

MINUTES OF THE
SANTA FE COUNTY
HOUSING AUTHORITY BOARD

June 25, 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 9:00 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
Frances Ong, Resident Member
Joseph Loewy, Community Member
Danny Mayfield, Commissioner
Liz Stefanics, Commissioner

Member(s) Excused:

None

Staff Present:

Katherine Miller, County Manager
Rachel Brown, Deputy County Attorney
Rachel O'Connor, Community Services
Ron Pacheco, Housing Authority Director
Deanna Lopez, Housing Administrator
Robert Griego, Growth Management Division
Tracey Young, Senior Accountant
Steve Brugger, Affordable Housing Administrator
Victor Gonzales, Housing Authority Staff
Tim Vigil, Assistant County Attorney
Chris Barela, Constituent Liaison
Molly Saiz, Finance
Lisa Roybal, Manager's Office

III. Introductions

Those present introduced themselves.

IV. Approval of Agenda

Mr. Loewy moved to approve the agenda as published. His motion was seconded by Commissioner Anaya and passed by unanimous [4-0] voice vote. [Commissioners Stefanics, Chavez and Mayfield were not present for this action.]

V. Approval of Minutes: May 28, 2013

Mr. Loewy noted the following corrections: Page one, the “y” on Chair Holian’s first name was missing; page two, capitalize Executive Session and Community Board Member.

Commissioner Stefanics moved to approve the minutes from the above-cited date as amended. Mr. Loewy seconded and the motion passed by unanimous [5-0] voice vote. [Commissioners Mayfield and Chavez were not present for this action.]

VI. Resolution 2013-06HB: Approval of Form HUD-52757, PHA Board Resolution Approving Operating Budget

Mr. Pacheco said this item is to approve the Authority’s operating budget as required by HUD.

Ascertaining that neither Board Members Ong nor Loewy had an opportunity to review the budget, Commissioner Anaya asked that they bring forward any questions and amendments following their review.

Commissioner Stefanics moved to approve Resolution 2013-06HB with the proviso that the budget be presented at the next meeting for any cursory review and questions. Commissioner Anaya seconded and the motion passed by unanimous [6-0] voice vote. [Commissioner Chavez was not present for this action.]

VII. Approval of Resolution 2013-07HB: A Resolution of the Santa Fe County Housing Authority Board Adopting a Rent-to-Own Program and Policy and Delegating Signature Authority for Transactions Valued at \$250,000 and Below to the County Manager for the Negotiation, Sale and Lease of Homes Under the Rent-to-Own Program

Under the direction of this Board, Mr. Pacheco said staff has been to working to formulate a “Rent-to-Own Program.” This establishes an additional tool in the affordable housing toolbox to provide homeownership on homes the County has purchased through the foreclosure program. The rental would provide the County income on the foreclosures prior to sale and help leverage homeownership for buyers who would not normally be able to purchase a home.

Steve Brugger, Affordable Housing Administrator, advised the Board that the resolution was recently reviewed by the legal department where additional changes have been recommended, so at this time the resolution is not ready for approval. The program attempts

to reach the 80 percent of the area median income households who have sufficient income but are not yet purchase ready, i.e., with too much debt or poor credit scores. The program will provide the buyer the opportunity and time to accumulate downpayment funds in conjunction with the foreclosure prevention program. The program would be completely transparent and well advertised with an open enrollment period on a website along with other forms of marketing. He reviewed the eligibility requirements and the screening process.

A 24-month rental lease agreement and option to purchase agreement would be executed with successful applicants. During the rental period, half of the rent will be a rent credit going toward the purchase price and the security deposit and any interest will apply to the purchase price. He outlined the lease terms which included monthly rent, security deposit, utilities, buyer/tenant obligation to maintain the property, property inspection by staff and termination of lease agreement. Defaulting on the lease agreement is an automatic default on the option to purchase. The option to purchase agreement was outlined and included the recapture of subsidies and appreciation control. Mr. Brugger reviewed the obligations of the potential homebuyer in the rental agreement.

The objective is rent to own, stated Mr. Brugger and mentioned successful candidates would be encouraged to apply to the Affordable Housing Program for downpayment assistance thus creating multiple subsidies. The program is structured to meet HUD requirements which he outlined. He mentioned that an existing voucher holder could participate in the program with the voucher counting as income.

Responding to Commissioner Stefanics' question of what prevents an applicant from leaving the program, Mr. Brugger said they would be barred from participating in the program in the future, lose not only the option consideration and the money spent on maintenance, but also potentially the best opportunity to purchase a home at a greatly reduced price with rent credit.

Commissioner Anaya requested additional "teeth" in the contracts. He requested greater specificity to the areas regarding homebuyer training, financial fitness and the work plan. Without adequate training the applicant would fail and a partnership with a non-profit was suggested.

Commissioner Chavez said the inspection should be conducted at a minimum of every six months insuring that the property is maintained and renter-occupied.

Commissioner Anaya said the tenant and landlord responsibilities must be clearly delineated and he strongly recommended that the tenant sign off on each point under Section 2.9 of the Option to Purchase Agreement as an addendum.

Mr. Pacheco identified the homes in the program as those in foreclosure that already have County funds attached and/or can be purchased at an extremely low price.

Commissioner Mayfield asked that staff investigate whether Santa Fe County residency could be included as a requirement.

Mr. Brugger confirmed that self-employed individuals can qualify for the program.

In an effort to protect the County's property, more frequent inspection was recommended as well as insurance.

At present the County owns two homes that would be the initial properties. Three others have been purchased.

Mr. Pacheco said he and Mr. Brugger will discuss the program with HUD and a landlord/tenant expert.

Commissioner Anaya recommended postponement of the purchase of additional homes pending program results.

VIII. Housing Authority Updates

A. Site Improvement Plan/CFP Update

Mr. Gonzales reported the following:

- The engineering plans associated with the removal of the sewer lift at the Jacob D. Martinez site are underway
- Sewer lines at the Santa Cruz site will be completed early July
- Big Rock Builders of Española won the bid for the renovations at the Camino de Quintana house

Regarding roofers, Mr. Pacheco said it is expected that there will be roofers on contract by this fall. He was asked to report back on this item in August.

B. Vacancy Update

Mr. Pacheco reported that the occupancy rate is holding at 96 and 97 percent.

C. Director's Report

Mr. Pacheco reported on the following:

- A Real Estate Assessment Center (REAC) inspection is scheduled for July. Maintenance is working to insure that all units will pass inspection
- There was a successful cleanup day at the Santa Cruz housing site
- County Economic Development Director David Griscom is evaluating the County-owned Galisteo Street site
- Funds that may remain from the Valle Vista sewer work will be used for comprehensive landscape improvement at Valle Vista and Santa Cruz
- LifeLink has contracted with a former Bernalillo housing director to run the case management component of the Linkages program

Mr. Pacheco announced the Tracey Young will be leaving the agency and he recognized and thanked her for her contributions to the County. Ms. Young said she will be working for the Supportive Housing Coalition in Albuquerque. The Authority wished her the best of luck in the future.

IX. Public Comments - None were offered.

X. Matters from the Board

Commissioner Mayfield requested an update on the commodities program in the future. Commissioner Stefanics suggested the senior vans be used to transport seniors to commodity program locations.

XI. Executive Session was deemed unnecessary

XII. Adjournment

Having completed the agenda and with no further business to come before the Authority, Chair Holian adjourned the meeting at approximately 10:00 a.m.

Approved by:

Kathy Holian
Kathy Holian, Commission Chair
Housing Authority Board



ATTEST TO:

Geraldine Salazar
GERALDINE SALAZAR
COUNTY CLERK
3-20-2014

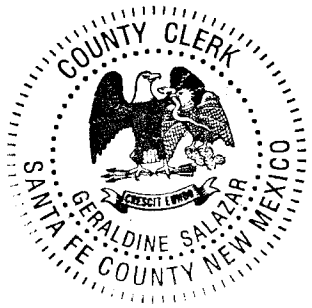
Submitted by:

Karen Farrell, Wordswork

HOUSING MINUTES
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COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

I Hereby Certify That This Instrument Was Filed for
Record On The 20TH Day Of March, 2014 at 02:08:38 PM
And Was Duly Recorded as Instrument # 1732503
Of The Records Of Santa Fe County



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