

**MINUTES OF THE**  
**SANTA FE COUNTY**  
**HOUSING AUTHORITY BOARD**

**March 26, 2013**

This meeting of the Santa Fe County Housing Authority was called to order on the above-cited date in the Santa Fe County Legal Conference Room, at the County Courthouse at approximately 10:00 a.m. by County Commission Chair Kathy Holian.

Roll call indicated the presence of a quorum with the following Board members present:

**Members Present:**

Kathy Holian, Commissioner  
Robert Anaya, Commissioner  
Miguel Chavez, Commissioner  
Danny Mayfield, Commissioner  
Liz Stefanics, Commissioner  
Frances Ong, Resident Member

**Member(s) Excused:**

[One vacancy]

**Staff Present:**

Katherine Miller, County Manager  
Rachel Brown, Deputy County Attorney  
Ron Pacheco, Housing Authority Director  
Erik Aaboe, Manager's Office  
Penny Ellis-Green, Growth Management Department  
Victor Gonzales, Housing Staff  
Deanna Lopez, Housing Administrator  
Tracey Young, Senior Accountant  
Steve Brugger, Affordable Housing Director  
Rosemary Bailey, Affordable Housing  
Tim Vigil, Assistant County Attorney  
Chris Barela, Constituent Liaison  
Molly Saiz, Finance

**Other Present:**

Joseph Loewy, Board Candidate

**III. Introductions**

Those present introduced themselves.

**IV. Approval of Agenda**

Mr. Pacheco noted the addition of a new item to discuss the jurisdiction agreement with the Civic Housing Authority. Commissioner Chavez moved to approve the agenda as published. Commissioner Stefanics seconded, and the agenda was unanimously [6-0] approved.

**V. Approval of Minutes: February 26, 2013**

Commissioner Stefanics moved to approve the minutes from the above-cited date as presented. Her motion was seconded by Commissioner Chavez and passed by unanimous [6-0] voice vote.

**VI. Approval of Resolution 2013-03HB: a Civil Rights Certification, HUD 50077-CR Form**

Mr. Pacheco announced that this is an annual requirement of HUD. The form certifies the Authority acts in conformity with Title VI of the Civil Rights Act, the Fair Housing Act and Title II of the ADA Act.

Commissioner Stefanics moved to approve and Commissioner Mayfield seconded. The motion carried [6-0] unanimously.

**VII. Approval of Resolution 2013-03HB: a Resolution Writing Off Uncollectable Accounts for Santa Fe County Housing Authority's Public Housing and Housing Choice Voucher (Section 8) Programs (\$50,690.06)**

Mr. Pacheco stated this is undertaken following efforts to contact the people involved, who are listed in the packet.

Commissioner Stefanics asked what time period was covered. Ms. Young said the debts were all at least one year old as of December 2012.

Commissioner Mayfield asked if people are kept on the list in case they reapply. Mr. Pacheco said there is a database showing those who have failed to pay either the local housing authority or others nationwide. If they reapply they are required to repay.

Commissioner Chavez asked if this was part of the background check. Mr. Pacheco said the database is from HUD. Background checks cover criminal issues. A credit check is not done since the clientele tends to have problematic credit.

Commissioner Anaya moved to approve. Commissioner Chavez seconded and the motion passed by unanimous [6-0] voice vote.

### VIII. Proposed Terms for a Jurisdictional Agreement with the Santa Fe Civic Housing Authority

Mr. Pacheco said there is currently no agreement and he was seeking direction from the Board. Recently he, the County Manager, Chris Barela and Ms. Young met with the Mayor, City Manager and Civic Housing staff. He also met with Ed Romero the day before. Mr. Pacheco said he is no longer insisting on open jurisdiction. It was agreed that none of the special program vouchers, for instance those for veterans, would be included in the count. The County can include all of the property of the pre-annexation boundaries. Mr. Romero is currently willing to allow up to 120 County vouchers in the city.

Mr. Pacheco said the County currently pays over \$20,000 a year in administrative fees to the City, and they are trying to get that to zero. Mr. Romero is not interested in eradicating the fees, nor is he willing to exclude current vouchers; he believes those should be part of the overall number. He was willing to increase the number of vouchers if the County did a development for low income (below 30 percent AMI) he would agree to two County vouchers in the city for every family in the new development. For a family of 60 percent AMI he would allow a one for one exchange.

Commissioner Stefanics stated she was also at the meeting and there were only three City board members present. They expressed their complete faith in Mr. Romero due to his having cleaned up and expanded the program. They said, "We're not interested in doing anything for free. That money (the fees) is allowing us to expand." They are branching into other counties.

Ms. Miller indicated she spoke with the City Manager afterward and understood that it is a matter of philosophical differences and that he could see both sides.

Commissioner Chavez said he found it disingenuous that the executive director is trying to use annexation as leverage given that nothing has happened in that arena. He stated it was unfair for one individual to control the debate. Mr. Pacheco noted that Mr. Romero has taken those units, such as the apartments and homes on Airport Road off the table.

Commissioner Anaya stated he felt the County's objectives were achieved in that they articulated their position. He added it was dangerous for management to dictate policy without checks and balances. He recalled instances in the past where there was insufficient quality control. He urged caution on any unilateral agreements, which he called "recipes for disaster."

Commissioner Stefanics asked what would happen if they didn't cross jurisdictions. Commissioner Anaya identified the problem as being the County not having sufficient product. The vouchers would remain unfilled and there would be more people without housing. "We need to control our own destiny."

Ms. Miller asked if it would be possible for the County to do the administration. She pointed out that the City is placing their vouchers in the county.

Mr. Pacheco said the only reason they have now come to the table is that they are

developing in other communities and HUD will not approve those plans until they come to terms with the jurisdictions they are violating.

Commissioner Stefanics said he understood there was a May 1<sup>st</sup> deadline with HUD, otherwise the vouchers will be ported. Mr. Pacheco said it is often recommended that the County do what the City is doing and not pay the administrative fees. However, they are determined to follow the rules. Commissioner Chavez said others are not following the rules. Mr. Pacheco said he has received letters from numerous entities supporting open jurisdiction.

Commissioner Holian asked about the key elements in the proposal for the next day. Mr. Pacheco said they are okay with having access to all the apartments and homes they had access to prior to discussions of annexation.

Commissioner Anaya mentioned the County has been acting in good faith and the City is not helping in annexation responsibilities. This needs to be revisited.

Mr. Pacheco reiterated they are now being allowed to include the areas in the presumptive city limits. Mr. Romero is willing to go up to 120 vouchers, almost half of the current stock, but is not willing to grandfather in the current vouchers. Mr. Pacheco would like to ask for 150 vouchers but doubted that would be accepted.

Ms. Young indicated that when the issue first came up they asked the County Assessor which properties were part of the county and which were not. Mr. Pacheco said they need to determine a baseline. He said veterans and the home ownership program are not in the equation.

Ms. Miller noted that the City has 90 vouchers in the county and no fee is collected, making the situation grossly uneven. It should be a wash, up to the 120 vouchers each way.

Commissioner Chavez encouraged sending a message directly to the board. The County is conceding too much. With annexation, they now have planning and platting authority and the County got nothing in return.

Mr. Pacheco mentioned one option would be waiting until May 1<sup>st</sup> when HUD would force the issue.

Ms. Young explained that it is HUD's policy that if someone lives in the county and moves to the city with a voucher that voucher is ported and the City then does the administration.

Commissioner Anaya advocated making the fees neutral, raising the number to 120, and not including the annexed areas.

Commissioner Mayfield asked if HUD had been advised of the situation. He suggested sending a letter and asking HUD for a ruling. A copy of the letter would be sent to the City. Mr. Pacheco stated HUD sent an email to Mr. Romero suggesting that the jurisdiction be open to improve efficiency.

Ms. Ong brought up the fact that the County does not have sufficient housing for the

disabled.

Commissioner Mayfield advocated stopping the payment of administrative fees. Ms. Young said they are required to port the vouchers and HUD could stop the funding. HUD has advised Civic to straighten out there jurisdiction issues by May 1<sup>st</sup> or funding will cease.

Mr. Pacheco stated he understood his direction to be that he would go into negotiations with the idea that the annexed areas were off the table, and the fee exchange issue would be discussed. He will come back to the Board at the next meeting and give the results.

Commissioner Stefanics noted that Civic does not have a meeting until May 15<sup>th</sup>, so the conversation is between Mr. Pacheco and Mr. Romero.

**IX. Proposal for Rent-to-Own Program for Homes Purchased under the Foreclosure Prevention Program**

Steve Brugger noted the Affordable Housing Program works with the Housing Authority staff to sell the homes purchased under the Foreclosure Prevention program. There are currently five homes purchased by HUD funds and now owned by the Authority. The 80 percent requirement has been changed to 120 percent.

He said the rent-to-own program makes sense because a \$215,000 home is hard to sell to someone in the 80 percent category. Also, high HOA dues can be a problem. This program gets people into the home and in time the renter will pay for all maintenance. The price is locked in and gives them time to clean up their credit and reduce their debt while they're renting and reduce the price through rent credit.

Mr. Brugger referred to packet material, including the standard HUD lease agreement. Rent would be fair market, 30 percent of gross monthly income after adjustments. The term would be 12 to 24 months. The option to purchase would be executed simultaneously with the lease agreement. There must be a written notice of intent to purchase and closing must occur by the end of the option term or the agreement is null and void unless the owner wants to extend it.

Key provisions include: rent credit goes toward purchase price, tenant brings forth an option consideration, possibly combined with a security deposit. This would be forfeited if the sale did not go through. The buyer/tenant would be responsible for maintenance. 80 percent AMI would be maximum income and 50 percent would be minimum. There would be asset requirements, a minimum credit score, owner occupation, first time owner and homeowner training. The intent is to assure that participants have a realistic chance of success.

Commissioner Holian commended the information in the packet and suggested that rent credit equation be included.

Commissioner Chavez asked if property tax and insurance would be paid by the buyers. Mr. Brugger said only renters' insurance would be the responsibility of the renter/buyer. Turning to the requirement that the participant be a first-time homebuyer, Commissioner Chavez asked how that was verified. Mr. Brugger said it can be ascertained that they don't own a property at present.

Commissioner Anaya expressed his preference that eligibility include more than just first-time homeowners, given the state of the economy. Commissioner Chavez agreed that other categories should not be excluded.

Commissioner Mayfield urged care in making sure assets weren't be hidden. Mr. Brugger said they look into that thoroughly. Commissioner Mayfield also asked that there be a minimum residency requirement, and broached the subject of tax lightning. Mr. Brugger said assessment would be based on the subsidized value, not fair market. The various forms of assistance are subtracted. Ms. Miller noted that the Assessor will also have the true value on the rolls. Because the subsidy is substantial they tend to not need private mortgage insurance.

Commissioner Stefanics asked that the lease term not be prolonged over 24 months. She asked what would happen if a job is lost. She suggested looking into qualifications for the disabled.

Commissioner Chavez asked what would happen if the people want to move and sell the house. Mr. Brugger said there are standard requirements such as the County having the right to broker the house to another income-qualified party, or first refusal. There is no penalty on the first buyer.

Mr. Brugger said he would bring forward a resolution at the next meeting. It is also possible to use funds from the Affordable Housing program to purchase other homes in the foreclosure program.

- X. **Housing Authority Updates**
  - A. **Site Improvement Plan/CFP Update**
  - B. **Vacancy Update**
  - C. **Director's Report**

It was agreed these items would be read by the Commissioners

- XI. **Review of Applications: Community Board Membership and Possible Appointment**
- XII. **Public Comments** - None were offered.
- XIII. **Matters from the Board**
- XIV. **Executive Session: Limited Personnel Matters** – It was deemed unnecessary.

The remainder of the agenda was rolled over to the next month's meeting.

SFC CLERK RECORDED 05/09/2013

**XV. Adjournment**

Having completed the agenda and with no further business to come before the Authority, this meeting adjourned at approximately 11:17 a.m.

Approved by:

*Kathy Holian*  
Kathy Holian, Commission Chair  
Housing Authority Board

ATTEST TO:

*Geraldine Salazar*  
GERALDINE SALAZAR  
COUNTY CLERK  
5/9/2013

Submitted by:

Debbie Doyle, Wordswork



COUNTY OF SANTA FE )  
STATE OF NEW MEXICO ) ss

HOUSING MINUTES  
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I Hereby Certify That This Instrument Was Filed for  
Record On The 9TH Day Of May, 2013 at 02:18:05 PM  
And Was Duly Recorded as Instrument # 1705040  
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office  
Geraldine Salazar  
Deputy *Manelle* County Clerk, Santa Fe, NM