

**MINUTES OF THE NOVEMBER 24, 2009 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, November 24, 2009, at the Village Quarter Community Room, 333 NE Irvine Street, McMinnville, Oregon. Board members present were: Chair Dave Newville, Vice-Chair Phil Griffin, Commissioner Joyce Morrow and Commissioner Fred Mickelson. Staff members present were: Elise Hui, James Umfleet, Mark Davis, Jonia Pierce, Cliff Hardy, and Yanira Vera. Commissioner Briggs was excused from the meeting as was Mike Jager.

Chair Newville called the regular meeting to order at 7:30 p.m.

Minutes:

Commissioner Griffin moved to approve the minutes of the October 27, 2009 regular meeting. The motion was seconded by Commissioner Mickelson and unanimously approved.

Public comments:

None

Bills and Communications:

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

Reports of the Secretary:

James reported on financial reports:

James reported on the financial reports. Total revenue was \$1,116,368, total operating expenses were \$1,078,095, and total non-operating income was \$208,859 for a net income of \$247,132. Approximate cash flow for the month was a positive \$497,306. We sold 3 LRPD duplexes in October for total proceeds of \$499,935, bringing total sales to 11 duplexes and 7 houses. Year-to-date cash flow from on-going operations is \$41,407.

Cliff and Yanira reported on families served:

We had 3 FSS graduates this month: Monique Castillo, who received \$4,990 total escrow; Mandy Markham, who received \$18,460 total escrow, and Tamila Ilsey, who received \$5,559 total escrow. Details of FSS graduates are provided in the Families Served Report memorandum.

Overall occupancy increased 2.7% to 93.6%. Total families served decreased 14 to 1,870. We have hired a manager for our special needs properties. Heritage Place continues to struggle with occupancy and is the only property this month remaining below 90% occupancy, but our new manager is working hard to increase the lease-up rate. Woodside is down to 90.48%, and unfortunately it will drop 3 more vacancies in November; we are modifying marketing efforts to help with lease-up. We have dropped below our Section 8 baseline which is okay as we will still remain over 100% lease-up for the year overall.

Elise reported on maintenance and construction in Mike's absence:

Average time to complete work orders was 4.28 days which is very good. We are currently working on partitioning 5 of the duplexes; the partitioning will be paid for with Recovery Act funds that we were able to get for LRPH.

Jonia reported on homeownership:

We are starting to see the benefits of our rehab marketing efforts in Sheridan. We have received a great response from the Newberg and Willamina rehab flyers. Staff attended housing forums in Salem and Medford. Diane has been trained on foreclosure counseling to assist with loss mitigation. Much discussion ensued surrounding NSP funding requirements and processes.

Mark reported on development:

VQ Commercial Space: Today we received the signed non-binding agreement from McMinnville Community Media to purchase 2,000 square feet of the space. MCM now has 45 days to make sure they want to move forward and are satisfied with all the conditions after which we will pour a concrete floor and put in stud walls.

Jandina Park: At the Vittoria open house, RD staff indicated that Jandina might be foreclosed upon in the next year and so we will continue to keep an eye on the availability of this property for the right price.

Unfinished business:

Update on LRPH Disposition - Elise provided an update on LRPH disposition. As of October 31st we have sold 11 duplexes and 7 houses. We have sold 4 more duplexes in November, which brings us over the halfway point in sales of the total LRPH stock. We added calculations at the bottom showing LRPH sale proceeds still restricted for replacement housing.

New business:

HAYC Audited Financial Report – James said the audit went well, and the auditors gave an unqualified opinion. After some auditor-recommended adjustments, we showed a net income of \$1,555,542. Joyce had a conversation with the lead auditor, who shared her recommendations on policies and procedures. The Board will form an audit committee next year. Dave pointed out that our financial position is strong, with assets up to \$34 million, and a net worth of \$14 million.

Resolution 09-09 Subordination Request Conditional Approval for New Reflections –

The single-family house appraisal for New Reflections was much less than expected due to market conditions, and the failure to consider its function as a group home. Usually the entities providing the grants subordinate their position and allow the bank to have first position. OHCS did this, but DHS was reluctant due to the low appraisal. We are therefore recommending pledging the Bridges property which has clear and free title as collateral to satisfy DHS and allow them to subordinate their position. When the real estate market recovers, we can get another appraisal showing sufficient value to cover both the bank loan and the grant by DHS, and have the lien on Bridges removed. Commissioner Morrow moved to approve Resolution 09-09 authorizing Elise to offer the Bridges property as security for DHS to grant a subordination that will allow the

permanent financing to close on New Reflections. The motion was seconded by Commissioner Griffin and unanimously approved.

SEMAP Score - We improved our 50058 reporting rate in PIC, and have improved our overall score Section Eight Management Assessment Program (SEMAP) score to 93%. However, due to problems in HUD's PIC system, we were given a score of zero for FSS. We have contacted HUD about this, and have been informed it will be corrected. When it is, our final score should increase. Regardless of any adjustments we have retained High Performance status this year which is really good.

2009 Accomplishments – Elise presented 49 accomplishments for 2009. The board was impressed with the list of staff's successes.

1st Quarter FY2010 Goal Update – The goals for the current fiscal year were presented, with the current status of each goal.

Renewal of Term of Office for Commissioner Mickelson - The Yamhill County Commissioners have approved the renewal of Fred's commission, which will be effective January 1, 2010 through December 31, 2014. Elise handed out an updated Board membership list. Dave mentioned we need to update the pictures of board members that are in the Board room, as well as plan a tour of properties for the new members.

Resident Surveys – The board appreciated us providing them with the raw resident surveys and went over the results. The board would like us to continue providing these to them quarterly.

Management report:

No discussion.

Additions to the agenda:

Meetings times were discussed. The Board discussed the idea of moving the meetings to days instead of evenings. Starting the dinner and the meeting at 5:00 instead of 6:00 was considered. After discussion, the Board decided to discuss it further when Lynai is present, and will let staff know if something changes.

Phil discussed the "Healthy Kids" program, and suggested we look into getting involved in it. He is having some program information sent to Elise for review.

Fred said he had a meeting with the Newberg Mayor, who expressed gratitude for all the efforts involved in the Vittoria Square rehabilitation.

Commissioner Newville adjourned the regular meeting at 9:40 p.m.

Respectfully Submitted,

Elise Hui
Executive Director/Secretary