



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

March 23, 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 12:06 p.m. on Monday, March 23, 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:

Rick Dorris, Asst. Ex. Director/Director of Dev't. and Acquisitions
Jill Stanton, Director of Finance
Gwen Danforth, Human Resources Manager
Wendy Westby, Director of HCV Program
Katie Ulvestad, Executive and Development Assistant
Chris Neblett, Hearing Officer/Admin Coordinator

Guests:

Lorna Corrigan, Attorney
Tom Douge, Broadway Plaza Resident Council Representative
Warren Hemminger, President, Pineview Resident Council
Deborah Wright, City of Everett Department Administrator
Debra Loughrey-Johnson, City of Everett Program Director

Agenda Revision

Chair Michele Rastovich called for a motion to add an item for individual consideration, "Motion to Accept Earthquake Insurance Coverage Proposal for Broadway Plaza East, Broadway Plaza West, and 12 Pines," to the meeting agenda: Commissioner Ryan moved to approve this agenda revision, which was seconded by Commissioner Metzger-Utt and passed unanimously.

Approval of Minutes

Chair Rastovich called for approval of the minutes for the Regular Meeting held on February 23, 2015. Commissioner Perez moved to approve the minutes of this meeting, and Commissioner Metzger-Utt seconded the motion. The motion passed unanimously, with Commissioner Ryan abstaining.

Communications

Liz King, President of the Bakerview Resident Council, said residents of the Bakerview high rise were pleased with the ongoing renovations at the Bakerview high-rise.

Tom Douge, a Broadway Plaza Resident Council representative, said the council was having a hard time getting residents to turn out for its sponsored social activities.

Warren Hemminger, President of the Pineview Resident Council, passed around a flyer advertising a council meeting on March 24th. He said items for discussion at this meeting would include the development of a budget for resident council funds, summer youth programming, and planning for dumpster day. Mr. Hemminger said the resident council was still interested in becoming a non-profit entity, and it was also actively seeking new members.

Executive Directors Report

Director of Development and Acquisitions Rick Dorris, who also serves as the Assistant Executive Director, gave this report to the Board, as Executive Director Ashley Lommers-Johnson was not able to attend. Mr. Dorris began with an update on the tax credit and bond-funded renovations taking place at the RAD PBV and Affordable Housing sites. Walsh Construction was the firm overseeing this renovation work, which included various exterior improvements at multiple sites, as well unit modernization and other interior improvements at the Bakerview high rise. He said that management was pleased with the completion rate and overall quality of the work. It appeared that all work items would be wrapped up by mid-November, well in advance of the tax credit compliance deadline of December 31.

Following his update on renovations, Mr. Dorris asked Deputy Director of Housing Management Erica Koenig to update the Board on management's latest decision regarding the Broadway Plaza meal program. She began by recalling a couple of points from her presentation at last month's Board meeting: the first was related to ongoing operating losses for the kitchen, and the second concerned results of a focus group indicating most tenants were not dependent on the meal program. Based on that and other factors, Ms. Koenig said management made a decision to end the meal program in its current form

effective April 30. Beginning May 1, a kitchen staff of one cook and an assistant would deliver a meal to tenants who had signed up for this scaled back program. In the meantime, building staff would continue to work with these tenants, to figure out a viable way to replace this meal once the service stopped altogether at the end of October. Ms. Koenig said she was aware that the administrators of the meal program at the adjacent Carl Gipson Senior Center had some related concerns, which she hoped to resolve at a meeting scheduled for later in the week.

Public Comment

Deborah Wright, Executive Administrator of the City of Everett's Neighborhoods and Community Services Department, and Debra Loughrey-Johnson, Director of the Carl Gipson Senior Center of Everett, provided comment related to the decision to terminate the Broadway Plaza meal program. Both representatives felt they were not given enough advance notice regarding this decision, and they expressed concern about the potential negative impact the additional diners from Broadway Plaza would have on the Senior Center's meal program budget. Ms. Loughrey-Johnson was also worried that disabled residents under the age of 60 might chafe at having to pay the regular \$6.00 charge for a meal, rather than the \$2.50 suggested donation for seniors. After presenting their comments, Ms. Wright and Ms. Loughrey-Johnson engaged in conversation with the commissioners regarding general details about the Senior Center meal program. Following that, Chair Rastovich thanked both of these City representatives for attending the meeting and making their concerns known. She hoped that all issues would be worked out to their mutual satisfaction in the upcoming meeting with Deputy Director of Housing Management Erica Koenig, and she asked that the commissioners be given a follow-up report at the next Board meeting.

Consent Agenda

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

1. Section 8 Payments for the Month of February 2015
2. Summary of Vouchers for the Month of February 2015

Items for Individual Consideration

Resolution No. 1384 Adopting 5-Year Plan, Annual Plan, Capital Plan & Budget

Hearing Officer/Administrative Coordinator Chris Neblett said this resolution served as the Board's formal adoption of the 5 Year Plan, Annual Plan, and Public Housing Capital Fund budget for the fiscal year beginning July 1, 2015. All items remained unchanged since they were presented at a public hearing at the February Board meeting. Mr. Neblett said the next step was for the Executive Director to transmit the Plans to HUD within 75 days of the July 1 start of the fiscal year, on or around April 15.

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

Resolution No. 1385 Adopting New Administrative Plan for the Housing Choice Voucher Program

Director of the Housing Choice Voucher Program Wendy Westby said her staff had received a week-long training on this new program policy, which will be effective May 1, since it was reviewed by the Board in January. Ms. Westby said that subsequent interactions with her staff and HCV program participants led to some minor changes to the policy, designed to provide further clarification. This included the chapter on occupancy standards, in the form of language specifying that spouses were exempt from the standard allocation of a separate bedroom for elderly or near elderly individuals.

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

Motion(s) Approving Contract with Consultant to Provide Financial Analytical and Advisory Services Relevant to Real Estate Development Activities

Director of Development and Acquisitions Dorris said the agency was in need of a consultant to provide financial and advisory support services related to the development and preservation of low income and affordable housing in the Everett area. Activities associated with this objective would include, but not be limited to, identifying new acquisitions, expanding the RAD program, re-syndicating expiring tax credits for various properties, and oversight of demolition/disposition process for Baker Heights and future sites. Although seven firms asked for the RFP packet when it was advertised, Brawner and Company was the only firm to submit a bid package. Mr. Dorris said that the principal of this firm, Jim Brawner, has provided superior consulting services related to tax credit partnerships and other development activities for the Housing Authority in the past, most recently with the RAD program.

Mr. Dorris said management was seeking to negotiate a renewable contract with Brawner and Company, basing compensation for individual work items on billable hourly rates, for a total amount up to \$500,000. In the event it was found necessary to increase this maximum limit of compensation, the Executive Director would request the Board's approval at a future meeting. After further discussion, the Board determined that a contract of this nature was acceptable, provided the Housing Authority's legal counsel reviewed it prior to its execution.

Commissioner Metzger-Utt moved to authorize the Executive Director to negotiate a contract with Brawner and Company, subject to review by legal counsel, for financial and advisory support services relevant to real estate development activities, in an amount up to \$500,000. Commissioner Perez seconded the motion, which passed unanimously.

Motion to Retroactively Approve Contract with Servpro for Emergency Repairs at Broadway Plaza East and West

Director of Housing Management Steve Yago informed the Board that within the past three months, two separate incidents caused fire sprinklers to activate at both of the high rises at Broadway Plaza, causing significant water damage. At the time of each incident, management contracted with Servpro of North Everett to perform emergency maintenance repairs, totaling approximately \$80,000 in the East building and \$90,000 in the West

building. Subsequent clean-up work by the same company resulted in further charges; however, Mr. Yago said insurance covered all costs above the \$1,000 deductible per building.

Commissioner Mierke moved to retroactively approve contracts with Servepro of North Everett, for emergency repairs and clean up at Broadway Plaza East and West. Commissioner Perez seconded the motion, which passed unanimously.

Motion to Accept Earthquake Insurance Coverage Proposal for Broadway Plaza East, Broadway Plaza West, and 12 Pines

Director of Housing Management Steve Yago said earthquake insurance policies covering 12 Pines and Broadway Plaza East and West were scheduled to expire at the end of the month. He reviewed the terms of the most favorable bid submitted to the agency's broker by Lloyd's of London. This proposal represented a 9% increase in premiums, which was attributed to an increase in the overall value of these properties over the past year.

Commissioner Ryan moved to accept the proposal from Lloyd's of London for earthquake insurance coverage on 12 Pines and Broadway Plaza East and West. Commissioner Perez seconded the motion, which passed unanimously.

Executive Session

Chair Rastovich called for a motion for the Board to convene in Executive Session for approximately fifteen minutes, for the purpose of reviewing the performance of the Executive Director. Commissioner Metzger-Utt motioned as requested, Commissioner Perez seconded, and the Board went into Executive Session at 12:55 p.m.

Reconvene Regular Session/Resume Executive Session

At 1:15 p.m. the Board reconvened in public session, at which time Chair Rastovich called for a motion to return to Executive Session for an additional ten minutes, in order to continue discussion on the Executive Director's performance review. Commissioner Mierke motioned to reconvene in Executive Session, Commissioner Perez seconded, and the Board resumed the Executive Session.

Reconvene Regular Session

The Executive Session concluded at 1:20 p.m. with no action taken, and the Board reconvened in public session. Based on what was discussed in the Executive Session, Commissioner Perez made a motion to amend the Executive Director's salary range to \$10,000 to \$14,000 per month. Commissioner Mierke seconded the motion, which passed unanimously. Next, Commissioner Metzger-Utt motioned to include the Budget and Priorities Objectives bullet points, contained in the narrative section of the agency's Annual Budget for 2014-2015, into the self-evaluation the Executive Director will complete as part of his performance review. She stated that this new self-evaluation form was to be considered a public document that would be provided to the Executive Director. Commissioner Mierke seconded the motion, which passed unanimously.

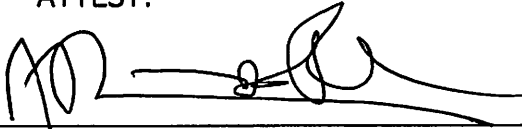
Adjournment

There being no further business, Chair Rastovich called for a motion to adjourn. Commissioner Metzger-Utt motioned to adjourn, Commissioner Ryan seconded, and the meeting ended at 1:26 p.m.



Chair, Board of Commissioners

ATTEST:



Secretary