



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

November 12, 2019

Meeting Called to Order

The Annual Meeting of the Board of Commissioners of the Housing Authority of the City of Everett was called to order by Vice-Chair Allison Warren-Barbour following lunch, at 12:04 p.m. on Tuesday, November 12, 2019 at the Authority's main office, 3107 Colby Avenue, Everett, Washington.

Commissioners Present at Roll Call:

Vice-Chair Allison Warren-Barbour
Commissioner George Perez, Jr.
Commissioner Koren Smith

Commissioner Benjamin Young
Commissioner Designee Kevin Phan

Commissioners Absent:

Commissioner Designee Chip Burgess (arrived at 12:15 p.m.)

Also in attendance were:

Staff:

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

Guests:

Julie Frauenholtz, City of Everett
Adrienne Hulbert

Administration of Oath of Office to Commissioner Kevin Phan

Vice-Chair Warren-Barbour administered the oath of office to Kevin Phan, appointing him for a five-year term as resident commissioner to the position formerly occupied by John Mierke. Executive Director Lommers-Johnson said Mr. Phan is a member of a Voucher program household that was relocated from Baker Heights and noted his experience working with the County on housing issues.

Motion to Revise Agenda

Vice-Chair Warren Barbour called for a motion to revise the meeting agenda as follows: 1) move Public Comment segment to follow Communications; 2) revise the Policy Discussion item to read "Approve Financial Statements for Tax Credit and Core Programs for the Period Ending June 30, 2019." Commissioner Young moved to revise the meeting agenda as stated, Commissioner Perez seconded and the motion passed unanimously.

Election of Officers

Vice-Chair Warren-Barbour called for nominations for Chair to start the process of electing officers for the next year. Commissioner Young nominated Vice-Chair Warren-Barbour, and there were no further nominations. Vice-Chair Warren-Barbour next called for nominations for Vice-Chair. Commissioner Smith nominated Commissioner Perez, and there were no further nominations. Vice-Chair Warren-Barbour declared the nomination process closed and called for a vote. Commissioner Phan moved to elect Vice-Chair Warren-Barbour as Chair. Commissioner Young seconded, and the motion passed unanimously. Commissioner Young moved to elect Commissioner Perez as Vice-Chair. Commissioner Smith seconded, and the motion passed unanimously.

Communications

Broadway Plaza Resident Council President Gary Haddenham said the resident council board was in transition. He reported management was in the process of issuing new keycards for building residents and noted that the resident council was helping to organize holiday activities.

Public Comment

Adrienne Hulbert introduced herself as the mother of a disabled adult son on the Voucher program, for whom she has planned for several years to create a living space within her home and/or on her property. Noting that past case managers have assured her the restriction against renting from a direct relative could be waived as a disability-related reasonable accommodation, she said her recent request for such an accommodation was rejected on the ground that her son could continue to rent from a third party landlord and hire a live-in caregiver. Ms. Hulbert related her strong disagreement with that determination, saying she is best positioned to assist her son with his day to day needs, and her daughter is ready to step in when she can no longer do so. Chair Warren-Barbour thanked Ms. Hulbert for making the Board aware of her situation and encouraged her to follow through with her plans to re-apply for the reasonable accommodation.

Administration of Oath of Office to Commissioner Chip Burgess

Chair Warren-Barbour administered the oath of office to Chip Burgess, appointing him for a five-year term to the commissioner position formerly occupied by Maddy Metzger-Utt. Executive Director Lommers-Johnson introduced Commissioner Burgess as a long-time resident of Everett and construction union representative, noting that this continues the tradition of having someone with a labor background on the Board.

Executive Director's Report

Executive Director Lommers-Johnson began with an update on the Federal budget. Although Congress had not yet passed a T-HUD bill for the fiscal year that began October 1, it had bypassed sequestration by agreeing to spending caps. Funding for HUD programs remained at FY 2019 levels as a result of a Continuing Resolution, a situation that may continue through February or March 2020. Mr. Lommers-Johnson said a government shutdown over the issues of impeachment and border wall funding was possible, but he expected HUD would release two months' worth of funding prior to this happening. He hoped HUD's projected \$4 million increase in Housing Assistance Payment funding for CY 2020 would carry through, given that a significant increase to area Fair Market Rents will require a corresponding increase to the payment standards effective January 1: e.g., \$1,899 to \$2,099 for a two-bedroom unit.

The Baker Heights relocation and redevelopment was the next topic discussed. The Executive Director said all 244 households at the property have been successfully relocated using Tenant Protection Vouchers, and these will be added to the regular tenant-based Voucher pool. As an aside, he said the relocation team continues to relocate residents from the 44 Public Housing Scattered Sites in preparation of the sale of those properties. The Executive Director went on to say Baker Heights was now ready to be sold to Washington State University, per the terms of a Memorandum of Understanding. This provides for WSU to purchase 10 acres of the property, with the Housing Authority retaining 3.61+ acres for redevelopment. At present there is no clear direction for the disposition of the adjacent Wiggums Park ballfield. Although not a HUD requirement, Mr. Lommers-Johnson said the Housing Authority remains committed to replace the units at Baker Heights on a one-for-one basis, to include units located on the portion of the property slated for redevelopment.

Next, the Executive Director outlined the basic details of a two-phased plan for the redevelopment of Baker Heights. The first phase will entail the construction of 105 units at the south end of the property, to begin at the end of the year at an estimated cost of approximately \$40 million. The majority of these units will be designated for homeless families with children enrolled in the Everett School District, and others will be designated for elderly households. The Housing Authority planned to fund the majority of this project with Low Income Housing Tax Credits and a loan, with the remaining cost covered by Housing Trust Funds, money from the City and County, and proceeds from the developer fee. Optimally, the Housing Authority will not need to use its own cash for this project. The Executive Director said the second phase of the Baker Heights redevelopment will entail the construction of 60 unsubsidized units for families, with a preference afforded to former Baker Heights residents with tenant-based Vouchers. The Executive Director said Mosaic Housing, the non-profit that is currently in the formation process, will serve as the

developer. Construction will follow the design/build model and will likely take the form of modular housing.

The Executive Director concluded his report by informing the Board that the Housing Authority was recently awarded a Family Self-Sufficiency Program grant, which will be used to hire an additional FSS Coordinator. The Housing Authority also recently competed for and received an allocation of 60 "mainstream" Vouchers for non-elderly disabled households. Unlike their NED counterparts, these Vouchers are not administratively burdensome and can be added to the regular Voucher pool once the original recipient exits that program.

Consent Agenda

Chair Warren-Barbour called for a motion to approve the Consent Agenda, which consisted of the following Items:

1. Section 8 Payments for the Months of August, September 2019
2. Summary of Vouchers for the Months of August, September 2019
3. Approval of Meeting Minutes for Regular Meeting Held on August 26, 2019 and Special Meeting Held on October 21, 2019
4. Approve Contract for Agency-wide Landscape Maintenance
5. Approve Contract for Royal Oakes Elevator
6. Acceptance of Executive Director's Report on Write-offs of Tenant Accounts Receivable
7. Approve Updated Agency Safety Manual

Commissioner Young moved to approve the consent agenda, Commissioner Perez seconded, and the motion carried, with Commissioners Burgess and Phan abstaining.

Items for Individual Consideration

Resolution No. 1485 Approving Section 125 Cafeteria Plan for 2020

Director of Finance Wendy Abbey said this resolution authorized the employee paid portion of the medical insurance benefit to be deducted from pre-tax dollars over the next calendar year.

Commissioner Perez moved for adoption of the resolution, Commissioner Smith seconded, and the motion passed unanimously.

Policy Discussion

Approve Financial Statements for Tax Credit and Core Programs for the Period Ending June 30, 2019

Director of Finance Abbey said this presentation was meant to provide a high-level view of the programs covered in the financial statements, which would be reviewed in greater detail with the Board's Finance Committee once the new members were appointed. Statements for the properties under tax credit partnerships, which run on a calendar year basis, represented the first half of the operating year. Operating expenses were slightly over-budget, and net income and cash flow slightly less than forecasted across the six tax credit developments, but Director Abbey said each one was performing well.

Director Abbey next reviewed statements for the core properties, which operate on a fiscal year basis ending June 30. She noted there were noticeable variances for the remaining two properties on the Public Housing program because it was difficult to anticipate the HUD subsidy and expenses for those properties as they went through disposition. Using HUD's allowance for fungibility, \$750,000 was transferred from the Scattered Site reserve account to Baker Heights, in order to ensure there will be enough money to close down the property. After observing the core programs were doing well overall, she took a more detailed look at the statements for the supporting programs, including the HCV, Hope Options, Property Management/Development and CoCC. All of these programs had variances in line with what was budgeted.

Commissioner Young moved to approve the financial statements for tax credit and core programs, including the supporting programs, for the period ending June 30, 2019. Commissioner Smith seconded the motion, which passed unanimously.

Executive Session

Pursuant to RCW 42.30.110(1)(g), Chair Warren-Barbour announced that the Board would convene in Executive Session for a period of thirty minutes to review the performance of the Executive Director. The Board adjourned to Executive Session at 1:04 p.m.

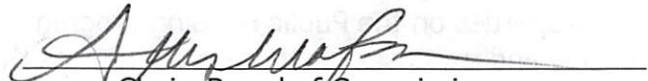
Reconvene Regular Session

At 1:34 p.m. the Board reconvened in public session, having taken no action in Executive Session. Chair Warren-Barbour first called for a motion to approve the Executive Director's self-evaluation. Commissioner Perez moved for approval, Commissioner Smith seconded, and the motion passed unanimously. Chair Warren-Barbour then asked Mr. Lommers-Johnson if he had any comment. He responded that over the course of his seven-year tenure he has strived to set the agency on a path to excellence, and as a result the Housing Authority has achieved things that no other agency of comparable size in the United States has achieved. He requested the Board to grant him and the other department heads a performance bonus of 2%. He also requested to be granted six days of administrative leave per year to enable him to serve as a member of PHADA's Board of Trustees, which entails two full days of travel outside of weekends three times per year.

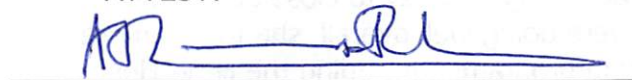
Chair Warren-Barbour said the Board was proud of the agency's accomplishments under Executive Director Lommers-Johnson's leadership. As such, she called for a motion to approve a 4% increase to the Executive Director's salary based on his performance, a one-time 2% performance-based bonus, and six days of administrative leave per year for participation in regional and national trade industry organizations, all retroactive to July 1, 2019. Commissioner Young moved for approval as stated, Commissioner Perez seconded, and the motion carried unanimously.

Adjournment

There being no further business, Chair Warren-Barbour adjourned the meeting at 1:43 p.m.


Chair, Board of Commissioners

ATTEST:


Secretary