

**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. – February 7, 2018**

I. CALL TO ORDER/ROLL CALL

4:00 P.M. Chair Olson presiding

Board Members present: Geoff Green (arrived at 4:03 P.M.), David Gustafson, David K. Hughes, Larry Larsson, Victor Suhr, Patricia Wheatley and Don Olson

Board Members absent: None

Staff Members present: R. Fredericks, S. Szymanski, D. Aazam, B. Peirson, T. Carter, 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 Hughes/Gustafson moved to approve recommendations in Consent Calendar (Items No. 1 - 3).

VOTE

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

Nays: None

Abstain: None

Absent: None

1. Recommendation that the HACSB Commission and SBAHG Board approve the Minutes of their January 3, 2018 Regular Meeting.
2. Recommendation that the Commission approve costs incurred and payments made for the month of December, 2017.
3. Recommendation that the Commission review and order filed the quarterly investment report for quarter ended December 31, 2017.

Chair Olson ordered Item X.1 New Business be moved forward to this point in meeting.

X. NEW BUSINESS

1. Resolution authorizing the Housing Authority's Executive Director/CEO or Designee to be nominated for and accept Court Appointments as a Receiver Pursuant to Health and Safety Code Section 17980.7 and the Housing Authorities Law, Health and Safety Code Sections 34200 Et Seq.

DOCUMENTS

- February 7, 2018 Executive Director's Report

SPEAKERS

Staff: R. Fredericks

City of Santa Barbara counsel, Ariel Calonne, was present for this discussion. Commissioner Hughes inquired whether the Executive Director or Designee could be receiver for part of the portfolio. Mr. Calonne noted that it was not likely, but possible adding that their goal was to have one receiver for all the properties to assure protection/in the interest of the tenants. Secretary Fredericks commented although this would be a large undertaking with much of the work contracted out, staff feels it is the right thing to do, and the community deserves to have these properties safe. Several Commissioners voiced concern and inquired whether the properties will be returned to Mr. Pini after the work is completed. Mr. Calonne commented that any equity left in the properties after repairs would be returned to the owner. Mr. Calonne noted all costs are covered, including administrative, and the Housing Authority will not have to use any of its own funds. The Board inquired about liens against the properties, equity and debt in the properties, and the dimension and estimated cost of the work. Mr. Calonne answered that the totals and details have not been calculated at this point. Several Board members expressed concerns with the single family home that is included in the portfolio, and listed as Mr. Pini's personal residence, as well as the two motels, as not falling within the Housing Authority's Mission. Mr. Calonne noted that the home is currently being rented and the motels have traditionally housed persons on a month-to-month basis. Commissioner Hughes made a motion to adopt the Resolution with the exception of the motels and single family home; no second was received. Mr. Calonne noted his deadline of Friday February 9 to provide the name of a prospective receiver to the Court and March 19 is the date the Court would approve a receiver. A motion and second was received approving the Resolution. The Board requested staff return with more information regarding the scope and nature of the project prior to getting too far down the road on the potential assignment.

MOTION

M/S Green/Wheatley moved to adopt Resolution No. 2677, of the Housing Authority of the City of Santa Barbara, authorizing the Housing Authority's Executive Director/CEO or Designee to be nominated for and accept Court Appointments as a Receiver Pursuant to Health and Safety Code Section 17980.7 and the Housing Authorities Law, Health and Safety Code Sections 34200 Et Seq.

VOTE

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

Chair Olson ordered Item XI. Closed Session be moved forward to this point in meeting.

XI. CLOSED SESSION

1. Conference with Legal Counsel – Existing Litigation (Government Code section 54956.9 (a))

Name of Case: Daketta La Cumbre, LLC v. California Lutheran Homes et al.
Santa Barbara Superior Court Case No. 17CV05479

2. Conference with Legal Counsel – Existing Litigation (Government Code section 54956.9 (a))

Name of Case (Arbitration): Housing Authority of the City of Santa Barbara v. 1116 De La Vina Associates, ` L.P.
Santa Barbara Superior Court Case No. 17CV00422

Chair Olson ordered the meeting closed for Closed Sessions at 5:37 P.M. Authority counsel, Mark Manion and Tim Metzinger, were present for the Closed Sessions. Meeting was reopened at 6:26 P.M. No reportable action.

VI. REPORT OF EXECUTIVE DIRECTOR

1. Recommendation that the Commission approve the Extension of Contract for Legal Services with Price, Postel & Parma LLP and authorize the Housing Authority's Executive Director/CEO to execute the Extension.

DOCUMENTS

- January 29, 2018 Executive Director's Report by Deputy Executive Director

SPEAKERS

Staff: R. Fredericks, S. Szymanski

MOTION

M/S Gustafson/Wheatley moved to approve the Extension of Contract for Legal Services with Price, Postel & Parma LLP and authorize the Housing Authority's Executive Director/CEO to execute the Extension.

2. Recommendation that the Commission receive a report on the opening of the Section 8 Project Based Voucher Waiting List.

DOCUMENTS

- January 22, 2018 Executive Director's Report prepared by Housing Programs Analyst

SPEAKERS

Staff: R. Fredericks, V. Loza

3. Recommendation that the Commission receive an update on submission of tax credit applications for Gardens on Hope and Johnson Court Grace Village developments. No action is necessary. This is a periodic report provided for information only.

Staff noted the applications for The Gardens on Hope and Johnson Court will be submitted by the due date of February 28, 2018. Additionally, staff noted that the City of Santa Barbara approved the increase in funding for The Gardens on Hope.

Chair Olson ordered Item X. Commission Matters be moved forward to this point in meeting.

X. COMMISSION MATTERS

1. Recommendation that the Board set a date for a strategic planning retreat for development of the Housing Authority's new 5 year action plan and review of the Mission and Vision statements.

Staff and the Board scheduled April 27, 2018 as the date for the strategic planning retreat.

2. Recommendation that the Board map out possible summer meeting cancelation and September meeting date.

Board agreed to cancel July 2018 meeting, and at the August's meeting adjourn to second Wednesday in September (September 12) due to holiday the previous week.

VII. TREASURER'S REPORT

1. Recommendation that the Santa Barbara Affordable Housing Group Board review and order filed the quarterly financial statements for the quarter ended December 31, 2017.

DOCUMENTS

- January 20, 2018 Executive Director's Report prepared by Treasurer

SPEAKERS

Staff: R. Fredericks, B. Peirson

MOTION

M/S Gustafson/Green moved to approve and order filed the quarterly financial statements for the quarter ended December 31, 2017.

VOTE

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

Nays: None

Abstain: None

Absent: David Hughes

2. Recommendation that the Commission: (1) review and order filed the quarterly financial statements for the quarter ended December 31, 2017; and, (2) authorize an equity transfer in the amount of \$2.5 million from the Non-HUD Fund to the Central Office Cost Center Fund (COCC) to cover accumulated and projected negative net equity through the fiscal year ending March 31, 2018.

DOCUMENTS

- January 31, 2018 Executive Director's Report prepared by Director of Finance

SPEAKERS

Staff: R. Fredericks, B. Peirson

MOTION

M/S Green/Gustafson moved to (1) approve and order filed the quarterly financial statements for the quarter ended December 31, 2017; and, (2) authorize an equity transfer in the amount of \$2.5 million from the Non-HUD Fund to the Central Office Cost Center Fund (COCC) to cover accumulated and projected negative net equity through the fiscal year ending March 31, 2018.

VOTE

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

Nays: None

Abstain: None

Absent: David Hughes

VIII. COMMITTEE REPORT – None

IX. UNFINISHED BUSINESS – None

X. NEW BUSINESS (*Item X.1 was moved forward in meeting*)

2. Recommendation that the Commission ratify the Executive Director/CEO decision to grant a maximum of 13.5 hours of paid leave to each Housing Authority employee that had no reasonable method of getting to work between January 9 and January 11 due to road closures that resulted from the natural disaster.

DOCUMENTS

- January 19, 2018 Executive Director's Report prepared by Human Resources Manager

SPEAKERS

Staff: R. Fredericks, T. Carter

The Board inquired why the paid leave was only covered for 50% of time. Mr. Szymanski replied staff felt it was a fair compromise considering the majority of staff were present in the office working. Commissioner Green inquired whether the Authority's policy included reimbursement for transportation costs in this situation, which staff confirmed these costs were included.

MOTION

M/S Wheatley/Larsson moved to adopt Resolution No. 2678, of the Housing Authority of the City of Santa Barbara, to ratify the Executive Director/CEO decision to grant a maximum of 13.5 hours of paid leave to each Housing Authority employee that had no reasonable method of getting to work between January 9 and January 11 due to road closures that resulted from the natural disaster.

VOTE

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

3. Recommendation that: (1) the Housing Authority Commission adopt a resolution confirming, among other things, a loan commitment of up to \$7,750,000 in financing to 251 South Hope Associates, L.P. for the development of The Gardens on Hope, a 90-unit apartment building for low income seniors; and (2) the SBAHG Board of Directors adopt a resolution approving SBAHG's participation in the project as project developer.

DOCUMENTS

- February 1, 2018 Executive Director's Report prepared by Director of Property and Development and Administration

SPEAKERS

Staff: R. Fredericks, D. Aazam

MOTION

M/S Green/Gustafson moved to adopt Resolution No. 2679, of the Housing Authority of the City of Santa Barbara, confirming, among other things, a loan commitment of up to \$7,750,000 in financing to 251 South Hope

Associates, L.P. for the development of The Gardens on Hope, a 90-unit apartment building for low income seniors.

VOTE

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

MOTION

M/S Green/Wheatley moved to adopt Resolution No. 16, of the Santa Barbara Affordable Housing Group, approving SBAHG's participation in The Gardens on Hope as project developer.

VOTE

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

- XI. CLOSED SESSION – *This Item moved forward in meeting*
XII. COMMISSION MATTERS – *This Item moved forward in meeting*
XIII. ADJOURNMENT
Meeting adjourned at 6:55 P.M. on order of Chair Olson.



ROB FREDERICKS, SECRETARY

APPROVED:



DONALD D. OLSON, CHAIR