

**MINUTES OF THE SEPTEMBER 25, 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, September 25, 2007, at the Yamhill Grill, 2818 Portland Road, Newberg, Oregon. Board members present were: Chair Joyce Morrow, Commissioners Barbara Knutson, Dave Newville and Phil Griffin. Commissioner Jean Kinman was excused from the meeting. Staff members present were: Elise Hui, Mark Davis, James Umfleet, Mike Jager and Yanira Vera.

Prior to the regular meeting, Elise shared a couple presentations: a slide show of pictures of our recent company picnic held at the HAYC office grounds, and a presentation she prepared on HAYC's programs with a focus on Village Quarter that she had recently provided to the McMinnville noon Kiwani's club.

Chair Morrow called the meeting to order at 7:15 PM.

Commissioner Newville moved to approve the minutes of the August 28, 2007 meeting. The motion was seconded by Commissioner Knutson and unanimously approved.

Under public comment, we talked about the September FSS graduates. HAYC has had 4 FSS graduates in the last month: Dagny Brown, Kristie Millsap, Laura Nunn, and Annastasia McPherson. They did not attend the meeting, but there were narratives of each of them provided in the Families Served Report. Also, thank-you letters from Annastasia McPherson and Laura Nunn were included in the packet.

Joyce said she reviewed the list of expenditures and did not have any concerns or questions.

James reported on the financial reports. In August we received \$205,553 of HOME grant funds for Village Quarter, which contributed greatly to the \$220,986 net income for the month. However, those grant funds were immediately loaned to the Village Quarter partnership, so cash flow for the month was \$29,728. State HOME and Trust grants are to the Housing Authority, so the cash passes through HAYC to the Partnership.

Yanira reported on families served. Total families served decreased 26 to 1,919. Overall occupancy decreased .61% to 95.70%. Although occupancy is down a bit recently, we do have numerous tenants about to move in to fill the vacancies. Palmer Creek had two vacancies out of ten, but the vacancies have been filled in September. Yanira attended a health fair held by Monrovia Nurseries. It was very well attended, and she handed out hundreds of flyers on our farmworker housing properties. She was informed that next

year we may be allowed to have a booth again at the fair. She spoke with a couple families that used to live at Fresa Park, and was pleased to learn they are now homeowners.

Mike reported on maintenance and construction. Average time to complete all work orders was 8.83 days. The number of move-outs and turnovers completed was very high. Aaron Robledo, our maintenance manager at Woodside Park, had a back injury and is out until October 15th. Phil asked about the auto accident that occurred recently involving maintenance staff. It was a pretty bad accident, involving five cars. Two vehicles were totaled; there were soft tissue injuries, and even a ruptured spinal disk, but no life-threatening injuries. It will be many months before the total outcome is known.

Mark reported on Development.

Vittoria Square: Our consultant, Bonnie Johnson, and the Portland RD office keep insisting that everything is going to work and that funding is coming. Our RD loan specialist, Diann Parks, has requested a pre-construction meeting, so that is another good sign.

Jandina Park: The indication from RD is that we will not be funded until next calendar year.

Village Quarter: Closing documents were signed on September 14th, and documents have been recorded, which means we now control all the land. The partnership agreement with PNC has also been completed and signed. West Coast Bank has agreed to the construction loan, and the building permit is completed, so we gave a notice to proceed to the contractor and construction should begin soon! As this is such a huge project for us, Elise was comforted during closing by the attendance of our consultants and our attorney, who looked everything over very carefully.

Under Unfinished Business Elise updated the Board on LRPB disposition. Elise was contacted by the SAC representative, who said we will receive a letter of deficiency as we need appraisals done as well as more detail of what we're doing with the proceeds. Dave was displeased that we need to do appraisals when we'll need to have appraisals done at the time of sales anyway.

Under New Business was the Village Quarter Contractor Approval. The Request for Qualifications process resulted in the selection of Walsh Construction to be the contractor for Village Quarter. Staff asks for approval of the construction contract with Walsh Construction. Commissioner Newville moved for approval of Walsh Construction as the contractor for Village Quarter. The motion was seconded by Commissioner Griffin and unanimously approved.

Under New Business was the Vittoria Square Contractor Selection. We have struggled to get qualified bidders for rehab work at Vittoria Square. In two attempts, the only bidder came in a nearly double our budget. Our consultant, Bonnie Johnson, has worked with LMC, Inc. on several RD projects and recommends selecting them for Vittoria rehab. Both RD and OHCS have authorized noncompetitive proposals in this case, and strongly support the selection of LMC, Inc. It is frustrating that RD will not allow HAYC to serve

as the general contractor and hire the subcontractors at considerable savings to the overall project cost, but RD is paying the cost and insisting we do it their way. Staff asks for Board authorization for Elise to negotiate with LMC, Inc., subject to Board approval of the construction contract at a later date. Commissioner Knutson moved to authorize Elise to negotiate with LMC, Inc. for the rehab work for Vittoria subject to Board approval of the construction contract at a later date. The motion was seconded by Commissioner Newville and unanimously approved.

Under New Business was the Purchase of Sunflower General Partner Interest. Cascade Housing helped us develop Sunflower Park, and share in the cash flow of the project. The purchase price for their 50% share in the general partnership is the \$89,500 developer fee (1/4 of the total) that we would have received. In exchange, we will have the rights to all cash flow in the future. The limited partner, PNC, has indicated they will also approve the contract. Commissioner Newville moved to authorize Elise to sign an Amended and Restated Agreement among General Partners and Related Parties and to sign a First Amendment to the Second Amended and Restated Agreement of Limited Partnership of Sunflower Park Apartments Limited Partnership to all the Housing Authority to purchase the interest of the co-general partner of Sunflower Park. The motion was seconded by Commissioner Griffin and unanimously approved.

Joyce adjourned the regular session at 7:50pm and excused the staff for an executive session to discuss Joyce's upcoming commission expiration at the end of this year.

Respectfully Submitted,

Elise Hui
Executive Director/Secretary