ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
HELD MAY 23, 2016

Commissioners met at the Central Office. Chair Mary Jo Zenk called the meeting to order at 5:01 p.m. Present: Chair Mary Jo Zenk, Vice Chair Elizabeth Williams, and Commissioners Kevin Healy, Tom Espinoza, Kathleen Ballesteros, Viviana Gama, and Rita Dady. Also Present: Jean Goebel, Executive Director; Lynn Santos, Director of Finance; Pat Wyatt, Human Resource Manager; Shannon Tonkin, Housing Management Manager, and Starla Warren, Fee-for-Service Director of Development. Recorder: Sandy Tebbs.

COMMENTS FROM THE PUBLIC: None

CONSENT AGENDA

A. Minutes – Approval of Minutes of the Regular Board Meeting held April 25, 2016
B. Minutes – Approval of Minutes of the Special Board Meeting held May 10, 2016
C. Resolution 2858: Authorization to Amend the Contract with Sun Street Centers for Supportive Services at Pablo Del Mar

Chair Zenk noted that the minutes for April 25th had been provided earlier in the day and was also on the table.

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

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

REPORTS OF COMMITTEES

Personnel Committee: Commissioner Williams reported the committee did not meet this month.
Finance/Dev Committee: Commissioner Healy reported their items were on the agenda.
Monterey County Housing, Inc.: Mr. Rose reported MCHI met earlier this month and had an election with Nancy Lloyd elected as the new President, Charmaigne Scott as Vice President and Shannon Heston as Secretary/Treasurer. Their Board also discussed and is still working on the CHDO recertification. Budgets will be considered in July and their Retreat is scheduled for June 25th.

Sunrise House: Commissioner Espinoza reported the Sunrise Board met on May 12th but they did not have a quorum which seems to be an issue; therefore, there was some discussion on that issue. Due to the lack of a quorum, there will be a Special Board meeting on May 31st to approve the budget. He stated the High School Counselors will be going to a summer training program with The Leadership Training Institute. Commissioner Espinoza further stated he had contacted Ms. Goebel and Ms. Warren because one of the Sunrise Counselors in charge of the Parent Coalition needs a place to meet for the summer and he thought about the Community Center at Laguna Haciendas; Ms. Tonkin replied that has been coordinated. Commissioner Espinoza thanked Staff for making that happen.

REPORT OF SECRETARY

A. Executive Report:

Ms. Goebel reported she had nothing to add to her report. Commissioner Zenk pointed out that the flyer attached to this report regarding the Homeless Service Providers is to encourage Landlords to participate in their program; she further commented possibly some of the business organizations could help promote the program also. Commissioner Zenk noted that Monterey Bay Economic Partnership has taken affordable housing on as one of their key efforts as has the Monterey County Business Council. Ms. Goebel stated if the contacts for these organizations are provided to her, she will pass them to Ms. Thoeni, Homeless Coalition Executive Director, who would provide information on the homeless programs.

The Board moved the Information Human Resources and Development Reports forward to accommodate Staff.
B. Human Resources Report

Ms. Wyatt pointed out one individual working out of classification will come off her report after next pay period. Commissioner Zenk congratulated the managers for catching up on the staff evaluations.

C. Development Report

Ms. Warren reported under RAD highlights we are ready to do the pre-close on RAD tomorrow morning in San Francisco; she and Ms. Goebel will be departing shortly for those closing activities. Currently we are waiting for HUD Washington DC to provide some documents on Wednesday and then we might be able to record and fund this Friday or the following Tuesday. Ms. Warren stated we will issue notice to proceed to the contractor as soon as we are on record; she thanked HDC and HACM Staffs for their persistence and noted it has not been easy. Commissioner Williams requested an update on Parkside at the next Board meeting.

The Board next moved the Closed Session forward to also accommodate Staff departures. The Board convened to Closed Session at 5:10 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: This item was pulled from the agenda as it was not ready to be discussed.

B. Government Code Section 54957.6: CONFERENCE WITH LABOR NEGOTIATORS AGENCY DESIGNATED REPRESENTATIVES: Jean Goebel, Lynn Santos, Pat Wyatt, and Shannon Tonkin EMPLOYEE ORGANIZATION: Service Employees International Union 521
ACTION: No action taken.

The Board reconvened to regular session at 5:25 p.m. and moved New Business agenda item C forward to accommodate the Auditors.


Mr. Bhadrwaj and Mr. Adkins, Novogradac Auditors, provided a power-point presentation of the audit and noted their firm has been HACM auditors for the last four or five years. He congratulated the Board and Staff for the unmodified opinion without findings. Mr. Bhadrwaj stated before GASB 61 you were combining all low income tax credit partnerships as blended, but it was later decided that those should be part of the discretely presented component and that is the big change this year; because of that change, there is a prior period of adjustment which shows a large amount. To query on developer fees, Commissioner Espinoza requested Ms. Santos address that issue at the HACM Finance/Development Committee meeting. To queries whether there were any concerns, Mr. Bhadrwaj replied the auditors have no concerns. The Board thanked Ms. Santos and all Staff for the good job on the audit. The Board further thanked the Auditors for their presentation and their attendance at tonight’s meeting.

Upon motion by Commissioner Healy, seconded by Commissioner Williams, the Board adopted Resolution 2861, acceptance of the Audited Financial Statements for the year ending June 30, 2015. Motion carried with the following roll-call vote:

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

The Board returned to the regular agenda.

OLD BUSINESS

A. Visits to City Council Meetings

Commissioner Zenk noted the Ad Hoc Marketing Committee didn’t meet this month, but next month that committee will work on the presentation to the city councils; after that we can start scheduling the visits. She also noted that the list for presentations is negotiable. Chair Zenk requested the Board Clerk make sure that this issue go to the marketing committee to consider.
B. Board Retreat

Chair Zenk reminded that the HACM Retreat is scheduled for October 1, 2016 and should have been listed on the memorandum. To query regarding hiring a facilitator, the Board requested Ms. Goebel make some recommendations possibly from the PSWRC or NAHRO facilitator list. To query on whether the Board would like a facilitator that knows how to do strategic planning in general or strategic planning specifically of housing authorities, several Commissioners responded they would like the latter.

NEW BUSINESS

A. Resolution 2859: Authorization to Facilitate the Rehabilitation and Improvements at the King City Migrant Center (KCMC)

Ms. Tonkin reminded the Board that this issue was discussed last month but no contractors responded to the RFP. OMS contacted us and requested we provide a resolution with the rehab particulars in order for them to consider our needs. To query, Staff replied there is no monetary commitment on our part.

Upon motion by Commissioner Williams, seconded by Commissioner Ballesteros, the Board adopted Resolution 2859, authorizing the Executive Director to facilitate the rehabilitation and improvements at the King City Migrant Center. Motion carried with the following roll-call vote:

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

B. Resolution 2860: Authorization to Return Property to the Department of Health and Human Services

Ms. Tonkin explained this old Fort Ord building was provided to HACM through the McKinney Act, but has been sitting empty for many years; she further stated that Health & Human Services (HHS) cannot locate a lot of the information on this building. It was pointed out that the number on the resolution had been previously used and did not match the memorandum.

Upon motion by Commissioner Healy, seconded by Commissioner Espinoza, the Board amended the resolution number from 2858 to 2860; the Board further adopted Resolution 2860, authorizing the Executive Director to facilitate the return of Fort Ord Military Building 4481 located in Marina CA to the Department of Health and Human Services.

Commissioner Williams emphasized she was sure this building had already been transferred or returned to Health and Human Services. To other queries, Staff explained it is restricted for homeless and HACM had no eligible use for the property. The Board requested Staff do further research on who owns the building.

Commissioner Healy withdrew his motion and Commissioner Espinoza withdrew his second and the issue is forwarded to Staff for further information.

The Board tabled this item.

C. Resolution 2861: Acceptance of the Audited financial Statements for the Year Ending June 30, 2015: This item was considered after the Closed Session above.

D. Resolution 2862: Authorization to Open Bank Accounts for RAD Projects In Accordance With Lender and HUD Requirements: This item was pulled from the agenda because it was not needed.

INFORMATION

A. Finance Report

Ms. Santos reported Pueblo Del Mar was adversely affected when they had 19 vacant units that needed to be made ready for new tenants last year. She stated this property has been a challenging project from the start. To query, Ms. Santos replied in six more years the contract will end; to another question, Staff stated it is restricted for homeless families in recovery. Commissioner Espinoza asked whether the developer fee revenue stream could be used to offset some of the increased expenses at this property; Ms. Santos replied that would be a discussion for the HDC Board. It was noted that the State calculates income on this property in a different way than we do plus they require loan payments.
B. Human Resources Report: This report was provided after Report of the Secretary.

C. Development Report: This report was provided after the Human Resources Report.

D. Property Management Report

Ms. Tonkin responded to query on recertification for the tenants that her staff was in that process and should be done by the end of this month.

E. Housing Programs Report: Chair Zenk noted Ms. Ruelaz was out sick; there were no questions.

F. Retreat Goals

Commissioner Zenk pointed out #8 under Board created new goals for HACM / HDC: #8. Develop appropriate cash policy regarding unrestricted cash reserves for HACM and HDC and she noted that since we are looking for a cash policy, that issue should go to the Finance/Development Committees for both HACM and HDC. The Board requested this issue be placed on the agendas for both HACM and HDC Finance/Development Committees.

Commissioner Zenk next pointed out that #2 under Board created Board Goals: #2. Education for Board on Financial Transactions and stated that only Rippling River had been provided and it was to be redone. Commissioner Zenk stated that she thinks the Board needs to understand the financial aspects of RAD because Staff keeps noting it is complicated; Ms. Santos responded Staff is still figuring RAD out. Commissioner Zenk suggested the RAD issue be put on a future Board agenda. Ms. Santos reminded that a lot of detailed information had been provided in the past, but Ms. Warren has a birds-eye view that may be a better way to start. Commissioner Espinoza agreed that would be a good start.

CLOSED SESSION: This was previously considered after the Development Report.

COMMISSIONER COMMENTS

Commissioner Dady commented the more she comes, the more she learns. Regarding the Commissioner’s Fundamentals course provided at the PSWRC Conference, she stated that she found out there was more to being a Commissioner than she knew and there is still a lot to learn.

Commissioner Garcia thanked Ms. Santos for the audit and stated she liked the presentation because she is a visual learner and that was easy for her. She further thanked the rest of the audit team.

Commissioner Espinoza thanked the Auditors and noted that was a birds-eye view and it was very informative and helpful because the Board gets a clear sense that things are going well. He stated Staff works hard on all these audits and he appreciates that.

Commissioner Heely thanked Ms. Santos and her staff for their hard work on the audit and then congratulated Staff on the unmodified opinion with no findings – that is tracking in the right direction.

Commissioner Ballesteros thanked Ms. Wyatt and noted the evaluations are looking better; she further thanked Ms. Santos and her staff for a great job on the audit! She stated she is familiar with audits and no audit findings means you have to be precise and complete in the work that you do; she commended Ms. Santos and her staff for that.

Ms. Santos thanked the Board and noted that in this agency that means compliance as well and that involves Property Management and Section 8 because it is also a compliance audit; it is not just what finance does which means they are also looking at tenant files being correct and so it’s the whole staff.

Commissioner Williams thanked the other Commissioners for the sympathy card in the loss of her brother-in-law. With regards to the audit, she thought the presentation was great, especially with the highlights and the way it was presented; she appreciates that. Commissioner Williams stated she knows how hard Ms. Santos and her staff have worked because it is a combination of everything in the Housing Authority – thank you! Commissioner Williams stated the other thing was the auditors have been our auditors for about five years and she would like to have the Board think about looking at some new auditors because once in a while it is good to get a different perspective; these auditors have been good and nothing is wrong, it is just a suggestion. Commissioner Williams next commented about the PSWRC Conference and the Commissioner’s Fundamentals course that she took along with Commissioners Zenk and Dady; she noted it was a good course and she is looking forward to the other half of the commissioner’s certification. She stated one of the comments at the course was how do you get to know your
fellow Commissioners. It is very important; therefore I recommend all Commissioners that can
go to the Fall NAHRO Conference do so. She again thanked Staff for all their hard work.

Commissioner Zenk thanked all the Staff and stated that having this kind of an audit is a great
reflection of all the hard work that everyone has done. Again to have all that compliance with no
findings is terrific.

Commissioner Zenk stated a couple of things she picked up from the NAHRO fundamentals
training was the Commissioners’ Committee of NAHRO is collecting personal email addresses
of Commissioners; she stated she would forward the email to the Board members. The NAHRO
Commissioners’ Committee wants to be able to share information without it getting filtered
basically. She further stated some suggestions by the training facilitator who was the previous
Executive Director for the Oakland Housing Authority, Joe Gresley, and who had an interesting
perspective about Board and Staff relationships and she thought it might be something to look at
as part of the strategic planning or maybe separately: He strongly recommended the Board Chair
and the Executive Director have regular meetings, which she and Ms. Goebel have already
discussed, but for future Board Chairs who might want to include that in their kind of plan. Also
his experience at the Oakland Housing Authority was very proactive in recruiting new Board
members; he provided the Mayor a list of potential members both on the tenant side and the
community side. We already have a process for the Tenant Commissioners but it might be
something we want to check with the Supervisors to see if we want to have a discussion about
whether they want more of our input in potential new Board members going forward—
something to think about. The Executive Director has never taken any active involvement but
should they and/or the existing Commissioner be more involved at the district level in recruiting
potential Board members. To query, Commissioner Zenk replied to just provide names.

Commissioner Zenk next stated another suggestion was that the Board get a periodic report about
issues that are raised in grievances to see if there is a pattern of a type of grievance. She
continued also on personnel and whether those grievances might need a change in policy. Staff
replied that would be for both programs and complaints and that issue may need to go to Ms.
Madera; this would be something to talk to Ms. Goebel about. Commissioner Zenk stated this
could be an annual or quarter report.

Commissioner Zenk further reported the facilitator also suggested when we do strategic planning
that we conduct surveys of both stakeholders and Staff to get their ideas of what the future
should look like for the Housing Authority.

Commissioner Zenk stated the facilitator further noted that the only person that should report to
the Board is the Executive Director and his argument for that was the Executive Director is the
official Secretary to the Board and therefore since the Board Clerk is acting as the Secretary that
the Board Clerk is basically assisting the Executive Director; Commissioner Zenk thought the
Board should look at this as well.

Commissioner Zenk stated all of this is different than what we do but maybe we should look at
that. She further suggested that if someone comes back with some interesting ideas from a
training to please share with the Board.

ADJOURNMENT
There being no further business to come before the Board, the meeting was adjourned at 6:42
p.m.

 ATTEST:

[Signature]
Chairman

Secretary

[Signature]
Date

[Signature]
6-28-16