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Valerie Espinoza
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MINUTES OF THE
SANTA FE COUNTY
HOUSING AUTHORITY BOARD

May 26, 2009

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 8:07 a.m. by County Commissioner Virginia Vigil.

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

Members Present:

Virginia Vigil, Commissioner
Harry Montoya, Commissioner [8:20 arrival]
Kathy Holian, Commissioner
Tim Vigil, Community Member
Michelle Hoffman, Resident Member

Member(s) Excused:

Mike Anaya, Commissioner
Liz Stefanics, Commissioner

Staff Present:

Roman Abeyta, County Manager
Dodi Salazar, Housing Division Director
Rachel Brown, Deputy County Attorney
Victor Gonzales, Capital Fund Coordinator
Joseph Gutierrez, Community Services
Darlene Vigil, Affordable Housing Administrator

Others Present:

Keith Chase, Constellation Energy

III. Approval of Agenda

Upon motion by Commissioner Holian and second by Board member Vigil, the agenda was unanimously [4-0] approved. [Commissioner Montoya was not present for this action.]

IV. Approval of Minutes: April 28, 2009

Commissioner Holian moved to approve. Her motion was seconded by Board member Vigil and the motion carried unanimously. [Commissioner Montoya was not present for this action.]

V. Approval of Resolution No. 2009-07. A Resolution Approving the Santa Fe County Housing Authority's Payment Standards (HCV Program)

Ms. Salazar stated HUD requires payment standards for Section 8 housing must be set between 90 and 110 percent of the published fair market rents. The Housing Authority wants to set the standard at 91 percent except for one-bedroom units which will be at 110 percent. Commissioner Holian asked if this had changed from the previous year and Ms. Salazar said they are reset every year. Commissioner Vigil asked what the difference was and Ms. Salazar said last year studios went for \$533, one bedroom was \$800, now \$839, two-bedroom was \$804, now \$844, three-bedroom was \$1106, now \$1053, and four-bedroom was \$1259 and that went to \$1,321.

Commissioner Holian moved to approve and Board member Vigil seconded. The motion passed by unanimous 4-0 voice vote. [Commissioner Montoya was not present for this action.]

VI. Approval of Resolution No. 2009-08. A Resolution Approving the Santa Fe County Housing Authority's Public Housing Utility Allowance Schedule

Ms. Salazar explained that HUD mandates utility allowances for all tenant-paid utilities. These must be established for each bedroom size. Upon review the allowances were adjusted per HUD guidelines.

Commissioner Holian asked how a determination was made. Ms. Salazar said they contact the utility company and get a printout of all of utility bills in the neighborhood. After removing the highest and lowest, an average is established.

Board member Vigil asked if there was a reserve fund. Ms. Salazar indicated all tenants are charged thirty percent of their adjusted gross income for rent. Then the utility allowance is deducted from the rent.

Board member Vigil moved to approve Resolution 2009-08 and Commissioner Holian seconded. The motion passed unanimously 4-0. [Commissioner Montoya was not present for this action.]

VII. Approval of Resolution No. 2009-09. A Resolution Approving the Santa Fe County Housing Authority's Public Housing Utility Allowance Schedule for the Section 8 Housing Choice Voucher Program

Similarly, utility allowances are mandated for Section 8 housing. The Authority determined changes were called for. The process works the same way as for public housing.

Board member Vigil moved to approve the resolution. Commissioner Holian seconded and the motion carried by unanimous voice. [Commissioner Montoya was not present for this action.]

VIII. Approval of Resolution No. 2009-10. A Resolution Requesting an Increase to the Public Housing Administration Fund (517) for Expenditure in Fiscal Year 2009 (\$8,890)

Ms. Salazar stated this BAR is to budget HUD funds dedicated to a Family Self-Sufficiency Coordinator position and was originally for \$53,000. This is to budget to the end of the fiscal year. The remainder will be moved to next fiscal year.

Ms. Salazar explained how the Family Self-Sufficiency program works on a five-year schedule to help families move out of public housing. These funds were for the salary of the coordinator.

Commissioner Holian moved to approve and Board member Vigil seconded. The motion passed by unanimous 4-0 voice vote. [Commissioner Montoya was not present for this action but joined the meeting immediately thereafter.]

IX. Presentation by Constellation Energy [Exhibit 1: Information Packet]

Keith Chase, representative of Constellation Energy, stated he was there to explain energy performance contracting. He said this was for information only and was not a sales pitch. Energy performance contracting diverts utility payments into capital improvements and cash flow. Capital improvements and debt service are paid for by utility savings. Generally, there are additional funds left over that the Authority can use at its discretion.

Mr. Chase went on to say that the utility savings are always greater than the costs associated with the energy performance contract. He said a utility analysis is conducted and projections are made about consumption and cost. HUD funding levels are taken into consideration to shield the Authority from any potential risk. Risk level is at the Authority's discretion. After a preliminary analysis it was determined Constellation Energy could save the County \$78,000 per year in utility costs. This would fund capital improvements costing between \$598,000 and \$740,000. Additionally, there are rebate and incentive programs offered by the federal government. Los Amigos weatherization program is an example. He mentioned the City's toilet retro-fit program as another example.

Mr. Chase explained how the financing works, noting the savings are 100 percent guaranteed by the energy performance company. He said his company has never missed a savings guarantee. In order to get resident buy-in there are bilingual educational sessions to encourage

conservation, as well as staff maintenance training and administrative training. An energy performance can potentially bring jobs into the community and even pay salaries residents to work.

There is always the potential to do green projects, according to Mr. Chase, through solar water heating or photovoltaic panels. He outlined the steps to be taken to proceed. He stressed HUD monitors the process. A favorable interest rate can generally be secured.

Commissioner Holian asked which techniques have been found to be most valuable. Mr. Chase said lighting and water consumption are big items. He was unsure hot water on-demand systems would work here due to the hardness of the water.

Regarding financing, Mr. Chase said banks get points for funding projects, and the interest rate is currently around 4.5 percent and the energy company will help secure financing.

Commissioner Montoya asked if they could get the money from MFA. Mr. Chase said they normally work with mortgages but if MFA is willing to loan money that would be at the Authority's discretion. Referring to the RFP, he said it can be weighted at the Authority's discretion. He has spoken to Floyd Duran who is excited about this program. He is working in the preliminary states with Santa Fe City Housing authority and with Gallup. The only energy performance contract that has been completed in the state is in Albuquerque and that has been in place for around five years.

Ms. Salazar asked if loans were allowed, and Ms. Brown said she didn't know, adding funding was usually done through bonding. Commissioner Vigil asked it could be done with a grant. Mr. Chase said with a grant, particularly from HUD the Authority is not allowed to capture the savings generated by the improvements.

X. Housing Authority Updates

A. Vacancy Update

Ms. Salazar said the vacancy rate is at four percent, with eight units vacant.

B. Capital Fund Program Update

Mr. Gonzales said the Environmental and Release of Funds reports have been sent to HUD and they are waiting for the formal letter releasing the stimulus funding. An advertisement for windows and screens is being prepared for May 29th and the pre-bid will be June 12th and bids received on the 26th of June. Stimulus money is being applied for for plumbing fixtures, faucets and toilets for the public housing sites.

HUD is offering some funds through a three-stage proposal. The first stage targets the needs of the elderly and disabled and \$3,000 per unit is available. The second stage is energy efficiency, which can also yield \$3,000 per unit. Stage three has to do with financing and a maximum of \$10 million can be applied for. Deadline for the first stage applications is June 15th.

Commissioner Vigil said the infusion of capital funds could provide a nice boost but she questioned the projects requiring sustainable funding. Ms. Salazar explained that the plan for the

first stage is to change out bathtubs. The second stage applications aren't due until July so they are still in preliminary stages. The sustainable phase is still well into the future. "Money's coming at us from everywhere," stated Ms. Salazar.

C. Affordable Housing Program Update

Darlene Vigil, Affordable Housing Administrator, announced there will be a meeting with MFA to tighten up the plan. She plans to propose support for the workforce population with direct assistance to homebuyers, and down payment assistance; rehabilitation of existing homes – she has met with Los Amigos regarding weatherization. MFA would like to see outside funding as well. She will be proposing energy efficiency and water conservation measures with promotion of green building standards, developer incentives and integration of internal and external resources promoting partnerships.

Commissioner Montoya asked if rehabilitation of existing houses was allowed, and Ms. Vigil said it is encouraged. Needs assessments were undertaken, and in the northern part of the county there are problems with driveways and roofs. Los Amigos has a list of people needing assistance. Commissioner Montoya asked when the final changes would be made. Ms. Vigil said she hoped they would come to a resolution the following day, after which the plan will come before the BCC.

Ms. Salazar said it was her understanding that MFA would approve or deny the application. If they approve it that's the plan they will work under. She added the intent is to include as many options as possible to afford flexibility. That way the Board can at its discretion decide when and how the programs will be implemented.

Commissioner Montoya asked about the issue Commissioner Stefanics brought up, and Mr. Abeyta said he was given direction to contact the director which he did. The director told him to submit a plan and a great deal of flexibility was allowed.

Ms. Salazar stated there was a meeting with the Candlelight Homeowners Association the previous Thursday and four neighborhood representatives showed up. Staff made a presentation on the Galisteo site. She said they appreciated the meeting and expressed concern about traffic, given Santa Fe Brown is also doing a development project in the area. The citizens suggested a smaller project targeted to the elderly. She said they would take the concerns into consideration and return for an early notification meeting in the future.

Commissioner Holian thanked Ms. Salazar and Ms. Vigil for setting up the meeting and felt the community appreciated the openness. She agreed traffic is going to be a major concern. Commissioner Vigil asked if a traffic impact study was required, and would one be done for the rail stop. Mr. Gonzales said a TIA is required, along with floodplain evaluation and noise analysis. Commissioner Vigil recommended looking at a design that minimizes traffic impact.

Ms. Salazar stated the residents were informed construction won't be occurring immediately and were relieved at that. In response to a question by Commissioner Montoya, Commissioner Holian said there was concern expressed regarding potential contamination on the

site. Mr. Gonzales indicated an environmental assessment would be performed, and Mr. Gutierrez said staff was meeting with an environmental group to discuss the assessment. Glorieta Geoscience will be consulting, and NMED brought in as soon as possible.

D. Public Housing Report

Ms. Salazar stated she, Board member Vigil and Ms. Vigil met with developers with an eye to engaging in vertical construction on a property that already has infrastructure. Other properties identified in the Bowden report were contacted, including the Tsosie property, which is lacking in infrastructure and quite small. They met with Patrick Lyons regarding the San Cristobal property, which is very large but also lacks infrastructure and is involved in litigation.

Ike Pino is interested in donating land to the County if he could build the affordable housing. There are 197 lots available with infrastructure, of which 20 to 30 would be affordable. She asked for the Board's okay to proceed with discussions.

Board member Vigil noted this could be a win-win situation, given Mr. Pino's expertise. The lots are shovel-ready and things could move quickly. Ms. Hoffman asked why the lots were unfavorable, and Board member Vigil said it was only that they had been identified as affordable.

Mr. Abeyta said staff was recommending proceeding.

Board member Vigil stated the only concern he had was the perception that Rancho Viejo was being given favorable treatment, but other developers could also be involved. Mr. Abeyta said Rancho Viejo could serve as a pilot project. Ms. Vigil said four income ranges would be involved.

There was Board consensus to proceed with Rancho Viejo.

Ms. Salazar mentioned three parcels of land have potential in Tierra Contenta. More talks are pending.

There will be a barbecue to kick off the mural project in Camino de Jacobo on May 30th and Ms. Salazar invited the Commissioners. She outlined grants applied for and said the recycling project is going well. A new vehicle was purchased.

Ms. Salazar listed the awards received by the Housing Authority, noting they would be given out at the NAHRO conference in St. Louis. Commissioner Vigil will be recognized as Commissioner of the Year.

A joint City-County resolution is being prepared that will support the two entities working together on affordable housing issues.

HUD will be conducting a review in June or July, the first in ten or twelve years.

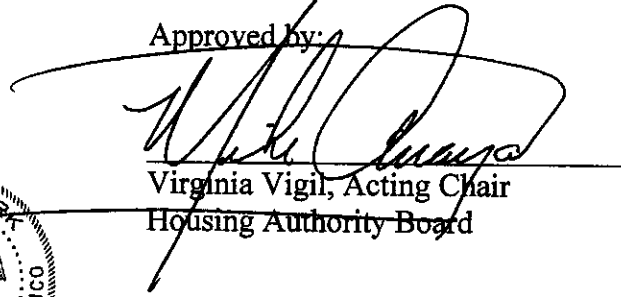
VI. Matters from the Board

None were offered.

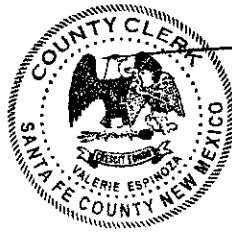
VII. Adjournment

Having completed the agenda and with no further business to come before the Board, this meeting adjourned at approximately 9:10 a.m.

Approved by:



Virginia Vigil, Acting Chair
Housing Authority Board



ATTEST TO:



VALERIE ESPINOZA
COUNTY CLERK

Respectfully submitted,

Debbie Doyle, Wordswork