

**HOUSING AUTHORITY OF THE COUNTY OF BUTTE
BOARD OF COMMISSIONERS MEETING**

MINUTES OF July 18, 2013

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:04 p.m.

1. ROLL CALL

Present for the Commissioners: Kate Anderson, Patricia Besser, Sharon Chambers, 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; and Tamra Young, Executive Assistant.

Others Present: Kathy McKenzie, Margaret Wilburn and Alma Luna, Mi C.A.S.A. After School Program (5.1).

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Mi C.A.S.A. Education Inc. – Kathy McKenzie, representing Mi C.A.S.A. Education Inc. was present to provide a report on the program activities and request funding in support of the After-School Homework Program, which provides free-of-charge tutoring services to children at Gridley Farm Labor Housing. Some of the highlights presented were a report on the academic achievements by students, participation in community events and the increase in participation from 25 students in 2000 to 80 in 2013. Margaret Wilburn also gave a brief report on the program and Alma Luna, a former Mi C.A.S.A. after school program student and current tutor for the program, told the Board what Mi C.A.S.A. meant to her personally and how it has positively impacted her life. Executive Director Mayer complimented Mi C.A.S.A. on how well designed the program was and its positive affect on the community. The proactive work with Residents by Mi C.A.S.A. and other programs saves the HACB money on lease enforcement, security, etc. Any financial contribution to the program from HACB can come from Demo reserves. Staff recommended that we continue to support Mi

C.A.S.A. at the same level as the last academic year which was \$15,000, and increase the summer program from \$3,500 to \$5,000 for a total financial contribution for the year of \$20,000. Financial support of Mi C.A.S.A. has already been incorporated into FY2014 budget.

MOTION

Commissioner McFarren moved that the Board approve the funding request in the amount of \$20,000 be sourced from the HACB's Demonstration Program Reserves. Commissioner Lobo seconded. The vote in favor was unanimous.

- 5.2 Capitol Fund 501-12 – Board approval of Revision #1 for Public Housing Capital Fund Project Number 501-12 will allow the HACB to obligation funds for the Gridley Public Housing landscape improvement project; allowing the HACB to maintain approximately six (6) months in Public Housing Operating Reserves. Funding for the Gridley landscape project was initially to be sourced from the Public Housing Operating Reserves, to prevent their “taking” by HUD, as had occurred in the previous fiscal year. With the impact of federal budget sequestration, resulting in a final budget delivered to the HACB seven (7) months into its fiscal year, Public Housing Operating Reserves are needed to address the year's budget shortfall. Sourcing funds for the landscape project from the Capital Fund allows for the use of Operating Reserves to address the budget shortfall, while maintaining sufficient Operating Reserves to fund six (6) months program operation, the minimum level of Operating Reserves recommended by staff. At the May 2013, the Board approved the transfer of the obligation of funds from Reserves to Capital Fund 501-11; the remainder of the obligation of funds for the Gridley landscape project will come from Capital Fund 501-12. A second revision of Capital Fund 501-12 may be required at the end, to fully expend the funds.

RESOLUTION NO. 4507

Commissioner Hamman moved that Resolution No. 4507 be adopted by reading of title only: “APPROVAL OF THE REVISED BUDGET FOR HUD PUBLIC HOUSING CAPITAL FUND PROGRAM PROJECT NUMBER 501-12”. Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.3 Farm Labor Housing – The proposed annual Farm Labor Housing operating budget was presented for adoption. Budget is required to be submitted to USDA-RD by August 1st. USDA-RD will make comments and return for final adoption. The proposed budget is consistent with past years, but essentially serves as a place holder until the USDA-RD loan and grant for FLH rehab are closed. Some of the minor differences proposed are increase in garbage and FEMA-required flood insurance and additional funds for capital improvements for units scheduled further out on the rehab list. Budget revision may be necessary once HACB-wide budget is finalized and/or USDA-RD loan/grant approvals have been received.

RESOLUTION NO. 4508

Commissioner Anderson moved that Resolution No. 4508 be adopted by reading of title only: “APPROVAL OF FISCAL YEAR 2014 BUDGET FOR THE USDA-RD FARM LABOR HOUSING PROGRAM”. Commissioner Besser seconded. The vote in favor was unanimous.

5.4 Banyard Management (Banyard) –

5.5 Butte County Affordable Housing Development Corporation (BCAHDC) –

To date, HACB and its two (2) non-profit “component units”, Banyard and BCAHDC have limited their contractual relationship to provision of Managing General Partner duties for the tax-credit partnerships and property management services for select properties. Neither Banyard nor BCAHDC have employees. Both Banyard and BCAHDC are corporate entities that require administrative activity, including preparation of tax returns, State filings, Board meetings, pre-development work and other administrative duties. To date, HACB has performed these duties without compensation from either entity. Management requested Board approval to prepare contracts for Board consideration. Some methodologies for fee schedules that were discussed were payment on a lump sum or hourly basis. If an hourly rate is used, the Board recommended a cap. Management was leaning toward a lump sum with justification of the fees for service. The consensus of the Board was to direct staff to prepare the recommended contracts and compensations amount for Board consideration at its October meeting. The Board wanted to ensure the amounts for compensation used will be defensible and transparent.

5.6 Investment Report/Reserves Analysis – Finance Officer Kemp presented the quarterly reports. The fund to support the Butte Countywide Continuum of Care Coordinator has approximately six (6) months left. Executive Director Mayer has been outreaching to local agencies to re-fund this position. The goal is \$25,000, with approximately \$18,000 in commitments already made to date. The last “ask” to support this position was 3 years ago. Butte County Affordable Housing Development Corporation has approximately \$535,000 in reserves and Banyard Management has about \$190,000. Excess cash from Walker Commons will be spent on life/safety and building envelopment improvements, instead of partnership distributions. HACB will start to use LAIF as investment vehicle in next 2 weeks; currently in the process of finalizing paperwork. CD interest rates are poor you have to go out 3 years to get 1% interest.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM COMMISSIONERS

None.

10. MATTERS INITIATED BY COMMISSIONERS

None.

11. EXECUTIVE SESSION

11.1 Section 54957.6: Conference with Labor Negotiators

11.2 Section 54956.8: Conference with Real Property Negotiators – Purchase of Walker Commons L.P. Limited Partnership interest from WNC & Associates, Inc.

Adjourn: 3:22 p.m.

Reconvene: 3:37 p.m.

Chair Moravec said that the Board elected to schedule a special Board meeting for 2:00 p.m. on Thursday, August 1, 2013 to discuss Union Negotiations. There was no report on Walker Commons.

12. COMMISSIONERS' CALENDAR

- **Special meeting – August 1, 2013.**
- **Next meeting – August 15, 2013.**

13. ADJOURNMENT

The meeting was adjourned at 3:38 p.m.

Dated: July 18, 2013.

ATTEST:

Laura Moravec, Board Chair

Edward S. Mayer, Secretary