

**MINUTES OF THE MAY 24, 2005 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 24, 2005, beginning at 7:26PM at the HAYC offices, 135 NE Dunn Place, McMinnville, Oregon. Board members present were: Chair Dave Newville, Commissioners Jean Kinman, Barbara Knutson, Joyce Morrow and Barry Philpott. Staff members present were: Don Clark, Mark Davis Elise Hui, Mike Jager, and James Umfleet.

Chair Newville called the meeting to order at 7:26PM with no public citizens present. Commissioner Morrow moved to approve the minutes of the April 26, 2005 meeting. The motion was seconded by Commissioner Kinman and unanimously approved.

Commissioner Morrow reported that she had reviewed the expenditures for April 2005 and had no further questions.

James summarized the financial statements for the period ending April 30, 2005. Administrative fees are under budget and were discussed. This item includes management fees charged by the Local Program to other programs, Rehab Program admin fees charged to the nonprofit, and developer fees anticipated for the year. All three are lower than budgeted. However, another \$20,000 in developer fees for Vittoria Square will be recorded in May. We are running over budget in the Section 8 Housing Assistance Payment (HAP) line item. This was intentional to get occupancy high during May – July 2005. We will then decrease occupancy for the remainder of the year to get within budget.

Elise reported on the Families Served Report. Total occupancy increased by .48%, but the addition of the new Villa del Sol property reduced total occupancy by 3.96% since it is in the lease-up period. An “Application Open House” was held at Villa del Sol, resulting in 5 additional applications.

Chair Newville closed the regular session temporarily at 7:38PM and moved into executive session to discuss property issues. The Board came out of executive session at 8:13PM and moved back into regular session. Commissioner Morrow made a motion to confirm the procedures currently being used by HAYC staff to verify legal residency at our properties and at Villa del Sol. The motion was seconded by Commissioner Philpott and unanimously approved. Don stated that he will be contacting USDA (Rural Development) and our attorney to verify our procedures.

Mike summarized the Maintenance & Construction report. The average time to complete work orders was 5.61 days. Chair Newville commended Mike for the fast completion rate. Mike reported that we received 3 bids to do rehabilitation work on one unit at Riverside to make it fully compliant with the Americans with Disabilities Act. All bids

were under \$25,000 so Board action is not required. Mike will be moving ahead with the contract for Riverside.

Mark reported on development activity. He was pleased to report that we closed on the purchase of Vittoria Square Apartments in Newberg on May 19th after over two years of work. Funding for the purchase and subsequent rehabilitation work is provided primarily by USDA (Rural Development) through a 1% loan. Consultant Bonnie Johnson will provide construction management for the rehabilitation work and Mike will provide general oversight of the project.

Mark also reported that funding for Palmer Creek is not likely this year. Funding has been obligated by Rural Development for Jandina Park but we will not likely see any action on this property before January 2006. Hendricks Place construction is progressing well with a completion date of June 2005. Mark announced his plans to be gone for about 5 months on a hiking trip. The Board wished him a safe journey and is looking forward to having him return in November.

Don, Chair Newville and Commissioner Kinman gave a report on their attendance at the Northwest Regional NAHRO Conference in May at Sun Valley, Idaho. Chair Newville expressed a desire to protect our healthy balance sheet by evaluating our properties to see if they are contributing to our healthy growth or if they should be sold or converted to some other type of housing. He specifically asked that an analysis be conducted within the next several months on the Low Rent Public Housing Program and Woodside Park.

Don summarized the current status of the Sunflower Park project. The structure of the project has been re-evaluated in light of recent pressures to have the project pay state prevailing wages or Davis-Bacon wages. The higher wages would add an estimated \$225,000 to the construction costs. Don reported that, at this time, it appears that we will remain as co-general partner with Cascade Housing as previously approved by the Board. Davis-Bacon wages will likely be paid to lower the risk of a challenge during construction. The issue of whether prevailing wages or Davis Bacon wages should be paid on tax credit projects, as well as other funding structures, is still under discussion at the State level and will hopefully be resolved soon.

Don reported that our consultant for Vittoria Square, Bonnie Johnson, has received bids for the architectural work at Vittoria and is recommending approval of Randall Yamada for the job. Yamada has worked on several Rural Development projects and Bonnie has worked directly with him on projects as well. Commissioner Knutson moved to approve Randall Yamada as architect for the Vittoria Square rehabilitation project. The motion was seconded by Commissioner Morrow and unanimously approved.

Mike reported that we had placed the Riverside rehabilitation contract on the agenda in case the bids came in over \$25,000. However, since they were below \$25,000, no further action is required as discussed earlier.

Staff reviewed the new budget initiatives for FY2006 with the Board. Don explained that the dollar impact is currently only a rough estimate of the relative impact on the budget since we have not completed the budget work. The dollar amount is intended to show the level of significance on the budget in relationship to other initiatives. Board members requested that, in the future, the new initiatives list include both an "Income" column and an "Expense" column to avoid confusion about the direction of the impact. They also requested that each initiative be tied to the specific annual goal it helps to fulfill. After discussion of the initiatives, Don asked if the Board would like to have a work session on the budget prior to the next Board meeting. It was decided to begin our Board meeting in June at 6:00PM and have food delivered to the office in order to provide time to work through the FY2006 budget.

Chair Newville adjourned the regular meeting at 9:18PM and moved into executive session to discuss property issues. The Board reconvened into regular session at 9:22PM and Chair Newville adjourned the meeting.

Respectfully Submitted,

Donald A. Clark
Executive Director/Secretary