

**MINUTES OF THE JULY 26, 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, July 26, 2005, beginning with an executive session at 7:20PM at the offices of HAYC, 135 NE Dunn Place, McMinnville, Oregon. Board members present were: Chair David Newville, Commissioners Jean Kinman, Barbara Knutson, and Barry Philpott. Commissioner Joyce Morrow was absent due to illness. Staff members present were: Don Clark, Elise Hui, Mike Jager and James Umfleet.

Chair Newville adjourned an executive session and called the regular meeting to order at 7:36PM. No public citizens were present. Commissioner Knutson moved to approve the minutes of the June 28, 2005 meeting. The motion was seconded by Commissioner Philpott and unanimously approved.

Don reported that he had talked to Commissioner Morrow by phone and that she had no questions regarding her review of expenditures for June 2005.

James then reported on the financial statements for the period ending June 2005. These are preliminary statements for fiscal year 2005, pending a fiscal audit that will be conducted in the August-September 2005 period. Operating income was approximately \$10.9 million for the year. Operating expenditures were approximately \$10.6 million with zero variance from the budget. Net Income totaled \$505,000, primarily due to the Hendricks Place development grant received from Oregon Housing and Community Services (OHCS). Total assets grew by over \$6 million.

Elise reported on Families Served. Overall occupancy increased by slightly less than 1% to an overall average of 89.71%. Chair Newville noted that, if Villa del Sol was removed, as will be the case in September, overall occupancy increases to 92%. Elise stated that with the termination of the Villa del Sol management contract, staff will be better able to focus their efforts on marketing the Fresa Park and other properties with low occupancy. Elise also reported that the second-year grant application for the Regional Housing Resource Center was completed and submitted to OHCS. Yanira Vera, Asset Manager, has been working on organizing community services for our residents at various properties. Services include mobile dental service, fire prevention training and other services.

Mike summarized the Maintenance & Construction report. The average time to complete all work orders was 6.64 days. However, the manager at Woodside had not provided work order data and the numbers for June will be updated next month. Mike is having a piece of copper pipe analyzed from Abbey Heights in an attempt to determine the cause of numerous water leaks at that site. James stated that the water consumption appears

normal on the water invoices for the past couple months, indicating that there are probably no water leaks at this time. Mike reported that staff is working with the architect and contractors for the office building to resolve a problem of water in low voltage conduits in the floor. This is an on-going issue and we will keep the Board updated as we seek a solution.

Don reported on development projects. The grand opening for Hendricks Place will be held on July 27th. There will also be a grand opening of the Fresa Park Community Center on July 28th. Chair Newville and Don will be speaking at both events. The Sunflower Park Apartments partnership was closed on July 25th at the title company. This means that all of the tax credit partnership documents have been finalized and signed, and that funding is now available to begin construction. Construction has, in fact, already started with foundations for two of the buildings already completed. Cascade Housing Group, our co-general partner, is the construction manager.

Don summarized the report showing the status of Local Program reserves. After deducting the "Operating Contingency" reserves, there is approximately \$20,600 available for debt reduction or new housing development as of May 31, 2005. However, we anticipate receiving approximately \$365,000 from the closing of Sunflower Park. The partnership is purchasing the land and infrastructure owned by HAYC. This amount represents reimbursement for HAYC costs, plus interest. The funds will then be available for other development in accordance with the reserves policy.

Staff presented "Performance Measurement System" charts showing trends in key management indicators for the past two years. The Section 8 spending is on track with our plan for calendar year 2005. Commissioner Philpott asked if we plan to reduce occupancy in Section 8 through attrition or whether some tenants would be involuntarily terminated. Elise stated that we will be able to keep occupancy at the needed levels through voluntary attrition. Regarding the Operating Expense charts, Chair Newville suggested modifying the charts to consolidate total HAYC and Low Rent Public Housing, and excluding Section 8 in order to show trends in HAYC-owned units.

Under New Business, Don presented a resolution to purchase the in-fill lot on Cumulus Avenue adjacent to the existing corner lot already owned by HAYC. Chair Newville asked whether we had any specific plans yet for the property on Cumulus and Don said that we have no specific plans at this time. Commissioner Philpott asked if there were any restrictions on the use of the land by our lenders and Don reported that there are no restrictions. In addition, we also have the financing arranged so that we can pay down part of the debt and release the Cumulus Avenue land for future sale without refinancing the office property. Commissioner Knutson moved to approve Resolution No. 05-06, Purchase of Lot on Cumulus Avenue. The motion was seconded by Commissioner Kinman and unanimously approved.

Chair Newville reported that, at the previous meeting, he had requested that Don Clark's annual review be placed on the agenda in July. Don's review should be completed prior to his anniversary date of November 1st. Chair Newville requested that Commissioners

Philpott and Morrow serve as the review committee this year. Commissioner Philpott accepted the assignment, and Chair Newville said he would discuss it with Commissioner Morrow. Don was asked to provide information to the committee on activities and accomplishments of the past year.

Management Report items were discussed. Board members were invited to the two grand openings occurring this week. OHCS will be here on July 28th to review the Rehab and Resource Center documentation. Don reported that a presentation on affordable housing was given to the Newberg City Council in July, and council members seemed receptive to the comments and recommendations.

The meeting was adjourned at 8:37PM.

Respectfully Submitted,

Donald A. Clark
Executive Director/Secretary