

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

**MEETING MINUTES OF July 21, 2016**

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:32 p.m.

1. ROLL CALL

Present for the Commissioners: Kate Anderson, Larry Hamman, Roger Hart, Anne Jones, Clarence “Bino” Lobo, 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: Bow Lee, HACB Special Programs Coordinator; Sheree Olson, Family Self-Sufficiency Graduate (5.1); and Sharon Chambers.

2. AGENDA AMENDMENTS

Executive Director Mayer asked that Resolution No. 4632 be added to the agenda under Government Code section 54954.2(b)(2) [Ralph M. Brown Act] “need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted”. We received a Resolution from USDA-RD on July 20<sup>th</sup> (after posting of the agenda) that requires response by July 27<sup>th</sup>.

**\*MOTION\***

Commissioner Hamman moved that Resolution No. 4632 be added to the agenda as item 5.10. Commissioner Lobo seconded. The vote in favor was unanimous.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

4.1 A \$500 Bronze Key Sponsorship thank you letter from the North Valley Housing Trust was included as an informational item.

4.2 The Esplanade House transitional housing program no longer qualifies for HUD Homeless Programs funds because it does not use HUD’s harm reduction model for admissions, it is a

sober living environment, conditioning admission and ongoing occupancy on sobriety. Gregg Webb, private investor, has agreed to privately fund the Esplanade House for one year. Mr. Thomas Tenorio, Community Action Agency, forwarded a request for financial support to the HACB. Two possible ways the HACB can assist the Esplanade House are either providing Project Based Vouchers, or establishing a preference for transitional housing graduates. These graduates would come with case management for one year to assist in the move from transitional housing to permanent housing. Executive Director Mayer asked the Board if they would like to bring this item forward for further discussion or as a possible action item at a future meeting. The consensus of the Board is that the Esplanade House is valuable to the community and that they would like to continue discussion at a future meeting. They asked staff to research different options.

**\*MOTION\***

Commissioner Hamman moved that the item be added to a future meeting. Commissioner Anderson seconded. The vote in favor was unanimous.

**5. REPORTS FROM EXECUTIVE DIRECTOR**

- 5.1 Family Self Sufficiency Graduate – Ms. Sheree Olson, FSS Graduate, attended the meeting and gave a brief presentation. The FSS program facilitated Ms. Olson’s opportunity to start her own business, “Flowers for All”, through which she sells dried flowers during the holidays. Ms. Olson is currently planting the flowers she will need for drying and winter sales, and taking business classes to better learn how to run her own business. She was grateful that she can stay on the Section 8 program after graduation in order to grow her business. The Board expressed their admiration to Ms. Olson for her accomplishments.

**\*RESOLUTION NO. 4627\***

Commissioner Anderson moved that Resolution No. 4627 be adopted by reading of title only: “RECOGNITION OF FSS GRADUATE SHEREE OLSON”. Commissioner Hart seconded. The vote in favor was unanimous.

- 5.2 Town of Paradise – Section 8 Housing Manager Doug DeSoto and Commissioner Anderson have been working with the Town of Paradise to create a tenant-based rental assistance (TBRA) program identical to the program the City of the Chico is running. The Town has committed HOME funds to establish a pilot program that will support 10-12 households for one year. Since Commissioner Anderson is going to supervise the program for the Town of Paradise, Ms. Anderson recused herself for the vote.

**\*RESOLUTION NO. 4628\***

Commissioner Hart moved that Resolution No. 4628 be adopted by reading of title only: “AGREEMENT WITH THE TOWN OF PARADISE FOR ADMINISTRATION OF TOWN OF PARADISE HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) FUNDS FOR THE TOWN OF PARADISE TENANT BASED RENTAL ASSISTANCE PROGRAM”. Commissioner Jones seconded. Commissioner Anderson not present for the vote. The vote in favor was unanimous.

- 5.3 2017 Bonds Budget – The proposed Bond project(s) were prepared in conjunction with RSC. The operating budget is due to Trustee on July 31<sup>st</sup>. The biggest change is that Park Place is no longer managed by the HACB, but is being managed by RSC. RSC now manages all five (5) of the Bond properties. Budgeted capital improvements are replacement of railings on the second story walkways at Lincoln Apartments, Chico; fencing and parking lot improvements at Kathy Court Apartments, Paradise; paint buildings and balcony repairs and/or replacements at Alamont Apartments, Chico; and replacement of two more roofs at Evanswood Estates, Oroville (next fiscal year the final two roofs will have be replaced). Our policy has been to complete capital improvements from cashflow, before using reserves. During the upcoming HACB Strategic Asset Plan process, we will look at refinancing opportunities since the current interest rate on the bonds is high.

**\*RESOLUTION NO. 4623\***

Commissioner Hamman moved that Resolution No. 4623 be adopted by reading of title only: “APPROVAL OF FISCAL YEAR 2017 BUDGET FOR THE HOUSING AUTHORITY SERIES 2000A BOND PROGRAM”. Commissioner Jones seconded. The vote in favor was unanimous.

- 5.4 Gridley Springs II Apartments Budget – The proposed annual Gridley Springs II Apartments operating budget was presented for adoption. The budget was prepared by US Residential Group, the management agent for the property, in coordination with HACB management. The budget is required to be submitted to USDA-RD by August 1<sup>st</sup>. 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. Budget revision may be necessary once HACB-wide budget is finalized. Proposed capital improvements include heating and air system replacements and flooring and cabinet replacements upon turnover.

**\*RESOLUTION NO. 4624\***

Commissioner Hart moved that Resolution No. 4624 be adopted by reading of title only: “APPROVAL OF THE F/Y 2017 OPERATING BUDGET FOR GRIDLEY SPRINGS II APARTMENTS, 200 FORD AVENUE, GRIDLEY”. Commissioner Hamman seconded. The vote in favor was unanimous.

- 5.5 Gridley Farm Labor Housing Budget – The proposed annual Farm Labor Housing operating budget was presented for adoption. Budget is required to be submitted to USDA-RD by August 1<sup>st</sup>. USDA-RD will make comments and return for final adoption. The proposed budget is based upon past years and essentially serves as a place holder. Budget revision may be necessary once HACB-wide budget is finalized. Due to the rehab project, several iterations of the budget are being approved each year. This budget is simply a reflection of this point in time. USDA-RD does not allow a budget with a year-end excess cash of more than \$2,000. The proposed budget reflects higher rents and adds some money back into the landscaping and security (which we had to cut drastically before).

**\*RESOLUTION NO. 4629\***

Commissioner Jones moved that Resolution No. 4629 be adopted by reading of title only: “APPROVAL OF FISCAL YEAR 2017 BUDGET FOR THE USDA-RD FARM LABOR HOUSING PROGRAM”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.5 Gridley Farm Labor Housing property – HACB provided access and acquisition of the property underlying the levee to Sutter Butte Flood Control Agency (SBFCA) to construct levee improvements at Gridley Farm Labor Housing. SBFCA seeks additional access to the property’s remainder on the river side of the levee for purposes of riverbank stabilization and seeks to acquire said property. The purchase price has been determined by appraisal, the sale terms as substantively the same terms as established for acquisition of the property underlying the levee, and proceeds from the sale will go into rehab construction budget per USDA-RD request.

**\*RESOLUTION NO. 4630\***

Commissioner Hart moved that Resolution No. 4630 be adopted by reading of title only: “AMENDMENT TO EASEMENT AGREEMENT WITH SUTTER BUTTE FLOOD CONTROL AGENCY REGARDING CONSTRUCTION OF LEVEE IMPROVEMENTS AND PURCHASE OF PROPERTY AT GRIDLEY FARM LABOR HOUSING, GRIDLEY”. Commissioner Hamman seconded. The vote in favor was unanimous.

- 5.6 Personnel – Deputy Executive Director Peters, who also serves as our Modernization Coordinator, is retiring. This provides the HACB an opportunity to reorganize the management team from a five (5) person Executive Management team to four (4). The first step in this process is to adopt a position description for a Modernization Coordinator. The proposed position was comped with local project management and other housing authorities’ positions.

**\*RESOLUTION NO. 4631\***

Commissioner Hamman moved that Resolution No. 4631 be adopted by reading of title only: “ESTABLISHMENT OF MODERNIZATION COORDINATOR POSITION”. Commissioner Lobo seconded. The vote in favor was unanimous.

- 5.8 HACB Audit – The audited financial statements for the fiscal year ended September 30, 2015, for the Housing Authority of the County of Butte, including the component units of Butte County Affordable Housing Development Corporation and Banyard Management, were presented. This year’s auditor was same as last two years, and as such completed a very thorough audit. Per GASB 68, the unfunded pension liability is now included in the audit. Therefore this year’s audit contains additional required notes. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings. Finance Officer Kemp recommended that the Board pay particular attention to the Management Discussion and Analysis, for a summary of highlights of the audit and context.

**\*MOTION\***

Commissioner Hamman moved that the 2014-15 Audit be accepted as presented. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.9 Investment Report/Reserves Analysis – There are new investments on the cash and investment report. Eventually USRG will hold the Walker Commons and Chico Commons reserves. On the restricted versus unrestricted funds analysis, there is a negative balance of \$67,488 for the

Continuum of Care. Executive Director Mayer is collecting funds to reimburse the HACB for some of these costs. Demo is reduced due to support of rehab work at Gridley Farm Labor Housing. There is approximately \$3M in unrestricted cash available for use (between HACB, BCAHDC and Banyard). HACB needs to send out a request for proposal for banking services in the near future.

- 5.10 Gridley Farm Labor Housing – USDA-RD granted HACB \$2.7M in additional grant funds to continue the rehab contract. Last month the Board approved extending the contract with SW Allen to complete the first phase of construction and to expend the committed grant funds. The proposed Resolution is a required USDA-RD form used as a mechanism to accept the funds.

**\*RESOLUTION NO. 4632\***

Commissioner Hamman moved that Resolution No. 4632 be adopted by reading of title only: “RESOLUTION OF THE BOARD OF DIRECTORS OF HOUSING AUTHORITY OF THE COUNTY OF BUTTE, GRIDLEY FLH PROVIDING FOR OBTAINING FINANCIAL ASSISTANCE IN THE AMOUNT \$2,700,000 TO AID IN FINANCING FEDERALLY DEFINED LOW-RENT HOUSING AND RELATED FACILITIES FOR LOW-INCOME DOMESTIC FARM LABOR, AND RELATED MATTERS”. Commissioner Anderson seconded. The vote in favor was unanimous.

6. MEETING OPEN FOR PUBLIC DISCUSSION

Ms. Sharon Chambers said she thinks we are doing an excellent job.

7. MATTERS CONTINUED FOR DISCUSSION

- 7.1 HACB Strategic Plan – The Board received a copy of the final version of the HACB Strategic Plan.
- 7.2 The article “Shaping the Future of Your Organization”, an outline guide to strategic planning considerations, was provided as an informational item and affirmation of the process the Board just completed.

8. SPECIAL REPORTS

- 8.1 NAHRO Summer Conference, Portland OR, July 15-17, 2016 - Executive Director Mayer reported on his attendance at the Summer Conference. There were approximately 700 people in attendance at the conference. The news on the legislative front is that a de-regulation bill for Housing Authorities passed both the House and Senate (HR 3700). NAHRO is being to see results from the bridges being built to Congress through legislative networking. The next push by NAHRO is a de-regulation bill for small housing authorities (SHARP). Executive Director Mayer was astonished by the numbers of homeless persons he saw everywhere in Portland.

9. REPORTS FROM COMMISSIONERS

None.

10. MATTERS INITIATED BY COMMISSIONERS

Chair Moravec asked what response Executive Director Mayer provided to the Grand Jury report. Mr. Mayer did not respond to the initial report since there were not inaccuracies related to the HACB. However, he is contemplating working on a short, concise response with Dorian Kittrell, from Behavioral Health.

11. EXECUTIVE SESSION

11.1 Government Code 54957: Public Employee Performance Evaluation – postponed until next meeting.

12. COMMISSIONERS' CALENDAR

- **Next regular meeting – August 18, 2016.**

13. ADJOURNMENT

Commissioner Hamman moved that the meeting be adjourned. Commissioner Jones seconded. The meeting was adjourned at 4:23 p.m.

Dated: July 21, 2016.

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Laura Moravec, Board Chair

ATTEST:

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Edward S. Mayer, Secretary