

HOUSING AUTHORITY OF THE COUNTY OF BUTTE

BOARD OF COMMISSIONERS MEETING

MINUTES OF January 20, 2011

Chair Lobo called the meeting of the Housing Authority of the County of Butte to order at 2:03 p.m.

1. ROLL CALL

Present for the Commissioners: Patricia Besser, Christine Boyle, Rebecca Graham, Larry Hamman, Clarence “Bino” Lobo, Gene McFarren and Laura Moravec.

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.

Others Present: Greg Einhorn, Law Offices of Gregory P. Einhorn, and Jennifer Haffner and Laurel Yorks, Legal Services of Northern California.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

- 4.1 IRS Announces 2011 Standard Mileage Rates – The rate went up 1¢ to \$0.51 per mile for 2011.
- 4.2 Sale of RSC Associates – The HACB received written notification from R. Scott Chalmers that he has sold RSC. The new owner has business management experience but no property management experience. The sale coincides with HACB’s periodic need to re-procure property management services for its properties, and/or manage the properties in-house.
- 4.3 Appointment to Listed Vacancies – The Butte County Board of Supervisors appointed two (2) new Tenant Commissioners: Patricia Besser and Rebecca Graham. Welcome to the new Commissioners.
- 4.4 12/30/10 Letter to Board of Commissioners re: Personnel Issue – A letter was received by the HACB, addressed to the Board. Executive Director Mayer has shared the letter with

the Board Chair. Although any member of the Board may request to see a copy of the letter, it was the recommendation by both Executive Director Mayer and Chair Lobo for the Board to not review the letter as it involved sensitive and confidential personnel issues, was not relevant to Board Policy or direction, and further included misrepresentations and assertions not supported by fact that would be damaging if made part of the public record. The matter has already been addressed by Management by means of personnel action. The Board agreed to remand the letter to Management for resolution under the HACB's Personnel Policy.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Public Housing – The Public Housing late rent policy of \$25 was adopted by the Board in the Public Housing Admissions and Continued Occupancy Policy, made effective October 1st. Upon HACB initiation of implementation of the late rent policy, Legal Services of Northern California (LSNC) made comment and recommendations to the HACB regarding the implementation of the late fee policy, particularly the HACB's regulatory requirement to give residents a 45-day comment period regarding any changes to their lease. In response, the HACB delayed policy implementation, and opened the tenant comment period from December 1st to January 14th. One (1) written comment was received, requesting a change of the late fee date from the 5th to the 10th of the month. Housing Director Guanzon distributed a copy of the letter at the meeting. HACB staff reminded the Board of the availability of a hardship provision and procedure for tenants to contact the HACB before the 5th if they will be unable to make their payment on time. Staff is seeking to encourage proactive communication in assisting our clients in being responsible tenants. At 2:20 p.m. Chair Lobo opened the Public Hearing to hear comment on the proposed lease change, incorporating provisions for late rent fees. Jennifer Haffner, LSNC shared their concern regarding the late fee amount of \$25 being too high, and the issue of rent being determined late by the 5th in regards to fixed income tenants. Ms. Haffner also recommended accepting postmarks. Several Commissioners shared their belief that tenants need to be held accountable. A compromise was struck in that each tenant family be allowed one grace late rent before the \$25 late fee is charged, and that the HACB clearly communicate to residents that if they can't make their rent payment that they contact the HACB before the 5th. Chair Lobo closed the Public Hearing at 2:57 p.m. Executive Director Mayer's recommendation was: 1) public housing rent due on the 1st of the month; late if received after the 5th, 2) \$25 late fee amount, 3) one-time forgiveness, 4) explanation of how to contact HACB with hardship exemptions, 4) implementation of late fee policy on April 1st and 5) add explanation of new policy to residents at annual re-certifications. April 1st allows 60 days after notice of late rent policy lease addendum; lease modification must be signed by all families on the Public Housing program.

MOTION

Commissioner Moravec moved that the public housing late rent policy be implemented in the Public Housing lease as outlined in the recommendation by Executive Director Mayer. Commissioner Hamman seconded. The vote in favor was unanimous.

- 5.2 Capital Fund – Deputy Executive Director Peters recommended the approval of the bath rehab contract for LIPH Project No. 43-15. The rehab contract scope of work includes remodeling the upstairs bath, including replacing the tub surrounds and faucets, and removal of the floors including replacing subfloor and tile flooring.

RESOLUTION NO. 4385

Commissioner Boyle moved that Resolution No. 4385 be adopted by reading of the title only: “AUTHORIZATION TO ENTER INTO CONTRACT WITH FLETCHER PLUMBING & CONTRACTING FOR RENOVATION OF FIFTY (50) BATHROOMS AT PUBLIC HOUSING PROJECT 43-15”. Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.3 Park Place Apartments, Oroville – Commissioner Graham left the room because of a conflict of interest (resident of the property) before the discussion regarding the proposed rent increase at Park Place. The current rent is \$454/month, which was established in 2000 when Park Place Apartments was purchased by the HACB. Since 2000, the rent has never been raised. HACB staff recommended a \$21/month increase, or approximately 5%, to \$475/month for the one-bedroom units. The rent increase is necessary in order to cover the projected financial shortfall and fund necessary capital improvements i.e., exterior paint and HVAC replacements. The units will still remain affordable at this level.

RESOLUTION NO. 4386

Commissioner Moravec moved that Resolution No. 4386 be adopted by reading of the title only: “ADOPTION OF RENT INCREASE AT PARK PLACE APARTMENTS, OROVILLE.” Commissioner Hamman seconded. The vote in favor was unanimous.

- 5.4 Commissioner Policy – The current Expense and Use of Public Resources Policy Statement establishes that Commissioners may be reimbursed for per diem meal and incidental expenses up to \$75.00/day. The US Internal Revenue Service (IRS), through its Publication 1542, issues guidance annually regarding the taxable nature of travel expense reimbursements for meals and incidentals, and further establishes maximum allowable per diem expense reimbursement levels based on geographic area, above which reimbursement amounts become taxable. Therefore Management recommended that the HACB Expense and Use of Public Resources Policy Statement be revised to remain consistent with federal policies for per diem meal and incidental expense reimbursement levels for travel by its Commissioners.

RESOLUTION NO. 4387

Commissioner Hamman moved that Resolution No. 4387 be adopted by reading of the title only: “AMENDMENT TO HOUSING AUTHORITY OF THE COUNTY OF BUTTE EXPENSE AND USE OF PUBLIC RESOURCES POLICY STATEMENT”. Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.5 Commissioner Training – State of California AB1825 requires that Supervisors receive Sexual Harassment Prevention Training every two years. Per HACB legal counsel, Greg Einhorn, it is recommended that the Board take the training since they have the power to

“hire and fire”. Executive Assistant Young will send an email link to all commissioners to take the two hour training at home or, if the Commissioners would prefer, schedule an appointment in-house.

- 5.6 City of Chico “AHEAD” Lease Guarantee Program (LeGuP) Contract – The HACB has executed an agreement with the City of Chico for the administration of a new City affordable housing program called Lease Guarantee Program (LeGuP). The contract authorizes the leveraging of \$20,000 AHEAD grant funds from the Federal Home Loan Bank in the form of Lease Guarantees to landlords, and provides up to \$8,000 to the HACB to administer the program. The program will provide Letters of Credit (LOC) to landlords on behalf of low income TBRA and other City clients who are working under case management, have demonstrated an achievable path to self-sufficiency, and face difficulties in leasing up because of past credit and/or other issues. The program provides up to \$2,000 additional lease security to landlords in the form of a lease guarantee, for a one-year period.
- 5.7 TBRA – Due to the success of the TBRA program, the City of Chico and the HACB entered into a contract amendment for an additional \$200,000 of funding, including additional admin fees to the HACB. This action will effectively increase the program size from 37 to up to 50 households.
- 5.8 HACB logo – Management staff recommended a new look for agency correspondence, letterhead and business cards and has hired a graphic designer to prepare some logo ideas. The first draft logo concepts were presented to the Board. The Board consensus was that it was a good start. Commissioner McFarren also suggested the consideration of a possible name change for the agency.
- 5.9 Investment Report and Reserves Analysis – Finance Officer Kemp presented the investment report. HACB will reinvest in six-month CD’s until interest rates go up. FLH CD’s will not be reinvested because funds will be needed shortly for rehab. The HACB unrestricted fund balance available is \$2.2 million.
- 5.10 HACB IT Annual Report 2010 – The HACB IT 2010 annual report was provided for information.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

Commissioner Moravec had questions about RSC’s management letter, specifically about the tenant-caused flood in one of the ROOF units at Cordillera Apartments. A discussion regarding requiring renters insurance ensued. While a good idea in concept, it typically would not be practical based on the lack of sufficient disposable income of Very- and Extremely-Low Income tenants. Public Housing Manager Guanzon relayed that there is discussion with County Behavioral Health regarding

reimbursement for the tenant-caused damages in the ROOF unit. Commissioner McFarren asked that WINN require tenants to remove ceramic pots from the 2nd and 3rd floor of 1200 Park Avenue due to liability. Commissioner Boyle requested a presentation regarding FSS participants' contract requirements. Executive Director Mayer will schedule it for next month.

8. SPECIAL REPORTS

None.

9. REPORTS FROM COMMISSIONERS

None.

10. MATTERS INTIATED BY COMMISSIONERS

None.

11. EXECUTIVE SESSION

None.

12. COMMISSIONERS' CALENDAR

- NorCal/Nevada NAHRO Winter Conference, Napa CA, January 30-31, 2011.
- Next meeting – February 17, 2011.

13. ADJOURNMENT

Commissioner McFarren moved that the meeting be adjourned. Commissioner Moravec seconded. The vote in favor was unanimous. The meeting was adjourned at 4:19 p.m.

Dated: January 20, 2011.

Clarence Lobo, Chair

ATTEST:

Edward S. Mayer, Secretary