

# HOUSING AUTHORITY OF THE CITY OF VANCOUVER

## REGULAR MEETING

June 22, 2011

### MEETING CONVENED

Chair Ryan Smith convened the Regular Meeting of the Board of Commissioners of the Housing Authority of the City of Vancouver (VHA) at 8:35 a.m. in the Board Room at 2500 Main Street, Vancouver, Washington.

### ROLL CALL

Present for the Board: Chair Ceci Ryan Smith

Vice Chair Art Miles

Resident Commissioner Albert Boston-El

Commissioner Lloyd Halverson

Commissioner Ronald K. Kawamoto

Commissioner Greg Kimsey

Present for Staff:

Roy A. Johnson, Executive Director

Syble A. Crow, Executive Services Manager

Saeed Hajarizadeh, Deputy Director

Diane Bare, Affordable Housing Operations Manager

Troy Drawz, Director of Development

Kris Hanson, Director of Affordable Housing

Mike McGuire, Director of Construction

Sasha Nicholson, Section 8 Manager

Jan Wichert, Director of Employee and Resident Services

Guests:

Ted Gathe, VHA General Counsel/City Attorney

Dr. David Corey, Consultant, Present for Executive Session only

### EXECUTIVE SESSION

Chair Ryan Smith immediately recessed the Regular Meeting to an Executive Session to discuss personnel matters pertaining to the Executive Director's Evaluation Process. Chair Ryan Smith adjourned the Executive Session at 9:15 a.m.

*No action was taken.*

Without delay, Chair Ryan Smith opened the Work Session for an update on the Disposition of Small Public Housing Developments.

**WORK SESSION****■ Disposition of Small Public Housing Developments**

Roy Johnson, Executive Director, presented a PowerPoint of the VHA's housing stock and proposed disposition of small public housing units. He reported that the current public housing consists of 89 single family units, 60 Van Vista, 150 Skyline Crest and 152 small multi-family units for a total of 575 units. He revisited the board's approval in May 2011 to submit an application to HUD for the disposition of the 150 units at Skyline Crest through a 50 year lease to Vancouver Affordable Housing – followed by a request for Section 8 Project Based Vouchers. He shared that the intention for this is to be able to afford the necessary renovations at Skyline.

Mr. Johnson announced his future plan to request disposition of the remaining 152 Public Housing units in exchange for Section 8 Vouchers. He addressed the positive and negative reasons to move from Public Housing to Section 8 Vouchers:

Positive is 1) Increase revenue stream; 2) HUD is encouraging disposition of public housing due to age and conditions of units; 3) Section 8 is landlord owned and maintained.

Negative is 1) Perception; 2) tenants are less secure; 3) VHA needs to be disciplined and set aside additional reserves.

Chair Ryan Smith added that she attended the Pacific Northwest Regional NAHRO Conference in Tacoma, Washington this spring and it was evident that housing authorities across the states are moving away from Public Housing to Section 8 Vouchers.

Mr. Johnson continued that the 84 units proposed for disposition will be sold over a five-year period. He said the majority of these units are two-bedrooms, and that staff is in the process of obtaining appraisals on each unit. Mr. Johnson addressed the probable displacement of tenants due to the sale of these units, noting that these residents will receive preference and be able to select any project based site or Section 8 Voucher; they would also receive up to \$500 in moving costs per household. Mr. Johnson conveyed that reimbursement of these displacement expenses is required by law and the VHA will pay the costs out of the proceeds from the sales.

Mr. Johnson commented that he will continue doing due diligence on this disposition plan and return to the board for action at the August board meeting.

The work session concluded at 10:05 a.m.

*No action was taken.*

**REGULAR MEETING**

Following a short break, Chair Ryan Smith immediately convened the Regular Meeting at 10:10 a.m.

**AGENDA AMENDMENTS**

There were no agenda amendments.

**CONSENT CALENDAR**

It was moved by Commissioner Kawamoto and seconded by Commissioner Boston-El to approve the following Consent Calendar:

- Minutes of the May 25, 2011 Regular Meeting
- Bills and Claims for May 2011

<b><u>PROGRAM</u></b>	<b><u>AMOUNT</u></b>
General Fund	\$2,593,341.74
Camas Ridge Development Wire	525,085.95
Replacement & Debt Service Transfer	53,890.00
HARRP Insurance Reserves	20,000.00
Auto Payment Bank Loans	37,359.33
Arbor Ridge O & M Grant	15,334.00
SRO O & M Grant	11,297.00
Anthem Park O & M Grant	925.00
Plum Meadows O & M Grant	709.00
MTW Escrow	7,211.00
Esther Short O & M Grant	2,072.00
Service Coordinator Grant - Evergreen	4,665.00
<i>Total Distributed in May 2011</i>	<i>\$3,271,890.02</i>

The motion was unanimously approved.

**APPEARANCE OF INTERESTED CITIZENS**

None

**CHAIR REPORT**

Chair Ryan Smith reported on the following:

- 1) Chair Ryan Smith said that she has been spending time working on the Executive Director's evaluation process and the contact with Dr. Corey to administer the process. She thanked everyone for their input.

**EXECUTIVE DIRECTOR**

- 1) Roy Johnson reviewed the summary of funded grants to date:

- Section 8 FSS	\$128,442.00
- Public Housing FSS	\$ 65,775.00
- ROSS	\$228,226.00
- VASH Vouchers	\$176,040.00
<b>Total:</b>	<b>\$598,483.00</b>

He also mentioned that staff are currently working on the submission of VISTA and Section 3 Grants.

- 2) A CDBG grant has enabled the VHA to work with Amanda Lawrence, AmeriCorp, to provide enhancement to the Fruit Valley area. Ms. Lawrence is developing asset mapping analysis and strategies, as well as working in the Fruit Valley area with surrounding neighbors and employers to match available jobs. Ms. Lawrence held a successful meeting "*Fruit Valley Business Engagement Project*" June 15 with community partners and business, geared toward growth in Fruit Valley.
- 3) Mr. Johnson reported that the 2012 Move To Work Plan is now in process. David Overbay, Federal Program Policy Manager, submitted his suggested changes to the Plan at the May Resident Advisory Board - with no opposition. Mr. Johnson said plans are to submit a draft to the commissioners in August for review and discussion, provide the public comment period, and then submit the 2012 Plan to the board in September for approval and submission to HUD.
- 4) Mr. Johnson highlighted the grant Jan Wichert, Director of Employee and Resident Services, is currently working on to provide an AmeriCorp position to work on the coordination of transportation issues for low-income seniors in the downtown core area.
- 5) Mr. Johnson shared that he met with City Councilperson, Larry Smith, Council for the Homeless, Executive Director Craig Lyons and several VHA staff to discuss housing for veterans. He said Mr. Smith was very interested in this issue and agreed to bring additional people to the table for further discussion in the near future.
- 6) Mr. Johnson recommended that the July 27 board meeting be canceled as there are no known action items. He added that Committee meetings will be held in July as scheduled.

**MOTION**

It was moved by Commissioner Kimsey and seconded by Commissioner Boston-EI to cancel the July 27, 2011 Regular Board meeting. The motion was unanimously approved.

Syble Crow, Executive Services Manager, will send out the required Notice of Cancellation.

### AUDIT/FINANCE COMMITTEE

**Audit:** Saeed Hajarizadeh, Finance Director, announced that the CPA firm, Lverage Hunt, has not completed the final report to date. He shared that in his conversations with the auditors there have been no noted issues. Mr. Hajarizadeh said the Exit Conference with Lverage Hunt is expected the end of June.

Mr. Hajarizadeh continued that the Office of Inspector General auditors will be arriving the last week of June with an Entrance Conference scheduled for June 28.

Mr. Hajarizadeh shared that the Finance Committee discussed the 2012 budget schedule at the last committee meeting. He said he proposed moving toward aligning the VHA budget to parallel with the Move To Work Plan, which would mean adoption of the budget in September. This year, Mr. Hajarizadeh stated that he plans to call a Budget Work Session in late September or early October to discuss the budget draft and then present it for board approval at the October 26 board meeting.

Commissioner Kimsey suggested a Strategic Planning Session Discussion prior to the budget discussion. Consensus was reached to hold a Strategic Planning Session on Wednesday, August 10, from 12 noon to 4 p.m. at Camas Ridge Apartments.

**Monthly Financial Report:** Saeed Hajarizadeh reviewed the VHA and Tax Credit Partnerships, Combined Income Statements and Balance Sheet (*Statement of Net Assets*) for April 2011. He reported no abnormalities.

**Workforce Housing:** Kris Hanson, Director of Asset Management, reported that occupancies are ahead of budget, with the exception of Pinewood and Van Vista due to the rehabilitation work in progress. She shared that the bond properties are ahead of budget 1% and the net operating income is 3% above budget due to improved occupancy and maintenance costs below budget. Ms. Hanson continued that the tax credit properties are also up 1% of budget; however, the net operating income is at 2% below budget, which is an improvement of 3% the previous month.

Diane Bare, Affordable Housing Operations Manager, reported on the budget overage in expenses for Loss Rents in Area 3 is due to turnovers and maintenance costs

### DEVELOPMENT COMMITTEE

Roy Johnson distributed a listing and status of properties and projects currently in process, in the queue, and being considered. Troy Drawz, Development Director, reported on the following properties:

- 1) Mr. Drawz reported on the potential acquisition with the Vancouver/Clark Parks and Recreation Department. He shared that due diligence is currently being done and the wetlands analyzed. If purchase, Mr. Drawz stated, the property will be a "buy hold".

- 2) Mr. Drawz noted that the cost analysis for Van Vista is 95% complete. He said that the project will be bid.
- 3) Mr. Drawz is working with Ankron Moisan, architect group, on the redesign of Skyline Crest Community Center and the rehabilitation of the exterior of the 150 units.
- 4) Mr. Drawz reported that a Request For Proposals for architectural services will be completed in July and a zoning application prepared for submittal in August.
- 5) Mr. Drawz presented a progress report on Camas Ridge, noting that completion is on schedule for August 1. He announced that an Open House will be held in late August or early September, and that Coast Real Estate, property managers, will begin working with staff on pre-leasing.
- 6) Mr. Drawz highlighted Vista Court's development; stating that the construction is moving swiftly and ahead of schedule; three pane windows were installed on two sides of the building as a sound barrier from Mill Plain; he commended the contractors stating that they have been extremely good to work with on change orders, currently amounting to \$88,000.
- 7) Mike McGuire, Director of Construction presented his updates on Van Vista, Skyline Crest and the shelters.

### RESIDENT COMMISSIONER REPORT

Resident Commissioner Boston-El reported that since the May board meeting he has continued to be active with the VHA, Council for the Homeless and Resident Advisory Board. He toured Skyline Crest as well as meeting staff and other community agencies.

### REPORTS

- a) **Resolution No. 2931: Approve Expenditure of Public Housing Disposition Funds and other Funds for Pre-Development Costs Related to Van Vista Plaza Rehabilitation Project**

Troy Drawz summarized the renovation of Van Vista Plaza and the previously approved disposal of the public housing property to a non-profit ownership, which HUD approved. He continued with the proposed scope of work, which will include a ground floor dining room and commercial kitchen, conversion of the 10<sup>th</sup> floor dining and kitchen to a community room, heating and cooling system upgrades and building repairs identified in the recent physical needs assessment. Mr. Drawz shared that the total project cost is \$4.7 million, and that 70%, \$3.5 million, will be financed, 30% will come from the disposition funds, and \$200,000 was awarded to the VHA from the City of Vancouver.

Mr. Drawz requested authorization to utilize public housing disposition funds and other available funds to complete pre-development activities such as architectural, permits,

funding solicitation, environmental review, appraisals and market studies. He said the final project budget and deal structure will be presented for board approval once a feasible project scenario is complete.

### MOTION

It was moved by Commissioner Miles and seconded by Commissioner Boston-El to approve Resolution No. 2931, authorizing the expenditure of public housing disposition funds and other funds for pre-development costs related to the Van Vista Plaza Rehabilitation Project. The motion was approved by the following voice vote:

### AYE

Commissioner Boston-El  
Commissioner Halverson  
Commissioner Kawamoto  
Commissioner Kimsey  
Commissioner Miles  
Commissioner Ryan Smith

### b) Resolution No. 2932: Approving Disposition Application for Small Development Public Housing Units

Roy Johnson said he is requesting approval to submit a Section 18 Disposition Application to HUD for the small multi-family developments over a five-year period, which will include staggering the sale of these units and a relocation plan. He presented a virtual view of these properties and said the units will be sold at appraised value, which will be refreshed every two years for the values to remain current. Mr. Johnson reported that the proceeds from the sales will be utilized for replacement acquisitions and improvements to remaining properties.

Discussion followed.

Commissioner Halverson stated that he will abstain from the vote as the units on 6<sup>th</sup> and 7<sup>th</sup> Streets in Camas are in his jurisdiction.

### MOTION

It was moved by Commissioner Kimsey and seconded by Commissioner Kawamoto to approve Resolution No. 2932, approving the submittal of a Section 18 Disposition Application to HUD for small multi-family developments. The motion was approved by the following voice vote:

### AYE

Commissioner Boston-El  
Commissioner Kawamoto

### ABSTAIN

Commissioner Halverson

Commissioner Kimsey  
Commissioner Miles  
Commissioner Ryan Smith

c) **Resolution No. 2933: Approve Construction Contract for Springbrook Apartments**

Mike McGuire, Director of Construction, reported that four bids were received for a construction contract to renovate Springbrook Apartments, and bids were opened June 1, 2011- ranging from \$3,303,323.00 to \$5,552,099.00. The low bid was submitted by KeyWay Corporation. Mr. McGuire reported that KeyWay Corporation is the company that rebuilt the burned building at Springbrook the previous year, and that they were excellent to work with and performance was good. He mentioned the million dollar spread between the high and low bids, and that he talked with KeyWay about it; KeyWay responded that they feel their price is adequate and that they can complete the job efficiently. Mr. McGuire shared that he feels confident they can and recommended approval of Resolution No. 2933.

Commissioner Kawamoto stated that he will abstain from comments and voting on this resolution as he knows key personnel with this company.

**MOTION**

It was moved by Commissioner Miles and seconded by Commissioner Boston-El to approve Resolution No. 2933, approving the award of Construction Contract to KeyWay Corporation in the amount of \$3,303,323.00. The motion was approved by the following voice vote:

**AYE**

Commissioner Boston-El  
Commissioner Halverson  
Commissioner Kimsey  
Commissioner Miles  
Commissioner Ryan Smith

**ABSTAIN**

Commissioner Kawamoto

**ACTIONS FROM EXECUTIVE SESSION**

Roy Johnson reported there were none.

**COMMUNICATION/INFORMATION**

a) **Neighbor to Neighbor Newsletter**

The June 2011 *Neighbor to Neighbor* Newsletter was presented for information.

b) VHA Today

The May-June 2011 *VHA Today*, profiling Matt Valente was presented for information.

c) Columbia Nonprofit Housing

The Minutes of March 8, 2011 and Agenda for June 14, 2011 were presented for information.

OTHER BUSINESS

There was no other business discussed.

ADJOURNMENT

There being no further business, Chair Ryan Smith declared the meeting adjourned at 11:35 a.m.

ATTEST:

  
CECI RYAN SMITH, Chair

  
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ROY A. JOHNSON, Secretary-Treasurer

