

**REGULAR MEETING OF THE BOARD OF COMMISSIONERS
PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
& HOUSING AUTHORITY**

HELD IN QUINCY ON SEPTEMBER 17, 2024

ROLL CALL

The meeting is called to order at 9:00 AM. Chairperson Greg Hagwood, Commissioner Dwight Ceresola, Commissioner Jeff Engel and Commissioner Tom McGowan were present. Executive Director Roger Diefendorf, Finance Director Cindy Ramsey, Susan Housing Director Merriman, Finance Analyst Michelle Majeski and Board Secretary Tricia Romandia were also present.

Commissioner Kevin Goss was absent.

ADDITIONS OR DELETIONS FROM THE AGENDA

There were no additions or deletions from the agenda.

APPROVAL OF CLAIMS

Claims for the period of August 16, 2024, through September 12, 2024, are presented for approval. Commissioner Engel motioned for approval. Commissioner McGowan second the motion. Approved.

PCCDC General \$120,286.55 (Checks #64458 - 64554, Checks #100673 - 100725)

USDA Operations \$22,933.82 (Checks #5623 - 5653)

PCCDC General \$103,229.00 (Direct Deposits #1032057 – 335,054.00)

APPROVAL OF MINUTES

The PCCDC Minutes from the meeting of September 3, 2024, were presented to the Board for approval. Commissioner Engel motioned for approval. Chairperson Hagwood second the motion. Approved.

PUBLIC COMMENT

Chairperson Hagwood inquired if there were any public comments from anyone present or attending by Zoom. There were no public comments.

BOARD OF COMMISSIONERS ANNOUNCEMENTS OR REPORTS

Chairperson Hagwood inquired if there were any announcements or reports from the Board of Commissioners. There were no announcements or reports.

RESOLUTIONS

There were no resolutions to be presented to the Board.

DEPARTMENTAL MATTERS

A. PCCDC Budget Overview through July 2024

Finance Director Cindy Ramsey, presented the budget overview as of July 2024. There has been a vast improvement. HUD Low-Income Housing had a profit of \$27,159; HUD Multi-Family Housing-Valley Heights had a loss of \$2,087, which is significantly less than last year; USDA Housing-Pine Meadows had a profit of \$4,798; USDA Housing-Wildwood Village had a profit of \$4,540; Section 8 shows a loss of \$15,549, which was intentional. HUD has been mentioning that they will be reducing the HUD held reserves, which is a significant amount of PCCDC's reserves so PCCDC is intentionally over spending to use those reserves instead of lose the funds. LIHEAP and Lassen Plumas Sierra Community Action Agency (LPSCAA) continue to be billed correctly for reimbursement.

There is a new monitoring law that requires either a phone call or email to HUD with updates as to what PCCDC is doing. This is per the stipulations with the Financial Assessment Subsystem (FASS) recovery agreement that was signed in May.

B. 2024 Desk Review

Finance Director, Cindy Ramsey, presented the August 16, 2024, letter regarding the 2024 Desk Review that covered the four (4) contracts for the Community Services Block Grant (CSBG). The review went well with one (1) finding and one (1) observation. The finding was due to an untimely submission of the Annual Report. It was due on February 1, 2024, and it was submitted on February 8, 2024. The observation was due to a vacancy on the LPSCAA board.

C. Repositioning Update / E. Housing Choice Voucher Rent Reasonableness

Executive Director, Roger Diefendorf, stated PCCDC is moving forward with Repositioning. PCCDC needs a Capital Needs Assessment. Ms. Ramsey is looking into the cost. In the meantime, PCCDC will be working with a Housing Consultant to do a preliminary site review, preliminary cost estimates, development list and identify preliminary financing opportunities and strategies.

The Housing Council is looking into creating workforce housing with single family homes. The Almanor Foundation has expressed an interest in assisting with financing some Greenville properties. They want to see the preliminary housing report and once they review the report they may assist with upgrading PCCDC's Greenville properties.

D. Project Based Voucher Update/E. Plumas Housing Council Meeting

Executive Director Roger Diefendorf stated that PCCDC has been working with the developer from Palm Villa from Tehama County. They have most of their funding in place. They submitted their nine percent low-income tax credits to the State Treasurer's Office last month. There is a good chance that they will be breaking ground in the summer of 2025. In addition to the benefit of low-income housing to Tehama County, it also provides PCCDC to receive approximately \$750,000 over a five (5) year period of the developer fee as non-restricted funds.

E. Housing Choice Voucher Rent Reasonableness

Executive Director Roger Diefendorf stated that HUD establishes the general framework for Section 8 Housing. In 2019, the legislature passed Assembly Bill Civil Code Section 1947.12. This provides that landlords are limited to an annual increase in rent of five percent plus cost of living. In 2019, when the Legislative Counsel analyzed the Bill they indicated that some of the exceptions to the landlords did not have to follow the five percent increase. PCCDC has had several landlords who have suggested Civil Code Section 1947.12 does not apply to Section 8. In 2023, the California Attorney General issued an Opinion stating that the five percent increase is applicable to Section 8 Housing and Housing Authorities should be enforcing it. This will be brought up in litigation to resolve this issue of difference. Diefendorf brought this up to the Board so they would be informed in case some of the Section 8 landlords reached out to them.

F. Executive Director Update

Executive Director Roger Diefendorf presented a memorandum to the Board regarding cost savings to PCCDC. The PCCDC Finance Department recommends that the Executive Director retire at the end of the year and that the Finance Director act as Interim Executive Director until the Agency is on a more sound financial footing. Diefendorf stated there are

concerns if this were to take place. There is no plan on how to continue some of the new functions along with some of the old functions.

Commissioner Ceresola inquired if the position would be advertised as open.

Executive Director Roger Diefendorf stated that when an Executive Director leaves or retires the Agency follows the National Association of Housing & Reconstruction Officials (NAHRO). There would be a national advertisement to search for a new Executive Director. It is a Board decision so the applicant would come before the Board for a decision.

Chairperson Hagwood stated he appreciated staff's offering in terms of ideas, but on two points he was not enthusiastic in pursuing the recommendation. Diefendorf has brought decades of experience and a measure of institutional knowledge that Hagwood valued. Secondly, the process by which a transition like this would happen has an established process that needs to be subscribed to and followed. He felt there could be future discussions, and it is important to understand Diefendorf's interest and desire in staying, assisting and continuing for what he has done for many years. A compelled retirement does not sit well with Hagwood. In terms of changing the structure, Hagwood felt it seemed premature to go down that road right now until the Board had time to consider the process. He again stated that he appreciated the institutional knowledge and history that Diefendorf has had in his role.

Commissioner McGowan congratulated Diefendorf on his succession training and education of those in the organization. He felt Diefendorf has done far better sharing information and training than many others. The Executive Director's salary and supporting the rest of the organization are tied together. McGowan personally had doubts of attracting someone to replace Diefendorf with the salaries that are available. He was glad it was brought to the Board's attention, but there are only two more meetings until the end of the year and there is a lot to consider.

Diefendorf stated that several years ago the Board increased salaries so that PCCDC is competitive to the new applicant, and typically Executive Directors are selected from existing housing authorities who have spent quite a few years in the process. Applicants are supposed to have at minimum a bachelor's degree in finance, accounting or public administration, ideally they would like a master's degree. In addition, they would like to see five to seven years of management experience in a public housing authority.

Chairperson Hagwood stated he has a tremendous measure of respect for Diefendorf's experience and institutional knowledge that he has brought to the position, and the appreciation that Diefendorf has for the financial team and the work they have been doing and the progress that they have made of late. Hagwood sees things functioning better now than in the past. Given that PCCDC is coming into stride with performance proficiency Hagwood is reluctant to throw everything up in the air and hope for a good landing.

Finance Analyst Michelle Majeski stated the recommendation is twofold. As discussed in the last meeting, many of the Executive Director's functions are being handled by other staff. The tasks are being handled elsewhere and the money is not there.

Commissioner Ceresola stated that there is a process and the Board needs to follow that process due to guidelines and law. He requested a plan before for the November meeting, and would like Mr. Diefendorf apart of the hiring process if he were to retire.

Commissioner Engel requested to see the job description.

Finance Director Cindy Ramsey stated she had the job description and there are alternatives for the education.

Chairperson Hagwood stated that this needed to be an agenda item.

PROJECTS/PROGRAMS

There were no projects or programs to be presented to the Board.

CLOSED SESSION

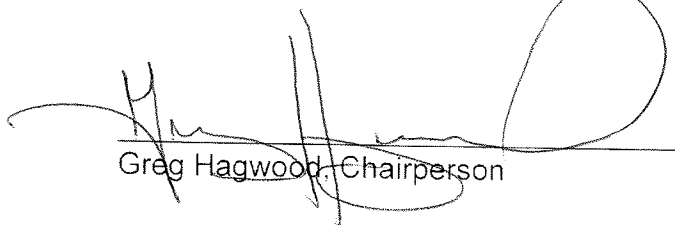
ITEMS TO BE DISCUSSED

- A. Personnel: Public Employee Performance Evaluation
PCCDC Executive Director, Roger Diefendorf

Chairperson Hagwood requested that Mr. Diefendorf allow the Board to discuss this matter amongst themselves and to have this matter placed on the next agenda.

ADJOURNMENT

Chairperson Hagwood inquired if there were any further comments from the public or anyone attending by Zoom. There were no comments. The Board adjourns the September 17, 2024 meeting at 9:42 AM. Claims were reviewed at 8:45 AM.



Greg Hagwood, Chairperson

Attest:



Tricia Romandia, Board Secretary