



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

**January 26, 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 Vice-Chair Todd Taylor following lunch, at 12:10 p.m. on Monday, January 26, 2015 at the Authority's main office, 3107 Colby Avenue, Everett, Washington.

**Commissioners Present at Roll Call:**

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

**Commissioners Absent:**

Chair Michele Rastovich

**Also in attendance were:**

**Staff:**

Rick Dorris, Asst. Ex. Director/Director of Dev't. and Acquisitions  
Gwen Danforth, Human Resources Manager  
Wendy Westby, Director HCV Program  
Erica Koenig, Deputy Director of Housing Programs  
Teena Ellison, Director of Resident Services  
Brenda McLeod, Asst. Director of Procurement and Contracts  
Wendy Abbey, Asst. Finance Director  
Katie Ulvestad, Executive and Development Assistant  
Chris Neblett, Hearing Officer/Admin Coordinator

**Guests:**

Seth Cooper, Attorney  
Kathy Wade, Co-President, Broadway Plaza Resident Council  
Sammie Szabo, Consultant, Nan McKay and Associates  
Jeff Nave, Attorney, Foster Pepper PLLC (via conference call)

## **Approval of Minutes**

Vice-Chair Taylor called for approval of the minutes for the Annual Meeting held on November 24, 2014. A motion to approve the minutes of this meeting was made by Commissioner Maddy Metzger-Utt and seconded by Commissioner George Perez. Upon being put to a vote, the motion was passed and the minutes were approved.

Vice-Chair Taylor next called for approval of the minutes for the Special Meeting held on December 3 & 4, 2014. A motion to approve the minutes of this meeting was made by Commissioner Metzger-Utt and seconded by Commissioner Lyle Ryan. Upon being put to a vote, the motion was passed and the minutes were approved.

## **Communications**

Kathy Wade, co-president of the Broadway Plaza resident council, said things were relatively quiet around that property lately, with many residents out and enjoying the unseasonably warm weather. She said that the resident council was continuing to work on the application for 501 (c) (3) nonprofit status with the IRS.

## **Executive Directors Report**

Assistant Executive Director Rick Dorris provided a report to the Board, as Executive Director Ashley Lommers-Johnson was attending a HUD-sponsored focus group on the RAD program in Washington, D.C.. Mr. Dorris said that the Housing Authority had solicited proposals from general contractors for the purpose of renovating 15 units at Grandview Homes, using financing generated by the RAD program. This represented the last of the 148 units at Grandview to undergo renovations, in an effort that has spanned many years. Mr. Dorris said Allied Construction submitted the lowest bid, in the amount of \$1,042,000, and management was in the process of contracting with the firm. The Board's approval of this action was not required, as the RAD partnership agreement gave management the discretion to enter into this type of contract; however, Mr. Dorris said management wanted to keep the Board apprised of this type of activity. He said that Allied had performed satisfactory work at Grandview in the past, and the firm was familiar with the development.

## **Public Comments**

None

## **Consent Agenda**

Commissioner Perez made a motion to adopt the consent agenda, and Commissioner Metzger-Utt seconded the motion. The Consent Agenda contained the following items:

1. Section 8 Payments for the Months of November, December 2014
2. Summary of Vouchers for the Months of November, December 2014

***Resolution No. 1381 Authorizing the Executive Director to Enter into a Loan Agreement with Banner Bank for the Purchase of Meadows III Senior Apartments***

Assistant Executive Director Dorris provided some background information regarding this resolution, noting that it simultaneously authorized the purchase of this development from Senior Services of Snohomish County, and it provided for a loan agreement with Banner Bank for that purpose. He said this represented the last of four similar acquisitions from Senior Services; while Meadows I and II, and Lakewoods II closed around a month and a half ago, the acquisition of Meadows III was delayed due to tax credit compliance commitments. Closing for this property was scheduled for later in the week, or early the following week. Mr. Dorris said all four developments, totaling 204 units, were financed with low interest, short term loans from Banner Bank. Management planned to embark upon the tax credit re-syndication of these properties in the intermediate future. This process would likely begin around March, when management planned to seek the Board's approval of a financial consultant to oversee this re-syndication activity. This would provide a means to finance the rehabilitation of all four Senior Services acquisitions, using tax credits and private equity.

Jeff Nave, an attorney with Foster Pepper PLLC, the legal firm that was facilitating the closing of this purchase, was available via conference call for any questions the Board might have, but none were presented.

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

***Motion to Approve Funding Request for Employee Events in Calendar Year 2015***

Hearing Officer/Administrative Coordinator Chris Neblett presented the annual budget for employee events, requesting \$7,500 for four events in 2015. Approximately \$2,800 in unspent employee event funds remained from the previous year's budget (due to the lack of a holiday party), an amount that was to be carried over and added to the budgets for this year's events.

Commissioner Mierke moved to approve the request for \$7,500 to finance four employee events for the current calendar year. Commissioner Perez seconded the motion, which passed unanimously.

Following the vote on this item, Commissioner Metzger-Utt asked why employee events could not be included as part of the annual agency budget, instead of being presented as a separate item each year. Mr. Neblett agreed that this would be a more efficient approach, but thought that a prior resolution may have set the precedent. He pledged to look further into the matter and report his findings to the Board at a later date.

## **Policy Discussion**

### ***Review Proposed Changes to HCV Administrative Plan***

HCV program director Wendy Westby began by explaining why it was necessary to adopt a new HCV Administrative Plan, the policy manual that governs the administration of the Section 8 HCV program. She observed that the current Admin Plan was adopted 20 years ago, making it challenging to keep it updated and in compliance with HUD regulation. Although the Plan has undergone many revisions over the years, those changes have not always been applied systematically throughout the Plan, leaving areas that may be out of compliance. Ms. Westby also noted that the approach to training staff on HCV policies had often relied on an "oral tradition," rather than training directly from the Plan itself.

The proposed new HCV Admin Plan was based on a model developed by Nan McKay and Associates, in consultation with that firm's representative, Sammie Szabo, whom Ms. Westby introduced to the Board. Ms. Westby said the development process for the new Plan was intensive, involving three full days of collaboration between the management staff and Ms. Szabo. Five objectives were central to this process: gaining efficiency; maintaining fairness to clients; maximizing scarce resources; providing clarity; and ensuring the Admin Plan complied with HUD regulation. Some of the advantages of the new Plan that Ms. Westby pointed out included policies that were purposefully less vague, a clear delineation between regulatory and discretionary policies, and a section dedicated to the administration of the RAD PBV program. The new Plan also included a subscription service, which will provide automatic updates as new HUD regulations require revisions to the Plan. In closing this part of her presentation, Ms. Westby reminded that Board that it was not required to approve HUD mandated changes to the Plan, but management would continue to be obligated to obtain Board approval for discretionary changes.

Ms. Westby then reviewed some of the new policies that would be implemented with the adoption of the new Admin Plan: carbon monoxide detectors as a new HQS inspection requirement; occupancy standards of two persons per bedroom, with some stipulated exceptions; less restrictive income reporting requirements for participants; and more notice in cases of income changes that result in rent increases outside of the annual recertification process. For applicants, the new policy included a revision to the definition of "rent-burdened" as it applied to qualifying for a preference on the HCV program waiting list. The amount that an applicant must expend for rent and utilities will change from 30% to 50% of total monthly income. Ms. Westby said the change to the occupancy standards for existing HCV participants would be effective at the second annual recertification following the adoption of the Plan. She said that this new policy would have the biggest impact on single parents with two children of the opposite gender: i.e., these households would be assigned a voucher size of 2 bedrooms instead of 3 bedrooms. Commissioner Metzger-Utt asked how many households this would affect, and Ms. Westby said she would report back at a later date with this information.

The Board was asked to review the proposed HCV Admin Plan prior to its proposed adoption effective May 1<sup>st</sup>. Ms. Westby said training for HCV staff on the new Admin

Plan was scheduled to begin January 26<sup>th</sup>. She said the HCV department would notify participants of major areas of policy change, and make itself available to answer any related questions. An incomplete matrix showing areas of difference between the old and new HCV policies had been prepared and distributed to the Board with the meeting agenda. Hearing Officer/Admin Coordinator Neblett apologized for not having this document completed in time for today's meeting, saying a completed version would be provided to the Board before it was asked to adopt the new Admin Plan.

Commissioner Ryan asked Ms. Westby whether the current Admin Plan had been out of compliance for a significant amount of time. Ms. Westby said there were some sections that might suffer from errors of omission; however, the current Plan was generally adequate. In her opinion, the automatic updates provided by Nan McKay's subscription service would ensure that periodic updates were done in a timely and thorough manner. At the conclusion of this portion of the meeting, Commissioner Perez thanked both HCV Director Westby and Nan McKay consultant Sammie Szabo for their efforts in developing the new HCV Admin Plan.

***Review Draft PHA 5 Year/Annual Plan***

Hearing Officer/Admin Coordinator Chris Neblett called attention to the draft 5 Year/Annual PHA Plan effective July 1, 2015, which was included in the meeting agenda packet. He said the Board was being presented with the draft Plan a month earlier than usual, given the possibility that a March meeting would not be scheduled. In that event, the Board would need to approve the PHA Plan after the required public hearing scheduled for the February meeting. Mr. Neblett said the 45 day public review period for the Plan was underway, but there had been no comment as of yet. Although HUD regulation made the Plan specific to the Public Housing and tenant-based Section 8 program, management intended to use the 5 Year Goals and Objectives section as the basis for developing a long-range strategic plan for the agency as a whole. Mr. Neblett offered to answer any questions regarding the draft 5 Year/Annual PHA Plan, but none were presented.

***Discussion Regarding Broadway Plaza Kitchen***

This policy discussion item was deferred until the next meeting.

**Adjournment**

There being no further business, Vice-Chair Taylor adjourned the meeting at 1:02 p.m.



Chair, Board of Commissioners

ATTEST:



Secretary