

MINUTES OF THE
SANTA FE COUNTY
HOUSING AUTHORITY BOARD

September 29, 2015

I. This meeting of the Santa Fe County Housing Authority was called to order on the above-cited date in the Santa Fe County Manager's Conference Room, at the County Courthouse at approximately 1:00 p.m. by County Commission Chair Robert Anaya.

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

Members Present:

Robert A. Anaya, Commissioner
Kathy Holian, Commissioner
Cathy Hurtado, Resident Member
Joseph Loewy, Community Member
Henry Roybal, Commissioner
Liz Stefanics, Commissioner

Member(s) Excused:

Miguel Chavez, Commissioner

Staff Present:

Katherine Miller, County Manager
Ron Pacheco, Housing Authority Director
Tony Flores, Deputy County Manager
Victor Gonzales, Housing Authority Staff
Lynette Kinnard, Finance Division
Bruce Frederick, Assistant County Attorney
Rudy Garcia, County Manager's Office
Chris Barela, Constituent Liaison
Marcus MacDonald, Housing Accountant
David Griscom, Economic Development

Others Present:

Ravi Malhotra, ICAST
Matt Naughton, ICAST

III. Introductions

Those present introduced themselves.

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IV. Approval of Agenda

Commissioner Holian moved to approve the agenda as published. Commissioner Stefanics seconded and the motion passed by unanimous [6-0] voice vote.

V. Approval of Minutes: August 25, 2015

Commissioner Stefanics moved approval as submitted. Mr. Loewy seconded and the motion passed by unanimous [6-0] voice vote.

VI. Presentation: ICAST for Replacement of Furnaces at Three Public Housing Sites

Mr. Pacheco said in the past few years the Housing Authority has expended a great deal of its resources maintaining furnaces. The current plan is to set aside money and replace the furnaces in phases similar to the manner in which the cabinetry was replaced. Staff has had ongoing conversations with ICAST (International Center for Appropriate & Sustainable Technology), a non-profit that specializes in sustainable technology through an EPC (energy performance contract) which is an agreement with HUD allowing for the replacement of furnaces and could include solar.

ICAST, founder and president Ravi Malhotra, said they are managing NM MFA's low income housing green rehabilitation program for multi-family properties. ICAST's role is within the business development and execution of the project to help provide financing from other sources. An intergovernment agreement serves as the center point to accomplish the contracted task.

ICAST has two programs: CDFI, Community Development Financial Institutions, certified by the US Treasury Department and resource market to identify and conduct the improvements.

Mr. Malhotra reviewed the advantages of going green that included the reduction in operating costs, increase in property value, reduction in waste, as well as the environmental benefits. He demonstrated, by a graph, that energy consumed per square foot is higher in affordable housing projects than the average. This translates to greater opportunities to improve the energy cost per square foot.

According to HUD's own estimate they are \$27 billion behind on improvement needs in public housing authorities. The EPC is a program that will facilitate the necessary energy related upgrades. He described the HUD guidelines and noted that HUD allows for add-on subsidies to help recoup some of the PHA's upfront cost.

Commissioner Holian asked about the solar tax credit and Mr. Malhotra said the third-party equity investor gains that credit. ICAST is non-profit with no tax liability.

Funding options and benefits were reviewed as well as the next steps for approval and finalizing financials.

Mr. Pacheco asked whether ICAST was involved elsewhere in the state with this program. Matt Naughton, ICAST, said they are talking with T or C, Tucumcari and Lordsburg. Both ICAST representatives confirmed that MFA has been supportive of the program.

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City to do that remediation.

Mr. Loewy asked whether there were any benefits for the residents. Mr. Malhotra said there is no financial impact to the residents the benefits come from comfort, health and safety. The PHA's utility allowance may be reduced by HUD and set aside for repayment to the investor.

Mr. Malhotra said the loan period is typically 15 years and he identified a range of potential investors. He said EPCs have occurred on the east and west coasts for many years and he mentioned that Denver has a program.

Commissioner Stefanics expressed concern about the rebate on the return for the investment. Commissioner Holian mentioned that the cost of solar panels and the installation of such systems have gone down significantly and even though the rebates from PNM may not be as rewarding the systems are more cost effective.

Chair Anaya requested information about EPCs that other PHAs have entered. He asked staff to work with the consultant in defining the project.

Commissioner Holian said she supported going forward; analyzing the housing sites, determine average energy use, potential savings and whether it makes sense for Santa Fe County Housing Authority.

Chair Anaya said it appears that HUD will benefit with a reduction in financial liability to the Housing Authority. He said HUD should incentivize the PHAs by providing the savings back to them. Mr. Malhotra said that is essentially what HUD is doing because the money to run a PHA (including payment of utilities) comes from HUD and they are encouraging the installation of energy efficiency.

Mr. Pacheco said the project is in discovery mode and more information will be forthcoming.

[The Authority observed a moment of silence in memory of recently deceased County employee Pamela Lindstrom.]

VII. Update: Affordable Housing Project at the Galisteo Site

Mr. Pacheco said he and Mr. McDonald met with HUD and explained the concept for development of this property. New Mexico HUD representatives were very supportive. Two issues require resolution before requesting HUD funds, zoning and environmental.

Economic Development Specialist David Griscom said the site's status is that of a "brownfield." To address the contamination phase 1 has been completed by EPA with the identification of five RECs (recognized environmental conditions). The next phase is to test the five RECs and EPA provided grant money for that work. NM ED will address the five RECs by the end of November with a final report sometime in December or January. Following Phase 2, remediation is identified. EPA has grant money available for remediation; however, as the contaminating entity the County is not eligible. The County can partner with a developer or the City to do that remediation.

Commissioner Stefanics asked whether HUD could apply for the EPA grant and Mr. Griscom offered to research that.

Manager Miller said the City has offered to partner with the County and apply for the grant.

VIII. Action: Declaration of Trust for CFP 2015

Mr. Pacheco said HUD requires that the Board sign off on a Declaration of Trust which states the public housing units under the Authority's administration. The Declaration is a requirement for CFP funding.

Commissioner Stefanics moved to approve the declaration. Commissioner Holian seconded and the motion passed by unanimous [6-0] voice vote.

IX. Housing Authority Updates

A. Site Improvement Plan/CFP Update

Mr. Gonzales stated that the replacement of kitchen cabinets continues at the Valle Vista site. An IFB for bathroom remodels at the Valle de Esperanza site in Santa Cruz is being developed.

Mr. Pacheco said the easement regarding the sewer line is with the legal department. He said he anticipated at next month's meeting a resolution will be presented outlining the actions going forward.

Chair Anaya said that following last month's meeting he phoned the property owner about the easement issue and did not hear back from the individual.

Mr. Loewy requested that the sewer easement issue be included in the site improvement plan/CFP agenda updates until it is resolved.

Mr. Pacheco said staff was successful in having the City of Española reduce an invoice regarding a break in pavement at Santa Cruz by 20 percent. Staff will be meeting again with Kelly Duran Española city manager to discuss and readjust the water customer status at Santa Cruz.

Chair Anaya asked that Commissioner Roybal be included in those meetings.

In response to Chair Anaya, Assistant County Attorney Frederick confirmed that the City of Española is still in a lawsuit against Santa Fe County. The County filed a motion to dismiss and he said they were optimistic about the success of the motion. Manager Miller said the County is holding back committed resources to Española for their dispatch and library until the lawsuit is resolved.

B. Vacancy Update

Mr. Pacheco reported they were holding a 97 percent occupancy rate. He commended

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the maintenance division.

C. Director's Report

Mr. Pacheco further reviewed the meeting with the Albuquerque HUD office about the Galisteo site. Once the zoning and environmental issues are resolved staff will contact the Chicago HUD office. Floyd Duran of New Mexico HUD said the 9 percent tax credit is achievable and he further recommended that the Authority hire a consultant because of the complexity of the project.

X. Public Comments

None were presented.

XI. Matters from the Board

None were presented.

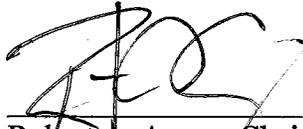
XII. Executive Session: Limited Personnel Matters

Manager Miller requested postponing this item to October. .

XIII. Adjournment

Having completed the agenda and with no further business to come before the Authority, the meeting was adjourned at approximately 2:00 p.m.

Approved by:



Robert A. Anaya, Chair
Housing Authority Board



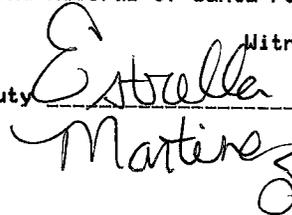
Respectfully submitted by:

Karen Farrell, Wordswork

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

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I Hereby Certify That This Instrument Was Filed for
Record On The 2ND Day Of November, 2015 at 12:21:30 PM
And Was Duly Recorded as Instrument # 1778703
Of The Records Of Santa Fe County

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