



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

March 22, 2021

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 Allison Warren-Barbour at 12:02 p.m. on Monday, March 22, 2021. This meeting was held via Zoom videoconference as an emergency measure to prevent the spread of the COVID coronavirus.

Commissioners Present at Roll Call:

Chair Allison Warren-Barbour
Vice-Chair Benjamin Young
Commissioner Chip Burgess

Commissioner Tammy Williamson

Commissioner George Perez, Jr. joined the meeting following roll call.

Commissioners Absent:

Commissioner Koren Smith

Also in attendance were:

Staff:

Ashley Lommers-Johnson, Executive Director
John Forsyth, Deputy Executive Director
Wendy Blain, Director of Finance
Jason Morrow, Director of Development
Linda Manning, Director of Human Resources and Administration
Wendy Westby, HCV Program Director
Tony Nabors, Director of Diversity, Equity, Inclusion
Kristen Cane, Director of Asset Management
Janinna Attick, Senior Policy Analyst
Brenda McLeod, Asst. Dir. of Procurement and Contracts
Chris Neblett, Hearing Officer/Administrative Coordinator
Jaysen Garcia, Executive Assistant

Guests:

Gary Haddenham, Broadway Plaza Resident Council President
Liz Vogeli, City of Everett
Julie Willie, City of Everett

Public Comment

None.

Communications

Broadway Plaza Resident Council President Gary Haddenham provided an update on resident life at Broadway Plaza. He said residents were grateful to the Housing Authority for organizing the recent mobile COVID vaccine clinic, and also for the Resident Services department's assistance with that effort. He further noted that the Resident Services department has been instrumental in coordinating services to maintain residents' health and well-being during the pandemic, including monthly deliveries of produce boxes and lunch deliveries twice a week by Homage Senior Services. He said residents were sad to hear of the impending departure of two of the Resident Services staff and hoped their replacements would be equally capable.

Mr. Haddenham inquired when it would be possible to reopen the restaurant area at Broadway Plaza as a meeting spot for residents. Executive Director Ashley Lommers-Johnson said the fact that not all residents have been vaccinated created an issue, as it was not feasible for management staff to monitor and limit use of the space to vaccinated residents only. However, he was optimistic that the restrictions against meeting indoors would be lifted within the next couple of months, and the Housing Authority would continue to rely on guidance from the WA State Health Department and the CDC to determine when it was safe for residents to resume meeting in common areas.

Executive Director's Report

Executive Director Lommers-Johnson began his report by noting that residents in HUD 202 senior housing and buildings with large numbers of senior residents, over 1,000 households total, have now been provided the opportunity to be vaccinated against COVID through on-site mobile clinics. Although some residents declined the vaccine, and others refused the second shot after a bad reaction to the first immunization, most have received both shots of the Pfizer or Moderna vaccines. He went on to report that the Housing Authority recently posted job announcements for two Voucher Department Certification Specialist positions that could be worked 100 percent remotely. It was hoped this would attract qualified and experienced candidates from throughout the United States and increase the diversity of Housing Authority staff.

Continuing on the topic of remote work, the Executive Director said that, with the exception of maintenance department staff and a few others who must work onsite, most Housing Authority staff continued to work remotely from home. Assuming the rate of hospitalizations and deaths related to COVID continue to trend downward, he anticipated staff would gradually resume in person work over the next few months, although many employees will continue to work remotely at least some of the time. The Reimagining Work committee was in the process of drawing up recommendations to the senior management team about what the "new normal" for working at the agency would look like once the restrictions on in person work were lifted.

The Executive Director said management was in the process of negotiating new collective bargaining agreements with the Teamsters and AFSCME, and Deputy Executive Director

Forsyth was heading up both sets of negotiations. Other operations news included the Housing Authority's efforts to assist residents in accessing Federal and state rental assistance programs, in order to recoup approximately \$150,000 in outstanding rents accrued since the start of the pandemic. The first phase of the Baker Heights redevelopment effort, the Legacy project, was on track to close next month, and the construction of 105 new units was expected to begin the following month. The Executive Director noted that the adoption of an omnibus resolution later in the meeting will allow the Baker Heights Legacy project to move forward. He said the Development department was also in the preliminary planning stage for the construction of 150-160 units for seniors on the Rucker site currently under negotiation for purchase. Master planning for redevelopment of the entire Baker Heights site through the construction of up to 1,000 units of subsidized and unsubsidized mixed income housing was underway as well. The Executive Director said he would defer the related policy discussion item on today's agenda until one or more community meetings have been held.

The Executive Director concluded by noting that HUD was recently allocated \$5 billion to fund new emergency Vouchers nationwide, although it would not be clear until May how many of these Vouchers the Housing Authority would receive. He said HUD's allocation of Federal funding was also significantly increased, resulting in a corresponding increase in housing assistance funding and administrative fees available to PHAs.

Approval of Minutes

Chair Warren-Barbour called for a motion to approve the minutes of the Regular Meeting held on February 22, 2021. Commissioner Burgess moved for approval, Commissioner Perez seconded, and the motion carried unanimously.

Consent Agenda

Chair Warren-Barbour called for approval of the Consent Agenda, containing the following items:

1. Section 8 Payments for the Month of January 2021
2. Summary of Vouchers for the Month of January 2021
3. Renew Earthquake Insurance for Broadway Plaza, Wiggums Park Place

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

Item for Individual Consideration

Resolution No. 1505 Omnibus Resolution Authorizing the Executive Director to Carry Out Actions, Including Execution of Documents, Related to the Financing of the Baker Heights Legacy Redevelopment Project

Director of Development Jason Morrow said this resolution authorized the Executive Director to execute various documents needed to close on financing of the Baker Heights Legacy redevelopment project, thereby enabling construction to begin next month. This

omnibus resolution encompassed most of the bonds and all loans, including those from the FHA, County, and State Department of Commerce, as listed in Schedule 1 of the resolution.

Commissioner Perez moved to adopt the resolution. Commissioner Young seconded, and the motion passed unanimously.

Resolution No. 1506 Declaring Intent to Sell Bonds in an Amount Not Exceeding \$23,000,000 for the Baker Heights Legacy Redevelopment Project

Director of Development Morrow said this resolution authorized the issuance of bonds for the construction of the Baker Heights Legacy project and set the terms for their sale, including a provision allowing the Executive Director to accept an offer from RBC to purchase the bonds. In response to questions from the Board, the Executive Director provided some clarifying information regarding the nature of these bonds. He said they were classified as tax exempt private activity bonds, which are required to cover at least fifty percent of total development costs of a project in order to trigger 4% tax credits. These bonds will also be eligible to be converted to a permanent source of financing at a later date.

Commissioner Young moved to adopt the resolution. Commissioner Perez seconded, and the motion passed unanimously.

Resolution No. 1507 Adopting Annual PHA Plan Effective July 1, 2021

Hearing Officer/Administrative Coordinator Chris Neblett said the Board would be authorizing submission of the FY 2021-22 Annual PHA Plan to HUD by adopting this resolution. He said no substantive changes have been made to the Annual PHA Plan since it was presented in draft form to the Board at a public hearing held as part of February's regular Board meeting. He went on to say the only subsequent modification to the Plan was the addition of a comment from the head of the Delta Neighborhood Association, along with the Housing Authority's response. This additional text was inserted into the Plan attachment with the Resident Advisory Board's comments.

Commissioner Williamson moved to adopt the resolution. Commissioner Young seconded, and the motion passed unanimously.

Resolution No. 1508 Revising Housing Choice Voucher Program Utility Allowances

Hearing Officer/Administrative Coordinator said HUD requires PHAs to review their Voucher program utility allowances each year, and to revise an allowance if the utility rate on which it is based has changed by 10 percent or more since the allowance was last revised. He said Everett Housing Authority partnered with the Housing Authority of Snohomish County for a second year to contract with the Nelrod Company to complete a utility allowance study. This study included a utility rate survey and any required updates to the utility allowance schedules based on the survey's results. The only utility that met the threshold requiring a revision to the corresponding allowance was fuel oil, which decreased in cost by 40 percent over the past year.

Commissioner Perez moved to adopt the resolution. Commissioner Young seconded, and the motion passed unanimously.

Policy Discussion

Baker Heights Phase Two Master Planning

As previously mentioned during the Executive Director's report, this policy discussion item was deferred until a future meeting.

Financial Statements for Quarters Ending September 30 and December 31, 2020

Finance Director Wendy Blain first related that the subject of her reports, the tax credit properties and "Core" programs and properties, were in good fiscal shape in the face of operational challenges posed by the pandemic. She noted that her presentation would focus on the December reports, as they incorporated the previous quarter's data.

Director Blain began by reviewing financial reports for the tax credit properties, which had a better than expected year end net cash flow of \$692,949, resulting in a significant positive variance. This was due in part to funding from the Federal CARES Act. Notable expenditures at these properties included several extraordinary maintenance items, as well as the ongoing replacement of pull cords in individual units with personal security devices, or FOBs. Vacancies at the tax credit properties were lower than expected, presumably due to the restrictions imposed by COVID, which in turn resulted in lower than budgeted unit turn costs. Director Blain said most of these properties continued to collect rents at a high level, resulting from a greater share of subsidized units and seniors on fixed incomes.

Director Blain next reviewed financial reports for the "Core" programs. The first set of programs under this umbrella, the Supporting Programs (Central Office Cost Center, Property Management fund, and Property Development fund) which are budgeted to operate at a loss because revenues do not typically cover expenses, had a better than expected net cash flow of approximately \$150,000. The second set of programs within this Core program grouping, Grant Programs (Hope Options and Family Self-Sufficiency), funded by reimbursable grants, performed as budgeted and did not require an additional subsidy from the Housing Authority. The third and last set of programs under the Core program umbrella, the Section 8 and Mod Rehab programs, had a slight negative variance, although it was not necessary to dip into reserves to the degree the budget had forecasted. In order to serve the maximum number of Voucher program households, the Housing Authority continued its strategic practice of utilizing slightly more than its full allocation of Vouchers and making up the shortfall with Section 8 Administrative fees.

Director Blain reported that all but one of the former Public Housing Scattered Sites had been sold by the end of February, resulting in approximately \$13 million in net proceeds. This revenue, classified as restricted funds and not included in the six-month financial statements under review, was earmarked to develop replacement units as part of the Baker Heights Legacy redevelopment project. Executive Director Lommers-Johnson further clarified that the Housing Authority had a commitment to replace all 288 units of Public Housing lost as a result of the disposition of Baker Heights and the Scattered Sites with an equal number of subsidized housing units. He went on to say this was a realistic

commitment because proceeds from the sale of these properties will be leveraged to create even more affordable units.

Director Blain concluded her presentation with a review of financial statements for the five non-tax credit "Core" properties, which reflected a better than anticipated net cash flow of \$15,201. She noted that management was exploring the possibility of disposing of some of the smaller properties within this portfolio, as their size and isolated location made them challenging to manage in a financially efficient manner.

Chair Warren-Barbour called for a motion to approve financial statements for the quarters ending September 30 and December 31, 2020. Commissioner Perez motioned as requested, Commissioner Young seconded, and the motion passed unanimously.

Adjournment

There being no further business, Chair Warren-Barbour adjourned the meeting at 1:02 p.m. The Executive Director made two announcements before the Zoom call ended. First, he reported that the Housing Authority recently received a clean audit report from the State Auditor, marking thirty-one consecutive years of clean audits for the agency. Second, he said he recently met with City stakeholders and Compass Health about its newly constructed site on Broadway and was considering the feasibility of transferring forty project-based Vouchers to the new site.


Allison Warren-Barbour (May 25, 2021 10:09 PDT)

Chair, Board of Commissioners

ATTEST:



Secretary