

**HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ**  
**AGENDA OF THE REGULAR BOARD MEETING**  
**February 28, 2018**  
**11:30 a.m.**  
**TO BE HELD AT:**  
**HOUSING AUTHORITY OFFICES**  
2931 Mission Street, Santa Cruz, CA 95060

1. Roll Call
2. Consideration of Late Additions and Changes to the Agenda
3. Consent Agenda
  - A. Approval of Minutes of Regular Meeting held January 24, 2018
4. Oral Communications (All oral communications must be directed to an item not listed on this agenda and must be within the jurisdiction of the Board. Presentations must not exceed three minutes in length. The Board will not take action or respond immediately to any Oral Communication presented, but may choose to follow up at a later time or schedule item for a subsequent agenda. The Board may limit the total amount of time allowed for oral communication). Anyone addressing the Board of Commissioners is asked to complete a card and leave it with the Board secretary so that their names may be accurately recorded in the Minutes.
5. Unfinished Business
6. New Business
  - A. Audited Financial Statements for Fiscal Year Ending June 30, 2017
  - B. Records Retention Policy
  - C. Waste Water Levee Repair
  - D. Draft Agency Plan
  - E. City of Santa Cruz Rent Control Ballot Measure
7. Written Correspondence
8. Report of Executive Director
9. Reports from Board Members  
(Board members may report on meetings attended, if any, or other items of interest.)
10. Closed Session  
(The Board will recess to discuss those items listed, if any.)
11. Report on Closed Session
12. Adjournment

\*The Housing Authority complies with the Americans with Disabilities Act. If you are a person with disabilities and you require special assistance in order to participate, please contact the Board secretary at 831-454-9455, ext. 201 at least 72 hours in advance of the meeting in order to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format.

Spanish language translation is available on an as needed basis. Please make arrangements 72 hours in advance by contacting the Housing Authority at 831-454-9455, ext. 280.

*Agendas can be obtained from the Housing Authority of the County of Santa Cruz Administration Department.*

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING JANUARY 24, 2018 AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2931 MISSION STREET, SANTA CRUZ, CA 95060

---

**AGENDA ITEM NO. 1**                      Roll Call

Chairperson Berg called the meeting to order at 1:03 p.m. Members present Commissioners Berg, Brunner, Eligio, Garcia, Pomerantz, Schiffrin and Schmale

**Members Absent**

None.

**Staff Present**

Jennifer Panetta, Mark Failor and Courtney Byrd of the Housing Authority

**AGENDA ITEM NO. 2**                      Consideration of Late Additions or Changes to the Agenda

None.

**AGENDA ITEM NO. 3**                      Consent Agenda

Chairperson Berg asked for a motion to approve the Consent Agenda.

Commissioner Garcia moved for approval of the Consent Agenda; Commissioner Schiffrin seconded the motion and it was passed by the following vote:

AYES:            Commissioners Berg, Brunner, Eligio, Garcia, Pomerantz, Schiffrin and Schmale  
NOES:            None  
ABSENT:        None  
ABSTAIN:       None

**AGENDA ITEM NO. 4**                      Oral Communications

None.

**AGENDA ITEM NO. 5**                      Unfinished Business

None.

**AGENDA ITEM NO. 6A**                      Tenant Improvement Contract for 2160 and 2170 41<sup>st</sup> Avenue

Secretary Panetta and Deputy Executive Director Failor informed the Board that prior to moving into the Housing Authority's new offices, the two buildings at 2160 and 2170 41<sup>st</sup> Avenue will need to be modified to meet the needs of staff and clients. The Housing Authority staff reached out to general contractors and advertised the project as a Public Works job using State Published Wage scales. After reviewing the two bids received, CRW at \$573,244 and Testorff at \$781,664, staff recommends selecting the bid from CRW. The bid was the lowest and the Housing Authority has worked with them on projects in the past. A discussion followed.

Commissioner Schiffrin moved to authorize execution of a contract with CRW for \$573,344 for tenant improvements at 2160 and 2170 41<sup>st</sup> Avenue; Commissioner Garcia seconded the motion and it was passed by the following vote:

AYES: Commissioners Berg, Brunner, Eligio, Garcia, Pomerantz, Schiffrin and Schmale  
NOES: None  
ABSENT: None  
ABSTAIN: None

Deputy Executive Director Failor exited the meeting at 1:20 p.m. with thanks from the Board.

**AGENDA ITEM NO. 6B** Consideration of Change in Board of Commissioner Meeting Time

Secretary Panetta informed the Board that during the December 13, 2017 meeting, a request was made by a Commissioner to reconsider the Board of Commissioners meeting time. The meeting time is established in the Agency Bylaws which state the Annual Meeting and the Regular Meetings are held on the fourth Wednesday of the month at 1:00 p.m. Commissioner Schiffrin proposed that the meeting time be changed to 11:30 a.m. Commissioner Schiffrin stated that with the upcoming move to 41<sup>st</sup> Avenue and traffic concerns, this would be more convenient for Commissioners and the Public. A discussion followed.

Commissioner Schiffrin moved to change the Agency Bylaws to state the meeting time of the Annual Meeting and the Regular Meetings begin at 11:30 a.m.; Commissioner Garcia seconded the motion and it was passed by the following vote:

AYES: Commissioners Berg, Brunner, Eligio, Garcia, Pomerantz, Schiffrin and Schmale  
NOES: None  
ABSENT: None  
ABSTAIN: None

**AGENDA ITEM NO. 6C** Consideration of Waiting List Changes for 2018 Agency Plan

Secretary Panetta reminded the Board that as discussed previously, the Housing Authority of the County of Santa Cruz (HACSC) has been exploring several changes to the Housing Choice Voucher (HCV) waiting list. Such changes would be incorporated into the upcoming 2018 Agency Plan process, which is currently underway. Of the waiting list changes that were discussed, Commissioners had suggestions or concerns regarding the residency preference and the eviction prevention preference.

One Commissioner questioned how staff arrived at the 75% live/work residency preference weight and suggested that we consider increasing this, potentially to 90%. Staff informed the Board of the steps taken and research that was done to arrive at this percentage. Based on the information used, staff feels that 75% initial preference weight is very likely to achieve our policy objective. During the discussion last month regarding the eviction prevention preference, a member of the

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING JANUARY 24, 2018 AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2931 MISSION STREET, SANTA CRUZ, CA 95060

---

Board expressed concern about how such a preference would be verified, and how staff could avoid the manipulation of such a preference. Staff has been in communication with the Community Action Board to develop some potential verification procedures and documentation requirements.

Based on the Board's general support for all the waiting list changes described at the December Meeting, staff has integrated these changes into the draft Agency Plan documents. A copy of the draft documents will be on our website and available for Public review beginning in early February. Staff will present the drafts to the Board at the February meeting and the plan will go before the Board for a vote at the March meeting.

**AGENDA ITEM NO. 7**                      Written Correspondence  
None.

**AGENDA ITEM NO. 8**                      Report of Executive Director

Executive Director Panetta informed the Board that the financials for December and a comparison against our approved budget (s) FY 2017-2018 is included in this month's Board Packet.

Executive Director Panetta updated the Board on the Fair Market Rent Study being performed by UCSB Economic Forecast Project.

Executive Director Panetta updated the Board on the repairs being done to the wastewater system at Buena Vista and Tierra Alta.

Executive Director Panetta, as discussed at the December meeting, informed the Board of the cost to send the Board Packets out to the Commissioners via Federal Express.

Executive Director Panetta informed the Board that the Housing Authority has launched the new Landlord Incentive Program which will act as a loss mitigation for landlords with new Section 8 contracts effective January 1, 2018.

Executive Director Panetta gave the Board a legislative update.

**AGENDA ITEM NO. 9**                      Reports from Board Members

Commissioner Garcia informed the Board that she discovered that no member of the Board of Commissioners can rent to a Section 8 tenant.

Commissioner Garcia also suggested that we have information available to the Public regarding a workshop on the TPS designation for Salvadorians in Live Oak. Staff will research and have this available as a resource.

Commissioner Brunner shared with the Board a write up in the Good Times newspaper regarding the new Landlord Incentive Program.

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING JANUARY 24, 2018 AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2931 MISSION STREET, SANTA CRUZ, CA 95060

---

**AGENDA ITEM NO. 10**                      Closed Session  
None.

**AGENDA ITEM NO.11**                      Report on Closed Session  
None.

**AGENDA ITEM NO. 12**                      Adjournment

The Board of Commissioners meeting was adjourned at 2:02 p.m.

I hereby certify that these minutes were approved by the Housing Authority of the County of Santa Cruz, on the Twenty Eighth day of February, 2018.

\_\_\_\_\_  
Chairperson of the Authority

ATTEST: \_\_\_\_\_Secretary

18:mins01

## **AGENDA ITEM SUMMARY**

---

**MEETING DATE:** February 28, 2018

**ITEM NUMBER:** 6A

**FROM:** Executive Director

---

**SUBJECT:** Audited Financial Statements for Fiscal Year Ending June 30, 2017

---

**RECOMMENDATION:** Approve the Audited Financial Statements for Fiscal Year Ending June 30, 2017 for the Housing Authority of the County of Santa Cruz, Migrant Farm Labor Housing, and Brommer Street Transitional Housing

---

### **BACKGROUND SUMMARY:**

Enclosed for your approval please find the June 30, 2017 audits for the following:

1. Housing Authority of the County of Santa Cruz
2. Migrant Farm Labor Housing
3. Brommer Street Transitional Housing

The Agency's auditor, Harn & Dolan, CPAs, has issued an unmodified (clean) opinion for each report without any audit findings or management comments. The financial statements are presented in conformance with Generally Accepted Accounting Principles (GAAP) using the enterprise (or business-type) method of recognizing revenues and expenses.

The Agency-Wide report includes Merrill Road financial data as a component unit. This is due to the fact that the Housing Authority is the limited partner and has complete control over financial decisions.

Once the Board has approved the audits, they will be submitted online to HUD and released to other agencies or interested parties.

### **RECOMMENDATION:**

Approve the Audited Financial Statements for Fiscal Year Ending June 30, 2017 for the Housing Authority of the County of Santa Cruz, Migrant Farm Labor Housing, and Brommer Street Transitional Housing.

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ





## AGENDA ITEM SUMMARY

---

**MEETING DATE:** February 28, 2018

**ITEM NUMBER:** 6B

**FROM:** Executive Director

---

**SUBJECT:** Records Retention Policy

---

**RECOMMENDATION:** Adopt Resolution No. 2018-01 Resolution of the Board of Commissioners of the Housing Authority of the County of Santa Cruz Approving the Adoption of the Records Retention Policy

---

### **BACKGROUND SUMMARY:**

Housing Authority staff has been working with our general legal counsel on an update of the Records Retention Policy. The Records Retention Policy establishes a continuing records management program, in compliance with applicable laws and regulations, and provides for the periodic destruction of valueless non-current records. This policy also allows for the transfer or scanning of documents into electronic file format. Adherence to this policy will enhance the Housing Authority's administrative efficiency by allowing the reuse of storage space and filing equipment, easier and faster access, while preserving the records that have administrative, legal, fiscal, or historical value. As stated in our Agency Bylaws, the Board of Commissioners shall approve of changes to the Records Retention Policy.

**RECOMMENATION:** Adopt Resolution No. 2018-01 Resolution of the Board of Commissioners of the Housing Authority of the County of Santa Cruz Approving the Adoption of the Records Retention Policy

**BEFORE THE HOUSING AUTHORITY OF THE COUNTY  
OF SANTA CRUZ, STATE OF CALIFORNIA**

**RESOLUTION NO. 2018- 01**  
On the motion of Commissioner  
Duly seconded by Commissioner

The Following Resolution is Adopted:

**RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ  
APPROVING THE ADOPTION OF THE  
RECORDS RETENTION POLICY**

WHEREAS a record retention schedule establishes minimum retention periods for the various types of Housing Authority records; and

WHEREAS a records management program is a requirement to be in compliance with applicable laws and regulations (California Government Code 60200, 60201, 60203 and Federal HUD requirements); and

WHEREAS a records management allows for the scanning of documents into electronic file format; and

WHEREAS the destruction or disposition of identified valueless non-current records that will not adversely affect any interest of the public; and

WHEREAS a records management program will enhance the Housing Authority's ("Authority") administrative efficiency by allowing the reuse of storage space and filing equipment, easier and faster access, while preserving the records that have administrative, legal, fiscal, or historical value.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of Commissioners hereby adopts the Records Retention Policy, effective February 28, 2018; and
2. The Board of Commissioners hereby appoints the Executive Director, or his/her successor or his/her designee as the Authority's Plan Administrator for the Program.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Santa Cruz, State of California, this Twenty Eighth Day of February, 2018 by the following vote:

AYES:  
NOES:  
ABSENT:

---

Chairperson of the Authority

ATTEST:

---

Secretary of the Authority



# Records Retention Policy

## Housing Authority of the County of Santa Cruz

December 12, 2007  
Revised February 27, 2012  
Revised February 28, 2018

# TABLE OF CONTENTS

I.	Purpose.....	3
II.	Policy.....	3
III.	Guidelines.....	4
IV.	Definitions.....	5
V.	Retention Schedule.....	5

I.     PURPOSE: This policy establishes a continuing records management program, in compliance with applicable laws and regulations (California Government Code 60200, 60201, 60203 and Federal HUD requirements), and provides for the periodic destruction of valueless non-current records. This policy also allows for the transfer or scanning of documents into electronic file format. Adherence to this policy will enhance the Housing Authority’s (“Authority”) administrative efficiency by allowing the reuse of storage space and filing equipment, easier and faster access, while preserving the records that have administrative, legal, fiscal, or historical value.

II.     POLICY:

Authorization for Destruction of Records. The Records Retention Schedule, attached hereto, in conjunction with this Records Retention Policy, is the approved schedule for the Authority in compliance with Government Code Section 60200 et seq., and after such records have been retained for the time periods and according to the process set forth herein, such records may be destroyed.

Destruction of Records After Scanning. Any record not expressly required by law to be filed and preserved in original form may be immediately destroyed after it is electronically stored in conformance with the requirements of Government Code Section 60203.

Destruction of Duplicates. Pursuant to Government Code Section 60200, any duplicate record, the original or permanent photographic copy of which is in the files of the Authority, may be destroyed after confirmation that such original or permanent copy remains on file with the Authority.

Retention of Records Not Mentioned. All records, papers and documents not mentioned in the Records Retention Schedule shall be retained until they have lost administrative, legal, fiscal, and historical value.

Retained Records. Pursuant to Government Code Section 60201, the Authority shall retain records as follows: The following documents must be retained in their original form.

- (1) Records that relate to the formation, change of organization, or reorganization of the Authority (indefinitely);
- (2) All currently active Authority ordinances (indefinitely);
- (3) Ordinances that have been repealed, are invalid, or unenforceable (five years);
- (4) Meeting minutes of the legislative body of the Authority (indefinitely);
- (5) Pending claims and litigation records (two years after the disposition);
- (6) Records that are the subject of a pending Public Records Act request (until the request is granted or two years after denial);
- (7) Records of construction projects (until notice of completion and release of stop notices, if any);
- (8) Records related to non-discharged debts (until discharge of the debts);
- (9) Records of title for Authority real property (while owned);

- (10) Records related to non-discharged contracts (until discharge of the contracts);
- (11) Unaccepted construction bids/proposals (two years);
- (12) Records that specify the amount of compensation paid to Authority employees, officers, or independent contractors (seven years after date of payment);
- (13) Any records for which the administrative, fiscal, or legal purpose has not yet been fulfilled (until purpose is fulfilled); and,
- (14) Unaccepted bid or proposals for the construction or installation of any building, structure, or other public work (two years).

Termination of Tenancy Due to Immigration Status: Pursuant to 24 C.F.R. § 5.514, the Authority shall retain for five years the following documents submitted to the Authority as part of a United States Immigration and Naturalization Service appeal or an informal hearing process regarding a denial, reduction, or termination of assistance due to the immigration status of a family member: The following documents must be retained in their original form.

- (1) The application for financial assistance;
- (2) The form completed by the family for income reexamination;
- (3) Photocopies of any original documents (front and back), including original INS documents;
- (4) The signed verification consent form;
- (5) The INS verification results;
- (6) The request for an INS appeal;
- (7) The final INS determination;
- (8) The request for an informal hearing; and
- (9) The final informal hearing decision.

### III. GUIDELINES:

This policy applies to all Authority records.

#### Responsibilities:

The Administrative Services Department is responsible for the overall administration of this policy and will act in an advisory role for questions regarding retention and disposition.

Department Directors are responsible for monitoring compliance with this Policy for record retention and disposal within their departments.

All Board members, officials, and employees are responsible for complying with this Policy for record retention and disposal.

#### General guidelines:

All financial records must be retained and available for review until after the Audit Report reviewing those records has been finalized and any resulting audit findings have been cleared. Thereafter, financial records reviewed as part of the Audit Report shall be retained according to the Records Retention Schedule.

Any records pertaining to claims or demands made by or against the Authority, either as a debtor or creditor, will be retained until such claims, demands, and accounts have been settled and adjusted; or until after the expiration of the time specified in the governing statutes of limitations.

Records shall be retained long enough to protect the Authority's interests under governing statutes of limitations and to comply with requirements of Federal, State, or local laws governing the custody and preservation of official records and to meet the needs of the Authority.

A general Records Retention Schedule is attached to this Policy. The Records Retention Schedule provides general guidelines and does not list every specific type of Authority record.

Records not listed in the Records Retention Schedule or applicable statutes shall be retained based on the administrative legal, fiscal, and/or historical value of the record. These values are defined and assessed as follows:

**Administrative Value:** A record has administrative value if it is used by the Authority to carry out its duties. Administrative value is based on how often and for how long the record is used by Authority personnel and whether a program would be adversely affected upon disposal of the record. The Authority shall retain records as long as they have administrative value.

**Legal Value:** A record has legal value if it documents or protects the rights and obligations of members of the public or of the Authority. The Authority shall retain records having legal value until the legal rights or obligations cease.

**Fiscal Value:** A record has fiscal value if it actively pertains to the receipt, transfer, payment, adjustment, or encumbrance of funds, or if it is required for an audit. The Authority shall retain records as long as they have fiscal value.

**Historical Value:** A record has historical value if it documents the Authority's organization, policies, decisions, procedures, operations, or other activities, or if it contains significant information about historical people, places, or events. The Authority shall retain historical records permanently.

Record Disposal:

Daily working records that have no further value shall be permanently deleted, destroyed, shredded, or placed into provided secure shred bins if they contain confidential information. All other records shall be permanently deleted, destroyed, shredded, or placed into provided secure shred bins according to the retention periods in the Records Retention Policy. All records shall be disposed of in a manner that prevents the disclosure of personal and confidential information, such as addresses and social security numbers.

IV. DEFINITIONS:

**“Record”** means any record consisting of a “writing,” as that term is defined in Government Code section 6252(g), and includes any physical or electronic document, device, or item, regardless of form or characteristic, created or received by the Authority, which serves to document the organization, functions, policies, decisions, procedures, operations, or other activities of the Authority.

**“Records Retention Schedule”** means the document describing the records of the Authority and the applicable records retention periods.

**“Retention Period”** is defined as a reasonable period of time *after the end of the fiscal year* in which the specific document or the accounting record originated.

V. Records Retention Schedule

<u>Finance Records</u>	<u>Retention Period</u>
Financial Statements (Annual)	Permanent
Audit Reports	Permanent
Financial Statements (interim)	5 years
General Ledger	Permanent
Property and Equipment Records	Permanent
Property/equipment after write-off	5 years
Bank Statements	5 years
Bank Reconciliations	5 years
Payroll checks	5 years
General checks	5 years
Cash Disbursements Journals & voucher register	5 years



Deposit books and slips	5 years
Cash Receipts Journal	5 years
Accounts receivable subsidiary ledger cards	5 years
Sales	3 years
HAP payment registers	5 years
Journal Vouchers	5 years
All other documents related to the financial management and activities funded under the HUD Operating Fund (24 C.F.R. § 990.325).	5 years

**Purchasing Records**

Accounts Payable invoices and credit memos	5 years
Vendor contracts	5 years
Purchase orders	5 years
Work orders	3 years
Procurement	5 years

**Retention Period**

**Credit and Collections**

Uncollectible accounts/ Fraud documents	3 years
---	---------

**Retention Period**

**Payroll Records**

Individual employee earnings record	6 years
Payroll registers	5 years
Payroll tax reports	5 years
Retirement and pension plan records	10 years
Time cards/time sheets	5 years

**Retention Period**

**Personnel Records**

Worker's Compensation	6 years
Individual employee personnel file, after termination	5 years
Employee contracts, after termination	6 years
Miscellaneous personnel records, (i.e., familial participation)	5 years
Recruitment Applications	4 years
COLA surveys	5 years
Compensation studies	5 years
Employee Benefits	5 years

**Retention Period**

**Miscellaneous**

Interoffice correspondence	5 years
Background checks, (i.e., criminal, sex offender)	**
Private investigations	**
Compliance advertising, (i.e., 504, S3)	5 years

\*\* Records shall be destroyed after their purpose is over and the documents retain no administrative, fiscal, legal, or historical value, such as after the last date for appeal of a decision, or final disposition of litigation.

**Wait List**

Pre-applications	7 years
------------------	---------

**Retention Period**

Correspondence, (i.e., address changes, disputes) 7 years  
Reports 10 years

**Client Assisted Tenancy**

Executed Lease, after termination	3 years
HAP Contract, after termination	3 years
Application, after termination	3 years
Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants	Active, plus 3 years
An application from each ineligible family and the notice sent to inform the family of its ineligibility	Active, plus 3 years
HUD required reports	Active, plus 3 years
Unit inspection reports	Active, plus 3 years
Lead-based paint inspection records as required by 24 C.F.R. § 35.1475 (24 C.F.R. Part 35, Subpart B)	3 years
Accounts and other records supporting budget and financial statements for the voucher program	
records to document the basis for PHA determination that rent to owner is reasonable rent, (initially and during the term of a HAP contract)	Active, plus 3 years
Other records specified by HUD	Active, plus 3 years
Cancelled tenant files	5 years

**Development, Special Programs**

MCC, RMCC	30 years from date of issuance
Security Deposits	3 years after issuance, then forward to Jurisdiction
Construction records, owned property	Permanent
Construction records, after sale	6 years
Tax credit, local review	5 years
Housing Counseling, after termination	2 years

## AGENDA ITEM SUMMARY

---

**MEETING DATE:** February 28, 2018

**ITEM NUMBER:** 6C

**FROM:** Executive Director

---

**SUBJECT:** Waste Water Levee Repair

---

**RECOMMENDATION:** Authorize approval of contract with Durden Construction in the amount of \$137,902

---

### **BACKGROUND SUMMARY:**

In early 2017 the levee between wastewater ponds 4 and 5 at the Buena Vista Migrant Center failed. At that time we made a temporary emergency repair to the levee to stop/slow down the leak. During the months that followed, we hired several engineering firms to evaluate the onsite conditions and develop a specification to correct the failed levee. A design was developed and the project was put out to bid. We reached out to 8 engineering firms and advertised the project. We received 3 bids as listed below:

<b>Durden Construction</b>	<b>\$ 99,800</b>
Earthworks	\$124,000
A&C Construction	\$216,500

The contract was awarded to Durden Construction and a contract was executed. Once the work started and the old levee between ponds 4 and 5 was demolished, the Geotechnical Engineer discovered that a section of the levee was built with poor quality soil and the soil failed to meet current engineering standards for this job, thus the “core” of the levee needed to be redesigned. It was also discovered that some of the dirt that was going to be used to rebuild the levee core contained too much moisture, thus the contractor was unable to meet compaction requirements as set forth by the Geotechnical Engineer. This wet soil had to be “turned” to allow the soil to dry so that compaction could be obtained. The cost to do this extra work was unanticipated as was the poor quality soil that made up a portion of the “core”. The Geotechnical Engineer had to redesign the levee “core” so that the “good” dirt could be used. The extra costs associated with Durden Construction are noted below:

Durden Construction Change order	\$ 38,102.00
Durden Construction Revised Contract Amount:	\$137,902.00

### **RECOMMENDATION:**

Authorize approval of contract with Durden Construction in the amount of \$137,902.

## AGENDA ITEM SUMMARY

---

MEETING DATE: February 28, 2018

ITEM NUMBER: 6D

FROM: Executive Director

---

SUBJECT: Draft Agency Plan

---

RECOMMENDATION: Discussion

---

### BACKGROUND SUMMARY:

HUD requires that most housing authorities prepare annual Agency Plans. Therefore, an Agency Plan has been prepared for the Housing Authority of the County of Santa Cruz. The purpose of the Agency Plan is to provide a resource by which public housing residents (LIPH), participants in the tenant based assistance program (Housing Choice Voucher holders), and other members of the public may locate basic PHA policies, rules and requirements concerning the PHA's operations, programs and services.

In December 2017 revisions to the Agency Plan were drafted by staff. On January 11, 2018, the Resident Advisory Board (RAB) convened to review and discuss the Plan, specifically with regard to proposed revisions. The RAB engaged in a productive discussion of the draft revisions, and offered no specific comments or concerns regarding the contents of the plan or plan revisions. Members of the RAB have been invited to the public hearing which will take place at the March meeting.

A copy of the Agency Plan and associated documents is available to the public in the offices of the Housing Authority of the County of Santa Cruz, and the draft documents are posted on the Housing Authority of the County of Santa Cruz website. Beginning on February 10, 2018 and running weekly through March 22, 2017, a notice informing the public of the opportunity to review the Agency Plan, soliciting comments, and stating the time, date and place of the public hearing to consider the plan, is being published in English and Spanish in the Santa Cruz Sentinel, the Watsonville Pajaronian, and the Hollister Freelance.

The Agency Plan, with the associated Low Income Public Housing (LIPH) Admissions and Continued Occupancy Plan (ACOP) and Section 8 Housing Choice Voucher Administrative Plan (Admin Plan), is attached hereto. The plans will not be considered complete until after the Board of Commissioners receives any and all public comment on the Plans, the Board makes any modifications they deem appropriate and the Chairperson is authorized to execute resolutions authorizing Execution of PHA Certifications of Compliance with PHA Plan and Related Regulations for Standard and Streamlined PHA Plans. These resolutions and certifications will be recommended at the March meeting.

Also attached for your review is a summary of the discussion from the Resident Advisory Board meeting and a table providing an overview of each draft modification to the Agency Plan and related documents including the proposed wording, and an explanation of the change.

## AGENDA ITEM SUMMARY

---

**MEETING DATE:** February 28, 2018

**ITEM NUMBER:** 6E

**FROM:** Executive Director

---

**SUBJECT:** City of Santa Cruz Rent Control Ballot Measure

---

**RECOMMENDATION:** Discussion

---

### **BACKGROUND SUMMARY:**

Last month, a group of advocates called the Movement for Housing Justice filed a notice of intent to circulate a proposed ballot initiative titled the Santa Cruz Rent Control and Tenant Protection Act. This group is currently collecting signatures in the hopes of putting the rent control and just cause eviction initiative on the November ballot.

Additionally, the City of Santa Cruz has recently adopted temporary restrictions on rent increases and evictions to prevent landlords from raising rents and evicting tenants preemptively while the ballot measure is being considered by the community.

Several jurisdictions in the State of California have similar rent control and just cause eviction ordinances, including the cities of Alameda, Berkeley, San Francisco, Santa Monica, West Hollywood, Los Angeles, Mountainview and San Jose. In seven out of these eight cities (West Hollywood being the sole exception) units subsidized through the Housing Choice Voucher program are exempt from rent control. Typically, government subsidized units are exempt from rent control because there are generally adequate measures already in place to limit rent increases. For example, all Section 8 rents are subject to a “rent reasonableness” test, to ensure they do not exceed rents for comparable unassisted units.

As currently drafted, the ballot initiative submitted by Movement for Housing Justice does not exclude Section 8 units, although the temporary limitations recently adopted by the City do exclude Section 8 units. The ballot initiative, in its current form, could have the unintended consequence of reducing the number of landlords that will accept a Section 8 voucher. Conversely, Section 8 tenants could potentially stand to benefit more from the initiative if they are excluded from it.

Staff has recently requested information from our general council asking if, and through what process, the language in the ballot initiative could potentially be changed to exclude Section 8 tenants. If directed by the Board, staff could approach the City and the Movement for Housing Justice to explore this potential.

**RECOMMENDATION:** Discussion

## AGENDA ITEM SUMMARY

---

**MEETING DATE:** February 28, 2018

**ITEM NUMBER:** 8

**FROM:** Executive Director

---

**SUBJECT:** Executive Director's Report – February 28, 2018

---

**RECOMMENDATION:** Discussion

---

### BACKGROUND SUMMARY:

Please call or e-mail me with questions you might have on any of the Agenda Items for the February 28, 2018 meeting. I would be happy to give you additional background or answer any of your questions in advance of the meeting. My direct line is 454-5931 and my email address is [jennyp@hacosantacruz.org](mailto:jennyp@hacosantacruz.org)

**Financial Reports:** Your packets today include our monthly unaudited financial reports which show revenue and expenses through January 2018 and a comparison against our approved budget(s) for FY 2017-18.

**FMR Study:** On February 20, 2018 HUD published revised FMRs for eight metropolitan statistical areas, including Santa Cruz County. The revised FMRs for Santa Cruz County exceeded the values established through the survey, resulting in a 7.5% increase in our FMRs (as compared to the 5% decrease we would have experienced without the FMR study. The new FMRs will become effective on March 22, 2018. FMRs are utilized in the development of inflation factor adjustments. Staff estimates that our revised FMRs will increase our inflation factor from approximately 2.7% to approximately 4.3%. We are currently in the process of determining new Payment Standards based on these FMRs.

**Affordable Housing Ballot Initiative:** Community leaders are in the process of drafting an Affordable Housing Bond for the November ballot. The bond is expected to be approximately \$250 million dollars. The majority of the bond funding would be directed to an affordable rental housing development fund, with some funding set aside for homeless programs and resources, as well as first time homeownership programs. Approximately half of the fund would be allocated directly to the jurisdictions, with the remaining half available through a competitive process in a countywide fund. The Affordable Housing Ballot Initiative group will continue to keep the Housing Authority informed as the ballot process continues, and at some point will be asking our Board to endorse the ballot measure.

**New Low-Cost Internet Program:** Charter has joined Comcast Xfinity and AT&T in offering high-speed internet service programs for \$10 – \$15 a month for low income families. With this new offering from Charter, low cost internet options are now available countywide. The Housing Authority has posted information about the programs on our website, and we will mail information about the programs to participants during the annual re-examination process.

**Youth Homelessness Demonstration Program (YHDP):** HUD has awarded the County of Santa Cruz one of ten Youth Homeless Demonstration Programs in the entire country. The program required an intensive community planning process to determine the best way to use the 2.2 million dollars. The Housing Authority contributed to the 10-month community planning process to develop the plan to prevent and end youth homelessness in our county. The process resulted in submission of the Santa Cruz County Youth Homeless Demonstration Program Coordinated Community Plan in December. The YHDP committee released a request for proposals, titled Invitation for Innovative Proposals (IFIP). The Housing Authority is considering applying for funding for the permanent supportive housing component and partnering with Encompass Community Services for supportive services necessary for homeless youth with disabilities and/or parenting youth to secure and retain housing. The Housing Authority is planning to submit a letter of intent by the end of March, and will provide additional information to the Board before submitting an official grant application by the end of April.

**Anna Caballero Open House:** The Housing Authority utilizes a building in Hollister owed by the Police Department for Hollister appointments and briefings. This building is also utilized by Anna Caballero's office. We have been informed that State Assembly Member Anna Caballero will be hosting an "open house" in this satellite office, and they have extended invitations to Hollister Police Department as well as Housing Authority staff and commissioners. The open house will be on March 8<sup>th</sup> from 4:30 to 6:00pm at the Briggs Building at 365 4<sup>th</sup> Street in Hollister, CA 95023.

**CAHA Conference:** Earlier this month, I attended the annual conference of the California Association of Housing Authorities (CAHA) in Southern California. The conference included many informative and relevant topics including FMR studies, rent control, various best practices, analysis of new regulations, and legislative updates.

**Legislative Update:** After a brief government shutdown lasting just a few hours, Congress approved a budget deal on February 9, 2018. This budget deal includes an increase to non-defense spending caps, but there is no guarantee that will translate to additional funding for HUD programs. The budget deal is still a continuing resolution, and Congress has until March 23<sup>rd</sup> to translate this budget deal into an actual omnibus bill. At this time, we are still estimating a HAP proration of 96%, but this may end up being conservative. Just one day after approving this budget deal, the Administration released its proposed FY 2019 budget. This budget proposes 6.8 billion dollars in cuts (a 14.4% reduction) to HUD. Housing Advocacy groups have indicated that both the House and the Senate are already working on their 2019 draft budget proposals, even as the 2018 budget is nearing completion.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ  
BUDGET COMPARISON REPORTS**

**February 28, 2018**

Attached you will find the year to date reports as of January 31, 2018, which takes us 7 months, or 58.3%, into our fiscal year. The total of all revenue, excluding HAP reimbursements, is 55% of total budgeted, while HAP is 54% of the amount budgeted. Total expenses, excluding HAP payments, are 50% of the amount budgeted.

The agency as a whole experienced a net gain of \$457,764.

The profits and losses by program group are as follows:

Section 8 Programs	\$142,412	Vouchers, Mod Rehab & Mob Rehab SRO
Federal Housing Programs	235,394	LIPH and USDA
Federal Grants	(32,431)	Shelter + Care, FSS, Transitional Hsg
State Grants	6,602	Migrant Center & MCCs
Local Programs	2,386	Eligibilities, Security Deposits, Tech Asst
Administrative Services	<u>103,401</u>	Includes 41st Ave. & Mission St. rents
	<u>\$457,764</u>	

The individual programs which show a year to date loss are:

FSS	(\$38,710)	(Calendar year 2017 grant funds fully expended)
City of Santa Cruz	(\$364)	(Administrative salary expenses exceed contract funds)
County Home Grant	(\$4,125)	(Administrative salary expenses exceed contract funds)



# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - All Funds

January 2018

Fiscal Year Ending June 30, 2018

---

	2017-2018	2017-2018		
	Year	Annual	Budget	Budget
	to Date	Budget	Utilized	Remaining
<b>Revenues:</b>				
HAPS / Program	35,235,021	63,701,104	55%	45%
Administrative Fees	2,637,134	4,764,236	55%	45%
Grants / Contracts	1,260,324	2,621,675	48%	52%
Rental Income	1,563,294	2,604,412	60%	40%
Operating Transfers In	224,795	647,962	35%	65%
Other Income	154,654	242,835	64%	36%
<b>Total Revenues:</b>	<b>41,075,221</b>	<b>74,582,224</b>	<b>55%</b>	<b>45%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	35,235,021	63,691,104	55%	45%
Salaries	2,000,595	3,742,613	53%	47%
Employee Benefits	783,027	1,570,319	50%	50%
Capital Purchases	307,890	1,507,375	20%	80%
Maintenance	978,273	1,376,586	71%	29%
General Administrative	654,536	1,194,115	55%	45%
Tenant Services	267,006	756,870	35%	65%
Operating Transfers Out	261,500	440,963	59%	41%
Debt Service	129,609	220,491	59%	41%
<b>Total Expenses:</b>	<b>40,617,457</b>	<b>74,500,436</b>	<b>55%</b>	<b>45%</b>
<b>Net Income (Loss):</b>	<b>457,764</b>	<b>81,788</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - Section 8

January 2018

Fiscal Year Ending June 30, 2018

---

	2017-2018	2017-2018		
	Year	Annual	Budget	Budget
	to Date	Budget	Utilized	Remaining
<b>Revenues:</b>				
HAPS / Program	34,943,545	63,255,736	55%	45%
Administrative Fees	2,599,177	4,700,046	55%	45%
Grants / Contracts	-	136	0%	100%
Rental Income	-	-	0%	0%
Operating Transfers In	-	-	0%	0%
Other Income	8,479	19,487	44%	56%
<b>Total Revenues:</b>	<b>37,551,201</b>	<b>67,975,405</b>	<b>55%</b>	<b>45%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	34,943,545	63,255,736	55%	45%
Salaries	1,489,406	2,778,279	54%	46%
Employee Benefits	580,738	1,184,032	49%	51%
Capital Purchases	-	-	0%	0%
Maintenance	18,931	33,816	56%	44%
General Administrative	376,169	607,155	62%	38%
Tenant Services	-	-	0%	0%
Operating Transfers Out	-	-	0%	0%
Debt Service	-	-	0%	0%
<b>Total Expenses:</b>	<b>37,408,789</b>	<b>67,859,018</b>	<b>55%</b>	<b>45%</b>
<b>Net Income (Loss):</b>	<b>142,412</b>	<b>116,387</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - Federal Housing

January 2018

Fiscal Year Ending June 30, 2018

	2017-2018	2017-2018		
	Year	Annual	Budget	Budget
	to Date	Budget	Utilized	Remaining
<b>Revenues:</b>				
HAPS / Program	-	-	0%	0%
Administrative Fees	-	-	0%	0%
Grants / Contracts	361,184	512,951	70%	30%
Rental Income	1,239,512	2,031,210	61%	39%
Operating Transfers In	224,795	580,062	39%	61%
Other Income	117,963	173,260	68%	32%
<b>Total Revenues:</b>	<b>1,943,454</b>	<b>3,297,483</b>	<b>59%</b>	<b>41%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	-	-	0%	0%
Salaries	367,720	692,039	53%	47%
Employee Benefits	139,475	268,328	52%	48%
Capital Purchases	269,087	872,225	31%	69%
Maintenance	672,271	980,749	69%	31%
General Administrative	211,242	398,420	53%	47%
Tenant Services	39	250	16%	84%
Operating Transfers Out	35,225	55,950	63%	37%
Debt Service	13,001	20,591	63%	37%
<b>Total Expenses:</b>	<b>1,708,060</b>	<b>3,288,553</b>	<b>52%</b>	<b>48%</b>
<b>Net Income (Loss):</b>	<b>235,394</b>	<b>8,930</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - Federal Grants

January 2018

Fiscal Year Ending June 30, 2018

	2017-2018	2017-2018		
	Year	Annual	Budget	Budget
	to Date	Budget	Utilized	Remaining
<b>Revenues:</b>				
HAPS / Program	291,476	445,368	65%	35%
Administrative Fees	-	-	0%	0%
Grants / Contracts	309,730	585,073	53%	47%
Rental Income	12,114	20,737	58%	42%
Operating Transfers In	-	17,900	0%	100%
Other Income	1,015	1,845	55%	45%
<b>Total Revenues:</b>	<b>614,334</b>	<b>1,070,923</b>	<b>57%</b>	<b>43%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	291,476	435,368	67%	33%
Salaries	71,078	131,134	54%	46%
Employee Benefits	36,115	64,806	56%	44%
Capital Purchases	-	17,900	0%	100%
Maintenance	13,512	29,142	46%	54%
General Administrative	2,477	9,838	25%	75%
Tenant Services	5,832	33,334	17%	83%
Operating Transfers Out	226,274	385,013	59%	41%
Debt Service	-	-	0%	0%
<b>Total Expenses:</b>	<b>646,766</b>	<b>1,106,535</b>	<b>58%</b>	<b>42%</b>
<b>Net Income (Loss):</b>	<b>(32,431)</b>	<b>(35,612)</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - State Grants

January 2018

Fiscal Year Ending June 30, 2018

	2017-2018	2017-2018		
	Year	Annual	Budget	Budget
	to Date	Budget	Utilized	Remaining
<b>Revenues:</b>				
HAPS / Program	-	-	0%	0%
Administrative Fees	875	1,250	70%	30%
Grants / Contracts	293,141	726,906	40%	60%
Rental Income	-	-	0%	0%
Operating Transfers In	-	-	0%	0%
Other Income	7,168	15,120	47%	53%
<b>Total Revenues:</b>	<b>301,184</b>	<b>743,276</b>	<b>41%</b>	<b>59%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	-	-	0%	0%
Salaries	36,258	70,660	51%	49%
Employee Benefits	14,647	30,820	48%	52%
Capital Purchases	6,767	335,250	2%	98%
Maintenance	201,377	193,381	104%	-4%
General Administrative	35,534	97,107	37%	63%
Tenant Services	-	-	0%	0%
Operating Transfers Out	-	-	0%	0%
Debt Service	-	-	0%	0%
<b>Total Expenses:</b>	<b>294,583</b>	<b>727,219</b>	<b>41%</b>	<b>59%</b>
<b>Net Income (Loss):</b>	<b>6,602</b>	<b>16,057</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - Local Programs

January 2018

Fiscal Year Ending June 30, 2018

---

	2017-2018	2017-2018		
	Year	Annual	Budget	Budget
	to Date	Budget	Utilized	Remaining
<b>Revenues:</b>				
HAPS / Program	-	-	0%	0%
Administrative Fees	3,983	9,080	44%	56%
Grants / Contracts	296,269	796,609	37%	63%
Rental Income	-	-	0%	0%
Operating Transfers In	-	-	0%	0%
Other Income	207	550	38%	62%
<b>Total Revenues:</b>	<b>300,458</b>	<b>806,239</b>	<b>37%</b>	<b>63%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	-	-	0%	0%
Salaries	23,622	48,158	49%	51%
Employee Benefits	7,892	15,340	51%	49%
Capital Purchases	-	-	0%	0%
Maintenance	184	325	57%	43%
General Administrative	5,239	7,266	72%	28%
Tenant Services	261,135	723,286	36%	64%
Operating Transfers Out	-	-	0%	0%
Debt Service	-	-	0%	0%
<b>Total Expenses:</b>	<b>298,072</b>	<b>794,375</b>	<b>38%</b>	<b>62%</b>
<b>Net Income (Loss):</b>	<b>2,386</b>	<b>11,864</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - Administrative Services

January 2018

Fiscal Year Ending June 30, 2018

---

	2017-2018	2017-2018		
	Year	Annual	Budget	Budget
	to Date	Budget	Utilized	Remaining
<b>Revenues:</b>				
HAPS / Program	-	-	0%	0%
Administrative Fees	33,099	53,860	61%	39%
Grants / Contracts	-	-	0%	0%
Rental Income	311,668	552,465	56%	44%
Operating Transfers In	-	50,000	0%	100%
Other Income	19,822	32,573	61%	39%
<b>Total Revenues:</b>	<b>364,588</b>	<b>688,898</b>	<b>53%</b>	<b>47%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	-	-	0%	0%
Salaries	12,510	22,343	56%	44%
Employee Benefits	4,159	6,993	59%	41%
Capital Purchases	32,036	282,000	11%	89%
Maintenance	71,998	139,173	52%	48%
General Administrative	23,875	74,328	32%	68%
Tenant Services	-	-	0%	0%
Operating Transfers Out	-	-	0%	0%
Debt Service	116,609	199,900	58%	42%
<b>Total Expenses:</b>	<b>261,187</b>	<b>724,737</b>	<b>36%</b>	<b>64%</b>
<b>Net Income (Loss):</b>	<b>103,401</b>	<b>(35,839)</b>		

## HOUSING

# New Section 8 incentive aims to woo landlords

To address affordability crisis, Housing Authority offers \$2,500 reimbursement



DAN COYRO — SANTA CRUZ SENTINEL

Blanca Mendoza of the Housing Authority of Santa Cruz County works with landlords regarding Section 8, the federal program assisting seniors, low-income and people with disabilities in securing housing.

**By Jondi Gumz**

[jgumz@santacruzsentinel.com](mailto:jgumz@santacruzsentinel.com)  
@jondigumz on Twitter

**SANTA CRUZ** ■ Hundreds of low-income families in Santa Cruz County have a federally-funded Section 8 voucher to help them pay rent. The problem is many listings say: "No Section 8."

A family with a Section 8 voucher pays 30 percent of their income toward rent with the Housing Authority of the County of Santa Cruz paying the landlord the rest; about 1,800 landlords in the county accept Section 8 vouchers.

The county is experiencing a housing affordability crisis, with wages stagnating for many while rents keep rising. Last year, weekly wages in Santa Cruz County averaged \$950 compared to \$2,392 over the hill in Santa Clara County, according to the Bureau of Labor Statistics.

In December, median monthly rent was \$2,361 for a two-bedroom rental in Santa

Cruz County, up from \$1,934 three years ago.

Meanwhile, about 4,500 families in Santa Cruz County benefit from Section 8 vouchers, many who would have been priced out of the rental market, but another 2,400 families remain on the waiting list, according to the housing authority.

To address the crisis, the housing authority is offering an incentive to landlords to accept Section 8 tenants.

Landlords will be eligible for reimbursement up to \$2,500 in cases of unpaid rent, damages or legal fees for terminating a lease for violations in the tenant's first year.

"There has really never been a better time for landlords to accept families with Section 8 vouchers," said Jenny Panetta, executive director of the Housing Authority of the County of Santa Cruz. "We've always assured landlords that tenants with rental vouchers are good tenants... In some ways, they're even better. Section 8 tenants

now come with a certain degree of protection for landlords."

Families get six months to find a landlord to accept a Section 8 voucher, but Panetta said they can get an extension, often to nine months.

## \$100,000 Available

Reimbursement claims for landlords will be subject to availability of funds.

The housing authority has \$100,000 available, with funding provided by the County of Santa Cruz, and the cities of Capitola, Santa Cruz, Scotts Valley and Watsonville.

Landlords countywide are eligible.

Panetta said the incentive program was developed with the All In Landlord Partnership, a collaborative of public agencies and nonprofits working to help tenants with rental assistance get connected to landlords.

"The program model is a fairly new concept, and we're

among a handful of California communities with similar programs," she added. "The landlords we've spoken to about the program have been enthusiastic, but we're eager to get the word out... We hope this will encourage landlords to give the Section 8 program another look."

## Lease specialist

Another change at the housing authority is the hiring of a leasing specialist, Blanca Mendoza, as a single point of contact for landlords, helping them with everything related to renting to Section 8 tenants, easing the lease-up process and providing customer service.

"We're committed to making the Section 8 Program work for landlords," Panetta said. "We know that if it doesn't work for landlords, it doesn't work for anyone."

For landlord information, visit [hacosantacruz.org/landlords/](http://hacosantacruz.org/landlords/).

To reach the leasing specialist, call 831-454-5917.



## Council to weigh 10-unit project on Clares Street

### HOUSING

#### Adjacent property owners seek density bonus, offer two units

By Jondi Gumz

[jgumz@santacruzsentinel.com](mailto:jgumz@santacruzsentinel.com) @jondigumz on Twitter

**CAPITOLA**>> A development partnership is seeking a state density bonus for a proposed 10-unit residential project at 4199 Clares St. and 4205 Clares St.

The state allows higher density in exchange for developers providing affordable housing or a qualifying community benefit.

The developer proposes five rental units and five owned units and is asking for concessions on lot dimensions and for setbacks in exchange for two affordable units, one on each parcel.

The Planning Commission on Dec. 7 unanimously supported the request, which goes to the Capitola City Council at 7 p.m. Thursday at City Hall, 420 Capitola Ave.

This project will be discussed after the Jewel Box traffic study.

The proposed development calls for demolishing an unhabitable

single-family home in the front of 4199 Clares St. and building a single-family home and a duplex town home, and remodeling a duplex in the rear.

At 4205 Clares St., a new duplex would be built in the rear, with minor upgrades at the triplex in the front.

Arborist Nigel Belton recommends removing 28 of 36 trees on the property, suggesting two mature Canary Island palms could be relocated to another site, such as 2005 Wharf Road, where a new library is to be built this year.

Dan and Nancy Hazen are longtime owners of 4205 Clares St.

The property next door at 4199 Clares St. was sold in 2015 for \$925,000 to Clares Street Partners LLC, represented by Santa Cruz attorney Brad Breton.

The two owners are working together, creating a shared driveway between the properties.

Santa Cruz architect William Kempf has designed the new construction and the layout on the properties.

One unit in the duplex town home at 4199 Clares St. will be designated as affordable for 55 years, with the buyer at the median household income level.

One rental unit in the triplex at 4205 Clares St., will be rented for 55 years to a low-income tenant, which is required to qualify for the state bonus. That condition will be met by renting to

according to Jenny Panetta, who heads the Housing Authority of the County of Santa Cruz.

That agency is looking for more landlords to accept Section 8 vouchers, which provides rental assistance for low-income tenants who cannot afford to pay market rents.

Hundreds of families in the county with a voucher are searching for a rental, Panetta said.

tenant with a Section 8 voucher, About 1,800  
landlords in Santa Cruz County lease 4,500 units  
to families with Section 8 vouchers,

---

Thursday, 01/25/2018 Pag.A02

[Copyright Terms and Terms of Use. Please review new arbitration language here](#)