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

COMMENTS FROM THE PUBLIC: None

PRESENTATIONS: Service Awards:

Chair Ballesteros presented Cecilia Heath with a Five-year Certificate and pin and Diana Ruiz with a Twenty-year Certificate and pin; the Board thanks Ms. Heath and Ms. Ruiz for their many years of dedicated service to the Housing Authority.

CONSENT AGENDA

A. Minutes – Approval of Minutes of the Regular Board Meeting held January 22, 2018
B. Resolution 2923: Update Human Resources Administrative Assistant Job Description

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

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

REPORTS OF COMMITTEES

Personnel Committee: Ms. Goebel stated everything is on the agenda.
Finance/Dev Committee: Commissioner Williams stated items are on the agenda.
Monterey County Housing, Inc.: Mr. Rose reported MCHI will meet next week on March 14th, they will be paying $350K on a note to HACM.
Sunrise House: Ms. Goebel reported the last official Board meeting is set for March 8th where the dissolution process will continue.

REPORT OF SECRETARY

A. Executive Report:

Ms. Goebel reported the Annual Plan Advisory Board meeting was held on February 22nd and three people attended; one comment was received that the County needs to build more affordable housing.

NEW BUSINESS

A. Resolution 2924: Extend Pay Range for Executive Director Position

Ms. Wyatt explained that the Executive Director search firm had recommended we consider raising the top end of the salary range in order to attract the best candidates.

Upon motion by Commissioner Healy, seconded by Commissioner Williams, the Board tabled this item until such time it is needed. Motion carried with the following roll-call vote:
YES: Ballesteros, Williams, Healy, Gama, Ramirez
NOES: None
ABSENT: Zerk, Dady

B. Appoint Representative to MCHI/MCHI-AA Boards

The Board tabled this item until next month.

C. NAHRO / P SWRC Conferences

The Board Clerk reported that PSWRC director does not know whether they will offer a Commissioner Certification course at their conference in May; NAHRO may offer one of the certification courses at their Summer Conference in San Francisco in July.

INFORMATION

A. Finance Report

Mr. Mann reported last week our audit for 2016 was approved; now we can submit the unaudited for the period ending June 30, 2017. He next pointed out the bond rating report that we have with MCHI reflects a good rating. Mr. Mann stated a rent increase has been approved for Portola Vista which should provide improvement in the loss on that property plus increase in our income.

B. Human Resources Report:

Ms. Wyatt reported there is a change in that there was one voluntary termination this month and not an involuntary one; an updated report will be provided to the Board Clerk.

C. Development Report

Ms. Warren reported the RFP’s for the 123 Rico Building are in and there is some leeway in terms of the budget which means we will be able to add some more improvements such as the bathrooms. Staff will move forward on this issue to get a revised scope of work. The contractual relationship is still being worked out but HDC and HACM have to have an agreement to manage the work because HDC is also supplying a payment performance bond and therefore can’t supply a payment performance bond on the Housing Authority. A special meeting may need to be called for HDC Board to authorize Ms. Warren to obtain the contracts. There will be a full solar area located in the back of HACM.

Ms. Warren further reported Tyran Village construction defect update is moving forward; regarding Monterey Street 8823’s, there have been regular meetings with Section 8 to identify the type of problems with solutions. We do have an extension from the State of California on the HELP loan for the Greenfield property; we will meet with the City of Greenfield next week for the planning commission to give us a nod for a multi-family housing development. Staff will move forward with a June application for TCAC to develop 40 units with deferred impact and development fees in support of the Greenfield project.

Ms. Warren further reported Haciendas III is moving slowly and there are some conflicts with PG&E that may hold up some final inspections relative to the certificate of occupancy. The Castroville project is moving forward and we should see better progress with this project. Regarding the RAD conversion, there are lender and equity partner concerns with regards to the HUD subsidies; Staff is providing assurances on what we are doing, but there might be an issue with regard to conversion if there is no revenue stream to support debt service. We cannot push out the conversion date because then the permanent lender will have to rewrite all the terms of agreement and increase the interest rate. We will have weekly calls to resolve this issue because we don’t have much time. Ms. Warren noted this is for all projects. To query on leverage, Ms.
Warren replied the two consultants that are on board have a good grasp of the situation and need to make sure they are managed very well and efficiently.

D. Property Management Report

Ms. Tonkin reported other Staff have reported on the RAD vouchers and Portola Vista market rate increase, but we have seven vacancies at the RAD sites and we have worked hard to fill all those units. To query on Fanoe Vista lease-up, Ms. Tonkin replied that HACM doesn’t manage that property, but Ms. Madera is now heading up the eligibility department and has been personally working on the files for all sites for project based and moving eligible tenants into the vacant units. Ms. Warren pointed out that Ms. Madera has five potential tenants for those seven vacancies; she also noted that the financial accountants and legal counsel need to say something to the IRS to mitigate our potential liability on the tax credit recapture on the two units that were vacant over an extended period of time at Monterey Street. In discussions with Section 8 last week, we have heard staff say maybe we could do this or do that and that is what we are looking for is ideas to mitigate and Section 8 seems to now realize the long term financial impact. She stated that her staff will write a rebuttal to TCAC, but TCAC has changed their inspection protocol so anything that is a vacant unit rule violation needs to be adequately described. Commissioner Williams stated this County is desperate for housing and we have been sitting on vacant properties which need to be filled. Ms. Warren noted everybody is working together and now understands the issue, but the impact is if the IRS decides we have violated the rule they could come back and take all the tax credits for that unit which could be hundreds of thousands of dollars. Ms. Tonkin noted that regarding Project Based Vouchers, she had vacant units at Parkside for over a year and she just heard that they are all filled up so changes are happening quickly.

E. Housing Programs Report

Ms. Goebel reported Ms. Madera had only been in charge of the Housing Programs department for three days before this report was due, but with the help of her staff she put together this report with as much information as she could find in the system. Staff asked the Personnel Committee if there was anything else they would like on this report; one thing not on this report is the utilization information because it was not available to Ms. Madera yet. That will be on the report next month as well as a request by Commissioner Zenk to list the special programs at the top and how many vouchers in each program and whether they are leased up. Commissioner Williams requested the numbers on the waiting lists be added.

F. Strategic Goals: Ms. Goebel reported there have been no changes since last month.

Chair Ballesteros adjourned the HACM Board meeting at 5:50 p.m. at the call of the Chair. She reopened the HACM Board meeting at 6:04 p.m. at the call of the Chair and then the HACM Board convened to Closed Session at 6:05 p.m.

CLOSED SESSION

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

A. Government Code Section 54956.8 (235 Martella Street, Salinas, CA 93901):
   HACM negotiators: Jean Goebel and Kirk Mann
   ACTION: Nothing to report.

B. Government Code Section 54957(b) Personnel Matters (Board Clerk evaluation)
   ACTION: Nothing to report.

The Board reconvened to regular session at 6:49 p.m.
COMMISSIONER COMMENTS:
Commissioner Healy thanked Staff for their hard work and noted it was very concerning this whole situation with the RAD and the conversion vouchers. Hopefully we can do whatever we need to do to get over this important mountain.

Commissioner Williams thanked Staff for all they do and she hopes we can get over this RAD problem and we need to work hard on this issue.

Commissioner Gama congratulated Ms. Heath for her five years of service to HACM and to Ms. Ruiz for her twenty years of service to HACM.

Commissioner Ramirez congratulated Ms. Heath and Ms. Ruiz for their many years of tenure with HACM. She thanked Staff for all their hard work and dedication.

Commissioner Ballesteros thanked Staff for their hard work and noted yes the Board is concerned regarding the vacancies. She also stated she appreciates each one of the Commissioners and their expertise as well as their comments.

ADJOURNMENT
There being no further business to come before the Board, the meeting was adjourned at 6:53 p.m.

Kathleen Callejas
Chairman

ATTEST:

Parkhael
Secretary

3-27-2018

Date