

ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
HELD AUGUST 23, 2004

Commissioners met at the Central Office. The meeting was called to order by Chair Michael Nichols at 6:01 p.m. Present: Chair Michael Nichols, Vice Chair Alan Styles (arrived 6:03 p.m.), and Commissioners: York Gin, Josh Stewart (arrived 6:06 p.m.), Timothy Escamilla, Carol Schneider, and John Dalessio. Also Present: Jim Nakashima, Executive Director; Mary Jo Zenk, Deputy Executive Director/Chief Financial Officer; Rosie Anderson, Director of Housing Assistance Programs; Jean Goebel, Director of Housing Management; Starla Warren, Director of Housing Development; Lynn Santos, Director of Finance; and Cheryl Ontiveros, Attorney. Recorder: Sandy Tebbs.

INTRODUCTIONS/PRESENTATIONS

A. Audio Presentation of Comments by Commissioner Escamilla at the August 3, 2004 Board of Supervisors meeting

Commissioner Styles arrived at 6:03 p.m. Commissioner Stewart arrived at 6:06 p.m.

Commissioner Escamilla requested this audio presentation of his remarks made at the Board of Supervisors meeting on August 3, 2004 be made a part of HACM's public record: "Commissioner Escamilla stated Good Morning, I'm a Commissioner of the Housing Authority of the County of Monterey and I was the first Commissioner appointed by Supervisor Calcagno in 1999 and recently reappointed by Supervisor Lindley. I am here on behalf of the Board of Commissioners who had asked me to read a resolution that was recently passed by the Board of Commissioners regarding Rippling River. The reason the Board of Commissioners feel that this needs to be read in public comments is based on the fact that the County and its various agencies have failed to respond to written correspondence from HACM over the past two years, particularly the County Administration's Officer and County Counsel with respect to Rippling River. As a matter of public record, I have brought an outline that illustrates those passed in 2001. The outline of both staff and the Housing Authority's Board of Commissioners decision-making process with some supporting documents. We wish that this become part of the public records here at the Board of Supervisors; it is already part of the public records of the Housing Authority. The resolution reads as follows: Whereas, the Board of Commissioners met in closed session at their regular Board meeting on July 26, 2004 with respect to Closed Session Government Code Section 54956.9: Potential Litigation, and while the Board of Commissioners were notified they would lose their liability coverage on Rippling River within 60 to 80 days; and Now therefore be it resolved, that the Board of Commissioners reported to open session that the Board will attempt to find replacement insurance for Rippling River; and Be it further resolved that if no insurance is available and the County and or HUD will not provide such coverage, the Board of Commissioners will pursue the emergency relocation process." The Board of Commissioners expects that the entire Board of Supervisors is aware of this situation considering the fact that Supervisor Potter's involvement. Supervisor Potter has been acting and continues to act as lead agent on behalf of the County and its various agencies with regards to Rippling River. We have all the confidence that Supervisor Potter has been acting with your support as Board of Supervisors. Considering that the financial exposure to the Housing Authority affects the entire County and all 5500 families, the Board of Commissioners is formally requesting that the Board of Supervisors adds the Housing Authority to their commercial liability package with respect to Rippling River. I'm also asking, specifically Supervisor Calcagno, Supervisor Lindley, and Supervisor Potter to add the Housing Authority to its next week's agenda with discussion of Rippling River so we can find a solution to these fine residents of Rippling River. Thank you very much and have a great day.

COMMENTS FROM THE PUBLIC:

Merri Bilek commented on August 9th we had the meeting with HUD out at Rippling River and at that time I made a request for two things specifically. One is that I be included in the bi-weekly conversations between Mr. Nakashima, HUD, and the Board of Supervisors. To this date that has not happened and I'd like to get some comment on that. Secondly, I asked to be apart of the Ad Hoc Committee that was formed. The residents of Rippling River deserve to have a voice in the

decisions that are being made that affect our future. And I'd like to act in that capacity. Those are my two requests for this evening.

Helaine Clark commented that she had spoke to the HUD office last week and she voiced the same opinion because she watched the video tape of the meeting and Ms. Rogers said she thought it was very important that we have cooperation between everyone and she thought it was a very good idea that we had at least two residents on that committee. And I (inaudible) about the idea and what you just said—well we want people on it that—the people are on it are the ones that are to do something. I'm not sure what we haven't done to prove that we could do something; we've got the entire County up in arms over this same issue. I think we have proved we can do something with that HUD (inaudible). And we did something and I think it's only right that HUD has recommended two residents when you have three of your Commissioners and there are two supervisors. After all it is about our lives so I would like that to be on the record. Ms. Clark stated you have the ADA report that Kim Blackseth did; I read it last week and that's part of my concerns (inaudible) every little detail in it, but I think it needs to go back on the agenda to rescind the first one because we proved that the first one (report) was despicable and you really have to have it in the records (inaudible) support. To the Clerk of the Board, Ms. Clark stated I gave you a very bad copy last week so I've made some better copies—I don't know if you want enough for everyone or just take one and make copies yourself. The Clerk asked if that was the same report Ms. Clark provided last week. Ms. Clark replied it's the same report but it's more readable—in other words (inaudible) so I just want to make sure I give you the right one.

CONSENT AGENDA

- A. Minutes—Approval of Minutes of the Regular Board Meeting held July 26, 2004
- B. Minutes---Approval of Minutes of the Special Board Meeting held August 3, 2004
- C. Resolution 2266: Amendment #8 To Housing Authority Restated Money Purchase Pension Plan
- D. Resolution 2267: Adjudication of Claim of Pamela Henry
- E. Resolution2268: Adjudication of Claim of Carlos Rodriquez
- F. Resolution 2269: HCV Program Administrative Plan

Upon motion by Commissioner Schneider, seconded by Commissioner Styles, the Board approved the Consent Agenda. Motion carried with the following vote:

AYES: Nichols, Styles, Gin, Stewart, Escamilla, Schneider, Dalessio
NOES: None
ABSENT: None

REPORTS OF COMMITTEES

<u>Finance/Development Committee</u>	Commissioner Stewart, Chairman
<u>Personnel Committee</u>	Commissioner Styles, Chairman
<u>Monterey County Housing, Inc.</u>	Commissioner Tim Escamilla, Rep.
<u>Affordable Acquisitions</u>	Commissioner Tim Escamilla, Rep.

Commissioner Stewart stated the Finance/Development Committee will be making sure that positive things are highlighted in the future and also that Rippling River issues are referred to the Ad Hoc Committee. Commissioner Escamilla noted that he had to abstain during some votes at the MCHI/MCHIAA meetings because he needed to take HACM's position.

REPORT OF SECRETARY

A. Executive Report:

Mr. Nakashima reported HACM is anticipating the RIM for Section 8 in October or the first part of November. He congratulated Jean Goebel and her staff on no findings on the re-RIM and PHAS Score of 94.5. The Board requested staff get a comparison on the PHAS score with five other housing authorities. Mr. Nakashima reported there may not be funds for the King City Childcare Center. Ms. Warren commented that the Joe Serna grant could provide this funding. Commissioner Escamilla requested staff research what HACM has invested in this project and that the information be provided to the Finance/Development Committee at their next meeting.

NEW BUSINESS

A. Statement of Agreement between the Monterey County Board of Supervisors and the Board of Commissioners of the Housing Authority of the County of Monterey Regarding Rippling River

Attorney Ontiveros cautioned the Ad Hoc Committee and Board members to be careful about discussing issues that might provide a perception of a serial meeting. Commissioner Stewart requested the Attorney provide that in writing.

Upon motion by Commissioner Stewart, seconded by Commissioner Escamilla, the Board approved the Statement of Agreement between the Monterey County Board of Supervisors and the Board of Commissioners of the Housing Authority of the County of Monterey regarding Rippling River. Motion carried with the following vote:

AYES: Nichols, Styles, Gin, Stewart, Escamilla, Schneider, Dalessio
NOES: None
ABSENT: None

INFORMATION

Commissioner Escamilla requested information item G, Potential Commissioner Conflict of Interest be pulled for discussion.

G. Potential Commissioner Conflict of Interest

Attorney Ontiveros reported there were some concerns brought up by Commissioner Escamilla as a member of the MCHI Board as to when he has a conflict between his duties as a Commissioner and the Housing Authority and his duties on the MCHI Board. As a Commissioner of this Board, you always have to put the Housing Authority's best interest first. During a short discussion, Attorney Ontiveros explained that disclosure is important when voting on the other Board when there are issues being considered that conflict with the Housing Authority. In a situation where a decision is being made that will potentially hurt the Housing Authority, the Housing Authority Representative should abstain, but provide a disclosure to the MCHI/MCHIAA Board. Staff stated there will be some decisions on the MCHI/MCHIAA Boards coming up that will deal with financial issues. Attorney Ontiveros stated that the Housing Authority Representative can enter into the discussions but should always disclose any conflict that you have as the Housing Authority Representative. In further discussions staff explained there are requirements for the makeup of the MCHI/MCHIAA Board with the CHDO and the Tax Credit Bond. Attorney Ontiveros commented that when the representative has to vote in favor of the Housing Authority, disclosure should be provided. Commissioner Escamilla reiterated that as a representative it is all right to vote on issues, but disclose any interests that are for the Housing Authority. Commissioner Escamilla requested the appointments of representatives to the MCHI/MCHIAA Board be sent through the Personnel Committee along with the idea of appointments at large. Commissioner Stewart requested copies of the MCHI/MCHIAA Bylaws and policies/procedures covering this issue.

- A. Administrative Report/Summary of Actions July/August 2004: No discussion; no action required.**
- B. Status Report: June 2004 Financial Statements and July 2004 Disbursements: Commissioner Escamilla asked about the variant to the budget. Ms. Santos explained that workers comp and Section 8 admin fees changed the budget. No action required.**
- C. Status Report: Monthly Development Report: No discussion; no action required.**
- D. Status Report: Monthly Housing Management Report: No discussion; no action required.**
- E. Status Report: Eligibility/Section 8 Reports: Ms. Anderson reported there was an added page to the FSS report. No action required.**
- F. Quarterly Cash Report: No discussion; no action required.**
- G. Potential Commissioner Conflict of Interest: See above under Information.**

H. Legislative Update: No discussion; no action required.

Commissioner Escamilla reported that the Board should be aware that our unrestricted cash reserves are less due largely to the workers comp premium assessment and the changes to the Section 8 Admin fees. If those two items were taken out of the budget process HACM's overall budget is pretty good and the Board needs to recognize that. The Board mitigated some of the differences by directing staff on the health insurance terms and wanting to keep that reserve or the variance could have been larger. It is important to look at the end of the year and know that the budget process is working and on the most part, the Board and Staff did excellent jobs.

In further comments, Commissioner Escamilla stated that the FSS Program is at ten years and now has some history behind this program and some successes. Mr. Nakashima explained that the FSS Program is the Family Self-Sufficiency Program and it allows qualified families to get into a program that allows funds to be collected and matched for five years. After that five years the program allows the families to use that money to pay bills, get an education, or buy a house. Ms. Anderson reported there is an additional page to her report that reflects the FSS graduates statistics from 1994 to date and there have been 100 clients that have completed the program. There are also clients that are no longer receiving Section 8 assistance but are paying their rents on their own; these clients are also successes. Commissioner Stewart commented this is one of the positive things for HACM.

COMMISSIONER COMMENTS

Commissioner Dalessio stated he has circulated a report from the independent structural engineers that the residents (at Rippling River) have paid for; it is not a report but a newspaper article. Commissioner Dalessio encouraged the Board to read the article. He stated it gives you quite a different feeling about the condition of Rippling River than the reports that have been provided by the staff. Commissioner Dalessio stated he would strongly support Merri Bilek's request to be on the committee; he thinks that it is technically a minimum in terms of keeping people healthy there if they have their own conduit to the information that's going on; and he'd like to see the Board support that with the Board of Supervisors because both sides would have to agree to that.

Commissioner Escamilla commented that when he went to the Board of Supervisors meeting that he thought at first the Ad Hoc Committee would be a combination of Housing Authority and County individuals, but he was told that there would be two Ad Hoc Committees, one from the Housing Authority and the other from the County, that would meet jointly. Commissioner Dalessio stated it is different but it doesn't change the point which is that we need to get a resident representative in there so that the residents there are confident in the information they are getting. Chair Nichols stated that issue will go to staff and they will check on legal and bring it back to the Board.

Commissioner Schneider thanked Jean Goebel and Rosie Anderson for their good reports. She stated that goes for the rest of staff and department heads; they are doing a very good job and she thanks them all.

Commissioner Stewart thanked all of staff and stated he really appreciates the job they are doing. He also thanked the Rippling River residents that came to the meeting tonight and stated we're going to do the best that we can to make sure that we satisfy your needs too.

Commissioner Nichols stated he doesn't need to compliment staff because HACM units and complexes compliment them. He explained that children in his neighborhood are coming to the HACM complexes in the evenings because they feel safe. He stated to staff, yes, you are doing your job and I thank you.

The Board convened to Closed Session at 7:05 p.m.

CLOSED SESSION

The Board of Commissioners met in Closed Session for the following purpose and reason:

- A. With respect to every item to be discussed in Closed Session pursuant to Government Code Section 54957: PUBLIC EMPLOYMENT PERFORMANCE EVALUATION Title: Executive Director

ACTION: No action taken

The Board reconvened to open session at 7:28 p.m.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:28 p.m.