



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

**August 24, 2015**

**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 Michele Rastovich following lunch, at 12:03 p.m. on Monday, August 24, 2015 at the Authority's main office, 3107 Colby Avenue, Everett, Washington.

**Commissioners Present at Roll Call:**

Chair Michele Rastovich  
Commissioner Maddy Metzger-Utt  
Commissioner John Mierke  
Commissioner George Perez, Jr.  
Commissioner Lyle Ryan

**Commissioners Absent:**

Commissioner Todd Taylor

**Also in attendance were:**

**Staff:**

Ashley Lommers-Johnson, Executive Director  
Jill Stanton, Director of Finance  
Gwen Danforth, Human Resources Manager  
Wendy Westby, Director of HCV Program  
Steve Yago, Director of Housing Management  
Erica Koenig, Deputy Director of Housing Management  
Teena Ellison, Director of Resident Services  
Marcia Albert, FSS Project Coordinator  
Katie Ulvestad, Executive and Development Assistant

**Guests:**

Lorna Corrigan, Attorney  
Gary Haddenham, Co-President, Broadway Plaza Resident Council

## **Approval of Minutes**

Chair Rastovich called for approval of the minutes for the Regular Meeting held on June 22, 2015, and the minutes from the Special Meeting on July 20, 2015. Commissioner Metzger-Utt moved to approve the minutes of these meetings, and Commissioner Ryan seconded the motion. Upon being put to a vote, the motion was passed and the minutes were approved.

## **Communications**

Broadway Plaza Resident Council Co-President Gary Haddenham reported that there was a great turnout for Family Day – which was held indoors due to rain – with about 50 residents and 80 guests in attendance. He said that the Broadway Plaza Resident Council hoped to continue this annual event in the future.

## **Executive Director's Report**

Executive Director Ashley Lommers-Johnson began by recognizing the upcoming retirement of Human Resources Manager Gwen Danforth at the end of September, making this the last Board meeting she would attend as a Housing Authority employee. He expressed his appreciation and thanks for her 25 years of service to the agency. Rather than recruiting a new Human Resources Manager, the Executive Director intended to promote a current employee to the position of Human Resources Analyst, with Finance Director Jill Stanton overseeing the agency's human resources functions. He also observed that the ten year anniversary of Hurricane Katrina was approaching, and recalled how Housing Authorities across the United States worked together to help families in the wake of that catastrophic event. He introduced FSS Project Coordinator Marcia Albert as someone who experienced Katrina firsthand, leading ultimately to her employment with Everett Housing Authority, where she has been a valued employee.

Executive Director Lommers-Johnson discussed the first listed item on his report, related to HUD's SEMAP audit for fiscal year 2014. This annual audit measures the Housing Authority's performance administering its Housing Choice Voucher (Section 8) program. HUD deducted points from the 2014 SEMAP, based on issues with the date and time stamping of applications. This lower overall score resulted in a downgrading of the Authority's performance designation, from high performer to standard performer. The Executive Director said the Housing Authority had since appealed this SEMAP score, and although formal notice had not been received to date, it was anticipated that the appeal would be successful and the agency's designation as a high performer would be restored.

The next topic on the Executive Director's report, "EHA National Awards," concerned three Everett Housing Authority projects that received an Award of Merit at the recent NAHRO Summer Conference in Austin, Texas. All three projects were subsequently nominated for an Award of Excellence, to be presented at NAHRO's October Annual Conference in Los Angeles: The Executive Director was excited to report that NAHRO had notified him in advance that the Pivotal Point Apartments project was to receive an Award of Excellence at this upcoming conference.

Executive Director Lommers-Johnson updated the Board on the status of the Section 18 demolition/disposition application for Baker Heights. Progress was continuing with the

required environmental assessment, with the City of Everett agreeing to share a portion of the cost. The Executive Director said the Housing Authority was now considering a Section 18 application as the most viable means to dispose of its Public Housing Scattered Sites, tabling the resolution on the current meeting agenda related to disposition of these units via the RAD program. He was aware that the Housing Authority of Snohomish County (HASCO) had disposed of its scattered sites via Section 18, and in doing so was able to keep these units in its inventory and rent them to Voucher participants.

The next listed item on the Executive Director's report concerned the acquisition status of the Royal Oakes. Executive Director Lommers-Johnson said this purchase successfully closed several weeks ago, resulting in the addition of 16 units to the Housing Authority's portfolio within the vicinity of an existing property, the Oakes Apartments. The Royal Oakes was seen as an additional rental opportunity for Housing Choice Voucher program participants.

Executive Director Lommers-Johnson concluded his report with an update on the status of Federal funding for the Housing Choice Voucher and Public Housing programs. He explained that Congress would take up a Federal appropriations bill upon its return from summer recess, and if an appropriations bill was not passed by the end of September, it could result in a government shutdown. The Executive Director noted that any postponement of the appropriations process would likely result in tension between political parties over discretionary spending, as it would move the debate closer to the upcoming elections. He viewed the agency's Housing Choice Voucher program as the most at risk, as it outlayed close to \$2 million dollars each month in Housing Assistance Payments to landlords.

### **Public Comment**

None

### **Communications**

Commissioner Mierke made a motion to adopt the Consent Agenda, and Commissioner Perez seconded the motion, which passed unanimously. The Consent Agenda contained the following items:

1. Section 8 Payments for the Month June, July 2015
2. Summary of Vouchers for the Month of June, July 2015

### **Items for Individual Consideration**

#### ***Resolution 1393 Adopting Revised Bylaws***

Executive Director Lommers-Johnson went over proposed changes to the existing Bylaws with the Board. He began by noting it was desirable to change the Annual Board of Commissioners meeting from the fourth to the second Monday, in order to avoid meeting so close to the Thanksgiving holiday. He said a second, related resolution for the Board's consideration would reduce the frequency of Regular meetings. Additionally, Article III, Section 5 of the revised Bylaws provided more flexibility in the order of business for regular

meetings, by enumerating the items of business that should appear on the agenda, but not requiring that they be presented in a set order.

The Executive Director pointed out a more significant change in Article III, Section 7 of the Bylaws, which allowed Commissioners to participate in meetings remotely. He stressed that remote meetings would be kept to a minimum, recognizing that when such meetings must take place, it was critical that attending members of the public be able to hear any Commissioners attending remotely, and vice versa. Attorney Lorna Corrigan pointed out that telephonic meetings would require the Housing Authority to issue notice in advance, to ensure that accommodations were made for any members of the public with hearing disabilities. Ms. Corrigan also explained how the voting process would work within the context of a telephonic meeting, in response to Commissioner Perez's inquiry.

Executive Director Ashley Lommers-Johnson also noted that Article III, Section 8 the revised Bylaws enabled the establishment of committees comprised of Commissioners. These committees were solely advisory in nature, and were intended to aid the Board in the decision making process, by providing more in-depth information about complex subject matter. The following standing committees were designated: Finance and Real Estate Investment Committee, Personnel Policy Committee, and Housing Policy Committee. Commissioner Metzger-Utt inquired as to how the committees would be selected. Executive Director Lommers-Johnson stated that the Board Chair would assign members, a process Housing Authority management would be happy to assist with.

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

### ***Resolution 1394 Establishing Time, Location, and Frequency of Regular Board Meetings***

Executive Director Lommers-Johnson said this resolution only changed the frequency of regular meetings of the Board of Commissioners, to five per year, with the time and location remaining the same. He explained that this reduction in the number of monthly meetings would free up time for Housing Authority management staff, thereby increasing productivity. It was anticipated that the committees enabled by the new Bylaws would aid in the process, by receiving information from staff outside of Board meetings.

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

### ***Resolution 1395 Authorizing the Formation of EHA Senior Housing I LLLP***

Executive Director Lommers-Johnson introduced this resolution as directly related to the operations of the newly acquired Meadows I, II, III, and Lake Woods II. Its purpose was to authorize the formation of a partnership, in order to facilitate the renovation of these properties through tax credit financing. Most of the planned work was expected to take the form of exterior renovations. The Executive Director noted that an application for 4% tax credits was in process, and that the next step would be to locate investors. In the meantime, Everett Housing Services, Inc. would serve as the limited partner. In response

to Commissioner Ryan's inquiry related to this last point, Finance Director Jill Stanton explained that Everett Housing Services, Inc. was used as a holding company when investors were sought for the tax credit financed renovation activity at Bakerview/Grandview, in conjunction with the conversion of those properties to the Rental Assistance Demonstration program.

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

***Resolution 1396 Approving Section 8 Management Assessment Program (SEMAP) Certification for the Program Year Ending June 30, 2015***

Director of HCV Program Wendy Westby presented the results of the latest SEMAP to the Board. She said this annual, self-assessed audit measured a PHA's performance administering its Housing Choice Voucher (Section 8) program by a scoring system based on 14 component areas, or indicators. Ms. Westby said the Housing Authority received an overall SEMAP score for fiscal year 2015 that rated it as a "standard performer."

Director Westby then reviewed the two SEMAP indicators that brought down the Housing Authority's overall score. The Housing Authority contracted with consulting firm Quadel to complete indicator 3, which measured performance in determining participants' adjusted income based on individual file audits, and received a 71% pass rate. Ms. Westby said a HUD audit of the same program area held in June resulted in no findings. Points were also lost under the HQS inspection indicator, related to the amount of time a unit re-inspection took place following an initial failed inspection. Ms. Westby noted that a finding in this area also took place during the HUD's June audit.

Chair Rastovich inquired if the purpose of this resolution was for the Board to approve the transmission of the SEMAP Certification to HUD, and Ms. Westby stated that it was. Commissioner Metzger-Utt then queried as to the impact of the "standard performer" rating. Ms. Westby explained that it could limit the Housing Authority's opportunities in some ways, such as programs limited to "high performers". Executive Director Lommers-Johnson said this would have a big impact on the Housing Authority's eligibility for the Moving to Work program. The Senate's proposal to increase the number of participating PHAs to 300 included approximately 125 slots for PHAs comparable to this agency; however, high performing housing authorities will receive preference in the selection process.

Commissioner Ryan inquired about the percentage score attached to the "standard performer" rating, and Ms. Westby said the Housing Authority received a score of 110 out of 135 possible points, or 81%. Concluding discussion on this item of business, Executive Director Lommers-Johnson explained that the Housing Authority planned to work with a consultant on HQS Inspections protocol, in order to develop a more thorough and efficient system.

Commissioner Metzger-Utt moved that the resolution be adopted. Commissioner Ryan seconded the motion, which passed unanimously.

***Resolution 1397 Authorizing Amendment #20 to the Interagency Agreement with Housing Hope Relating to the Commerce Building SRO Units***

HCV Program Director Westby said this resolution called for renewal of the agreement with Housing Hope, whereby that agency would continue to provide management services for the Commerce Building, a 29 unit Mod Rehab building owned by the Housing Authority.

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

***Resolution 1398 Approving General Depository Agreement with Banner Bank***

Finance Director Jill Stanton said it was necessary to execute a depository agreement with Banner Bank, as it provided loans for several Housing Authority acquisitions. This was a HUD requirement.

Commissioner Metzger-Utt moved that the resolution be adopted. Commissioner Mierke seconded the motion, which passed unanimously.

***Resolution 1399 Revising Resolution 1380 to Change the Number of Transferred Project-Based Units as Part of the Conversion of the Scattered Sites to the Rental Assistance Demonstration Program***

The Executive Director let the Board know that he wished to table this resolution, as management planned to investigate the feasibility of filing a Section 18 application as a means for disposing of the Scattered Sites. If successful, this would provide 44 replacement Vouchers, and allow for the units to be transferred back to ownership by the Housing Authority.

***Motion to Approve Change in Title and Pay Classification for One Position and Approval of Three Additional Positions***

The Executive Director said the requested personnel changes, as contained in the Board agenda memorandum, related to the coordination of renovation activity under the RAD program. This work was previously funded under the RAD project budget, when EHA had planned to complete interior renovations on its own. Since this work was now being completed by Walsh Construction, these positions were to be financed out of the developer fee, up through completion of the renovation projects. The Executive Director detailed the salary range for these positions and change in their classification, due to a change in responsibilities.

Executive Director Lommers-Johnson said his memorandum contained another, unrelated requested personnel change, meant to address some of the fluctuation in staffing levels within the Housing Choice Voucher department. This was a request to hire an additional Certification Specialist I or II. Funding for this position was available, as the Housing Choice Voucher department had underutilized its budget for the last three years.

The following recommended actions related to personnel changes, as contained in the Executive Director's memorandum, were considered as a single motion:

1. Motion to re-title the current position of Development & Acquisition Coordinator to Development & Acquisition Manager and reclassify the compensation range for this position from Level I (\$4,669-\$5,610) to Level G (\$4,874-\$6,320), effective September 1, 2015, within the current budget authority.
2. Motion to add two Interior Renovation Coordinator positions with a compensation level L (\$4,669-\$5,610).
3. Motion to hire an additional Certification Specialist I or II within current Housing Choice Voucher Department budget authority.

Commissioner Perez moved to approve the three recommended actions. Commissioner Mierke seconded the motion, which passed unanimously.

### **Adjournment**

There being no further business to discuss, Chair Rastovich called for a motion to adjourn. Commissioner Ryan motioned to adjourn, Commissioner Metzger-Utt seconded, and the meeting ended at 1:01 p.m.



Chair, Board of Commissioners

ATTEST:



Secretary