

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

BOARD OF COMMISSIONERS MEETING

MINUTES OF November 18, 2010

Chair Lobo called the meeting of the Housing Authority of the County of Butte to order at 2:02 p.m.

1. ROLL CALL

Present for the Commissioners: Christine Boyle, Larry Hamman, Clarence “Bino” Lobo, Gene McFarren, Laura Moravec and Lena White.

Present for the Staff: Ed Mayer, Executive Director; Roy Peters, Deputy Executive Director; Sue Kemp, Finance Officer; Larry Guanzon, Housing Director; and Tamra Young, Executive Assistant.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

There was a discussion about the planned improvements for Kathy Court which include, but are not limited to, interior improvements to the units, and landscape improvements: tree removal, sound buffer between apartment complex and neighbors, picnic area and exterior lighting.

Executive Director Mayer told the Board that Scott Hamm completed the appraisal of Chico Commons. The appraised value is \$2,100,000. AEGON is sending appraisal to their Valuation Group for review.

Commissioner White moved that the Consent Calendar be accepted as presented. Commissioner Hamman seconded. The vote in favor was unanimous.

4. CORRESPONDENCE

None.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Election of Vice Chair – Since Tenant Commissioner Andrews was serving as Vice Chair of the Board at the time of her resignation, her resignation requires the HACB Board to nominate and elect a new Vice Chair to serve the balance of Commissioner Andrews’ term, through March 2011. Executive Director Mayer asked for nominations for the position of Vice Chair for remainder of the 2010-2011FY. Commissioner Hamman

nominated Commissioner McFarren for Vice Chair and moved that the nominations be closed. Commissioner Boyle seconded. The vote was unanimous for closing of the nominations, and for election of Commissioner McFarren as the Vice Chair.

- 5.2 Recognition of Tenant Commissioner Andrews – The Board passed Resolution No. 4377, which was then signed by all of the Commissioners. Additionally, a recognition plaque was purchased for former Commissioner Andrews, evidencing her term of service and appreciating her good work on behalf of HACB and Butte County residents.

RESOLUTION NO. 4377

Commissioner White moved that Resolution No. 4377 be adopted by reading of title only: “RECOGNITION OF COMMISSIONER SHIRLEY ANDREWS”. Commissioner Moravec seconded. The vote in favor was unanimous.

- 5.3 SEMAP – Executive Director Mayer briefly overviewed the annual self-certification of the HACB’s Section 8 program by means of completion of HUD’s SEMAP evaluation. The Section Eight Management Assessment Program (SEMAP) is designed to provide HUD with documentation necessary to assess the health of the HACB Section 8 program. Once the Resolution has been approved, the SEMAP certification summary will be submitted electronically to HUD. All supporting documentation is available on file should HUD audit HACB’s report. This year’s report shows the HACB to be a “Standard Performer” for administration of the program. The two indicators which dropped the HACB from “High” to “Standard” Performer this year were (1) failure to admit Section 8 participants in full compliance with regulatory admissions requirements (75% of households admitted must have incomes below 35% AMI). This benchmark was not achieved because of HACB’s transition from the “old” 2007 wait list to the “new” 2010 wait list and associated inexperienced admissions staff, and (2) inconsistent file documentation in completion of third party household income verification, mostly the result of a single staff member with extraordinary personal challenges this past year. Both issues have been addressed by means of implementation of data checks for management. There is no incentive/penalty for High Performer versus Standard Performer status.

RESOLUTION NO. 4378

Commissioner Hamman moved that Resolution No. 4378 be adopted by reading of title only: “APPROVAL OF SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (SEMAP) CERTIFICATION”. Commissioner Boyle seconded. The vote in favor was unanimous.

- 5.4 Personnel Matter – HACB Management requested authorization to establish a new permanent full-time position. There are sufficient Section 8 operating funds to support the position and there is a need for clerical assistance to the Section 8 department. Anticipated job tasks are to include clerical assistance to Section 8 admissions, maintenance of Section 8 Rent Reasonableness database, coordination and scheduling of Housing Quality Standards Inspections, and maintenance of demographic data required by HUD Office of Fair Housing. This position, as it is part of the clerical staff and serving interdepartmentally, will be supervised by Executive Assistant Young.

RESOLUTION NO. 4379

Commissioner White moved that Resolution No. 4379 be adopted by reading of title only: "AUTHORIZATION FOR ADDITION OF RECEPTIONIST/STAFF SUPPORT POSITION". Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.4 Capitalization Policy – On the recommendation of the HACB's new independent auditor, HACB staff presented a new Capitalization Policy for Board consideration. The current Capitalization Policy was adopted in 1996. The auditor's recommendation was an increase in the capitalization amount from \$500 to \$5,000, as well as implementation of streamlined process for disposal/sale of capitalized property. The HACB already maintains inventory and other tracking mechanisms for items under the \$5,000 threshold. The new Capitalization Policy will simplify accounting.

RESOLUTION NO. 4380

Commissioner Hamman moved that Resolution No. 4380 be adopted by reading of title only: "ADOPTION OF CAPITALIZATION POLICY". Commissioner White seconded. The vote in favor was unanimous.

- 5.5 Farm Labor Housing – The HACB presented to the Board the proposed joint venture architectural and engineering contract supporting the rehabilitation of the Gridley Farm Labor Housing project. The architectural team, comprised of architects Patricia Barnard Architect Inc. and Monighandesign, supported by engineers Brown and Caldwell, has been determined through procurement to be the most qualified to perform the rehabilitation work. The HACB and USDA-RD has been negotiating the scope of work and compensation for several months now. The proposed contract takes planning and design through the mid-Design Development stage, providing for a somewhat incremental approach to project development. This contract will provide and develop information necessary to determine a final scope of work and is in the amount of \$430,334. The Board directed that the contract be paid out of FLH reserves to the extent possible, and expressed serious concerns about the cost and scope of the rehabilitation and the continuing viability of the project. HACB staff will continue to move forward on this path until it is no longer feasible to do so. The only other options available are to either turn the project over to USDA-RD or de-commission the project.

RESOLUTION NO. 4381

Commissioner Moravec moved that Resolution No. 4381 be adopted by reading of title only: "AUTHORIZATION TO ENTER INTO CONTRACT WITH PATRICIA BARNARD ARCHITECT INC. AND Monighandesign – PBA/mdJV TO PROVIDE ARCHITECTURAL AND ENGINEERING SERVICES ON BEHALF OF REHABILITATION OF THE GRIDLEY FARM LABOR HOUSING PROPERTY". Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.6 Allowance for Doubtful Accounts – A list of doubtful accounts has been created for accounts associated with the Section 8 program. The clients (tenants and landlords) who owe the Housing Authority money are sent to a collection agency and the franchise tax board. After four years, if unsuccessful in collection, they are written off. Approval of

the doubtful accounts list is the first step in the process. Last month the list of doubtful accounts presented to the Board was for HACB-owned properties; this month the list of doubtful accounts is for the Section 8 program.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM COMMISSIONERS

9.1 Commissioner Boyle reported on the NAHRO National Conference in Reno NV. Ms. Boyle attending a mixed finance development class which she found to be very informative, useful, and applicable to the HACB's business. Many tax credit projects through-out the industry are at the end of their 15 year compliance period like Chico Commons. In many instances, the limited partners are giving the projects back to the non-profits. Ms. Boyle told the Board about NAHRO's "What my home means to me" art contest and would like to see HACB resident children participate next year. She also attended classes on Project Based Vouchers, Family Unification Program, public versus private sector management of units, and recommends the HACB seek recognition for its programs and projects through, for example, the NAHRO Award of Merit program.

10. MATTERS INITIATED BY COMMISSIONERS

Commissioner White turned in her resignation from HACB Board of Commissioners; she is moving to Walker Commons and is no longer eligible to participate as a Tenant Commissioner since it is not a HACB-owned property. Her Board resignation will take place effective December 1, 2010.

11. EXECUTIVE SESSION

None.

12. COMMISSIONERS' CALENDAR

- Next meeting – December 16, 2010
- Holiday Luncheon, December 17, 2010, Basque Norte
- PHADA 2011 Commissioners Conference, January 9-12, 2011, Phoenix AZ

13. ADJOURNMENT

Commissioner White moved that the meeting be adjourned. Commissioner McFarren seconded. The vote in favor was unanimous. The meeting was adjourned at 3:52 p.m.

Dated: November 18, 2010.

Clarence Lobo, Chair

ATTEST:

Edward S. Mayer, Secretary