

Notice of Public Meeting
of the
Nevada Rural Housing Authority Board of Commissioners

The Nevada Rural Housing Authority ("NRHA") Board of Commissioners will conduct a public meeting on March 16, 2017 beginning at 1:30 pm in person at 3695 Desatoya Drive, Carson City, Nevada.

NOTICE

1. Items may be taken out of order;
2. Two or more items may be combined;
3. Items may be removed from the agenda or delayed at any time;
4. Public comment is limited to 3 minutes per person. Comment cannot be restricted based on viewpoint.

Reasonable efforts will be made to assist and accommodate physically handicapped persons desiring to attend the meeting. Please call the number listed in advance so that arrangements for attendance may be made, (775) 887-1795.

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MINUTES

1. **Call to Order and Roll Call**

Meeting called to order 1:32 pm

Board member attendees: Rose Cook, Roger Mancebo, Willis Swan and Joni Eastley (via telephone).

In attendance from NRHA: William Brewer, Tammy Lancaster, Tiffany Hornsby, Diane Arvizo, John Pettis (Consultant), Missi Pollender (Weststates), Heather Simola, Jack White (Acting Director of Community Development Group), Sheri Woodsgreen (Consultant), Don Boebel, Lourdes Perez, Beth Dunning and Sherry Wood. Morris Hatley and Ernie Adler attended (via telephone).

2. **Pledge of Allegiance**

3. **Public comment and discussion**

4. **Consent Agenda:**

(All matters listed under the consent agenda are considered routine and may be acted upon by the Board of Commissioners with one action, and without an extensive hearing. Any member of the Board or any citizen may request that an item be taken from the consent agenda, discussed, and acted upon separately during this meeting. The Board Chair or Vice Chair retains discretion in determining whether or not an item will be pulled off of the consent agenda.)

- a) Report on Rental and Housing Services – Jeni Chavez
- b) Report on Properties – Missi Pollender (Weststates)
- c) Report on Home at Last – Diane Arvizo
- d) Report on Human Resources – Stacey Sept
- e) Report on Finance – Tammy Lancaster
- f) Consultant Report – John Pettis
- g) Report on Grant activity from Mosaic Partners – Lisa Ruiz-Lee
- h) Quarterly Report from McDonald Carano Wilson LLP – Kathleen Conaboy
- i) Quarterly Report from Jim Shaw
- j) Quarterly Report from KPS3 – Heidi Bethel
- k) Quarterly Report from Sheri Woodsgreen

5. ***For Possible Action*: Approval of minutes from prior meetings:**

- a) Board Meeting Minutes from February 23, 2017
Swan moves to approve the Consent Agenda with amendment to the February 23, 2017 minutes under Item 6 to state Eastley abstains from conversation and vote. Mancebo seconds. Amended motion carries unanimously.

END OF CONSENT AGENDA

6. **For Possible Action Resolution 2017-03-01*:** To Review and Approve The 2017-2018 Annual PHA Plan.

Chavez states that this an annual update to our 5-year PHA plan which we present to the board annually in either an annual or 5-year format. We look at what we have accomplished since the original 5-year plan was presented to HUD and highlight what we completed, items we would like to change from the original plan and what we plan to do in next year adding on to the 5-year plan.

It is her practice to give a good picture of what we are doing.

Mancebo moves to approve Resolution No. 2017-03-01. Swan seconds. Motion carries unanimously.

7. ***For Discussion and Possible Action*:** Contract renewal for John Pettis
Eastley moves to approve the contract renewal with John Pettis. Mancebo seconds. Motion passes unanimously.
8. ***For Discussion and Possible Action*:** Adoption of a Board signature Policy if Chair or Vice-Chair is not available.

Cook believes there is a policy or a document stating that others than a board member could sign. She asks Adler if he can clarify.

Brewer states that this is in the case of the Chairman or Vice-Chairman not being available. He states that this is occasional but would like to have a policy if there is not one. He also states we can postpone this matter.

Mancebo states he believes that they did something about this years ago that added someone else. He asks who we would suggest.

Eastley states that when she asked for this item to be added to the Agenda that any board member can sign on behalf of the Chairman or Vice Chairman if they were not available. Brewer states that would be our recommendation.

Cook would like documentation be presented to the board in the form of a written policy. Mancebo would also like to come back with a written policy and so would Swan. Brewer has asked Adler to write policy.

Item number 8 is tabled for a future date.

9. **For Discussion:** Report on Accounting – Tiffany Hornsby
Hornsby states NRHA is starting to break out the accounting report from the finance report. Her report will be more related to past and how we perform against budget, and prior year. Lancaster’s report will be focused on planning, budgeting, investments and finances. She then gave a brief overview of the accounting report.
Cook asks the board if they would like Hornsby to drill down further. Swan says we would like to see a surplus in the future but that he is good with the report.
10. **For Discussion:** Updates from Deputy Director
 - a) Update and discussion on the formation of a Community Land Trust: Brewer updates board on Community Land Trust and mentions Adler’s memo. The cost will be approximately \$3,000. It is anticipated that it would be a tool to use at our

disposable. It would not be used unless something arose that we needed it for. Adler would like to move forward and complete the land trust preparation. Mancebo states that he believes we should complete the preparation of the Land Trust.

Brewer stated we should be able to report on by next board meeting. Adler concurs.

- b) Update on real estate transactions with RNDC and Jim Gregory: Brewer mentions this is part of the Community Development Group report also. We have been negotiating substantially with RNDC on four properties. Two are in Tonopah and two are in Ely. We have also been negotiating with Weststates on an additional property in Tonopah. On Monday we were able to sign a purchase and sale agreement for those four properties owned by RNDC. We have deposited our earnest money in the title company account, initiated the preliminary title report, and will proceed toward closing on those. We anticipate that it will take a while because of the USDA financing. We have a couple of things pending, but a lot of the work has been done already.

White states that most everything is in motion or is coming in now. The appraisals and surveys are being done. The Comprehensive Needs Assessment (CNA) is being done for the lender. He gives further explanation on the CNA. We are also in process of preparing the application for the 2018 tax credit on Belmont and we are positioning the Desert properties to be in the 2019 tax credit round. Mancebo asks if that is because it took so long to get the agreement in place. Brewer states that is part of it and also the organization of the financing going forward. We want to bring some additional property into that campus to make this a nicer project. He goes into further detail about the tax credits and the CNA. White elaborates on Brewer's explanation.

- c) Report from our meeting with Rural Caucus at the State Legislature: NRHA had the opportunity to sponsor breakfast for the Rural Caucus at the Nevada State Legislature. We had a great meeting with those folks and met several of our legislators representing Rural Nevada. We had an opportunity to build some relationships there which we will continue to do through this session.
- d) Update on The Community Development Group (CDG); activities, staffing- Jack White: We have 7 of the 11 properties we looked at with RNDC that we are not going to pursue at this time because we have not heard back from Caleb Roope or RNDC at this time. We are going to turn in all the paperwork on the ownership back to RNDC and move ourselves away from those transactions within the next couple of weeks. Negotiations with RNDC went fairly well. The agreement is a clean agreement. We will recover our costs going in if they back out. He then turns the other projects that CDG is working on over to Beth, Don and Heather report on..

Southwood Project – Boebel states 6 buildings are complete and have been rehabbed. The tenants have been relocated back into their units. The Leasing Maintenance Office (LMO) has been started this week. There is approximately a 62 day schedule on that building. We are in the last stages of that project on Management side. Dunning states she and Simola are working on transition. There

are 5 units that are not subsidized so they are in the process of filling the last 3 units. Simola states they are focusing on how to market the non-subsidized units within the complex. Chavez' team is diligent about sharing information regarding the vacancies within our portfolio. Southwood is one of them.

Mancebo asks about the market in Yerington. Pollender says it is challenging to find a family within the income limit. White states there is good continuity between DCG and HCV.

Richard's Crossing – Dunning states that construction is close to finished. Don is wrapping his part up. She is working on filling the units. We had community donations for the furnishings for each of the units. She has been purchasing furnishings for all the common areas. They are finalizing plans for wiring and office communications and telephones. They are working on planning the Grand Opening, which will be April 12 from 2-4pm. Working with Sherry to get politicians invited, as well as FISH to invite the community donors. Everyone from NRHA will be there.

Dunning states we are hoping to have a certificate of occupancy by March 31, 2017

White states Northern Nevada Community Housing (NNCH) is the group we have found for the management of this project as this is a special needs project. Weststates has worked with NRHA to transition out while NNCH transitions in.

Dunning states that we are now looking at less than \$100,000 short as opposed to the \$600,000 to almost \$700,000.

Simola discusses external services providers for on the job training center at Richard's Crossing. She states that we will have internal services providers including Nevada Mental Health, JOIN, CC Health and Human Services, Western Nevada College. Trying to limit the number of service providers.

As we identify the needs, we will add more service providers.

Property manager will be living at the site which will allow us to reduce overall costs for this project. We worked closely with HCV team to streamline our application process. There is one application for both companies. HCV has worked closely with Property Management Company. The goal is 6 move ins per month.

Cook asks Simola if the tenants will have to participate in this job training as a mandatory requirement. Simola says due to type funding and HUD regulations, we cannot mandate they attend. It will be encouraged, but we cannot mandate they do. It will be dependent on the population and where they are at in life.

Cook asks if there are any facilities in Carson City that are like this that offer service providers on site. Simola states not that she is aware of in Nevada. White says it is unique.

Mancebo asks for a breakdown of the units. White states they are all 1-bedroom, 39 units with 38 for lease, with tankless water heaters, energy star appliances,

ceiling fans, hard surface flooring, 4 ADA units. Have a lot of common areas. Dunning goes on to explain the common areas and outdoor recreation areas.

Larios Arms II - White states we are up and running and have leased it.

Brown Street SPA - Have worked with legal counsel for the past 8 to 9 months regarding Nevada's laws and requirements governing the eminent domain processes, and a development approach that would serve to get this project built over a 3-year window, rather than over a vastly expanded time frame as provided for in the existing Brown Street-SPA documentation established by Carson City in 2009. NRHA's legal counsel met with the District Attorney in Carson City in late December 2016 and, as a direct result of that meeting, we came to the conclusion that, based on the City's desire to seek indemnification from NRHA relative to its own potential eminent domain proceedings, it was no longer prudent for NRHA to consider moving forward in the manner set forth by the City's proposed requirements. Accordingly, NRHA would not be willing to move forward with the proposed neighborhood redevelopment initiative in that way. We are keeping in mind that the City did not want to take on their own responsibilities associated with the problems that PISTOL presented relative to the transfer of land acquired through the eminent domain proceeding (PISTOL is a citizen based legislative law relative to eminent domain proceedings in Nevada).

About 3 weeks ago Longaker, Brewer and White spoke with the Mayor and City Manager about their concerns. What they walked away with is an understanding that they would go back to counsel and discuss an approach that would fall more in line with the original Brown Street-SPA as originally filed by the City with the following modifications:

- NRHA and the City would work in unison to acquire land sites located within the newly defined SPA in the future as land parcels become available over time; and.
- NRHA and the City would establish a long-term neighborhood improvement plan based around not just the SPA as defined on map, but rather an SPA defined around a proposed series of neighborhood improvements and based on the actual rezoning of specific land sites associated with those defined future improvements (a planned neighborhood redevelopment initiative which has now been designed and adopted by all parties involved in this process to date); and,.
- Certain additional business concerns involving both parties' total commitment to the defined process including, but not necessarily limited to, property ownership and future land requirements, both parties' willingness to pursue the eminent domain process if and when necessary to see the plan to a successful conclusion at some future date, etc.

White explained the zoning and zoning requirements, issues of grandfathering and the limitations and impact on the future development associated with grandfathering existing land uses. A few days prior to this meeting, on Monday, March 13th, Brewer and White went back to council as previously discussed with Carson City

officials, and we are presently awaiting a response from Counsel regarding timing and estimated legal costs associated with the next step.. White also stated that NRHA's goal is to get the City to agree to what the Authority needs them to agree to in order to do the SPA right. If the City is not willing to do that, then it would be necessary for NRHA to consider walking away from the defined Brown Street-SPA initiative. However, if the City is in fact willing to do what NRHA needs the City to do, then NRHA would be in a position to work with the City to acquire land sites over time, and potentially enact eminent domain proceedings if needed based on initiating certain phases of the neighborhood improvements over time. We will come back with a plan once counsel comes back to us with a plan and the proposed timing to see this effort through.

Brewer says we are also continuing to search for a Community Development Group Director. Have expanded our advertising to the professional groups such as NALHFA, Phada and others. We will continue to look until we find the right person.

- e) Information on new Board member: Brewer says Chavez was able to get 3 applicants. We have supplied applications to NACO and League of Cities. We are waiting to hear on how they want us to proceed.
- f) Nevada Rural Housing Inc. review – Brewer distributes a financial statement for NRHI. Lancaster provides an overview. Revenues are primarily the rent for the Ginger Street property here in Carson City. NRHI is also providing funds as a loan to Richard's Crossing. She explains what happens in tax credit projects. White asks how that affects the ownership of personal property bought under the Home Depot grant. Lancaster states that it belongs to Richard's Crossing. Richard's Crossing reflects it as a debt payable to NRHI in 15 years. She also reported an investment in the Indigo property. NRHI continues to have positive equity of \$492,000 with total assets of \$600,000.
- g) Silver State Fair Housing Council award – April 5th event in Reno. Will be honoring Bill on contributions by NRHA.

11. **Date of next meeting:**

- a) Telephonic Meeting - April 20, 2017 at 1:30pm.

Joni will not be available.

Mancebo asked why the meeting is 1:30pm.

Cook would like to know if telephone calls should go to 10:00am. All Board members have agreed. Sherry will send updated invites and update the Website.

12. **Public comment and discussion:** There was no public comment.

13. **Adjournment:** Swan moves to adjourn, Mancebo seconds. Motion carries unanimously. Meeting adjourned at 3pm.

Members of the public can request copies of the supporting material for the meeting by contacting Sherry Wood at (775) 887-1795 ext. 129 or email swood@nvrural.org.

This Agenda has been posted at the following locations:

NRHA Website Home Page, under Events: www.nvrural.org

Nevada Public Notice Website: <https://notice.nv.gov/>

Government: Special Districts

Entity: Nevada Rural Housing Authority

Public Entity: Nevada Rural Housing Authority

NRHA Main Office: 3695 Desatoya Drive, Carson City, NV. 89701

NRHA Las Vegas Office: 3685 Pecos-McLeod, Las Vegas, NV 89121

Weststates Property Management: 106 W. Front St., Elko, NV. 89801