

FINAL Meeting Minutes

PARK ACQUISITION CORPORATION

Regular Meeting

7:00 PM

Wednesday, August 5, 2015

Fireside Room, 100 Marin Valley Drive, Novato, CA

ATTENDEES:

- Board Members: Larry Cohen, Mike Hagerty, Peggy Hill, Tom Miller, Jay Shelfer
- 21 Non-Board Residents
- Park General Manager: Matt Greenberg
- Recording Secretary: Susan Windman

CALL TO ORDER: 7:04 PM

A. APPROVAL OF FINAL AGENDA

Motion was made and seconded to approve the final agenda. Motion was voted on and passed 5-0.

B. PUBLIC COMMENTS (for issues not on the agenda)

- Joe Deavila read from the following letter he delivered to the Board.

To: PAC

Purpose:

I am requesting an additional 20 mile per hour speed sign at the corner of Marin Valley Drive and Marin View Drive in the direction exiting the Park.

I submitted a resident input form to our Park office. Matt replied saying that he thought it was a “good point” and he would bring it up to the City in his next meeting with the City. (copy provided)

As it turns out, there are only two 20 MPH signs in the Park. They are both by the bench and announcement shed entering the Park. One sign on each side of the road.

As I live in one of the first cul-de-sacs coming into the Park, I can attest to you that people are driving a lot more than 25 miles per hour leaving the park. To make it worse, some have very loud mufflers or they race around the curve.

I only want the people who live here and the workers that work here to respect our safety and abide by the speed limit that should be posted throughout the Park.

Thank you.

Joe Deavila
196 Marin Valley Drive

Joe mentioned he would like to see more signs at the Park. A good sign location would along the road heading out of the Park near the laundromat.

Jay responded that PAC is aware of the issue, has brought it up before with the City and will bring it up again.

C. CONSENT CALENDAR

1. Receive approved minutes of June 6, 2015 meeting.

Motion made and seconded to receive the approved June 6, 2015 minutes. Motion voted on and passed 4 yeas, 1 abstention (note: Peggy Hill abstained – she wasn't part of PAC at the time of the meeting).

2. Approve minutes of June 24, 2015 (budget) meeting.

Jay mentioned that before the June 24, 2015 meeting, PAC wrote a letter to the City asking that the rent not be raised. But by that point, the City Council had already voted.

Motion made and seconded to approve the June 24, 2015 minutes. Motion voted on and passed 4 yeas, 1 abstention (note: Peggy Hill abstained – she wasn't part of PAC at the time of the meeting).

3. Approve minutes of July 1, 2015 meeting.

Motion made and seconded to approve the July 1, 2015 minutes. Motion voted on and passed 5-0 (note: Peggy Hill attended the July 1 meeting as a member of PAC).

D. REPORTS

1. PAC Treasurer's Report (Larry Cohen)

Larry Cohen indicated it is a new fiscal year and no money has yet been spent.

Following is the PAC Treasurer's report for May:

PAC Final Balance	\$5,859.36
PAC Actual Balance	\$2,319.86
Humanitarian Fund Starting and Final Balance	\$3,539.50
Total Spent Current Fiscal Year	\$ 0

2. MVMCC Administration and Finance Report (Peggy Hill)

(Peggy Hill takes over Desiree's previous position in reviewing finances.)

Peggy Hill looked at the management report ending June 30, which is also the end of the fiscal year. As such, the report presents the totality for the year. Park income is just over \$3 million. Operating costs are \$1,230,525. There were also other operating costs. In the end, there is a net of \$1,100,000. When the loan payments are subtracted, there is \$452,580.

The debt-to-service coverage ratio is 2.81, above the required 2.0. Peggy described how the ratio is figured out. The ratio is based on income of \$3,059,647, from which operating costs of \$1,230,525 are subtracted, which then equals \$1,829,122. (Capital expenditure spending is not included in the ratio calculation.) The figure is next divided by the bank loan of \$651,172 (the amount paid towards the loan during the year), which provides the ratio: 2.81 / 1.

Peggy also noted the following items:

- \$300,000 was recently put into an Umpqua Bank new account labeled as City funds. The funds are not included in last month's budget.
- The Park is supposed to be getting \$11,500 per year in interest but the amount doesn't show in the Park accounts. Peggy emailed Brian Cochrane about it. Brian responded that the money is there and is the Park's money; it's just included in the City-labeled accounts. Peggy summarized that it gets posted to the Marin Valley fund within the City's general ledger, but it does not show up in the Park management reports that Peggy receives. The interest amount should be close to \$14,000 by the end of this year (December).

Larry mentioned that the Park gets a better rate and incurs lower expenses if the money is in a City account. Jay mentioned he has requested audit statements from the City. A resident (Dave) mentioned that what the City is doing – lumping the funds together to get a better rate – is fine, but there should be a statement that provides details regarding Park vs. City funds. In regard to the new \$300,000 account, Jay added that PAC is looking into this further.

Mike Hagerty suggested forming a Finance Committee to further explore the accounting of Park funds. Peggy suggested adding the topic to next month's agenda.

(At the end of discussion, residents attending the meeting clapped.)

3. Maintenance and Capital Projects (Matt Greenberg)

Matt provided the following report:

- Matt received the permit for two fairly-large retaining walls at 183 Marin Valley Drive (120 ft of engineered wall).
- East-side, gable-end wall, beam repair and paint job outside the Clubhouse ballroom is finished.
- Matt submitted permit applications to repair the Clubhouse Fireside room beam, wall and structural wall framing. The permit should be received in around four weeks. The Fireside room would be closed for around a month during the repair work.
- General repair work has occurred at the two City-owned homes (2 and 12 Scenic) – exterior paint, and skirting removal at 2 Scenic, with a new skirt to be installed within two weeks.
- The demo garden of fire and drought resistant plants at 2 Scenic is finished.
- Gym lockers have been ordered for the mens and womens changing rooms.
- Matt had a tree service come out for tree removal and pruning for health/safety reasons at ten homes.
- Matt arranged to have dead fronds removed from all Park palm trees, in two days. Jay asked Matt to first check with Bill Noble regarding the location of possible palm tree nesting sites.
- Matt has been working with PG&E grant money regarding fire-prone vegetation removal at select homes. He hopes to be 75% complete by end of August. Twelve homes have been completed so far. The grant (for \$15,000) is for fire-prone plant removal, sprinkler system, and plant replacement, and should cover work at around fifteen homes. Selection of homes for the work focuses on homes with the most overgrown vegetation and with home owners providing approval of such work. Each home has a different vegetation situation and need.

- The (aqua-colored) paint job in the ballroom is finished.

Matt mentioned that for the last eight years, the Park area has been designated a “high-fire” zone at the wildland-urban interface. This year, HCD (Housing & Community Development) has started to enforce which materials can be used for decking, including enclosed porches. The list of acceptable materials is not clearly stated. Matt is researching the topic further.

A resident (David King) wondered if the unspent money allotted for Ballroom work would need to be re-budgeted for the new fiscal year. Larry responded that the ballroom floor and the air conditioner have been budgeted for the coming fiscal year.

A question was asked regarding Comcast – would Comcast come out post-contract to explain options available to residents. Matt indicated Comcast hasn’t been responsive towards this request.

4. 2x2 Committee meeting, July 20 (Jay Shelfer, Mike Hagerty)
&
5. City of Novato (Jay Shelfer)

Jay and Mike had a meeting on July 20 with Veronica (City Attorney) and Cathy Capriola (City Manager’s office). Mike took notes. There were four action items Jay and Mike hoped to discuss.

Mike summarized the meeting and the four action items:

- PG&E pilot project (replacing Park utilities) – The Park was not selected for the program. That means the Park needs to come up with an additional \$2 million in reserves to replace the gas and electricity infrastructure. The reason the Park was not selected – other Parks are very bad off and need the program the most. There may be another pilot program in around five years. As a result of not being selected, the City has released an RFP for an engineering study and master plan. The City will require a public workshop be held for the residents at the Clubhouse. This is the largest project occurring at the Park in 40 years.
- Rent differential and help for lower-income residents – Mike mentioned that letters have been sent by PAC to the City indicating PAC seeks help for lower-income residents and that PAC is not in favor of a rent increase. The City responded to two issues. There is a Park resident humanitarian fund -- see Matt to apply for the fund’s one-time assistance for rent or health or other need – which should be publicized. Residents can receive help to file for Section 8 federal housing. Mike mentioned PAC is also speaking with the City about a way to provide monthly assistance.

Jack Brandon commented that the two City responses indicate the City isn't willing to consider any review of the differences in the rent being charged. Mike mentioned that the City Council has instructed City staff to look at rent differential issues. City staff will be holding a workshop at the Clubhouse to discuss the issues and legal constraints. Judy Vucchi's information was previously forwarded to the City. Jay indicated the City said they would examine the rent increase by fixed dollar amount vs. percent amount (the rent differential would still remain).

Tom Miller wondered if the City (through their involvement with Bank of Marin) could help needy Park homeowners utilize the equity in their homes. Mike Hagerty will ask the City about this.

Anila wondered if someone receiving Section 8 could live at the Park. Mike mentioned that the Park accepts Section 8.

- 99-year lease option – This is the option PAC approved to prevent the Park from being sold, which theoretically the City could do now. The City said it will include it when they get to the ownership option study. The City appears to understand the concerns Park residents have towards affordability and security.
- Estimating the actual Owner's expense (this year vs. budgeted expense) – Currently, the budget shows \$25,000, which is an estimate. The actual amount for management/City services hasn't yet been provided -- the City hasn't yet figured out how much it will charge the Park. The amount will be taken out of reserves vs. being budgeted, which means it won't impact the debt-service ratio. Tom commented that before the next budget cycle PAC needs to have what that cost is likely to be so budget planning can be done intelligently.

Other City news:

Progress is being made regarding the Trust land and the proposal to change/swap its land designation/zoning. The proposal has passed the federal Parks Service. It next needs to go through the General Services Administration and then through the City of Novato (for rezoning). The result would be that the Park would have protected land surrounding the Park. (Residents attending the meeting clapped.) The land would be owned by the City and be the responsibility of the City for upkeep and health/safety.

Tom Miller thanked Mike Hagerty for his excellent report. (Residents attending the meeting clapped.)

E. OLD BUSINESS

1. Sign for advertising security cameras and patrol on Marin Valley Drive at top of hill (Tom Miller)

Matt indicated such a sign would be easy to create. The sign could have a picture of a security camera and also indicate the security patrol. He requested PAC to tell him what to do and where the sign should be placed. Residents were asked for objections and no objections were voiced. Residents discussed possible locations for the sign. Tom will select three sites and Matt will then provide feedback. Tom asked Matt to verify if an OK is needed from the City for the sign.

2. Budget Committee and how the budget procedure will operate in the future (Jay Shelfer)

Jay asked for discussion to be tabled until next month's meeting.

F. NEW BUSINESS

1. Consider making the HOL a more formal subcommittee of the PAC with a non-voting PAC board participant (Tom Miller, Jay Shelfer)

A motion was made and seconded to consider making HOL a more formal subcommittee of PAC, with a non-voting PAC board participant.

Tom mentioned that recently there have been extensive communications between PAC and the City (Veronica, City Attorney, and Cathy Capriola), and between Tom and Carolyn Corry (HOL president). A meeting has been scheduled next week with the City to talk further about this. Tom would like to table discussion until after the City meeting. Carolyn indicated that the City is concerned that HOL remain autonomous.

Several residents voiced concern about the proposal and the impact on HOL's autonomy, and also wondered what need the motion serves. Jay summarized that the reason for the motion is so HOL could fall under PAC's insurance coverage, but not take HOL's autonomy away. Tom indicated the suggestion came from him also as a way to bring the two organizations together for cooperation and to enhance communication, but not change the intent of the organizations or impose oversight/control.

A resident wondered how much insurance saving would occur if the proposal was implemented. HOL's insurance is around \$3000. PAC's coverage is around \$5500.

2. PG&E's turning down the Park request to be included in the infrastructure re-do.

The topic was discussed earlier, under agenda item D-4

3. Inform residents of the need to conform to the building codes as required by Wildland Urban Interface regulations that apply to mobile/manufactured homes (Jay Shelfer)

See: <http://www.hcd.ca.gov/codes/manufactured-housing/wildlandinterfacearea.html>

The link will be posted on the website. Matt can provide further details about which materials are approved for mobile/manufactured homes.

The topic was discussed earlier, under agenda item D-3.

4. Election of a VP for the Board. (Jay Shelfer)

The PAC Board Vice President position has been vacant since Desiree left the Board. Jay asked for nominations for the Vice President position. Mike Hagerty nominated Peggy Hill and the nomination was seconded. The nomination was voted on and carried: 4 ayes, 1 abstention (Peggy Hill abstained).

(Residents loudly clapped.)

5. Determination of next meeting date

The next meeting will be: **Wednesday, September 2, 2015, 7 pm.**

G. REPORTS FROM OTHER BOARDS

1. HOL

Carolyn Corry (new HOL president) provided the following HOL update:

- HOL is in the middle of its membership drive. Donations are up.
- New activities are happening.

2. MAR VAL

Carolyn Corry also provided an update for Mar Val:

- The luau will be held August 15, with the popular Tiki bar.

3. MVSC

No report.

H. ADJOURNMENT

Peggy Hill made a general comment about the area just beyond the turnaround at Green Oak Drive and the Hamilton apartments. The hillside leaving the Park is filthy with trash. She has called and emailed the City about it, and she spoke with Hamilton Woods staff about it (regarding Hamilton Woods tenants). She encourages Park residents to also contact the City (Maintenance, Public Works, online complaints) and complain about it.

A motion was made and seconded to adjourn the meeting. Motion passed 5-0.

Meeting adjourned at 8:30 PM.