

**MINUTES OF THE MAY 28, 2013 REGULAR MEETING OF THE  
BOARD OF COMMISSIONERS OF THE  
HOUSING AUTHORITY OF YAMHILL COUNTY**

***Call to Order:***

The Board of Commissioners of the Housing Authority of Yamhill County (HAYC) met on Tuesday, May 28, 2013 at the HAYC Office, 135 NE Dunn Place, McMinnville, Oregon. Chair Morrow called the meeting to order at 5:55 p.m.

***Roll Call:***

Board members present were Chair Joyce Morrow, Vice-Chair Fred Mickelson, and Commissioners Cheri Strawn, and Mike Gougler. A commissioner absent was Phil Griffin. Staff members present were Executive Director Elise Hui, James Umfleet, Jonia Pierce, Judi Herubin, Mike Jager, and Yanira Vera. A guest present was Philip Dochow, our development consultant for Deskins Commons.

***Approval of Minutes:***

Commissioner Mickelson moved to approve the minutes of the meeting held on April 23, 2013. The motion was seconded by Commissioner Gougler, and unanimously approved.

***Hearings of Visitors:***

Our development consultant, Philip Dochow with HDC, attended the meeting to give an update and answer any questions on Deskins Commons. The Board asked several questions, which Philip answered to their satisfaction. He said because of delays in working with HUD, the closing date has moved back a few weeks, but overall things are going very well. Afterward Chair Morrow thanked Philip for his good work on the project and then excused him from the remainder of the meeting.

***Bills & Communications:***

*List of Expenditures:* Chair Morrow said she reviewed the list of expenditures and didn't have any questions or concerns.

***Reports of the Secretary:***

*Finance, Systems, and Rehab Report by James:* Cash flow from operations was \$11,681 for the month, and \$171,182 year-to-date. Maintenance costs are running very close to budget year-to-date. HUD's estimated payment for Section 8 HAP was very low, due to current funding estimates indicating we were over funded January, February, and March. A couple days ago we finally learned what our HAP funding is for this year, but it is much less than last year, hence the proposed Admin Plan changes in New Business.

*Asset Management Report by Yanira and Mike:* Overall physical occupancy decreased .6% to 97.5%, and financial occupancy increased .9% to 98.2%. There were only two properties with more than one vacancy – Haworth Terrace and Woodside Park had 3 vacancies. The average time to complete work orders decreased .3 days to 1.1 days. Tracking work order completion via cell phone texts has really been effective. We had to have a raccoon family removed from the crawl space of a building at Vittoria Square.

***Housing Services Report by Judi:***

*Housing Resource Center:* We are still waiting to hear about the future of several of the grant funding sources we currently receive, but in the mean time are applying for a few other grants. We have heard that at least the grant for Resource Center operations will be continued.

*Housing Development Report by Jonia:*

*Deskins Commons:* Logging work began on May 15<sup>th</sup> and will finish by June 15<sup>th</sup>. Approximately 200 trees will be removed and 23 saved. While 23 may not sound like a lot, all are established large trees. The underground heating oil tank has been removed, along with 12 tons of contaminated soil. We are waiting for lab results and report which will support the determination from DEQ, we will respond as needed to obtain a “No Further Action” if that’s what the investors demand. HUD is requiring a firm commitment from Wells Fargo before it will complete a subsidy layering review for the project based vouchers they will provide. City of Newberg is still working on approving plans and issuing permits and the construction contract is still in review.

*Executive Director Report:* Elise provided a report of her activities in the last month. Total families served were 2,193. Elise and Mike showed the VQ retail space to an interested party.

***Reports of Committees:***

None.

***Unfinished Business:***

*Low Rent Public Housing Disposition:* We closed on 1678 Wright Street in McMinnville on May 10<sup>th</sup>, and are scheduled to close on 1680 Wright Street in McMinnville and 919B Charles St in Newberg by the end of May. We are getting interest in the other units, but no written offers yet. The sale of the properties to YCAHC is causing some confusion with the banks.

***New Business:***

*Resolution 13-04 – Deskins Commons Transactions:* Based on legal counsel recommendations, we are seeking approval to form a single member LLC called Deskins Commons Development LLC (DCD LLC) to serve as developer of Deskins Commons. This will provide an additional shield against liability for HAYC and the project owner, Deskins Commons Housing LLC (DCH LLC). We are also seeking approval to take any actions required for the financing and construction of the project. And finally, we ask for approval for Elise and James to be authorized to negotiate, execute and sign all documents necessary to form DCD LLC and complete the closing for DCH LLC. Commissioner Gougler moved to approve Resolution 13-04. The motion was seconded by Commissioner Strawn, and unanimously approved.

*HAYC Operating and Capital Budgets FY2014:* James provided the operating and capital budgets for next fiscal year. Significant changes from the current year include (1) the addition of Abbey Heights, (2) no further accruing of the Deskins Commons developer fee, (3) reduction of duplex sale proceeds, (4) reduced Section 8 funding due to sequestration, and (5) refinancing of the debts on the office building, Tice Park, Woodside Park, and Heritage Place.

The refinancing of debts provides an opportunity to borrow an additional \$450,000, but only if appraisals reflect enough equity to do so. James asked the Board if they wanted us to borrow additional funds if we are able to in order to do some capital improvements on Tice and Woodside. This adds about \$38,000 more debt service per year, which is included in the budget. After discussion, the Board agreed to borrow additional funds if possible. Commissioner Mickelson moved to approve borrowing additional funds during the refinance. The motion was seconded by Commissioner Gougler, and unanimously approved.

The Board asked staff several questions about the budget, which were answered to their satisfaction. Commissioner Strawn moved to approve the HAYC Operating and Capital Budgets for FY2014, including the borrowing. The motion was seconded by Commissioner Gougler, and unanimously approved.

***Additions to the Agenda:***

*Resolution 13-05 – Revision of Section 8 Admin Plan:* Due to HAP funding reductions, we need to lower our average HAP, and are proposing the following changes to our Section 8 Admin Plan: (1) Change our minimum rents from \$0 to \$50, (2) institute increases in a families countable income into consideration at the time of the increase, and (3) lower payment standards for one and two bedroom vouchers. Commissioner Gougler moved to approve Resolution 13-05 revising the Section 8 Admin Plan as well as the Important Notice to clients. The motion was seconded by Commissioner Strawn, and unanimously approved.

***Executive Session:***

None.

***Adjournment:***

Chair Morrow adjourned the meeting at 7:35 p.m. The next meeting of the HAYC board will be held on June 25, 2013.

Respectfully submitted,

Elise Hui  
Executive Director/Secretary