

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

MINUTES OF March 21, 2013

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:42 p.m.

1. ROLL CALL

Present for the Commissioners: Patricia Besser, Sharon Chambers, Larry Hamman, Clarence “Bino” Lobo, Gene McFarren and Laura Moravec.

Present for the Staff: Ed Mayer, Executive Director; Roy Peters, Deputy Executive Director; Larry Guanzon, Housing Director; Sue Kemp, Finance Officer; and Tamra Young, Executive Assistant.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

The Board requested a discussion on the homeless to be scheduled for April or May.

4. CORRESPONDENCE

None.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 2013 Budget Update – Under Sequestration, the HACB’s federal subsidies are being reduced in Public Housing and Section 8 by approximately 5%. Also certain employee benefits are going to see a significant increase: specifically Health-Dental-Vision insurance is expecting a 30-50% increase in premiums (or as much as approximately \$200,000) in January 2014; and CalPERS Retirement Plan premiums estimate a 2% increase (or \$40,000) for next year; and an additional 1% increase the following year. Utility rates, especially water and sewer, are expected to double or triple depending on jurisdiction. Cost for required federal flood insurance will see increases of 25% per year for the next two years. The HACB estimates a \$600,000 impact to the budget between cuts

and increases. 2013 represents a record low of federal funding, retroactive to January. The Board directed Management to bring back to the Board recommendations of a hierarchy plan of cuts to offset reduced funding.

- 5.2 Walker Commons – The HACB is seeks to purchase the Limited Partner interests of Walker Commons L.P. from WNC & Associates, Inc., in lieu of the property being sold and the Partnership being dissolved by BCAHDC as has been directed by WNC. BCAHDC met earlier today and gave the green light for the HACB to step in and purchase the LP interests, which are subject to a valuation of the property and derivative Partner interests. HACB plans to use pre-2004 Section Admin reserves as the funding source. Passage of the proposed Resolution authorizes the Executive Director and/or Chair to sign the documents necessary to purchase the LP interests should WNC accept the offer. Due to the speed and nature of the transaction, this type of conditional resolution is required. Both BCAHDC and HACB believe that the sale of Walker Commons Apartments is not in the best interest of the residents or community. The proposed resolution mirrors the resolution already approved by BCAHDC, which accepts the HACB as substitute Limited Partner for WNC should HACB and WNC agree to terms.

RESOLUTION NO. 4497

Commissioner Chambers moved that Resolution No. 4497 be adopted by reading of title only: “AUTHORIZATION TO PURCHASE LIMITED PARTNER INTERESTS IN WALKER COMMONS, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FROM WNC & ASSOCIATES, INC”. Commissioner McFarren seconded. The vote in favor was unanimous.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

Executive Assistant Young noted Commissioner Hamman’s 20 years of service to the HACB, its employees and residents. Congratulations Larry and thank you!

Chair Moravec informed the Board that Executive Director has been nominated to be Senior Vice President of the PSWRC-NAHRO. He would serve a four-year term; two years as Senior Vice President and then two years as President.

Commissioners McFarren and Chambers thanked Executive Assistant Young for her assistance in helping complete their online State-required 2-hour Preventing Sexual Harassment training.

9. REPORTS FROM COMMISSIONERS

None.

10. MATTERS INITIATED BY COMMISSIONERS

None.

11. EXECUTIVE SESSION

- 11.1 Section 54956.8: Conference with Real Property Negotiators – Purchase of Walker Commons L.P. Limited Partnership interest from WNC & Associates, Inc.

Adjourn: 3:35 p.m.

Reconvene: 4:15 p.m.

Commissioner Hamman moved that the HACB purchase the Limited Partnership interest in Walker Commons L.P. from WNC & Associates, subject to the valuation of the appraisal, not-to-exceed 110%. Commissioner Chambers seconded. The vote in favor was unanimous.

12. COMMISSIONERS' CALENDAR

- **Next meeting – April 18, 2013.**

13. ADJOURNMENT

The meeting was adjourned at 4:16 p.m.

Dated: March 21, 2013.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary