

**MINUTES OF THE JUNE 28, 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, June 28, 2005, beginning with a budget work session at 6:00PM at the offices of HAYC, 135 NE Dunn Place, McMinnville, Oregon. Board members present were: Chair Dave Newville, Commissioners Jean Kinman, Barbara Knutson, and Joyce Morrow. Commissioner Barry Philpott was absent due to illness. Staff members present were: Don Clark, Elise Hui, Mike Jager, and James Umfleet.

Chair Newville closed the budget working session and called the regular meeting to order at 7:35PM with no public citizens present. Commissioner Morrow moved to approve the minutes of the May 24, 2005 meeting. The motion was seconded by Commissioner Knutson and unanimously approved.

Commissioner Morrow reported that she had reviewed the expenditures for the month of May 2005 and had no questions.

James reported on the financial statements for the eleven-month period July 2004 through May 2005. Year-to-date net income has been unusually high this year primarily because of the gain on the sale of the old office building plus development grants. It is currently at \$432,000. The operations of Tice Park, Fresa Park and Riverside have also contributed to the positive net income. There was discussion regarding the number of families being served in the Section 8 Program. Elise reported that we will not be terminating families from the program, but will keep some vouchers unfilled once they are vacated by tenants. Reduction by attrition will be used for the remainder of the calendar year in order to remain within budget for Housing Assistance Payments. We normally have 15 – 20 families terminate their vouchers with us each month for various reasons.

Elise summarized the Families Served report. Overall occupancy decreased 1.2% to 88.76%. Staff will be doing some selective marketing at Woodside and Villa del Sol. Yamhill Community Development Corporation (YCDC), the owner of Villa del Sol, continues to be concerned about our process of citizenship verification as well as occupancy. Don, Elise and Yanira met with YCDC on June 23rd and provided two options to YCDC for verification. The YCDC director stated that she would need to meet with her board regarding the options and will get back to us.

Mike reported on the Maintenance & Construction activities. The average time to complete all work orders was 6.46 days. The manager at Tice is turning around work orders very fast and this has contributed to the improved work order rate. The Fresa Park Community Center is nearly complete. Hendricks Place will be completed by the end of June. Elise stated that the FUFIL nonprofit is in charge of preparing for the Grand Opening on July 27th.

Don reported on development activities in the absence of Mark Davis. The purchase of Vittoria Square Apartments was finalized on May 19, 2005. The closing went very smoothly. The on-site staff has been hired, and the transition of ownership should be relatively transparent for residents. We will now begin the rehabilitation work with consultant Bonnie Johnson as construction manager for this project.

The Sunflower Park Apartments project has been held up for several weeks because of the involvement of the Oregon Bureau of Labor & Industries (BOLI) who now tells us that “State Prevailing Wages” apply to this project. Prevailing wages were not budgeted since no public funds are involved and the developer/owner is a partnership. Don is working with Oregon Housing & Community Services (OHCS), Association of Oregon Housing Authorities (AOHA), BOLI and the partnership team to work through the issues. This move by BOLI could have a substantial impact on future development projects in addition to Sunflower Park. Don will be serving on a task force formed by BOLI to look at this issue.

We continue to discuss the potential use of “New Market Tax Credits” with NOAH, a nonprofit contracted by OHCS to assist us with an application. The NOAH representative is researching our ideas for use of this funding source for homeownership initiatives. We will keep the Board informed as we learn more. We may need to look at a possible mixed-use, downtown project in order to get an allocation of these tax credits.

Pre-development work continues on Palmer Creek Apartments in Dayton. This is a USDA (Rural Development) project. The feasibility and timing of this project is largely dependent upon the decisions made by Rural Development. There will probably be no action on this property for several months.

Under Reports of Committees, Don reported that the staff web site committee has completed its work and the new web site is now on-line. Board members were encouraged to look it over at www.hayc.org. We have placed funds in the budget to contract out the on-going maintenance and modification of the site in order to keep the site current and attractive.

James summarized the request for write-off of uncollectable accounts. Tenant bad debts are higher this year, partially due to the fact that we have some new on-site property managers who have not been tracking delinquent as closely as in the past. After further discussion, Commissioner Knutson moved to approve the following bad debt accounts: \$12,513.24 for Tice Park, \$11,470.98 for Woodside Park, \$3,387.31 for Haworth Terrace, \$9,325.20 for Low Rent Public Housing, \$577.23 for Sunnyside Apartments, and \$1,862.08 for Homeport. The motion was seconded by Commissioner Morrow and unanimously approved.

Mike presented a budget revision for Abbey Heights. The request is for the addition of \$16,000 to the capital budget to install water valves on the main water lines leading into each building. This will reduce the impact on residents of water leaks at the property, allowing us to shut off water to a selected building rather than to the entire site. Some of

the budget addition will be used to cover previous expenses to repair water leaks. Commissioner Morrow moved to approve an amendment to the Abbey Heights capital budget of \$16,000 to cover the costs of installing water valves and repairing water leaks. The motion was seconded by Commissioner Kinman and unanimously approved.

Don presented the operating and capital budgets for HAYC covering Fiscal Year 2006 (July 2005 through June 2006). The budgets were discussed in detail during the earlier work session. In the operating budget, revenues totaled \$11,065,943, operating expenses totaled \$10,711,164, non-operating income/expense, including grants for capital work, totaled \$262,716, resulting in net income of \$92,063 and projected positive cash flow of \$306,561. In the capital budget, total sources of funds is \$2,581,353, and total uses of funds is \$2,185,007. Total budgeted cash flow for the year, including both operating and capital budgets, is a negative \$47,262. A total of \$401,123 will be used from replacement reserves for capital items. Commissioner Morrow moved to approve the operating and capital budgets for Fiscal Year 2006. The motion was seconded by Commissioner Kinman and unanimously approved.

Don reported that ABACUS, our current custodial service provider for the office building, will need to be replaced. ABACUS, an agency of Yamhill County, is taking on more County buildings and is unable to clean our building, beginning in July 2005. Don has solicited bids from other companies and he presented results of bids received to-date. While this is a relative small contract amount per month, staff is requesting feedback from the Board since it will likely be a long-term contract. At least one more bid was still expected. The consensus of the Board was that the bids were acceptable and asked Don to proceed with the selection of a firm for custodial service.

Don reminded the Board that the National NAHRO Conference will be held in October 2005 and that reservations will need to be sent in early July to take advantage of the early-bird rates. Don will be asking each Board member of their plans to attend within the next few days.

Chair Newville adjourned the regular meeting at 8:25PM and the Board went into executive session to discuss personnel and property matters. The Board reconvened at 8:40PM and adjourned.

Respectfully Submitted,

Donald A. Clark
Executive Director/Secretary