



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

May 2 & 3, 2019

Meeting Called to Order – May 2, 2019

The Special 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 1:00 p.m. on Thursday, May 2, 2019 at the La Conner Channel Lodge, Dunlap Room, 205 N. First Street, LaConner, Washington. This meeting was scheduled as a two-day strategic planning retreat, with the opening session substituting for the May 28 regular meeting.

Commissioners Present at Roll Call:

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

Commissioners Absent:

Commissioner John Mierke

Also in attendance were:

Staff:

Ashley Lommers-Johnson, Executive Director
John Forsyth, Director of Housing Operations
Wendy Abbey, Director of Finance
Wendy Westby, HCV Program Director
Chris Neblett, Hearing Officer/Administrative Coordinator
Jaysen Garcia, Executive Assistant

Guests:

Paul Horton, Athena Group

Executive Director's Report

Executive Director Lommers-Johnson thanked the commissioners for taking time to attend this two-day strategic planning retreat before proceeding with an update on disposition and redevelopment efforts regarding the Baker Heights neighborhood. He reported the state legislature had recently allocated \$10 million for Washington State University (WSU) to purchase approximately 10 acres of the property, and he anticipated that all 244 units would be vacated by September 2019. The Housing Authority planned to retain 3.62 acres at the south end of the property for the development of mixed income housing, to include up to 80 units set aside for extremely low-income families. Several issues remained to be settled in conjunction with the disposition and redevelopment of Baker Heights: e.g., vacating the streets, the potential sale of the Wiggums Park Ballfield, and the impact open space restrictions may have on redevelopment plans.

Continuing his report, the Executive Director noted that the Housing Authority was recently nominated for two National Awards of Merit given by the National Association of Housing and Redevelopment Officials (NAHRO): first, for the Voucher program's move to an online system for Voucher program participant recertifications; second, for the Relocation Department's innovative strategies in relocating tenants during the Baker Heights disposition and Wiggums Park Place renovation efforts. Next, the Executive Director provided an update on continuing negotiations with the Teamsters union over a new collective bargaining agreement for the maintenance department. Although this new contract should have been effective June 2018, negotiations had stalled over a couple of issues. A vote on management's latest offer was scheduled in two weeks; if rejected, the Executive Director said management would declare an impasse and the most recent agreement would remain in effect.

The Executive Director concluded his report with an update on redevelopment plans for Baker Heights. Although management still intended to apply for nine percent tax credits to fund the construction of replacement units on a portion of the property, this source was not enough to cover construction costs of \$400,000 to \$450,000 per unit on its own. As a result, the Housing Authority would find it necessary to use its own financial resources to make up a deficit of approximately \$100,000 per unit. To reduce development costs and increase the overall number of replacement units, management was exploring the possibility of working with a firm that both designs and builds modular housing; however, this would require using an affiliate 501c3 as a development arm, given the restrictions within State public works law.

Consent Agenda

Chair Metzger-Utt called for a motion to approve the Consent Agenda, which contained the following items:

1. Approval of Minutes of the Regular Meeting Held on March 25, 2019
2. Section 8 Payments for the Month of March 2019
3. Summary of Vouchers for the Month of March 2019

Commissioner Perez moved for approval of the Consent Agenda, Commissioner Warren-Barbour seconded, and the motion carried unanimously.

Items for Individual Consideration

Resolution No. 1473 Revising Housing Choice Voucher Program Utility Allowances

Hearing Officer/Administrative Coordinator Neblett said he had recently completed the required annual review of utility allowances in consultation with a representative of the Housing Authority of Snohomish County (HASCO), as both agencies share a Voucher program service area and therefore use a common utility allowance schedule. Pursuant to HUD regulation, a utility allowance required revision if the current utility rate had changed by 10 percent or more over the rate used to calculate the existing allowance. Mr. Neblett said the natural gas rate was the only utility to surpass this threshold, decreasing by just over 10 percent and resulting in an update to the natural gas utility allowance. Before a vote on this resolution was called, the Executive Director provided some additional clarifying information about the role the utility allowance plays in determining a Voucher program participant's portion of rent.

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

Resolution No. 1474 Adopting a Financial Reserves Policy

Director of Finance Abbey introduced this resolution as one that adopted a policy developed in consultation with the Executive Director and other staff, to govern the administration of the agency's reserve accounts. It defined the types of reserve accounts and their respective purposes, the location of such accounts, funding levels, and the staff member responsible for making decisions about their use. Ms. Abbey clarified a point of policy as providing for one month of operating expenses to be held in cash, with the option to maintain such reserves for additional months via cash or a line of credit. She also noted that capital and replacement reserves applied to the Housing Authority's existing properties, while other reserves pertained to future acquisitions.

Commissioner Young moved that the resolution be adopted. Commissioner Warren-Barbour seconded the motion, which passed unanimously.

Policy Discussion

Baker Heights Redevelopment Update, Development of Other Housing

The Executive Director said further discussion of this agenda item was not necessary, as these topics were covered in his report earlier in the meeting. This segment of the Special Meeting of the Board of Commissioners, held in lieu of the regular meeting scheduled for May 28, adjourned at 1:47 p.m. and was immediately followed by the next order of business, an overview of the retreat agenda.

Overview of Retreat Agenda

Executive Director Lommers-Johnson introduced Paul Horton, a consultant with The Athena Group, an organizational health consulting firm retained to assist the Housing Authority in sustaining a long-term commitment to, and success in, achieving its mission. Following introductions all around, Mr. Horton provided an overview of an agenda designed to facilitate discussion between the Board and senior management around the development of a new long-range strategic plan for the agency. Related priorities included revamping the mission statement and identifying any tools the Board might need to do its job more effectively, through a systems approach to planning.

Executive Director Lommers-Johnson gave a brief overview of the Housing Authority's existing mission, statutory obligations, and prevailing strategic direction. He played a video clip featuring the story of a current Housing Authority resident, to show the vital role the agency's programs play in the lives of its clients and the surrounding community. This elicited discussion on how the agency's current mission statement may limit the clients it serves, and whether the services provided should be limited to housing. Mr. Lommers-Johnson concluded the segment with a review of the agency's strategic priorities over the past six years – e.g., maximizing the number of households served, asset repositioning, developing efficiency improvements, maintaining fiscal sustainability – while reiterating the need for a new strategic direction and ground(s) for it.

At 2:43 p.m. Chair Metzger-Utt recessed the meeting for a short break.

Strategic Planning Session I

At 3:05 p.m. Chair Metzger-Utt called the meeting back to order for the first strategic planning session, which began with an overview of the Voucher program by Housing Choice Voucher Program Director Wendy Westby. Her presentation provided information about the program in general and the Housing Authority's administration of it, with a focus on the Project-Based Voucher (PBV) program and supportive services that are often included in partnership with a local social services provider. At present, the Housing Authority had 17 contracts in place, with itself or another community partner, to provide supportive services targeted at specific populations in conjunction with PBV assistance. Director Westby said management was committed to expanding the PBV program up to the maximum allowable level, as it would increase the availability of supportive services to the community. However, such an expansion had the unintended effect of limiting the number of Vouchers available to applicants on the Tenant-Based Voucher waiting list, given that PBV participants may request a tenant-based Voucher after one year of successful tenancy.

Next, Director of Housing Operations John Forsyth gave a presentation on the housing programs under his leadership, consisting of approximately 1,772 units. He said it was necessary to maintain a close working relationship with HCV Director Westby to effectively manage the PBV units owned by the Housing Authority. As many of these properties were smaller buildings of 50 units or less and located throughout southern Snohomish County, some maintenance efficiencies were lacking due to a loss of economy of scale. Director Forsyth provided some statistical information about residents living in Housing Authority properties: for example, 60% of the total units were occupied by persons age 55 or older. He noted that the agency's funding streams had diversified since it had converted the bulk of its public housing to a tax credit model, but this in turn presented an administrative

burden, due to multiple regulatory requirements. He spent the remainder of his presentation on the topic of the agency's resident services department, whose services were distributed among three main areas on focus: family communities, elderly communities, and the Hope Options programs. This last area concerned older adults who were homeless or at risk of becoming so, many of whom have mental health issues. Director Forsyth noted that there had been a steady increase in clients with behavioral or mental health issues over the past few years, which required balancing the property manager's lease enforcement obligations against the resident services department's advocacy efforts. Director Forsyth ended his presentation on the topic of the Family Self Sufficiency program, its potential growth and barriers to that growth.

Consultant Paul Horton facilitated the remainder of the afternoon session by focusing discussion around two questions: i.e., "What would things look like if we [the agency] were 100% successful? What are the boundaries of the current system? It was agreed that the strictures of State law, HUD regulatory requirements, and the agency's commitment to safe and affordable housing as provided within its current mission statement defined some non-negotiable boundaries. However, it was also acknowledged that some regulatory flexibilities could be achieved through the Moving to Work Demonstration program, and the current mission statement could also be expanded to encompass new strategic priorities with a focus on serving low-income families with children and offering them a path to self-sufficiency.

Adjournment

Following this strategic planning session, Chair Metzger-Utt adjourned the first day of the special meeting at 5:07 p.m.

Meeting Called to Order – May 3, 2019

The second day of a two-day strategic planning retreat held at the La Conner Channel Lodge, Dunlap Room, 205 N. First Street, LaConner, Washington, was called to order by Chair Maddy Metzger-Utt at 8:37 a.m. on Friday, May 3, 2019.

Commissioners Present at Roll Call:

Chair Maddy Metzger-Utt

Commissioner Benjamin Young

Vice-Chair Allison Warren-Barbour

Commissioner George Perez, Jr.

Commissioners Arriving Later:

Commissioner John Mierke arrived at 9:45 a.m.

Also in attendance were:

Staff:

Ashley Lommers-Johnson, Executive Director

John Forsyth, Director of Housing Operations

Wendy Westby, HCV Program Director

Chris Neblett, Hearing Officer/Administrative Coordinator

Jaysen Garcia, Executive Assistant

Guests:

Paul Horton, Athena Group

Strategic Planning Session II

Facilitator Paul Horton began this session by calling for key insights gained over the course of the previous day, then facilitated continued discussion on boundaries defining the Housing Authority's current mission. Next, attendees divided into smaller groups and were asked to envision the Housing Authority's future if it were to continue on its present trajectory. Areas of concern raised by this exercise included a growing elderly population, the continued viability of the tax credit system, and the issue of institutional racism. It was agreed that any strategies developed to meet these future challenges would need to be informed by the following consideration: "How can we shift our practices to ensure there is equitable access to housing resources?"

Strategic Planning Session III

Commissioner Mierke joined the meeting at 9:45 a.m., and discussion continued with an evaluation of potential strategic boundary adjustments. This included an exploration into what could be achieved over the next 10 years if there were no barriers to consider in redefining the Housing Authority's mission. Feedback included more client involvement in the development of policy, rent policies that incentivize work, ensuring staff in management positions are more representative of the community population, and creating a path for more equitable access to housing resources for the broader community. Next, Mr. Horton explained how "backcasting" could serve as an effective planning method for developing long-range mission, vision, and strategic goals: i.e., after defining the desired outcomes, steps can be implemented to connect these to the present reality. Break-out groups were then tasked with coming up with a statement of purpose that would help with the development of a new agency mission statement. A sample statement shared at the end of the exercise was, "Everett Housing Authority creates equity by providing housing to transform lives." At 11:45 a.m. the meeting adjourned for lunch.

Strategic Planning Session IV

At 12:30 p.m. Chair Metzger-Utt called the meeting back to order, and the group discussed some long-range objectives for the Housing Authority to potentially pursue over the next five to ten years. These included, but were not limited to, designation as a Moving to Work (MTW) agency, expanding the Family Self-Sufficiency program, developing areas of opportunity (e.g., the Casino Road neighborhood), and creating partnerships to ensure access to education, transportation, employment in such areas. Further discussion ensued regarding the pros and cons of the MTW Demonstration program before Chair Metzger-Utt called for a break at 2:15 p.m.

Strategic Planning Session V

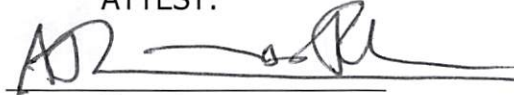
At 2:30 p.m. the meeting reconvened for the last strategic planning session. Mr. Horton facilitated a discussion regarding the process for developing long range strategic goals that

were neither too general or too specific, with the following serving as a starting point: build more housing; develop appropriate policies; align, leverage, and build resources; provide more equitable access to housing for clients; improve access and long-term outcomes for individuals, families, and communities. The potential need to update the Agency Values once specific long-range strategies were developed was also discussed. The group agreed that this retreat had provided a foundation for the development of a new mission statement and strategic direction, and it was left to Mr. Horton to refine the feedback received over the past two days into a form that could be reviewed and further developed by senior management staff at a Fall retreat.

Adjournment

There being no further business, Chair Metzger-Utt adjourned the meeting at 3:21 p.m.


Chair, Board of Commissioners

ATTEST:

Secretary