

NEW HORIZONS AFFORDABLE HOUSING AND DEVELOPMENT INC.

AGENDA OF THE BOARD OF DIRECTORS MEETING

August 27, 2025

**New Horizons Board of Directors Meeting will take place immediately following the
Merrill Road Housing Corporation Board of Directors Meeting**

HOUSING AUTHORITY OFFICES

2160 41st Avenue, Capitola, CA 95010

1. Roll Call

NEW HORIZONS BOARD OF DIRECTORS:

Chairperson Providence Martinez Alaniz	4 year term expires, February 10, 2027
Vice Chairperson Annette Melendrez	4 year term expires, September 29, 2027
Director Carol Berg	4 year term expires, May 21, 2029
Director Ligaya Eligio	2 year term expires, October 18, 2026
Director Silvia Morales	4 year term September 1, 2027
Director Andy Schiffrin	4 year term expires, March 17, 2027
Director Richard Schmale	2 year term expires, May 12, 2027

2. Consideration of Late Additions and Changes to the Agenda

3. Consent Agenda

A. Minutes of the June 25, 2025 Meeting

Motion to Approve

B. Minutes of the August 8, 2025 Special Meeting

Motion to Approve

C. Election of Officers

Motion to Approve: The Board of Directors of New Horizons Affordable Housing and Development to elect the same Chairperson and Vice-Chairperson that was elected at the August 27, 2025 Annual Housing Authority of the County of Santa Cruz Board of Commissioners meeting.

D. Resolution and authorize the purchase of 3501-3513 Portola Drive, Santa Cruz County, for \$6,730,000 and acceptance of Housing Authority Loan.

Motion to Adopt Resolution 2025-05 and authorize the Secretary to (i) purchase the property located at 3501, 3507, 3509 & 3513 Portola Drive from the current owner, the Robert E. & Rosalie T. Dettle Living Trust, for \$6,730,000 and enter into all documents necessary to effectuate that purchase, including but not limited to purchase and sale agreement, grant deed, escrow instructions, and regulatory agreement; and (ii) to borrow financing from the Housing Authority to facilitate the development of the property into affordable housing

4. Oral Communications (All oral communications must be directed to an item not listed on this agenda and must be within the jurisdiction of the Board. Presentations must not exceed three minutes in length. The Board will not take action or respond immediately to any Oral Communication presented, but may choose to follow up at a later time or schedule item for a subsequent agenda. The Board may limit the total amount of time allowed for oral communication). Anyone addressing the Board of Directors is asked to complete a card and leave it with the Board secretary so that their names may be accurately recorded in the Minutes.
5. Unfinished Business
6. New Business
7. Closed Session
8. Report on Closed Session
9. Adjournment

New Horizons complies with the Americans with Disabilities Act. If you are a person with disabilities and you require special assistance in order to participate, please contact the Board secretary at 831-454-9455, ext. 201 at least 72 hours in advance of the meeting in order to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format. Spanish language translation is available on an as needed basis. Please make arrangements 72 hours in advance by contacting the Housing Authority at 831-454-9455, ext. 280.

NEW HORIZONS AFFORDABLE HOUSING AND DEVELOPMENT INC MINUTES OF THE MEETING HELD JUNE 25, 2025 AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41ST AVENUE, CAPITOLA, CA 95010

AGENDA ITEM NO. 1 Roll Call

Chairperson Martinez Alaniz called the meeting to order at 12:05 p.m. Members present Chairperson Martinez Alaniz, Vice Chairperson Melendrez, Directors Berg, Eligio, Morales, Schiffrin and Schmale

Members Absent

None,

Staff Present

Jennifer Panetta, Tom Graham, Aaron Pomeroy and Courtney Byrd of the Housing Authority

AGENDA ITEM NO. 2. Consideration of Late Additions or Changes to the Agenda

None.

AGENDA ITEM NO. 3 Consent Agenda

Chairperson Martinez Alaniz asked for a motion to approve the Consent Agenda unless any Board of Directors or members of the public would like to pull an item from the agenda or have comments/questions on an item.

Director Schiffrin moved for the approval of the Consent Agenda; Director Melendrez seconded the motion and it passed by the following vote:

AYES: Directors Berg, Eligio, Martinez Alaniz, Melendrez. Morales, Schiffrin and Schmale

NOES: None

ABSENT: None

ABSTAIN: None

Agenda Item 3A. Approved the Minutes of the Meeting May28, 2025

AGENDA ITEM NO. 4 Oral Communications

None.

AGENDA ITEM NO. 5 Unfinished Business

None.

AGENDA ITEM NO. 6A New Horizons Proposed Budget FY 2025-2026

Secretary Panetta introduced Finance Director Pomeroy who presented the Directors with the New Horizons proposed budget. Finance Director Pomeroy informed the Directors that the budget is separated into six components relating to the 234 units of the former public housing portfolio, 6 units at Brommer Street Apartments, 20 units at Natural Bridges, 34 units at Casa Pajaro Apartments, Development Activities, and Indirect Overhead.

Finance Director Pomeroy explained to the Board that after detailing the composition of the various revenue and expense budget line items, including the transfer to the capital reserve fund, the budget projects an overall surplus of \$5,336,067 for the fiscal year ending June 30, 2026. These remaining proceeds can be used to expand affordable housing opportunities in our community in the years ahead to support the mission of the Housing Authority. A discussion followed. The Board of Directors and Secretary Panetta thanked Finance Director Pomeroy and his staff for their work on the New Horizons budget.

Director Schiffrin made a motion to Approve New Horizons Proposed Budget for FY 2025-2026; Director Eligio seconded the motion and it as passed by the following vote:

AGENDA ITEM NO. 6B New Horizons Equity Report Card and Action Plan

Secretary Panetta informed the Board that staff is pleased to present the New Horizons Equity Report Card and Action Plan to the Board of Directors. Secretary Panetta reminded the Board that the purpose of this report is to examine diversity and representation on all levels within the agency, to examine disparities in program outcomes and to establish goals to promote diversity, equity, and inclusion in the agency and programs. A discussion followed.

Director Schiffrin moved to Adopt Equity Goals; Director Eligio seconded the motion and it passed by the following vote:

AYES: Directors Berg, Eligio, Martinez Alaniz, Melendrez. Morales, Schiffrin and Schmale
NOES: None
ABSENT: Non
ABSTAIN: None

AGENDA ITEM NO. 7 Closed Session

AGENDA ITEM NO. 8 Report on Closed Session

NEW HORIZONS AFFORDABLE HOUSING AND DEVELOPMENT INC MINUTES OF THE
MEETING HELD JUNE 25, 2025 AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA
CRUZ, 2160 41ST AVENUE, CAPITOLA, CA 95010

AGENDA ITEM NO. 9 Adjournment

The Board of Directors meeting was adjourned at 12: 51 p.m. I hereby certify that these minutes were approved by the New Horizons Board of Directors, on the Twenty Seventh Day, of August 2025

Chairperson of New Horizons

ATTEST: _____

Secretary of New Horizons

NEW HORIZONS AFFORDABLE HOUSING AND DEVELOPMENT INC MINUTES OF THE SPECIAL MEETING HELD AUGUST 8, 2025 AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41ST AVENUE, CAPITOLA, CA 95010

AGENDA ITEM NO. 1 Roll Call

Chairperson Pro Tempore Schiffrin called the meeting to order at 9:25 a.m. Members present Directors Berg, Eligio, Morales, Schiffrin and Schmale

Members Absent

Chairperson Martinez Alaniz and Vice Chairperson Melendrez

Staff Present

Jennifer Panetta, Tom Graham, Suzi Merriam and Courtney Byrd of the Housing Authority

AGENDA ITEM NO 2 Consideration of Late Additions or Changes to the Agenda
None.

AGENDA ITEM NO. 3 Oral Communications
None.

AGENDA ITEM NO. 4 Unfinished Business
None.

AGENDA ITEM NO. 5A Adopt Resolution 2025-04 and Authorize Real Property Acquisition - 2030 17th Avenue, Santa Cruz County, APN 029-071-13

Deputy Executive Director Graham informed the Board that 2030 17th Avenue is an owner-occupied, 2-bedroom single-family residence of approximately 1,006 square feet on a 10,400-square-foot parcel in unincorporated Santa Cruz. The property is off-market, and a February 2025 appraisal estimated its value at \$984,000.

New Horizons engaged with the owners to acquire the property, which is adjacent to 2021 Chanticleer Avenue, where New Horizons holds site control and is scheduled to close on August 18, 2025. Acquisition of 2030 17th Avenue would provide strategic benefits, including improved emergency access, potential for 8–12 additional units, enhanced stormwater management, and greater flexibility for waste services.

Staff previously presented the site evaluation to the Board Development Subcommittee (March 19, 2025) and received support for a conditional offer of \$1.4 million, with negotiation up to \$1.8 million. After discussions, the owner indicated a willingness to sell for \$1.85 million, and the Subcommittee supported proceeding with an offer contingent on full Board approval. A discussion regarding the offer followed.

NEW HORIZONS AFFORDABLE HOUSING AND DEVELOPMENT INC MINUTES OF THE SPECIAL MEETING HELD AUGUST 8, 2025 AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41ST AVENUE, CAPITOLA, CA 95010

The Board discussed community impacts and requested a Community Meeting for feedback once preliminary architectural plans are available. Staff agreed.

Director Berg moved to Adopt Resolution 2025-04 and authorize the Secretary to purchase the property located at 2030 17th Avenue from the current owner, Jose Guadalupe Perez and Alejandrina Palomino De Perez for \$1,850,000 and enter into all documents necessary to effectuate that purchase, including but not limited to purchase and sale agreement, grant deed, escrow instructions, regulatory agreement, and post-closing occupancy agreement; Director Eligio seconded the motion and it passed by the following vote:

AYES: Directors Berg, Eligio, Morales, Schiffrin and Schmale

NOES: None

ABSENT: Directors Martinez Alaniz and Melendrez

ABSTAIN: None

AGENDA ITEM NO. 6 Closed Session

AGENDA ITEM NO. 7 Report on Closed Session

AGENDA ITEM NO. 8 Adjournment

The Board of Directors meeting was adjourned at 10: 04 a.m. I hereby certify that these minutes were approved by the New Horizons Board of Directors, on the Twenty Seventh Day, of August 2025

Chairperson of New Horizons

ATTEST: _____

Secretary of New Horizons

AGENDA ITEM SUMMARY

MEETING DATE: August 27, 2025

ITEM NUMBER: 3C

FROM: Executive Director

SUBJECT: Election of Officers

RECOMMENDATION: The Board of Directors of New Horizons Affordable Housing and Development to elect the same Chairperson and Vice-Chairperson that was elected at the August 27, 2025 Annual Housing Authority of the County of Santa Cruz Board of Commissioners meeting.

BACKGROUND SUMMARY:

Each August, the Board of Directors elects or re-elects a Chairperson and Vice-Chairperson for the next twelve months. Per the New Horizons Bylaws, the Chair of the Authority Board of Commissioners shall be the Chairperson of New Horizons Affordable Housing and Development. The Vice Chair of the Authority Board of Commissioners shall be the Vice Chairperson of New Horizons Affordable Housing and Development.

RECOMMENDATION: The Board of Directors of New Horizons Affordable Housing and Development to elect the same Chairperson and Vice-Chairperson that was elected at the August 27, 2025 Annual Housing Authority of the County of Santa Cruz Board of Commissioners meeting.

AGENDA ITEM SUMMARY

MEETING DATE: August 27, 2025

ITEM NUMBER: 3D

FROM: Development Director

SUBJECT: Resolution and authorize the purchase of 3501-3513 Portola Drive, Santa Cruz County, for \$6,730,000 and acceptance of Housing Authority Loan.

RECOMMENDATION: Adopt Resolution 2025-05 and authorize the Secretary to (i) purchase the property located at 3501, 3507, 3509 & 3513 Portola Drive from the current owner, the Robert E. & Rosalie T. Dettle Living Trust, for \$6,730,000 and enter into all documents necessary to effectuate that purchase, including but not limited to purchase and sale agreement, grant deed, escrow instructions, and regulatory agreement; and (ii) to borrow financing from the Housing Authority to facilitate the development of the property into affordable housing

BACKGROUND SUMMARY:

New Horizons Affordable Housing and Development Inc. entered an Option Agreement to purchase the property located at 3501-3513 Portola Drive from Robert E. & Rosalie T. Dettle Living Trust, for up to \$6,730,000. The Option Agreement established terms and conditions for New Horizons to conduct due diligence and environmental site assessments (ESA). Upon satisfactory achievement of the terms and conditions the seller and buyer may elect to enter a Purchase and Sales Agreement to execute the transaction.

Staff are recommending the Board authorize the Secretary to execute the Purchase and Sales Agreement with the condition the terms and conditions of the Option Agreement are met and New Horizons is satisfied with the terms of the acquisition. Staff are also recommending the Board accept a loan, which may be forgivable, from the Housing Authority of the County of Santa Cruz in the amount of \$6,730,000, to be used for the property purchase.

The adoption of Resolution 2025-05 will document the Board's decision to authorize the purchase and to accept the loan funds for 3501-3513 Portola Drive.

RECOMMENDATION: Adopt Resolution 2025-05 and authorizing the Secretary to (i) purchase the property located at 3501, 3507, 3509 & 3513 Portola Drive from the current owner, the Robert E. & Rosalie T. Dettle Living Trust, for \$6,730,000 and enter into all documents necessary to effectuate that purchase, including but not limited to purchase and sale agreement, grant deed, escrow instructions, and regulatory agreement; and (ii) to borrow financing from the Housing Authority to facilitate the development of the property into affordable housing

NEW HORIZONS AFFORDABLE HOUSING & DEVELOPMENT INC

RESOLUTION NO. 2025-05

A RESOLUTION OF NEW HORIZONS AFFORDABLE HOUSING AND DEVELOPMENT, INC. AUTHORIZING ACQUISITION OF PROPERTY LOCATED AT 3501, 3507, 3509 & 3513 PORTOLA DRIVE FROM THE ROBERT E. & ROSALIE T. DETTLE LIVING TRUST, AND BORROWING FINANCING FROM THE HOUSING AUTHORITY TO FACILITATE THE DEVELOPMENT OF THE PROPERTY INTO AFFORDABLE HOUSING

At a duly constituted meeting of the Board of Directors (the "Board") of New Horizons Affordable Housing and Development, Inc. ("New Horizons") held on August 27, 2025, the following Resolution was adopted:

WHEREAS, in this Resolution, when it states that New Horizons shall act, the Board is authorizing such action on behalf of New Horizons and deems such action to be in the best interests of New Horizons; and

WHEREAS, New Horizons seeks to purchase a 1.826-acre real property located at 3501, 3507, 3509 & 3513 Portola Drive in the County of Santa Cruz (the "Property"); and

WHEREAS, the property is currently developed with 4 existing commercial leases, including two auto-repair shops, a storage yard, and a piano rental and moving company;

WHEREAS, New Horizons desires to purchase the Property from the Robert E. & Rosalie T. Dettle Living Trust for up to \$6,730,000; and

WHEREAS, to ensure future affordability of the Project, New Horizons will enter into and record against the Property, a long-term regulatory agreement for units in the Project to be rented to low-income households in compliance with requirements for the use of HUD Moving To Work (MTW) funds; (the "Regulatory Agreement"); and

WHEREAS, New Horizons desires to borrow from the Authority a loan, which may be forgivable, in an amount not to exceed \$7,000,000 to facilitate the purchase and pre-development costs for development of the Property (the "Authority Loan"); and

WHEREAS, New Horizons desires to enter into any and all documents necessary to borrow the Authority Loan, including but not limited to a deed of trust and promissory note (collectively, the "Authority Loan Documents");

WHEREAS, by staff report (the "Staff Report") accompanying this Resolution New Horizons has been provided with additional information upon which the actions set forth in this Resolution are based.

NOW, THEREFORE, THE BOARD OF NEW HORIZONS AFFORDABLE HOUSING AND DEVELOPMENT, INC. DOES RESOLVE AS FOLLOWS:

Section 1: The Board finds and determines that the above recitals are true and correct and have served, together with the Staff Report, as a basis in part, for the actions of the Board set forth below.

Section 2: The Board approves the purchase of the Property from the Robert E. & Rosalie T. Dettle Living Trust and the assumption of the Predevelopment Contracts from the Authority.

Section 3: The Board approves borrowing the Authority Loan from the Authority, which may be forgivable.

Section 4: The Board authorizes the Executive Director of New Horizons or, in the absence of the aforementioned, any other officer acting alone on behalf of New Horizons (the "Authorized Officer"), to enter into and execute any and all necessary documents listed in and/or contemplated by this Resolution, including, without limitation, the Conveyance Documents, the Regulatory Agreement, and the Authority Loan Documents, in such form as is recommended by New Horizons special legal counsel, and approved by the Authorized Officer, such approval to be conclusively evidenced by the execution by the Authorized Officer of such documents, and to take any other actions, necessary to enable the acquisition of the Property and borrowing of the forgivable Authority Loan, and to do any and all other activities contemplated in this Resolution.

Section 5: This Resolution shall take immediate effect upon adoption.

PASSED AND ADOPTED by the Board of Directors of New Horizons Affordable Housing and Development, Inc., on August 27, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Chairperson of New Horizons

Secretary of New Horizons