

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

MEETING MINUTES OF September 15, 2016

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:07 p.m.

1. ROLL CALL

Present for the Commissioners: Kate Anderson, Patricia Besser, Roger Hart, Anne Jones, Clarence “Bino” Lobo, and Laura Moravec.

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

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

Commissioner Anderson moved that the Consent Calendar, including Resolution No. 4633 “ADOPT STANDARD CHARGES TO RESIDENTS FOR CLEANING, REPAIR, REPLACEMENT AND MISCELLANEOUS CHARGES” be accepted as presented. Commissioner Besser seconded. The vote in favor was unanimous.

4. CORRESPONDENCE

None.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Section 8 Housing Choice Voucher Fair Market Rents – Each year, HUD issues its determination of Fair Market Rents (FMR’s) for the jurisdictions served by HACB (Butte and Glenn Counties). The FMR’s are a measure of the rental market at the 40th percentile, by bedroom size, and are used as a basis for determination of subsidy in the Section 8 program. Upon receipt of the FMR’s the Housing Authority is charged with comparing them to actual rental market

data for the area, with an emphasis on using the HACB's Section 8 Rent Reasonableness database. The Housing Authority then sets its Payment Standards for the Section 8 HCV program within +/- 10% of the FMR's, so that Section 8 Voucher Holders can find housing in the area, but housing that is somewhat less than average in cost. The proposed Payment Standards are based upon the new FMR's. This year the only proposed change is to the Payment Standards is to the Glenn County 4-bedroom units. Rent reasonable analysis and average HAP rent for residents over the last year show current Payments Standards are high enough to provide housing opportunity to Section 8 Housing Choice Voucher participants, and low enough to stretch federal funding dollars.

RESOLUTION NO. 4634

Commissioner Jones moved that Resolution No. 4634 be adopted by reading of title only: "DETERMINATION OF 2017 PAYMENT STANDARDS FOR THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM". Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.2 Capital Fund Contract – Rhodes Terrace (43-13), Chico – HACB has determined that backyards at its thirty-six (36) unit public housing project Rhodes Terrace require water conservation measures including replacement of lawn areas with shrubs, decomposed granite, and larger concrete patios with replacement of irrigation systems. Trent Construction was the lowest responsive qualified bid received.

RESOLUTION NO. 4635

Commissioner Anderson moved that Resolution No. 4635 be adopted by reading of title only: "AUTHORIZATION TO ENTER INTO CONTRACT WITH TRENT CONSTRUCTION FOR BACKYARD IMPROVEMENT CONTRACT AT RHODES TERRACE PROPERTY". Commissioner Hart seconded. The vote in favor was unanimous.

- 5.3 Public Housing 43-14 and 43-15, Oroville/Resolution No. 4636 (Lot Split) – Hold for discussion and action at the October meeting.
- 5.4 Write-Offs – There was a typo on the Resolution; Resolution No. 4637 not 4537. Annually, HACB records vacated tenant balances for doubtful accounts, which reduces the net tenant accounts receivable on the balance sheet. There is also a corresponding entry to bad debt each year. Due to HUD's scoring formula associated with the Public Housing Assessment System (PHAS), Staff recommends writing off all Public Housing vacated tenant balances through September 30, 2016, in order to receive the highest possible PHAS score for this component. Writing off the balances does not change the net accounts receivable balance, nor does it prevent HACB from pursuing collections; it is considered an

in-house accounting “housekeeping” procedure. Bad debt is sent to a national debt collection data base and the State Franchise Tax Board.

RESOLUTION NO. 4637

Commissioner Hart moved that Resolution No. 4637 be adopted by reading of title only: “WRITE-OFF UNCOLLECTIBLE ACCOUNTS RECEIVABLE”. Commissioner Lobo seconded. The vote in favor was unanimous.

- 5.5 HACB Consolidated Budget – Finance Officer Kemp presented the FY 2016-17 budget, effective October 1st. The proposed budget reflects the direction of the Budget Review Committee (BRC). Several meetings were held over the last few months. The proposed budget is a flat “status quo” budget, assuming a Continuing Resolution for 2016-17 funding from Congress. Some of the highlights are as follows: reorganization of the management team from a five (5) person Executive Management team to four (4) (Executive Director, Deputy Executive Director, Finance Director, and Administrative Operations Director – taking over Human Resources duties from the Executive Director), hire-up of one (1) open Maintenance I position and hire-up of one (1) open Housing Inspector position. This budget sets up Union negotiations. Other budget assumptions: includes CalPERS increase, HACB personnel Step Increase, and a decrease in HUD Continuum of Care grant activity. Deputy Executive Director Peters has extended his retirement from October until December 4th, and will spend the next two months involved in training and transition.

RESOLUTION NO. 4638

Commissioner Anderson moved that Resolution No. 4638 be adopted by reading of title only: “APPROVAL OF AGENCY FISCAL YEAR 2017 OPERATING BUDGET FOR THE HUD SECTION 8 HOUSING CHOICE VOUCHER PROGRAM, HUD CONVENTIONAL LOW RENT PUBLIC HOUSING PROGRAM, USDA FARM LABOR HOUSING PROGRAM, AUTHORITY OWNED PROJECTS, AND OTHER AUTHORITY ADMINISTERED PROGRAMS AND CONTRACTS”. Commissioner Hart seconded. The vote in favor was unanimous.

- 5.6 Personnel – The Board of Commissioners is responsible to set the number and types of positions necessary to conduct the business of the HACB. HACB is processing significant staffing changes, the result of the announced retirement of the Deputy Executive Director. This creates the opportunity to refine and reorganize the HACB Personnel Organizational Chart (Org Chart). The proposed Org Chart provides the basis for the proposed 2016-17 budget. The Deputy Executive Director position is being eliminated; the Board already established a position for Modernization Coordinator, at staff level. The Systems Administrator will be transferred to the Finance Director’s supervision, while the Maintenance Assistant and Procurement and Contract Specialist will be moved to the Housing Director’s supervision; Housing Inspectors will be supervised by the Section 8 Housing Manager. In lieu of the Deputy Executive Director position, a

Deputy Executive Director overlay has been created. The management person assigned the Deputy Director duties would receive a compensation adjustment commensurate with the position and responsibility. Housing Director Guanzon will be designated Deputy Executive Director as of October 1st. A new management level position is being created, Administrative Operations Manager. The Administrative Operations Manager will supervise clerical/support staff, be responsible for Human Resources, and supervise rental assistance programs. Executive Assistant Young will be promoted to serve as Administrative Operations Manager. The Executive Assistant position is proposed for revision, eliminating supervisorial duties.

RESOLUTION NO. 4639

Commissioner Besser moved that Resolution No. 4639 be adopted by reading of title only: “ADOPTION OF REVISED ORGANIZATION CHART”. Commissioner Lobo seconded. The vote in favor was unanimous.

- 5.7 Personnel – In lieu of the Deputy Executive Director position, a Deputy Executive Director overlay has been created. The management person assigned the Deputy Director duties would receive compensation adjustment commensurate with the position and responsibility.

RESOLUTION NO. 4640

Commissioner Jones moved that Resolution No. 4640 be adopted by reading of title only: “ESTABLISHMENT OF DEPUTY EXECUTIVE DIRECTOR OVERLAY”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.8 Personnel – A new management level position is being created, Administrative Operations Manager. The Administrative Operations Manager will supervise clerical/support staff, be responsible for Human Resources and supervise rental assistance programs. The proposed position was compared with other housing authorities’ positions.

RESOLUTION NO. 4641

Commissioner Hart moved that Resolution No. 4641 be adopted by reading of title only: “ESTABLISHMENT OF ADMINISTRATIVE OPERATIONS DIRECTOR POSITION”. Commissioner Besser seconded. The vote in favor was unanimous.

- 5.9 Personnel – The Executive Assistant position is proposed for revision, eliminating supervisorial duties. The position will be hourly and confidential. The Board requested adding language in the position description prohibiting union membership due to the confidential and sensitive nature of information the position will be exposed to, if allowable per attorney’s concurrence.

RESOLUTION NO. 4642

Commissioner Anderson moved that Resolution No. 4642 be adopted by reading of title only: “REVISION TO EXECUTIVE ASSISTANT POSITION”, subject to position being non-union concurrent with attorney’s advice. Commissioner Jones seconded. The vote in favor was unanimous.

- 5.10 Personnel – In order to ensure continuity of business operations in the absence or incapacity of the Executive Director, the Deputy Executive Director overlay position assumes Executive Director duties regarding agency management and administration and acts as the authorized signor for checks and other documents on behalf of the Agency. Effective October 1st, Larry Guanzon, Housing Director has been assigned Deputy Executive Director status and as such needs to be authorized as agency signatory for all financial and business transactions in the absence or incapacity of the Executive Director.

RESOLUTION NO. 4643

Commissioner Hart moved that Resolution No. 4643 be adopted by reading of title only: “AUTHORIZATION FOR DEPUTY EXECUTIVE DIRECTOR TO ACT AS SIGNATORY ON BEHALF OF THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE”. Commissioner Lobo seconded. The vote in favor was unanimous.

- 5.11 North Valley Housing Trust (NVHT) – NVHT requested the HACB provide loan securitization in support of the 14-unit Valley View Apartment project. Valley View is being constructed behind the Torres Shelter and will provide housing to chronically homeless persons with substance abuse and/or mental illness. NVHT received a \$300,000 predevelopment loan from 3CORE, a local Community Development Finance Institution (CDFI). Due to changing policy at the State, the predevelopment loan will not be able to be repaid for another 7+ months, putting the project in a lurch as 3CORE is unwilling to extend the predevelopment loan. Staff recommended that this business is better suited to its nonprofit, the Butte County Affordable Housing Development Corporation (BCAHDC), and recommended that it be passed onto BCAHDC, not as precedent setting or in any way making representations for or against, but simply for BCAHDC’s Board’s consideration.

MOTION

Commissioner Hart moved to refer the NVHT’s Valley View Apartments loan securitization request to the Butte County Affordable Housing Development Corporation. Commissioner Besser seconded. The vote in favor was unanimous.

- 5.12 Moving to Work – Information provided regarding expansion of HUD’s Moving to Work demonstration program, involving less-regulated block granting of Section 8 and Public Housing funds to Housing Authorities, was provided and discussed. HACB is interested in Moving to Work status.

- 5.13 Homeless Issues – Information regarding Lloyd Pendleton, Director of the State of Utah’s Homeless Task Force, and his visit to Butte County October 10-11, provided for information only.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

Commissioner Besser reported that she succeeded in having the Hazel Street sidewalks put on the City of Chico schedule for repair.

8. SPECIAL REPORTS

None.

9. REPORTS FROM COMMISSIONERS

None.

10. MATTERS INITIATED BY COMMISSIONERS

Commissioner Anderson requested Staff schedule a HACB property tour. A doodle poll will be forwarded to the Board.

11. EXECUTIVE SESSION

Adjourned – 3:33 p.m.

Reconvened – 4:07 p.m.

- 11.1 Government Code 54957: Public Employee Performance Evaluation – postponed until next meeting.

- 11.2 Government Code 54957.6: Conference with Labor Negotiators (Operating Engineer’s Local No. 3) - Chair Moravec reported that the Board gave direction and authorization to Staff to move forward with Union negotiations.

12. COMMISSIONERS' CALENDAR

- **NAHRO National Conference, New Orleans LA – October 14-16, 2016.**
- **Next regular meeting – October 20, 2016.**

13. ADJOURNMENT

Commissioner Hart moved that the meeting be adjourned. Commissioner Lobo seconded. The meeting was adjourned at 4:08 p.m.

Dated: September 15, 2016.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary