



**Minutes of the Regular Meeting  
of the Board of Commissioners of the  
Housing Authority of the City of Everett**

**February 25, 2019**

**Meeting Called to Order**

The Regular Meeting of the Board of Commissioners of the Housing Authority of the City of Everett was called to order by Chair Maddy Metzger-Utt following lunch, at 12:10 p.m. on Monday, February 25, 2019 at the Authority's main office, 3107 Colby Avenue, Everett, Washington.

**Commissioners Present at Roll Call:**

Chair Maddy Metzger-Utt  
Vice-Chair Allison Warren-Barbour  
Commissioner George Perez, Jr.

Commissioner Todd Taylor  
Commissioner Benjamin Young

**Commissioners Absent:**

Commissioner John Mierke

**Also in attendance were:**

**Staff:**

Ashley Lommers-Johnson, Executive Director  
Rick Dorris, Director of Development (Retiring)  
Wendy Abbey, Director of Finance  
John Forsyth, Director of Housing Operations  
Steve Yago, Director of Acquisitions & Asset Mgmt.  
Erica Dias, Acting Director of Development  
Linda Baines, Deputy Director of Housing Management  
Paula Kennedy, Human Resources Manager  
Brenda McLeod, Ass't. Director of Procurement & Contracts  
Chris Neblett, Hearing Officer/Administrative Coordinator  
Jaysen Garcia, Executive Assistant  
Vanessa Figueroa, HCV Manager

**Guests:**

Lorna Corrigan, Attorney  
Catherine Holdsworth, Broadway Plaza Resident Council President

## **Administration of Oath of Office to Commissioner Benjamin Young**

Chair Metzger-Utt administered the oath of office to incoming Commissioner Benjamin Young, who will complete the term of former commissioner Michele Rastovich, expiring October 6, 2022.

## **Communications**

Broadway Plaza Resident Council President Catherine Holdsworth thanked the maintenance crew for clearing sidewalks and keeping residents safe during the recent snow days. She also noted that the thrift store no longer carries items of clothing.

## **Executive Director's Report**

Executive Director Lommers-Johnson began by discussing the impact the recently adopted HUD appropriations bill will have on the Housing Authority's programs. Although the Public Housing and Housing Choice Voucher programs are now fully funded through the end of the current fiscal year, the outlook after that is less certain, given the possibility of sequestration and diminished program funding. However, he remained optimistic a political solution was in the works and noted the latest PHADA newsletter contained detailed information on this topic.

The Executive Director next recognized the superior performance of the housing operations department in managing the recent snow event, during which time maintenance staff worked weekends and after hours to keep sidewalks and parking lots clear at properties and offices. He noted the Housing Authority may need to invest in snow removal equipment in order to be prepared for such future events. Director of Housing Operations John Forsyth has planned a lunch to honor the efforts of maintenance staff at keeping residents safe during this spell of inclement weather.

The Executive Director announced the retirement of Director of Development Rick Dorris effective February 28 and highlighted some of his achievements in managing the agency's development activities over the past six years. This included overseeing extensive renovations at several properties, including those related to the conversion of former Public Housing to the RAD program. Mr. Dorris also took the lead in the development of Pivotal Point, which received NAHRO's prestigious National Award of Excellence. The Executive Director noted that Mr. Dorris has been a great mentor to his staff, most notably to Erica Dias, who has been named Acting Director of Development. He thanked Mr. Dorris for his sixteen years of service to the Housing Authority, and Chair Metzger-Utt echoed that sentiment on behalf of the Board.

The Executive Director next called attention to the accomplishments of the Housing Choice Voucher program staff over the course of 2018, most notably for achieving a voucher utilization rate of 99.7%, one of the highest such rates in the country in comparison with the nationwide average rate of 89%. The HCV department was also designated High Performer status under HUD's SEMAP evaluation for 2018. Mr. Lommers-Johnson thanked HCV Manager Vanessa Figueroa, who attended the meeting in the absence of HCV Program Director Wendy Westby, for her department's superior performance over the past year.

The Executive Director concluded by noting that after months of negotiations, management and the Teamsters union were close to finalizing a collective bargaining agreement for maintenance employees.

### **Consent Agenda**

Commissioner Perez moved for approval of the Consent Agenda, and Commissioner Warren-Barbour seconded the motion. The Consent Agenda contained the following items:

1. Section 8 Payments for the Months of October, November, December 2018
2. Summary of Vouchers for the months of October, November, December 2018
3. Approve Minutes of the Annual Meeting Held on November 13, 2018
4. Approve Additional Revision to Updated Telecommuting Policy

### **Public Hearing on Proposed 2019-20 Annual PHA Plan**

At 12:32 p.m. Chair Metzger-Utt called for a motion to convene the public hearing on the Housing Authority's proposed Annual Plan, which will be effective July 1, 2019.

Commissioner Taylor motioned to convene the hearing, Commissioner Warren-Barbour seconded the motion, and the floor was opened to comment on the proposed Plan. No comments were presented at the hearing, and Hearing Officer/Administrative Coordinator Neblett reported none were received over the course of the 45-day review period leading up to this hearing, or from the Resident Advisory Board.

Mr. Neblett said the proposed Plan represents the last year of the current Five-Year Plan cycle, then reviewed some of the activities covered under this proposed Plan, including but not limited to commencing with the sale of the Public Housing Scattered Sites, vacating remaining tenants from Baker Heights, proceeding with plans to sell the majority of the Baker Heights site once it is completely vacated, and moving forward with plans to develop up to 200 mixed income units – to include up to 80 units for extremely low-income homeless families – on a portion of the Baker Heights site.

Executive Director Ashley Lommers-Johnson said the proposed Plan also includes several revisions to the Housing Choice Voucher program policy, most notably the elimination of the requirement that an applicant family be rent-burdened, homeless, or living in transitional housing in order to qualify for a local preference on the waiting list. Although the Housing Authority solicited feedback from local stakeholders on this proposed change to the preference, only one person showed up at a meeting coordinated for that purpose. The Executive Director said the Board will be asked to assist with the development of the Five-Year Plan required by HUD and a broader Five-Year Strategic Plan.

Chair Metzger-Utt called once more for public comment on the proposed Plan, and receiving none, called for a motion to close the hearing. Commissioner Perez moved to close the public hearing on the proposed Annual Plan, Commissioner Taylor seconded, and the public hearing ended at 12:44 p.m.

## **Items for Individual Consideration**

### ***Resolution No. 1469 Authorizing the Formation of Ekhaya LLLP***

Acting Director of Development Erica Dias explained that the resolution authorized the formation of a partnership, Ekhaya LLLP, for the purpose of securing tax credit financing for the renovation of four Housing Authority properties: Silver Woods Senior Housing, Lynn Wood Senior Housing, Pepperwood Senior Housing, and the Cottages at Silver Lake. This resolution also authorized the Executive Director or his designee to enter into contracts relating to construction renovation activities for these properties.

Commissioner Perez moved that the resolution be adopted. Commissioner Taylor seconded the motion, which passed unanimously.

### ***Motion to Approve Policies for Employee Medical, Dental, Life Insurance***

Finance Director Wendy Abbey said March 1 will mark the renewal date for employee medical, dental, and life insurance policies. Proposals were received from five different medical insurance providers, all of which represented a significant increase to current rates. This included the initial proposal from the current provider, Cigna, which ultimately agreed to limit the requested increase to 16% over the current rate. Director Abbey said the agency budget is able to absorb this level of increase, and management is pleased to be able to offer the same level of medical coverage to employees without having to change providers. Principal will replace Guardian as the dental insurance provider, as it was able to offer better benefits at a lower rate. Principal has also been selected as the provider for life insurance, at no increase to current rates.

Commissioner Warren-Barbour moved to approve renewal of the medical insurance policy with Cigna, and to change the provider policies for dental and life insurance to Principal. Commissioner Perez seconded the motion, which passed unanimously.

### ***Motion Authorizing Executive Director to Execute a Contract for Architectural and Engineering Services for Colby Office Renovations***

Assistant Director of Procurement and Contracts Brenda McLeod said management recently met with an architect, Rice Ferguson Miller, to review six conceptual designs for renovation of the Colby office. Renovations will include adding an elevator, moving the conference room to the basement, and creating five new offices on the main level. Architectural and engineering services for this project came out to \$110,210, requiring the Board's approval to contract with the firm per the terms of the Housing Authority's Procurement Policy. Executive Director Lommers-Johnson went on to explain that sufficient funding for this work is available through the Public Housing Capital Fund (this money is fungible and therefore can be allocated for this project). Once the disposition of all of the agency's Public Housing has been completed, management will request HUD to transfer ownership of the Colby office directly to the Housing Authority. Mr. Lommers-Johnson anticipated that there would be no issues with the requested transfer.

Commissioner Taylor motioned to authorize the Executive Director to execute a contract with Rice Ferguson Miller, to provide architectural and engineering services for the Colby Office renovations. Commissioner Perez seconded the motion, which passed unanimously.

## **Item for Discussion – Resolution of Employee Grievance**

As a preliminary matter and with all due respect, Legal Counsel Corrigan noted that since Commissioner Young was not privy to all information required to make an informed decision on this matter, he should be recused from participating in the discussion of, or taking final action on, the grievance. Ms. Corrigan related that the grievance up for resolution consisted of two issues: the salary of a particular director for the year 2017, and the salary for a particular director for the year 2018. With respect to the first issue, the Board was asked to make a preliminary determination as to whether or not it was presented timely. Before the Board began deliberating on the issue, a director present at the meeting voiced his discomfort with the current process for resolving the grievance. He opined that personnel matters of this nature should be discussed in executive rather than open session, to respect the privacy of the parties involved.

After further discussion among the commissioners, Commissioner Perez motioned to table the resolution of the employee grievance until the March regular meeting, pending further research by legal counsel on other procedural options for resolving it. Commissioner Warren-Barbour seconded the motion, which passed unanimously.

## **Policy Discussion**

### *Review of Core Properties' First and Second Quarter and Tax Credit Properties' Third and Fourth Quarter Financial Statements*

Finance Director Abbey focused her discussion on summaries of financial statements for the period ending December 31. For the Core properties, consisting of properties the Housing Authority owns, the net cash flow at the midpoint of the fiscal year was \$565,474. This represented a significant positive variance, primarily due to higher than expected operating subsidies and asset repositioning fees associated with the impending disposition of Baker Heights. Relocation costs for Baker Heights tenants who have yet to vacate were expected to increase over the remainder of the year, including the potential purchase of a van to drive tenants to view prospective properties. Ms. Abbey said maintenance costs at the property were under budget, as the cost of clear boarding the vacant units was less than expected and started later than planned. She anticipated that the Core Properties would likely continue to perform well through the end of the fiscal year, although not to the degree experienced over the first half. Chair Metzger-Utt requested that future statements reflect expense line items with negative variances in parenthesis.

Finance Director Abbey next reviewed a summary of financial statements for the Housing Authority's supporting programs, which include the CoCC, property management fund, property development fund, Section 8 administrative costs, and the and Hope Options-program. It was shown that this program was also performing better than what was budgeted, a trend expected to continue into the next quarter as a result of additional revenue in the form of distributions from the Housing Authority's tax credit partnerships. Operating expenses for the supporting programs were on target as budgeted.

Finance Director Abbey concluded with a summary of financial statements for the tax credit properties, noting that audits of these properties are currently underway. Revenues were better than budgeted, and expenses came in under budget for each property grouping. Ms.

Abbey said the decision to move supportive services in-house has had a positive impact on the budget that will continue into the long-term.

Commissioner Warren-Barbour moved to approve financial statements for the Core Properties, Supporting Programs, and Tax Credit Properties as presented. Commissioner Taylor seconded, and the motion passed unanimously.

*Board of Commissioners/Sr. Staff Retreat*

Executive Director Lommers-Johnson said current plans called for a Spring Board of Commissioners retreat, which may include some senior staff, and a senior staff retreat in the Fall. The Board retreat will entail core strategic planning, which will in turn provide direction for the Agency Five Year Plan required by HUD and a broader Five-Year Strategic Plan. Based on an earlier poll of the individual commissioner's availability, the Board retreat was planned for a half-day on May 2 and the full day of May 3. The location of the retreat had yet to be determined, and it was also not yet decided whether a third-party will facilitate.

**Executive Session to Discuss the Performance of the Executive Director**

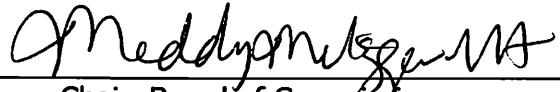
At 1:35 p.m. Chair Metzger-Utt announced the Board would convene into Executive Session to discuss the Executive Director's performance, pursuant to RCW 42.30.110(1)(g), and reconvene in public session at 1:50 p.m. Commissioner Warren-Barbour moved to adjourn to Executive Session as stated, and Commissioner Perez seconded the motion.

At 1:50 p.m. Chair Metzger-Utt announced outside of the meeting room that the Executive Session would be extended until 2:05 p.m.

The Board reconvened in public session at 2:06 p.m. with no action taken in Executive Session. Commissioner Warren-Barbour motioned to set the Executive Director's salary based on a market compensation study completed by a consultant for consideration by the Board. The consultant recommended his compensation to be set at the mid-point of the salary range for an executive director of comparable agencies effective January 1, 2019. Commissioner Young seconded, and the motion passed unanimously.

**Adjournment**

There being no further business, Chair Metzger-Utt adjourned the meeting at 2:08 p.m.



Chair, Board of Commissioners

ATTEST:



Secretary