ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
HELD FEBRUARY 22, 2016

Commissioners met at the Central Office. Chair Mary Jo Zenk called the meeting to order at 5:02 p.m. Present: Chair Mary Jo Zenk, and Commissioners Kevin Healy, Tom Espinoza, Viviana Gama, and Rita Dady. Absent: Vice Chair Elizabeth Williams and Commissioner Kathleen Ballesteros. Also Present: Jean Goebel, Executive Director; Lynn Santos, Director of Finance; 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

PRESENTATION: Service Award: Staff reported there were no service awards for tonight.

COMMENTS FROM THE PUBLIC: None

CONSENT AGENDA

A. Minutes – Approval of Minutes of the Regular Board Meeting held January 25, 2016

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

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

REPORTS OF COMMITTEES

Personnel Committee: Staff reported there were only reports this month.
Finance/Dev Committee: Commissioner Espinoza reported there were only reports this month.
Monterey County Housing, Inc.: Mr. Rose reported there was no meeting in February but a meeting is scheduled for March 9th and everyone is invited;
Affordable Acquisitions: Same as MCHI
Sunrise House: Commissioner Espinoza reported there was no meeting this month; next meeting in March.

REPORT OF SECRETARY

A. Executive Report:

Ms. Goebel reported she attended the National Alliance to End Family and Youth Homelessness conference in Oakland last Thursday and Friday. She stated someone from HUD at the conference had mentioned that the results should be coming out soon on the Shelter Plus Care and the Pueblo Del Mar renewal grant applications.

NEW BUSINESS

A. NAHRO Conference/Commissioner Certification Courses

Commissioner Espinoza stated he requested this issue be on the agenda because it might be beneficial for our newer Commissioners to attend the Legislative Conference and to meet with HUD Headquarters folks; it was suggested that going next year when there is a new Congress might be a better time. Commissioner Espinoza noted that he had talked with Ms. Warren about also taking the presentation regarding community impact to our government officials. Commissioner Zenk reminded that the Board had talked about possibly taking a trip to Washington, DC to visit the Congressional offices as well as HUD Headquarters but not in connection with the Legislative Conference. Ms. Goebel stated it has become so expensive to attend the Legislative Conference in Washington, DC that NAHRO has moved this year's conference to Arlington, VA. She stated that sometimes we have more time with our local representatives when they are in town than we do in Washington, DC

Commissioner Healy requested the Board Clerk keep the Board members apprised about the Commissioner Certification Courses being offered at the Portland Conference and the Sacramento PSWRC Conference.
INFORMATION

A. Finance Report

Ms. Santos reported we are getting close to completing construction on Oak Park 2 which will start another round of final cost certifications; also there are nine audits ongoing at the same time as staff is working on the due diligence items for RAD. She mentioned that Pueblo Del Mar is likely to be an issue towards the end of the year, but right now grant funds are covering most of the costs. Now that HOME is involved, there will be additional audit costs going back to 2014 and 2015 to comply with those requirements. Ms. Goebel noted that in their calculations, they have figured that we owe them a loan payment for 2014 and probably will owe them for 2015 also. This will increase the burden on the Housing Authority for that property.

Ms. Santos further reported we finally received the final contract for King City Migrant at the end of January 2016 for a two year period that started in July 2015; we have already submitted the draw request through December 2015. USDA is aware that we were not able to make a loan payment due to the high amount at this time; it was noted that there are a lot of new staff at HCD. To query on whether other housing authorities were having issues, Ms. Goebel stated that California Housing Association is taking the lead on the issues with the State OMS program.

B. Human Resources Report

Ms. Wyatt reported she had added one section to her report, Internal Promotions/Transfers because we have had a lot of internal promotions and transfers in the last six month. Commissioner Zenk commended the Managers for all their hard work in getting the evaluations completed and also for the low number of open workers’ compensation cases.

C. Development Report

Ms. Warren reported currently Staff is challenged with regards to RAD and the attorneys’ comments about the ALTA Survey, but hopefully we will get some assistance with Title by working around some of the conditions being presented. The engineered seismic drawings are in process and we have preliminary estimates from the contractor which will allow us to go into contract with them. The termite inspections and treatment strategies are complete and we should receive the balance of the termite reports today. The termite issue will require a budget adjustment. Every site has to be treated for termites for a cost of about $268K. The biggest discovery for termites is the entire roof at Natividad will cost $35,000 to repair before it gets a new roof. The HazMat reports and Seismic analysis are complete. Regarding the seismic, we have one site that originally did not require a lot of rehab and no relocation and now will have a relocation impact on these residents. We believe there are four vacancies that we might be able to stage on site without disturbing folks very much, but the elevator will be off-line for four to five weeks and three residents that need the elevator will be moved to the lower floor.

Ms. Warren next addressed the over-income units and noted they represent an underwriting issue because we were underwriting them as TCAC units at 60% rents and the RAD underwriters wanted them at RAD rents which were a $300 per unit difference which creates a shortfall for us of $2.3M. We strategized on this issue and determined that we should do a de minimus disposition which is an administrative process that HUD is on board with also; more information was requested with regards to the disposition which staff is currently working. Once that is completed, HUD can move forward to issue new CHAPs. She reminded that there was discussion last month regarding the revised replacement reserve analysis being done for HUD which staff will review tomorrow and hopefully complete. Final closing draft documents are out but there will probably be some amendments necessary for the disposition action. Staff is close to being final on the documents in terms of having one template that can be replicated four times. We are waiting for an environmental clearance from HUD subsequent to whatever review is still pending. We just completed new budgets to amend the construction budget again due to termite treatment and repair, plus there will be another budget adjustment needed with regards to the seismic for Casa de Oro. The builder’s risk and payment and performance bonds are outstanding but will come shortly after the contract’s been executed; there is also a myriad of other closing checklists. Our big items are on the report and as soon as the items are cleared with HUD, they’ll issue an RCC which then clears the way for us to engage HUD legal counsel who also has a myriad of checklists as well. Staff is well set to address these checklists and move forward to close.

Ms. Warren stated the other thing to report is USDA is working on decoupling the Castroville project which is necessary in order for us to move forward in acquiring additional financing. We
really need that to be accomplished prior to submitting Castroville to the Tax Credit Allocation Committee which we have moved from the March submission to the June submission. We also need a firm commitment from the County for HOME money on this project to be competitive. Ms. Santos noted USDA sent us loan statements on the Castroville project that are already decoupled.

D. Property Management Report

Ms. Tonkin reported there are only five vacancies at Pueblo Del Mar; we went from 21 down to five in the last two and a half months. There is one unit out of occupancy which is not being counted. We are holding a total of 21 units vacant in the Public Housing stock due to the RAD conversion.

E. Housing Programs Report

Ms. Ruelaz reported her department has received approval from HUD to do the PBV RFP which will be going out next week; these applications will be due March 30. Agencies and developers who would like vouchers can apply. Ms. Goebel noted there have been a lot of requests for vouchers. Ms. Ruelaz stated in the PBV RFP we have indicated the vouchers will be for 175 units. To query regarding wait lists, Ms. Ruelaz replied we will start taking people off the new list in March.

F. Retreat Goals

Commissioner Zenk stated she hopes everyone has the 75th Anniversary lunch event set for March 30th from 11 a.m. to 2 p.m. on their calendar; to query, Staff replied the location is the Spreckels Memorial Hall. Ms. Goebel stated the invitations are very pretty but there was an error discovered that is now being corrected. Commissioner Zenk stated Barry Brown will be the Master of Ceremonies and the keynote speaker will be Supervisor Simon Salinas; there will also be two resident speakers. The Moxxy group has been very helpful and we are very pleased with what they have done. She pointed out the nice folder along with the 75th brochure they provided and currently Moxxy is working on the one page inserts that the Board and Staff will use when visiting the different city councils. The visits to the city councils will be scheduled after the 75th Anniversary event. Ms. Goebel explained there will be a one page information page for each jurisdiction.

Commissioner Zenk stated next month the Board members will receive their HACM polo shirt in honor of the 75th Anniversary.

Commissioner Zenk stated she will not be another Ad Hoc Marketing Committee meeting until after the anniversary event; she noted an invitation to the anniversary lunch will be sent to each Commissioner. She further noted that the Board members were very good about filling out the Board Self-Evaluations and she handed each Board member a copy of the consolidated evaluation results. She requested the Clerk of the Board forward copies of the evaluation to Commissioners Williams and Ballesteros since they were not present at tonight's meeting. The Board decided to forward the consolidated evaluation to the Personnel Committee to review those items that were rated three and below and whether or not there is something that the Board should address or whether a Board training is needed or whether there is an action plan the Board should put together to address some items.

Chair Zenk requested the Board Clerk put this issue on the Personnel Committee agenda and that Ms. Goebel apprise the Personnel Committee Chair person what the Board would like the Committee to review. The Board also requested that the Board Retreat be added as an agenda item so the Board can schedule the retreat and keep it in the foreground.

The Board convened to Closed Session at 5:40 p.m.

CLOSED SESSION

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

A. Government Code Section 54956.9(a) Las Palmas Ranch v. HACM
   ACTION: Nothing to report.

B. Government Code Section 54957(b) Personnel Matters
   ACTION: Nothing to report.
The Board reconvened to regular session at 6:07 p.m.

COMMISSIONER COMMENTS
Commissioner Healy thanked Staff for all their hard work and their diligence to move forward with RAD. He further thanked Ms. Warren for working to decouple the USDA project.

Commissioner Gama thanked Ms. Warren and her team for all their hard work and to Staff she stated, keep your heads up!

Commissioner Espinoza commented keep up the good work and it is a pleasure working with everyone week after week and month after month. He thanked Commissioner Zenk for the great job she is doing as the Chair of HACM.

Commissioner Dady commented to Staff that they are still amazing her and it seems like all Staff is dedicated to what they are doing and believes in what they are doing. And one can only appreciate it.

Commissioner Zenk thanked Staff for once again doing the work that needs to get done to fulfill our mission.

ADJOURNMENT
There being no further business to come before the Board, the meeting was adjourned at 6:08 p.m.

[Signature]
Chairman

ATTEST:

[Signature]
Secretary

3-29-16
Date