



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

January 29, 2018

Meeting Called to Order

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 12:15 p.m. on Monday, January 29, 2018 at the Authority's main office, 3107 Colby Avenue, Everett, Washington.

Commissioners Present at Roll Call:

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

Commissioners Absent:

None

Also in attendance were:

Staff:

Ashley Lommers-Johnson, Executive Director
Jill Stanton, Deputy Executive Director
Rick Dorris, Director of Development and Acquisitions
John Forsyth, Director of Housing Operations
Steve Yago, Director of Acquisitions and Asset Management
Wendy Westby, HCV Program Director
Erica Dias, Relocation and Planning Manager
Linda Baines, Deputy Director of Housing Management
Brenda McLeod, Assistant Director of Procurement and Contracts
Chris Neblett, Hearing Officer/Administrative Coordinator
Katie Ulvestad, Executive Assistant

Guests:

Lorna Corrigan, Attorney
Lyle Ryan, former EHA Commissioner
Rebecca Ableman McCrary, City of Everett
Catherine Holdsworth, President, Broadway Plaza Resident Council
Krystyna Simm, Hope Options Supervisor

Resolution No. 1445 Honoring the Service of Lyle Ryan as a Commissioner of the Everett Housing Authority

Chair Metzger-Utt introduced this resolution honoring Lyle Ryan's many years of service on the Board. Executive Director Lommers-Johnson read the full resolution and presented Mr. Ryan with a framed copy.

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

Approval of Minutes

Chair Metzger-Utt called for approval of the minutes for the Annual Meeting of November 13, 2017. Commissioner Perez moved to approve the minutes of this meeting, and Commissioner Mierke seconded the motion. Upon being put to a vote, the motion passed and the minutes of the Annual Meeting were approved.

Communications

Catherine Holdsworth introduced herself as the newly elected President of the Broadway Plaza Resident Council, replacing Tom Douge. She said tenants have been pleased with the recent events the resident council has sponsored, and with life at Broadway Plaza in general. She concluded by saying she was looking forward to serving the residents and attending meetings of the Board of Commissioners.

Following Ms. Holdsworth's report, Executive Director Lommers-Johnson said the Housing Authority continued to implement the recently adopted change to admissions policy for Broadway Plaza and Bakerview Apartments that designated an increased percentage of units for seniors. Although it was in the early stages, this policy appeared to be having a positive impact for seniors living in both mixed population buildings, as was the hiring of a temporary service coordinator at Broadway Plaza.

Executive Director's Report

Executive Director Ashley Lommers-Johnson began with an update on federal funding for the Housing Authority's programs. He noted that the budgetary stalemate and recent government shutdown had resulted in the passage of a Continuing Resolution that would maintain program funding at current levels. Although this stopgap measure was scheduled to expire on February 8, he remained optimistic that an appropriations bill that would increase program funding was forthcoming. He anticipated HUD would increase its funding of the Housing Choice Voucher program in response to a recent study of market conditions within the local statistical area – this study called for a 19 percent increase in area Fair Market Rents (FMRs) – but it was not certain this additional funding would be available in the same program year that the Housing Authority raised its payment standards in response to the increased FMRs. In such case, Mr. Lommers-Johnson said it would be necessary to apply for set aside and shortfall funding with HUD, to ensure full Voucher utilization. The Executive Director went on to inform the Board that the Housing Authority was recently awarded in excess of \$500,000, as part of a judgment in a lawsuit approximately 300 PHAs filed against HUD several years ago. The cause of this action was

HUD's decision to reduce each PHA's operating subsidy by "sweeping" its reserves. Management planned to allocate this pending award to the Housing Authority's unrestricted funds.

Continuing with an update on the relocation of households from the Baker Heights neighborhood in preparation for its disposition, the Executive Director said there were 45 vacant units at last count, on target with the scheduled rate of 10 units per month. He said Relocation and Planning Manager Erica Dias had her team working diligently to relieve tenants' anxieties about moving and ensure a smooth transition into their next place of residence. Plans to construct approximately 80 units of replacement housing on a portion of the Baker Heights site hit a recent hurdle, as budgetary issues resulted in the State Housing Finance Commission putting applications for nine percent tax credits on hold. As a result, the Housing Authority had to reconsider plans to divide the project into two phases, starting with construction of 43 units and an early learning facility project this year. Mr. Lommers-Johnson said that early indications were that the Housing Finance Commission would be accepting applications for tax credit funding in 2019, including Housing Trust Funds, making it necessary to delay construction plans accordingly.

The Executive Director concluded his report with an update on disposition plans for the portion of the Baker Heights property that was not being redeveloped, which included the Wiggums Hollow Ballfield. This was expected to transpire in late summer next year. Under the current approval from HUD, the method of sale was required to be via public bid at fair market value, although that was potentially subject to further negotiation as things developed further. Mr. Lommers-Johnson said that multiple parties had expressed an interest in this property to date, including Washington State University, and he planned to seek the Board's guidance in the coming months as disposition options came more clearly into focus.

Public Comment

None

Consent Agenda

Commissioner Perez made a motion to adopt the Consent Agenda, and Commissioner Rastovich seconded the motion. The Consent Agenda contained the following items:

1. Section 8 Payments for the Month of November, 2017
2. Summary of Vouchers for the Month of November, 2017

Items for Individual Consideration

Resolution No. 1446 Establishing a Policy Regarding the Payment of Security Deposits and Other Qualified Relocation Costs for Baker Heights Tenants

Relocation and Planning Manager Erica Dias said HUD's Section 18 regulations required PHAs to cover "reasonable" relocation expenses, making it necessary to establish a policy for the payment of security deposits and other move-in costs associated with the relocation of Baker Heights tenants. This resolution set the limit for security deposits at two times

the monthly rent, which was the amount landlords often charge prospective tenants with debt or credit issues. It also provided for payment of the first month's rent, in the few cases where the tenant household was over-income and therefore ineligible for a continued rent subsidy via a Tenant Protection Voucher. Chair Metzger-Utt asked whether the Housing Authority would require paid security deposits to be refunded at move-out, which was not the case. She also inquired about the number of families who did not qualify for a Tenant Protection Voucher, and Ms. Dias responded that it was 10 or fewer, out of a total 244 units.

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

Resolution No. 1447 Authorizing Participation in the Region VIII Education Service Center's Interlocal Purchasing Systems Program

Assistant Director of Procurement and Contracts Brenda McLeod said this resolution authorized the Housing Authority's participation in an out-of-state interlocal agreement that would afford the opportunity to participate in a fleet management service program. This could serve as an economical and efficient means of replacing the Authority's aging vehicles, under either a standard lease, or a lease to purchase option. Ms. McLeod said the first clause of the resolution should be amended include the lease to purchase option. - Deputy Executive Director Stanton said this was a preliminary step, and any decision to contract with a fleet management service vendor would be subject to the Board's approval at a subsequent meeting. Attorney Lorna Corrigan noted that a term of this contract limited the adjudication of any related disputes to the state of Texas, but she did not think this was an issue that should necessarily stand in the way of the proposed action.

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

Motion to Approve Additional Expenses Related to Original Contract with J. H. Brawner and Company

Assistant Director of Procurement and Contracts Brenda McLeod said the Board had previously approved a contract with J. H. Brawner and Company for services related to the tax credit re-syndication of Meadows/Lakewoods and 12 Pines/Wiggums Park Place, in an amount not to exceed \$500,000. She said it was necessary to request additional funding above that amount retroactively, to cover services already rendered in the re-syndication of Wiggums Park Place.

Commissioner Mierke moved to retroactively approve payment of an additional \$12,000 to J. H. Brawner and Company, for services received in the re-syndication of Wiggums Park Place. Commissioner Perez seconded the motion, which passed unanimously.

Policy Discussion

Approval of Core Properties' First Quarter, Tax Credit Properties' Third Quarter Financial Statements

Deputy Executive Director Stanton provided a summarized version of the statements the Board's Finance Committee had reviewed the previous month. She began with a recap of the budget priorities for the current fiscal year, including the decision to seek balanced program budgets to the greatest extent possible. Statements showed positive net cash flows for the majority of programs, and Ms. Stanton provided explanations for the few with significant variances. She concluded by introducing Krystyna Simm, the supervisor of the Hope Options program, who provided the Board with some background about the program and its current activities. This program serves vulnerable seniors in Snohomish County, age 60 or older, who are facing a housing crisis; with a goal to permanently place these clients in stable affordable or subsidized housing. Ms. Simm said that her program has an overall success rate of 80 percent.

Commissioner Rastovich made motion to approve first quarter financial statements for the Core Properties and Third quarter financial statements for the Tax Credit Properties. Commissioner Taylor seconded the motion, which passed unanimously.

Executive Session

At 1:17 P.M. Chair Metzger-Utt announced the Board would convene into Executive Session for a duration of approximately 18 minutes, in order to discuss the Executive Director's annual performance review. Commissioner Rastovich motioned as stated, Commissioner Mierke seconded, and the Board convened in Executive Session.

Reconvene Regular Session

The Board reconvened in public session at 1:37 P.M., at which time Chair Metzger-Utt announced that it would be necessary for the Board to reconvene into Executive Session for a duration of approximately 20 minutes.

Reconvene Executive Session

Commissioner Taylor moved to reconvene the Executive Session until 2 P.M, for the purpose of continuing the discussion of the Executive Director's annual performance review. Commissioner Mierke seconded, and the Board reconvened in Executive Session.

Reconvene Regular Session


The Board reconvened in public session at 2:02 P.M. Chair Metzger-Utt called for a motion for the Board's Personnel Committee to meet before the next regular Board of Commissioners meeting, in order to further develop a process for the Executive Director's performance review. Commissioner Taylor motioned as stated, and Commissioner Mierke seconded.

Adjournment

There being no further business, Chair Metzger-Utt adjourned the meeting at 2:04 P.M.



Chair, Board of Commissioners

ATTEST:


Secretary