

**MINUTES OF THE APRIL 28, 2009 REGULAR MEETING OF THE
BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF YAMHILL COUNTY**

The Board of Commissioners of the Housing Authority of Yamhill County (HAYC) met on Tuesday, April 28, 2009, at the HAYC office, 135 NE Dunn Place, McMinnville, Oregon. Board members present were: Chair Dave Newville, Vice-Chair Phil Griffin, Commissioners Jean Kinman and Joyce Morrow. Barbara Knutson had an excused absence from the meeting. Staff members present were: Elise Hui, Mark Davis, James Umfleet, Mike Jager, Cliff Hardy and Jonia Pierce.

Chair Newville called the regular meeting to order at 7:15 p.m.

The quarterly performance measurement charts were presented. Charts showed that Section 8 lease-up is too high; staff commented that we are working to bring it down. Abbey was way over-budget on maintenance in January and February so we are trying to be conscientious with maintenance at Abbey for the remainder of the year. FSS participation and escrow accounts continue to be high which is a very positive thing.

We had 1 FSS graduate this month: Jessica Butler, who received \$11,789 total escrow. Details of FSS graduates are provided in the Families Served Report memorandum.

Commissioner Morrow moved to approve the minutes of the March 24, 2009 annual meeting. The motion was seconded by Commissioner Griffin and unanimously approved.

Commissioner Morrow said she reviewed the list of expenditures and did not have any questions or concerns.

James reported on the financial reports. Total revenue was \$1,015,836, total expenses were \$1,080,824, and total non-operating expense was \$66,100 for a net loss of \$131,088. Approximate cash flow for the month was a negative \$161,915. We paid 1,395 HAPs totaling \$717,970, which is \$92,528 over the established budget. That is a lot more than we want and are trying to drop utilization as quickly as possible before we deplete our HAP reserves completely.

James reported on the Village Quarter audited financials. Operations began October 1st, 2008. Total revenue was \$40,865 and total expenses were \$115,035 for a net loss of \$74,170. The loss is anticipated and desired by the limited partner for the tax credits they will receive. Estimated cash flow was a positive \$31,411 because the permanent loan was not closed yet.

Yanira reported on families served. Total families served decreased 10 to 2,075. Overall occupancy increased .95% to 95.8%. We will soon be having our first state audit for

Village Quarter. Haworth Terrace is 100% occupied in April. Tice has had a lot of move-outs due to overdue rents.

Cliff gave an overview of our situation in Section 8 and being over-leased. At current levels, our HAP reserves will be extinguished in July. We must take action to lower utilization quickly. We are asking for approval to revise our admin plan to (1) establish a reinstatement list, (2) increase minimum rents from \$25 to \$50, (3) allow interim increases, and (4) change the approach for terminations due to insufficient funding. We will then terminate 54 families effective June 1st, but place them on the reinstatement list where they will be the first back on the program. Commissioner Morrow moved to approve Resolution 09-04 revising the Section 8 Housing Choice Voucher Program Administrative Plan. The motion was seconded by Commissioner Griffin and unanimously approved.

Elise reported on Maintenance and Construction as Mike was not yet at the meeting. Average time to complete work orders was 9.9 days. Dave noted that Vittoria rehab is progressing nicely.

Jonia reported on Homeownership:

Housing Rehabilitation: Jonia and Megan met with Julie Marshall and Donna Lanterman today to discuss the NSP funds and the possibility of our applying for that grant funding, among other things. The Sheridan grant is now progressing, although it has become harder to qualify applicants due to reduced house values.

Housing Resource Center: The 2010 Resource Center grant application is progressing nicely.

Home Ownership: The Bridge-Street Sheridan home has had significant interest lately, and we have received an offer from the Sheridan school district. The house is adjacent to the school, and they need more room. The district has offered \$105,000 as is, or \$115,000 after an appraisal supporting that price. The YCAHC Board discussed this at the April 22nd meeting and agreed to get an appraisal done and proceed from there.

Mark reported on Development:

Village Quarter: We closed on the purchase of the commercial space on March 31st. Fannie Mae kept us guessing about their funding until the last minute, but in the end advanced the funds as previously agreed with the condition that it be repaid by December 1st. This gives us time to look into alternative funding. We appear to be on schedule for closing the permanent loan in May. McMinnville Community Media is considering whether to make an offer to buy one-fourth of the retail space. They need to discuss it with their Board. We are interviewing prospective brokers to take over leasing or selling.

New Reflections: We held a pre-construction meeting, and hope to have the contract signed and work started by the end of the month. We need to complete a lead and asbestos test, which Mike is working on.

Under Unfinished Business, Elise provided the LRP sales tracking list. We have sold 4 duplexes and have 6 duplexes and 9 houses on the market. We have offers on 3 of the houses.

Under New Business, Elise talked about the use of Low Rent Public Housing Sale Proceeds. The plan is to have the Heritage Place acquisition funded by LRPH sale proceeds. HUD requires LRPH sale proceeds to be used to acquire properties that accept Section 8, so we are asking Board approval that Heritage Place be made 100% available to Section 8 tenants. Commissioner Morrow moved to clarify that Heritage Place has been and will remain 100% available to Section 8 tenants holding a tenant-based voucher. The motion was seconded by Commissioner Griffin and unanimously approved.

Also under New Business, discussed the status on the Low Rent Duplex Partitioning. HAYC has agreed to sell up to ten PH units to YCAHC for \$1, to be sold at discounted prices to people below 80 percent of median income. The 10 units are to come from the partitioning of 5 duplexes. The sale proceeds will be returned to HAYC less a \$5,000 admin fee retained by YCAHC. Our consultant, Don Clark, provided an analysis showing the partitioning to be financially advantageous. Staff asks for approval to partition the duplexes on Wright Street in Newberg, and Columbia Street in McMinnville, and sell them to YCAHC. Commissioner Morrow moved to approve the partitioning of two duplexes (1678/1680 Wright Street and 709/711 Columbia Street) and sale of those duplexes to YCAHC. The motion was seconded by Commissioner Griffin and unanimously approved.

The Board entered Executive Session at 8:15 p.m. and returned to Regular Session at 8:44 p.m.

After discussion Commissioner Morrow moved to approve the recommendation of Fred Mickelson to replace Barbara Knutson on the board. The motion was seconded by Commissioner Griffin and unanimously approved.

Commissioner Kinman announced that she would like to rescind her resignation from the Board, and would like to complete her commission, which expires 12/31/2010. Commissioner Griffin moved to approve the rescission. The motion was seconded by Commissioner Morrow and unanimously approved.

Dave asked for approval to have Fred represent the Board at union negotiations along with Phil. Commissioner Morrow moved to approve Fred Mickelson representing HAYC at negotiations along with Commissioner Griffin. The motion was seconded by Commissioner Kinman and unanimously approved.

Commissioner Newville adjourned the meeting at 8:50 p.m.

Respectfully Submitted,

Elise Hui
Executive Director/Secretary