

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

MEETING MINUTES OF August 20, 2020

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:05 p.m.

(Pursuant to current State Public Health directives to shelter-in-place and practice social distancing, and as authorized by Governor Gavin Newsom’s Executive Orders N-25-20 and N-29-20, This Board of Directors meeting observed “social distancing” protocols, and was conducted via teleconference, web-conference, and in person. Meeting notice and public participation was addressed consistent with the State Governor’s COVID-19 Executive Order, providing for Brown Act exceptions.)

1. ROLL CALL

Present for the Commissioners: Kate Anderson, Larry Hamman, Laura Moravec, Rich Ober, and David Pittman. Commissioners Moravec and Pittman attended in person, the balance by means of web-conference.

Present for the Staff: Ed Mayer, Executive Director; Larry Guanzon, Deputy Executive Director; Sue Kemp, Finance Director; Tamra Young, Administrative Operations Director; Marysol Perez, Executive Assistant; and Jerry Martin, Modernization Coordinator, all in person, with the exception of Sue Kemp, Finance Director, who attended by means of web-conference.

Others Present: Thomas Lewis, Attorney - California Affordable Housing Agency, by telephone.

2. AGENDA AMENDMENTS

Request from Executive Director Mayer was made to the Board of Commissioners regarding a change in order of agenda. The request to move Executive Session item 11.1 to the beginning of the agenda was made. Commissioner Pittman moved that Executive Session item 11.1 be moved to the beginning of the agenda. Commissioner Anderson seconded. The vote in favor was unanimous.

3. CONSENT CALENDAR

Commissioner Pittman moved that the Consent Calendar, including Resolution No. 4785 “ADOPT STANDARD CHARGES TO RESIDENTS FOR CLEANING, REPAIR,

REPLACEMENT AND MISCELLANEOUS CHARGES”, be accepted as presented. Commissioner Ober seconded. The vote in favor was unanimous.

4. CORRESPONDENCE

None.

11. EXECUTIVE SESSION

Adjourned – 2:08 p.m.

Reconvened – 2:33 p.m.

- 11.1 Government Code 54956.8: Conference with real estate negotiator – Consensus of direction from the Board of Commissioners was given to HACB staff regarding properties located at 1200 Park Avenue Chico, and 210 Ford Avenue, Gridley. Present were all persons identified in the Roll Call.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Adoption of Injury & Illness Prevention Program with COVID-19 Supplement – A new Injury and Illness Prevention Program (IIPP) policy, including a CalOSHA- required supplement addressing COVID-19 considerations, was presented for adoption. The IIPP was recommended for adoption as presented.

RESOLUTION NO. 4786

Commissioner Pittman moved that Resolution No. 4786 be adopted by reading of title only: “ADOPTION OF INJURY AND ILLNESS INJURY PREVENTION PROGRAM”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.2 Farm Labor Housing (FLH) Modernization – Authorization was requested for staff to complete application for an additional \$3 million in USDA-RD Section 516 Grant funds. These funds are to be used to accomplish modernization Phase IV at Gridley Farm Labor Housing. Should the grant be received early enough, a Change Order to the Phase II and III construction contract could ensure continuation of the rehab work this year.

RESOLUTION NO. 4787

Commissioner Anderson moved that Resolution No. 4787 be adopted by reading of title only: “GRIDLEY FLH MODERNIZATION PHASE IV (LABOR HOUSING LOAN AND GRANT TO A NONPROFIT CORPORATION)”. Commissioner Ober seconded. The vote in favor was unanimous.

- 5.3 COVID-19 (Coronavirus) – Executive Director Mayer discussed the HACB’s continued response to the COVID-19 pandemic, in addition to discussing the special funds received from Congress - CARES Act monies. HACB received direct allocations for both its HUD Public Housing and Section 8 HCV programs. The amount received for Public Housing was \$183,157, and Section 8 HCV received \$675,521. Funds are to be spent in COVID-19 response activities. The Public Housing funds must be expended by December 31, 2020, and the Section 8 HCV funds must be expended by June 2021. A proposed budget for expenditure of the funds proposes how funds will be spent. To date, most of the funds have been spent on technology, to achieve office-closed-to-the-public communications capacities, and staff out-of-office work capacities. In addition, the HCV Program is starting a Landlord Incentive program, which will provide landlords with a \$500 signing bonus for each newly executed HAP contracts. Fund expenditures can capture the budget items retroactive to March 27th. The budget was sent to the Budget Committee prior, for review and comment. Funds can also be used for regular operational expenses; this is particularly helpful to Section 8, as the program is currently running at a deficit, due to low lease rates and Administrative Fees associated with Port Outs to other housing authorities, stemming from 2018’s Camp Fire Disaster.

MOTION

Commissioner Ober motioned to approve the Proposed CARES Act funding budget. Commissioner Pittman seconded. The vote in favor was unanimous.

- 5.4 Strategic Asset Plan – Executive Director Mayer provided an update on Strategic Asset Plan activity, including 1200 Park Avenue Apartments Limited Partner exit, re-financing of the Walker Commons and Chico Commons Apartments projects, and Public Bond Issuance. Regarding the Bond Issuance, it is anticipated that authorization to issue bonds will be presented for consideration at the September Board Meeting. The concept will be to leverage six select HACB “other-owned” properties (including Alamont, Lincoln, Cordillera, Locust Street, Evanswood, and Park Place Apartments) at a Debt Service Coverage Ratio of 1.25:1, a conservative approach that allows for further flexibility in leveraging and refinancing. Interest rates have historically never been lower; currently looking at approximately 3% for a 30-year bond. Bond proceeds would be used to make improvements to the leveraged properties in accordance with the supporting Physical Needs Assessments, extraordinary improvements to the Lincoln and Evanswood properties, purchase of additional property, and to reconstruction of the Kathy Court Apartments, lost in the Camp Fire. Chair Moravec inquired about monies being used at Kathy Court. Executive Director Mayer reminded the Board that the Kathy Court insurance proceeds were required to be used to retire the debt of the 2000A bond portfolio; additional funds from the Kathy Court loss may be expected to be received from a PG&E bankruptcy settlement.

- 5.5 Development Activity – Executive Director provided an update regarding the current development activity in the area. The HACB’s instrumentality, BCAHDC, is involved as Managing General Partner in six project applications that seek 9% Low Income Housing Tax Credits from a special allocation of credits provided by Congress to fourteen California Counties affected by disaster in 2018. The proposals for Butte include affordable housing to be built in Gridley, Oroville, and Chico. All six of the projects have received preliminary scoring letters from CTCAC, the State allocating agency, a positive sign of ultimate credit allocation.

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

Adjourned – 2:56 p.m.
Reconvened – 3:05 p.m.

- 11.2 Government Code 54957: Public Employee Performance Evaluation – Chair Moravec reported out that the Board had reviewed and discussed the Executive Director’s Performance Evaluation, and direction was given to staff.

12. COMMISSIONERS’ CALENDAR

- **Next regular meeting – September 17, 2020.**

13. ADJOURNMENT

Commissioner Pittman moved that the meeting be adjourned. Commissioner Anderson seconded. The meeting was adjourned at 3:11 p.m.

Dated: August 20, 2020.

ATTEST:

Laura Moravec, Board Chair

Edward S. Mayer, Secretary