

**MINUTES OF THE OCTOBER 28, 2014 REGULAR MEETING OF THE
BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF YAMHILL COUNTY**

Call to Order:

The Board of Commissioners of the Housing Authority of Yamhill County (HAYC) met on Tuesday, October 28, 2014 at the HAYC offices, 135 NE Dunn Place, McMinnville. Chair Morrow called the meeting to order at 5:55 p.m.

Roll Call:

Board members present were Fred Mickelson (Vice-Chair) via conference call, Joyce Morrow (Chair), Kevin Robertson, and Mike Gougler. A Commissioner absent was Phil Griffin. Management staff members present were Elise Hui (Executive Director), James Umfleet, Judi Herubin, Mike Jager, and Yanira Vera. A management staff member absent was Jonia Carlson. An additional staff member present was Doug Berry. Guest members present were Christie Pinard (FSS graduate), and Emily Howard.

Approval of Minutes:

Commissioner Robertson moved to approve the minutes of the meeting held on September 23, 2014. The motion was seconded by Commissioner Gougler, and unanimously approved.

Hearings of Visitors:

Family Self Sufficiency: Staff member Doug Berry introduced FSS graduate Christie Pinard, and her daughter Emily Howard. Christie shared some of her experiences while on the FSS program, and how after graduating was able to purchase one of the units in our partitioned duplex at 1130 Goucher Street. She used some of her FSS Escrow to replace the carpet in her new home. Doug presented Christie a certificate of achievement and a check for her graduation escrow payment. The Board members congratulated Christie on her accomplishments, and then Chair Morrow excused Doug and Christie from the remainder of the meeting.

Bills & Communications:

List of Expenditures: Chair Morrow said she reviewed the list of expenditures and didn't have any questions or concerns not addressed in James' memo.

Reports of the Secretary:

Finance, Systems, and Rehab Report by James: Cash flow from operations was negative \$19,580 for the month, and positive \$41,282 year-to-date. We received a lot of operating grant income, including our final Cover Oregon admin fees of \$6,292, and mortgage assistance admin fees totaling \$25,150. Section 8 took a hit in September, having received invoices from West Valley Housing Authority totaling \$13,038 for a whole year's worth of inspection and travel costs.

Asset Management Report by Yanira and Mike: Overall physical occupancy decreased .8% to 96.2%, and financial occupancy decreased 1.3% to 94.1%. The highest vacancy was at Heritage Place, with 10% vacancy, so we are working hard to market and fill those units. It is unusual, but we had a vacancy at Hendricks Place, as one of our original tenants had to move to an assisted living facility. There were zero vacancies at Deskins Commons already! The average time to complete work orders increased 2.0 days to 5.9 days. Repairs and painting at Tice are

still ongoing, as there is unfortunately quite a bit of dry rot to fix. We had a fire in a unit at Haworth Terrace which gutted the unit and will require substantial repairs. We will file a claim with our insurance company. We received the designs for Haworth Terrace exterior and site repairs, and will be going out for bid soon. We completed improvements to Village Quarter commercial space bay #1 mid-October, and are continuing work on bay #2, which should be completed by the end of November. We are working with YCCO and Marcia Mikesh on designs for bay #3, which is projected to be done January, 2015.

Housing Services Report by Judi:

Section 8: We are still working hard to get our lease-up rates up. In the last year we have pulled 951 names off the waiting list, but so far only 177 families have been able to utilize a voucher, and we've lost 151 voucher holders in the last year for various reasons. Due to funding reductions, HUD is allowing bi-annual inspections, so we are going to move to bi-annual inspections soon. We scored 100% on SEMAP, thereby retaining our high performer rating.

Family Self Sufficiency: We received notification from HUD regarding our FSS coordinator funding for the 2015 calendar year, and we will be funded for 3.5 FTEs, as expected.

Housing Resource Center: Judi included a nice note from a mortgage counseling client, praising Megan and Claudia on the handling of their case.

Housing Development Report by Elise:

Deskens Commons: We negotiated getting final occupancy by providing a cashier's check, in lieu of a bond or letter of credit, since either process would have taken longer than the cut-off dates. Once the letter of credit is set up, the cashier's check will be returned. Now that lease up has been met, meeting requirements to convert to the permanent loan are a priority. Working with the City of Newberg has been very difficult, particularly with the City Attorney. Commissioner Gougler suggested we let the Newberg City Council know of all our difficulties at one of their upcoming meetings, perhaps via a letter prepared with the help of our attorney, and presented by our attorney. Elise will consider this.

Neighborhood Stabilization Program: We are being audited by the State on NSP, so Jonia is addressing this in her final days of employment with HAYC, before turning the program over to Elise. The 14th Street house is ready for marketing in-house. Having sold 2 houses and being down to 3, we will continue to look for other NSP house opportunities.

Executive Director Report by Elise: Total families served was 2,096. We created a maintenance agreement for working on units HAYC does not own so that we can perform repair work on a couple of YCH&HS units and be reimbursed for the time we spend.

Reports of Committees:

None.

Unfinished Business:

Low Rent Public Housing Disposition: On October 9th we closed on the sale of 1130 Goucher Street, which means we have just 1140 Goucher Street left! We have an accepted offer on 1140 Goucher, but closing is contingent on the buyer selling her current home. She listed her current home on August 3rd, and we have given her until October 31st to sell it, but after that will look at terminating the current agreement.

Village Quarter Commercial: The build-out of bay #1 is completed, and YCCO moved from our leased space at 133 NE Dunn Place into Bay #1 on October 13th. YCCO's new address is 807 NE Third Street. The build-out of bay #2 is well underway, and is scheduled to be completed by the end of November. The addendum for YCCO to expand fully into bay #3 about January 2015 has been sent to Jim Carlough and we are just waiting for it to be returned so we can proceed with renovations.

Office Lease Space: YCCO moved out on October 13th, and there have been no other interested parties in the space yet. We are asking for \$1,400 plus \$120 utilities per month for the 1,400 square feet of space, which seems quite reasonable based on a comparison listing provided by Bella Casa.

Renewal of Commissioner Mickelson's term of office: The Yamhill County Commissioners approved renewal of Commissioner Mickelson's to another 5-year term of office from January 1, 2015 to December 31, 2019.

New Business:

HAYC Audited Financial Report FY2014: James said the audit went very well, and the auditors gave an unqualified opinion of acceptance. The auditors had one recommended adjustment that James agreed to, which was increasing the receivable for Deskins Commons developer fee. The adjustment affected balance sheet accounts only. For FY2014 we had a \$296,528 net loss, which lowered our Net Position to \$16,538,553.

Deskins Commons Operating & Capital Budget for 2015: This is the first budget for regular operations of Deskins Commons. We are projecting a net loss of \$500,540, and a positive cash flow of \$32,860. Commissioner Gougler moved to approve the Deskins Commons Operating & Capital Budget for 2015. The motion was seconded by Commissioner Robertson and unanimously approved.

Sunflower Park Operating & Capital Budget for 2015: We were unable to do a rent increase, due to the LIHTC pass-through requirements. We are projecting a net loss of \$86,820, and a positive cash flow of \$7,140. Commissioner Mickelson moved to approve the Sunflower Park Operating & Capital Budget for 2015. The motion was seconded by Commissioner Gougler and unanimously approved.

Chair Morrow said she would like to add a column to future budgets for annualized year-to-date actuals, to which the other members agreed. James will add the new column to future budgets.

Village Quarter Operating & Capital Budget for 2015: We are projecting a net loss of \$248,790, and a positive cash flow of \$17,110. Commissioner Gougler moved to approve the Village Quarter Operating & Capital Budget for 2015. The motion was seconded by Commissioner Robertson and unanimously approved.

FY2015 Goals Status Update: Staff provided goal status updates, and Elise provided a memo of exception items. Chair Morrow said she feels our priorities are leasing up Section 8, and finding a lessee for the 133 NE Dunn Place space.

Approval of Pre-development study for Sheridan Property: In discussions with our development consultants at HDC, we learned properties located on flood plains, like our land-banked property in Sheridan, may not qualify for LIHTC funding. Our HDC consultants recommend we hire Pacific Habitat Services to investigate the site to determine if HUD funding can be used to develop the site. Commissioner Robertson moved to approve the Executive Director to enter into a consulting agreement with Pacific Habitat Services for an amount not to exceed \$3,900. The motion was seconded by Commissioner Gougler and unanimously approved.

Furlough Day for 2015: In accordance with the union contract terms agreed to in 2012 negotiations, we have 1 more furlough day to take in 2015. Staff is proposing the furlough day be on Friday, April 24, 2015. Additionally, in light of recent staffing reductions and staff working really hard doing more work on more revenue streams with less employees, management is proposing that we cancel the April 24th furlough day if HAYC has a \$30,000 or more year-to-date positive cash flow through the end of February, 2015. Commissioner Mickelson moved to approve the furlough day be recognized on April 24, 2015 unless there is a \$30,000 or more year-to-date cash flow through February, 2015, in which case the furlough day is cancelled. The motion was seconded by Commissioner Gougler and unanimously approved.

Executive Director Review: Chair Morrow said she and Vice-Chair Mickelson will lead working on the Executive Director's annual performance review, which is due by year end. She asked Elise to provide a list of her accomplishments and send it to all the Commissioners.

Additions to the Agenda:

Contract for Village Quarter Commercial Bay #3: Mike said he has been very pleased with how well Marcia Mikesch, and Integrity Builders have been working together on the tenant improvements for the Village Quarter Commercial Space. He would like to continue with the same team for the build-out of bay #3. Commissioner Mickelson moved to approve authorizing Mike to sign a contract addendum with Integrity Builders for improvements to Bay #3. The motion was seconded by Commissioner Gougler and unanimously approved.

Executive Session:

None.

Adjournment:

Chair Morrow adjourned the meeting at 7:15 p.m. The next meeting of the HAYC Board will be held on December 16, 2014.

Respectfully submitted,

Elise Hui
Executive Director/Secretary