



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

**June 24, 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 12:07 p.m. on Monday, June 24, 2019 at the Authority's main office, 3107 Colby Avenue, Everett, Washington.

**Commissioners Present at Roll Call:**

Chair Maddy Metzger-Utt  
Commissioner John Mierke  
Commissioner George Perez, Jr.  
Commissioner Benjamin Young

**Commissioners Absent:**

Vice-Chair Allison Warren-Barbour

**Also in attendance were:**

**Staff:**

Ashley Lommers-Johnson, Executive Director  
John Forsyth, Director of Housing Operations  
Steve Yago, Director of Acquisitions & Development  
Paula Kennedy, Human Resources Manager  
Wendy Westby, HCV Program Director  
Linda Baines, Deputy Director of Housing Management  
Brenda McLeod, Ass't. Director of Procurement & Contracts  
Chris Neblett, Hearing Officer/Administrative Coordinator  
Jaysen Garcia, Executive Assistant  
*Wendy Abbey, Director of Finance - mmm*

**Guests:**

EHA Employees: Randy Heltne, Clint Sims, Shauna Garza, Max Figarsky,  
Gisela Larsen, Pamela Soine, Donelle Kienholz

Michael Rainey, AFSMCE Representative

Monica Summerset, Oakes Resident

## **Public Comment**

Royal Oakes Apartments tenant Monica Summerset introduced herself as representing the residents of the property and read a letter raising concerns about a non-functioning elevator and other maintenance issues. Ms. Summerset provided a copy of this letter to each commissioner. Executive Director Lommers-Johnson thanked Ms. Summerset for voicing these concerns, noted that the elevator was in the process of being fixed, and said he would respond to the other issues raised in the letter once he got a chance to review them in detail.

## **Communications**

None

## **Motion to Revise Agenda**

Chair Metzger-Utt called for a motion to move "Review of Financial Statements" from the Policy Discussion section of the meeting agenda to immediately before Items for Individual Consideration. Commissioner Young moved to revise the meeting agenda as stated, Commissioner Perez seconded, and the motion passed unanimously.

## **Executive Director's Report**

Executive Director Lommers-Johnson began by recognizing the following recipients of the Housing Authority's Team of the Year and Employee of the Year awards, originally given earlier in the year at an agency-wide celebration of achievement.

Team of the Year – Housing Choice Voucher Department  
Everett Housing Authority Employee of the Year – Donelle Kienholz  
Department Employee of the Year Awards  
Housing Choice Voucher – Shauna Garza  
Administrative Services – Anne Brix  
Development & Acquisitions – Randy Heltne  
Housing Operations-Maintenance – Clint Sims  
Housing Operations-Management – Gisela Larsen  
Housing Operations-Resident Services – Donelle Kienholz

The Executive Director next shared findings of a tenant customer service satisfaction survey that the Housing Operations department recently administered via paper questionnaire and the online platform Survey Monkey. Questions were designed to measure the level of respect, timeliness, and professionalism exhibited by property management, maintenance, and resident services staff. Out of more than 500 responses received, staff received a 93% average rating on questions related to satisfaction with services provided and a 97% average rating regarding the level of respect shown towards tenants. He said a customer service satisfaction survey for Housing Choice Voucher program participants was slated for July, with a similar survey for program landlords to follow in collaboration with the Housing Authority of Snohomish County (HASCO). This segment of the Executive Director's report concluded with a video clip of a formerly homeless couple currently residing at Meadows

Apartments, whose positive commentary on their living environment and interactions with building management staff was seen as reflective of the agency's goal to create successful tenancies and maintain a high level of customer satisfaction.

Continuing with a status update on relocation and disposition efforts at Baker Heights, the Executive Director reported that the state legislature allocated \$10 million to Washington State University to purchase the majority portion of that property, which may also include the Wiggums Park ballfield. The property must be vacant as a condition of sale, a term expected to be met by the end of September with just 29 of the 244 units currently occupied. Upon transfer of the parcel and before proceeding with development, WSU will likely lease units at market rate for an unspecified period and contract with the Housing Authority to serve as property manager. Mr. Lommers-Johnson went on to report that Director of Acquisitions and Development Steve Yago facilitated three meetings involving residents and the community, to develop basic design ideas for the site layout of the 3.61-acre parcel at the south end of Baker Heights that will be redeveloped into mixed income housing under a tax credit partnership. The Executive Director and Director Yago presented drawings of the three design options rendered by architectural firm GGLO, and provided more detail in response to questions from several commissioners about the selected option.

Executive Director Lommers-Johnson went on to announce that he has named Director of Housing Operations John Forsyth as Assistant Executive Director, a role previously occupied by Rick Dorris until he retired earlier this year. This position is authorized to sign documents and act on behalf of the Executive Director in his absence, a role that is becoming less essential as electronic signatures and remote communication technologies become more pervasive. Mr. Lommers-Johnson said the Board and senior staff took part in a retreat held last month, the purpose of which was to discuss the development of the next agency Five Year Plan. In addition to setting some new strategic directions, the Board expressed its desire to amend the Housing Authority's mission statement to include two core components: Championing affordable housing as a foundation for transforming lives and communities and undoing institutionalized racism. The Executive Director intended to present a draft mission statement and strategic directions for the Board's review at the next meeting, which will be further refined at a senior staff retreat planned for late September, then incorporated into the agency Five Year Plan that will be submitted to HUD early next year.

The Executive Director concluded his report with an update on the disposition of the Public Housing Scattered Sites and acquisition of Pepperwoods. He recently signed purchase and sale agreements with Parkview Services on three of the Scattered Site units, which will be occupied by disabled families; this amounted to approximately \$940,000 in total sales proceeds that will be earmarked as restricted funds. The Housing Authority was on the verge of purchasing Pepperwoods Senior Apartments from Homage Senior Services outright, a change from the original plan to acquire the property through a transfer of ownership.

### **Consent Agenda**

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

1. Section 8 Payments for the Months of April, May 2019
2. Summary of Vouchers for the months of April, May 2019
3. Approval of Minutes of the Special Meeting Held on May 2-3, 2019
4. Approval of Minutes of the Special Meeting Held on June 10, 2019
5. Approve New Policy for Use, Supplemental Rules and Regulations for Use of Baker Community Center Social Halls

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

### **Review of Financial Statements: Core Properties – Third Quarter, Tax Credit Properties – First Quarter**

Finance Director Abbey began by noting that in addition to the 2019-20 program budgets, the Board's Finance Committee had previously reviewed and discussed these financial statements. She began with third quarter financial statements for the Core Properties, covering the period July 1, 2018 through March 31, 2019. This included all properties owned directly by the Housing Authority, including Public Housing. Net income for the period was significantly higher than budgeted, owing to the receipt of asset repositioning fees relating to the Section 18 disposition of Baker Heights and lower than expected expenses. It would likely not be necessary to expend operating funds budgeted for physical improvements at Lakeview Terrace and the Cottages, as a grant of nearly \$1 million in HOME funds from the City will be used to cover those costs.

Director Abbey continued with the first quarter financial statements for Tax Credit Partnerships, which operate on a calendar year budget cycle. She reported that all six properties in the portfolio were operating within the budget, with the exception of Grandview, where damage as a result of a unit fire was still in the process of an insurance settlement. Next, she reviewed statements for the supporting programs (Central Office Cost Center (CoCC), Property Management Fund, Property Development Fund) and Section 8 and Mod Rehab Programs. A sizeable amount of capital funds will be transferred to the CoCC and used to finance improvements at the Colby office once the Public Housing program has been exited; Ms. Abbey said that if this money is not received over the course of the current budget year it will be incorporated into next year's budget.

Commissioner Young moved to approve the financial statements as presented. Commissioner Perez seconded, and the motion passed unanimously.

### **Items for Individual Consideration**

#### ***Resolution No. 1476 Adopting Budgets for FY 2019-20 for EHA Programs***

Finance Director Abbey said the Board's Finance Committee had reviewed the agency budgets for the fiscal year beginning July 1 the previous week. This included budgets for the Housing Authority's supporting programs (CoCC, Property Management Fund, Property Development Fund), Federally funded programs (Public Housing, Section 8, Mod Rehab),

and Non-Federal programs (Affordable Housing, Hope Options). Although budgets for the HUD 202s and tax credit properties were not included ( these programs run on a calendar year basis), salaries, benefits, and training costs for employees of those properties were incorporated into the budgets up for adoption. Director Abbey said input from program directors and property managers, as well as the agency's goals and mission statement, were key to the development of these budgets. She noted that, based on a compensation consultant's study, some employee salaries had been adjusted effective January 1 to reflect the current market. The budget submitted for the Board's approval included a second adjustment to ensure salaries remained competitive, and it also included a 2.25% increase to all employee salaries independent of the market study.

In closing, Director Abbey noted that the current estimate for replacing the elevator at Royal Oakes was approximately \$450,000, but because the design and construction process will likely not be completed during the fiscal year beginning July 1, this cost will be included in next year's budget. Instead, this budget allocated \$10,000 to keep the elevator operational.

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

### ***Motion to Approve Collective Bargaining Agreement with General Teamsters Union Local No. 38***

Director of Housing Operations Forsyth highlighted some of the main provisions included in a new collective bargaining agreement between management and the Teamsters union, which represents the agency's maintenance employees and covers the period from July 1, 2018 through June 30, 2021. This included a provision reflecting that union membership is no longer prerequisite to employment, based on a recent Supreme Court decision. Other changes included, but were not limited to, safety measures designed to protect the health and welfare of maintenance employees (e.g., the Housing Authority will cover all costs to treat the employee's personal residence if he/she is exposed to bed bugs at work). The new agreement also provided for a three percent increase to represented employees' base salaries retroactive to July 1, 2018, with a two percent increase for the second year of the contract (effective July 1, 2019), and a minimum one percent increase in the final year, with a greater increase possible depending on the agency's financial position.

Commissioner Perez moved to approve the collective bargaining agreement with the General Teamsters Union Local No. 38, effective July 1, 2018 through June 30, 2021. Commissioner Mierke seconded the motion, which passed unanimously.

### **Policy Discussion**

#### *MTW Policy Issue: Rent*

Executive Director Lommers-Johnson provided some background on HUD's Moving to Work Demonstration program (MTW), explaining that it was one of the reforms that was implemented as part the Quality Housing and Work Responsibility Act (QHWRA) of 1998. By granting PHAs the flexibility to design policies, including rent reform, MTW was intended to increase cost effectiveness for the participating agency and housing choice and economic self-sufficiency for its residents. Congress has authorized HUD to expand the number of

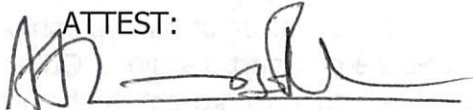
PHAs participating in the MTW program from 39 to 100 over the next seven years. The Executive Director said management recently sent a Letter of Interest to HUD, expressing a desire to submit an application to participate in the second cohort of new MTW agencies, which will study rent policy reform. Qualifying PHAs will be invited to submit a full application at a later date.

Of the four possible options for rent policies, the Housing Authority is eligible to implement one that bases a participant's rent on 30 percent of the mid-point of their respective income band. If chosen to participate in the MTW program, The Housing Authority will be required to retain this rent policy for a period of six years, after which time it may design its own policy. The Executive Director said the selected rent option is the least burdensome to our residents; however, it has the potential to require a larger per unit subsidy, meaning the Voucher program may have to ultimately serve less households. He said that he would keep the Board informed as things develop further with the Housing Authority's MTW status.

**Adjournment**

There being no further business, Chair Metzger-Utt adjourned the meeting at 1:34 p.m.

  
Chair, Board of Commissioners

ATTEST:  
  
Secretary