

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

MEETING MINUTES OF October 15, 2020

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:32 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 Commissioner 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: Charles Alford, Kate Anderson, Laura Moravec, and David Pittman. Commissioners Alford, 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; Jerry Martin, Modernization Coordinator; all in person, with the exception of Sue Kemp, Finance Director, who attended by means of web-conference.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

Chair Moravec asked if we have a new FSS Coordinator, Executive Director Mayer replied that indeed we have a new coordinator; Javi Pinedo, who was promoted into the position from Section 8 Caseworker.

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

4. CORRESPONDENCE

None.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Family Self-Sufficiency (FSS) Graduate – Ms. Warren enrolled in the FSS program in February of 2016, her main goal was to secure employment, which she has successfully achieved, now working part-time with United Health Care. She has voluntarily exited the Section 8 program as of the end of September 2020, and takes with her an escrow balance of \$6,475.21.

RESOLUTION NO. 4791

Commissioner Anderson moved that Resolution No. 4791 be adopted by reading of title only: “RECOGNITION OF FSS GRADUATE SHEILA A. WARREN”. Commissioner Pittman seconded. The vote in favor was unanimous.

- 5.2 1200 Park Avenue LP – This an affordable housing tax-credit partnership that nearing the end of its 15-year tax-credit compliance period. The Limited Partner (Alden Torch) is willing and interested in exiting the partnership. The transaction is considered an early out because we are engaging before the end of year 15 of the tax-credit compliance period. The end of 15 year will be December 312, 2020. It is proposed the HACB buy the Limited Partner interests from Alden Torch for \$250,000. The transaction has been negotiated, to the satisfaction of staff. Executive Mayer noted there was nothing unusual about the guarantee agreement, the HACB is guaranteeing the remaining tax-credit performance associated with the last of the 15-year compliance period. At the last meeting, the Board authorized the purchase and sell agreement’s negotiated cost. Adoption of Resolution No. 4792, approving the Purchase and Sale Agreement and supporting documents is recommended, to move forward with the transaction. Commissioner Pittman complimented the negotiation team as he feels they did a very good job.

RESOLUTION NO. 4792

Commissioner Anderson moved that Resolution No. 4792 be adopted by reading of title only: “AUTHORIZATION TO PURCHASE INVESTOR AND SPECIAL LIMITED PARTNER INTERESTS IN 1200 PARK AVENUE, L.P., A CALIFORNIA LIMITED PARTNERSHIP”. Commissioner Pittman seconded. The vote in favor was unanimous.

- 5.3 COVID-19 (Coronavirus) – Contract presented for approval, being greater than \$50,000. Special funds received from HUD in the form of CARES Act monies, for COVID-19 response. Proposed are physical office improvements, designed to accomplish social distancing protocols and other safety improvements. Contract totals \$214,940. Staff requests approval for use of COVID-19 CARES ACT funds, with small (ineligible) portion paid by means of General Fund dollars. The work includes new hard flooring in the training room, painting publicly accessible walls to make it easier to clean, converting interview rooms with bullet proof glass partitions, installing ionization devices in building HVAC

systems, and placement of ironwork security enclosures around exterior HVAC condenser units. Finance Officer Kemp discussed the total value vs. CARES Act budget allocations previously directed by the Board; HACB will be using \$60,000 from the General Fund.

RESOLUTION NO. 4793

Commissioner Pittman moved that Resolution No. 4793 be adopted by reading of title only: “AUTHORIZATION TO ENTER INTO CONTRACT WITH HIGNELL INCORPORATED, DBA EXPERTS IN YOUR HOME FOR SAFETY AND SECURITY IMPROVEMENTS AT 2039 FOREST AVENUE, CHICO”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.4 HACB Write-Offs – Annually, HACB records vacated tenant balances for doubtful accounts, reducing the net tenant accounts receivable shown on the balance sheet. Finance Director Kemp reviewed the write-off amounts and informed that about \$32,000 was repair value of a fire-damaged unit that was attributable to the tenant. HACB did receive insurance proceeds, the cost of the damages were assigned to the tenant and are still collectible. If the tenant happens to re-pay the damages to HACB, Finance Director Kemp believes those funds would have to be repaid to the insurance company. FLH had larger balances than previous years. Other than the extraordinary fire event, the amount of bad debt is within normal order of magnitude. The bad debt is sent to collections; HACB pursues collection through the Butte County Collection Bureau.

RESOLUTION NO. 4794

Commissioner Pittman moved that Resolution No. 4794 be adopted by reading of title only: “WRITE-OFF UNCOLLECTIBLE ACCOUNTS RECEIVABLE”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.5 Chico Rancheria Housing Corporation – Proposed is a Memorandum of Agreement with Chico Rancheria Housing Corporation, the area Indian Housing Authority. The MOA provides for Chico Rancheria delivery of social services support and coordination to Housing Authority Public Housing households that include Native American household members. The MOA has been renewed several times through the years, each time Chico Rancheria re-ups their HUD ROSS Grant, providing for the services. HACB has identified fifteen (15) Public Housing households that have Native American members. The MOA involves no money, the HACB’s only obligation is to help identify and coordinate the services delivery.

RESOLUTION NO. 4795

Commissioner Anderson moved that Resolution No. 4795 be adopted by reading of title only:

“MEMORANDUM OF AGREEMENT WITH CHICO RANCHERIA HOUSING CORPORATION AUTHORIZING APPLICATION FOR 2020 HUD ROSS SERVICE COORDINATOR FUNDS”. Commissioner Pittman seconded. The vote in favor was unanimous.

- 5.6 2020 Multifamily Housing Pooled Revenue Bonds – The Authority’s financing work has led it to needing to develop and adopt a Debt Management policy. This is particularly relevant to the Authority’s use of public bond finance tools. The proposed policy applies specifically to multifamily bond policy, there no reason not to adopt policy as it stands – it was provided by our underwriter counsel, Julie Wunderlich, Jones Hall, San Francisco. Adoption of Resolution No. 4796 is recommended to help facilitate and support the issuance of bonds, scheduled to occur by December. The Authority seeks to further support its bond issuance with adoption of a companion Continuing Disclosure policy, by resolution immediately following. Commissioner Anderson commented this seemed like a pretty straight forward policy.

RESOLUTION NO. 4796

Commissioner Andersson moved that Resolution No. 4796 be adopted by reading of title only: “RESOLUTION OF THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE ADOPTING DEBT POLICY”. Commissioner Pittman seconded. The vote in favor was unanimous.

- 5.7 2020 Multifamily Housing Pooled Revenue Bonds – Continuing Disclosure policy, a companion policy to the Debt Management policy previously presented and recommended for adoption.

RESOLUTION NO. 4797

Commissioner Pittman moved that Resolution No. 4797 be adopted by reading of title only: “RESOLUTION OF THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE ADOPTING DISCLOSURE POLICIES AND PROCEDURES”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.8 Strategic Asset Plan – Executive Director Mayer briefly provided a status update to Strategic Asset Plan. All energy is focused right now on bond issuance and restructuring of 1200 Park Avenue Apartments.
- 5.9 Development Activity – Executive Director provided a brief update regarding the current development activity in the area including spreadsheet with all current development projects in Butte and Glenn Counties. Chair Moravec suggested Butte County Board of Supervisors be aware of this activity. In addition, an architect was retained to schematically explore development of the Fogg Avenue property, specifically the application of “small houses” in building out the property. Three site plans were presented and discussed. Commissioners

liked the first layout option presented. Modernization Coordinator Jerry Martin, was given direction to retain and architect/engineer to complete design development work, flushing out detail to the preliminary concept.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM COMMISSIONERS

- 9.1 Executive Director Compensation - Chair Moravec on behalf of the Board of Commissioners acknowledged Executive Director Mayer's twelve (12) years of service with the HACB. Feel very fortunate and blessed to have him at our helm. The Board of Commissioners authorized an \$8,000 one-time cash bonus. Executive Director Mayer expressed sincere gratitude and is very appreciative of the Board and his staff.

MOTION

Commissioner Pittman moved to authorize a \$8,000 one-time cash bonus. Commissioner Anderson seconded. The vote in favor was unanimous.

10. MATTERS INITIATED BY COMMISSIONERS

Chair Moravec received the Mi CASA newsletter, a fundraising letter. The student population is particularly challenged in the local school district under COVID-19 protocols. Chair Moravec inquired if the agency could help a little more than we have in the past. Executive Director Mayer and Deputy Executive Director Guanzon had just had a meeting with Kathy Mackenzie, Director of Mi CASA, to understand the challenges in program operations. Mi CASA has focused its attention on students that have parents that are unable to communicate with the teachers/school district, as they are illiterate in both Spanish and English, and bridging the communications gap and ensuring school work can be accomplished. Finance Director Kemp added that since the last time the HACB contributed to the program was in March, Mi CASA has not drawn down funds since. HACB staff will check in with Mi CASA to make sure they are taken care of. Commissioner Anderson added that based on what Finance Director Kemp said; funds are available right now that might not be available in the future. Board of

Commissioners are very supportive of the work Mi CASA provides to the children and families in the FLH community.

11. EXECUTIVE SESSION

Adjourned – 4:01 p.m.

Reconvened – 4:34 p.m.

- 11.1 Government Code 54956.8: Conference with real estate negotiator – direction was given to HACB staff regarding acquisition of properties located at Evanswood Apartments, Oroville. Present were all persons identified in the Roll Call with the exception of Jerry Martin, Modernization Coordinator.
- 11.2 Government Code 54957.6: Conference with Labor Negotiators (Operating Engineers Local No.3) – direction and authority was provided to staff regarding union negotiations. Present were all persons identified in the Roll Call with the exception of Jerry Martin, Modernization Coordinator.

12. COMMISSIONERS' CALENDAR

- **NAHRO National Conference (Digital) – November 17 – 18, 2020**
- **Next regular meeting – November 19, 2020.**

13. ADJOURNMENT

Commissioner Pittman moved that the meeting be adjourned. Commissioner Anderson seconded. The meeting was adjourned at 4:37 p.m.

Dated: October 15, 2020.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary