

# **A G E N D A**

## **BOARD OF COMMISSIONERS HOUSING AUTHORITY OF THE COUNTY OF MERCED**

**Regular Meeting  
Tuesday, February 20, 2024  
12:00 p.m.**

**Closed session immediately following**

Housing Authority of the County of Merced  
Administrative Building  
405 "U" Street  
Board Room – Building B (Second Floor)  
Merced, CA 95341  
(209) 386-4139

Rick Osorio, Chairperson  
Hub Walsh, Vice-Chair  
Evelyn Dorsey  
Robert Dylina  
Diana Odom Gunn  
Marilyn Scorby

**All persons requesting disability related modifications or accommodations may contact the Housing Authority of the County of Merced at (209) 386-4139, 72 hours prior to the public meeting.**

All supporting documentation is available for public review in the office of the Clerk of the Board located in the Housing Authority Administration Building, Second Floor, 405 "U" Street, Merced, CA 95341 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday.

The Agenda is available online at [www.merced-pha.com](http://www.merced-pha.com)

**Use of cell phones, pagers, and other communication devices is prohibited while the Board Meeting is in session. Please turn all devices off or place on silent alert and leave the room to use.**

### **I. CALL TO ORDER AND ROLL**

### **II. UNSCHEDULED ORAL COMMUNICATION**

#### **NOTICE TO THE PUBLIC –**

This portion of the meeting is set aside for members of the public to comment on any item within the subject-matter jurisdiction of the Commission, but not appearing on the agenda. Items presented under public comment may not be discussed or acted upon by the Commission at this time.

For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Commission. Any person addressing the Commission under Public Comment will be limited to a 3-minute presentation.

All persons addressing the Commission are requested to state their name and address for the record. Public comments must not interfere with orderly discussion or otherwise disrupt the meeting (CA Gov. Code 54957.9, SB 1100 (2022)). Slanderous, profane, threatening remarks or disorderly conduct that disrupts the meeting are prohibited (CA Gov. Code 36813, White v. City of Norwalk, 900 F.2d 1421 (1990)). Disruptive conduct may be grounds for removal from the meeting.

### **III. COMMISSIONER and/or AGENCY ADDITIONS/DELETIONS TO THE AGENDA**

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_

### **IV. APPROVAL OF THE FOLLOWING MEETING MINUTES**

1. January 16, 2024 Regular Meeting

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_



**V. CONSENT CALENDAR:**

1. Rent Delinquency Report January 2024
2. Financial Reports for January 2024
3. Public Housing Occupancy/Vacancy Report for January 2024
4. HCV Program Counts January 2024

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_

**VI. INFORMATION/DISCUSSION ITEM(S)**

None

**VII. EXECUTIVE DIRECTOR REPORT**

1. City of Merced Development Meeting – Former Sun Star Building
2. Housing & Community Development

**VIII. WRITTEN CORRESPONDENCE**

None

**IX. RESOLUTION ITEM(S)**

1. **Resolution No. 2024-02:** Approving the new successor Executive Director Employment Agreement.

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_

**X. ACTION ITEM(S)**

None

**XI. COMMISSIONER’S COMMENTS**

**XII. CLOSED SESSION ITEM(S)**

1. **Conference with Legal Counsel – Existing Litigation (§ 54956.9)**  
Name of Case:  
Merced County Sup. Ct. Case No. 23CV-01818
2. **Public Employee Discipline/Dismissal Release (§ 54957)**

**XIII. ADJOURNMENT**

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_



# MINUTES

## BOARD OF COMMISSIONERS HOUSING AUTHORITY OF THE COUNTY OF MERCED

Regular Meeting  
Tuesday, January 16, 2024

Closed session immediately following

- I. The meeting was called to order by Chairperson Osorio at 12:03 p.m. and the Secretary was instructed to call the roll.

**Commissioners Present:**

Rick Osorio, Chairperson  
Hub Walsh, Vice-Chair  
Robert Dylina  
Diana Odom Gunn  
Marilyn Scorby

**Commissioners Absent:**

Evelyn Dorsey

Chairperson Osorio declared there was a quorum present.

**Staff Present:**

Rosa Vazquez, Executive Director/Board Secretary  
David Ritchie, Legal Counsel  
Bruce Milgrom, Finance Officer  
Melina Frederick, Director of Procurement & Asset Management  
Blanca Arrate, Director of Housing Programs  
Maria F. Alvarado, Director of Housing and Community Development

**Others Present:**

Mike Waite, Member of the Public  
Iris Gunther-Battles, Behavioural Health & Recovery Services  
Lucia Tejada, Merced County Office of Education

II. **UNSCHEDULED ORAL COMMUNICATION**

None

III. **COMMISSIONER and/or AGENCY ADDITIONS/DELETIONS TO THE AGENDA**

1. Executive Director Vazquez provided copies of the recurring monthly Public Housing Occupancy & Vacancy Report.
2. Dave Ritchie, Legal Counsel, removed two cases under Item XII. 1. Conference with Legal Counsel – Existing Litigation (§ 54956.9).

(M/S/C): Commissioner Dylina/Commissioner Odom Gunn/Motion Passed



#### **IV. APPROVAL OF THE FOLLOWING MEETING MINUTES**

1. November 21, 2023, Regular Meeting

(M/S/C): Commissioner Odom Gunn/Commissioner Walsh/Motion Passed

#### **V. CONSENT CALENDAR**

1. Rent Delinquency Report for December 2023

(M/S/C): Commissioner Dylina/Commissioner Walsh/Motion Passed

2. Financial Reports for December 2023

(M/S/C): Commissioner Walsh/Commissioner Odom Gunn/Motion Passed

3. HCV Special Program Counts

(M/S/C): Commissioner Dylina/Commissioner Walsh/Motion Passed

4. Public Housing Occupancy and Vacancy Report

(M/S/C): Commissioner Walsh/Commissioner Odom Gunn /Motion Passed

#### **VI. INFORMATION/DISCUSSION ITEM(S)**

1. Executive Director Vazquez provided an update on the Request for Proposals (RFP) issued for the Dora Street fire units. Once the RFP was issued several questions were raised pertaining to building codes and requirements. As a result the RFP was suspended and Procurement Director Frederick has been working with the City of Dos Palos to gather the required information. The RFP will be reissued.
2. Executive Director Vazquez reported that the previous HR Manager & Board Clerk has separated from employment with the agency. Maria Alvarado will step back into the position while Executive Director Vazquez evaluates options. Executive Director Vazquez reviewed the vacant staffing positions and informed the Board of the upcoming interviews for three of those positions. A correction to the Organizational Chart was noted as the Public Housing and Housing Choice Voucher directors were incorrect. A discussion was had regarding the balancing of several key positions on one person, however, Executive Director Vazquez noted that support is available if needed.
3. Maria Alvarado provide an update on the Project-Based Voucher (PBV) RFP issued. The RFP was issued on October 23, 2023 with a deadline of November 30, 2023 at 4 p.m. The RFP is for one hundred and fifty PVBs. A total of seven proposals were received by said deadline, An eight proposal was received, however, it was disqualified as it was not received by the due date. An independent/3<sup>rd</sup> party panel was assembled and the qualifying proposals will be reviewed and evaluated by them. Additionally, an update on the eleven small homes the Authority in the City of Los Banos was provided to the Board.



The Authority has submitted plans for the homes, changes have been requested by the City of Los Banos, those changes have been implemented and once approved, building permits will be obtained. A ground breaking ceremony will be held when the projet launches.

## **VII. EXECUTIVE DIRECTOR REPORT**

1. Executive Director Vazquez provided updates on several goals set during strategic planning meeting.
  - a. Development updates have been provided in Item VI.
  - b. Once reviews of the PBV RFP submissions are complete the issuance must be certified and then notices will be issued to the respondents. Questions regarding the issuance of PBV to the different projects arose and Executive Director explained the process developers must follow depending on if the project is new construction, existing, and/or new. She further explained the process of developing a waiting list for those future PBV sites.
  - c. Blanca Arrate has done outreach to agencies on training on how to utilize the kiosk so that they may assist their clients. The kiosks are located in the main office and are available to clients in their language and are user friendly.
  - d. Website redevelopment is underway. If the Board has recommendations they can be submitted to Executive Director Vazquez.
  - e. The Authority is updating the informational pamphlet as it has been some time since it was revised. A flyer with National Standards for the Physical Inspection of Real Estate (NSPIRE) and Housing Opportunity Through Modernization Act (HOTMA) information will be developed in order to provide information on the upcoming changes and how it impacts tenants and landlords. Some of the changes to be anticipated are inspections, income eligibility, flat rents, etc. Discussion regarding how to bridge the gap between applicants who do not qualify for Authority programs but also cannot afford market rate rents.
  - f. Executive Director Vazquez will be meeting with the City Manager to discuss the acquisition of the “Old Sun Star” building.
2. Executive Director Vazquez informed the Board that the Authority is currently working on closing out Fiscal Year 2024 as well as the calendar year. The Authority is also preparing for its annual audit.

## **VIII. WRITTEN CORRESPONDENCE**

None



**IX. RESOLUTIONS ITEM(S)**

- 1. **Resolution No. 2024-01:** Awarding the contract for security systems, approving the expenditures of funds to upgrade and install security systems agency-wide, and monitoring services and authorizing the Executive Director, to sign or take any action necessary to carry out the completion of the work.

(M/S/C): Commissioner Odom Gunn/Commissioner Dylina/Motion Passed

**X. ACTION ITEM(S)**

None

**XI. COMMISSIONER’S COMMENTS**

None

**XII. CLOSED SESSION ITEM(S)**

The Board of Commissioners went into closed session at 1:40 p.m. The following people were present:

Board Members

Rick Osorio, Chairperson  
Hub Walsh, Vice-Chair  
Robert Dylina  
Diana Odom Gunn  
Marilyn Scorby

Others Present

David Ritchie, Legal Counsel  
Rosa Vazquez, Executive Director/Board Secretary  
Maria Alvarado, Director of Housing and Community Development

- 1. **Conference with Legal Counsel – Existing Litigation (§ 54956.9)**

Name of Case:

Merced County Sup. Ct. Case No. 23CV-01818

- 2. **Public Employee Discipline/Dismissal Release (§ 54957)**

The Board returned to Regular Session at 1:59 p.m. and no reportable action. Direction was given to staff.

**XIII. ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at 1:59 p.m.

\_\_\_\_\_  
Chairperson Signature

Date: February 20, 2024

\_\_\_\_\_  
Secretary Signature

Date: February 20, 2024



**Aged Receivables Report as for 01/2024 - As of 02-13-2024**

| Property                                 | 0 - 30 days      | 31-60 days      | 61 - 90 days     | Over 90 days     | Total Unpaid Charges | Balance          |
|--|------------------|-----------------|------------------|------------------|----------------------|------------------|
| <b>AMP 1</b>                             |                  |                 |                  |                  |                      |                  |
| ca023001 PH - Merced                     | 2,164.38         | 346.85          | -133.50          | -3,723.87        | -1,346.14            | -1,346.14        |
| ca023010 PH - Merced                     | -1,719.34        | -25.00          | -1,461.84        | -3,199.95        | -6,406.13            | -6,406.13        |
| ca023013 PH - Merced Sr                  | 55.35            | 25.35           | 25.00            | 350.00           | 455.70               | 455.70           |
| ca023021 PH - Acquisition                | 0.00             | 0.00            | 0.00             | 0.00             | 0.00                 | 0.00             |
| ca023023 PH - Acquisition                | 0.00             | 0.00            | 0.00             | -25.00           | -25.00               | -25.00           |
| <b>AMP 1 TOTALS</b>                      | <b>500.39</b>    | <b>347.20</b>   | <b>-1,570.34</b> | <b>-6,598.82</b> | <b>-7,321.57</b>     | <b>-7,321.57</b> |
| <b>AMP 2</b>                             |                  |                 |                  |                  |                      |                  |
| CA023003 PH - Atwater - Cameo            | 409.00           | 0.00            | 0.00             | -351.00          | 58.00                | 58.00            |
| ca023006 PH - Livingston                 | 2,418.11         | 1,050.00        | 596.00           | -996.13          | 3,067.98             | 3,067.98         |
| 012a PH - Atwater                        | 937.00           | -75.00          | 864.00           | 4,231.24         | 5,957.24             | 5,957.24         |
| 012b PH - Winton                         | 0.00             | 0.00            | 0.00             | 0.00             | 0.00                 | 0.00             |
| <b>AMP 2 TOTALS</b>                      | <b>3,764.11</b>  | <b>975.00</b>   | <b>1,460.00</b>  | <b>2,884.11</b>  | <b>9,083.22</b>      | <b>9,083.22</b>  |
| <b>AMP 3</b>                             |                  |                 |                  |                  |                      |                  |
| ca023002 PH - Los Banos                  | 15.80            | 25.00           | 25.00            | -474.00          | -408.20              | -408.20          |
| ca023004 PH - Los Banos - Abby, B, C & D | 547.50           | 0.00            | 1.79             | -2,500.00        | -1,950.71            | -1,950.71        |
| ca023005 PH - Dos Palos - West Globe     | 594.14           | 25.00           | 590.00           | 677.80           | 1,886.94             | 1,886.94         |
| ca023011 PH - Los Banos - J & K St       | 1,156.00         | 50.00           | 808.00           | -506.30          | 1,507.70             | 1,507.70         |
| 012c PH - Dos Palos - Alleyne            | 1,288.00         | -26.02          | 50.00            | 178.71           | 1,490.69             | 1,490.69         |
| 012d PH - Dos Palos - Globe              | -10.00           | 0.00            | 0.00             | 0.00             | -10.00               | -10.00           |
| <b>AMP 3 TOTALS</b>                      | <b>3,591.44</b>  | <b>73.98</b>    | <b>1,474.79</b>  | <b>-2,623.79</b> | <b>2,516.42</b>      | <b>2,516.42</b>  |
| <b>AMP 4</b>                             |                  |                 |                  |                  |                      |                  |
| ca023024 PH 1st Street                   | 0.00             | -50.00          | 0.00             | -75.00           | -125.00              | -125.00          |
| <b>AMP 4 TOTALS</b>                      | <b>0.00</b>      | <b>-50.00</b>   | <b>0.00</b>      | <b>-75.00</b>    | <b>-125.00</b>       | <b>-125.00</b>   |
| <b>VALLEY VIEW</b>                       |                  |                 |                  |                  |                      |                  |
| atw Atwater Elderly                      | 0.00             | 0.00            | 0.00             | 0.00             | 0.00                 | 0.00             |
| dp Dos Palos Elderly                     | 0.00             | 0.00            | 0.00             | 0.00             | 0.00                 | 0.00             |
| mid Midway                               | 0.00             | 0.00            | 0.00             | 200.00           | 200.00               | 200.00           |
| pcb - atw                                | 30.00            | 0.00            | 0.00             | -180.00          | -150.00              | -150.00          |
| pcb - dp                                 | 18.00            | 25.00           | 0.00             | -124.00          | -81.00               | -81.00           |
| pcb - mid                                | 508.00           | 75.00           | 421.00           | 2,860.54         | 3,864.54             | 3,864.54         |
| <b>VALLEY VIEW TOTALS</b>                | <b>556.00</b>    | <b>100.00</b>   | <b>421.00</b>    | <b>2,756.54</b>  | <b>3,833.54</b>      | <b>3,833.54</b>  |
| <b>FELIX TORRES YEAR ROUND</b>           |                  |                 |                  |                  |                      |                  |
| ft.yr Felix Torres Year Round Center     | 2,231.00         | 14.00           | 1,996.82         | 4,370.00         | 8,611.82             | 8,611.82         |
| <b>FELIX TORRES YEAR ROUND TOTALS</b>    | <b>2,231.00</b>  | <b>14.00</b>    | <b>1,996.82</b>  | <b>4,370.00</b>  | <b>8,611.82</b>      | <b>8,611.82</b>  |
| <b>HOUSING AUTHORITY TOTALS</b>          | <b>10,642.94</b> | <b>1,460.18</b> | <b>3,782.27</b>  | <b>713.04</b>    | <b>16,598.43</b>     | <b>16,598.43</b> |

**Housing Authority of the County of Merced**

Financial Statement - AMP 1 (.fs-amp1)

**Budget Comparison**

Period = Oct 2023-Dec 2023

|                                     | YTD Actual     | YTD Budget     | Variance      | % Var      | Annual           |
|-------------------------------------|----------------|----------------|---------------|------------|------------------|
| Revenue & Expenses                  |                |                |               |            |                  |
| INCOME                              |                |                |               |            |                  |
| NET TENANT INCOME (1)               | 199,614        | 193,789        | 5,825         | 3          | 775,155          |
| TOTAL GRANT INCOME (2)              | 173,311        | 175,210        | -1,899        | -1         | 700,838          |
| <b>TOTAL INCOME</b>                 | <b>372,925</b> | <b>368,998</b> | <b>3,927</b>  | <b>1</b>   | <b>1,475,993</b> |
| EXPENSES                            |                |                |               |            |                  |
| TOTAL ADMINISTRATIVE EXPENSES (3,4) | 116,371        | 116,544        | 173           | 0          | 466,176          |
| TOTAL TENANT SERVICES EXPENSES      | 364            | 425            | 61            | 14         | 1,700            |
| TOTAL UTILITY EXPENSES (5)          | 58,672         | 66,840         | 8,168         | 12         | 267,360          |
| TOTAL MAINTENACE EXPENSES (6,7,8)   | 69,604         | 109,614        | 40,010        | 37         | 438,456          |
| TOTAL GENERAL EXPENSES (9,10)       | 39,658         | 35,515         | -4,144        | -12        | 142,060          |
| TOTAL HOUSING ASSISTANCE PAYMENTS   | 1,248          | 1,000          | -248          | -25        | 4,000            |
| TOTAL FINANCING EXPENSES            | 10,000         | 10,000         | 0             | 0          | 40,000           |
| TOTAL NON-OPERATING ITEMS (11)      | 1,701          | 9,429          | 7,728         | 82         | 37,716           |
| <b>TOTAL EXPENSES</b>               | <b>297,618</b> | <b>349,367</b> | <b>51,748</b> | <b>15</b>  | <b>1,397,468</b> |
| <b>NET INCOME</b>                   | <b>75,307</b>  | <b>19,631</b>  | <b>55,676</b> | <b>284</b> | <b>78,525</b>    |

- (1) Tenant Rents +\$5K Over Budget
- (2) Grant Inc. down -\$ 2K
- (3) Benefit Exp +\$ 2K
- (4) Legal is under +\$ 4K, Misc. Admin. -\$ 10K -(Temp Labor -\$ 10K)
- (5) Sewer & Water - +\$ 7K, Garbage +\$ 1K
- (6) Maint. Salary Exp. +\$ 2K, Benefits +\$ 6K
- (7) Maint. Costs Supplies +\$ 2K
- (8) Contract Costs +\$ 29K - start of year - Budget to acutal - timing
- (9) Pymts in Lieu Higher -\$ 1K
- (10) Ins. Prem. Higher -\$4K, W/C +\$ 1K
- (11) Depreciation Items fully depreciated +\$ 8K



## Housing Authority of the County of Merced

Financial Statement - AMP 2 (.fs-amp2)

### Budget Comparison

Period = Oct 2023-Dec 2023

|                                   | YTD Actual     | YTD Budget     | Variance      | % Var      | Annual           |
|-----------------------------------|----------------|----------------|---------------|------------|------------------|
| Revenue & Expenses                |                |                |               |            |                  |
| INCOME                            |                |                |               |            |                  |
| NET TENANT INCOME (1)             | 173,876        | 158,990        | 14,886        | 9          | 635,959          |
| TOTAL GRANT INCOME (2)            | 127,315        | 113,132        | 14,183        | 13         | 452,530          |
| <b>TOTAL INCOME</b>               | <b>301,191</b> | <b>272,122</b> | <b>29,069</b> | <b>11</b>  | <b>1,088,489</b> |
| EXPENSES                          |                |                |               |            |                  |
| TOTAL ADMINISTRATIVE EXPENSES (3) | 79,347         | 80,955         | 1,612         | 2          | 323,820          |
| TOTAL TENANT SERVICES EXPENSES    | 0              | 400            | 400           | 100        | 1,600            |
| TOTAL UTILITY EXPENSES (4)        | 54,017         | 63,482         | 9,465         | 15         | 253,926          |
| TOTAL MAINTENACE EXPENSES (5,6,7) | 56,867         | 83,668         | 26,801        | 32         | 334,672          |
| TOTAL GENERAL EXPENSES (8,9)      | 30,075         | 30,009         | -65           | 0          | 120,036          |
| TOTAL HOUSING ASSISTANCE PAYMENTS | 528            | 580            | 52            | 9          | 2,320            |
| TOTAL FINANCING EXPENSES          | 4,750          | 4,750          | 0             | 0          | 19,000           |
| TOTAL NON-OPERATING ITEMS         | 59             | 0              | -59           | N/A        | 0                |
| <b>TOTAL EXPENSES</b>             | <b>225,643</b> | <b>263,843</b> | <b>38,206</b> | <b>14</b>  | <b>1,055,374</b> |
| <b>NET INCOME</b>                 | <b>75,548</b>  | <b>8,279</b>   | <b>67,275</b> | <b>813</b> | <b>33,115</b>    |

- (1) Tenant Rents +\$ 15K
- (2) HUD PHA Subsidy +\$ 14K
- (3) Admin - Salary & Benefits +\$ 1K, Legal +\$ 1K, Other Admin +\$ 6K (Mgt Fee +\$ 5K), Misc Admin -\$ 6K - Temp Salaries
- (4) Utilities - Water/Sewer +\$ 6K, Elect./Gas +\$ 3K
- (5) Maint. Salary & Benefits Exp. +\$ 9K
- (6) Material Exp. -\$ 4K - Supplies and Materials ordered
- (7) Contract Costs +\$ 21K, Start of new Fiscal year - Timing on using Contract Labor
- (8) W/C +\$ 2K
- (9) Payments in Lieu -\$ 2K

## Housing Authority of the County of Merced

Financial Statement - AMP 3 (.fs-amp3)

### Budget Comparison

Period = Oct 2023-Dec 2023

|                                       | YTD Actual     | YTD Budget     | Variance      | % Var      | Annual           |
|---------------------------------------|----------------|----------------|---------------|------------|------------------|
| Revenue & Expenses                    |                |                |               |            |                  |
| INCOME                                |                |                |               |            |                  |
| NET TENANT INCOME (1)                 | 157,512        | 158,915        | -1,403        | -1         | 635,662          |
| TOTAL GRANT INCOME (2)                | 122,942        | 112,369        | 10,573        | 9          | 449,477          |
| <b>TOTAL INCOME</b>                   | <b>280,454</b> | <b>271,285</b> | <b>9,169</b>  | <b>3</b>   | <b>1,085,139</b> |
| EXPENSES                              |                |                |               |            |                  |
| TOTAL ADMINISTRATIVE EXPENSES (3,4,5) | 74,626         | 87,889         | 13,265        | 15         | 351,557          |
| TOTAL TENANT SERVICES EXPENSES        | 144            | 325            | 181           | 56         | 1,300            |
| TOTAL UTILITY EXPENSES (6)            | 51,402         | 48,825         | -2,578        | -5         | 195,298          |
| TOTAL MAINTENACE EXPENSES (7,8,9)     | 24,641         | 86,708         | 62,067        | 72         | 346,832          |
| TOTAL GENERAL EXPENSES (10)           | 28,236         | 32,011         | 3,775         | 12         | 128,043          |
| TOTAL HOUSING ASSISTANCE PAYMENTS     | 855            | 1,050          | 195           | 19         | 4,200            |
| TOTAL FINANCING EXPENSES              | 4,250          | 4,250          | 0             | 0          | 17,000           |
| TOTAL NON-OPERATING ITEMS             | 61             | 0              | -61           | N/A        | 0                |
| <b>TOTAL EXPENSES</b>                 | <b>184,215</b> | <b>261,058</b> | <b>76,844</b> | <b>29</b>  | <b>1,044,231</b> |
| <b>NET INCOME</b>                     | <b>96,239</b>  | <b>10,227</b>  | <b>86,013</b> | <b>841</b> | <b>40,908</b>    |

- (1) Tenant Rent -\$ 2K
- (2) Grant Subsidy +\$ 11K
- (3) Salaries +\$ 12K & Benefits +\$ 4K
- (4) Legal +\$ 3K, Other Admin. +\$ 4K (Mgt Fee +\$ 4K),
- (5) Misc. Admin - Temp Labor -\$ 11K
- (6) Water & Sewer -\$ 3K, Elect/Gas -\$ 1K, Garbage +\$ 1K
- (7) Maintenance Salary \*& Benefits +\$ 18K & Vehicle Gas -\$ 2K
- (8) Supplies Maintenance +\$ 22K - Start of new Fiscal year - Timing on ordering supplies
- (9) Contract Costs Lower +\$ 24K, Start of new Fiscal year - Timing on Contract Maint.
- (10) Property Ins. +\$ 1K, W/C lower +\$ 2, Pymts in Lieu Taxes +\$ 1k

**Housing Authority of the County of Merced**  
 Financial Statement - AMP4 - 1st Street, Merced (.fs-amp4)

**Budget Comparison**

Period = Oct 2023-Dec 2023

|                                   | YTD Actual     | YTD Budget    | Variance      | % Var      | Annual         |
|-----------------------------------|----------------|---------------|---------------|------------|----------------|
| Revenue & Expenses                |                |               |               |            |                |
| INCOME                            |                |               |               |            |                |
| NET TENANT INCOME (1)             | 3,738          | 5,002         | -1,264        | -25        | 20,006         |
| TOTAL GRANT INCOME (2)            | 5,732          | 6,811         | -1,079        | -16        | 27,244         |
| <b>TOTAL INCOME</b>               | <b>9,470</b>   | <b>11,812</b> | <b>-2,342</b> | <b>-20</b> | <b>47,250</b>  |
| EXPENSES                          |                |               |               |            |                |
| TOTAL ADMINISTRATIVE EXPENSES     | 2,904          | 3,321         | 414           | 12         | 13,284         |
| TOTAL UTILITY EXPENSES            | 1,751          | 2,106         | 355           | 17         | 8,424          |
| TOTAL MAINTENACE EXPENSES         | 2,020          | 1,837         | -183          | -10        | 7,347          |
| TOTAL GENERAL EXPENSES            | 889            | 1,013         | 124           | 1          | 4,051          |
| TOTAL HOUSING ASSISTANCE PAYMENTS | 0              | 25            | 25            | 100        | 100            |
| TOTAL FINANCING EXPENSES          | 250            | 250           | 0             | 0          | 1,000          |
| TOTAL NON-OPERATING ITEMS         | 11,950         | 11,939        | -11           | 0          | 47,757         |
| <b>TOTAL EXPENSES</b>             | <b>19,764</b>  | <b>20,491</b> | <b>724</b>    | <b>8</b>   | <b>81,964</b>  |
| <b>NET INCOME</b>                 | <b>-10,294</b> | <b>-8,678</b> | <b>-1,618</b> | <b>2</b>   | <b>-34,714</b> |

(1) Tenant Rent -\$ 1K

(2) Grant Subsidy -\$ 1K

**Housing Authority of the County of Merced**  
Financial Statement - All HCV Properties with Sub (.fs-hcvs)

**Budget Comparison**

Period = Oct 2023-Dec 2023

|   | YTD Actual       | YTD Budget       | Variance        | % Var       | Annual            |
|---|------------------|------------------|-----------------|-------------|-------------------|
| Revenue & Expenses                          |                  |                  |                 |             |                   |
| INCOME                                      |                  |                  |                 |             |                   |
| TOTAL GRANT INCOME (1,2)                    | 5,991,579        | 6,399,722        | -408,143        | -6          | 25,598,890        |
| TOTAL OTHER INCOME                          | 127              | 375              | -248            | -66         | 1,500             |
| <b>TOTAL INCOME</b>                         | <b>5,991,706</b> | <b>6,400,098</b> | <b>-408,392</b> | <b>-6</b>   | <b>25,600,390</b> |
| EXPENSES                                    |                  |                  |                 |             |                   |
| TOTAL ADMINISTRATIVE EXPENSES (3,4,5,6,7,8) | 442,842          | 498,511          | 55,667          | 11          | 1,994,042         |
| TOTAL TENANT SERVICES EXPENSES              | 797              | 662              | -134            | -20         | 2,650             |
| TOTAL UTILITY EXPENSES                      | 0                | 66               | 66              | 100         | 265               |
| TOTAL MAINTENANCE EXPENSES (9)              | 332              | 6,013            | 5,680           | 94          | 24,050            |
| TOTAL GENERAL EXPENSES (10,11)              | 12,052           | 20,499           | 8,447           | 41          | 81,997            |
| TOTAL HOUSING ASSISTANCE PYMTS (12,13,14)   | 5,590,708        | 5,821,126        | 230,418         | 4           | 23,284,505        |
| TOTAL FINANCING EXPENSES                    | 18,137           | 18,137           | 0               | 0           | 72,550            |
| TOTAL NON-OPERATING ITEMS                   | 395              | 0                | -395            | N/A         | 0                 |
| <b>TOTAL EXPENSES</b>                       | <b>6,065,263</b> | <b>6,365,015</b> | <b>299,749</b>  | <b>5</b>    | <b>25,460,059</b> |
| <b>NET INCOME</b>                           | <b>-73,557</b>   | <b>35,083</b>    | <b>-108,643</b> | <b>-310</b> | <b>140,331</b>    |

- (1) Lower HAP from HUD -\$388K
- (2) Lower Admin Fees -\$ 20K
- (3) Lower Salaries +\$ 46K & Benefits Costs +\$20K
- (4) Lower Mgt and Bookkeeping Fees +\$ 32K
- (5) Higher inspections for the month -\$ 12K, Higher Consultant Costs -\$ 5K
- (6) Misc. Admin. Exp. - Office Supp +2K, Comp Parts +\$ 2K, Copiers & Postage +\$ 7K
- (7) Higher Temp. Labor Exp. -\$ 25K
- (8) Misc. Admin. Exp. Section 8, -\$ 18K - not budgeted
- (9) Lower Contract Costs +\$ 6K, Start of new Fiscal year - Timing on ordering supplies
- (10) Lower Workman's Comp. Exp. +\$ 4K
- (11) Lower Port-out admin fees +\$ 4K
- (12) Lower HAP issued +\$ 200K
- (13) Port Out Payments +\$ 33K (lower than budgeted)
- (14) Tenant Utility -\$ 2K (higher than budgeted)

Housing Authority of the County of Merced

Financial Statement - Central Office Cost Center (cocc)

**Budget Comparison**

Period = Oct 2023-Dec 2023

|   | YTD Actual     | YTD Budget    | Variance        | % Var       | Annual        |
|---|----------------|---------------|-----------------|-------------|---------------|
| Revenue & Expenses                      |                |               |                 |             |               |
| INCOME                                  |                |               |                 |             |               |
| TOTAL OTHER INCOME (1,2,3,4)            | 247,119        | 347,019       | -99,901         | -32         | 1,388,076     |
| TOTAL INCOME                            | 247,119        | 347,019       | -99,901         | -32         | 1,388,076     |
| EXPENSES                                |                |               |                 |             |               |
| TOTAL ADMINISTRATIVE EXPENSES (5,6,7,8) | 284,068        | 265,954       | -18,415         | -7          | 1,063,816     |
| TOTAL TENANT SERVICES EXPENSES          | 467            | 375           | -92             | -25         | 1,500         |
| TOTAL UTILITY EXPENSES (9)              | 10,834         | 13,360        | 2,526           | 19          | 53,439        |
| TOTAL MAINTENACE EXPENSES (10)          | 12,488         | 21,654        | 9,166           | 42          | 86,615        |
| TOTAL GENERAL EXPENSES                  | 8,721          | 8,825         | 104             | 1           | 35,300        |
| TOTAL FINANCING EXPENSES                | 18,750         | 18,750        | 0               | 100         | 75,000        |
| TOTAL NON-OPERATING ITEMS               | 2,301          | 1,968         | -333            | -17         | 7,873         |
| TOTAL EXPENSES                          | 337,629        | 330,886       | -7,044          | 6           | 1,323,543     |
| NET INCOME                              | <b>-90,510</b> | <b>16,133</b> | <b>-106,945</b> | <b>-663</b> | <b>64,533</b> |

- (1) Lower Mgmt. Fees from HCV -\$20K
- (2) Lower Bookkeeping Fees -\$ 13K
- (3) Asset Mgt Fee booked as budgeted
- (4) Admin Fee to be booked as Cap Projects funding allows ( Budgetted 67K)
- (5) Admin Salary -\$ 33K & Benefits Higher -\$ 9K (Posting Resolution Mgt in Nov for 9 mo.)
- (6) Legal Fees Lower +\$ 12K
- (7) Admin Misc. Exp Lower + \$ 9K (Postage +\$ 3K, Copiers +\$ 4K, Other Admin Exp -\$ 3K)
- (8) Admin Other Exp Lower +\$ 3K - start of year, some expenses not incurred yet
- (9) Utilities Gas & Elect. +\$ 3K
- (10) Mainttenance Exp - Materials and Contract costs lower +\$ 10K - first of the years costs are low to start

Housing Authority of the County of Merced

Financial Statement - Langdon Villas (langdon)

**Budget Comparison**

Period = Oct 2023-Dec 2023

|                                   | YTD Actual    | YTD Budget    | Variance      | % Var      | Annual        |
|-----------------------------------|---------------|---------------|---------------|------------|---------------|
| Revenue & Expenses                |               |               |               |            |               |
| INCOME                            |               |               |               |            |               |
| NET TENANT INCOME                 | 19,366        | 18,607        | 759           | 4          | 74,428        |
| TOTAL OTHER INCOME (1,2)          | 130,059       | 70,637        | 59,422        | 84         | 282,546       |
| TOTAL INCOME                      | 149,425       | 89,244        | 60,181        | 67         | 356,974       |
| EXPENSES                          |               |               |               |            |               |
| TOTAL ADMINISTRATIVE EXPENSES (3) | 14,405        | 20,665        | 6,260         | 30         | 82,661        |
| TOTAL UTILITY EXPENSES            | 0             | 400           | 400           | 100        | 1,600         |
| TOTAL MAINTENACE EXPENSES (4)     | 0             | 2,920         | 2,920         | 100        | 11,680        |
| TOTAL GENERAL EXPENSES            | 5,702         | 5,683         | -19           | 0          | 22,732        |
| TOTAL FINANCING EXPENSES          | 38,250        | 38,250        | 0             | 0          | 153,000       |
| TOTAL NON-OPERATING ITEMS         | 860           | 860           | 0             | 0          | 3,438         |
| TOTAL EXPENSES                    | 59,217        | 68,778        | 9,561         | 14         | 275,111       |
| NET INCOME                        | <b>90,208</b> | <b>20,466</b> | <b>69,742</b> | <b>341</b> | <b>81,863</b> |

- (1) Other Income +\$ 40K - Interest income from F & M Bnak on deposit accounts - not budgeted
- (2) Management Fee Lower -\$ 1K
- (3) Salary -\$ 3K< Legal +\$ 1K, Consultants +\$ 9K
- (4) Contract Cost Lower +\$ 2K, Start of new Fiscal year - Timing on Contract Maint.

Housing Authority of the County of Merced

Financial Statement - Obanion Learning Center (obanion)

**Budget Comparison**

Period = Oct 2023-Dec 2023

|                               | YTD Actual   | YTD Budget | Variance   | % Var      | Annual       |
|-------------------------------|--------------|------------|------------|------------|--------------|
| Revenue & Expenses            |              |            |            |            |              |
| INCOME                        |              |            |            |            |              |
| NET TENANT INCOME (1)         | 49,286       | 54,490     | -5,203     | -10        | 217,958      |
| TOTAL INCOME                  | 49,286       | 54,490     | -5,203     | -10        | 217,958      |
| EXPENSES                      |              |            |            |            |              |
| TOTAL ADMINISTRATIVE EXPENSES | 5,303        | 5,508      | 205        | 4          | 22,033       |
| TOTAL UTILITY EXPENSES (2)    | 21,793       | 23,758     | 1,965      | 8          | 95,032       |
| TOTAL MAINTENACE EXPENSES (3) | 5,720        | 9,859      | 4,139      | 42         | 39,438       |
| TOTAL GENERAL EXPENSES        | 1,504        | 1,568      | 64         | 4          | 6,270        |
| TOTAL NON-OPERATING ITEMS     | 13,695       | 13,450     | -245       | -2         | 53,800       |
| TOTAL EXPENSES                | 48,016       | 54,143     | 6,127      | 11         | 216,573      |
| NET INCOME                    | <b>1,270</b> | <b>346</b> | <b>924</b> | <b>267</b> | <b>1,385</b> |

(1) Tenant Rents - lower -\$ 5K, (Golden Valley Health moved out)

(2) Water/Sewer +\$ 2K

(3) Contact Costs - Lower +\$ 4K, Start of new Fiscal year - Timing on Contract Maint.

## Housing Authority of the County of Merced

Financial Statement - Property = .fs-vv sub-dp sub-mid sub-atw

### Budget Comparison

Period = Oct 2023-Dec 2023

|                                       | YTD Actual     | YTD Budget     | Variance       | % Var      | Annual           |
|---------------------------------------|----------------|----------------|----------------|------------|------------------|
| Revenue & Expenses                    |                |                |                |            |                  |
| INCOME                                |                |                |                |            |                  |
| NET TENANT INCOME (1)                 | 221,440        | 156,913        | 64,527         | 41         | 627,653          |
| TOTAL GRANT INCOME (2)                | 160,292        | 158,099        | 2,193          | 1          | 632,397          |
| <b>TOTAL INCOME</b>                   | <b>381,732</b> | <b>315,012</b> | <b>66,720</b>  | <b>21</b>  | <b>1,260,050</b> |
| EXPENSES                              |                |                |                |            |                  |
| TOTAL ADMINISTRATIVE EXPENSES (3,4)   | 28,712         | 45,018         | 16,306         | 36         | 180,072          |
| TOTAL UTILITY EXPENSES (5)            | 26,029         | 29,756         | 3,728          | 13         | 119,025          |
| TOTAL MAINTENACE EXPENSES (6,7)       | 12,433         | 38,299         | 25,866         | 68         | 153,197          |
| TOTAL GENERAL EXPENSES (8)            | 9,581          | 10,547         | 966            | 9          | 42,187           |
| TOTAL HOUSING ASSISTANCE PAYMENTS (9) | 160,790        | 158,099        | -2,691         | -2         | 632,397          |
| TOTAL FINANCING EXPENSES              | 17,125         | 17,125         | 0              | 0          | 68,500           |
| TOTAL NON-OPERATING ITEMS             | 3,897          | 3,897          | 0              | 0          | 15,588           |
| <b>TOTAL EXPENSES</b>                 | <b>258,567</b> | <b>302,741</b> | <b>44,175</b>  | <b>0</b>   | <b>1,210,966</b> |
| <b>NET INCOME</b>                     | <b>123,165</b> | <b>12,271</b>  | <b>110,895</b> | <b>904</b> | <b>49,084</b>    |

- (1) Higher Tenant Assistance Pmts +\$ 63K,
- (2) Tenat Rents +\$ 1K, Grant Inc +\$ 2k
- (3) Vacant staff positions +\$ 8K, Lower Benefit costs +\$ 2K
- (4) Legal Exp Lower +\$ 4K
- (5) Utility Invoices timing. +\$ 4K (Water/Sewer +\$ 2K, Gas/Electric +\$ 2K)
- (6) Maint. Salary & Benefits Lower +\$ 7K, Supplies Costs lower +\$ 4K
- (7) Contract Landscaping Lower -\$ 15K (Timing on some expenses)
- (8) W/C lower +\$ 1K
- (9) Housing Assistance Pmt Higher -\$ 3K



Housing Authority of the County of Merced

Financial Statement - Felix Torres Year Round (.fs-fty)

**Budget Comparison**

Budget Comparison

|                                   | YTD Actual   | YTD Budget   | Variance     | % Var     | Annual        |
|-----------------------------------|--------------|--------------|--------------|-----------|---------------|
| Revenue & Expenses                |              |              |              |           |               |
| INCOME                            |              |              |              |           |               |
| NET TENANT INCOME (1)             | 137,659      | 142,007      | -4,348       | -3        | 568,030       |
| TOTAL OTHER INCOME                | 20           | 0            | 20           | N/A       | 0             |
| TOTAL INCOME                      | 137,679      | 142,007      | -4,329       | -3        | 568,030       |
| EXPENSES                          |              |              |              |           |               |
| TOTAL ADMINISTRATIVE EXPENSES (2) | 14,526       | 19,428       | 4,899        | 25        | 77,712        |
| TOTAL UTILITY EXPENSES (3)        | 22,777       | 25,367       | 2,590        | 10        | 101,470       |
| TOTAL MAINTENACE EXPENSES (4,5)   | 27,975       | 27,054       | -921         | -3        | 108,218       |
| TOTAL GENERAL EXPENSES            | 9,911        | 10,098       | 187          | 2         | 40,391        |
| TOTAL FINANCING EXPENSES          | 5,000        | 5,000        | 0            | 0         | 20,000        |
| TOTAL NON-OPERATING ITEMS         | 48,868       | 48,868       | 0            | 0         | 195,471       |
| TOTAL EXPENSES                    | 129,057      | 135,815      | 6,758        | 5         | 543,262       |
| NET INCOME                        | <b>8,622</b> | <b>6,192</b> | <b>2,429</b> | <b>39</b> | <b>24,768</b> |

(1) Vacancies -\$ 13K, Rental Assistance +\$ 8K

(2) Sal & Benefits costs +\$ 4K

(3) Water\Sewer +\$ 1K, Elect/Gas -\$ 1K, Garbage +\$ 2K

(4) Supplies -\$ 1K

(5) Contract +\$ 2K

Housing Authority of the County of Merced

Financial Stmt - Migrant (.fs-mig)

**Budget Comparison**

Period = Jul 2023-Dec 2023

|                                       | YTD Actual     | YTD Budget       | Variance       | % Var     | Annual           |
|---------------------------------------|----------------|------------------|----------------|-----------|------------------|
| Revenue & Expenses                    |                |                  |                |           |                  |
| INCOME (1)                            | 832,472        | 1,055,272        | 222,801        | 21        | 2,110,544        |
| TOTAL INCOME                          | <b>832,472</b> | <b>1,055,272</b> | <b>222,801</b> | <b>21</b> | <b>2,110,544</b> |
| EXPENSES                              |                |                  |                |           |                  |
| Total - Center Personnel (2)          | 325,146        | 364,433          | 39,287         | 11        | 728,865          |
| Total - Operating Expenses (3)        | 333,958        | 509,616          | 175,658        | 34        | 1,019,231        |
| Total - Maintenance Expenses (4)      | 17,831         | 32,575           | 14,744         | 45        | 65,150           |
| Total - Contractor Administration (5) | 80,336         | 73,448           | -6,888         | -9        | 146,896          |
| Total - Debt Service and Replacement  | 75,201         | 75,201           | 0              | 0         | 150,402          |
| <b>TOTAL</b>                          | <b>832,472</b> | <b>1,055,272</b> | <b>222,801</b> | <b>21</b> | <b>2,110,544</b> |

(1) Zero budget, offset to variance in expenses -\$ 256K

(2) Benefits +\$ 40K

(3) Higher utilities - Net diff. -\$ 63K, (Utilities -\$66k, Communications +29K, Major Equip. +\$ 220 Other Costs -\$ 12K -not budgeted)

(OMS/ High Speed Interned project not started, impacting Operations budget figures)

(4) General lower supplies and contract expenses +\$9K, Painting and Material. Supplies +\$ 5K

(5) Expense compared to budget -Audit Fees Higher than Bgdt YTD-\$ 6K and Higher than Bgt Audit -\$ 2K

| Total Number of Public Housing Units: 421 |                      |  |                         |
|---|----------------------|--|-------------------------|
| Number of Occupied Units: 409             |                      |  |                         |
| Number of Vacant Units: 12                |                      |  |                         |
| Unit ID                                   | Prospective Resident | Move - In Date   | Security Deposit Amount |
| 541                                       | YES                  | 02/20/24   | \$800                   |
| 87  | YES                  | 02/22/24   | \$500                   |
| 84  | YES                  | rescheduled to 02/26/2024                              | \$300                   |
| 207                                       | YES                  | Pending Unit Turnover                                  | \$500                   |
| 169                                       | NO                   | 250 Selected from Waiting List / Pending Unit Turnover | \$500                   |
| 270                                       | YES                  | 02/22/24   | \$800                   |
| 96  | YES                  | 02/29/24   | \$300                   |
| 259                                       | YES                  | 03/01/24   | \$500                   |
| 56  | YES                  | 02/29/24   | \$300                   |
| 24  | YES                  | 2/20/2024  | \$800                   |
| 277                                       | YES                  | 3/15/2024  | \$500                   |
| 464                                       | YES                  | 3/15/2024  | \$300                   |
|   |                      |  |                         |

**Indicators**

| Sub-Indicator #1            | Performance Scoring | Jul | Aug | Sept | Oct |
|-----------------------------|---------------------|-----|-----|------|-----|
| Lease Up Days               |                     | 134 | 227 | 113  | 138 |
| Average Lease Up Days       |                     | 5   | 7   | 5    | 5   |
| Make Ready Time             |                     | 679 | 704 | 545  | 350 |
| Average Make Ready Days     |                     | 25  | 21  | 13   | 15  |
| Down Days                   |                     | 32  | 57  | 53   | 61  |
| Average Down Days           |                     | 1   | 2   | 1    | 1   |
| Total # Vacant Units Turned |                     | 27  | 32  | 35   | 38  |
| Total # Turn Around Days    |                     | 845 | 988 | 711  | 549 |

|  |   |    |    |    |    |
|--|---|----|----|----|----|
| Average Turn<br>Around Days<br>(To Date) | A = 0-20<br>B = 21-25<br>C = 26-30<br>D = 31-40<br>F = more than 50 | 31 | 29 | 23 | 23 |
|--|---|----|----|----|----|



## STAFF REPORT

**TO:** Board of Commissioners,  
Housing Authority of the County of Merced

**FROM:** Rosa Vazquez, Executive Director

**DATE:** January 16, 2024

**SUBJECT:** Executive Director Updates

### **City of Merced Development Meeting – Former Sun Star Building**

As reported during the January 2024 meeting, the Authority met with City Manager Scott McBride and Deputy City Manager Frank Quintero. The meeting was held on January 30<sup>th</sup> at City Hall and it was held to discuss the Authority's opportunity to acquire the former Sun Star building. At this time the City of Merced will not be disposing of the building as they are exploring other uses for the site.

City Manager McBride and I discussed other projects that are currently underway and possible future partnerships. There may be possibilities for the Authority to acquire excess lots either via RFP or donation by the City of Merced. This would be ideal for additional small homes or any other form(s) of affordable housing.

### **Housing & Community Development**

#### *Infill Infrastructure Grant Program (IIG)*

Under the Program, grants are available as gap funding for infrastructure, Factory-Built Housing components, and Adaptive Reuse necessary for specific residential or mixed-use infill developments. Applications will be accepted and evaluated for threshold requirements and eligibility on a continuous basis via an over-the-counter process, on the merits of the individual applications.

Eligible costs include, but are not limited to, the creation, development, or rehabilitation of Parks or Open Space; water, sewer, or other utility service improvements (including internet and electric vehicle infrastructure); streets; roads; Transit Station Structured Parking; transit linkages or facilities; facilities that support pedestrian or bicycle transit; traffic mitigation, sidewalk, or streetscape improvements; Factory-Built Housing components; Adaptive Reuse; and site preparation or demolition.

#### *Veterans Housing and Homelessness Prevention Program (VHHP)*

In 2008, California voters approved Proposition 12, the Veteran's Bond Act of 2008, authorizing \$900 million in general obligation bonds intended to help veterans purchase single-family homes, farms, and mobile homes through the California Department of Veterans Affairs (CalVet) Home Loan Program. As a result of the nation's economic crisis and the State's housing downturn, coupled with the changing demographics of our veterans, the CalVet Home Loan

Program has not experienced the demand that was originally projected before the downturn.

In 2013, AB 639 (Chapter 727, Statutes of 2013, Pérez) restructured the Veteran's Bond Act of 2008 authorizing \$600 million in existing bond authority to fund multifamily housing for veterans. With the approval of Proposition 41 by California voters on June 3, 2014, the Department of Housing and Community Development (HCD), in collaboration with the California Housing Finance Agency (CalHFA) and CalVet, is in the process of designing, developing, and administering a veteran multifamily housing program pursuant to AB 639.

Funds must be used to serve veterans and their families. At least 50 percent of the funds awarded shall serve veteran households with extremely low incomes. Of those units targeted to extremely low-income veteran housing, 60 percent shall be supportive housing units.

#### Multifamily Housing Program (MHP)

Senate Bill 3 (Chapter 365, Statutes 2017) authorized the Veterans and Affordable Housing Bond Act of 2018 (Proposition 1). This measure was adopted by voters on November 6, 2018. It authorizes the issuance of bonds in the amount of \$1.5 billion for the Multifamily Housing Program (MHP).

#### Assistance Type/Terms

##### Deferred payment loans:

- Loans have a 55-year term
- 3 percent simple interest on unpaid principal balance, except under certain conditions
- For the first 30 years of the loan term, payments in the amount of 0.42 percent are due annually
  - The annual payment for the next 25 years will be set by HCD in year 30, at the minimum necessary to cover HCD monitoring costs
  - With the balance of unpaid principal and interest due and payable upon completion of loan term

\*MHP funds will be provided for post-construction permanent financing only.

Statutory Funding Set-Asides: 18.3 percent set-aside for Senior Projects.

Geographic Distributions (to the extent possible, no less than approximately):

- 45 percent for projects in Southern California.
- 30 percent for projects in Northern California.
- 20 percent for projects in Rural areas.

## STAFF REPORT

**TO:** Board of Commissioners,  
Housing Authority of the County of Merced

**FROM:** David G. Ritchie, General Counsel

**DATE:** February 20, 2024

**SUBJECT:** Consideration to adopt **Resolution No. 2024-02**, approving Employment Agreement with the Executive Director and setting the Executive Director Salary and Benefits.

For your consideration, is Resolution No 2024-02, Approving an employment agreement for the Executive Director (a successor agreement). The Executive Director is a direct report employed at the pleasure of the Board of Commissioners, and for whom the Board sets compensation and benefits through an employment agreement (contract) adopted by Resolution at a Regular Meeting of the Board of Commissioners.

Executive compensation may only be adjusted by the Board as part of the regular agenda at a regularly scheduled meeting of the Board of Commissioners.

In 2020, the Board set compensation based on the closest comparable agency returning data to HR (Yolo County Housing), a central valley agency with similar breadth of programs and similar number of staff and properties, and similar geographic considerations. This proposed adjustment takes into account average salaries of several comparable agencies. In doing so, the experience level of different Directors and specific circumstances of those agencies (for example if they employ an interim) are averaged across the comparable agencies to better reflect the mean salary for the position.

The recommended adjustments to the agreement are as follows:

Dates of Agreement: Initial 3-year term

Salary Adjustment: Increase from \$156,083.81 annually to \$176,083.34 annually based on comparable agency (Housing Authority) salary calculations. 5% Increases in successive years of the agreement are provided for in the initial term and to be determined at the time of the two extensions, respectively.

Vacation accrual language added to reflect the accrual rate (not a change, just reflects what is currently in place).

Contribution to Medical / Dental / Vision language added to reflect the current amount (not a change, just reflects what is currently in place).

Management Leave: Executive Director proposed an increase from 80 to 112 hours annually (for discussion, but is a recommended addition).



Holidays: Adjusted to the current number of Holidays consistent with all other staff (adding Juneteenth).

Vehicle Allowance: Increased from \$475 to \$600 / month to reflect increased costs over those that existed in 2017 (amount of increase is aligned with the Bureau of Transportation estimates that ownership and operation of a vehicle have increased by 20% since 2017 including estimated increases through the life of the Agreement).

Severance Payment: Severance payment is adjusted from 3 months to 6 months to be more consistent with other public entity Executive Director / City Manager and County Admin Officer Agreements (Statutorily these are limited to 18 months, this one is set to 1/3 of that statutory amount). Also added language recognizing Government Code section 53243 through 53243.4 outlining situations where severance is disallowed.

Indemnification section added: This is a standard section outlining when the Authority is required to defend the Executive Director (for actions within the scope of employment) and is non-controversial as there is an existing legal obligation to provide this for any employee.

Waiver section added: This is a standard provision where if a party waives their rights under any section, this does not constitute an enduring waiver of any future breaches of the agreement.

#### RECOMMENDATION

It is recommended that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2024-02**, approving the new successor Executive Director Employment Agreement.

#### ALTERNATIVES

The Board could choose not to authorize the Executive Director's Agreement at this time.

#### ATTACHMENTS:

Executive Director Employment Agreement  
Resolution No. 2024-02

**RESOLUTION # 2024-02**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF MERCED, CALIFORNIA AUTHORIZING THE CHAIRPERSON TO EXECUTE THE EMPLOYMENT AGREEMENT WITH THE EXECUTIVE DIRECTOR AND SETTING THE COMPENSATION THEREFOR**

**WHEREAS**, the Board of Commissioners is authorized to employ and approve terms and conditions of employment of an Executive Director pursuant to California Government Code and Article 1, Section 6 of the Housing Authority Bylaws; and

**WHEREAS**, the Board of Commissioners desires to enter into a successor agreement with its current Executive Director, as the prior Agreement has ended; and

**WHEREAS**, the Board of Commissioners has considered staff recommendations and information presented to it at a Regular Meeting of the Board of Commissioners pertaining to the terms and conditions for the continued employment of the Executive Director;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the County of Merced hereby finds and determines the following:

1. The above recitals are true and correct.
2. The Board of Commissioners hereby authorizes the Chairperson sign a successor employment agreement (“Agreement”) with Rosa C. Vazquez, a true and correct copy of which is attached hereto and incorporated herein as Exhibit “A”.
3. The Board of Commissioners hereby sets the Executive Director Annual Base compensation as outlined in the Agreement and directs that the appropriate budget amendments be made accordingly. The salary shall be set at: \$176,083.81 annually beginning upon ratification of this Resolution, \$184,887.51 annually beginning February 1, 2025; and \$194,131.88 annually beginning February 1, 2026.

**PASSED AND ADOPTED** by the Board of Commissioners of the Housing Authority of the County of Merced this 20th day of February, 2024 by the following vote to wit:

Motion:

Second:

Ayes:

Nays:

Absent:

Abstain:

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Chairperson, Board of Commissioners  
Housing Authority of the County of Merced

Dated: February 20, 2024

**HOUSING AUTHORITY OF THE  
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**EMPLOYMENT AGREEMENT**

**EXECUTIVE DIRECTOR**

This Employment Agreement ("Agreement") is entered into and effective on the date ratified by the Board of Commissioners, (the "Execution Date" in Article 8, below) by and between the Housing Authority of the County of Merced (hereinafter referred to as the "Authority") and Rosa Vazquez, the Executive Director (hereinafter referred to as the "Executive Director") collectively, the "Parties".

**RECITALS.**

WHEREAS, the Parties previously entered into previous employment Agreements in 2017 and in 2020 as amended from time-to-time; and,

WHEREAS, the Executive Director and the Authority have by mutual agreement continued their employment relationship on the same terms and conditions of their Employment Agreement, through the date of this new successor Agreement and,

WHEREAS, The Commissioners of the Authority have determined that it is in the best interests of the Authority to enter into a new successor Employment Agreement with the Executive Director; and,

WHEREAS, The Executive Director is willing and agreeable to enter into a new successor Employment Agreement with the Authority;

NOW THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement, the parties agree as follows:

**1. TERM OF EMPLOYMENT.**

The Authority hereby employs the Executive Director and the Executive Director hereby accepts continued employment with the Authority commencing on ratification. The term of employment shall be for a period ending at 12:00 midnight on January 31, 2027 (the "initial term"). This agreement may be extended for one first extension of an additional one (1) year at the end of the initial term (ending at 12:00 midnight on January 31, 2028), and one second extension of an additional one (1) year (ending at 12:00 midnight on January 31, 2029) by mutual agreement of the PARTIES.

**2. DUTIES AND RESPONSIBILITIES OF THE PARTIES.**

A. Duties of the Executive Director. The Executive Director shall perform the duties and functions which are generally and customarily performed by executive directors of public housing authorities of the same size and complexity as the Authority. These duties and functions are listed in 'Exhibit "A" - Job Duties' to this Agreement and

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incorporated herein by reference.

Generally, the Executive Director shall be primarily responsible to the Authority Commissioners for: 1) the execution of the Authority policy; and 2) making recommendations for their consideration and adoption.

The Executive Director shall devote her full time, energy, attention and best efforts to performance of the duties and responsibilities enumerated above and attached.

B. Responsibilities of the Authority. The Board of Commissioners of the Authority shall be primarily responsible for adopting appropriate policies for the Authority and to provide necessary and appropriate policy directives to the Executive Director from time to time.

C. Non-Interference with Duties and Responsibilities of the Respective Parties.

The parties agree, individually and collectively, not to interfere with, nor to usurp the primary responsibilities and duties of the other party.

**3. COMPENSATION OF THE EXECUTIVE DIRECTOR.**

As compensation for the duties to be performed by the Executive Director, pursuant to the terms of this Agreement, the Executive Director shall receive an annual salary of \$ 176,083.34 per year, payable on a bi-weekly basis, calculated as an annual amount disbursed evenly over twenty-six (26) payroll periods.

Effective February 1, 2025, the executive Director's salary shall increase to \$184,887.51 annually.

Effective February 1, 2026, the Executive Director's salary shall increase to \$194,131.88 annually.

The compensation of the Executive Director in any extension period(s) after the initial term of this Agreement shall be evaluated at the time of extension in consideration of changes in the cost of living, the Executive Director's performance evaluation and other factors deemed appropriate by the Board of Commissioners.

Any modification made to the Executive Director's salary shall be in the form of a written addendum to this Agreement.

**4. EMPLOYMENT BENEFITS.**

The following employment benefits shall be provided to the Executive Director under this Agreement:

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A. Generally. The Executive Director shall be entitled to the same fringe benefits, including, but not limited to, annual (vacation) leave at the accrual rate of 7.7 hrs/PP, sick leave, holiday leave, and administrative management leave, that the Authority provides to all of its other contract administrative personnel, unless otherwise provided for herein.

B. Contribution to Medical, Dental and Vision Premiums. The Authority will provide a contribution toward the premium costs for medical, dental, and vision insurance for the Executive Director and any dependents to a maximum of \$1333.65 (current) per month. Any remaining balance from the Authority's contribution shall be designated on behalf of the Executive Director to an individual tax sheltered annuity plan. Said medical, dental, and vision insurance premium contribution may be adjusted annually to cover any premium increases.

C. Term Life Insurance. The Authority will provide and pay the premium costs for a term life insurance policy with coverage up to one year of salary as provided for in Paragraph 3, above.

D. Management Leave. The Executive Director shall also receive one hundred twelve (112)) hours of paid Administrative Leave on an annual basis commencing on the effective date of this Agreement to be designated as "Management Leave" in lieu of any other additionally compensated work time. Such leave shall be consistent with maintaining the Executive Director's "Exempt" status under the Federal Labor Standards Act for salaried employees. "Management Leave" shall not accrue from year-to-year and any unused portion remaining at the end of each contract year shall expire. "Management Leave" balances are not payable to the Executive Director upon separation of employment.

E. Cash-out Annual Leave. The Executive Director may, request approval from the Board Chairperson to receive cash payment in lieu of use of the unused balance of annual (vacation) leave, not to exceed a maximum of eighty (80) hours total for the current contract year shown on the Executive Director's payroll records as of the date of the request, provided that the remaining balance of leave after payment in lieu is not less than (60) hours.

The Board Chairperson shall not unreasonably deny a cash-out request made under and compliant with this section. The Executive Director may accrue a total of three (3) times the annual (vacation) leave amount in a single year as the maximum total vacation accrual. In the event that the Executive Director approval for cash-out of vacation leave in any year of this Agreement is not approved, the maximum accrual cap will be increased by 80 hours.

F. Vehicle Lease. The Authority will lease or otherwise provide a vehicle for the Executive Director to use during the term of this Agreement for business use only. The Authority will pay for all fuel used and all other maintenance and repairs on the vehicle.

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G. Disability Insurance Policy. The Authority will pay ONE THOUSAND TWO HUNDRED DOLLARS AND NO CENTS (\$1,200.00) toward the annual premium of a disability insurance policy for the Executive Director.

H. CalPERS Retirement. The Authority is a contracting local agency to the CalPERS public employee retirement system. Executive Director, shall be entitled to receive and participate in the retirement program through CalPERS. Participation in CalPERS shall be governed by the Public Employment retirement Law, CalPERS regulations and the Public Employee Pension Reform Act of 2013 as applicable. The Executive Director's status as a "Classic" or "New" Member and thus the specific retirement plan available to the Executive Director shall be governed by these aforementioned State laws. Participation in the CalPERS pension plan requires both an employer and employee contribution. The Authority shall pay the full amount of any employer contribution required by CalPERS. Executive Director shall pay the full employee contribution required to participate in CalPERS.

I. Work-Related Expenses. All reasonable and necessary costs and expenses which the Executive Director shall incur in the performance of her duties and obligations defined in Section 2 above, including transportation and other traveling expenses, shall either be paid by the Authority, or, if initially paid the Executive Director, shall be reimbursed by the Authority. Any such reimbursement shall only be made upon the provision of adequate documentation to support the Executive Director's claims for reimbursement.

J. Holidays. The Executive Director shall be provided with fifteen (15) paid holidays as follows: New Year's Day, Martin Luther King's Birthday, Lincoln's Day, Presidents' Day, Cesar Chavez's Birthday, Memorial Day, Juneteenth, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, the Day after Thanksgiving, Christmas Eve, and Christmas Day.

The Executive Director shall be granted two (2) floating holidays. One floating holiday shall be earned on January 1 each year and taken on or before June 30 in that year (the first half expiration date); and the second floating holiday shall be earned on July 1 each year and taken on or before December 31 in that year (the second half expiration date). Floating holidays may not be converted to cash (no cash-out) and may not be carried forward if unused before the respective expiration date.

K. Vehicle Allowance: In recognition of the fact that the executive director has periodic responsibilities for travel using her personal vehicle in instances where an Authority vehicle may be unavailable, the Executive Director shall be provided with a monthly vehicle allowance of \$600.00 to offset wear and tear of the Executive Director's personal vehicle when used for work purposes. The Executive Director may also submit fuel receipts when her personal vehicle is used for work purposes, and is eligible to receive reimbursement at actual cost.

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L. Changes to Benefit Levels: If the Authority increases employer contributions for benefits or offers new or different benefits, such as those described in this section, to other represented or non-represented employees during the term of this agreement, the increase to benefits shall be provided equally to the Executive Director unless the Parties enter into an amendment to this Agreement addressing those changes in a different manner.

Any modification made to the Executive Director's benefits shall be reduced to writing, signed by all Parties and attached as an amendment to this Agreement.

5. EARLY TERMINATION.

Notwithstanding the provisions of Paragraph 1 above, the Executive Director's employment shall terminate upon the occurrence of any of the following events:

A. Death of the Executive Director.

B. The Permanent Disability of the Executive Director. The Executive Director shall be permanently disabled, for the purposes of this Agreement, if she shall be physically or mentally incapable of performing substantially all of her duties pursuant to this Agreement for a continuous period of ninety (90) days, without the reasonable likelihood of resumption of those duties within three (3) months following the expiration of said ninety (90) day period. For the purposes of this Agreement, permanent disability shall be determined by two (2) physicians licensed to practice medicine in the State of California, one of which shall be selected by the Executive Director, or her duly authorized representative. The other physician shall be selected by the Authority. In the event the two (2) physicians disagree as to the existence or extent of disability, a third physician shall be selected by mutual agreement of both parties. If the parties are unable to mutually agree to a third physician, the two (2) physicians shall then select a third physician to review the matter. The termination of the Executive Director's employment, pursuant to the terms of this paragraph, shall not be effective until she is deemed permanently disabled, and the Executive Director shall be entitled to receive all compensation described in Paragraphs 3 and 4, above, until she is deemed permanently disabled.

C. Termination of the Executive Director for Good Cause. The proven or admitted dishonesty of the Executive Director, or her discharge for good cause as specified in this section. The term "good cause", as used in this Agreement, shall include the following:

- i) Substantial neglect by the Executive Director' of her duties, obligations, and responsibilities under this Agreement;
- ii) The Executive Director's willful disobedience of orders and/or directives of the Board of Commissioners of the Authority;

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- iii) Probable cause that the Executive Director has committed a felony crime;
- iv) The Executive Director being under the influence of alcohol or drugs during regular working hours;
- v) The violation by the Executive Director of any of the terms and conditions of this Agreement; or,
- vi) Other good cause.

D. Severance Payment. Subject to Government Code Section 53260(a), in the event the services of the Executive Director are terminated without cause upon the initiative and action of the Board of Commissioners, the Authority shall pay to the Executive Director at the time of such termination severance pay (in addition to payout of any eligible accrued vacation time) an amount equal to the lesser of (a) six (6) months of the monthly base salary, or (b) the monthly salary multiplied by the number of months remaining on the unexpired term of this Agreement.

The provisions of California Government Code sections 53243 to 53243.4, as those sections now or hereafter exist, are hereby incorporated by reference into this Agreement. If the Executive Director is convicted of a crime involving an abuse of their office or position, whether before or after release from employment, the Executive Director shall fully reimburse the Authority for any severance pay, paid leave, salary disbursed pending an investigation related to the crime, or legal criminal defense funds relevant to the crime. .

6. EVALUATION.

The Board of Commissioners will review and evaluate the performance of the Executive Director, in writing, at least one time per year which shall be prior to the annual anniversary date of this Agreement. The Board of Commissioners' evaluation of the Executive Director shall describe the degree to which the Executive Director met, fell short, or exceeded the goals, job responsibilities, and/or expectations of the Executive Director's position. In preparing the written performance evaluation, the Board of Commissioners will utilize the "Duties and Responsibilities" set forth above and the attached Exhibit "A".

The Board expects the Executive Director to have open and regular communication with the Board regarding how she is meeting her goals, job responsibilities, and/or expectations of her job position. It is anticipated that a Board Committee will regularly meet with the Executive Director to facilitate this communication.



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Before each annual evaluation and at least forty-five (45) days prior to the anniversary date of this agreement, the Executive Director will prepare and present to the Board a detailed and specific summary setting forth how she met and accomplished her job responsibilities and goals in the time period since her prior evaluation was conducted and as set forth in this Agreement. The Executive Director shall include discussion of any areas where she acknowledges improvement is needed. The Board of Commissioners will review the Executive Director's summary as part of its performance evaluation of the Executive Director and shall meet with the Executive Director prior to the annual anniversary date of this agreement to discuss her performance evaluation. At such time, the Board of Commissioners will provide the Executive Director notice of any work performance deficiencies and allow for responsive information to be provided by the Executive Director. The Board will use the evaluation form, as may be amended from time-to-time, that is attached hereto as Exhibit "B", to guide the evaluation process.

**7. GENERAL PROVISIONS.**

A. Notices. All notices under this Agreement shall be in writing and shall be effective either upon personal delivery or, if sent by registered mail, return receipt requested, addressed to the last known address of the party to whom such notice is to be given. Notice sent as above shall be deemed served forty-eight (48) hours after deposit in the United States mail and issuance of the registry receipt.

B. Execution of Further Documents. Each of the parties agrees that they shall execute all other documents which may be necessary for the completion of the transaction contemplated herein.

C. Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of the Executive Director of the Authority, is a fully integrated document, and contains all of the covenants and agreements between the parties with respect to such employment in any matter whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement will be effective unless it is contained in a subsequent writing, signed and dated by the Parties. This Agreement shall be binding upon and inure to the benefit of the parties and their successors, heirs, agents and personal representatives.

D. Severability. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining sections/provisions shall nevertheless continue in full force without being impaired in any way.

E. Construction and Interpretation of Agreement / Venue. This Agreement has been jointly developed by the Executive Director and the Authority. The Executive Director acknowledges

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that she has been provided the opportunity to consult with her own independent counsel regarding the agreement and its contents and therefore any rules of interpretation shall not be read as against the drafting party. This agreement shall be governed by, and interpreted pursuant to, the laws of the State of California, the venue shall be the County of Merced, California.

F. Indemnification. The Authority shall indemnify and defend the Executive Director from any and all claims, demands, actions, losses, or charges arising out of, related to or as a consequence of the Executive Director's performance of duties and conduct that are within the scope of employment. Acts of the Executive Director that substantially deviate from the assigned duties for a personal purpose, criminal and other conduct such as assault, battery, sexual harassment, whistleblower retaliation, and other intentional torts that are unrelated to the Executive Director's job are deemed to be outside the ordinary course and scope of employment for purposes of this section.

The parties agree that this section shall survive termination of this Agreement and Executive Director's employment with the Authority. This section shall apply at the time any such claim, demand, action, loss or charge is made or occurs, as the case may be, provided that the act or omission giving rise to the claim occurred during the time that the Executive Director was employed by the Authority.

G. Attorney's Fees. In any litigation of arbitration over the terms of this agreement or held pursuant to the terms of this agreement, each party shall bear their own attorney fees and costs.

H. Waiver. No waiver of a breach of any of the covenants, agreements, provisions, or conditions of this Agreement by either party shall be construed to be a waiver of any later breach of the same or other covenant, agreements, provisions or conditions of this Agreement.

8. EXECUTION.

Date:

Date:

By:

Rosa C. Vasquez  
Executive Director

Rick Osorio  
Chairperson, Board of Commissioners