

ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
HELD JANUARY 22, 2018

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

COMMENTS FROM THE PUBLIC: Irene Banuelos provided a packet of information to the Board and she and Alenis Leon, SEIU Representative, commented about the health of Ms. Banuelos.

CONSENT AGENDA

- A. Minutes – Approval of Minutes of the Regular Board Meeting held December 18, 2017
- B. Amend Conflict of Interest Code
- C. Resolution 2919: Authorization of the Executive Director to Sign the Quitclaim Deed to Transfer Building 4481 at Former Fort Ord back to the U.S. Government

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

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

REPORTS OF COMMITTEES

Personnel Committee: Commissioner Zenk stated the Committee did not meet this month.
Finance/Dev Committee: Commissioner Gama stated items are on the agenda.
Monterey County Housing, Inc.: Mr. Rose reported MCHI met in January and they passed a budget; their next meeting is set for March 14th. To query on the Parkside and Casanova properties being split, Mr. Rose replied the goal is to refinance both properties and rebuild Parkside. Ms. Warren stated the matter is with Bond Counsel.
Sunrise House: Ms. Goebel reported this item is on the agenda.

REPORT OF SECRETARY

- A. Executive Report:
Ms. Goebel reported the renewal on Pueblo Del Mar has been approved; we are now waiting for the grant document to give us another year of funding for that program.

NEW BUSINESS

- A. Resolution 2920: Approval of a High Utilizer Preference for the Project Based Program
Upon motion by Commissioner Zenk, seconded by Commissioner Gama, the Board adopted Resolution 2920, authorizing the approval of the High Utilizer Preference for the Project Based Program. Motion carried with the following roll-call vote:
YES: Ballesteros, Zenk, Gama, Ramirez
NOES: None
ABSENT: Williams, Healy, Dady

- B. Resolution 2921: Approval of the Operating Budget for the Fiscal Year Beginning July 1, 2017 and Ending June 30, 2018

Upon motion by Commissioner Zenk, seconded by Commissioner Ramirez, the Board adopted Resolution 2921 approving the Agency Operating budget for FY 2017-2018. Motion carried with the following roll-call vote:

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

- C. Resolution 2922: Resolution to approve Dissolution of the Salinas Area Youth Drug Information/Crisis Center Joint Powers Authority

Upon motion by Commissioner Zenk, seconded by Commissioner Ramirez, the Board adopted Resolution 2922 approving the dissolution of the Salinas Area Youth Drug Information/Crisis Center Joint Powers Authority and authorizing the Executive Director to sign any and all documents on behalf of the Housing Authority related to the dissolution of the JPA and the distribution of assets of the JPA. Motion carried with the following roll-call vote:

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

Ms. Goebel noted that these documents will be taken to the last and final meeting of the JPA on March 8th; everything will still have to be closed out with the Secretary of State along with the procedural things that have to be completed.

INFORMATION

- A. Finance Report

The Board moved to item B since Mr. Mann had to assist an employee outside the meeting.

- B. Human Resources Report:

Ms. Wyatt reported she had nothing to add to her report. To query, she responded the Handyperson temporary staff is filling in for a new position, and the others are for employees out on leave.

- C. Development Report

Ms. Warren reported there is an update on page 69 of the packet for 123 Rico building that the RFP went out and last Friday there were eight to nine bidders who walked the site and their bids are due at the end of the month. To query, she stated approval of the contract will come back to the Board in February. There will be loud noises and possibly disruptions during the construction but we plan to have the most intrusive activity occur over closure Fridays and holidays as much as possible. Employee safety is the most important factor.

Ms. Warren stated on the RAD conversion, we are being held up on meeting some milestones due to lease-up issues; there is a plethora of items to deal with regarding a multitude of documents to include TCAC, HUD, and Bond approvals relative to the market rate units.

Ms. Warren further reported that she will be receiving the Community Spirit Award from the Chamber of Commerce on February 22nd; if any of the Board members wish to attend, please call Ms. Ruvalcaba. She also stated the construction defects on Tynan Village continue to be an issue; Legal Counsel on this issue hopes to go through mediation soon rather than to have a long court date. It appears to be about a \$4M claim, but she reminded a settlement of \$350K on one section already took place. There may be a \$150K pre-spend HDC will have to use to mitigate the commercial space HDC has leased. The suit now includes the subcontractors as well as the General Contractor.

Ms. Warren next reported Monterey Street has received some 8823's which means the IRS has been notified of some non-compliance issues from a TCAC inspection. It appears TCAC has changed some of their rules and they will no longer give you an opportunity to fix something that is wrong at the time of the inspection, but instead sends an 8823 to the IRS which gives us no recourse and could mean a tax credit recapture but we are now out of the tax credit period. She emphasized when there is going to be a TCAC inspection, every unit needs to be closely looked at before that inspection. Another issue is Project Based Section 8 units not being leased up in a timely fashion are also being written up with an 8823 for failing to market the unit.

Fanoe Vista has a high vacancy rate and a meeting is set up with staff to expedite Section 8 issuances; TCAC could claim a vacant rule violation. Ms. Warren stated the buyer for the Greenfield property has been sidetracked with other things so she called CalHFA and they recommend going with a 9% tax credit application to build a multi-family development which they will be meeting about with the City of Greenfield on February 1st. The demand study shows there is a demand for 500 multi-family units in that location. To query regarding paying back the loan, Ms. Warren replied we will repay it when funded for the construction loan, but a token amount will be offered to keep it in the affordable housing venue; a letter will be forwarded to the City of Greenfield to respond regarding the loan. Ms. Santos noted a letter will be needed for the auditors.

Ms. Warren stated HDC is applying for CDBG funds for Rippling River on a myriad of issues. The Bonds consist of two Tranches; Tranche B is due in June and \$2.5M is needed to remedy that issue. CDBG funds are also being applied for Haciendas I & II for resident services for the community center. Construction is slowly underway at Haciendas III, but we hope to move that along. There is an excavator stuck in the mud at the Castroville site. To query on Livermore Housing Authority, Ms. Warren replied that a response will be sent to Livermore Housing Authority at the end of this month.

The Board next moved back to the Finance Report.

A. Finance Report

Mr. Mann reported the audit for 2016 has still not been accepted by HUD. Regarding RAD funding, we are still waiting to get funded but Ms. Tonkin is working on the issue of two RAD properties being erroneously deleted from the system. Ms. Tonkin will be reaching out to the TRACS consultant for assistance on this issue. Ms. Santos further noted the Finance Department is working on audits year round.

D. Property Management Report

Ms. Goebel reported the other Staff members have already reported on many issues on this report. She pointed out that the Fort Ord building being returned to the US Government was considered on the Consent agenda. She complimented Ms. Tonkin for her perseverance and hard work in getting the Fort Ord building returned.

E. Housing Programs Report

Ms. Ruelaz reported the first week of January her department brought in the last of the 2015 wait list, which was approximately 235 families. The new wait list has 2,000 names and we will start pulling from that list next month. She noted she has been working with the Inspector General and the District Attorney on a fraud case in which we could recoup approximately \$41K.

F. Strategic Goals:

Ms. Tebbs reported there was a sheet to fill out tonight on the table regarding visits to the various city councils; she stated she received only two completed visits to city council sheets previously.

Chair Ballesteros adjourned the HACM Board meeting at 5:56 p.m. at the call of the Chair. She reopened the HACM Board meeting at 6:13 p.m. at the call of the Chair and then the HACM

Board convened to Closed Session at 6:14 p.m.

CLOSED SESSION

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

- A. Conference with legal counsel – anticipated litigation. Gov. Code
Section 54956.9 (b)(1)
ACTION: No action taken; the Board gave direction to the Executive
Director on this item.
- B. Government Code Section 54957(b) Personnel Matters
ACTION: Nothing to report.

The Board reconvened to regular session at 7:15 p.m.

COMMISSIONER COMMENTS:

Commissioner Ramirez wished everyone a Happy New Year. She stated she is thankful to be working with wonderful people and looking forward to what the New Year has in store for the organization.

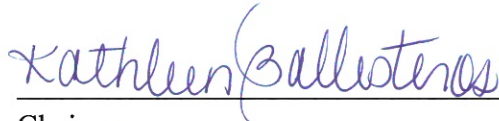
Commissioners Zenk and Gama dittoed the comments of Commissioner Ramirez.

Commissioner Ballesteros wished everyone a Happy New Year and stated good things are going to happen and challenges will come. We'll work together and offer solutions and solve them as we go. She reminded the PSWRC Conference will take place in Sacramento in May.

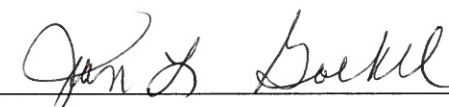
Commissioner Zenk noted she has a map that shows that Monterey County has the highest rate of overcrowding housing in the State; she will forward that document to the Board Clerk to send to the other Board members.

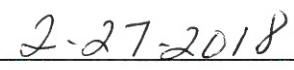
ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:19 p.m.


Chairman

ATTEST:


Secretary


Date