

**HOUSING AUTHORITY OF THE CITY OF PASO ROBLES**  
**BOARD MEETING MINUTES**  
**June 9, 2020**

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

**Meeting called to order by Mr. Anderson at 5:34 PM.**

1. **Public Comment:** None.
2. **City Liaison Report:** Ms. Garcia reported that downtown parklets for restaurants have been approved by the City. The parklets are designed to help the downtown restaurants. These parklets will only be temporary for now but could be permanent at a future date if they are a success. Ms. Garcia mentioned that if the restaurants are interested in a parklet they would have to apply for a permit and get approved. Ms. Garcia also reported about the proposed budget and that the City will have to make some cut backs because of Covid-19. The City never knows if they will be hit with another disaster such as an earthquake or a wild fire, which is why the City would like to keep the reserves healthy. There was some discussion.
3. **Consent Agenda:** Mr. Ovitt motioned to approve the consent items and Mr. Willhoit seconded, the motion passed.
  - a. **Approval of May 12, 2020 minutes.** The board had no questions or comments.
  - b. **Financials:** Mr. Weickert highlighted a few key items from the April financial reports. Mr. Weickert reported that PRHA recorded revenue for the 10-month period totaling \$517,332 and that expenses totaled \$824,664. The net result through April was a deficit of \$307,332, an improvement over the budget of \$155,028. He reported that the investment account gain \$24,334 in April, earning back some of the loss revenue earlier in the year because of Covid-19. He also noted that much of the improvement from the budget resulted from staff position that was projected to be filled but has remained open to date.

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Mr. Weickert also reported that the balances in the checking and investment accounts were \$182,484 and \$733,075, respectively. As for PRLLC, Mr. Weickert reported that \$317,677 was booked as revenue and \$3,826 in expenses for a net surplus of \$313,851. Mr. Weickert noted AHP, PRLLC, and PRHA would book a net of about \$800,000 of revenue in May from the conversion of Oak Park 3 to permanent financing.

**4. Directors Summary Report:**

**a. Summary Report:**

**PRHA/PRLLC:** Mr. Cooke reported that PRHA staff is still on a modified work schedule of 4-day workweeks. Fiscal is working full time with time divided to work at home as much as possible. There have been no verified any cases of residents with Covid-19.

**Oak Park 1:** Mr. Cooke reported that Oak Park 1 is currently 100% occupied. Oak Park 1 is reporting no uncollected rents due to Covid-19. All partial payments have been paid through May. Oak Park 1 has \$300 of uncollected rents for June. Mr. Cooke mentioned that Oak Park 1 has a strong waiting list of 240 applicants. No maintenance issues to report.

**Oak Park 2:** Mr. Cooke reported that Oak Park 2 currently has 2 vacancies and we expect move in by the end of the month. We should have a qualified tenant for the remaining vacancy shortly. Oak Park 2 is reporting cumulative uncollected rents of approximately \$3,200 through June. No maintenance issues to report.

**Oak Park 3:** Mr. Cooke reported that Oak Park 3 is 100% leased. Due to the Covid-19 virus there have been 4 tenants that made partial payments in May which equated to approx. \$2,030.00 of uncollected rents. June uncollected rent have not yet been determined. No major maintenance issues. The \$3,285,000 permanent loan with JLL closed on 5/27/2020 along with equity pay in from R4 (Equity Investor) to pay off construction loan, other associated cost, development fees, lost rents, relocation fees, lease up incentive fee and a pay down to PRLLC promissory note when 8609's are issued.

**Oak Park 4:** Mr. Cooke reported that Oak Park 4 is now fully completed. To date 74 tenants have moved in including the Managers unit. We are expecting the remaining VASH unit to be leased up by the end of June. No uncollected rents have been reported due to Covid-19. June uncollected rents have not yet been

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determine. We expect the permanent closing to happen around 1<sup>st</sup> quarter of 2021.

**5. Old Business:**

- a. **Marketing:** Mr. Cooke reported that PRHA got a rough draft of all the staffs business cards and will proceed to order them. Mr. Cooke is working with Simply Clear Marketing on PRHA website. Mr. Cooke has a deadline of end of June beginning of July.

**6. New Business:**

- a. **Succession Plan:** Mr. Cooke went over the Succession Policy that Ms. Guerrero emailed to all PRHA board members. The board had no questions or comments. Mr. Willhoit motioned to approve the Succession Policy and Mr. Cross seconded, the motion passed.
- b. **PRHA/AHPR Working Agreement:** Mr. Cooke went over the Housing Authority of the City of Paso Robles and Affordable Housing Paso Robles Working Agreement that Ms. Guerrero emailed to all PRHA board members. Mr. Cooke mention that we will just continue doing what we have been doing. The board had no questions or comments. Mr. Willhoit motioned to approve the PRHA/AHPR Working Agreement and Mr. Ovitt seconded, the motion passed.
- c. **PRHA/AHPR/PRLLC June 2021 Proposed Budget:** Mr. Weickert gave a PowerPoint presentation on the 2020/2021 budget. Mr. Weickert reported that the total proposed revenue, expenses, and net surplus PRHA, PRLLC, and AHPR were as follows:

	<u>PRHA</u>	<u>PRLLC</u>	<u>AHPR</u>	<u>All Entities</u>
Revenue	\$ 1,166,070	\$ 390,785	\$ 913,194	\$ 2,470,049
Expenses	<u>1,207,208</u>	<u>4,000</u>	<u>834,789</u>	<u>2,045,997</u>
Net Surplus	<u>\$ (41,138)</u>	<u>\$ 386,785</u>	<u>\$ 78,405</u>	<u>\$ 424,052</u>

Mr. Weickert stated that, after deducting the accrued interest on the long-term and seller notes and adding the expected payment on the Oak Park 3 note, cash flow is expected to be positive by \$157,848.

In addition to the ongoing management and staffing fees, PRHA is expected to receive \$515,690 in developer fees from AHPR and a \$106,250 lease up free from Oak Park 3. The developer fees are 85% of the amounts to be received by AHPR, by agreement, for Oak Park 3's 8609 payment and Oak Park 4's completion and conversion payments.



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PRHA's expenses are based on current staffing levels, with the addition of the development manager position, which was in the prior year budget but never filled. PRHA has also budgeted \$24,000 for marketing, website, and production of an annual report.

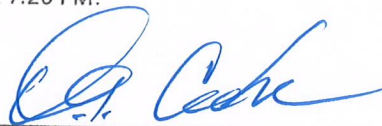
The budget for PRLLC includes accrued interest income on the seller notes and \$4,000 of expenses for the audit and for liability insurance. Mr. Willhoit motioned to approve the PRHA June 2021 proposed budget and Mr. Ovitt seconded, the motion passed. Mr. Willhoit motioned to approve the PRLLC June 2021 proposed budget and Mr. Ovitt seconded, the motion passed.

7. Other-Open Forum: None
8. Adjourn to closed session @ 6:41 PM
9. Re-adjourn to regular meeting and adjourn meeting @ 7:20 PM. No reportable action.
10. Next Meeting scheduled for July 14, 2020 @ 5:30 PM.
11. Adjourn: Mr. Anderson motioned to adjourn the meeting at 7:20 PM.

Chairman

  
Dave Anderson

Secretary

  
David A. Cooke

Date

JULY 15, 2020