

**ACTION**  
**MINUTES OF THE REGULAR BOARD MEETING**  
**OF THE**  
**HOUSING AUTHORITY OF THE COUNTY OF MONTEREY**  
**HELD APRIL 27, 2015**

Commissioners met at the Central Office. Vice Chair Kevin Healy called the meeting to order at 5 p.m. Present: Chair Elizabeth Williams, Vice Chair Kevin Healy, and Commissioners Tom Espinoza, Kathleen Ballesteros, and Viviana Gama. Absent: Commissioner Mary Jo Zenk. Also Present: Jean Goebel, Executive Director; Lynn Santos, Finance Director; Joni Ruelaz, Housing Programs Manager; Pat Wyatt, Human Resources Manager; Shannon Tonkin, Housing Management Manager; and Starla Warren, Fee-for-Service Development Director. Recorder: Sandy Tebbs

Chair Williams requested Vice Chair Kevin Healy chair the meeting tonight due to her laryngitis.

INTRODUCTIONS:

Commissioner Espinoza introduced Mr. Jim Rear, outgoing Executive Director for Sunrise House, and Ms. Veronica Magana, incoming Executive Director for Sunrise House. Mr. Rear thanked the Housing Authority for all the support with Sunrise House. Ms. Magana provided a brief educational background and her association for years with Sunrise House.

The Board thanked Mr. Rear and Ms. Magana for coming to tonight's meeting; they wished Mr. Rear the best in his retirement and the best to Ms. Magana in her new position as Executive Director.

COMMENTS FROM THE PUBLIC: None

CONSENT AGENDA

- A. Minutes – Approval of Minutes of the Regular Board Meeting held March 23, 2015
- B. Resolution 2815: Bedbug Lease Addendum

Upon motion by Commissioner Espinoza, seconded by Commissioner Ballesteros, the Board approved the Consent Agenda. Motion carried with the following roll-call vote:

YES: Williams, Healy, Espinoza, Ballesteros, Gama  
NOES: None  
ABSENT: Zenk

REPORTS OF COMMITTEES

Personnel Committee: Ms. Goebel reported all the items discussed are on the agenda.

Finance/Dev Committee: Commissioner Espinoza reported items discussed are on the agenda.

Monterey County Housing, Inc.: Mr. Rose reported MCHI has a meeting scheduled for May 13<sup>th</sup>. He invited all to attend.

Affordable Acquisitions: Same as MCHI

Sunrise House: Commissioner Espinoza reported Sunrise House will next meet May 14, 2015.

REPORT OF SECRETARY

- A. Executive Report

Ms. Goebel reported Staff is now in the throes of RAD.

NEW BUSINESS

- A. Resolution 2812: Board Conflict of Interest Policy

Ms. Goebel explained the Personnel Committee requested a Conflict of Interest Policy for the Board of Commissioners be created similar to the one for the HACM employees. To queries, Staff explained it is for declaring things that could be viewed as conflicts of interest. Ms. Goebel stated Legal Counsel reviewed the policy and had some suggestions which have been incorporated into the policy. Legal Counsel did say that the responsibility of disciplining the Board is through the justice system or the District Attorney. To another query, Ms. Goebel responded if the issue being considered by the Committee or Board will be in conflict with any action that a Commissioner has going on or will be involved, then it would be best for that

Commissioner to recuse him or herself. She further replied a Tenant Commissioner should not vote on Board issues that pertain to them as a tenant but they can enter into the discussions. Ms. Goebel emphasized if in doubt, recuse yourself or abstain.

Upon motion by Commissioner Espinoza, seconded by Commissioner Ballesteros, the Board adopted Resolution 2812, approving the Board of Commissioners Conflict of Interest Policy. Motion carried with the following roll-call vote:

YES: Williams, Healy, Espinoza, Ballesteros, Gama  
NOES: None  
ABSENT: Zenk

B. Resolution 2816: Resolution of the Commission of the Housing Authority of the County of Monterey Declaring Its Intent to Issue Multifamily Housing Revenue Bonds and to Reimburse Certain Expenditures From the Proceeds of the Bonds, and Authorizing Related Actions

Ms. Warren provided Exhibit A with amounts filled in and reported this is part of the RAD process; this particular item is required under a bond issuance so that we can get reimbursed for costs up to 60 days prior to the date of this resolution being passed. This resolution says that you intend to do a bond issuance and it outlines the items regarding that under CDLAC, the bond issuing department of the State of California. This doesn't create any debt for HACM and they should not realize any risk with regard to management and the handling of this bond transaction because they will be doing the property management. The other step in this process is to get a TEFRA Hearing with the County of Monterey which will be requested soon.

To query, Ms. Warren explained there will be this bond issuance, tax credits which will be significant, seller take back which will also be significant, and the perm debt. HACM has to meet all these tests and issue the bonds and then you get equity to pay down some of the bonds. There will be tax credit requirements, CDLAC requirements, other IRS requirements, RAD program requirements, and HUD multi-family. The goal is to mesh all these together as best as we can. Commissioners Espinoza noted roughly the amount is around \$32.4M. To query, Ms. Warren replied there will be seven transactions.

Ms. Warren stated she needs to amend Exhibit A to this resolution to include Montecito and Watson in the amount of \$2M; Staff is not anticipating anything being needed for Montecito and Watson because they are in good condition, but we want to be prepared in case the Capital Needs Assessment by an outside agency reflects something needed at these sites.

Upon motion by Commissioner Espinoza, seconded by Commissioner Gama, the Board adopted Resolution 2816, approval of the Housing Authority declaring its intent to issue multifamily housing revenue bonds and to reimburse certain expenditures from proceeds of the bonds, and authorization of related actions with the addition of Montecito and Watson in the amount of \$2M. Motion carried with the following roll-call vote:

YES: Williams, Healy, Espinoza, Ballesteros, Gama  
NOES: None  
ABSENT: Zenk

C. NAHRO 2015 Summer Conference

The Clerk of the Board requested any Commissioner interested in the NAHRO Summer Conference in Austin, Texas, to please let her know as soon as possible. Commissioner Espinoza reminded the NAHRO Fall Conference will be held in Los Angeles.

D. Report out of Responses for Public Comments – Information

Ms. Goebel reported that Staff has responded to Mr. Kim regarding his request about Pacific Meadows. After consulting with Legal Counsel, it was determined that HACM has no standing in the matter.

Staff requested Closed Session be moved forward on the agenda before considering Resolution 2817.

The Board convened to Closed Session at 5:30 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 out.
- B. Government Code Section 54957(b) Personnel Matters  
ACTION: This Closed Session item was not needed for tonight's meeting.

The Board reconvened to open session at 5:38 p.m.

- E. Resolution 2817: Authorization to Adopt and Implement the Updated Side Letter of Agreement regarding the 9/80 Work Schedule

Upon motion by Commissioner Espinoza, seconded by Commissioner Ballesteros, the Board adopted Resolution 2817, to ratify the updated Side Letter of Agreement between SEIU Local 521 and HACM to modify the 9/80 work schedule and authorized the negotiating team representing HACM to sign the agreement. Motion carried with the following roll-call vote:

YES: Williams, Healy, Espinoza, Ballesteros, Gama  
NOES: None  
ABSENT: Zenk

INFORMATION

- A. Finance Report:

Ms. Santos reported she had nothing to add to her report; she stated Staff has been checking with HUD on the audit updates and it is still in review. To query regarding Plaza House payment, she replied that it has not been received yet. To other queries, Staff responded the plan was to pay the final payment for Plaza House in total in the amount of approximately \$200K plus interest.

- B. Human Resources Report:

Ms. Wyatt reported she has nothing to add to the HR report.

- C. Development Report

Ms. Warren reported Staff is preparing for a USDA application due June 23<sup>rd</sup> for the Castroville project. To query regarding 123 Rico, Ms. Warren replied she has met with a PACE Consultant and it looks like HACM will be an eligible entity. We hope to talk with the program director this week. Commissioner Espinoza noted that Ms. Tonkin had reported in the committee meeting that the repairs for health and safety reasons on Castroville have to be made. Ms. Warren stated we still hope for demolition and rebuilding on this project; therefore, Staff is discussing what has to be done per USDA requirements along with trying to minimize the financial impact. Ms. Tonkin noted that items that were not health and safety items have been scheduled for repair within the next six to twelve months.

- D. Property Management Report:

Ms. Tonkin reported that she has met with the property management staff to let them know what is happening with RAD; we want to keep them in the loop about the RAD conversion. Ms. Goebel reminded that the property management staff is also going through training to prepare for RAD.

- E. Housing Programs Report

Ms. Ruelaz reported her department is getting ready for the Rental Housing Summit on Wednesday, April 29<sup>th</sup>. She thanked Commissioner Healy for volunteering to be the Master of Ceremonies that evening. Ms. Ruelaz stated almost 50 RSVP's have been received so far. She stated Salinas City Councilman Steve McShane and Supervisor Simon Salinas will be guest speakers; someone from Congressman Farr's office will be attending as well as someone from the City of Monterey. There has been a lot of publicity about the summit.

Ms. Ruelaz further reported one of our FSS participants received the FSS Participant of the Year Award and will be recognized at the PSWRC Conference in San Diego. She stated after the summit is over, her department will be concentrating on getting the wait list open.

Commissioner Healy thanked Staff and stated that he is honored to participate in the summit.

F. Retreat Goals:

Ms. Goebel reported the Ad Hoc Marketing Committee is continuing to meet and talk about the 75<sup>th</sup> Anniversary next year; their next meeting will be on May 12<sup>th</sup>. At the last meeting, Mr. Feinberg from Moxxy Marketing was invited and he provided suggestions about things that could be done for the 75<sup>th</sup> anniversary; he also talked about a possible information item as a handout for the Commissioners and Staff. At the next meeting the Committee will be talking about a budget for the anniversary celebration.

CLOSED SESSION: See Closed Session above Resolution 2817.

COMMISSIONER COMMENTS

Commissioner Williams thanked Staff for the excellent press for the Rental Housing Summit. She stated that Commissioner Healy had requested the organizational structure be placed on the agenda, but due to Commissioners being absent in the next few months, that item will be postponed to July.

Commissioner Ballesteros thanked Commissioner Espinoza for inviting Mr. Rear and Ms. Magana to the meeting. She thanked Staff for all the information; the way she is learning is by asking questions and she appreciates the experience and expertise of her fellow Commissioners.

Commissioner Gama thanked Staff for their hard work in gathering all the information for the Board. She thanked Commissioner Espinoza for inviting the former and current Executive Directors from Sunrise House.

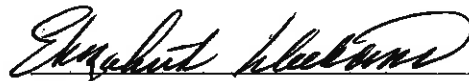
Commissioner Espinoza thanked Commissioner Healy for hosting the summit on April 29<sup>th</sup>; he was sorry he will not be able to attend. He also thanked Ms. Ruelaz for putting the summit together and he will be anxious to hear about how it all comes together after the event. Commissioner Espinoza wished everyone good luck with the presentation to the landlords and other participants. He thanked HDC and HACM Staffs for all their ongoing efforts regarding RAD.

Commissioner Healy stated he has the same sentiment around the presentation of Sunrise House; it was nice to see Mr. Rear before he retires. He next thanked Staff for their hard work with RAD and even though he sees some exasperation in the room tonight, he knows it is ultimately going to pay off. Commissioner Healy thanked Ms. Ruelaz and everyone involved with the summit; he is honored to represent the Housing Authority on Wednesday and he will do his utmost to fill that role.

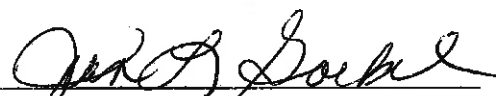
Commissioner Williams thanked Commissioner Healy for chairing the meeting due to her laryngitis.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 5:54 p.m.

  
Chairman

ATTEST:

  
Secretary

5-20-15  
Date