



January 7, 2022

TO: CADA Board of Directors

**SUBJECT: January 14, 2022, Board Meeting
AGENDA ITEM 9
RETIRED ANNUITANT APPOINTMENT**

CONTACT: Jill Azevedo, Human Resources Manager

RECOMMENDED ACTION

Staff recommends that the Board adopt a resolution entitled "Retired Annuitant Appointment" which authorizes the appointment of Diana Rutley as a Retired Annuitant effective on or around January 17, 2022.

BACKGROUND

CADA's Property Manager, Diana Rutley, retired from the agency effective December 30, 2021 after nearly 23 years of service in the same position.

CADA's Property Manager position plays a crucial role in CADA's property management activities, the agency's main revenue stream, including management of commercial rentals and ground leases, setting market rents, preparing three-day notices for non-payment of rent, ensuring CADA's compliance with housing programs regulated by outside agencies, and ensuring, on an annual basis, that all leasing documents are current with respect to new laws. This position has also been in charge of managing all aspects of the agency's Covid-19 Rental Assistance Programs, including providing on-going assistance to all tenants, both residential and commercial, with Covid-19 hardships.

Having Ms. Rutley available as a retired annuitant to impart her decades of specialized institutional knowledge before the 180-Day waiting period will prevent any stoppage of business as the agency recruits for and trains a new employee to perform these critical duties, as well as assist current staff who will be handling the workload in the interim. Ms. Rutley's assistance will also be critical to ensuring that CADA's template commercial lease is up-to-date and ready for use with commercial tenants CADA anticipates signing leases with in the next 90 to 180 days, a task which cannot wait until the usual 180 Day waiting period for Retired Annuitants. Ms. Rutley's continuing management of the Covid-19 Rental Assistance Program is also vitally important and time-sensitive and cannot be put on hold until a new employee is hired and trained.

The Public Employee's Pension Reform Act of 2013 (PEPRA), which became effective January 1, 2013, states that retirees cannot be employed by a CalPERS employer for a period of 180 days after their retirement date without reinstating from retirement, except under certain circumstances. One such circumstance is:

The public agency or school's governing body presents CalPERS with a resolution, passed in a public meeting, that approves the appointment in which the employer has certified the nature of the employment and that the appointment is necessary to fill a critically needed position before 180 days have passed.

POLICY ISSUES

PEPRA requires that the employer certify the nature of the employment. Below is a condensed list of projects and services Ms. Rutley will assist with and provide as a Retired Annuitant, which need to be completed as soon as possible, or in the case the of Covid-19 Rental Assistance Program, must continue uninterrupted. Please see ATTACHMENT 1 – Rutley Retired Annuitant Proposed Scope of Services for the scope of services Ms. Rutley will provide to CADA in her capacity as Retired Annuitant.

- Update commercial leases for use with commercial tenants CADA anticipates leasing to in the next 90-to 180 days.
- Continued management of the agency's Covid-19 Rental Assistance Programs and Covid-19 hardship requests
- Onboarding¹ and training of the new Manager once hired.
- On an as needed basis, impart institutional knowledge and provide any needed assistance with and training in with all aspects of the agency's property management activities, including but not limited to: providing background on commercial tenants, preparation of three-day notices for non-payment of rent, and how to prepare the market study for setting of market rents.

STRATEGIC PLAN

This action contributes to the achievement of many of the goals of CADA's strategic plan. Utilizing Ms. Rutley's unique experience and nearly 23 years of institutional knowledge immediately and during the training period for the new Property Manager will enable CADA to continue its work of providing housing that is affordable and attractive to a diverse population, and being a leader in urban property management.

FISCAL IMPACT

In keeping with CalPERS standards, retired annuitants cannot be paid more or less than the monthly base salary paid to other employees performing comparable duties. Ms. Rutley will be paid an hourly rate of \$38.78/hour, which is the midpoint of the Property Manager's salary range.

ENVIRONMENTAL REVIEW

Not applicable. This is an administrative action and is not a project subject to the guidelines of the California Environmental Quality Act (CEQA).

CONTRACT AWARD CONSIDERATIONS

Not applicable. This action is not subject to CADA Contract Policy.

Approved for transmittal to the Board:

Wendy S. Saunders, Executive Director

ATTACHMENT 1 – ATTACHMENT 1 – Rutley Retired Annuitant Proposed Scope of Services

¹ "Onboarding" is an HR term referring to the process of assisting a new employee to become accustomed to and familiar with the culture and practices of the hiring organization.

RESOLUTION NO. 22 - 07

Adopted by the Capitol Area Development Authority

January 14, 2022

RESOLUTION FOR EXCEPTION TO THE 180 DAY WAIT PERIOD GC sections 7522.56 & 21224

WHEREAS, in compliance with Government Code section 7522.56 of the Public Employees' Retirement Law, the CADA Board of Directors must provide CalPERS this certification resolution when hiring a retiree before 180 days has passed since his or her retirement date; and

WHEREAS, Diana Rutley, (CalPERS ID 6769505022) retired from CADA in the position of Property Manager effective December 30, 2022; and

WHEREAS, section 7522.56 requires that post-retirement employment commence no earlier than 180 days after the retirement date, which is June 28, 2022 without this certification resolution; and

WHEREAS, section 7522.56 provides that this exception to the 180 day wait period shall not apply if the retiree accepts any retirement-related incentive; and

WHEREAS, the CADA Board of Directors, CADA and Diana Rutley certify that Diana Rutley has not and will not receive a Golden Handshake or any other retirement-related incentive; and

WHEREAS, the CADA Board of Directors hereby appoints Diana Rutley as an extra help retired annuitant to perform the duties of Property Manager for CADA under Government Code section 21224 effective on or around January 17, 2022; and

WHEREAS, the entire employment agreement, contract or appointment document between Diana Rutley and CADA has been reviewed by this body and is attached herein; and

WHEREAS, no matters, issues, terms or conditions related to this employment and appointment have been or will be placed on a consent calendar; and

WHEREAS, the employment shall be limited to 960 hours per fiscal year; and

WHEREAS, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate; and

WHEREAS, the maximum base salary for this position is \$8,067 and the hourly equivalent is \$46.54 and the minimum base salary for this position is \$5,378 and the hourly equivalent is \$31.03 and

WHEREAS, the hourly rate paid to Diana Rutley will be \$38.78; and

WHEREAS, Diana Rutley has not and will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition to this hourly pay rate; and

NOW, THEREFORE, BE IT RESOLVED THAT the CADA Board of Directors hereby certifies the nature of the appointment of Diana Rutley as described herein and detailed in the attached SCOPE OF SERVICES appointment document and that this appointment is necessary to fill the critically needed position of Property Manager for CADA by January 17, 2022 because Diana Rutley possesses vast and unique institutional knowledge that will be critically needed to avoid a stoppage of business in CADA's property management operation due to time sensitive tasks with regard to legally necessary updates to existing leases, revisions to the template CADA commercial lease for new CADA commercial

tenants who will be leasing from CADA in the next 90 to 180 days, continuing management of the agency's Covid-19 Rental Assistance Programs, and the onboarding of the new Manager, once hired.

Ann Bailey, Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors

Attachment 1 – Rutley Retired Annuitant Proposed Scope of Services

Diana Rutley

Retired Annuitant Proposed Scope of Services

1-5-21

- 1. Update the template CADA commercial lease for use with new tenants CADA anticipates leasing to in the next 90-to 180 days**
- 2. Continued management of the agency's Covid-19 Rental Assistance Programs and provide continuing assistance to CADA tenants with Covid-19 hardships**
- 3. Onboarding and training of the new Manager, once hired**
- 4. Provide the Deputy Executive Director (Interim Commercial Manager) with assistance and training including, but not limited to:**
 - a. Locations of key commercial files, as needed**
 - b. Background on each commercial tenant, as needed**
 - c. Other assistance, as needed, until the new Manager is hired.**
- 5. Until the new Manager is hired and trained:**
 - a. Work with the Accounting Manager to track tenants who are not paying their rents and to implement and follow up on rent repayment agreements**
 - b. Prepare 3-day notices for non-payment of rent**
 - c. Provide training for preparation of market study for setting of market rents**