



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

**September 22, 2014**

**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 Vice-Chair Michele Rastovich following lunch, at 12:09 p.m. on Monday, September 22, 2014 at the Authority's main office, 3107 Colby Avenue, Everett, Washington.

**Commissioners Present at Roll Call:**

Vice-Chair Michele Rastovich  
Commissioner Maddy Metzger-Utt  
Commissioner John Mierke  
Commissioner George Perez, Jr.  
Commissioner Todd Taylor

**Commissioners Absent:**

Chair Lyle Ryan

**Also in attendance were:**

**Staff:**

Ashley Lommers-Johnson, Executive Director  
Jill Stanton, Finance Director  
Gwen Danforth, Director of Human Resources  
Steve Yago, Director of Housing Management  
Wendy Westby, Director of HCV Program  
Erica Koenig, Deputy Director of Housing Management  
Brenda McLeod, Assistant Director of Procurement and Contracts  
Wendy Abbey, Assistant Finance Director  
Katie Ulvestad, Executive and Development Assistant  
Chris Neblett, Hearing Officer/Admin Coordinator

**Guests:**

Lorna Corrigan, Attorney

## **Approval of Minutes**

Vice-Chair Rastovich called for approval of the minutes of the Regular Meeting held on August 25, 2014. A motion to approve the minutes of this meeting was made by Commissioner Perez and seconded by Commissioner Mierke. Upon being put to a vote, the motion was passed and the minutes approved.

Vice-Chair Rastovich next called for approval of the minutes of the Special Meeting held on September 8, 2014. A motion to approve the minutes of this meeting was made by Commissioner Taylor and seconded by Commissioner Metzger-Utt. Upon being put to a vote, the motion was passed and the minutes were approved.

## **Communications**

No representatives of resident organizations were present to give a report.

## **Executive Directors Report**

Executive Director Ashley Lommers-Johnson said the police response to an incident at Grandview Homes over the past weekend, which included an arrest, had resulted in negative community feedback. He asked that media inquiries related to this incident be directed to him while management looked further into the matter. He noted that Director of Development and Acquisitions Rick Dorris was absent from this meeting because he was reviewing pre-closing documents on both RAD developments. Scheduled closing dates were September 29<sup>th</sup> Bakerview/Grandview, and September 30<sup>th</sup> for the Pineview/Affordables development. Mr. Lommers-Johnson said contracts were forthcoming for the acquisition of Broadway Meadows ("Meadows I, II, III") and Lakewoods II from Senior Services, for which Banner Bank will provide the financing. Closing on three of these four properties was anticipated for October, with Meadows III delayed until January, due to tax credit commitments. Commissioner Metzger-Utt asked about the status of the planned purchase of HUD 202 properties from Senior Services. Mr. Lommers-Johnson said these acquisitions were on hold for the time being, as regulation prohibits Housing Authorities from owning this type of property directly. Management was planning to turn its attention to this matter once the current Senior Service acquisitions were completed, and Mr. Lommers-Johnson said he would keep the Board posted as things progressed.

Vice-Chair Rastovich asked the Executive Director to reflect on the recent half-day retreat on September 8<sup>th</sup>, which was attended by the Board and upper-level management. He responded that it seemed to provide the time necessary to set an agenda for a longer retreat, scheduled for December 3<sup>rd</sup> and 4<sup>th</sup>, which will focus on the Housing Authority's objectives over the next five to ten years. Mr. Lommers-Johnson said he was planning to provide the Board with resources and information in advance of the retreat. He was also considering having an outside party give a presentation at the retreat on relevant topics related to long-range planning, such as the HO5 report showing projected demographic trends in Snohomish County.

## **Consent Agenda**

Vice-Chair Rastovich advanced to this next agenda item, as the public hearing portion of the meeting was advertised for 12:30 p.m., and it was not yet that time. Commissioner Metzger-Utt made a motion to adopt the Consent Agenda, and Commissioner Taylor seconded the motion. The Consent Agenda contained the following items:

1. Section 8 Payments for the month of August 2014
2. Summary of Vouchers for the month of August 2014

## **Items for Individual Consideration**

Consideration of Resolution 1374 was delayed until after the public hearing portion of the meeting, as it concerned subject matter related to the hearing.

### ***Resolution No. 1375 Adopting Payment Standards for the Housing Choice Voucher Program***

HCV Program Director Wendy Westby said HUD recently issued new Fair Market Rents (FMRs), making it necessary for the Authority to change the payment standard, the maximum amount of rental assistance that can be paid each month on specific bedroom sizes, for units with two to eight bedrooms. HUD regulation requires payment standards to fall between 90 and 110% of FMR, and the current payment standard for the specified bedroom sizes fell below the 90% threshold. Ms. Westby said this change would require the HCV program to increase the amount of rent subsidy paid for those bedroom sizes through the end of the year; however, that increased cost might be offset next year by an increase in HUD funding to the HCV program. In the interim, reserves would be used to make up the shortfall created by the increased rent subsidy payments, rather than exercising the option of serving fewer people. Management planned to come to the Board early next year with this issue, at which time it expected to have a better sense of the amount of HUD funding for the HCV program.

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

## **Public Hearing on Amended 2014-15 Annual Plan**

Vice-Chair Rastovich opened the public hearing on the amendment of the current PHA Annual Plan at 12:32 p.m. Hearing Officer/Administrative Coordinator Chris Neblett said HUD's PIH Notice 2014-12 mandated that Flat Rents be revised to at least 80% of FMR, and that this HUD notice contained other related requirements: i.e., the existing PHA Plan must be amended to reflect this change, utility costs must be deducted when calculating the new Flat Rents, new Flat Rents must be phased-in where they exceeded 35% of the existing rent. Mr. Neblett said the Authority had revised its Flat Rents on a discretionary basis in May 2014, but this additional revision was necessary after the HUD field office communicated that any change to the Flat Rents must be consistent with PIH Notice 2014-12.

Vice-Chair Rastovich opened the floor to comment on the amended 2014-15 Annual Plan. No comments were received, and the public hearing closed at 12:35 p.m.

## **Items for Individual Consideration (continued)**

### ***Resolution No. 1374 Adopting Amended 2014 Annual Plan***

Hearing Officer/Administrative Coordinator Neblett said this resolution formalized the amendment to the 2014-15 Annual Plan associated with the revised Flat Rents, as required by HUD PIH Notice 2014-12.

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

### ***Acceptance of Executive Director's Report on Write-offs of Tenant Accounts Receivable***

Assistant Finance Director Wendy Abbey presented the Board with the latest annual report of write-offs for unpaid tenant accounts for the fiscal year ending June 30, 2014. In addition to unpaid rents for properties the Authority owned, this report also included unreimbursed overpayments of HAP that resulted from HCV program participants' underreported income. HUD started to require the tracking of these accounts as fraud recovery revenue in 2011, but Ms. Abbey noted that in some cases the participants' failure to report income may not have been intentional. She said there was an overall decrease in the amount of write-offs of tenant accounts from the previous year's report.

Commissioner Metzger-Utt moved to accept the report on write-offs of unpaid tenant accounts. Commissioner Perez seconded the motion, which passed unanimously.

### ***Motions Approving Housing Management Staffing Changes***

Executive Director Lommers-Johnson presented this request for the Board to approve changes to the organizational structure of the Housing Management Department. He said this type of restructuring generally required additional budget authority, but that was not the case with these proposed changes. Mr. Lommers-Johnson proposed to reduce the number of Asset Managers from three to two for the time being, with the third position to remain vacant until the Senior Services property acquisitions were complete and a decision was made about how a third portfolio would be managed.

Mr. Lommers-Johnson presented the following proposed changes to the Housing Management department, to be considered as a single motion: 1) Create two new Assistant Asset Manager positions, to take on the additional supervisory responsibility placed on the Asset Managers by the consolidation of housing assets from three portfolios to two; 2) Defund an existing Housing Management Specialist position, in order to fund the new Assistant Asset Manager positions. It was assumed that the person occupying this defunded position would be promoted to Assistant Asset Manager; 3) Create an additional Housing Management Specialist position to round out the new portfolio structure. This new position was to be funded by eliminating a position on the maintenance staff.

Commissioner Perez asked the Executive Director to confirm that this restructuring would not require additional funding, and Mr. Lommers-Johnson restated that it would not.

Commissioner Perez moved to accept the proposed staffing changes to the Housing Management department. Commissioner Mierke seconded the motion, which passed unanimously.


Following the vote, Commissioner Taylor inquired about the Authority's contractual obligation to the union representing the employee whose position was eliminated as a result of the restructuring. Executive Director Lommers-Johnson said a reduction of one position was communicated to the Teamsters at the time the current budget was approved. For the time being, the affected member of the maintenance crew was scheduled to help with the construction renovations related to RAD, with no loss to total hours worked. Management has continued its dialogue with the Teamsters over the restructuring and EHA's commitment to ensure that no employee loses their job or hours as a result of the RAD conversions.

**Adjournment**

There being no further business, Vice-Chair Rastovich adjourned the meeting at 12:50 p.m.

  
\_\_\_\_\_  
Chair, Board of Commissioners

ATTEST:

  
\_\_\_\_\_  
Secretary