

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

MINUTES OF June 19, 2014

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:00 p.m.

1. ROLL CALL

Present for the Commissioners: Kate Anderson, Patricia Besser, Sharon Chambers, Larry Hamman, Clarence Lobo, Gene McFarren and Laura Moravec

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

2. AGENDA AMENDMENTS

Executive Assistant Young noted that there was an error on the June Board Agenda; under Item 12 “Commissioner’s Calendar” the next regularly scheduled Board meeting incorrectly stated June 19, 2014; the correct date is July 24, 2014.

3. CONSENT CALENDAR

Commissioner McFarren moved that the Consent Calendar be accepted as presented, including Resolution No. 4543 “AUTHORIZATION TO EXECUTE AGREEMENT WITH THE STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT FOR PURPOSES OF ACCESS TO APPLICANT AND CLIENT EMPLOYMENT INFORMATION”. Commissioner Chambers seconded. The vote in favor was unanimous.

4. CORRESPONDENCE

None.

5. REPORTS FROM EXECUTIVE DIRECTOR

5.1 Public Housing Admissions and Continued Occupancy Policy (ACOP) and Section 8 Administrative Plan (AP) –

5.2 Agency Annual Plan/Capital Fund Program – As a public agency administering the HUD Low Income Public Housing and Section 8 Housing Choice Voucher programs, HACB is required to annually submit to HUD applicable agency and administrative plan documents 75 days prior to the end of HACB’s fiscal year.

Draft revisions of the Public Housing Admissions and Continued Occupancy Policy (ACOP), Section 8 Housing Choice Voucher Administrative Plan (AP), One-Year Agency Plan, and Capital Fund Program, were accepted by the Board at the April 2014 meeting and authorized for issuance for public comment; the required 45 day public comment period has now expired. Executive Assistant Young gave a brief overview of the proposed changes, including recommendations received by Legal Services of Northern California (LSNC), the City of Chico and HACB staff. The Annual Plan has been revised to include required Violence Against Women Act (VAWA) language; needed Capital Fund improvement projects planned in Public Housing for the next fiscal year; and minor grammatical edits received from Marie Demers, Housing Manager, City of Chico. The ACOP and AP have been revised to incorporate all of the changes recommended by LSNC as outlined in the memo by Executive Assistant Young dated June 12, 2014. Some of the recommendations by LSNC include clarifications regarding live-in aide and caretaker for child eligibility and exception criteria; revisions to the Limited English Proficiency Policy; and revisions to the VAWA language. There was no public in attendance, therefore, the Public Hearing for the ACOP and AP was open at 2:24 p.m. and closed at 2:24 p.m. and the Public Hearing for the Annual Plan was open at 2:32 p.m. and closed at 2:32 p.m. Chair Moravec recommended that the HACB mission statement not be changed; the Board concurred. Revision of the mission statement will be addressed as part of a larger strategic planning effort to be undertaken over the next year. Next year in the Agency Annual Plan process, a new five-year plan needs to be established; goal-setting, strategic planning are part of that process. The Board elected to adopt the Plans with the changes as outlined including the recommendation by Chair Moravec regarding the HACB mission statement. The AP and the ACOP will become effective October 1st.

RESOLUTION NO. 4544

Commissioner Hamman moved that Resolution No. 4544 be adopted by reading of title only: “ADOPTION OF PUBLIC HOUSING ADMISSIONS AND CONTINUED OCCUPANCY POLICY (ACOP) AND SECTION 8 HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN (AP)”. Commissioner McFarren seconded. The vote in favor was unanimous.

RESOLUTION NO. 4545

Commissioner Anderson moved that Resolution No. 4545 be adopted by reading of title only: “ADOPTION OF THE ONE-YEAR AGENCY PLAN OF THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE”. Commissioner Besser seconded. The vote in favor was unanimous.

- 5.3 Receive and File Proposed Public Housing Admissions and Continued Occupancy Policy (ACOP) – Although the Board adopted the ACOP in the previous Agenda action, it is necessary to go through the entire “Annual Plan” process for the ACOP a second time this year, to implement Public Housing’s new flat rent requirements. On May 21, 2014, HUD posted Notice PIH 2014-12: “Changes to Flat Rent Requirements – 2014 Appropriations Act.” The notice contained instructions and timelines for implementing changes to Public Housing flat rent requirements. This year’s appropriations act requires PHAs to set flat rents at no less than eighty percent of the applicable HUD-determined fair market rent (FMR). Although this change does not significantly impact HACB’s current flat rents structure, established by means of rent-reasonableness analysis, HUD has determined that the change to flat rents constitutes a substantial deviation to the ACOP. Therefore in order to comply with the requirement, the HACB Board of Commissioners must receive and file draft ACOP, provide Public Notice for required 45-day review period, hold Resident Advisory Board meeting, incorporate recommendations received during the 45-day review period if any, and lastly hold a Public Hearing, then receive and file the finalized ACOP. The effective date for ACOP will be October 1st. After adoption of the Policy, HACB flat rents can be adjusted accordingly, as necessary.

MOTION

Commissioner Chambers moved that the Board receive and file the Public Housing Admissions and Continued Occupancy Policy, making it available for Public Comment. Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.4 Limited English Proficiency (LEP) Policy – The HACB has drafted a Language Assistance Policy (LAP) in order to provide equal opportunity to access and use HACB programs to persons with Limited English Proficiency (LEP). The LAP was drafted in accordance with federal guidelines and reflects policies already in place.

RESOLUTION NO. 4546

Commissioner Chambers moved that Resolution No. 4546 be adopted by reading of title only: “ADOPTION OF LANGUAGE ASSISTANCE POLICY (LAP) FOR PERSONS OF LIMITED ENGLISH PROFICIENCY (LEP).” Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.5 2015 Bonds Budget - The Series 2000A Bonds budget is established for the five (5) properties purchased in 2000 using bond proceeds. Four (4) of the properties are managed by RSC – Alamont Apts., Chico; Lincoln Apts., Chico; Kathy Court Apts., Paradise; and Evanswood Apts., Oroville; while Park Place Apts., Oroville, is managed by the HACB. The budget is due to the Bond Trustee by July 1st.

Therefore, the proposed budget is a “placeholder”, subject to final approval of the HACB’s consolidated budget; any changes resulting from the final consolidated budget will cause a revised Bonds budget to be forwarded to the Trustee. The proposed Bonds budget was prepared “status quo”, consistent with budget years previous, including capital improvement efforts. The current objective is to establish and maintain a stabilized portfolio in anticipation of refinancing. The proposed budget projects a positive cash flow of \$44,597 overall; Park Place and Kathy Court have a negative cash flow, leaving the other projects to subsidize the properties.

RESOLUTION NO. 4547

Commissioner Anderson moved that Resolution No. 4547 be adopted by reading of title only: “APPROVAL OF FISCAL YEAR 2015 BUDGET FOR THE HOUSING AUTHORITY SERIES 2000A BOND PROGRAM”. Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.6 HACB Rating – The HACB is being provided the opportunity to have its corporate credit assessed by Standard & Poors (S&P) at a discounted rate (30% discount). S&P is giving this opportunity to two member agencies of the California Affordable Housing Agency (CalAHA). The Regional Housing Authority of Sutter and Nevada Counties is the other housing authority being given this opportunity; they elected at their last Board meeting to have the Credit Assessment. A Credit Assessment for the HACB will cost \$15,750. The Credit Assessment is confidential, but should the HACB’s financial condition be strong enough it can then be made public. The annual fee to maintain the rating is currently estimated at \$5-7,000 per year. A credit rating could result in the HACB paying as much as 75 basis points less in interest on long term debt. Also the credit assessment will provide another perspective on the financial status and operations of the HACB. The Credit Assessment fee will be paid from the General Fund.

MOTION

Commissioner Chambers moved that the HACB proceed with the Standard & Poor’s Confidential Credit Assessment. Commissioner McFarren seconded. The vote in favor was unanimous.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

Commissioner Hamman left the meeting at this time.

7. MATTERS CONTINUED FOR DISCUSSION

- 7.1 Family Self-Sufficiency (FSS) Program report – Section 8 Housing Manager DeSoto prepared a five-year retrospective analysis of the HACB’s FSS Program. The Board admired the quality of Section 8 Housing Manager DeSoto’s work, expressed that they feel the FSS Program is a worthy program and asked Management to thank Mr. DeSoto for his good work.

8. SPECIAL REPORTS

An issue arose at Gridley Farm Labor Housing (FLH) that Executive Director Mayer needed to bring up to the Board’s immediate attention. Management has been given Board approval to advance up to \$300,000 of HACB funds for invoices to complete the FLH rehab work. Advanced funds are then reimbursed from either Joe Serna grant funds or USDA-RD grant or loan funds. Visinoni Brothers, the contractor completing the infrastructure work at FLH, turned in an invoice for \$634,070.85 this month. It represents completion of 52% of the contract, achieved over an almost two month period. Executive Director Mayer asked for an exception to pay this invoice. Visinoni is doing a great job, overcoming a lot of unforeseen obstacles and getting the contract done quickly. HACB will request Visinoni break their invoice amounts down into smaller pieces in the future.

MOTION

Commissioner McFarren moved the HACB advance payment of \$634,070.85 to Visinoni Brothers from the General Fund, to be reimbursed by HCD from Joe Serna funds. Commissioner Chambers seconded. The vote in favor was unanimous.

HACB may be awarded another twenty-five (25) VASH vouchers. Chair Moravec feels strongly that next year the HACB needs to evaluate implementation of a Section 8 admissions preference for veterans, since VASH only covers homeless veterans.

9. REPORTS FROM COMMISSIONERS

None.

10. MATTERS INTIATED BY COMMISSIONERS

None.

11. EXECUTIVE SESSION

11.1 Section 54957.6: Conference with Labor Negotiators

11.2 Section 54957: Public Employee Performance Evaluation

Adjourn: 3:43 p.m.

Reconvene: 3:58 p.m.

Chair Moravec reported that the Board gave Executive Director Mayer direction on how to proceed with Union negotiations. The Board was also given direction on completing the Employee Performance Evaluation.

12. COMMISSIONERS' CALENDAR

- NAHRO Summer Conference, Tampa FL, July 17-18, 2014.
- **Next meeting – July 24, 2014**

13. ADJOURNMENT

Commissioner McFarren moved that the meeting be adjourned. Commissioner Chambers seconded. The vote in favor was unanimous. The meeting was adjourned at 3:59 p.m.

Dated: June 19, 2014.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary