

**ACTION  
MINUTES OF THE REGULAR BOARD MEETING  
OF THE  
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY  
HELD OCTOBER 26, 2009**

Commissioners met at the Central Office. Chair Alan Styles called the meeting to order at 6:02 p.m. Present: Chair Alan Styles, Vice Chair Elizabeth Williams, and Commissioners Josh Stewart, Tom Espinoza, and Andrew Jackson. Absent: Commissioners Merri Bilek and Kevin Healy. Also Present: Jim Nakashima, Executive Director; Tony Caldwell, Chief Administrative and Operations Officer; Rosie Anderson, Director of Housing Assistance Programs; Jean Goebel, Director of Asset Management and Compliance; Starla Warren Director of Housing Development; Lynn Santos, Director of Finance; and Shelley Giancola, Human Resources Manager. Recorder: Sandy Tebbs

COMMENTS FROM THE PUBLIC: None

PRESENTATIONS:

Vice Chair Williams presented Alan Styles with a NAHRO Certificate of Appreciation for outstanding service on the 2007-2009 National Commissioners Committee.

Mr. Nakashima commented that Commissioner Styles has been appointed to the NAHRO Board of Governors as well as being elected as Vice President of the National Commissioners Committee.

Ms. DeSerpa from Congressman Farr's office presented Ms. Anderson with a Special Congressional Recognition for thirty plus years of dedicated and professional service at the Housing Authority of the Monterey County and for all the families whose lives she has touched.

Chair Styles presented Resolution 2617 to Ms. Anderson, Resolution of Commendation for her 32 years of dedicated service to the Housing Authority along with a retirement gift of a Mikasa crystal bowl.

Ms. Anderson thanked the Board and stated she would miss everyone.

CONSENT AGENDA

- A. Minutes—Approval of Minutes of the Regular Board Meeting held September 28, 2009
- B. Resolution 2623: Revised Section 8 Schedule of Allowances for Tenant Purchased Utilities and Other Services for 2010

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

AYES: Styles, Williams, Stewart, Espinoza, Jackson  
NOES: None  
ABSENT: Bilek, Healy

REPORTS OF COMMITTEES

<u>Personnel Committee</u>	Commissioner Merri Bilek, Chairman
<u>Finance/Development Committee</u>	Commissioner Elizabeth Williams, Chairman
<u>Monterey County Housing, Inc.</u>	Starla Warren & Tony Caldwell, Representatives
<u>Affordable Acquisitions</u>	Starla Warren & Tony Caldwell, Representatives
<u>Resident Advisory Board</u>	Tony Caldwell/Michelle Machado, Representative
<u>Monterey County Housing Development Corporation</u>	Starla Warren, President
<u>TVI &amp; Tynan Village Affordable Housing LP</u>	Starla Warren, Authorized Signature
<u>Rippling River Affordable Housing LLC &amp; LP</u>	Starla Warren, Authorized Signature
<u>MCHADC &amp; Benito FLC, LP</u>	Starla Warren, Authorized Signature

MCHADC & Benito Street Affordable Housing LP  
MCHADC & Monterey Affordable Housing LP  
MCHADC & Fano Vista, LP

Starla Warren, Authorized Signature  
Starla Warren, Authorized Signature  
Starla Warren, Authorized Signature

Personnel Committee: Commissioner Espinoza reported the Personnel Committee did not meet due to lack of a quorum.

Finance/Development Committee: Commissioner Williams reported the resolutions that went through this Committee are on the agenda and the Committee forwarded the Moss Landing Single Family Homes item to the Board for review. The Committee also received an update on Tynan Village.

Monterey County Housing, Inc: Mr. Rose reported MCHI had their last meeting on October 21<sup>st</sup> and one resolution was to increase their Board from seven to nine to meet the CHDO requirements. The increase to the Board was done to affect the public employee status that one of their Board members had attained through a recent job hire. The Board is trying to target demographic centers to attain a broad range of ethnicity and age representation. Mr. Rose stated he was unable to contact one name that had been provided by Commissioner Stewart, but he was able to provide information to an individual that Commissioner Williams had provided as a possible Board member for MCHI. He hoped that the minutes he provides to the HACM Board will reflect what the MCHI Board does.

MCHI-AA: same as above.

Resident Advisory Board: Mr. Caldwell reported the RAB did not meet, but it is at a point where new officers need to be elected so they will be advertising at the sites to move the process forward. In discussion about the attendance at the RAB meetings, staff noted that it fluctuates from time to time and currently it appears to be at a low point, but hopefully the outreach will generate more interest. Mr. Nakashima reminded that the RAB concept is where residents can speak out without retribution. He stated there does need to be a staff oversight to ensure that Robert's Rules of Order is followed. Ms. Goebel reported that the annual plan has to have resident input and the RAB has been very beneficial in helping to make that happen. She further reported that Section III is a requirement on government contracts that information must be provided to low income families on possible job opportunities.

Monterey County Housing Development Corporation: Ms. Warren reported that the development corporation and other entities are reported in her development report.

## REPORT OF SECRETARY

### A. Executive Report

Mr. Nakashima reported that he wanted to thank Ms. Anderson personally for her hard work so he did so in his report. He stated a summation of what he thinks she means to this Housing Authority and how special she has been is reflected in the following statement by Theodore Roosevelt, "I care not what others think of what I do, but I care very much about what I think of what I do." Ms. Anderson showed character and left a legacy of honor and truth. Mr. Nakashima stated Ms. Anderson has left a checklist and plans of action for her predecessor to follow; very few people show the professional character to do so.

Mr. Nakashima further reported that he had attended the HUD Asset Management Program course which he felt was very worthwhile. They provided a precursor to what the requirements will be under AMP with an actual guideline, which they have not done in the past. He stated that the three issues continue to be Procurement, Section III, and Deconcentration. The Continuing Resolution did happen on the budget and hopefully there will not be another one in December. It is clear that the Administration's issues driving the budget are the Health Care Program, Immigration Plan, and the Afghanistan Conflict. The voucher issue is affecting every State and the Administration is trying to put \$200M back into the budget for Housing Authorities that are in eminent danger of terminating vouchers. We were hoping to raise the payment standards up from 80% at the end of the year or early next year. Ms. Santos explained that the Continuing Resolution does more than just cause problems with the budget, it also jerks around the Section 8 Program they provide funding for the next year. Mr. Nakashima reiterated that it hurts the very people that Congress is trying to help.

Mr. Nakashima reminded everyone is invited to Ms. Anderson's farewell BBQ tomorrow at 11:30 a.m. here at HACM.

OLD BUSINESS

- A. Resolution 2624: Approve REVISED Renewal of \$4,000,000 Line of Credit with Rabobank

Upon motion by Commissioner Stewart, seconded by Commissioner Williams, the Board adopted Resolution 2624, approving \$4.0 million Line of Credit with Rabobank. Motion carried with the following vote:

AYES: Styles, Williams, Stewart, Espinoza, Jackson  
NOES: None  
ABSENT: Bilek, Healy

NEW BUSINESS

- A. Resolution 2620: Approval of application for FSS Program Coordinator Salary from HCV 2009 Administrative Fees

Upon motion by Commissioner Williams, seconded by Commissioner Stewart, the Board adopted Resolution 2620 authorizing the Executive Director to apply for the FSS salary funding. Motion carried with the following vote:

AYES: Styles, Williams, Stewart, Espinoza, Jackson  
NOES: None  
ABSENT: Bilek, Healy

- B. Resolution 2622: Authorize execution of three long-term notes in the aggregate amount of \$135,960.00 for use as a leverage commitment in the HACM Capital Fund awards

Upon motion by Commissioner Williams, seconded by Commissioner Stewart, the Board adopted Resolution 2622 authorizing the execution of three long-term notes in the aggregate amount of \$135,960.00 for use as a leverage commitment in the HACM Capital Fund awards. Motion carried with the following vote:

AYES: Styles, Williams, Stewart, Espinoza, Jackson  
NOES: None  
ABSENT: Bilek, Healy

- C. Moss Landing Single Family Homes, 10941 Pieri Court and 10944 Pieri Court (Information)

Commissioner Williams reported that the Finance/Development Committee reviewed this item at length and the homes should sell for \$250K to \$300K. For information only; no action required.

- D. December Dinner

The Board decided to have a Christmas dinner after their December 14<sup>th</sup> Board meeting and directed the Clerk to the Board to check availability for that evening first with The Pub and second with Steinbeck House.

- E. Committee Appointments

Chair Styles Appointed Commissioners Stewart, Espinoza, and Jackson to the Personnel Committee with Commissioner Stewart as the Chair of that committee.

Chair Styles appointed Commissioners Williams, Bilek, and Healy to the Finance/Development Committee with Commissioner Williams continuing as the Chair of that committee.

INFORMATION

A. Financial Report: Finance Update

Ms. Santos reported there are a few differences between Yardi and CCS that staff is working through. No action required.

B. Human Resources Report /Summary of Activity September 2009

Ms. Giancola reported that the Director of Housing Assistance Programs is proving to be a very difficult position to fill; there will be more outreach on this position to include posting online. Also more time will be given on these actions before outsourcing to fill this position. Friday will be Ms. Anderson's last work day. In the meantime, Ms. Goebel has agreed to be the interim Director of Housing Assistance Programs. Staff mentioned that the Housing Authorities' director and managerial vacancies have been very difficult to fill across the nation due to the amount of specialized knowledge required. There was another workers' comp claim this month which was a simple injury.

Mr. Nakashima reported that HACM several years back had the highest workers' comp claims in our pool and currently HACM is down to eighth position; a lot of that improvement is contributed to what Ms. Giancola is doing. Ms. Giancola stated if we can keep this year from going up, it will definitely help. She further reported that the MOU was received last Tuesday, October 20<sup>th</sup>, and she is currently updating the HACM policies with the MOU changes. Commissioner Styles stated job well done all the way around and take the time needed to complete the personnel policies. No action required.

C. Status Report: Monthly Development Report

Ms. Warren reported there was a small fire at Tynan Village but the fire department did not have the correct plug to stop the sprinklers so instead of one unit being affected, there are nine units affected by the water. The residents were moved to other units, but there will likely be a \$150K claim. Commissioner Styles stated that he would be happy to meet with the Fire Chief and staff regarding the fire department not having the correct plug because they were involved in the specifications for the sprinklers and should have had the correct plug. Ms. Warren stated she would set up that meeting. To Board query, Ms. Warren responded that the \$150K is covered by the insurance. She stated the insurance renewal came in today with a 10% increase. Another issue at Tynan Village was an attack on the manager who went to the hospital and the details of that incident are still being sorted out.

Ms Warren further reported that they are working diligently to get all the projects done in time for conversion but she doesn't think they will be able to meet the conversion date of December 1<sup>st</sup> due to the lowered payment standards and non issuance of vouchers which are contributing to the poor lease-up rate. She stated they are 85% expended on the first stimulus grant for \$1.6M. Mr. Nakashima reminded that it also created jobs. Ms. Warren stated the solar contractor is mobilizing this week and that will create jobs also. Mr. Nakashima noted that the Section III program has changed the way we market the vacancies; three staff members are scheduled to attend Section III training. ARRA has added criteria to their grants to buy American made products so staff will also be attending this training; the ARRA administrators will be inspecting recipients of their grants to make sure the program is clean and has no conflict of interest issues. There will be 350 housing authorities inspected and HACM may be on that list. Ms. Warren stated this new requirement has to be added to our manuals and brought to the Board next month. No action required.

D. Status Report: Monthly Property Management Report

Mr. Caldwell reported we are in week two of our PHAS inspection and so far it has been good. Other than the inspections, staff continues to focus on leasing up the vacancies. The properties outside of public housing have a higher vacancy rate due to the higher payment standards and no vouchers being available. The senior properties are mostly affected because the rent is too high for their income levels. Staff will be meeting with the MCHI Executive Director to discuss the vacancy rate at their properties. No action required.

E. Status Report: Monthly Asset Management Report

Ms. Goebel reported that we are in the middle of PHAS; we have had five inspections of the eleven AMPs. We received the results for three of the five and we are in the high 80's or low 90's which are good scores. The draft of the FHEO compliance inspection has been received and some of the timelines have been modified slightly; once we sign and HUD signs off then the clock starts ticking on the corrections. No action required.

F. Status Report: Eligibility/Section 8 Reports

Ms. Anderson pointed out the additions of the Eligibility productivity and the Section 8 Actions Completed and Submitted to PIC charts attached to her reports. She explained the charts and noted that these provide an idea of the activities in each of these departments. Information is submitted electronically to HUD each month. The Board thanked Ms. Anderson for her dedicated hard work throughout the years. No action required.

G. Status Report: Administrative Report

Mr. Caldwell reported there are two new permanent employees who are contributing to the data input with the work orders and the inventory to Yardi. He stated several staff attended the Yardi Conference in Santa Barbara and were very impressed with the Yardi construction module. When the NSP2 funds are received, staff will really appreciate having the tools Yardi provides to manage that grant. He further reported that staff will be upgrading to the latest Yardi service pack as well as the latest plug in; it is currently in the test stage but will be switched next week.

Commissioner Styles mentioned that Mr. Caldwell was recruited to assist in a presentation by Yardi in Washington, DC when one of their members had to back out; Mr. Caldwell did an excellent job. Yardi was very appreciative of his help. No action required.

H. Legislative Update

Mr. Caldwell pointed out the waves of foreclosures noted in his report and also the unemployment rate which is not expected to improve for another six to 12 months. He stated the housing starts are up but partly due to the first time home buyers who received tax credits and those tax credits go away next month and so there's been a rush to take advantage of that. We'll see the impact of this in January. If they extend the tax credits out that will be great. Commissioner Styles noted the other side is we haven't seen the commercial issues yet. Ms. Warren stated in some publications she has noticed that people are walking away from commercial already. Mr. Caldwell noted that entire malls are closing. No action required.

I. Media Update

Mr. Caldwell reported he had nothing to add to his report. Mr. Nakashima reported that the job loss rate has gone up to 12.8% for this county. No action required.

The Board took a break at 7:35 p.m. and convened to Closed Session at 7:40 p.m.

CLOSED SESSION

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

- A. Closed Session: Government Section 54957.9(b)(B): Potential Litigation: regarding complaint by Craig Bagley, Architect.  
**ACTION:** No action taken in Closed Session.

The Board reconvened to regular session at 8 p.m.

COMMISSIONER COMMENTS

Commissioner Stewart wished Ms. Anderson the best in her retirement and traveling adventures. He further commented that he appreciated staff and thanked them for their hard work.

Commissioner Jackson commented he has found out through all of these issues that somebody is standing up for the people and he finds that very commendable.

Commissioner Williams thanked Ms. Anderson for her service and stated she will be sorely missed. She commented it isn't often that one has an employee that stays 32 years and she thanked Ms. Anderson for staying that long. Commissioner Williams apologized for not being available the last couple of weeks but she had been traveling; she is now back home for a while and available on her cell phone. She thanked Chairman Styles for her appointment to the Finance/Development Chair position.

Commissioner Styles congratulated Ms. Anderson on her retirement; she will be missed. Ms. Anderson has been an excellent employee for 32 years and my hat is off to her. He wished Ms. Anderson the very best of everything as she goes forward.

Commissioner Williams thanked Ms. Goebel for stepping up to the plate as the interim Director of Housing Assistance Programs.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 8:02 p.m.

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Chairman

ATTEST:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date