Ms. Goebel noted that the positive to participating with other organizations is, aside from voting, we get to speak about the Housing Authority with regards to our issues plus we make connections with other communities and that's valuable. Commissioner/Director Styles emphasized we need to let people in the community and our elected officials know who we are, what we are all about, and what we have to offer the community by building relationships at these meetings; we want to be known as someone they can trust when they need our services.

The Board next considered Community Leadership for HACM Weaknesses:

1. Networking
2. Common Message
3. Website Update

The Board then addressed Community Leadership for HACM Solutions:

1. Common Message
2. HACM/HDC Tours (Board member) (TQS)
3. Develop Marketing Tools and Plans

During a short discussion, the Board reminded that a marketing tool could be a one-sheet informational sheet on what HACM does on one side and on the reverse side what HDC does; this then could be provided to the Board members who could have that information when needed. Another issue raised by Staff was a tour of properties would benefit both Staff and Board members. The Board requested they be contacted when the tours are scheduled so one Board member can be on the tour. Commissioner/Director Espinoza noted the HACM main phone message has press 2 for Spanish but it is in English instead of Spanish. Commissioner/Director Styles reiterated that all this information is going to Staff so they can come back with a timeline.

Commissioner/Director Healy summarized that in terms of our vision for the Strategic Plan, we accomplished a lot today. We have three robust Five-Year Strategic Plan goals out of our brainstorming items relative to changing the culture and engaging more in the Community. Ms. Goebel reiterated they are: Recreate Customer Service Culture, Improve Morale, and Engage more in the Community. He suggested the Clerk of the Board type the charts and keep them in file so the Board can refer to them in the future. Commissioner/Director Williams noted

that the Charts could be rolled up and kept safe in a tube container for future reference also. Commissioner/Director Espinoza reminded this is a work in progress.

Commissioner/Director Healy recommended each person give an evaluation of today's meeting using one to ten with ten as the best:

Ms. Wyatt noted she was excited about what has been done; she gives the meeting a Ten.

Ms. Santos noted she thought it was a good meeting with open and honest discussions; she rates the meeting a Ten.

Ms. Warren noted it was a very good meeting; she rates the meeting with an Eight.

Commissioner/Director Espinoza noted we preceded this meeting thinking we needed to hire a consultant. He thanked everyone for their commitment and stated time very well spent; he rates the meeting a Ten.

Commissioner/Director Healy noted he does not give ten's but he was very happy with where we got to today and it exceeded his expectations; he rates the meeting a Nine.

Commissioner/Director Jackson noted he gives the meeting Ten and a Half.

Ms. Goebel noted she doesn't give ten's easily but she wants to thank the Board and particularly Commissioner/Director Styles who took all the ribbing as Chart Leader and for leading us into a really good discussion; she rates the meeting today with a Nine.

Ms. Rose gives the meeting today an Eight.

Ms. Ruelaz noted for addressing the issue of marketing and making that a goal, she rates the meeting with a Nine.

Mr. Helali gives the meeting today a Nine.

Commissioner/Director Styles gives the meeting today a Nine.

Commissioner/Director Williams thanked everyone for coming today and all who worked on the preparation for this meeting; she rates the meeting today a Ten because of what was accomplished in these few hours; we stuck to it and we got it done!

Commissioner/Director Styles requested before leaving that we critique what can be done better next time when we address goals for HDC:

Mr. Helali requested not having an 8 hour session.

Ms. Rose noted it was hard getting through hours of getting to this point, but let's keep moving forward rather than going back and rehashing what we've already done.

Ms. Goebel stated she reiterates what Ms. Rose said and further thanked the Clerk for lunch.

Commissioner/Director Jackson stated we don't need this much time next time.

Commissioner/Director Healy noted we may have spent a little too much time on the granular and the rehashing and we could have spent more time on the bigger picture items and staying out of the nuts and bolts.

Commissioner/Director Espinoza stated there is always room for improvement but he thought the dialogue today was sufficiently balanced and productive.

Ms. Warren stated going through these processes by beginning with HACM will help the HDC portion to go much quicker.

Ms. Santos stated she agrees with what several people have said and noted that a lot of issues we discussed today actually overlap with HDC so some of HDC items will go faster; we don't need to redo but to move forward.

Ms. Wyatt stated now we know what to focus on when attending meetings.

Commissioner/Director Styles stated he liked the way the flow went today; in some cases we did get into the nitty gritty nuts and bolts but he thanked everybody for their honest and forthright presentations because that is how we get to where we want to go. Overall, he thought it was a great session and next time it won't take near as long.

Commissioner/Director Williams stated she thought the meeting went really well; she liked the format that was used and was happy that neither the Board members nor the Staff looked at the clock every five minutes and there were no interruptions with phone calls. She further stated we need to focus on what we're doing and not on how much time we're spending although she doesn't want to see us go ten hours next time but she does think we need to have as much time as is needed because this is very important and the time spent today could mean whether we're here tomorrow or not. Thank you again to everyone.

The Board selected Sunday, July 8, 2012, 8 a.m. to 5 p.m. for their next Joint meeting.

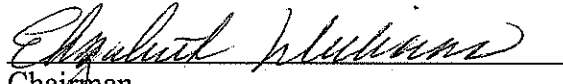
June 3, 2012

COMMISSIONER/DIRECTOR COMMENTS: None

Ms. Tebbs reminded that HACM has a Special Meeting June 11, 2012, at 5 p.m.

ADJOURNMENT

There being no further business to come before the Boards, the meeting was adjourned at the call of the Chair at 3:20 p.m.

  
Chairman

ATTEST:

  
Secretary

9-26-2012  
Date