



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

September 8, 2014

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 Lyle Ryan following breakfast, at 8:21 a.m. on Monday, September 8, 2014, at the Inn at Port Gardner, Gallery Room, Everett, Washington.

Commissioners Present at Roll Call:

Chair Lyle Ryan

Commissioner Maddy Metzger-Utt

Commissioner John Mierke

Commissioner George Perez, Jr.

Commissioner Michelle Rastovich

Commissioner Todd Taylor

Commissioners Absent:

None

Also in attendance were:

Staff:

Ashley Lommers-Johnson, Executive Director

Rick Dorris, Assistant Executive Director and Director of Facilities

Jill Stanton, Finance Director

Gwen Danforth, Human Resources Manager

Teena Ellison, Resident Services Manager

Wendy Westby, Director of HCV Program

Steve Yago, Director of Housing Management

Erica Koenig, Deputy Director of Housing Management

Chris Neblett, Hearing Officer/Admin Coordinator

Katie Ulvestad, Executive and Development Assistant

Guests:

Kim Axelrod, Facilitator

Jim Brawner, Financial Consultant

Introductions and Review Goals

Executive Director Ashley Lommers-Johnson gave some introductory remarks at the start of this special meeting, which was meant to serve as a preparation session for an upcoming Board retreat. He said one of the main tasks at the retreat would be to develop a new strategic vision for the Everett Housing Authority. Given rapid changes in the assisted housing industry and a declining government investment in housing programs, this would require flexibility, as the old methods of planning were no longer tenable. He stressed that an updated strategic vision would provide the framework for major decisions over the next five to ten years. In closing his introductory remarks, Mr. Lommers-Johnson said in his 22 months with the agency, he has relied on the Board's vision when making large decisions, such as converting the Authority's Public Housing over to the RAD program.

Executive Director Lommers-Johnson identified the following goals for today's meeting. To start the vision setting process, to brainstorm in order to identify topics for discussion at the retreat, to determine the resources and materials that would be needed in preparation for the retreat, and finally, to set a date if possible, or at least the month. Five preliminary retreat topics were presented to the Board to consider, and pertinent issues related to each one were discussed: 1) Real estate assets, current and future; 2) Board structure and operations; 3) Financial guidelines; 4) Clients/customers; 5) Personnel policies. Board members also presented items for discussion at the retreat, including a statistical evaluation of the agency's performance at meeting the community's housing needs, the future of the Baker Heights development, and identifying the "latest and greatest" best practices within the assisted housing industry.

Exercise with Kim Axelrod, Facilitator

Ms. Axelrod engaged meeting attendees in a brainstorming exercise, to begin the thought process for developing a new vision statement for the Authority, one of the goals of the upcoming retreat. Ms. Axelrod noted that a related undertaking would be to come up with measurable benchmarks to reach that vision. She also reviewed the agency's mission statement, and all agreed that it would be good to revise it as well.

Jim Brawner Presentation

Financial Consultant Jim Brawner began by noting that the RAD program has provided a financial mechanism for repositioning the Authority's real estate assets. In addition to providing funds to rehabilitate existing assets, it has provided leverage to add new properties to the portfolio. He stressed the importance of identifying the type of housing the Authority was looking to acquire as part of its strategic plan: i.e. market rate vs. rehab, tax credit deals, number of units, and target market population. He also said it was important to be in contact with the applicable players in the industry, to let them know the agency was in the market for housing. The cost of developing new housing was shown to be far more expensive than rehabbing existing units, particularly in the case of housing with subsidized tenants.

Mr. Brawner also talked about the future of the Baker Heights neighborhood, comparing the cost of rehabilitation to replacement. The latter was seen as the only viable option, leading to questions about how to best pursue redevelopment and/or disposition of the site. Two approaches management has been exploring for that purpose have been a Section 18 application, or HUD's Choice Neighborhoods program. Mr. Brawner noted that unless the site was sold outright, the Authority would have a financial commitment in its redevelopment.

Commissioner Metzger-Utt wondered if there was any available multi-family housing in Everett for the Authority to purchase, and Mr. Brawner responded that things would open up once word got out that the agency was looking to purchase housing. He then went over some of the advantages and limitations the agency has in that regard, including good strategies to employ. Executive Director Lommers-Johnson added that it would be useful to determine who we were competing against in a post-Public housing era, as well as our investment criteria. Mr. Brawner wrapped up by noting this was an exciting time going forward, compared to three years earlier, when the Authority did not have the financial resources or experience to purchase properties.

Retreat Preparation Session

Ms. Axelrod recapped what had been covered earlier in the meeting, regarding the need to develop a clear and concise vision statement, supported by guiding principles. In response to Commissioner Ryan's question as to the length of time these would be operative, she said between five and ten years.

Executive Director Lommers-Johnson called for further discussion of various themes for the retreat, including supporting information that might be needed. Board members requested information about the overall financial performance of individual properties, including the amount of reserves on hand. Other requested information included viable Federal and public funding sources, as well as staff recommendations regarding management of the agency's reserve funds. The Board was also interested in learning more about whether or not the Authority was allowed to create mixed use commercial/residential developments, and if so, available consulting resources that could aid in that effort. The topic of how to fund supportive services rounded out discussion of this theme.

The discussion next turned to the theme of the Authority's clients. Executive Director Lommers-Johnson said that the County's H05 report was the main resource that could help in determining the areas of greatest need. Other discussion points included how to serve homeless families, while avoiding duplication of services with other agencies and non-profits. Mr. Lommers-Johnson provided some data that showed the percentage of disabled and elderly households in relation to total subsidized households. He said he would provide more detailed information at the Board retreat.

The final theme for the retreat that was discussed was personnel policies, and Executive Director Lommers-Johnson said it would be advantageous to have certain issues related to this topic worked out in the next year. These issues included how to best attract talented employees, how to approach the issue of non-represented maintenance staff in future acquisitions, and how to maintain competitive compensation and benefits for the Authority's employees.

Draft Agenda for Board Retreat – Date - Location

It was decided that the Board retreat would take place on Wednesday, Dec. 3rd and Thursday, December 4th. Chris Neblett was to keep the Board apprised of the location and agenda.

Michele Pastore

Chair, Board of Commissioners

ATTEST:

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Secretary