

**HOUSING AUTHORITY OF THE CITY OF PASO ROBLES
BOARD MEETING MINUTES
July 16, 2019**

Present:	Chairman:	Mr. Wes Willhoit
	Commissioners:	Mr. Harry Ovitt
		Mr. Dave Anderson
		Ms. Nicol Jaurez
		Ms. Beatriz Espinoza
		Mr. Josh Cross
	Sec/Dir:	Mr. David Cooke
	Director of Finance:	Mr. Brent Weickert
	Recorder:	Ms. Tiffany Guerrero
	Staff:	
	Absent:	Ms. Betian Webb
		Mr. Earl Ward
		Ms. Liz Lopez Byrnes

Meeting called to order by Mr. Willhoit at 5:35 PM.

1. **Public Comment:** None
2. **City Liaison Report:** None
3. **PRHA Investment Presentation by Wacker Wealth Partners:** Bob Wacker the founder of Wacker Wealth Partners went over his investment presentation to the board. Mr. Wacker reported that the firm was founded in 1988 to offer investment management and comprehensive financial planning services on a Fee-Only basis. Firm is now the largest Independent Wealth Management firm based between Santa Barbara and Monterey. It is also a team of eight Certified Financial Planners and 12 additional analyst, research, compliance, and support personnel. Wacker Wealth Partners are very active in the community. The advantages of going with Wacker Wealth Partners is that it is fee-only compensation, a team approach, dedication to knowledge, independence, and fiduciary responsibility. There was some discussion.
4. **Consent Agenda:** Mr. Ovitt motioned to approve consent items and Mr. Anderson seconded, the motion passed.
 - a. **Approval of May 14, 2019 minutes.** The board had no questions or comments.
 - b. **Financials:** Mr. Weickert reviewed the preliminary year to end statement through June 30 2019. PRHA has developers fee payments that PRHA budgeted for last year and thought PRHA could book this year, but due to timing did not

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get booked. PRHA will see these fees on next year's budget. One of the items is the amount for the second payment of developer fees on Oak Park 3. It is anticipated PRHA will book a payment of \$83,000 by the end of July. Another fee that PRHA has not received is the management fee for OP3. PRHA originally budgeted \$105,000 and should see close to that amount once collected. PR, LLC is also waiting for an additional payment for lost rents originally budgeted. PRHA originally budgeted \$982,000 but to date booked \$726,000. Which is \$235,000 less than what was budgeted. On the expense side, 90% of budget is due to staffing. There was some discussion.

5. **2019/2020 Budget approval:** Mr. Weickert presented on Power Point the 2019/2020 budget. Mr. Weickert mentioned that the actual net surplus across all entities is \$740,531 but should result in a net positive cash flow of \$357,746. PRHA total income budgeted is \$1,258,687. This includes management fees and staffing costs for Chet Dotter, Oak Park 1, and Oak Park 2. PRHA will receive a one-time management fee from Oak Park 3 LP of approximately \$105,000. This item was deferred from the 6/19 year end. PRHA projected expenses total \$1,161,682. Mr. Weickert reported that 91.6% is staffing related. Professional fees are budgeted at \$54,000. PRLLC projected income is \$579,058. PRLLC will receive approximately \$196,276 for lost rent. This was deferred from 02/2019 year. Additionally, PRLLC will receive \$382,785 on interest from seller notes from all 4 of the Oak Park Properties. Mr. Ovitt motioned to approve 2019/2020 budget and Mr. Anderson seconded, the motion passed.

6. **Directors Summary Report:**

a. **Summary Report:**

PRHA/PRLLC: Mr. Cooke reported that the 2019/2023 Strategic Plan Retreat is scheduled to be held in the Oak Park 3 Community center this Friday, July 19, from 9am-4:30pm. Mr. Willhoit, Mr. Dick Willhoit, and Mr. Cooke have met with Ms. Colson again to come up with agenda items for the Board retreat meeting. Mr. Cooke mentioned that he will be sending the 2013/2019 Strategic Plan and 5 year plan, agenda and other information for you to review prior to the retreat so you can familiarize yourself with this information which will be helpful during the retreat process.

Oak Park 1: Mr. Cooke reported that Oak Park 1 has recently experienced some higher than usual turnover. Oak Park 1 has three vacancies and staff is in the process of working on units to get them make ready move-in condition. Mr. Cooke mentioned that staff have two qualified tenants ready to move-in, with one anticipated by the end of July and the second unit has to be cleaned up

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after last tenant due to a lot of damage to the unit. Staff is working on qualifying a new tenant for the remaining unit.

Oak Park 2: Mr. Cooke reported that the project also recently underwent some higher than usual turnover however; currently there is only one vacancy. Oak Park 2 anticipate full occupancy possibly by the end of the month. Mr. Cooke mentioned that PRHA has hired a new maintenance/supervisor person that will start next Monday. He will be responsible for Chet Dotter, Oak Park 1 and Oak Park 2.

Oak Park 3: Mr. Cooke reported that Winn Property Management achieved our goal of leasing all 75 affordable units by the end of June.

Oak Park 4: Mr. Cooke reported that still under construction, progress is being made and hopefully Ashwood can catch up to the anticipated construction completion of February 2020 due to rain delay. Mr. Cooke mentioned that all under groundwork/ sewage is all completed.

- b. **OP4 Construction Progress:** Mr. Cooke referred to the construction report. Construction is still in progress.

7. Old Business:

- a. **Investment Recommendations:** Mr. Cooke mentioned that Mr. Weickert and he would come back with recommendation and hopefully at the next meeting PRHA will have prepared a proposal. Mr. Cooke and Mr. Weickert have enough information to move forward.
- b. **Strategic Five Year Plan update (Verbal):** Mr. Cooke mentioned that the retreat is going to be this Friday, July 19, 2019. Mr. Cooke reported that he would be sending out a few more items for the retreat within the next few days and for the board to review them prior.
- c. **Strategic Plan Board meeting: July 19 @ Oak Park 3 Community Room:** Mr. Willhoit mentioned that the retreat would be held this Friday in the Oak Park 3 Community Room.

8. New Business:

- a. **Development Pipeline:** Mr. Cooke went over the development pipeline spreadsheet. Mr. Cooke reported that he did added a couple of additional projects and to date have yet to move forward. Mr. Cooke will meet up with the development committee to update sometime next week. Mr. Cooke mentioned that a 12-unit complex and a small parcel on Spring Street is for sell and it may

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be a good small project. He also talked to Mr. Peter Lopez from the Avalon Motel to further negotiate a price for the project, but he responded with that his mother is not interested at this time. There was some discussion.

- b. **Oak Park 3 Open House: July 26 11:00am-1:00pm:** Mr. Cooke reported that Oak Park 3 Grand Opening would be July 26, 2019. Winn Marketing is working on the details of the event. The Paso Robles Chamber of Commerce will coordinate the ribbon cutting. Mr. John Hamon will speak on behalf of the City. There was some discussion.

9. **Other-Open Forum:** None

10. **Adjourn Board Meeting:** Mr. Willhoit adjourned the meeting at 7:06 PM.

- a. The next scheduled meeting (Strategic Plan) is July 19, 2019 at 9:00 AM in the Oak Park 3 Community Room. The next Board meeting is scheduled for August 13, 2019 at 5:30 PM in the Oak Park 2 Community Room.

Chairman _____

Secretary _____

Date _____