



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

September 28, 2020

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 Allison Warren-Barbour at 12:10 p.m. on Monday, September 28, 2020. 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 George Perez
Commissioner Chip Burgess

Commissioner Koren Smith
Commissioner Benjamin Young
Commissioner Tammy Williamson

Commissioners Absent:

None

Also in attendance were:

Staff:

Ashley Lommers-Johnson, Executive Director
John Forsyth, Director of Housing Operations
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, Temporary Real Estate Advisor to the Executive Director
Janinna Attick, Senior Policy Analyst
Chris Neblett, Hearing Officer/Administrative Coordinator
Jaysen Garcia, Executive Assistant

Guests:

Becky McCrary, City of Everett

Public Comment

No public comment was offered. Chair Warren-Barbour noted the Policy Discussion segment was scheduled for an earlier spot on the agenda, to ensure the public hearing on

the proposed PHA Plans would begin no sooner than its advertised start time of 12:30 p.m. She also noted that the next scheduled meeting of the Board of Commissioners would be the annual meeting on Monday, November 9.

Executive Director's Report

Executive Director Ashley Lommers-Johnson began by announcing the Housing Authority has been invited to apply for HUD's Moving to Work Demonstration Program (MTW), and he would provide more information about the MTW program after the public hearing on the PHA Plans. He then introduced Kristen Cane as a new addition to the senior staff. Ms. Cane previously served as the Director of Policy and Development for the Housing Authority of Snohomish County and has been hired as a temporary real estate advisor to the Executive Director. She is currently developing a recommended course of action to provide for the fiscal health and long-term capital needs of the HUD 202 properties, the most desirable of which will involve converting these properties to the Rental Assistance Demonstration Program.

Approval of Minutes

Chair Warren Barbour called for a motion to approve minutes of the regular meeting held on August 24, 2020, subject to one correction: Senior Policy Analyst Janinna Attick's last name was listed incorrectly as Richardson. Commissioner Smith moved for approval of the corrected minutes, Commissioner Burgess seconded, and the motion passed unanimously.

Consent Agenda

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

1. Section 8 Payments for the Months of June, July 2020
2. Summary of Vouchers for the Months of June, July 2020

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

Policy Discussion

Financial Statements for Quarters Ending March 31 and June 30, 2020

After noting that she and the Executive Director had met the previous week with the Board's Finance Committee to review detailed versions of the financial statements, Finance Director Wendy Blain provided an overview of the financial performance of the Core Properties (affordable properties owned by the Housing Authority and the Public Housing program). A better than expected net increase in total income over the last two quarters of the fiscal year was attributed to conservative budgeting, the addition of CARES grant funding, and lower than expected capital improvement expenses for the affordable properties due to new CDBG grant funding.

Director Blain next reviewed the summary of financial statements for the Tax Credit Properties (Broadway Plaza, Bakerview/Grandview, Everett Affordable Housing Portfolio,

EHA Senior Housing, Pivotal Point, Wiggums Park Place), which run on a calendar year rather than a fiscal year (ending June 30) budget cycle. Developer fees and loan proceeds from tax credits associated with some of these properties resulted in an overall positive variance of \$229,575. Director Blain also noted rent collections at the tax credit properties have been better than expected despite the problem of COVID-related job losses; this was attributed to the fact that these properties are subsidized and as such, base tenant rents on income.

Director Blain concluded her presentation with an overview of the financial performance of the EHA Supporting Programs, a budget category that includes the Voucher Program, Grant Programs, and other Supporting Programs, including the CoCC. The Voucher Program was performing better than budgeted, with a \$5,072 positive variance, due to good management practices and a better than expected administrative fee from HUD. Director Blain pointed out that the Voucher Program continued to assist more families than HUD was able to fund – HCV Director Westby clarified around 100 additional families per month – because the Housing Authority absorbed this additional cost. Total income matched overall expenses for the Grant Programs, as both the Hope Options and FSS programs are entirely grant funded. The overall net cash flow of \$2,442,889 for the Supporting Programs was better than budgeted, with a positive variance of \$569,067.

Following Chair Warren-Barbour's call for a motion, Commissioner Smith moved to approve financial statements for the quarters ending March 31 and June 30, 2020. Commissioner Burgess seconded, and the motion carried unanimously.

Public Hearing on Proposed PHA Plans: 2020-24 Five Year (second version) and 2020-21 Annual Plan

At 12:36 p.m. Chair Warren-Barbour called for a motion to convene the public hearing on the Housing Authority's proposed PHA Plans: the second version of the Five Year Plan and the Annual Plan, both of which were effective July 1, 2020. Commissioner Perez motioned as requested, Commissioner Young seconded, and the floor was opened to comment on the proposed Plans. No comments were received, and Hearing Officer/Administrative Coordinator Neblett reported none had been received over the required 45-day review period leading up to this hearing, which was extended to 60 days at the Housing Authority's discretion. The Resident Advisory Board also provided no substantive comment on either Plan.

Mr. Neblett provided some background on why it was necessary to submit a second version of the Five Year Plan and a separate Annual Plan. In keeping with past practice, the Housing Authority's original Five Year Plan, adopted by the Board in March, included information on how the agency would pursue its Five Year goals and objectives over the next fiscal year. However, HUD's Seattle field office subsequently directed that an Annual Plan template with these shorter term activities should have been submitted separate from the Five Year Plan. The Five Year Plan was subsequently revised, to omit information carried over to the Annual Plan template and add the Housing Authority's updated mission statement. Both Plans were subject to review and comment by the public and the Resident Advisory Board as required by HUD. As an emergency waiver related to the COVID pandemic, the deadline for submitting the Board approved Annual Plan was extended to October 17.

Chair Warren-Barbour called once more for public comment on the proposed PHA Plans, and receiving none, called for a motion to close the hearing. Commissioner Burgess moved to close the public hearing, Commissioner Smith seconded, and the public hearing on the proposed Plans adjourned at 12:40 p.m.

Item for Individual Consideration

Resolution No. 1499 Adopting Five Year and Annual PHA Plans Effective July 1, 2020

Based on the information presented at the public hearing, Chair Warren-Barbour called for a motion on this resolution to adopt the PHA Plans (second version of the Five Year and Annual) effective July 1, 2020.

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

Executive Director's Presentation on the Moving to Work Demonstration Program

Picking back up with this topic from earlier in the meeting, Executive Director Lommers-Johnson provided a short presentation on the MTW Program. He explained how the MTW program was originally developed around three statutory objectives – cost effectiveness, increased housing choice, and work and self-sufficiency incentives – and that one of the original drafters of this legislation, Rod Solomon, has been hired as a consultant to assist in preparing the Housing Authority's MTW application, which is due to HUD by January 8, 2021.

After discussing some of the funding flexibilities the MTW program offers, Executive Director Lommers-Johnson explained that the Housing Authority will apply to be part of a cohort within the MTW program intended to study the effects of rent reform. If selected as one of 36 agencies applying for 10 slots within this cohort, the Housing Authority will opt to apply a tiered rent model, as that seems to be the one that will be least disruptive to our clients. Mr. Lommers-Johnson provided a more detailed explanation of this model, which calculates rents based on gross instead of adjusted income and requires clients to have their income recertified every three years rather than annually.

The Executive Director concluded his presentation with a timeline for developing the MTW application, which included plans to engage staff, residents, and the wider community. He advised the Board of some policy changes it will need to consider if the Housing Authority is chosen to participate in the MTW program. One policy issue was related to funding flexibility: i.e., should the Housing Authority serve fewer clients and divert that funding into developing new affordable housing; another policy issue revolved around the overall percentage of the Housing Authority's Vouchers that can be designated as project-based. Current regulations limit this to twenty percent of the overall pool, but under the MTW flexibilities, all of the Housing Authority's Vouchers could be Project-Based.

Executive Session

At 12:58 p.m. Chair Warren-Barbour announced that the Board would convene in Executive Session pursuant to RCW 42.30.110(1)(g), to review the performance of the Executive

Director, for a period of 17 minutes. Prior to their adjourning, the Executive Director noted that he had emailed the commissioners his response to a question about customer service earlier in the day. The Board then adjourned into Executive Session in a separate breakout room of the Zoom videoconference platform.

At 1:15 p.m. Chair Warren-Barbour returned to the public session "Zoom Room" to announce the Board would remain in Executive Session for another 10 minutes.

Reconvene Regular Session

At 1:25 p.m. the Board reconvened in public session, having taken no action in Executive Session. Chair Warren-Barbour asked Commissioner Young, a member of the Board's Personnel Committee, to bring a motion based on what she characterized as the Executive Director's fantastic performance over the past year. Commissioner Young moved to increase the Executive Director's base pay by 1% (retroactive to July 1), and to award a one-time bonus equal to 4% of his annual salary. Commissioner Perez seconded, and the motion carried unanimously.

Chair Warren-Barbour thanked the Executive Director for his leadership in making the Housing Authority a high performing agency, and she hoped that he would convey the Board's appreciation to the rest of the staff. In response, the Executive Director thanked the Board for its continued confidence in his leadership and praised his staff for their many accomplishments.

Adjournment

There being no further business, Chair Warren-Barbour called for a motion to adjourn the meeting. Commissioner Young motioned as requested, Commissioner Burgess seconded, and the meeting adjourned at 1:30 p.m.


Allison Warren-Barbour (Nov 10, 2020 15:39 PST)
Chair, Board of Commissioners

ATTEST:

Secretary

Special Board Mtg Minutes 20200928

Final Audit Report

2020-11-14

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