

HOUSING AUTHORITY OF THE CITY OF VANCOUVER

Regular Meeting January 27, 2010

MEETING CONVENED

Chair Kawamoto convened the Regular Meeting of the Board of Commissioners of the Housing Authority of the City of Vancouver (VHA) at 9:30 a.m. in the Board Room at 2500 Main Street, Vancouver, Washington.

ROLL CALL

Present for the Board: Chair Ronald K. Kawamoto
Vice Chair Ceci Ryan Smith
Second Vice Chair Art Miles
Commissioner Debra Conway
Commissioner Greg Kimsey

Absent: Commissioner Lloyd Halverson - Excused

Present for Staff: Roy A. Johnson, Executive Director
Syble A. Crow, Executive Office Manager
LaVon Holden, Deputy Director
Saeed Hajarizadeh, Deputy Director
Mike McGuire, Director of Maintenance and Construction
David Overbay, Program Policy Manager
Kris Hanson, Asset Manager/CNPH Executive Director
Sasha Nichelson, Section 8 Program Manager
Diane Bare, Public Housing Manager

Guests: Barbara Jacobson, VHA Legal Counsel
Peggy Sheehan, Community Development Manager, City of Vancouver

EXECUTIVE SESSION

Chair Kawamoto immediately recessed the Regular Meeting to an executive session to discuss personnel and property matters. Chair Kawamoto adjourned the executive session at 9:56 a.m.

No action was taken.

REGULAR MEETING

Following a short recess, Chair Kawamoto convened the Regular Meeting at 10:05 a.m.

AGENDA AMENDMENTS

Roy Johnson stated that there are no agenda amendments.

CONSENT CALENDAR

It was moved by Commissioner Ryan Smith and seconded by Commissioner Kimsey to approve the following Consent Calendar:

Minutes of the Regular Meeting December 16, 2009
Bills and Claims ~ December 2009

<u>PROGRAM</u>	<u>AMOUNT</u>
General Fund	\$4,576,146.64
Auto Payment Bank Loans	35,549.41
Anthem Park	1,278.00
Arbor Ridge	14,450.00
Esther Short	4,036.00
Fishers Mill	75,000.00
HAP Reserves	29,801.75
HARRP Prepay Reserve	40,000.00
Mill Creek & Mill Creek Sr.	1,338.00
Miscellaneous	82,789.63
Parklane	2,062.80
Plum Meadows	2,534.00
Replacement Reserves/Debt Reserve	53,890.00
SRO	9,151.00
<i>Total Distributed in December 2009</i>	<i>\$4,928,027.23</i>

The motion was unanimously approved.

APPEARANCE OF INTERESTED CITIZENS

None

REPORTS FROM EXECUTIVE DEPARTMENT**(a) Resolution No. 2853: Approve HARRP Intergovernmental Agreement**

Roy Johnson, Executive Director, reported that this resolution approved the amendment of the Intergovernmental Cooperation Agreement with the Housing Authorities Risk Retention Pool (HARRP) and the VHA. He reported that currently, HARRP insures the VHA's public housing units, and is working toward developing an Intergovernmental Pool to insure tax credit properties. Mr. Johnson explained that to do this, an amendment of the current Agreement is necessary.

Saeed Hajarizadeh, Deputy Director, shared that HARRP has been studying this initiative for more than three years, and has obtained most of the necessary requirements to create the new pool. Mr. Hajarizadeh explained that the VHA now uses private insurance companies to insure non-public housing properties, and believes that the proposed pool will be beneficial, as well as provide a cost savings, to the VHA. He included that at this time, eighteen properties would be eligible for the new pool, and CNPH could be considered along with other nonprofits.

LaVon Holden, Deputy Director, added that HARRP was initially formed to provide insurance stability and to conserve funds. She added that previous to HARRP, insurance carriers would abandon housing authorities and leave them bare until they could find insurance coverage – frequently at an elevated price. Ms. Holden continued by explaining that the Association of Washington Housing Authorities (AWHA) is aware of the proposed pool and is supporting HARRP’s effort.

Barbara Jacobson, VHA’s General Counsel, discussed the pros and cons of the proposed pool.

Discussion followed. The board requested that staff invite representatives from HARRP to attend an upcoming board meeting to present an update on the VHA’s insurance coverage, as well as discuss additional insurance; i.e. earthquake and flood. Mr. Johnson committed to invite HARRP representatives to the February meeting.

MOTION

It was moved by Commissioner Ryan Smith and seconded by Commissioner Kimsey to approve Resolution No. 2853, as well as invite the Housing Authorities Risk Retention Pool representatives to an information meeting. The motion was approved by the following vote:

AYE

Commissioner Conway
Commissioner Kawamoto
Commissioner Kimsey
Commissioner Miles
Commissioner Ryan Smith

ABSENT

Commissioner Halverson

(b) Resolution No. 2854: Approval of Loan Agreements

Roy Johnson reported that staff applied for three separate loans for acquisition of properties, and submitted this resolution for board authorization to endorse the necessary documents. Mr. Johnson summarized the loan applications to Washington State Housing Finance Commission, through the Land Acquisition Program, for the amount of \$675,000 for the acquisition of seven residential lots on 16th and 17th Streets and “D” Street, which will be a 1% deferred loan for the maximum of 96 months, and the properties will be held for collateral. He reported the VHA was approved for a forgivable loan from Clark

County, through the Neighborhood Stabilization Program in the amount of \$564,268, and a forgivable loan from the City of Vancouver's Neighborhood Stabilization Program, in the amount of \$362,630. Mr. Johnson added that the County and City loans are federal stimulus funding to be utilized for development of multi-family affordable rental housing, that properties obtained with these funds must be foreclosed to qualify, and expended by September 30, 2010.

MOTION

It was moved by Commissioner Miles and seconded by Commissioner Ryan Smith to approve Resolution No. 2854, authorizing the Executive Director to sign necessary documents approving the program and loan conditions for the Washington State Housing Finance Commission Land Acquisition Program, and the Clark County and City of Vancouver Neighborhood Stabilization Program. The motion was approved by the following vote:

AYE

Commissioner Conway
Commissioner Kawamoto
Commissioner Kimsey
Commissioner Miles
Commissioner Ryan Smith

ABSENT

Commissioner Halverson

(c) **Resolution No. 2855:** Purchase of Parcels of Land

Roy Johnson reported that staff is requesting board approval for the purchase of two parcels of properties as follows:

a) **West 31st Street**

This property is undeveloped and located in Fruit Valley, adjacent to Fruit Valley Commons, and is recommended for green space for the VHA's Fruit Valley Commons, and not residential – as five units of housing could be built on it. He shared that the appraisal came in at \$120,000, and the negotiated purchase price is \$80,000. Mr. Johnson added that a Phase I Environmental Survey has been completed by PPS, and further testing is necessary as the survey identified residual contamination in the ground water. He added that because of this find, the purchase offer specified it was conditional on the completion of a Phase II study to determine the extent of the contamination and capability to adequately alleviate it.

Discussion followed. Commissioner Ryan Smith supported the purchase and stated that Fruit Valley Commons needs the additional open space and that it would aid in energizing the restoration of the area.

Commissioner Kawamoto calculated that the property is extremely reasonable at \$16,000 a lot.

b) NE 16th and 17th Streets

This property is seven single family lots; three parcels are vacant land and four parcels contain existing structures built in the 1930s for a negotiated purchase price of \$900,000; \$675,000 from a loan and the remaining balance from the VHA's general revenue. Mr. Johnson continued by reporting that of those four parcels with existing structures, one is abandoned, one is vacant and two are rented on a month lease – all four will be demolished. Mr. Johnson shared that he is currently discussing relocation requirements with the VHA's legal counsel, Barbara Jacobson. Ms. Jacobson cautioned that the day VHA takes ownership of the property, it becomes the landlord and responsible for the relocation. Commissioner Miles requested that a policy be developed for the future purchase of existing properties which includes what the seller needs to complete, and expenses the seller needs to pay prior to a VHA purchase.

Mr. Johnson noted that one home has an oil tank in the yard, and the owner has agreed to remove it if closing can be expedited. Commissioner Miles inquired if the VHA will get the property certified prior to closing. Barbara Jacobson stressed the need to assure that only a certified person remove the tank and documents the removal and soil matter found.

Ms. Jacobson reported that the Phase I study identified some asbestos lead based paint, and mold, which she said is normal in properties of this age, and that a Phase II study will be done prior to closing.

Mr. Johnson stated that staff plans to contact the fire department to let them use the houses and out buildings for training, and estimated the demolition cost to the VHA at approximately \$50,000.

Discussion followed. Commissioner Conway asked if there were issues with squatters – staff responded that there were none at this time. Commissioners Kimsey and Kawamoto stressed the need for the current owner to be responsible for clean up and relocation

Discussion on viable use of the property as it remains vacant until built on, which Mr. Johnson explained could be up to seven years. Mr. Johnson responded that staff proposes the VHA seed the property and take care of it during the interim. Commissioner Kawamoto asked if there are plans to fence it. He then suggested that staff contact Jim Miller, Clark County, to inquire about using it as a community garden. Commissioner Ryan Smith added that the City of Vancouver has a garden program too and would likely be interested in working with the VHA.

MOTION

It was moved by Commissioner Conway and seconded by Commissioner Kimsey to approve Resolution No. 2855, authorizing the Executive Director to sign necessary documents to acquire the West 31st Street property for the amount of \$80,000, and the NE 16th and 17th Streets property for the amount of \$900,000, subject to VHA satisfaction with the final environmental reports and/or mitigating any contamination satisfactory. The motion was approved by the following vote:

AYE

Commissioner Conway
Commissioner Kawamoto
Commissioner Kimsey
Commissioner Miles
Commissioner Ryan Smith

ABSENT

Commissioner Halverson

- c) **Resolution No. 2856:** Utility Allowance Schedule for Section 8 Housing Choice Vouchers

Roy Johnson explained that annually the VHA is obligated to review the utility allowance schedule used for the Housing Choice Voucher Program, and make necessary adjustments if a utility rate changes by 10% or greater. He said that in the past, this was done in house and not brought before the board. However, he proposed that it be an agency practice to submit the Utility Allowance to the board annually. Mr. Johnson reported that the update is conducted by David Overbay, Federal Program Policy Manager.

Mr. Overbay stated that the utility changes are phased in over the year, and that they will be a minimum financial impact on clients. He continued by explaining how the utility allowance is applied to Voucher holders.

Mr. Johnson reported that the VHA's last adopted utility allowance was January 2009, and that since that date water and sewer rates have both increased, and natural gas and fuel oil has decreased. He shared the proposed schedule for review of the current and projected allowances effective February 1, 2010.

MOTION

It was moved by Commissioner Miles and seconded by Commissioner Kimsey to approve Resolution No. 2856, approving the adoption of a new utility allowance schedule for the Housing Choice Voucher Program. The motion was approved by the following vote:

AYE

Commissioner Conway
Commissioner Kawamoto
Commissioner Kimsey
Commissioner Miles
Commissioner Ryan Smith

ABSENT

Commissioner Halverson

d) Resolution No. 2857: Utility Allowance Schedule for Public Housing

Roy Johnson reported that the public housing utility policy is similar to the Section 8 Voucher Program; whereby, utility allowance adjustments must be made annually. However, the last adoption of the Public Housing Utility Allowance Schedule was July 1, 2007, and rates have increased and decreased, a few public housing residents will receive a retroactive refund check due to previous decreases. He explained that refunds for July 1, 2007 through June 30, 2008 were issued to 46 tenants for a total amount of \$6,911 – averaging \$150 per refund. Additional refunds for the time period of July 1, 2008 through January 31, 2010 are being processed to send to approximately 60 tenants by the end of February 2010, for an estimated amount of \$39,000.

Mr. Johnson closed by stating that this brings the VHA in compliance and that in the future the annual revision of utility allowances will be brought to the Board for approval.

MOTION

It was moved by Commissioner Ryan Smith and seconded by Commissioner Conway to approve Resolution No. 2857, approving the adoption of a new utility allowance schedule for the Public Housing Program. The motion was approved by the following vote:

AYE

Commissioner Conway
Commissioner Kawamoto
Commissioner Kimsey
Commissioner Miles
Commissioner Ryan Smith

ABSENT

Commissioner Halverson

e) Resolution No. 2858: Approve 9% Tax Credit Application and use of Proceeds from Sale of VHA Properties

Roy Johnson reported that approval of Resolution 2858 reaffirms the previously approved motion on November 26, 2009, authorizing the Executive Director to submit a 9% tax credit application to the Washington State Housing Finance Commission for the Development of the Van Vista Assisted Living Addition. He said it also authorizes the use of up to \$1,700,000 in proceeds from the sale of VHA local housing and/or single family homes to be loaned to the Van Vista Assisted Living development, and repaid

through cash flow generated by the project. Mr. Johnson continued that at this time staff is not asking for a package approval, as Kris Hanson, Asset Manager, submitted a 9% tax credit application two weeks ago and has been informed that the application is second on the reserve list.

MOTION

It was moved by Commissioner Ryan Smith and seconded by Commissioner Conway to approve Resolution No. 2858, authorizing the Executive Director to submit a 9% Tax Credit Application and approve the use of up to \$1,700,000 in proceeds from the sale of VHA properties, for the Van Vista Assisted Living Addition Development. The motion was approved by the following vote:

AYE

Commissioner Conway
Commissioner Kawamoto
Commissioner Ryan Smith

NAY

Commissioner Miles

ABSENT

Commissioner Halverson
Commissioner Kimsey (out of room during vote)

Commissioner Miles explained his nay vote, by stating that the project itself is good, but that it was his understanding that all proceeds from the sale of the VHA's scattered public housing will be used solely for the purchase or construction of replacement properties.

(g) Actions from Executive Session

Roy Johnson announced there are no action items.

EXECUTIVE DIRECTOR ITEMS

(a) Update on Columbia Nonprofit Housing (CNPH)

Kris Hanson, Executive Director of CNPH, distributed an update on CNPH and the 2010 Budget. She reviewed the 2010 Budget – saying that she took a conservative approach this year, and then reported that there is an \$87,000 shortfall.

Ms. Hanson said that the transition has gone well, and that the VHA will be assisting CNPH by assuming accounting responsibilities. She shared that her position is documented at 20% and the assistant position at 40%.

Mr. Johnson reported that the CNPH board currently meets monthly, and is discussing going to every other month.

Saeed Hajarizadeh summarized the unsecured debts related to CNPH, and said that he plans to submit a recommendation to the VHA board at the February meeting on CNPH debt to forgive.

(b) Bridgeview Nonprofit Housing

Mr. Johnson announced that Bridgeview Nonprofit Housing board will meet in February. He shared that Lisa Walters, Battle Ground Council member, has been appointed to the board as a representative from North County.

(c) Three Way Partnership

Mr. Johnson reported that a meeting will be held with representatives from the City, Clark County, and Council for the Homeless (CFTH) to discuss the need and value of CFTH.

(d) Central Park Place

Roy Johnson reported that staff is working with CFTH on use of vouchers at Central Park Place.

(e) New Tenant at 2500 Main

Mr. Johnson shared that Language Fusion, a company whom provides language services and sign language, are interested in the vacant space at 2500 Main Street and that negotiations are in progress.

(f) February Board Meeting

- Work Session ~ HARRP
- Annual Meeting; Election of Officers
- Strategic Plan
- Development Guide
- Walk Through of Remodeled Office Space

DEVELOPMENT COMMITTEE

- (a)** Chair Kawamoto participates on the VHA's Development Committee. He distributed a listing of the current and proposed 2010 Development Activities, which included the project name, location, status and projected completion date.

Roy Johnson distributed copies of nicely designed brochures for Camas Ridge Apartments and the Van Vista Addition, prepared by Steve Towell, Community Relations Specialist. Commissioner Miles commended the quality of the brochures and acknowledged Mr. Towell's expertise with the design.

The Site Plan for Camas Ridge was submitted for information only.

AUDIT COMMITTEE

Roy Johnson reported that the State Auditors completed the VHA's Accountability Audit and the final report has been received with no findings. He said that staff is working with services providers on the pre-exit suggestions. Commissioner Kimsey commended staff for the manner in which they responded to the auditor's suggestions and they way they have increased confidence and a good working relationship.

Saeed Hajarizadeh reported that the Loveridge and Hunt are conducting the tax credit audits again this year and are scheduled to be completed by the end of March 2010.

a) Monthly Financial Report

Saeed Hajarizadeh submitted the VHA and Tax Credit Partnerships Combined Income and Balance Sheet – statement of net assets- as of November 2009.

b) Fee Managed Housing Summary

Kris Hanson submitted the Fee Managed Housing Summary for Fiscal Year Ending December 31, 2009.

COMMUNICATION/INFORMATION**a) Columbia Nonprofit Housing (CNPH) Agenda and Minutes**

The CNPH Notes of November 17, 2009 and January 12, 2010 Agenda were presented for information.

b) Neighbor to Neighbor Newsletter

The January 2010 *Neighbor to Neighbor* Newsletter was presented for information.

c) Letters of Reappointment

Letters of reappointment were received from Mayor Pro Tem Pat Jollota for Commissioners Conway and Miles, effective February 2010. Commissioner Conway's two year term is extended to February 2012, and Commissioner Mile's five year term is extended to February 2015.

d) VHA Self-Sufficiency Program Report

Presented for information was an update on the VHA Self-Sufficiency Program. It included the program history, current programs and staffing, statistics, client stories and future goals for the Work Opportunity Program, RISE and STARS Community Center, and the Community Education and Involvement Program.

OTHER BUSINESS**(a) Roast, Toast and Boast**

Commissioner Ryan Smith reminded the board and staff of the Roast, Toast and Boast for former Mayor Royce Pollard is on Wednesday, February 17, at the Hilton Hotel from 5:30 to 9:00 p.m. The event will include a benefit for Big Brothers and Big Sisters.

ADJOURNMENT

There being no further business, Chair Kawamoto declared the meeting adjourned at 11:55 a.m.

ATTEST:

RONALD K. KAWAMOTO, Chair

ROY A. JOHNSON, Executive Director