

MINUTES
REGULAR MEETING
HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA AND
SANTA BARBARA AFFORDABLE HOUSING GROUP
706 Laguna St. Santa Barbara, California
4:00 p.m. – December 6, 2017

I. CALL TO ORDER/ROLL CALL

4:01 P.M. Chair Hughes presiding

Board Members present: Geoff Green, David Gustafson, Larry Larsson, Don Olson (arrived at 4:04 P.M.), Victor Suhr, Patricia Wheatley and David K. Hughes

Board Members absent: None

Staff Members present: R. Fredericks, S. Szymanski, D. Aazam, B. Peirson, V. Loza and J. Schipa

II. PUBLIC COMMENT - None

III. CONSIDERATION OF MINUTES

Minutes were considered under Item V. Consent Calendar.

IV. BILLS AND COMMUNICATIONS

V. CONSENT CALENDAR

MOTION

M/S Green/Suhr moved to approve recommendations in Consent Calendar (Items No. 1 - 6).

VOTE

Ayes:	Geoff Green	Victor Suhr
	David Gustafson	Patricia Wheatley
	Lawrence Larsson	David Hughes
	Don Olson	
Nays:	None	
Abstain:	None	
Absent:	None	

1. Recommendation that the HACSB Commission and SBAHG Board approve the Minutes of their November 1, 2017 Regular Meeting.
2. Recommendation that that the Commission approve costs incurred and payments made for the month of October, 2017.
3. Recommendation that the Commission review and order filed the quarterly investment report for quarter ended September 30, 2017.
4. Recommendation that the Santa Barbara Affordable Housing Group Board review and order filed the quarterly financial statements for the quarter ended September 30, 2017.

5. Recommendation that the HACSB Commission review and order filed the quarterly financial statements for the quarter ended September 30, 2017.
6. Recommendation that the Commission approve utility allowance schedules for affordable housing programs for 2018.

VI. REPORT OF EXECUTIVE DIRECTOR

1. Recommendation that the Commission receive a presentation by Matthew Fienup, Executive Director of the Center for Economic Research and Forecasting at California Lutheran University, regarding the growing need for affordable housing for low to middle households. This presentation is provided for information only. No action necessary.

Per Secretary Fredericks, Mr. Fienup was unavailable for the presentation and will be rescheduled for a future meeting.

2. Recommendation that the Commission ratify a legal services contract with Price, Postel and Parma for the litigation/arbitration matter related to the Master Lease and Purchase Option of Garden Court on De la Vina – 1116 De La Vina Street.

DOCUMENTS

- November 12, 2017 Executive Director's Report

SPEAKERS

Staff: R. Fredericks

MOTION

M/S Green/Suhr moved to ratify a legal services contract with Price, Postel and Parma for the litigation/arbitration matter related to the Master Lease and Purchase Option of Garden Court on De la Vina – 1116 De La Vina Street.

3. Recommendation that the Commission receive an update on the Authority's projected HUD funding for the Section 8 program for the 2018 calendar year.

DOCUMENTS

- November 29, 2017 Executive Director's Report prepared by Finance Director

SPEAKERS

Staff: R. Fredericks

Secretary Fredericks provided the Board an overview of the Section 8 Voucher program for the 2018 calendar year. He noted the funding shortfall for the current calendar year was less than projected at \$1.2 million. The Housing Authority applied for, and was granted, funds to cover this gap through HUD's shortfall prevention program. With no 2018 budget passed as of yet, the outlook is uncertain but most likely funding will not meet industry need (i.e. fund Vouchers currently leased up). If the House version of the budget is passed, the Authority will be short funding for approximately 150-leased Vouchers. Therefore, it appears the Authority will not be issuing new Section 8 Vouchers in 2018. Applying for shortfall funding for 2018 will depend on the budget passed.

Commissioner Green inquired as to the viability of HUD's pool of shortfall funding. Secretary Fredericks responded that Congress controls the annual appropriations from which the set-aside funds for shortfall agencies are allocated, and that these are annual amounts that do not roll over.

Chair Hughes inquired about the cost-saving action step carried out in 2017 of prohibiting payment of HAP double-subsidy, previously approved by the Board, and Secretary Fredericks explained the term. Chair Hughes also inquired if the cost-saving measures would be carried through to 2018, which staff replied is likely. Secretary Fredericks added that if shortfall funding is utilized in 2018, accessing such funds would prohibit the Authority from entering into new project based voucher contracts, such as with The Gardens on Hope and Johnson Court developments, thereby delaying the projects and jeopardizing the utilization of other potential valuable funding sources such as the Low-Income Housing Tax Credits. Therefore, Mr. Fredericks suggested the Housing Authority may want to consider utilizing unrestricted reserve funds as an alternative to the HUD shortfall funds in the event we are in a position to move-forward with the two new developments. Once the Federal Section 8 budget is finalized, Mr. Fredericks indicated that staff would return to the Board with specific recommendations on which funding sources to access in the event our agency is projected to be in a shortfall position for the Section 8 Housing Choice Voucher program for 2018.

This report was for information only. No action necessary.

4. Recommendation that the Commission receive a report on potential and pending development projects. No action is necessary. This is a periodic report provided for information only.

Mr. Aazam noted the Housing Authority closed on the purchase of 1616-1618 Castillo Street on November 29, 2017. He added that 2120-2124 Oak Park Lane is currently under purchase contract, with inspections completed yesterday yielding no major issues. The closing date for this transaction is uncertain due to the contingency, but will most likely be in January 2018.

5. Recommendation that the Commission receive the publication of the Housing Authority's 2017 Annual Report.

Staff distributed the 2017 Annual Report/2018 Calendar to the Board. No action necessary.

VII. TREASURER'S REPORT

1. That the Commission review and approve the budgets for the Authority's Consolidated Property Management and Villa Santa Fe programs for fiscal year ending December 31, 2018.

DOCUMENTS

- November 28, 2017 Executive Director's Report prepared by Finance Director

SPEAKERS

Staff: R. Fredericks, B. Peirson

MOTION

M/S Green/Gustafson moved to approve the budgets for the Authority's Consolidated Property Management and Villa Santa Fe programs for fiscal year ending December 31, 2018.

VOTE

Ayes:	Geoff Green	Victor Suhr
	David Gustafson	Patricia Wheatley
	Lawrence Larsson	David Hughes
	Don Olson	

Nays: None
Abstain: None
Absent: None

VIII. COMMITTEE REPORT – None

IX. UNFINISHED BUSINESS – None

X. NEW BUSINESS

1. Recommendation that the Commission: (1) hold a public hearing and take public comment on the Housing Authority’s adoption of a proposed Agency Annual Plan for fiscal year ending March 31, 2019, as required by the U.S. Department of Housing and Urban Development (HUD); and (2) adopt a resolution approving the Authority’s Annual Plan for the fiscal year ending March 31, 2019 and authorizing its submission to HUD along with all required certifications.

DOCUMENTS

- November 7, 2017 Executive Director’s Report prepared by Administrative and Public Information Coordinator

SPEAKERS

Staff: R. Fredericks

Chair Hughes opened the meeting for public comment on the Annual Plan at 4:45 P.M. With no comments, the public hearing was closed by Chair Hughes at 4:45 P.M.

MOTION

M/S Green/Suhr moved to adopt Resolution No. 2675, of the Housing Authority of the City of Santa Barbara, approving the Authority’s Annual Plan for the fiscal year ending March 31, 2019 and authorizing its submission to HUD along with all required certifications.

VOTE

Ayes: Geoff Green Victor Suhr
 David Gustafson Patricia Wheatley
 Lawrence Larsson David Hughes
 Don Olson

Nays: None
Abstain: None
Absent: None

2. Recommendation that the Commission adopt a resolution approving a new Bond Issuance and Compliance Policy as required by the California Debt Limit Allocation Committee.

DOCUMENTS

- November 27, 2017 Executive Director’s Report prepared by Director of Property, Development and Administration

SPEAKERS

Staff: R. Fredericks, D. Aazam

MOTION

M/S Green/Gustafson moved to adopt Resolution No. 2676, of the Housing Authority of the City of Santa Barbara, approving a new Bond Issuance and Compliance Policy as required by the California Debt Limit Allocation Committee.

VOTE

Ayes:	Geoff Green	Victor Suhr
	David Gustafson	Patricia Wheatley
	Lawrence Larsson	David Hughes
	Don Olson	
Nays:	None	
Abstain:	None	
Absent:	None	

XI. CLOSED SESSION – None

XII. COMMISSION MATTERS

1. Recommendation that the Commission elect a Chair and Vice Chair for the Housing Authority Board of Commissioners for 2018 by vote or have the Chair appoint a three member ad hoc nominating committee to return at your next meeting with recommendations for Chair and/or Vice Chair for 2018.

DOCUMENTS

- November 29, 2017 Executive Director's Report

SPEAKERS

Staff: R. Fredericks

MOTION

M/S Green/Gustafson moved to elect Vice Chair Olson as Chair and Commissioner Wheatley as Vice Chair for 2018.

VOTE

Ayes:	Geoff Green	Victor Suhr
	David Gustafson	Patricia Wheatley
	Lawrence Larsson	David Hughes
	Don Olson	
Nays:	None	
Abstain:	None	
Absent:	None	

2. Recommendation that the Chair appoint a 3rd Commissioner (in addition to Chair and Vice Chair) to serve on the Commission's Ad Hoc Subcommittee charged with completing the Executive Director/CEO's performance evaluation for the year ending 12-31-17.

Chair Hughes appointed Commissioner Larsson as the third member of the Ad Hoc Subcommittee to complete the Executive Director/CEO's performance evaluation for the year ending 12-31-17.

3. Secretary Fredericks inquired whether the Board is amenable to including the Authority's logo on materials for upcoming conference on human trafficking, including its nexus with affordable housing, organized by the Santa Barbara County District Attorney's office and Santa Barbara City College. Chair Hughes noted the Board has no objections and authorizes this request.

XIII. ADJOURNMENT

Meeting adjourned at 5:00 P.M. on order of Chair Hughes.



ROB FREDERICKS, SECRETARY

APPROVED:



DON OLSON, CHAIR