

**MINUTES OF THE SEPTEMBER 26, 2006 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 26, 2006, at the HAYC offices, 135 NE Dunn Place, McMinnville, Oregon. Board members present were: Chair Dave Newville, Commissioners Phil Griffin, Jean Kinman, Barbara Knutson and Joyce Morrow. Staff members present were: Don Clark, Mark Davis, Elise Hui, Mike Jager, James Umfleet and Beth Stevenson.

Chair Newville called the meeting to order at 7:32PM.

Elise Hui announced that there were 3 Family Self-Sufficiency (FSS) graduates in September: Christy Ford, Kathleen Hagle, and Suzanne Cook. Beth Stevenson, FSS Coordinator, introduced Christy Ford, who gave brief highlights of her housing and career plans. Beth presented her with a certificate of achievement. Chair Newville congratulated Christy on behalf of the Board and presented her an impressive escrow check of over \$19,000. Elise provided more details of the FSS graduates in the Families Served Report.

Other members of the public present at the meeting included HAYC attorney Rob Higgins. Also present were Kenneth Schweiger, former Section 8 landlord, his wife Kim, and some of Mr. Schweiger's current and former tenants. Kenneth Schweiger is a landlord who was recently terminated from the Section 8 Voucher program for rule violations. He expressed to the Board that staff had terminated him unfairly, and he was attending the meeting to plead his case to our Commissioners. Mr. Schweiger stated that the police report used by staff to terminate his contract with HAYC was false and the police officer was lying. HAYC attorney Rob Higgins confirmed that Mr. Schweiger's plea of "No Contest" was verification that Schweiger admitted to one or more of the accusations in the police report. After extensive discussion, Chair Newville offered Mr. Schweiger the option of returning to the Board at the meeting on October 24th and present documentation showing evidence of a false police report. Mr. Schweiger stated that it would be impossible for him to provide such documentation. Commissioner Griffin made a motion that the Board support staff's decision to terminate Schweiger as a Section 8 landlord. The motion was seconded by Commissioner Morrow and was unanimously approved. Mr. Schweiger and the other citizens supporting him then left the meeting.

Commissioner Morrow moved to approve the Board meeting minutes of August 22, 2006. The motion was seconded by Commissioner Griffin and unanimously approved. Commissioner Morrow reported that she had asked Finance Director James Umfleet some questions regarding the list of expenditures for August 2006. Her questions were answered and she determined that all expenditures were acceptable.

James reported on the financial reports. We made a partial payment to the auditors of \$9,000, and had some trustee fees for the defeased Tice/Woodside revenue bonds. However, very high occupancy contributed to a break-even cash flow for the month. Deferred Housing Assistance Payment (HAP) revenue continues to drop, and was down to \$34k for the month. Don pointed out that we have not recognized any developer fee revenue yet this fiscal year for development projects, and this is the primary contributor to the low net income figure.

Elise reported on families served. There were 1,857 families served this month. Overall occupancy increased .42% to 97.7%. Kathleen Hagle, former FSS graduate, is nearing completion of construction of her first house, partially funded by Habitat for Humanity. Elise handed out pictures of her at her new home.

Mike reported on maintenance and construction. Average time to complete all work orders was 11.0 days. Siding is deteriorating at Homeport, and he will apply for reimbursement from a class-action settlement for the Weyerhaeuser hardboard siding that is failing.

Mark reported on Development. We are waiting to hear from OHCS on our application for Village Quarter funding. We are working with the City of McMinnville and McMinnville Downtown Association on the parking issue.

Mark stated that he and Don had met with Chris Johnson and Keith Urban of Yamhill County to discuss a replacement facility for the "Reflections House". This is a program operated by Yamhill County for women and children recovering from drug addiction. They are going to need a new location within the next five years, and we discussed with Chris and Keith the possibility of working with their office in developing a new facility for the program. Mark asked the Board if they had any objections to staff doing some feasibility work on this project. There were no objections stated from the Board.

Under New Business, Mike reported on the Low Rent Public Housing (LRPH) Accessibility Modernization project. To comply with Uniform Federal Accessibility Standards, staff had requested bids to remodel two of our Low Rent Public Housing units. This would be funded from the LRPB Capital Fund. We received one bid at more than double the \$110,000 budgeted amount. Mike suggested to the Board that we consider remodeling just one unit instead of two. Chair Newville expressed concern about putting that much money into a LRPB unit, given that we are looking into the disposition of LRPB units. Don stated that the point is well taken and such action could not be justified from an economic standpoint. However, he explained that the Capital Grant funds from HUD are specifically earmarked for modernization and there is a longstanding requirement by HUD to provide accessibility to these units. Mike explained that we submit a budget to HUD which, when approved, means we agree to perform those improvements. Phil asked if the Fresa Park ADA rehab was funded the same way. Mike explained that the Fresa Park is a USDA (RD) funded property and not part of LRPB. Jean asked if we spend the \$110,000 on one unit, could we get additional funding for another unit. Mike explained that we can request it in a future year Capital Fund budget,

but there are no guarantees we will be awarded the funds. Don asked staff if there were any downsides to waiting on this modernization decision, other than increased construction costs. Elise mentioned that we relocated a handicapped tenant so that we can modernize the unit, and we would probably have to relocate them back to that unit. After further discussion, the Board, by consensus, decided to delay any decisions regarding this issue for now. Staff was asked to bring further information to the Board at a subsequent meeting.

Don presented a proposal regarding the establishment of a “Local Housing Trust Fund”. The Housing Authority receives occasional requests for financial assistance from other agencies or citizens to meet emergency needs. HAYC is not equipped to respond to quick turn-around or emergency requests. The establishment of a trust fund policy would provide the capability to respond to such requests and help fill a legitimate housing need. One recent example is a request from the Yamhill County Commissioners to provide assistance to a nonprofit called Thugz Off Drugz for emergency/transitional housing.

The “Local Housing Trust Fund” proposal provides that initial funding would come from interest earned on our local contingency operating reserves with the goal of obtaining grants for the Trust Fund in the future. After further discussion, Commissioner Knutson moved to: 1) approve the Local Housing Trust Fund Policy dated September 26, 2006; 2) approve an initial budget amount of \$10,000 for the Trust fund to cover the remainder of fiscal year ending June 2007; and 3) approve a disbursement of \$3,900 to Thugz Off Drugz representing the amount needed to support one client for one year. The motion was seconded by Commissioner Griffin and unanimously approved.

Don Clark and Commissioner Phil Griffin presented a new 3-year contract with the union that represents most of the staff, Local 3964 Oregon AFSCME. Don and Commissioner Griffin served with accountant Bruce Sahagian as the management team in negotiations with the union for the new contract that would be effective September 1, 2006 and end August 31, 2009. Significant changes from the previous contract were discussed, including among others the implementation of a “Paid Time Off” policy to replace the former vacation and sick leave policy. The agreement also provides for an annual adjustment to wages equal to the Consumer Price Index, and makes changes to the employee’s share in medical premium costs. There is a provision to begin work on a “Performance Pay” system that is scheduled to be implemented during this contract period.

Commissioner Morrow expressed concern that the employee’s contribution toward medical premiums had increased, but was pleased that other contract changes were very beneficial for employees. Commissioner Griffin stated that he thought the union negotiations went very well and confirmed that there is a positive relationship between management and staff. Chair Newville expressed appreciation to the management team for their good work. Commissioner Knutson made a motion to: 1) approve the union contract for 2006 – 2009 as presented effective September 1, 2006; 2) approve the application of changes in employee benefits made in the contract to management staff as well as union staff; and 3) approve revisions to the Paid Time Off Policy and Increment

Weather Policy, previously established by the Board, to agree with the provisions in the new union contract. The motion was seconded by Commissioner Kinman and unanimously approved.

The Management Report was discussed. Don reported that we received a note of congratulations from the new Director of Oregon Housing & Community Services regarding the two awards received for Hendricks Place and the Regional Housing Center/Administration Building. Don also reported that the home purchased earlier this year by the Yamhill County Affordable Housing Corporation, our nonprofit affiliate, has been sold to an eligible FSS graduate. This is the first transaction of this type by the nonprofit supporting the Homeownership program.

The regular meeting was adjourned at 9:34PM and the Board moved into executive session to discuss property and personnel issues. The Board reconvened at 9:42PM and Chair Newville adjourned the meeting.

Respectfully Submitted,

Donald A. Clark
Executive Director/Secretary