CITY OF PASADENA
FINANCE/AUDIT COMMITTEE MINUTES
PASADENA CITY HALL
100 NORTH GARFIELD AVENUE
CITY HALL COUNCIL CHAMBER S249
AUGUST 28, 2023
SPECIAL MEETING

OPENING The Chair called the special meeting of the Finance/Audit Committee to order at 3:18 p.m.

ROLL CALL: Mayor Victor M. Gordo (Absent)
Councilmember Tyron Hampton
Vice Mayor Felicia Williams (Acting Chair)

Staff: Brenda Harvey-Williams, Assistant City Manager
Theresa Fuentes, Assistant City Attorney
Matthew Hawkesworth, Director of Finance
Chad Augustin, Fire Chief
Phillip LeClair, Chief Information Officer Information Technology
Sidney Jackson, General Manager Water & Power
Eugene Harris, Police Chief
Jim Wong, Senior Project Manager, Housing
Ruthe Holden, Internal Audit Manager
Rebecca Takahashi, Senior Internal Auditor
Vic Erganian, Deputy Director of Finance/City Treasurer
Gloria Acevedo, Recording Secretary

Guest: Kristin Martin, Home Ownership for Personal Empowerment, Inc.
Charles DeCuir, Home Ownership for Personal Empowerment, Inc.

APPROVAL OF MINUTES: It was moved by Councilmember Hampton and seconded by Vice Mayor Williams, to approve the minutes of the June 12, 2023 (special meeting), July 31, 2023 (special meeting), and the cancellation notices for June 26, 2023, July 10, 2023, and August 24, 2023, as submitted. (Motion Unanimously carried) (Absent: Mayor Gordo)

NEW BUSINESS **AMENDMENT OF THE HOUSING DEPARTMENT'S FISCAL YEAR 2024 OPERATING BUDGET IN THE AMOUNT OF $1,997,000; APPROVAL OF KEY TERMS OF AFFORDABLE HOUSING LOAN AGREEMENT WITH HOME OWNERSHIP FOR PERSONAL EMPOWERMENT, INC. TO REHABILITATE AND FINANCIALLY RESTRUCTURE RENTAL HOUSING PROJECTS AT 940 NORTH SUMMIT AVENUE AND 760 WORCESTER STREET FOR PERSONS WITH INTELLECTUAL AND/OR DEVELOPMENTAL DISABILITIES**

Vice Mayor Williams introduced the item and Jim Wong, Senior Project Manager, provided a PowerPoint presentation and responded to questions.

Councilmember Hampton asked if the City had previously worked with Home Ownership for Personal Empowerment, Inc., (HOPE) and if a Request for Proposal had been published for this project. Mr. Wong mentioned this is the first time the City will partner with HOPE; however, they have an extensive track record in managing projects of this type. An RFP was not released since HOPE applied through the Housing Departments' open window application process.

Councilmember Hampton also asked for confirmation that the tenants of the buildings would not be displaced during the renovations and that HOPE was made aware of the City's local hiring requirements. Mr. Wong confirmed that the tenants will not be displaced and Matthew Hawkesworth, Director of Finance, will ask the Economic Development team, who handles local hiring, to reach out to HOPE so that they are made aware of the City's requirements.

It was moved by Councilmember Hampton seconded by Vice Mayor Williams, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Mayor Gordo)

AMENDMENT OF THE HOUSING DEPARTMENT'S FISCAL YEAR 2024 OPERATING BUDGET IN THE AMOUNT OF $936,000; APPROVAL OF KEY TERMS OF HOUSING ACQUISITION LOAN AGREEMENT WITH HERITAGE HOUSING PARTNERS TO PROVIDE PURCHASE FINANCING IN AN AMOUNT NOT TO EXCEED $936,000 TO IMPLEMENT PURCHASE OPTIONS ON AFFORDABLE HOMEOWNERSHIP UNITS AT 106 E. SUMMIT GROVE BOULEVARD, #102 AND 602 N. FAIR OAKS AVENUE, #120

Vice Mayor Williams introduced the item and Jim Wong, Senior Project Manager, reported that the property located at 602 N. Fair Oaks Avenue, #120 is no longer available for purchasing, reducing the amendment amount to $599,700 and provided a PowerPoint presentation.

It was moved by Councilmember Hampton seconded by Vice Mayor Williams, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Mayor Gordo)

QUARTERLY INVESTMENT REPORT - QUARTER ENDING JUNE 30, 2023

Vice Mayor Williams introduced the item and Vic Erganian, Deputy Director of Finance/City Treasurer, provided a PowerPoint presentation and responded to comments.

Councilmember Hampton welcomed the report and commented that he believes the unemployment numbers reflected on the report, when compared to the outside reality differ. Mr. Erganian mentioned that the statistics provided are based on a national level.

Vice Mayor Williams echoed Councilmember Hampton's comment and pointed out there is an industry-wide employee shortage. Mr. Erganian mentioned there are six million unemployed persons, yet there are over 10 million job openings, in some cases the job openings don't match the skillset of the available workforce.

It was moved by Councilmember Hampton seconded by Vice Mayor Williams, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Mayor Gordo)

INFORMATION ONLY

FINAL REPORT FOR THE AUDIT OF HIGH-RISK INVENTORY

Vice Mayor Williams introduced the item and Ruthe Holden, Internal Audit Manager, provided a PowerPoint presentation and responded to questions.

> Public speaker Yadi raised safety concerns regarding the tasers purchased by the Pasadena Police Department (PPD) from Axon Enterprises (Axon), since 88 had faulty cartridges. She questioned if the PPD was testing the tasers for Axon and if the unavailability of tasers causes police officers to resort to the use of their firearm.

Councilmember Hampton requested for the topic to be brought up at a future Safety Committee meeting.

Following a brief discussion, on the order of the Acting Chair and consensus of the Committee, the item was received and filed.

ADJOURNMENT

On the order of the Acting Chair, the special meeting of the Finance/Audit Committee was adjourned at 4:06 p.m.

ATTEST:

Vice Mayor Williams, Acting Chair
Finance/Audit Committee

Gloria Acevedo
Recording Secretary