

**ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
MONTEREY COUNTY HOUSING AUTHORITY
DEVELOPMENT CORPORATION
HELD JUNE 25, 2012**

Directors met at 123 Rico Street, Salinas, CA 93907. The meeting was called to order by Chair Alan Styles at 6:53 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. Also in attendance HACM staff: Jean Goebel, Executive Director and Lynn Santos, Director of Finance. HDC Staff: Carolina Sahagun, Senior Community Development Planner; Marilyn Rose, Senior Finance Officer and Ray Helali, Senior Construction Manager. MCHI Staff: John Rose, President. Recorder: Kimmy Nguyen

COMMENTS FROM THE PUBLIC: None

CONSENT AGENDA

- A. Minutes—Approval of Minutes of the Regular Board Meeting held May 21, 2012
- B. MDC-86: Procurement Policy Revisions

Upon motion by Director Williams, seconded by Director Stewart, the Board approved Consent Agenda item A, approval of the minutes of the Regular Board Meeting held May 21, 2012. Motion carried with the following vote:

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

Director Healy pulled agenda item B, MDC-86, from the Consent agenda. Director Healy recommended that the Procurement policy and all subsequent policies be referenced as Monterey County Housing Authority Development Corporation (MCHADC) which is the formal acronym for this corporation. Ms. Warren reminded everyone that this corporation is informally referred to as HDC and she hopes that the corporation can still be informally referred to as HDC. The Board then considered agenda item B, MDC-86: Procurement Policy Revisions.

Upon motion by Director Healy, seconded by Director Williams, the Board adopted Consent Agenda item B, MDC-86, Procurement Policy Revisions, with the change that the acronym HDC be replaced with MCHADC. Motion carried with the following vote:

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

NEW BUSINESS

- A. Resolution MDC-85: New Salvage Policy

Ms. Warren presented the Construction Salvage Policy for the Board's consideration and was open to questions that the Board may have. Director Healy was curious as to why it stated in the policy that a contractor would recycle 75% of the demolition and construction waste and not 100%. Ms. Warren responded that it is typically a standard regulation and there are certain things that cannot be recycled. Director Styles stated that it is 25% above the State's standard and he felt that 100% is just impossible to reach. Ms. Warren mentioned that if we were to increase above 75%, it would be an additional burden on our contract costs. To query, Ms Warren responded that before the jurisdiction gives a demolition permit, they would first meet with the local recycle people, the demolition contractor and then the regulatory agency. They would then meet to sort out where everything is going to go.

Upon motion by Director Williams, seconded by Director Stewart, the Board adopted Resolution MDC-85 accepting the New Salvage Policy. Motion carried with the following vote:

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

B. Resolution MDC-87: Acceptance of Audited Financial Statements for the Year Ending June 30, 2011

Upon motion by Director Williams, seconded by Director Stewart, the Board adopted Resolution MDC-87 accepting the Audited Financial Statements for the Year Ending June 30, 2011. Motion carried with the following vote:

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

INFORMATION

A. Monthly Development Report

Ms. Warren announced to the Board that HDC is on the recommended funding list for TCAC for Oak Park One. She reported that it is approximately \$18.2M in tax credit funding and the project will be able to move forward.

In a short discussion, Director Espinoza mentioned that Supervisor Potter's office asked that he attend the Rippling River resident meeting. He reported that one of the complaints was an ongoing complaint about the John Stewart Company and the overall management of the facilities ranging from handrails to not having anyone on site. He stated that he would report back to Supervisor Potter's office and to Ms. Warren in terms of addressing these issues. Director Espinoza continued to report that the other part of it had to do with evictions and/or pending tenant problems and their individual issues about their vouchers. He also stated that there might be some misinformation and two of the three pending evictions have now gone through court trials.

Ms. Warren responded to some of the issues and stated that there is someone who lives on site and has a key. Regarding the handrails and ADA issues, she stated that there were no less than three ADA reports with regard to what needed to be done and we did what we were told to do. Director Espinoza stated that he will email Ms. Warren a list of things that the residents gave him at the meeting. Ms. Warren reported that there was an eviction that occurred Thursday. She stated that Supervisor Potter's office had asked if we could make certain accommodations for this person in which we did but the tenant still did not complete her part of the agreement. Ms. Warren stated that there was a court case for this person today and the judge is trying to allow this person a graceful out. She commented that there definitely will be a story in the Weekly. Director Espinoza commented that the JSCO manager Gayle Topping did a good job recounting the problem with this particular tenant ever since 2007.

Director Espinoza reported that other issues that were brought up were about the internal pipes that were never repaired or refurbished. In response to that, Ms. Warren stated that another key issue regarding the rehab was that she repeatedly brought up the fact that there was failed copper piping, proven to be failed with a long history of many pin hole leaks, water damage and much mold. She stated that the rehab scope was driven by people that did not know the scope of the plumbing issues prior to rehab.

To query about the resident turnover, Ms. Warren stated that this is a cycle thing, and we will go through these types of evictions. She stated that she is hopeful that it will lead to everyone acknowledging that authorized visitors are not allowed, which is a huge issue out there. Ms. Warren commented that one of the real drawbacks to this is if they get evicted, they will lose their vouchers forever. Director Espinoza commented that he was interviewed by the media and felt that he was very thoughtful in what he had to say. Director Healy asked if HDC has a policy in terms of speaking to the media. Ms. Warren responded that the Board should probably think

about making a Tenant Involvement/Resident Meeting policy measure since we do not have one in place.

Ms. Warren mentioned that she received an email from Pacific Meadows because of PG&E. She stated that think they will be closing some time in June or July. Ms. Warren reported that we were on the front page of UBOC's weekly newsletter on the Haciendas project.

B. Bid Results – Oak Park Phase One

Ms. Warren reported that this is the bid result for Oak Park Phase One. She stated that our budget is about \$15-16M and our low bid is at \$14,697,000. She will move to award after they receive a firm commitment on funding. The Board congratulated Ms. Warren on a job well done.

C. Finance Report

Ms. Santos commented that she doesn't really have anything to add. She stated that the numbers that are in this report came to the HACM board when the March financials were presented. Ms. Santos felt that we needed to have the information go to the HDC Board as well. Ms. Santos stated that the same information is presented with regards to the Haciendas construction budget that was presented as part of the Housing Authority finance report.

Directed to Director Healy, Ms. Warren asked on a report like this, could we still refer to it as HDC? Director Healy responded that legal documents that are in public view should reference the entity (MCHADC) and parenthetically reference whatever acronym we want to use.

FUTURE AGENDA

Director Healy requested that we should have a review with the Board on HDC's policy in interacting with the media. He also stated that we should have a future agenda item regarding Tenant involvement/Resident meetings.

DIRECTOR COMMENTS

Director Jackson thanked Ms. Warren for the good job.

Director Stewart commented that he wanted to compliment the staff for an outstanding job that they are doing and to continue.

Director Williams thanked everyone for all their hard work. She knows that we worked above and beyond and put in long hours and she appreciates that. She thanked Ms. Nguyen for dinner.

Director Healy reiterated what Director Williams said. He congratulated staff and everyone who was involved with Oak Park. He thanked Ms. Warren regarding the request that he had made on the MCHADC acronyms. Director Healy also thanked Ms. Warren for taking on the matter with Rippling River and especially to recognize Director Espinoza for his participation in the Resident meeting and the interaction with the media.

Director Espinoza thanked Ms. Warren for working closely with Supervisor Potter's office and dealing with Rippling River situation. He acknowledged that she is looking to create solutions as well as trying to work with the tenants. Ms. Warren stated that she took the opportunity through all of this to re-emphasize to Potter's office, the staff, and to the Weekly about the need for services at Rippling River. If they want to do something for the community, they need to reinforce the services. Director Espinoza further thanked Ms. Warren and her staff for all their hard work.

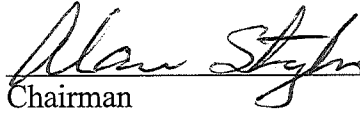
Director Williams wished Director Stewart the best on his knee surgery.

Director Styles congratulated staff on everything that has been accomplished. He thanked Director Espinoza for attending the Resident meeting at Rippling River.


June 25, 2012

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:26 p.m.


Chairman

ATTEST:


President/CEO

JULY 26, 2012
Date