

**ACTION  
MINUTES OF THE REGULAR BOARD MEETING  
OF THE  
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY  
HELD JULY 22, 2013**

Commissioners met at the Central Office. Chair Kevin Healy called the meeting to order at 5 p.m. Present: Chair Kevin Healy, Vice Chair Elizabeth Williams, and Commissioners Alan Styles, Tom Espinoza, Charmaine Scott, Kathy Beuthin, and Mary Jo Zenk. Also Present: Jean Goebel, Executive Director; Lynn Santos, Director of Finance; Joni Ruelaz, Housing Programs Manager; Pat Wyatt, Human Resources Manager; and Starla Warren, Fee-for-Service Director of Development. Recorder: Sandy Tebbs

COMMENTS FROM THE PUBLIC:

Rosie Castoreno commented she has a meeting at the end of this month on the 31<sup>st</sup> to see if she can get her housing and she doesn't want to lose it. And she doesn't want to lose it because they are trying to say she lives with her boyfriend and she doesn't. Ms. Castoreno stated she had her mail changed because she got into a car accident and they're saying that she's living over there. She stated she is not living on North Main Street where she is living at now and her boyfriend lives on Bolivar. Ms. Castoreno further commented she wants to keep her Section 8 because she has no other place to go. They're trying to throw her out because she pays her rent deposit by money order and they want her to pay it by check. They said there was something wrong with that and that she doesn't waste enough gas, but she stated she does waste a lot of electricity because she is a vegan. She further commented they wanted her to move out this month, but she did get another meeting for the end of this month to see what is going to happen. They said she didn't reply with all the papers and she did. And now that she has a lease with her boyfriend, she didn't know she was supposed to take it off; she just moved out. And this is why they're saying that she still lives with him (boyfriend).

Commissioner Scott arrived at 5:03 p.m.

CONSENT AGENDA

- A. Minutes – Approval of Minutes of the Regular Board Meeting held May 20, 2013
- B. Resolution 2757: Agreement with the Mandell Gisnet Center for Conflict Management
- C. Resolution 2758: FY 2013 Section 8 Management Assessment Program Submission

Upon motion by Commissioner Williams, seconded by Commissioner Styles, the Board approved the Consent Agenda. Commissioner Espinoza abstained on agenda item B because he is associated with the Mandell Gisnet Center for Conflict Management. Motion carried with the following vote:

- A. Minutes – Approval of Minutes of the Regular Board Meeting held May 20, 2013
- C. Resolution 2758: FY 2013 Section 8 Management Assessment Program Submission

YES: Healy, Williams, Styles, Espinoza, Scott, Beuthin, Zenk  
NOES: None  
ABSENT: None

- B. Resolution 2757: Agreement with the Mandell Gisnet Center for Conflict Management

YES: Healy, Williams, Styles, Scott, Beuthin, Zenk  
NOES: None  
ABSENT: None  
ABSTAIN: Espinoza

REPORTS OF COMMITTEES

Personnel Committee: Commissioner Styles reported everything was on the agenda.

Finance/Dev Committee: Commissioner Espinoza reported everything was on the agenda.

Monterey County Housing, Inc.: Commissioner Zenk reported MCHI met last week and talked about rehabbing Parkside; they also approved the budgets.

Affordable Acquisitions: Same as MCHI

Monterey County Housing Development Corporation and LP's: Ms. Warren reported all these items are covered on the HDC agenda.

REPORT OF SECRETARY

A. Executive Report

Ms. Goebel pointed out the PHAS Score for FY 2012 had been received and was on the table. She reminded that HACM appealed the original score because we felt that there were some inaccuracies. We received the final scoring and it did go up by one point, but we're still sub-standard in management even with that extra point. Maybe this year, we'll get a better score. Ms. Goebel explained what happened was our management score was 13 out of 25 previously and now they scored us at 14 because of the Haciendas redevelopment and the vacancy time. And even though our total score was 84 which would be a Standard performer, if we have any one particular item that is 60% or less then we are scored as sub-standard in that item. To query, Staff explained this would not be an issue with Haciendas II and III because Haciendas was now completely out of Public Housing. Staff further noted regarding the management issue that someone at the HUD Field Office had advised us to not send in information on units that were out of occupancy for rehab so we lost out on a number of days of vacancy due to rehab that was approved in the capital fund plan because they were being counted as vacant days and not rehab days. We also have a new representative at HUD who responds more quickly and is willing to help us. Ms. Goebel noted this is all done through financial calculations so we can't see anything until the end of the year; it is not an easy process to show where you are going. Staff used to be able to go into the HUD system and see our advisory scores because they were automatically calculated; this no longer takes place. Ms. Santos explained that if units are out of occupancy because they're being rehabbed, those days come off of your available days to lease and are considered excused vacancy days.

Ms. Santos stated we also have an issue with the way they calculate accounts payable but many others have this same issue. Ms. Goebel stated HUD made the scoring simpler for them but more difficult for us. Ms. Santos noted we appealed this, but because of the way the regulations are written, it didn't change. Commissioner Healy stated this reflects a tremendous performance in every other scoring area. Ms. Goebel stated we haven't had our physical inspection yet for this year but we're expecting that to be scheduled by the end of August on the four projects they need to inspect. To query on 50058, Ms. Goebel replied that is a family data report that is sent to HUD monthly on the clients in Public Housing or Section 8.

NEW BUSINESS

A. Strategic Goals for Fiscal Years 2012-2013 Update

Ms. Goebel explained this information was requested at the last Board meeting and the minutes of the two retreat meetings have been attached for information to those who did not attend those meetings. There were four goals decided on from those meetings along with their deadlines. She noted updated information on these goals is also reflected in the memorandum.

To query on what are we marketing to or for, Staff replied that HACM services are to provide housing to eligible clients but we cannot service everyone because we have limited funding and housing and due to the current funding constraints, it is difficult to market ourselves. Ms. Warren stated we have a draft to be presented in the HDC meeting tonight that covers both entities.

To another query on what is the marketing firm doing for HACM and HDC, Staff explained regarding the update on the website by the marketing firm, it is taking time because information needed for the website needs to be reviewed so we don't have corrections later. Ms. Warren explained that those items each agency may use is like a menu of services and some will benefit one entity but maybe not the other and whichever entity desires that service will pay for that portion.

To query on what was the time frame for the Strategic goals, Ms. Goebel noted the goals were set for two years. Commissioner Zenk stated it would be helpful to do some sort of survey of community stakeholders to make sure we understand what others expect of both entities and how they are perceived. Ms. Warren responded that we had extensive discussions during these retreats on the outreach for both entities, but right now with all the sequestration and budget reductions, we don't want to give the impression we have all this housing available when we do not. We did discuss that it would be a good idea to find out how we are servicing our clients, but nothing was put in place on how or when to capture that data because it would be very costly to do so.

In a lengthy dialogue regarding the outreach to various jurisdictions, Staff respectfully requested more time to prepare the joint presentation of the Housing Authority, Housing Development Corporation, and Monterey County Housing, Inc. and how they fit under the umbrella of Together Providing Homes and Building Communities. Ms. Warren explained Staff is moving towards that outreach and has some preliminary draft numbers in the upcoming presentation. Commissioner Espinoza reminded that the retreats were brainstorming sessions to obtain strategic goals, both short term and long term, as well as to try to present a united front marketing strategy from both entities out of the longevity of HACM's 70 years and the development portion of HDC that was created to complement HACM and synergy for long term sustainability. Ms. Warren explained from the website portal, you will be able to access both entities. Regarding Mission Statements, Ms. Goebel noted HACM has their mission statement. Commissioner Espinoza stated the mission statement for HDC is an agenda item for our next meeting. He further noted that he didn't recall at the last ground breaking event that HACM was recognized for their management of Laguna Haciendas and often HDC does not get credit for what they do.; we need to be clear that we promote both entities well and properly so that people have a sense that it is a team effort and we work together.

To query on what is the next step for the Board, Commissioner Espinoza suggested that the next step be to receive ideas from the marketing group in terms of how and what do we do to market the team. Ms. Warren requested more time due to the very busy schedules of both staffs and reminded these tasks that both entities are doing are not small tasks and they take time. She suggested marketing updates be placed on both HACM and HDC agendas in about three months. Commissioner Styles stated that he is frustrated that we have not been able to make any presentations to city councils nor have we put together a plan to be able to do that. He further noted that he is also going through this same frustration with NAHRO who is also trying to rebrand itself after many years. Commissioner Styles further reminded that people out on the street do not know about the Housing Authority or what we do.

To query on the performance of the marketing company, Ms. Warren responded that the bulk of the work is for HDC and she thinks they are doing a good job. HDC has things come up rapidly that they have to deploy right away and they have been really good at that. They have uploaded several TV interviews on the website; they have the URL links to the national magazines, and have put together the draft presentation that will be shown in the HDC meeting. Commissioner Williams reminded that it doesn't have to be Staff at the city council meetings, there are seven Commissioners to help. Ms. Goebel noted that after the home page was created for HDC, it was brought to HACM and we modified it because we want HACM's to look similar so there's a flow. She also stated that she changed some things and sent it back to the marketing firm so there has been some back and forth recently to fix things. They are also waiting on some content from HACM and there is some other content that needs to be changed because there were some disconnected links. She stated that Ms. Kandell also went through the links to make sure they were still operational. It has taken a lot of time to gather all this information together. Ms. Goebel noted that there has been a lot of work to develop this presentation but the person who

had to pull the information also has a job and they are massively overloaded right now; there are not a lot of people that can do this type of retrieval because some reports had to be run overnight because they would overload the system during the day; it has not been an easy process. Commissioner Scott reminded that if assistance was needed, it might be good to check with CSUMB, Hartnell, and MPC for students that could assist for experiential training.

To comment on the ground breaking for Haciendas II, Ms. Warren reminded that KSBW had been out to the site two weeks in a row with big articles on the fire department and SWAT teams using the buildings that were going to be demolished for their training, plus there was an article that focused on the children working on the mural so there had been a lot of recent coverage. There was another national news major event that took place during this same time frame so there probably would not have been much coverage for the ground breaking. Ms. Warren stated the Californian did a nice two page spread the day after the ground breaking focusing on the residents. She further stated that next time Plan B will be for Ms. Nguyen to make calls the day of the event to add more saturation. Media packets are sent out, but we can't control what the media chooses to do.

To question whether Staff needs additional resources, she stated let Staff work their plan for a little while longer. The presentation for HDC tonight may show the Board that Staff is on track.

Commissioner Healy commented that going back to the strategic plan, we need to revisit the goals as a group at least for the purpose of discussing whether we have established a solid foundation.

B. Travel and Entertainment Policy for Commissioners of the Housing Authority of the County of Monterey

Commissioner Williams requested this item be tabled and an Ad Hoc committee be appointed to review the policy and then bring back any recommendations for the Board's consideration.

Chair Healy appointed Commissioners Williams (Chair), Beuthin, and Zenk to the Ad Hoc Committee for the travel policy.

INFORMATION

A. Finance Report

Ms. Santos reported she didn't have anything to add to her report. To query regarding HAP, Staff explained we are expecting to be a million short on HAP as projected in the budget; we will be down \$500K from last year on admin fees. Ms. Santos reminded we currently have reserves to utilize for HAP which could help in increasing our funding for HAP the following year.

To Commissioner Beuthin's query on the Oak Park I 10% test draft, Ms. Santos explained that it is something that we have to prove to the California Tax Credit Allocation Committee (TCAC) that 10% of the allocation has been expended by a certain time after allocation. Ms. Warren noted TCAC's focus is to make sure the money is being expended and not being held onto so there are readiness points that have to be met.

B. Human Resources Report

Ms. Wyatt reported she had nothing to add to her report. To query regarding funding for the FSS Supervisory position, Staff explained the NOFA isn't out yet.

C. Development Report

Ms. Warren pointed out that the Commissioners are being contacted regarding their availability for the Grand Reopening of Portola Vista on August 29th at 10 a.m.; once the date is firm, Staff will start planning the event.

Ms. Santos stated she received a copy of the Pacific Meadows audit which clearly shows we will not be receiving any payment this year and clearly not the lease payment for a number of years.

She explained that HACM is supposed to get 50% of their deferred developer fee when they get a deferred developer fee. HACM doesn't get a lease payment until the developer fee is paid. This year they ended up with more developer fee deferred than intended. The agreement stated it would be \$1.043M, but it ended up being closer to \$1.5M in deferred fees and ABHOW had to put in \$500K of their own cash to fund the required reserves. Ms. Warren reminded that conversion to perm was pushed back approximately two years and it has been a rough road for them but once the waterfall starts flowing, it will be a nice revenue stream.

To query on getting the roof replaced for this building, Staff explained the next step is to have a mechanical engineer give us a holistic approach to resolving the issues because part of the remedy is going to be looking at the opportunity to install solar on the roof and possibly a roof-top HVAC. Ms. Goebel reminded there are a lot of issues regarding this building because it is patches on top of patches at this point. Ms. Warren explained the Department of Energy has several no interest and low interest loans plus we have some MASH Track II money left over that we may be able to use with PG&E's permission. It will be a complex financing package with a lot of different programs shuffled together. To a query on the RFP, Ms. Warren explained the RFP will go out first part of August and responses should be received by the end of September. After a selection is made, it will take about two weeks to get that firm on board and then another four weeks for them to give an initial assessment. She hopes to have some feedback for the Board by the end of September.

Commissioner Espinoza reported that Lakeview was discussed extensively in the Finance/Development Committee meeting last week and that committee tabled this issue so Staff could obtain legal advice with regards to the deadline and notification to residents. If needed, a Special Board meeting will be requested.

Commissioner Healy asked whether there is a transition plan if parts of this building will need to be blocked or closed during the repairs, Staff responded it will depend on what the scope of the work is but there could be some disturbances when the HVAC equipment is replaced. Ms. Goebel noted if we have plumbing issues, we may have to figure out alternative sources of places for people to be placed in the interim. Ms. Warren reminded it is the systems for this building that are broken and need repair or replacement and not the building itself.

#### D. Property Management Report

Ms. Goebel reported in the absence of Ms. Tonkin that she would try to answer any questions. Commissioner Healy reported that he was impressed with one of the breakout sessions at the NAHRO Conference in Denver with regards to using data streams and being more efficient through the use of technology. He reminded that the perception in the local law enforcement community of our properties is a negative one and working with law enforcement could change that perception. Ms. Goebel mentioned that in the past we used the Sheriff's department for criminal background checks but they were too slow so we no longer use them plus they wanted us to pay overtime for anything they worked on for us. Ms. Ruelaz reported her department is working with Chief McMillan who has assigned a Commander to work with us on criminal issues that we have. Ms. Goebel reminded we do not share our client information unless it is an ongoing criminal investigation and then they have to submit a written request that has to meet the qualifications that HUD has given us to share that information. Commissioner Healy suggested Staff run things through Legal Counsel as needed and required.

#### E. Housing Programs Report

Ms. Ruelaz provided a flyer on The Job Seeker Toolbox and noted this will be our first event with the Shoreline Career Center. She further reported she ran some preliminary numbers this morning and it looks like we'll be at 97% for SEMAP which should make us a High Performer. To query on the POWER Project, Ms. Ruelaz responded that is the project working with the unemployed. To another query on who can attend the event with the Shoreline Career Center, Staff responded this particular event will be open to the public but the POWER Project is strictly for tenants in our programs.

Commissioner Espinoza asked about the Take it to the Streets Homeless training; Ms. Ruelaz responded that is training at Dorothy's Kitchen on learning how to deal and work with the homeless and actually going out to the streets. Ms. Goebel noted it is part of the ten year plan to end homelessness in Monterey County. Service providers are getting together on a regular basis to learn what each organization provides; they want people who interact with the homeless to know what services are available.

To query on the RFP for property management, Staff responded that RFP should be out by Wednesday.

The Board convened to Closed Session at 6:09 p.m.

CLOSED SESSION

The Board of Commissioners met in Closed Session for the following purposes and reasons:

- A. Government Code 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: Nothing to report.
  
- B. Government Code Section 54957(b) Personnel Matter  
ACTION: Nothing to report.

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

COMMISSIONER COMMENTS

Commissioner Beuthin thanked everyone for their patience and their hard work.

Commissioner Espinoza thanked Staff for staying to this late hour; the Board had things we needed to discuss.

Commissioner Styles commented he was going to give a report on the Denver conference but he will write his report and talk about it next time, but it was an excellent conference and finally it seems NAHRO is beginning to understand they can't continue to do things the way they always have and things have to change.

Commissioner Williams wished Commissioner Healy a Happy Birthday. She further stated she would like to see under future agenda items a retreat for this board. Commissioner Williams further thanked Staff for all the hard work that they do.

The Board wished Commissioner Healy a Happy Birthday.

Commissioner Zenk suggested that there are some opportunities at CSUMB to use students, particularly seniors that have to do Capstone; business majors who have to do marketing strategies; computer science majors that do branding and can develop apps and programs. There are lots of opportunities plus they have a new public administration concentration so that department will be looking for internships related to public administration. Commissioner Zenk stated she would be happy to help make that happen. Ms. Goebel noted that HACM does use interns from CSUMB.

Commissioner Scott thanked Staff for their hard work; she appreciates every one. She also noted it was a wonderful Denver conference. Commissioner Scott thinks using local resources would be a really good thing to consider and not too difficult to implement and she would also be happy to help.

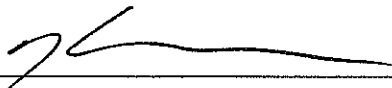
Commissioner Healy commented he would simply reiterate Commissioner Style's comments about the NAHRO Denver Conference. He stated, from his perspective, and he has been to

about four NAHRO conferences, the one in Denver was by far the best one for content in which he has participated. He feels that this conference provided the most valuable information of all the NAHRO conferences he has attended. Commissioner Healy stated he hopes the Commissioners get a chance to read the conference information he provided because there are some diamonds in the rough. He wanted to say thanks to Staff who brought forward the information around the goals. He thought the minutes were well done, thorough and really captured the essence of those two planning sessions. He stated he agrees with Commissioner Williams on agendizing a discussion around planning a Board retreat at the next meeting.


Chair Healy stated he was pleased that the Board recognizes the successful completion of the NAHRO Ethics and Housing Community Development Course by Commissioners Scott and Zenk. The Board congratulated Commissioners Scott and Zenk.

ADJOURNMENT

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

  
\_\_\_\_\_  
Chairman

ATTEST:

  
\_\_\_\_\_  
Secretary

8-27-2013  
Date