

**MINUTES OF THE MAY 23, 2007 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, May 23, 2007, at the HAYC offices, 135 NE Dunn Place, McMinnville, Oregon. Board members present were: Chair Joyce Morrow, Commissioners Phil Griffin, Jean Kinman, Barbara Knutson and Dave Newville. Staff members present were: Elise Hui, Mark Davis, James Umfleet, Mike Jager, and Judi Herubin. A guest in attendance was Darci Taylor, FSS graduate.

Chair Morrow called the meeting to order at 7:30 PM. Judi introduced Darci Taylor, a previous FSS graduate, shared a little about Darci's life and then presented her with a certificate of completion from the FSS program. Darci described her experience in the FSS program and how she had also attended some of our financial courses. Judi excused Darci and herself from the meeting.

Commissioner Newville moved to approve the minutes of the April 24, 2007 meeting. The motion was seconded by Commissioner Griffin and unanimously approved.

Commissioner Morrow stated she reviewed the list of expenditures and prior to the meeting had asked James a question about one expenditure, which he had answered to her satisfaction.

James reported on the financial reports. For the month of April we were nearly breakeven with a net loss of \$154 and had positive cash flow of \$16,000. Fiscal year-to-date net income has been \$216,000, and year-to-date cash flow has been a positive \$371,000. We are close to accruing Village Quarter developer fees, as the project seems to be passing the tenuous phase and is likely to proceed. Of the \$435,000 developer fee, \$120,000 was budgeted for FY2007.

With Cliff absent, Elise reported on families served. Total families served decreased 20 to 1,955. Overall occupancy decreased .61% to 96.52%. Overall occupancy has dropped a bit, but we're trying to pull folks off the waiting list and turn the units as quickly as possible. FSS escrow utilization has actually increased despite recent graduations. We are in the process of purging about 400 applicants off the Section 8 waiting list which is now down to 888 families and will probably show an even further reduction next month. Elise began discussion of manufactured home park closures. In the last year, 10 manufactured home parks have closed in Washington County, and now Victor Park in McMinnville has announced closure. The residents of these parks are in a terrible situation where they are forced to pay for either the relocation of their homes, or pay the cost to demolish their homes, neither of which most can afford. Elise and Yanira

approached residents of Victor Park, to suggest they seek out the Housing Authority's services. Dave suggested we consider getting into developing a manufactured home park. The group discussed it, concluding that there is Board interest and we may discuss it further in the future, perhaps at the next Planning Retreat.

Mike reported on maintenance and construction. Average time to complete all work orders was 12.52 days. We had a lot of move-outs, which took away some time doing less time intensive work orders.

Mark reported on Development:

*Jandina Park & Vittoria Square rehab:* RD has set up a new committee in their DC office to review loans such as ours. While we're pleased by the action, we're concerned about the additional bureaucratic review. We have reiterated our position that we will undertake Jandina only if it is fully funded, and it appears we have the support of the Portland RD office on it.

*Village Quarter:* We've sent Steve Draper a letter exercising the option to purchase his land on May 28<sup>th</sup>. We're hearing of indications that the HOME grant funds should soon be available. Despite the McMinnville Planning Commission's unanimous approval to our parking variance and conditional use permit, Jeb Bladine of the News-Register talked to us about appealing the decision. After listening to his concerns, we drafted an additional condition stating we would maintain a parking permit system since this is something we intended to do anyway. By agreeing to take this additional condition to the Planning Commission, he agreed not to appeal to the City Council. We are growing concerned about the cost of the project, and are working with the architects and contractors on value engineering. There is a possibility of forgoing some of our developer fee to keep some features we really want. Grande Ronde Housing Authority has offered to invest about a million dollars in the project in exchange for making a few units available to tribal members. There are several complex legal issues to resolve, but we are considering this as an option to resolve the budget shortfall. Mark asked if the Board had any concerns about having a tribal member preference on some units. The Board agreed that they did not have a problem with showing a preference.

*Other:* Mark said he had a conversation with Bernie Turner with Habitat for Humanity about land acquisition. They will try to keep communication lines open on possible land options that seem appropriate for each entity.

Staff presented the quarterly performance measurement charts to the Board. Charts include statistics on occupancy, Section 8 budget-to-actual, FSS participation, worker orders, operating costs per unit, and rehab loans.

Under Reports of Committees attendees of the recent Pacific Regional NAHRO conference including Mike, Dave, Phil, and Jean (Elise also attended but was not asked to provide a report) gave brief overviews of sessions of interest that they attended. Jean attended a session called "Ready to Rent". Barbara attended sessions on advocacy, personal emergency preparedness, Ross Grants, and on understanding financial reports.

Phil attended sessions on Asset Management, Ross Grants, and one about kids' organizations. Mike attended sessions on managing difficult employees, personal emergency preparedness, mold litigation, and e-procurement.

Under Unfinished Business Elise updated the Board on LRPB disposition. Recent developments include:

- a) A professional services contract has been prepared for Coldwell Banker Real Estate, who will work with us on a market analysis.
- b) We selected Bill Adams, MAI to perform appraisals. Appraisals are on hold until HUD approves our application.
- c) We gave a presentation to Yamhill County Commissioners on May 7<sup>th</sup>, which included LRPB disposition. The commissioners are supportive of our efforts.

Environmental reviews from the City of McMinnville and City of Newberg have been received recently which is another required step for the disposition application.

Dave expressed concern about our plans to "identify possible rehab work", and questioned whether we would get a 100% return on our investment when we sell the properties. James said that it is likely that when we sell the LRPB properties, we will have to return to HUD all the cash accumulated over the years from operating surpluses. So, the money is best invested into the properties before we sell. Dave asked how much money we're talking about; James said about \$300,000 to \$400,000.

We plan on submitting the application to HUD by the end of May or beginning of June.

Resolution #07-04 – Disposition of LRPB Units under New Business was moved up the agenda to be discussed at this point as it directly involved the topic under discussion. The final step before submitting our application is a formal resolution by the Board of Commissioners authorizing the disposition of the units. The resolution stipulates that some units will be sold at market rates, while the duplexes may be sold below market to YCAHC for sale to low income families. Dave expressed concern about selling some units below market and suggested we establish some policies about it. Elise agreed that we should do that at a later date, but for now it is not necessary for the resolution. Commissioner Griffin moved to approve the resolution. The motion was seconded by Commissioner Newville and unanimously approved.

Under New Business we had Initiatives for the FY 2008 Budget. James prepared a list of FY2008 budget initiatives, or changes from the current budget to next year's budget. The total impact to the operating budget will be \$146,000 more revenue, and \$137,000 more expenses. The capital budget includes numerous items, with some large cash transactions. The total impact to the capital budget is \$2,124,000 cash in, largely due to the disposition of LRPB units. Commissioner Newville moved to approve the budget initiatives. The motion was seconded by Commissioner Kinman and unanimously approved.

Under New Business was the Village Quarter Broker Selection. Mark briefed the Board that we issued an RFP for a commercial real estate broker to help lease and sell of the retail space of Village Quarter. We received only one reply from Real Estate Investment Group, but they appear to be very qualified for the job and so they were selected. Dave expressed concern about Section 1.3 that states that preference will be given to local businesses, and feels the statement should be removed. After discussion, the Board decided to approve the contract, subject to elimination of the statement about preferences to local businesses, and also authorized staff to have our attorney review the contract. Commissioner Newville moved to approve the motion. The motion was seconded by Commissioner Griffin and unanimously approved.

The last item under New Business was the Professional Services Contract for Realtor Services for the LRPB units. Staff requests Board approval to sign a service contract with McMinnville Coldwell Banker Executive Realty, who will assist with the disposition of LRPB properties. Dave expressed appreciation of the low 4% commission fee negotiated into the contract. Elise added that the Realtor also agreed to cover a 1-year warranty on the properties after the sale. The contract does not prevent us from selling some units ourselves to our own clients. Those sales would be exclusive of this contract. Commissioner Griffin moved to authorize the Executive Director to sign the Personal Services Contract for Real Estate Broker Services. The motion was seconded by Commissioner Kinman and unanimously approved.

As part of the Management Report, Barbara had 2 recommendations for the Social Service advisory subcommittee: Nancy Thornton and Rita Baller, ex-mayor of Willamina. Elise and Phil have also approached Doug Bartlett, soon to be ex-Executive Director of YCAP, to be on the Social Service advisory subcommittee. Doug has not yet committed. Elise has agreed to put together an orientation packet for new prospects that Board members could give to potential candidates.

The meeting was adjourned at 9:43 PM.

Respectfully Submitted,

Elise Hui  
Executive Director/Secretary