FINAL Meeting Minutes

PARK ACQUISITION CORPORATION (PAC) BOARD
Marin Valley Mobile Country Club
Novato, CA

Special PAC Meeting/Workshop
Tuesday, May 16, 2023
6:30 P.M.

Meeting held virtually via Zoom

ATTENDEES

- BOARD MEMBERS: Jay Shelfer (President), John Hansen (Vice President), Carol-Joy Harris (Secretary), Steve Plocher (Treasurer and Chairman of the Finance Committee), Vicki Waddell (At Large)
- PARK GENERAL MANAGER: Matt Greenberg [Absent]
- RECORDING SECRETARY: Terri Beauséjour
- OTHER: Approximately 42 other residents.

CALL TO ORDER

Jay Shelfer called the PAC workshop meeting to order at approximately 6:30 P.M.

A. APPROVAL OF FINAL AGENDA

The final agenda was approved 5-0.

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

Jay stated that he would like to accept public comments, which would be limited to three minutes throughout the meeting, and noted that any persons wishing to be recognized should raise their hand or enter it into the Zoom chat box.

John Ewing was recognized and stated that he had spoken with Matt today regarding striping in the Park. Most of the "soft signs" at the street level have no viewable markings. Matt stated we may be able to move some funds from another budget line item in order to address this. He stated that other areas of Novato seem to have the proper striping everywhere.

C. CONSENT CALENDAR

Given that this is a special meeting, there were no minutes presented for approval. This will be addressed at the next regular monthly meeting in June.

D. REPORTS

1. PAC Board Election Committee (John Hansen)

There have been two applicants to the two open PAC Board positions. The application period is now over. Since we have what is referred to as a "white ballot," the full election process is not necessary this time. The two applicants will take their seats on the Board at our annual meeting on June 3. The applicants are Steve Plocher and Joan Cervisi. Carol-Joy clarified that Steve was up for re-election and had chosen to run again. The other seat that was up for election was the seat that Vicki Waddell now holds. Since Vicki elected not to run again, Joan will replace her. The June 3 general meeting is open to everyone in the Park. All residents of MVMCC are members of PAC. At that meeting we seat the five members of the Board. In addition to Steve and Joan, the other three members will be Jay, John, and Carol-Joy. Also at that meeting, the newly seated Board members will vote on who they want to elect as officers for that term. This is the extent of what happens at that meeting, and everyone is invited.

2. MVMCC Finance Committee Report (Steve Plocher)

Steve stated that he typically presents the finance committee report at the monthly PAC Board meeting, which he will do at the upcoming meeting in June. However, he did have an update that he has received the April financials from Matt and that the Debt Service Coverage Ratio (DSCR) is getting better. In fact, if the City would just make those adjustments to capital expenses that we have been discussing, that being to re-categorize the entire fire abatement budget and half of the trees budget, we would be very close to the targeted 2.0. John Hansen had calculated it at 1.9. Steve agreed.

Jay commented that Steve has been telling us all year that the prepayment of the cost of servicing the sewer has impacted the DSCR. We have been accumulating, as revenue, the monthly payment amount the residents pay toward reimbursing that prepayment. Effectively we are getting around $28,000 per month, if not more, that is basically revenue, since we have already put it out. So at the end of the accounting period, we will get not only the monthly rents we will be getting paid, we would be getting funds to offset that prepayment.

Due to questions in the Zoom chat box, Carol-Joy asked that Steve clarify what DSCR is and the significance of 2.0. Steve explained that to satisfy a requirement of our Bank of Marin mortgage loan, we need to have revenue equal to 200% of the amount of our debt payment annually (that is where the 2.0 comes from). Our annual debt service is around $651,000, so our net profit at the end of the year needs to be $1.3 million, before debt service (because debt service is not included in the expenses). Although we talk about it all year, the bank only cares about it at the end of the year as part of our audited financial statements.

Carol-Joy pointed out that at the last few City Council meetings, that DSCR number has been "weaponized," as it were, that the number has been used against us in characterizing us as "operating in the red," which is not true. So this is why that is such a hot issue right now.

There is an upcoming meeting with Chris Blunk, who is our liaison with the City, and Steve and Jay, on May 30. It is hoped that that meeting will clarify various issues and will help the City to see that if we fixed the discrepancy between the way we are classifying capital expenses vs. operating expenses, as pertains to the DSCR, that we would be in good shape as to meeting the target of 2.0.

Steve stated that there are a number of points that we have to take up with the City, probably at least a dozen. Some of them are incorrect entries on the proposed budget. Some of them are more theoretical and relating to some of the future infrastructure projects. So we have some questions and some issues.

We had a healthy DSCR for many years, which is why Steve would then argue against rent increases. He would also acknowledge that expenses are going up each year and that at some point rent increases could become necessary. That was six years ago. Since that time, expenses have gone up, rather steadily and in the last three or four years, and we have added new expenses in the form of fire abatement and hillside tree trimming. Notwithstanding the fact that those particular items are going to be handled differently in the future within our budget, other items have been increasing. He shared that he had looked at the 6/30/2018 total expenses of $2,320,000. Now, budgeted and likely final actual expenses for 6/30/2023 are $3,528,000. During that time there has been no rent increase. Therefore, one can see that this is an unsustainable situation.

John agreed that it is not sustainable under our given set of circumstances. However, he would like to see those circumstances modified, rather than just "throwing money at it" by increasing the rent until it happens to meet. One of those things could be to change how we account for the tree work. He thinks it was erroneously put into a maintenance budget, whereby it is treatment of land that has never been treated before. He likened it to putting in a road on new property. That is, when you put in a road, it is considered a capital expenditure. What we did on the hillside was an initial treatment, which will be maintained in the future. It seems that any way one would look at it, it is capital, except that the City doesn't look at it this way at present.

Jay stated that the work that was done, in part, was on land that had been recently acquired by the City and MVMCC in terms of the Trust for Public Land, or TPL land, the 22 acres that surround the Park. The Novato Fire District recommended that we treat that as defensible space, such that the fire would not be able to creep down the hillsides. So that was work that clearly needed to be done, and we took that action. Whether it is treated as maintenance and out of our operating budget or whether it is treated as a capital and paid out of our expenses, we still have to pay it. But for the City to use it as a lever to claim that we are not meeting our DSCR by virtue of having met that expense is a point that Steve and he want to continue to argue with the City.

John elaborated that another major point to be addressed is the multi-year accounting that they "threw at us," along the lines of $237,000 in "owner expenses." Steve clarified that these expenses are not included in the DSCR calculation. The bank loan specifically says that a maximum of $25,000 in owner expense can be included in the calculation.

David King stated that he remembers that one of the "tricks" they did eight years ago, when he was looking at the books, was to put more capital projects into the budget than they could possibly get done in that year. Instead of carrying the money over to the next year, they put in new money. So that would look like revenue and would impact the DSCR. David stated, in that he does this for a living, it bothers him that the actuals were used to project for the next year without inflation. Inflation is high right now. He pointed out that what Steve is saying explicitly right now is that we are going to reduce the services we provide, the materials we can buy, etc., by the cost increases via inflation. If the City had incorporated inflation in the calculation, perhaps a rent increase could be justified.

Carol-Joy interjected that the other large reason for asking for all of this resident input is that at the City Council meeting last week, the City voted unanimously (5-0) to increase the MVMCC rents by 5% beginning on July 1. The proposal given to them by Chris Blunk called for a 5.7% increase on July 1 and an additional 5% increase on January 1, 2024, an almost 11% increase for every resident across the board.

There was a second part to that motion. The budget that was proposed and approved by PAC was revised before its presentation to the City Council at that meeting. The City Council passed a revised increase of only 5% on July 1 and also instructed Chris to go back and work with Matt, Jay, Steve, and whomever else would be appropriate, to come up with a budget that reduces expenses in an amount that would allow for the DSCR to become 2.1. This is why it is so important to get the budget "right" and to be able to meet the DSCR target.

Jay interjected that before the vote was taken, the City Manager told the Council: "You are not voting on the budget; you are not voting for a rent increase; you are voting to send Chris back to recalculate his proposed budget with a 5% rent increase and a proposal for a reduction of expenses to address the DSCR concerns."

David King wanted further clarification. Jay recapitulated that in the past, Chris would normally review the budget with PAC Board members and Matt before presenting it to the City Council. That did not happen this time, and now they are scrambling to have that meeting, which is what we now have scheduled for May 30. Steve and Jay will have a chance to go over the budget and try to understand its underpinnings and have the opportunity to present our arguments in opposition, perhaps. That budget is then given to the City Council to discuss and approve, including any rent increases, any capital expenditures, and so forth. That hasn't yet happened; it was taken out of sequence due to Chris Blunk having omitted the step of going over the budget with PAC before presenting it to the City Council. Again, the City Council did not vote on approving that budget, but only for Chris Blunk to go back and have that meeting and come back with a final budget, including any input from PAC Board members. Jay characterized it as a bit of a "tempest in a teapot," in that there appears to be a misunderstanding that they have already voted for a rent increase, which is not the case, although they still very well may. We are still in the process of negotiating this.

Ray Schneider asked if we are under rent control. The answer yes. The rent can be raised as much as the CPI from the previous year. John clarified that it has to be 5% or less, and it can be the CPI plus 3%. The City views it differently; they are saying CPI plus 5% but that it has to be less than 10%. The state law says they can raise rents up to 5% in any 12-month period.

Carol-Joy elaborated that we haven't had a rent increase in seven years. One of the City Council members, Rachel Farac, knowing that, had looked at the Social Security raises. This year it was 8%, and over the last seven years it has increased by 17%, though in some years there was no adjustment to Social Security income. Carol-Joy reminded Pat Eklund at the City Council meeting that in one such year, Pat had felt that that was a good justification for no rent increase that year and voted accordingly. Knowing that there are many in this Park who rely on

Social Security payments, totally or partially, that was used as part of the rationale for a rent increase.

Laura Kradjan-Cronin asked about people who are already on Hello Housing. Carol-Joy and John thought that that program had been discontinued, but Laura said that she and perhaps others are still on it.

Jay summarized that this “tempest” has been created by the act of the City having presented the budget to the City Council without having had a chance to go over it with the PAC. At this point we are confident that we may be able to change what we feel to be some of the misrepresentations that may have been made within that budget presented to the City Council. We are certainly interested in working on it. The issues may be resolved. We don’t know that, but we did want to have these meetings because of the fact that the City Council had approved sending it back to Chris to massage it to try to figure out how to get the DSCR to 2.1. Both Jay and Steve feel confident that by the end of the year, it would not be 1.5, and that may take some of the pressure off the City regarding raising rents. We wanted to have this meeting to go over that with the residents and to help field any questions from the residents who may have heard differently and to be able to understand how the outcome may impact them.

John pointed out that the only reason we need the DSCR is due to having a mortgage with the bank. Another option we have is to pay off our mortgage, and we have enough money to do that. The City seems to require us to carry a massive reserve. From our perspective, we are “paying it forward” so that we have sufficient funds for future reserves and capital improvements. Inflation is going to eat up our reserves. John suggested that paying off the mortgage and eliminating the DSCR consideration and also saving money in eliminating the bank loan interest would be advantageous; however, we would have to ensure that we still maintain sufficient reserves for unexpected maintenance, rainy days, etc. John is not in favor of maintaining massive reserves.

Jay commented that in managing properties, and this was in the original bond agreement, prior to having taken out the Bank of Marin loan, one would look at these issues every five years. Specifically, one would look at income and expenses, along with evaluating the physical plant to see what action had to be taken to maintain it. What happened in this year’s appraisal is that the City staff took reports that were updated two or three years ago. They looked at the need to renew such things as the sewer, the clubhouse, and the water to come up with a figure that would be needed for the next 30 or so years for these major capital and maintenance needs. What John is saying is that we feel the numbers the City came up with are largely exaggerated and that we would be better served to allocate those needs over the life of the asset. For example, if one can maintain the water system for $11,000 per year, it doesn’t make sense to accumulate money for ripping out the entire water system for $2 or $3 million. Only once the maintenance cost becomes extreme, or if it can no longer be maintained, would one look at the whole system.

Tom Weeden asked for clarification as to what is an owner expense vs. other expenses. Steve stated that the City bills us for administrative expenses. We are an “enterprise fund.” We are not a normal rental. The City gets no income from us. We have to spend all of our income to pay all of our expenses. The City, however, because the City is the owner, needs to attend to a lot of financial, administrative, and oversight work that they do. It used to be $25,000, and now it is around $50,000. Tom then asked about what is the management fee versus maintenance, etc. Steve stated that we have a management company that runs our Park, and the management company collects the rents, constructs the budget, and pays the various bills. Matt is an employee of the Helsing Group and is the supervisor of Mark and Greg, who are also employees of the Helsing Group. PAC does give direction to Matt. We also pay the salaries of the three employees of Helsing Group, who help us manage the operations of the Park.

Jay filled in some background. Back in 1997, the Park was purchased from the previous owner by the City, working with the residents, by creating a finance company that would manage this asset. At the time, they gave a delegation agreement to the Park to hire a management company to oversee and to maintain the Park. The City charges us for overseeing ourselves and the management company. At their direction, we hired the Helsing Group. After Matt, with input from PAC Board members, prepares the yearly budget, the PAC Board approves it. Then it goes to the City Council for approval.

Pauline Hawkins wanted to know if she would have to wait until the end of the month and the meeting with the City to know if a rent increase would be in effect on July 1. Jay stated that based on all of the previously discussed factors, we don't know for sure if the increase will be approved and take effect. Steve and Carol-Joy felt it was very likely to happen.
Joan Cervisi wanted clarification from Steve. Given the facts of inflation increasing, Social Security increasing significantly over the last 10 years, and not having had a raise of rent for quite a while, she wanted to know if she was interpreting his comments correctly in that he thinks that under the circumstances, a 5% increase would be reasonable. Steve answered yes, completely.

Francina LeClerq asked whether in this year's 2023 budget there is money allocated for the yearly fire abatement, where we bring in the goats, etc. She stated that there is a lot of grass behind her house that seems to be a fire hazard. John stated that the greater Novato shaded fuel break, which is a multi-year, multi-million-dollar project that will put a fuel break around the entire city of Novato, should address this. We will have to clear some of the wildland urban interface (WUI) with weed whackers so that the goats cannot get into our landscaping and such. We will need that line item in our budget for the fire mitigation work, but not nearly as much as we have right now; we can drop it a bit from the current $150,000. We can also probably drop the tree pruning budget a bit as well. We should find out in the next few days.

Michele Rodriguez wanted to address a letter that she had sent to the PAC Board about the City of Novato budget adoption. It was at their May 9 budget workshop that they started to talk about the 5%. At the June 13 City Council meeting they will review their initial budget, and on June 27 they will adopt their budget. We all have a right as individuals to write letters and to attend and speak at those meetings in order to address that budget. Michele believes that they are going to implement the 5% rent increase and then disaggregate other costs and expenses and then charge it back to us, thereby increasing our costs in a greater amount than 5%. We are starting to see this as their representative budget.

She thanked the PAC Board for taking the time to develop this budget comprising actual, Park proposed, and City recommended. She thinks that this is a good perspective on the direction the City seems to be taking. Michele would like to see some further thinking as to how these increases actually impact specific examples of rents, such as for three different rents, and/or three different incomes, what a given increase actually mean to a given person's pocketbook. She feels that the City decisionmakers need to have these data points in order to make informed decisions about the actual impact on their constituents, especially for those for whom the rent is a higher percentage of their income.

She also suggested that perhaps we should come up with a multi-year budget, such as for items like capital expenses or paving that do not occur every year. She feels that this would allow us to take more of a position of power when communicating with City staff. Michele had attended a meeting via Zoom prior to the one that Carol-Joy attended on May 9. The City staff were showing a variety of reports depicting what improvements would be needed over time. She feels that until we have a multi-year budget, we cannot be realistic about what the City thinks we need and what we actually need and in what timeframes. What are the costs in this budget, and what areas can be reduced? Examples may be telephone, staff salaries, and management fees.

Carol-Joy stated that she and her husband Bill Davis were the only ones present from the Park at the May 9 City Council meeting and that they were there until almost midnight. Carol-Joy spoke for three minutes, as did John Hansen and Jay Shelfer, by phone. The City Council later called her back up to the podium to ask her some questions. When she spoke, she was addressing exactly what Michele was just saying. The City Council kept talking about an $80 rent increase. She thinks they were likely taking an average of the rents here, assuming it was around $800, and assuming that given that even 10% of $800 is "just" $80, a 5% to 11% increase would not have much of an impact. However, Carol-Joy stated that for some people in the Park, $80 actually is a lot. She put a fine point on it by stating that she knows of some residents who would love to be able to attend some of our wonderful monthly events at the Park but are unable to even afford the $10 for the food. She observed that the City Council members seemed shocked at this revelation. She was talking about the people for which this increase will make a huge difference. She also reminded them that the residents who pay higher rents are not necessarily those with higher income because of our "odd way of doing our rents here." A rent increase means a lot to some of the people here no matter what the rent increase is.

John stated that this is exactly why we are having this meeting. The City speaks to a few of us, but they don't speak to the vast majority of the residents and apparently lack an understanding of many of the concerns. They want to raise the rent to the maximum that they possibly can. Although John believes that the rent perhaps does need to go up, why 5.7%; why not 5.6%? Why not 5.2% or 4.7%? Why pick a number that doesn't really mean anything just because it's a number that's convenient? John would like us to determine exactly what percentage is actually needed and for us to raise it exactly that amount rather than pulling some number out of the sky.

Laura Kradjan-Cronin interjected that in any event, this should not be done to us with barely a month's notice. It doesn't sound like they are going to give us much notice if this is going to happen in July.

John agreed that they need to give advance notice, whether 90 or 180 days or whatever it is. We need time to adjust to a rent increase such that we can prepare ourselves for it. There is still a lot to do. Whether there is going to be a rent increase and exactly how much is still in the air. The City has an idea, but that is all they have right now, and they are looking for more information before they decide exactly what they are going to do. So we need to give them that information. Maybe some ideas from today's meeting can come from "outside the box" rather than just to raise rents and throw money at a perceived problem.

Jay spoke to Laura's interesting point about the notice. Basically, there is a legal time period for both the county and the state, in order to provide time for those being impacted by the increase to make their views known, that is, not only to be able to adjust financially for the increase, but to have time to make comments to whomever is proposing these rate increases. That is yet to be determined, but Jay guaranteed Laura and all that the PAC Board is watching this matter closely.

Carol-Joy noted some of the issues from the Zoom chat box relating to the bank loan, when is it due, how much is it, what is the payoff, etc.

Steve provided the following:

1. As of the end of this fiscal year, ending June 30, we will owe about $2.5 million.
2. We pay around $650,000 per year for interest and mortgage.
3. The loan will be paid off in December 2026.
4. If we paid it off right now, we would save around $150,000 in interest over the entire remainder of the term.

John elaborated that there was initially a substantial prepayment period, which has nonetheless diminished over time and is now essentially down to zero. We have absolutely no penalty for paying it off right now. Even if we were to go forward with the City's plans for capital projects, we don't need to tackle most of these during the timeframe between now and the final due date for the loan. By the time we would have to handle those projects, around four years from now, we would have accumulated enough in reserves to take care of these items, and we would not have to pay the interest on the loan in the meantime.

Ray Schneider stated that one other thing to keep in mind is the cost of the utilities in the Park. Those on Social Security, for example, are facing those increased costs, possibly exacerbated by a rent increase on top of that.

John stated that the City seems to want to raise our rates for utilities. One thing to consider is that we do not pay for water. We pay PG&E and sewer, but not water. Water costs are going up radically. Rates are expected to go up almost $7 per home. Our water bill comes out of our operational budget. It would cost a fortune, almost $300,000 per home, to put individual meters on all of the homes. So we have to keep doing what we are doing, but we may have to do something about having the residents cover at least some of the cost of the water. Residents are essentially getting their water for free at this time.

Jay concurred that the costs of metering would far outweigh the cost of the increases, for example, by raising the rent by 2% to cover the increase in water expenses. This still has to be discussed and worked out in the near future.

Steve stated that to cover 90% of the water bill, which is always worked out with Matt, the residents pay the 90% toward that utility bill and the other 10% gets used at the clubhouse and to handle the common spaces. So that would be about $95,000, which would require almost a 4% increase in rent.

Jay saw in the paper today that the water department is considering raising the cost to individuals by about 20% next year, about $7 per home. That is according to North Marin Water.

Janet Shouldis stated that she thinks it would be good to have a rent increase if it could help the City of Novato if they could implement a community solar and water collection system within the Park. John and a couple of other people in the Park have their own solar. It's probably not that important to those people, but Janet thinks it would be beneficial, since we are so worried about water, to have our own waste water system, and the community solar would eliminate the electric bills. If they do raise the rent, perhaps this would be an offset we could work with.

Jay stated that this has been on the table for years. We have tried to work with the City and take some of these actions. However, unfortunately, because of Covid and the reduced personnel at the City level, the fact of the matter is that the City oversees all of our capital improvements and with putting projects in place. Due to their lack of staffing, they have told us not to even ask, that they do not have the time to deal with this until some future time. They just say they are too busy. Meanwhile, Michele Rodriguez is continuing to look for grants, and Jay assured everyone that we are still doing everything we can to pursue these avenues.

Carol-Joy pointed out that this meeting is in a workshop format, that the PAC Board is not voting on anything tonight. There are more workshops planned, with the objective of addressing the long-term sustainability of the Park. Chris Blunk provided an inches-thick stack of papers with his presentation to the City Council in April and at that time represented that $40 to $70 million may be needed to sustain the Park over the next 30 years.

Steve agreed that Carol-Joy's point is the "elephant in the room" because when we talk about all of these annual budgets, and what is left, and where it goes, hopefully much of that goes into reserves, because there are large projects that may be in our near future or our distant future. What we need to do to get a better focus on these budgets is to have some further meetings with the City. The City has already laid out when they believe the water system, the sewer system, and the gas and the electrical systems would need to be replaced and so on. Based upon what those things may cost and what the City thinks may happen, the City figures out how much in reserves we are going to need and how we are to spend that money. Well, they require us to keep a substantial amount of reserves. Where are those reserves going to come from? Rent. So that is what they see for us. So what we must do is to look at all potential projects and the actual and realistic costs and timeframes that would be required in order to replace all of these systems.

John expressed concern about having to keep reserves beyond a few years for long-lead projects, allowing for depreciation of the value of those reserves. He suggested that we must make the best use of the money that we have when we have it, especially in an inflationary environment.

The next workshop will be after the May 30 meeting with Chris Blunk.

There was a question as to whether or why we do not or would not keep our reserve funds in a higher-interest-yielding instrument such as CDs. Several PAC Board members explained that the money we are required to keep in reserve is not technically "our money" but is, in fact, money that is held in the City's general bank account. So our portion of that money is more like a line item in the City's accounting. Technically, they must reserve this money for us and on our behalf, i.e., they are unable to "raid" that money for other purposes. However, that is why we are unable to direct it to be put into higher-yielding instruments.

Carol-Joy emphasized that the City has always wanted us to be self-supporting, and we always have been. John stated further that any time historically that the question has arisen as to whether the City intends to sell the Park, the answer has been absolutely not. They don't have any equity in us anyway. That is the nature of our enterprise account. The City has not put a single nickel into our enterprise.

Steve shared that a couple of PAC Board members met with City Council member Tim O'Connor a couple of weeks ago, and Tim stated, "Oh, no, no, we would never do that. If we need to cash out some things, we have a number of pieces of real estate in Novato that are vacant and not performing, and we would certainly sell those first."

Carol-Joy elaborated that when Bill and she were sitting through that last meeting and watching them go through every single line item of the City's budget, before they talked about us, at 11:00 p.m. or so, Tim O'Connor made a motion about assessing all of their City-owned properties, of which there are dozens, starting with the ones that are of higher dollar value. She reiterated that that has nothing to do with us.

From the Zoom chat box there was a question about solar and personal solar systems in the Park. John stated that there is a prohibition on rooftop solar systems in the Park, and this has to do with "roof loading." Nobody sells homes here that have a 30-pound-per-square-foot roof loading qualification. Those homes are up in the Sierras, due to snow loading considerations. Here in the Park, the homes tend to have 10-, 15-, or 20-pound roof loading specifications, and those do not meet the HCD criteria to allow any solar installation on our roofs. Yet if it is not on the roof, there are other options.

Lou Judson suggested that we should appreciate the City for keeping us out of the profit and commercialization of mobile home parks, i.e., "you build it up and then sell it, that sort of thing." John reiterated that they do not have any equity in this Park.

Jay promised to let everyone know after PAC Board members meet again with the City on the accounting issues, where we stand and when we will have another workshop meeting.

E. OLD BUSINESS

There was no old business to discuss.

F. NEW BUSINESS

There was no new business to discuss.

G. DETERMINATION OF NEXT PAC BOARD MEETING AND ANNUAL MEETING

Saturday, June 3, 2023 at 12:00 P.M. (Annual PAC Membership Meeting)

Tuesday, June 6, 2023 at 6:00 P.M. (Monthly PAC Board Meeting)

H. ADJOURNMENT

Prior to adjournment, Ray Schneider asked whether the rents would go down once the bank loan is paid off, because we would not be paying the principal and the interest. John, Carol-Joy and Steve all stated that this would not be possible. Steve assured the residents that there would still be a lot of things that will need to be done. The Board members chimed in that their goal was to not raise rents in the future any more than absolutely necessary. Ray offered that there are people in the Park who are paying higher rents than others because their home has been sold multiple times and wondered about "rent equalization." John stated that rent equalization of that type is off the table. It cannot be legally done until the Park is sold. So hopefully it will never happen. Carol-Joy reminded everyone that the City has studied this every which way and has determined that this is never going to happen.

The meeting was adjourned at approximately 8:05 P.M.

Respectfully submitted,

Terri Beauséjour
Recording Secretary