

**HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ**  
**AGENDA OF THE REGULAR BOARD MEETING**  
**October 24, 2018**  
**11:30 a.m.**  
TO BE HELD AT:  
**HOUSING AUTHORITY OFFICES**  
2160 41<sup>st</sup> Avenue, Capitola, CA 95010

1. Roll Call
2. Consideration of Late Additions and Changes to the Agenda
3. Consent Agenda
  - A. Minutes of the Regular Meeting held September 26, 2018  
  
Motion to Approve as Submitted
  - B. Cancellation of the December 26, 2018 Regular Meeting  
  
Motion to Approve the Cancellation of the Regular Meeting of December 26, 2018 and Call a Special Meeting on December 12, 2018 at the Regular Time of 11:30 a.m.
  - C. Temporary Loans from 41<sup>st</sup> Ave Office Fund  
  
Motion to Authorize Temporary Loans from 41<sup>st</sup> Ave Office Fund
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. Fiscal Year 2017-2018 Financial Results & Budget Comparison Reports  
  
Discuss Fiscal Year 2017-2018 Financial Results & Budget Comparison Reports
  - B. Weed Abatement at Housing Authority Properties  
  
Discuss Weed Abatement at Housing Authority Properties
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.)
  - A. Leasing Negotiations for 2931 Mission
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.*

**AGENDA ITEM NO. 1** Roll Call

Chairperson Brunner called the meeting to order at 11:30 a.m. Members present Commissioners Berg, Brunner, Eligio, Garcia, Pomerantz and Schmale.

**Members Absent**

Commissioner Schiffrin (excused)

**Staff Present**

Jennifer Panetta 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 Brunner asked for a motion to approve the Consent Agenda.

Commissioner Pomerantz requested **Agenda Items 3A** be pulled from the Consent Agenda, item so pulled. Commissioner Pomerantz requested the wording on the minutes to be changed on **Agenda Item 6A** from: “The Board also **suggested** that staff have further training on the ordinances in order to answer questions from Housing Choice Voucher participants, and direct them to the resources where they can get additional information and assistance.” To: “The Board also **directed** that staff have further training on the ordinances in order to answer questions from Housing Choice Voucher participants, and direct them to the resources where they can get additional information and assistance.” Minutes changed as requested.

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

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

- Agenda Item 3A. Approval of Minutes of the Special Annual Meeting held August 29, 2018  
Agenda Item 3B. Approval of Minutes of the Special Meeting held September 11, 2018

**AGENDA ITEM NO. 4** Oral Communications  
None.

**AGENDA ITEM NO. 5** Unfinished Business  
None.

**AGENDA ITEM NO. 6A**

Presentation Regarding Proposed Affordable Housing Solutions Bond (Measure H)

Mr. Don Lane with Affordable Housing Santa Cruz conducted a presentation before the Board of Commissioners regarding Measure H, the proposed \$140 million bond measure that will be on the ballot at the November elections. Mr. Lane requested that the Board endorse the measure. Secretary Panetta reminded the Board that the Housing Authority (HA) has not, in its history, endorsed a ballot Measure. A discussion followed. Although the Board was cautious about breaking with precedent, the Board stated that they believe Measure H benefits the community, is in alignment with the HA's Mission Statement and also with the goals of the bodies that the Commissioners represent. The Board suggested that the bar for endorsing any ballot measure should be very high, but that this particular ballot measure meets that standard.

Commissioner Berg moved to endorse Measure H; Commissioner Garcia seconded the motion and it was passed by the following vote:

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

**AGENDA ITEM NO. 6B**

Employee Compensation: COLA, Flex Fund, Cash in Lieu

Secretary Panetta informed the Board that the Housing Authority's Personnel Policies state, "It is the policy of the Authority to consider cost of living adjustments (COLAs) annually." The most recent COLA of 2% was provided in July of 2017.

According to the United States Bureau of Labor Statistics, the Consumer Price Index (CPI-U) for the San Francisco Area increased by 3.9% over the previous 12 months (July 2017 through June 2018). In order to keep the HA's salaries competitive and respond to actual increases in the cost of living, management is proposing a 3% COLA to be effective July 1, 2018. Secretary Panetta brought the Board's attention to the salary schedule that reflects this across-the-board increase. Secretary Panetta also informed the Board that management is not proposing changes in the Flex Fund Contribution or Cash-in-Lieu of Medical Insurance as the rates will decrease on three plans available to all staff, including a large decrease in the rate of the cheapest PPO. A discussion followed. Commissioner Pomerantz expressed concern that the proposed COLA fell short of the inflation rate, particularly after an extended period of modest COLAs. Secretary Panetta informed the Board that the Housing Authority conducts a Compensation Study every five years, to help ensure that salaries remain competitive.

Commissioner Berg moved for approval of a 3% COLA as submitted; Commissioner Garcia seconded the motion and it was passed by the following vote:

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

ABSENT: Commissioner Schiffrin  
ABSTAIN: None

**AGENDA ITEM NO. 6C** Amendment to the Administrative Plan – Waiting List

Secretary Panetta reminded the Board that the Department of Housing and Urban Development (HUD) offers Section 8 Waiting List administration guidance and requirements. HUD requires certain policies and procedures regarding waiting list administration to be documented in the Housing Choice Voucher Administrative Plan.

Currently, the Administrative Plan reflects the Housing Authority’s historical practice of sequencing applications by date of placement on the waiting list. The Housing Authority has researched best practices and HUD guidance, and has discussed this information with the Board. Staff recommends that future waiting lists be opened for a finite period of time (rather than remaining open indefinitely) and that such lists shall be sequenced by a computerized random number generator, commonly known as a lottery. Additionally, the Housing Authority will announce the waiting list opening on the opening date, rather than pre-announcing the opening ahead of the opening date. These changes are before the Board for approval. A discussion followed.

Commissioner Garcia moved for approval of the amendment to the Section 8 Housing Choice Voucher Administrative Plan; Commissioner Eligio seconded the motion and it was passed by the following vote:

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

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

Executive Director Panetta informed the Board that on August 31<sup>st</sup>, HUD issued new Fair Market Rents (FMRs) for the coming federal fiscal year. As a result of the study that Applied Survey Research submitted on our behalf, the FMRs for Santa Cruz County increased by approximately 24%! FMRs for San Benito County, which were not included in the study, increased by 3%. The Housing Authority has established new Payment Standards, which reflect significant increases from current levels. The Board requested that they receive a copy of the FMR Study. Executive Director Panetta will email this to the Commissioners.

Executive Director Panetta informed the Board that the State of California Department of Housing and Community Development (HCD), Office of Migrant Services (OMS) is now allowing contract administrators the ability to submit a proposal that would allow up to 50% of migrant center units to be

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING SEPTEMBER 26, 2018 AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41<sup>ST</sup> AVENUE, CAPITOLA, CA 95010

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excluded from the 50 mile rule, if those units are occupied by families with school-age children who wish to remain in the school system during the period of time while the migrant center is closed. In order to be eligible for the exemption, the family would be required to provide proof of enrollment. The Housing Authority has discussed the change with migrant center families at the resident meeting, and the majority of residents supported it. The Housing Authority will present a proposal to the resident council in early October. If approved, we will submit the proposal to OMS and communicate the new opportunities and requirements to the residents. The proposal would not impact the length of time the migrant center is open.

**AGENDA ITEM NO. 9**

Reports from Board Members

None.

**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 1:04 p.m.

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

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

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

Secretary

## AGENDA ITEM SUMMARY

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**MEETING DATE:** October 24, 2018

**ITEM NUMBER:** 3B

**FROM:** Executive Director

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**SUBJECT:** Cancellation of the December 26, 2018 Regular Meeting

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**RECOMMENDATION:** Approve the Cancellation of the Regular Meeting of December 26, 2018 and Call a Special Meeting on December 12, 2018 at the Regular Time of 11:30 a.m.

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### **BACKGROUND SUMMARY:**

Typically, the Housing Authority Board of Commissioners does not hold a Regular Meeting in November and, due to the holiday in December, cancels the Regular December Meeting and schedules a Special Meeting earlier in the month. Therefore, staff proposes that the Board cancel the Regular Meeting set for December 26, 2018 and schedule a Special Meeting on December 12, 2018 at the regular time of 11:30 a.m.

**RECOMMENDATION:** Approve the Cancellation of the Regular Meeting of December 26, 2018 and Call a Special Meeting on December 12, 2018 at the Regular Time of 11:30 a.m.

## AGENDA ITEM SUMMARY

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**MEETING DATE:** October 24, 2018

**ITEM NUMBER:** 3C

**FROM:** Executive Director

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**SUBJECT:** Temporary Loans from 41<sup>st</sup> Ave Office Fund

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**RECOMMENDATION:** Authorize Temporary Loans from 41<sup>st</sup> Ave Office Fund

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### **BACKGROUND SUMMARY:**

Many of the grants and contracts that the Housing Authority has been awarded are paid on a cost reimbursement basis. As a result, there are timing differences that can occur between the payment of expenses and the receipt of the grant or contract revenues, resulting in negative cash balances on the grant fund books.

To avoid these negative balances in the annual financial statements and year-end reports, cash loans need to be made from the Housing Authority 41<sup>st</sup> Avenue Office Fund as follows:

Fund 681	FSS Coordinator Grant	\$ 92,312.88
Fund 683	Shelter Plus Care Grant	\$ 42,785.29
Fund 743	Natural Bridges Property	\$ 5,056.41
Fund 772	41 <sup>st</sup> Avenue Office Annex	\$ 217,825.56
Fund 773	Mission Street Office	\$ 167,482.90
Fund 781	Merrill Road Administration	\$ 33,785.44
Fund 810	Buena Vista Migrant Center	\$ 27,434.61
Fund 852	City of Santa Cruz Programs	\$ 14,754.82
Fund 865	County TBRA Program	\$ 7,741.66
Fund 881	County of Santa Cruz Programs	\$ 1,451.86
<b>Fund 771</b>	<b>Loan from 41<sup>st</sup> Avenue Office Fund</b>	<b>\$ 610,631.43</b>

These loans will be recorded on June 30, 2018 and reversed on July 1, 2018. Amounts are subject to change pending final audit adjustments.

### **RECOMMENDATION:**

Authorize Temporary Loans from 41<sup>st</sup> Ave Office Fund.



## AGENDA ITEM SUMMARY

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**MEETING DATE:** October 24, 2018

**ITEM NUMBER:** 6A

**FROM:** Executive Director

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**SUBJECT:** Fiscal Year 2017-2018 Financial Results & Budget Comparison Reports

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**RECOMMENDATION:** Discussion

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### **BACKGROUND SUMMARY:**

Attached are the fiscal year-end budget comparison reports for the year ending June 30, 2018. The year-end financials include a variety of accruals but exclude non-budgeted GAAP accounting entries such as depreciation, deferred interest, and pension accruals. Housing Assistance Payments (HAP) are shown as a pass-through of revenue with a corresponding offset to expense.

Overall, the year-end financial results closely mirror the budget for the fiscal year. Excluding pass-through HAP, actual revenue was 97.5% of budgeted revenue and actual expenses were 98% of budgeted expenses. The agency as a whole experienced a deficit of (\$14,965) primarily due to the non-budgeted construction costs in preparing the new office location for occupancy. As a result, the Administrative Services program area, which includes the 41<sup>st</sup> Ave offices, had a deficit of (\$524,279). The Federal Housing program area, which includes Low Income Public Housing (LIPH) and USDA Farm Labor Housing, ended the year with a surplus of \$467,088 due to higher than anticipated LIPH Operating Subsidy proration factor and limited capital improvements.

Section 8 admin fees and the associated salaries and benefits which comprise the majority of the agency's activities were close to budgeted figures, generating a program surplus of \$103,815. Federal Grants experienced a deficit of (\$65,539) as a result of the Family Self Sufficiency and Shelter Plus Care grant funding falling short of covering actual program expenditures. State Grants and Local Programs were near the breakeven point, ending the year with a surplus of \$4,399 and a slight deficit of (\$449), respectively.

The net income and loss by program group are as follows:

Section 8 Programs	\$103,815	Vouchers, Mod Rehab & Mob Rehab SRO
Federal Housing Programs	467,088	LIPH and USDA
Federal Grants	(65,539)	Shelter + Care, FSS, Transitional Housing
State Grants	4,399	Migrant Center & MCCs
Local Programs	(449)	Eligibilities, Security Deposits, Tech Asst
Administrative Services	(524,279)	Includes 41st Ave Offices & Mission St Warehouse
	<u>(\$14,965)</u>	

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

41st Ave Office Buildings	(\$626,510)	(41st Ave related construction costs)
FSS	(\$38,118)	(Calendar year 2017 grant funds fully expended)
Shelter + Care	(\$31,704)	(Fiscal year 2017 grant funds fully expended)
City of Santa Cruz	(\$1,765)	(Administrative salary expenses exceed contract funds)
County of Santa Cruz	(\$5,312)	(Administrative salary expenses exceed contract funds)

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - All Funds

June 2018

Fiscal Year Ending June 30, 2018

	2017-2018	2017-2018	Budget	Budget
	Year to Date	Annual	Utilized	Remaining
	Actuals	Budget		
<b>Revenues:</b>				
HAPS / Program	61,316,005	63,701,104	96%	4%
Administrative Fees	4,742,726	4,764,236	100%	0%
Grants / Contracts	2,519,093	2,621,675	96%	4%
Rental Income	2,603,262	2,604,412	100%	0%
Operating Transfers In	451,176	647,962	70%	30%
Other Income	288,640	242,835	119%	-19%
<b>Total Revenues:</b>	<b>71,920,902</b>	<b>74,582,224</b>	<b>96%</b>	<b>4%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	61,347,709	63,691,104	96%	4%
Salaries	3,679,570	3,742,613	98%	2%
Employee Benefits	1,518,269	1,570,319	97%	3%
Capital Purchases	1,343,399	1,507,375	89%	11%
Maintenance	1,378,057	1,376,586	100%	0%
General Administrative	1,195,213	1,194,115	100%	0%
Tenant Services	809,083	756,870	107%	-7%
Operating Transfers Out	443,664	440,963	101%	-1%
Debt Service	220,902	220,491	100%	0%
<b>Total Expenses:</b>	<b>71,935,867</b>	<b>74,500,436</b>	<b>97%</b>	<b>3%</b>
<b>Net Income (Loss):</b>	<b>(14,965)</b>	<b>81,788</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - Section 8

June 2018

Fiscal Year Ending June 30, 2018

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	2017-2018	2017-2018	Budget	Budget
	Year to Date	Annual	Utilized	Remaining
	Actuals	Budget		
<b>Revenues:</b>				
HAPS / Program	60,843,048	63,255,736	96%	4%
Administrative Fees	4,662,030	4,700,046	99%	1%
Grants / Contracts	-	136	0%	0%
Rental Income	-	-	0%	0%
Operating Transfers In	-	-	0%	0%
Other Income	36,261	19,487	186%	-86%
<b>Total Revenues:</b>	<b>65,541,338</b>	<b>67,975,405</b>	<b>96%</b>	<b>4%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	60,843,048	63,255,736	96%	4%
Salaries	2,747,729	2,778,279	99%	1%
Employee Benefits	1,136,809	1,184,032	96%	4%
Capital Purchases	-	-	0%	0%
Maintenance	32,534	33,816	96%	4%
General Administrative	677,403	607,155	112%	-12%
Tenant Services	-	-	0%	0%
Operating Transfers Out	-	-	0%	0%
Debt Service	-	-	0%	0%
<b>Total Expenses:</b>	<b>65,437,523</b>	<b>67,859,018</b>	<b>96%</b>	<b>4%</b>
<b>Net Income (Loss):</b>	<b>103,815</b>	<b>116,387</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - Federal Housing

June 2018

Fiscal Year Ending June 30, 2018

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	2017-2018	2017-2018	Budget	Budget
	Year to Date	Annual	Utilized	Remaining
	Actuals	Budget		
<b>Revenues:</b>				
HAPS / Program	-	-	0%	0%
Administrative Fees	-	-	0%	0%
Grants / Contracts	628,583	512,951	123%	-23%
Rental Income	2,120,557	2,031,210	104%	-4%
Operating Transfers In	451,176	580,062	78%	22%
Other Income	187,921	173,260	108%	-8%
<b>Total Revenues:</b>	<b>3,388,237</b>	<b>3,297,483</b>	<b>103%</b>	<b>-3%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	-	-	0%	0%
Salaries	669,715	692,039	97%	3%
Employee Benefits	265,428	268,328	99%	1%
Capital Purchases	553,481	872,225	63%	37%
Maintenance	989,186	980,749	101%	-1%
General Administrative	366,532	398,420	92%	8%
Tenant Services	39	250	16%	84%
Operating Transfers Out	55,766	55,950	100%	0%
Debt Service	21,002	20,591	102%	-2%
<b>Total Expenses:</b>	<b>2,921,149</b>	<b>3,288,553</b>	<b>89%</b>	<b>11%</b>
<b>Net Income (Loss):</b>	<b>467,088</b>	<b>8,930</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - Federal Grants

June 2018

Fiscal Year Ending June 30, 2018

	2017-2018	2017-2018	Budget	Budget
	Year to Date	Annual	Utilized	Remaining
	Actuals	Budget		
<b>Revenues:</b>				
HAPS / Program	472,957	445,368	106%	-6%
Administrative Fees	-	-	0%	0%
Grants / Contracts	582,099	585,073	99%	1%
Rental Income	22,588	20,737	109%	-9%
Operating Transfers In	-	17,900	0%	100%
Other Income	1,111	1,845	60%	40%
<b>Total Revenues:</b>	<b>1,078,755</b>	<b>1,070,923</b>	<b>101%</b>	<b>-1%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	504,661	435,368	116%	-16%
Salaries	127,537	131,134	97%	3%
Employee Benefits	65,279	64,806	101%	-1%
Capital Purchases	-	17,900	0%	100%
Maintenance	23,190	29,142	80%	20%
General Administrative	12,394	9,838	126%	-26%
Tenant Services	23,334	33,334	70%	30%
Operating Transfers Out	387,898	385,013	101%	-1%
Debt Service	-	-	0%	0%
<b>Total Expenses:</b>	<b>1,144,294</b>	<b>1,106,535</b>	<b>103%</b>	<b>-3%</b>
<b>Net Income (Loss):</b>	<b>(65,539)</b>	<b>(35,612)</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - State Grants

June 2018

Fiscal Year Ending June 30, 2018

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	2017-2018	2017-2018	Budget	Budget
	Year to Date	Annual	Utilized	Remaining
	Actuals	Budget		
<b>Revenues:</b>				
HAPS / Program	-	-	0%	0%
Administrative Fees	875	1,250	70%	30%
Grants / Contracts	468,656	726,906	64%	36%
Rental Income	-	-	0%	0%
Operating Transfers In	-	-	0%	0%
Other Income	11,236	15,120	74%	26%
<b>Total Revenues:</b>	<b>480,767</b>	<b>743,276</b>	<b>65%</b>	<b>35%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	-	-	0%	0%
Salaries	72,290	70,660	102%	-2%
Employee Benefits	28,936	30,820	94%	6%
Capital Purchases	94,571	335,250	28%	72%
Maintenance	205,935	193,381	106%	-6%
General Administrative	74,638	97,107	77%	23%
Tenant Services	-	-	0%	0%
Operating Transfers Out	-	-	0%	0%
Debt Service	-	-	0%	0%
<b>Total Expenses:</b>	<b>476,369</b>	<b>727,219</b>	<b>66%</b>	<b>34%</b>
<b>Net Income (Loss):</b>	<b>4,399</b>	<b>16,057</b>		

# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - Local Programs

June 2018

Fiscal Year Ending June 30, 2018

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	2017-2018	2017-2018	Budget	Budget
	Year to Date	Annual	Utilized	Remaining
	Actuals	Budget		
<b>Revenues:</b>				
HAPS / Program	-	-	0%	0%
Administrative Fees	7,898	9,080	87%	13%
Grants / Contracts	839,755	796,609	105%	-5%
Rental Income	-	-	0%	0%
Operating Transfers In	-	-	0%	0%
Other Income	375	550	68%	32%
<b>Total Revenues:</b>	<b>848,027</b>	<b>806,239</b>	<b>105%</b>	<b>-5%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	-	-	0%	0%
Salaries	39,358	48,158	82%	18%
Employee Benefits	13,188	15,340	86%	14%
Capital Purchases	-	-	0%	0%
Maintenance	282	325	87%	13%
General Administrative	9,939	7,266	137%	-37%
Tenant Services	785,710	723,286	109%	-9%
Operating Transfers Out	-	-	0%	0%
Debt Service	-	-	0%	0%
<b>Total Expenses:</b>	<b>848,477</b>	<b>794,375</b>	<b>107%</b>	<b>-7%</b>
<b>Net Income (Loss):</b>	<b>(449)</b>	<b>11,864</b>		



# HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## Budget Comparison - Administrative Services

June 2018

Fiscal Year Ending June 30, 2018

	2017-2018	2017-2018	Budget	Budget
	Year to Date	Annual	Utilized	Remaining
	Actuals	Budget		
<b>Revenues:</b>				
HAPS / Program	-	-	0%	0%
Administrative Fees	71,924	53,860	134%	-34%
Grants / Contracts	-	-	0%	0%
Rental Income	460,117	552,465	83%	17%
Operating Transfers In	-	50,000	0%	100%
Other Income	51,736	32,573	159%	-59%
<b>Total Revenues:</b>	<b>583,777</b>	<b>688,898</b>	<b>85%</b>	<b>15%</b>
<b>Expenses:</b>				
Housing Assistance Pmts	-	-	0%	0%
Salaries	22,942	22,343	103%	-3%
Employee Benefits	8,629	6,993	123%	-23%
Capital Purchases	695,348	282,000	247%	-147%
Maintenance	126,930	139,173	91%	9%
General Administrative	54,307	74,328	73%	27%
Tenant Services	-	-	0%	0%
Operating Transfers Out	-	-	0%	0%
Debt Service	199,900	199,900	100%	0%
<b>Total Expenses:</b>	<b>1,108,055</b>	<b>724,737</b>	<b>153%</b>	<b>-53%</b>
<b>Net Income (Loss):</b>	<b>(524,279)</b>	<b>(35,839)</b>		

## AGENDA ITEM SUMMARY

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**MEETING DATE:** October 24, 2018

**ITEM NUMBER:** 6B

**FROM:** Executive Director

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**SUBJECT:** Weed Abatement at Housing Authority Properties

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**RECOMMENDATION:** Discussion

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### **BACKGROUND SUMMARY:**

In summer of 2017, the Board of Commissioners began a conversation about the herbicide known as Round-Up, which was being used at Housing Authority properties. Round up contains the active ingredient glyphosate. Glyphosate based herbicides are commonly used, are legal, and are sold over the counter for residential and commercial use. However, glyphosate was added to California's list of chemicals known to cause cancer on July 7, 2017.

Based on information and feedback provided by Commissioners, the Housing Authority has been exploring ways to reduce or eliminate the use of Round Up (glyphosate) at our properties. In October 2017, staff instructed our landscapers to discontinue use of glyphosate based products, to test the cost and effectiveness of other methods. Over the past year, our landscapers have been using an all-natural household 20% - 30% white vinegar base with table salt. This method, when supplemented with manual weed pulling, has been effective at managing weeds at Housing Authority properties.

As anticipated, the elimination of glyphosate based herbicides resulted in a significant increase in landscaping costs. Over the past year, weed abatement at our properties has added \$3,249 monthly (\$38,988 annually), which represents a 20% increase in overall landscaping costs. Housing Authority staff plan to continue to work with our landscapers to find more cost effective non-glyphosate methods for weed abatement.

**RECOMMENDATION:** Discussion.

## AGENDA ITEM SUMMARY

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**MEETING DATE:** October 24, 2018

**ITEM NUMBER:** 8

**FROM:** Executive Director

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**SUBJECT:** Executive Director's Report – October 24, 2018

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**RECOMMENDATION:** Discussion

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### BACKGROUND SUMMARY:

Please call or e-mail me with questions you might have on any of the Agenda Items for the October 24, 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). Please note I will be in Atlanta at the NAHRO National Conference on the date of the October meeting. Therefore, Deputy Executive Director Mark Failor will be staffing the meeting.

**Financial Reports:** Monthly unaudited financial reports with revenue and expenses for the first quarter of this fiscal year (July – September 2018) will be provided at the October meeting.

**Waiting List Opening:** The Housing Authority opened the Section 8 Housing Choice Voucher waiting list on October 17<sup>th</sup>. The waiting list will be open until 5pm December 6<sup>th</sup>. The Housing Authority has advertised the opening in our lobby, on our website, in newspapers of general circulation, on Facebook, through our email list, and by reaching out to community partners. After the list closes, the sequence of the list will be determined by a computer generated random number (lottery). The waiting list opening was timed to ensure that we could open and close before the end of the calendar year, we could be open for a reasonable length of time to ensure access and avoid a sense of panic or urgency, and to allow us to be open for Affordable Housing Week, for Project Homeless Connect events in Watsonville and Hollister, and to reach Buena Vista Migrant Center families before the migrant center closes for the season. We will provide more information about the outcome of the waiting list opening at the December meeting.

**Affordable Housing Week:** Affordable Housing Week is upon us. I have emailed the Board a schedule of Affordable Housing week events. The Housing Authority will be staffing a table at the No Place Like Home event on October 18<sup>th</sup>, and attending other events including the Monterey Bay Economic Partnership and Smart Solutions to Homelessness events.

**Office of Migrant Services (OMS) 50 Mile Rule:** As you know, the State of California Department of Housing and Community Development (HCD), Office of Migrant Services (OMS) is now allowing contract administrators to submit a proposal that would allow up to 50% of migrant center units to be excluded from the 50 mile rule, if those units are occupied by families with school-age children who wish to remain in the school system during the period of time while the migrant center is closed. In order to be eligible for the exemption, the family would be required to provide proof of enrollment. On October 3<sup>rd</sup>, the Buena Vista Resident Council approved the proposal, and the Housing Authority has submitted it to OMS. We will keep the board informed regarding the status of our request, and the number of families that request and receive the exemption. The exemption would not impact the length of time the migrant center is open.

**MTW Expansion:** Moving to Work (MTW) is a demonstration program for public housing authorities that provides the opportunity to design and test innovative, locally-designed strategies that use federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families. MTW gives PHAs exemptions from many existing public housing and voucher rules and more flexibility with how they use their Federal funds. There are currently 39 MTW agencies nationwide, including 6 in the state of California. This month, HUD released the Operations Notice for the Expansion of the Moving to Work (MTW) demonstration program. HUD has received authorization to expand the program by an additional 100 MTW agencies over the next 7 years. In the coming months, HUD will be issuing PIH notices allowing housing authorities the opportunity to submit a letter of intent to apply for MTW status. We will provide more information to the Board as new guidance on the expansion is available.

**Legislative Update:** The President signed a spending package that includes a continuing resolution providing funding for the government until Friday, December 7. This averts a government shutdown for the departments and agencies funded by the seven appropriations bills that will not be finalized before the beginning of FY 2019 on October 1, including T-HUD. Prior to the end of the FFY, negotiations were in progress on a four-bill package that included the T-HUD bill. The CR ensures that Congress will have to address spending in the lame duck session.