

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

MEETING MINUTES OF June 17, 2021

The meeting was noticed pursuant to State Public Health COVID-19 pandemic health directives as authorized by Governor Gavin Newsom’s Executive Orders N-25-20 and N-29-20, providing for Brown Act exceptions, in observing “social distancing” protocols, to be conducted via teleconference, web-conference, and in person. Though the State directives were lifted on June 15, 2021, the meeting was conducted via teleconference, web-conference and in person, as noticed.

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:06 p.m.

1. ROLL CALL

Present for the Commissioners: Charles Alford, Kate Anderson, Theresa Ayers, Laura Moravec, Rich Ober and David Pittman. Commissioners Alford, Moravec, Ober 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; and Angie Little, Section 8 Manager all attended in person.

Others Present: Jaime Bordenave, The Communities Group; Gerard Windt, Director, HUD Office of Public Housing, San Francisco; Andrew Nguyen, HUD Portfolio Management Specialist; Nick Benjamin, Executive Director CALAHA; and Tom Lewis, Attorney, CalAHA. All attended by means of web-conference.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

None.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Public Housing – Executive Director Mayer made a presentation on repositioning of Public Housing, based on consulting work completed by HUD-provided technical assistance consultant Jaime Bordenave, President of The Communities Group, Washington, D.C. In response to the chronic underfunding of Public Housing, resulting in increasing capital needs in aging or obsolescent properties, HUD has developed a number of financial tools and approaches for housing authorities to use in addressing the capital shortage problem. In short, the tools provide for the transition of the Public Housing program and its properties to alternate affordable housing platforms, chiefly supported by project-based Section 8 vouchers. The properties are freed from the HUD Public Housing program, providing flexibility for the units to be managed as assets, ensuring ongoing viability. Units could be financially leveraged, improved, sold, exchanged, or purchased. Mr. Bordenave provided an overview of the HACB’s properties, scenario’s for phased conversion of the portfolio, and financial benefits from the restructuring activity and outcomes. His work summarized his interaction with HACB staff over the past several months, analyzing HACB’s Public Housing portfolio. In conclusion, the increasing gap between property capital needs and actual projected HUD funding require the HACB to take direction in repositioning its properties. Mr. Bordenave said it was a pleasure to work with Executive Director Mayer and staff.
- 5.2 Gridley Farm Labor Housing (FLH) Budget – The proposed annual Farm Labor Housing operating budget was presented for adoption. Staff met with the Budget Committee prior, who recommended adoption of the proposed budget, due to USDA-RD by June 30th. Changes in unit composition as the result of renovations; resulted in higher rent revenue, reducing debt service and allowing Loan 4 to be paid off in FY2021. Budget and proposed rent increases are subject to USDA-RD approval, after Board adoption.

RESOLUTION NO. 4818

Commissioner Pittman moved that Resolution No. 4818 be adopted by reading of title only “APPROVAL OF FISCAL YEAR 2022 BUDGET FOR THE USDA-RD FARM LABOR HOUSING PROGRAM”. Commissioner Ober seconded, the vote in favor was unanimous.

- 5.3 Gridley Farm Labor Housing (FLH) – The HACB’s current banking provider for the Gridley FLH program no longer provides banking services compliant with USDA-RD. The HACB has found that Tri Counties Bank in Chico can provide the banking services required by USDA-RD.

RESOLUTION NO. 4819

Commissioner Ober moved that Resolution No. 4819 be adopted by reading of title only “AUTHORIZATION TO ESTABLISH USDA-RD FARMWORKER HOUSING PROGRAM

BANKING ACCOUNTS WITH TRI COUNTIES BANK, CHICO”. Commissioner Pittman seconded, the vote in favor was unanimous.

- 5.4 Emergency Housing Vouchers (EHV) – The HACB was recently awarded 116 Emergency Housing Vouchers (EHV), which are part of the federal American Rescue Plan Act. The vouchers target homeless households, providing three-years rental assistance to participants. The program provides for supportive services and housing navigation. While acceptance of the EHV’s is discretionary, Executive Director Mayer said it would be irresponsible for the HACB not to take on the EHV’s, as he sees it as a way to grow the HCV program. He knows of no housing authority that has refused the vouchers. The program allows the HACB to establish rental assistance Payment Standards between 90 percent and 120 percent of the published Fair Market Rents (FMR’s) for the area. Similar to the Section 8 HCV program there will be separate payment standards for the (2) jurisdictional areas; Butte and Glenn county. Commissioner Pittman asked if there were any strings attached to administer the EHV’s, Executive Mayer replied that the program is similar to HACB’s Homeless and HUD-VASH programs. Finance Director Kemp added that there would be extra administrative fees and tools passed down to the administrating providers.

RESOLUTION NO. 4820

Commissioner Pittman moved that Resolution No. 4820 be adopted by reading of title only “2021 PAYMENT STANDARDS FOR THE HUD EMERGENCY HOUSING VOUCHER PROGRAM”. Commissioner Anderson seconded, the vote in favor was unanimous.

- 5.5 Memorandum of Understanding (MOU) – the HACB has been awarded 116 HUD Emergency Housing Vouchers (EHVs) to serve the homeless in Butte and Glenn County. Administration of the EHV program requires MOUs be entered with local homeless Continuum of Care (COC). The HACB has drafted a MOU with the local CoC to begin administering the EHV program.

RESOLUTION NO. 4821

Commissioner Ober moved that Resolution no 4820 be adopted by reading of title only “HUD EMERGENCY HOUSING VOUCHER PROGRAM MEMORANDUM OF UNDERSTANDING WITH BUTTE COUNTYWIDE HOMELESS CONTINUUM OF CARE”. Commissioner Pittman seconded, the vote in favor was unanimous.

- 5.6 Housing Authority of the County of Butte – Two options were developed for build-out of the 2131 Fogg Avenue, Oroville property. One option used a manufactured housing approach, yielding 16 units, and the other option used a conventional slab-on-grade “stick-built” approach, yielding 18 units (2 two-bedroom units in each option). A cost analysis was completed, resulting in a tentative conclusion that conventional “stick-built” construction was a more advantageous approach. But to affirm that conclusion, it is recommended HACB staff meet with CalAHA

President, Nick Benjamin, a manufactured housing expert and California mobile-home dealer, an industry expert. Executive Director Mayer and Modernization Coordinator Jerry Martin will meet with Nick Benjamin of CalAHA to discuss and further explore the small house option: manufactured or site-built?

- 5.7 COVID-19 Status Update – Brief update was given by Executive Director Mayer. Workplace improvements are nearly completed, as well as CARES Act funds being obligated and spent. As of June 16th, in accordance with state guidance, the HACB is fully open to the public and staff is back to their pre-COVID work schedules. It is anticipated Board meeting will be conducted in hybrid form for some time.
- 5.8 Strategic Asset Plan – Nick Benjamin, Executive Director, California Affordable Housing Agency gave a brief presentation regarding Workforce Housing Acquisitions – Aspen Real Estate Financial LLC. Aspen Real Estate has developed a financing tool that accesses long-term low-interest insurance company pension fund monies. They have worked in Colorado for years; including work with housing authorities. The tool involves sale of an HACB property, a 40 year “triple-net” lease-back, where for each year of operation the lessee gets 2.5% ownership, so after 40 years, the property has been repurchased, and a fixed low-interest 40-year loan. The tool is being evaluated by CalAHA underwriting consultant, Patrick Howard. Executive Director Mayer indicated that the HACB is exploring how best to re-position the 1200 Park Avenue, Walker Commons, and Chico Commons Apartment complexes, Chico, properties in which it holds the Investor Limited Partner interests. The Aspen Group financing tool may provide useful in this effort.
- 5.9 Development Activity - Executive Director Mayer gave a status updated regarding the current development activity in the area, including a summary memo identifying all current known affordable housing development projects in Butte and Glenn Counties, their developers, target populations, funding and timing. Executive Director Mayer says he is tracking twenty-one projects; the HACB is actively involved in fourteen of those projects. As of today, Executive Director Mayer reports four BCAHDC projects closed; Riverbend Apartments, Oroville (72 units, family); Mitchell Avenue Apartments, Oroville (36 units, seniors), Ford Oaks Apartments, Gridley (36 units, family); and North Creek Crossings Apartments, Chico (106 units, family). Another project has closed and is under construction, the Creekside Place Apartments, Chico (101 units, seniors, 15 units NPLH) being developed by CHIP, in which the HACB has committed 100 project-based Section 8 vouchers.

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

Chair Moravec requested that commissioners respect the starting time of the scheduled Board meeting and arrive in a timely manner.

11. EXECUTIVE SESSION

None.

12. COMMISSIONERS' CALENDAR

- **Next regular meeting – July 15, 2021.**

13. ADJOURNMENT

Commissioner Ober moved that the meeting be adjourned. Commissioner Pittman seconded. The meeting was adjourned at 3:53 p.m.

Dated: June 17, 2021.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary