

**CITY OF ALAMOGORDO, NEW MEXICO  
PUBLIC HOUSING AUTHORITY BOARD  
SPECIAL MEETING MINUTES  
2:00 P.M., PLAZA HACIENDA LEARNING CENTER  
MARCH 30, 2004**

**CHAIRMAN DON CARROLL  
VICE CHAIRMAN RON GRIGGS  
MEMBER INEZ MONCADA  
MEMBER DON COOPER  
MEMBER ED COLE  
MEMBER JOHN ROBERTSON**

**MEMBER MARION LEDFORD  
MEMBER EUGENE EVERETT  
CITY MANAGER PAT McCOURT  
CITY ATTORNEY KEN MCDANIEL  
DEPUTY SEC. KAREN H. GROVES**

Call Meeting to Order and Roll Call.

The Meeting was called to order at 2:00 p.m. Member Marion Ledford and City Manager Mr. Pat McCourt were absent. Vice Chairman Ron Griggs, Member Inez Moncada, and Assistant Manager Mr. Matt McNeile arrived late.

1. PHA Resolution No. 2004-01 determining reasonable notice of meetings for the Public Housing Authority Board.

*Recommendation:* Approve the Resolution. [Roll Call Vote Required]

**Member Cole made a motion to approve Resolution 2004-01. Member Cooper seconded the motion. All voted "aye". Motion carried by a vote of 7-0-0.**

2. Minutes of Special Meeting of December 9, 2003.

*Recommendation:* Approve the minutes.

**Member Cooper made a motion to approve the minutes. Member Robertson seconded the motion. All voted "aye". Motion carried by a vote of 7-0-0.**

3. PHA Resolution No. 2004-02 to revise the PHA budget for Fiscal Year 2003-2004.

*Recommendation:* Approve the Resolution. [Roll Call Vote Required]

Ms. Cheryl Town passed out a revised summary amending the approved current fiscal year budget. The members took a few minutes to review the revisions.

Member Robertson asked about revision number four, "Notification from HUD". It stated that the subsidies would be increased and he questioned how much of an increase it would be. Ms. Town replied that the low rent total would be \$216,024. She stated that the Federal Reserve notified them of the amount they would receive.

Member Robertson asked about revision number eleven concerning the additional staff person. Ms. Town replied that they had an additional maintenance employee approved for the last budget year. Given that, the maintenance staff had become more efficient and the position was not needed any longer.

Chairman Don Carroll asked if it was normal for the operating subsidies to be increased. Ms. Town replied that last year she was told to budget 85% of what she had received the prior year.

Member Cooper asked about revision number thirteen concerning the gasoline for vehicle expenses. Ms. Town explained that they did not have anything budgeted for that item; however, the cost was shared by everyone and it had been kept to a minimal.

Member Robertson said he heard there had been some problems procuring rent from some of the rentals and might require the use of an outside contractor. He asked if they had budgeted anything for the outside contractor. Ms. Town stated that they did have it budgeted; however, it was in next year's capital fund budget.

**Member Cole made a motion to approve Resolution 2004-02. Member Moncada seconded the motion. All voted "aye". Motion carried by a vote of 7-0-0.**

4. PHA Resolution No. 2004-03 requesting HUD approval of the PHA budget for Fiscal Year 2004-2005.

*Recommendation:* Approve the Resolution. [Roll Call Vote Required]

Ms. Town said the Commission had been invited to meet with a developer last week; however, it had been rescheduled for April 9<sup>th</sup>. She explained that she had been approached by a developer, representing a group of tax credit investors, who presented her with a study concerning immediate housing needed for senior citizens in Alamogordo. She said one of two sites they were looking at was the Alta Vista Complex. Ms. Town stated that they were very interested and had the money to restore those units so they could be rented out to high income/low income seniors. She said she did not have all the information; however, she wanted to wait for the meeting to allow the developer to explain his proposal. If all appears to look good, then there would be a large budget revision. She said that would reduce the low rent subsidy and also the amount they would receive from the capital fund. However, anything lost at the low rent side we be made up in administrative cost and by managing the property, even though 99% of the ownership would be turned over to the investors.

Chairman Carroll said it would be premature to make any suggestions or recommendations until they could hear from the developer. He said that even if they reached an agreement, he suspected that most of next year's budget would be completed prior to that point. Ms. Town mentioned that the developer wanted to get started in the fall.

Ms. Town said Mr. McCourt, Ms. Nichols and herself would get together to create a budget revision. She mentioned that her budget figures and the City's budget figures seemed to never match, so they would be meeting sometime in the near future to work on the figures.

Ms. Nichols replied that their figures would never match because they utilized the internal services, which was bill against their account.

Ms. Town stated that in low rent she was using more reserves this year, which had placed her at 48% of the field office requirement, which was 40%. Chairman Carroll asked if the reserve money could be expended. Ms. Town replied that they had to retain a 40% reserve. She explained that if the Federal government were to close down, they would have a reserve to continue to operate. Chairman Carroll asked what would happen if the subsidies did not come in at the budgeted amount and there were no other funds. Ms. Town replied that she would need to obtain special permission to go below the 40%.

Chairman Carroll had questions on the low rent and Section 8. He referenced the ending cash for the current year and the starting cash for next year and questioned why the tenant's deposits

were being taken out and then added back in. Ms. Town explained that they had created a separate column on the summary page and called it a "dedicated reserve", in order to keep the security deposit that was being held separate from the operating reserve. Chairman Carroll suggested they make a note of that somewhere and explain what had been done so there would not be any confusion. She replied that she would revise the formula.

Chairman Carroll asked about account number 45, "payments in lieu of taxes". He asked if they were the County taxes. She replied that they were. Chairman Carroll asked if the Housing Authority made a formal application to the County Commission each year to waive the taxes. Ms. Town replied that they had not done so in the past three years, because whenever they tried to contact the County for a bill, they would not respond. Chairman Carroll asked if there was money set aside to pay the taxes in the event the County decided to send a bill. Ms. Town said the money was going back into the funds. Chairman Carroll stated that they needed a provision that if at some point the County should send a bill, that the available funds would be decreased even further. Vice Chairman Griggs asked what the problem had been when contacted the County. Ms. Town explained that when they had asked about a bill, they were told by the County that they were unsure why a bill had not been processed and that they would look into it. They never contacted the Public Housing Authority.

Ms. Town commented on the capital fund and expenditures on certain projects. She was asked if they would be contracting out some turnarounds that pertained to line item 1460, Dwelling Structures, under Construction Remodel and Electrical project. Mr. Rick Gwaltney explained that some of the units needed to be upgraded to code standards and once that were completed; they would rent out the units.

Chairman Carroll questioned whether they were required to bring everything up to code if a unit became vacant and was turned around. Mr. Gwaltney replied that they were not at that point in time--they tried to improve the vacant unit for habitable living. Ms. Town mentioned that another item that would help with the turnaround was the painting under the eaves. She stated that it would slow maintenance if they had to do the painting and they wanted to contract that out and have it completed before fall.

Ms. Town mentioned that under the non-dwelling equipment column, they were in need of upgrading their computer equipment, both hardware and software. If they did not upgrade, they would not be able to use their new software.

Ms. Nichols said they might recall that Ms. Town had asked for multi-year budgeting, and wanted to point out that the capital fund was a multi-year budget. Ms. Town stated that since they started the multi-year budget it had helped her out when reporting to HUD.

Chairman Carroll asked if Section 8 was a voucher program. Ms. Town replied that it was a voucher program and people who qualified for those vouchers could find homes outside the public housing. She and Ms. Carol Garcia had gone to a meeting in Albuquerque to speak with the HUD Assistant Secretary concerning proposed changes in HUD. She pointed out that currently the Section 8 program was 50% of the entire HUD budget; consequently, they would be receiving software from HUD to detect fraud. She said they would have better access to IRS information and direct access to the Department of Labor and Social Security Department. She stated that because of the changes, they were going to hold landlord and tenant meetings, they would have major revisions to the administrative plan for the Section 8 program, and working families would be their highest priority.

Chairman Carroll asked about the Section 8, Las Luna's Grant. Ms. Town said they were not getting that grant next year.

Chairman Carroll asked about the Elimination Program. Ms. Town stated that it was a program started by HUD about 5 years ago and they then gave the Housing Authority the option of bringing the program up to 8.1% of the annual subsidy. They did not know how much longer they could fund the program, but they were looking for more grants to continue to fund the program.

Chairman Carroll asked about the Homeowner's Revolving Funds - Reserve. Ms. Town stated that it was one of the healthier programs they had since they did not rely on any outside source and the money stayed within the Housing Authority and was replenished every time they sold a home.

Chairman Carroll asked about the Fannie Mae Program. Ms. Barbara Jenkins stated that the people could take advantage of the Fannie Mae Program. Chairman Carroll mentioned that at a Municipal League District Meeting they had been presented with information that indicated that there were new programs and more flexibility than they used to have.

Ms. Jenkins mentioned that there were 22 original homes built when they had the home funds for the subsidy. They sold eight, which left the City with 14 homes. They now have nine original homes.

**Member Cooper made a motion to approve Resolution 2004-03. Member Robertson seconded the motion. All voted "aye". Motion carried by a vote of 7-0-0.**

5. Consider close of our Public Works Bid No. 2002-015, Housing Authority of the City of Alamogordo 4-1 and 4-2 sites, Project #NM02P004501-00/01/02.

*Recommendation:* Approve close out of project.

Chairman Don Carroll asked if the work stoppage was due to the termite infestation and if work would be completed once the infestation problem was solved. Ms. Town replied that it was and they would address it later and then present a new budget revision.

Mr. Brian McGuire asked how extension the damage had been. Mr. Gwaltney replied that they knew of four units having the infestation.

**Member Cooper made a motion to approve the close out of PW Bid No. 2002-015. Member Moncada seconded the motion. All voted "aye". Motion carried by a vote of 7-0-0.**

6. Lease Up Averages.

*Recommendation:* Information Only

Chairman Don Carroll asked if the units were inspected at least once or twice a year. Ms. Town replied that the occupied units were inspected at least once a year. Chairman Carroll stated that if they were inspected at least once a year, then why were the units rundown when the occupants moved out. Ms. Town replied that the occupants were given a warning at the time of the inspection; however, afterwards the occupants would tend to let the unit go especially if they

were on an annual inspection. There was discussion on vandalism and how much damage had been done. Mr. McDaniel asked if they had received restitution from those individuals. Ms. Town said they filed police reports; however, they never heard anything more on them. Mr. McDaniel noted that if the damage was over \$1,000, it would be a felony.

Chairman Carroll pointed out that one way of slowing down the vandals was to let them know that they would be charged.

**Member Cooper made a motion to adjourn. Member Robertson seconded the motion. All voted "aye". Motion carried by a vote of 7-0-0.**

**The meeting was adjourned at 3:15 p. m.**

/s/Donald E. Carroll

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Chairman Donald E. Carroll

ATTEST:

/s/Angie J. Rahn-Broyles

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Secretary Angie J. Rahn-Broyles  
(SEAL)

(Prepared by Deputy Secretary Karen H. Groves)  
Approved at the Public Housing Authority Board Meeting of April 13, 2004.