

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

**MEETING MINUTES OF March 15, 2018**

Chair Anderson 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, Larry Hamman, Roger Hart, Anne Jones, and David Pittman.

Present for the Staff: Larry Guanzon, Deputy Executive Director; Sue Kemp, Finance Director; Tamra Young, Administrative Operations Director; and Marysol Perez, Executive Assistant.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

- 4.1.1 Franchise Tax Board Interagency Collections program – the California State Controller has reviewed the Interagency Intercept Collections Program (IICP) and issued notice that that public housing authorities are not eligible to participate. The IICP program facilitated housing authority collection of debt owed by previous participants by means of tax-refund intercept. The program has been the single most effective means for debt collection by the HACB. Re-establishment of program access by housing authorities will require either a re-determination of law and challenge to the State Controller, or legislative action, either of which requiring coordinated action by housing authorities across the state, an unknown prospect at this time.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Family Self-Sufficiency (FSS) Graduate – Mr. Whitmore was a participant of the FSS program for roughly two (2) years. He is a HUD-VASH participant. While on the FSS program Mr. Whitmore renewed his Respiratory Therapist License. He has secured employment at Goodwill Industries and aspires to work in a medical setting in the future.

**\*MOTION\***

Commissioner Hart moved that resolution No. 4692 be adopted by reading of title only: “RECOGNITION OF FSS GRADUATE LINDSEY WHITMORE”. Commissioner Jones seconded. The vote in favor was unanimous.

- 5.2 Smoke-free Housing Policy – HACB staff recommends the board of commissioners authorize smoke free housing policy in Bond Portfolio properties that are managed by RSC, third party property manager. HACB is slowly moving to transition all HACB housing stock into smoke free environments, following the lead and policies of HUD Public Housing. Commissioner Hart was curious as to how HACB will deal with resistance from tenants given the complicated nature of the issue. Deputy Executive Director Guanzon replied that many opportunities will be given to smoking tenants by the property manager, following a progressive enforcement path. Commissioner Jones commented that smokers and the public in general are getting used to no-smoking policies. Executive Director Mayer also added that HACB expected “armed resistance” from tenants when implementing the no-smoking policy in HUD Public Housing, but contrary to expectations, the HACB has received affirmations from tenants; they are willingly working with HACB in adopting the policy. Executive Director Mayer added that only after extraordinary failed efforts will a tenant be forced to move out, due to non-compliance of policy.

**\*MOTION\***

Commissioner Jones moved motion to authorize implementation of smoke-free housing policies at the Housing Authority’s five (5) bond-financed properties, and the Locust Apartments, Chico. Commissioner Besser seconded. The vote in favor was unanimous.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

- 7.1 Unfunded Pension Liability Plan – An update was provided to the Board of Commissioners by Executive Director Mayer and Finance Director Kemp, HACB’s ability to meet its Unfunded Pension Liability (UPL), currently estimated at approximately \$3.2 million. A serious concern, third party analysis to address UPL pay-down and stabilization options has been discussed with the Board over the past several months. Unfortunately, the third party actuary HACB initially engaged has become unavailable to complete the work. Three other actuary firms were contacted and solicited. HACB now has two (2) responsive proposals from consultants. One consultant proposed analysis be completed within 6-8 weeks at an estimated cost of \$6,000-\$8,000; the other proposed analysis within 8-10 weeks at an estimated cost of \$8,000-\$11,000. Both consultants provided the same scope of work and both included interaction with the Board for input and direction. The first of the actuarials mentioned above, Nicolai Consultants, was highly recommended; both Executive Director Mayer and Finance Director Kemp have confidence that they will be able to deliver. Commissioner Hart is skeptical of the proposed timeline, given the amount of time it has taken to finally get to this point. Commissioner Pittman added he liked the idea of a “sit down” meeting with the Board. Executive Director Mayer, clarified that the intention is to move this analysis along quickly, and acknowledged the importance of the work, affirming that every effort is being made to address the issue comprehensively and timely.
- 7.2 Strategic Asset Plan and Development Opportunities – With the Unfunded Pension Liability (UPL) framing the future, Executive Director Mayer brought up the four affordable housing development opportunities that have identified for Housing Authority participation in the area; one senior project in Gridley, a family project in Oroville, and two prospective projects in Chico, one for seniors and special needs, and one for homeless veterans. All projects contemplate the project-basing of Section 8 vouchers, and participation by the HACB or its instrumentalities (Banyard or BCAHDC) as partner in the Limited Partnerships to be created. The Gridley project is continues to move along timely and is looking at a July 2018 tax credit application date, with a delivery of units in late 2019. The Oroville project is still up in the air, there is currently a large funding gap, and the entire planning department in the city of Oroville is gone. One of the Chico projects, in which CHIP is involved as co-developer and the City is providing land via long-term lease, is expected to payout throughout the next three years – the City will need to first subdivide its property. The other Chico project, a

partnership with the Veterans Resource Center, now looks more feasible with HUD's recent award of (30) Section 8 HCV HUD-VASH vouchers. Executive Director Mayer anticipates having the Strategic Asset Plan completed by the end of summer, and also anticipates two (2) development agreements within that time, one for the Gridley Senior project, and one for the Chico Veterans project.

#### 8. SPECIAL REPORTS

None.

#### 9. REPORTS FROM COMMISSIONERS

Commissioner Pittman spoke to the importance of internet connectivity to those we serve, particularly in Oroville. He inquired about opportunities to bring connectivity to residents, indicating he was aware of one or more commercial providers advancing connectivity initiatives in the area. Executive Director Mayer indicated the HACB was aware of the commercial connectivity opportunities, and has been encouraged by HUD to make connectivity available to its clients. Comcast Cable provides a low-income-based low-cost internet service throughout the County. Unfortunately, HACB's properties are small and scattered; they do not lend themselves to scaled internet connectivity infrastructure. Tenants of HACB properties have relied on the Comcast product for access to the internet.

#### 10. MATTERS INITIATED BY COMMISSIONERS

On behalf of the Board of Commissioners and HACB staff, Chair Anderson recognized and thanked Commissioner Hamman for twenty-five years of outstanding service as HACB Commissioner.

#### 11. EXECUTIVE SESSION

None.

#### 12. COMMISSIONERS' CALENDAR

- **Next regular meeting – April 19, 2018**
- 2018 NAHRO Washington, D.C. Conference – April 22 – 24, 2018
- 2018 Super Conference PSWRC NAHRO, Sacramento – May 21-23, 2018

13. ADJOURNMENT

Commissioner Hamman moved that the meeting be adjourned. Commissioner Hart seconded. The meeting was adjourned at 3:16 p.m.

Dated: March 15, 2018.

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Kate Anderson, Board Chair

ATTEST:

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Edward S. Mayer, Secretary