

## HOUSING AUTHORITY OF THE CITY OF VANCOUVER

### SPECIAL MEETING

October 12, 2011

Chair Ryan Smith convened the Special Meeting of the Board of Commissioners of the Housing Authority of the City of Vancouver (VHA) for a Work Session on the Fiscal Year 2012 Budget in the Board Room of the Administration Office at 2500 Main Street, Vancouver, Washington.

#### ROLL CALL

Present for the Board: Chair Ceci Ryan Smith  
Commissioner Boston-El  
Commissioner Ronald K. Kawamoto  
Commissioner Greg Kimsey  
Commissioner Lloyd Halverson

Absent: Vice Chair Art Miles– Excused

Present for Staff: Saeed Hajarizadeh, Deputy Director  
Syble Crow, Executive Services Manager  
Troy Draw, Director of Development  
Diane Bare, Affordable Housing Operations Manager  
Kris Hanson, Director of Affordable Housing  
Sasha Nichelson, Section 8 Manager  
David Overbay, Federal Program Policy Manager  
Jan Wichert, Director of Employee and Resident Services

Chair Ryan Smith presented an update on Executive Director Roy Johnson's medical emergency, and then stated that the Budget Summary was an excellent product and that due to changing economic conditions, it is likely that the board will have additional budget reviews in the future.

Saeed Hajarizadeh, Deputy Director and Finance Manager, announced that his plan is to review the document sent to them prior to the meeting in its entirety.

- **Budget Goals:** There are seven budget goals followed by the 2012 strategies on meeting them in the proposed budget.

Mr. Hajarizadeh noted that he has not talked with the commissioners about changing these goals. Following discussion, it was the consensus of the board that the presented goals remain on target and do not need revised at this point.

Under Number 3, Commissioner Kimsey encouraged staff to look at the VHA's portfolio strategies and philosophies and document support for action on each.

Mr. Hajarizadeh offered to look at all the properties and what is planned for 2012 and report back to the board at the next meeting.

Number 5 was revised by striking out "*implement a locally developed Asset Management model*", and then the remainder was combined with Number 3.

Commissioner Halverson cautioned that there be balance between housing and providing services and that the VHA does not tilt too far in the area of social services. Chair Ryan Smith added that the VHA's mission is to house and not to provide all the services needed by residents.

Mr. Hajarizadeh offered to forward the CLPHA Report on Moving To Work to the commissioners.

Mr. Hajarizadeh announced that the VHA recently received authorization to obtain and utilize change to MTW Agreement that allows broader use of MTW funds and that this will be brought forward to the board in November.

- **Combined Housing Authority Budget:** This includes the VHA's programs and properties, including VHA's subsidiary, Vancouver Affordable Housing and VHA's component units – the ten tax credit partnerships and properties.

Consensus was to keep them together and not separate.

- **Local Fund:** Includes VHA's overhead departments of Executive, Finance and IT, Development, and a portion of Employee and Resident Services.

Mr. Hajarizadeh noted that the 2012 budget revenue is 9% higher and expenditures are 6% higher than the 2011 budget. He added that the cash flow projections are approximately 10% less overall.

Mr. Hajarizadeh reported that the development of the Capital Budget is in progress as the management of properties has been redistributed and all the management companies have been asked to submit their budget.

- **Public Housing:** The 2012 operating revenues and expenses are based on anticipated transition of units into the Vancouver Affordable Housing nonprofit portfolio. The transition will continue through 2012. Plans are to sell additional single family homes and duplexes in 2012.

Mr. Hajarizadeh reported that the negative cash flow in Public Housing functional areas for 2012 was reviewed and discussed by the board at the August board meeting.

- **Capital Fund:** The Public Housing Capital Fund program pays for major improvement needed in the portfolio. The Capital Fund program funding will remain 20% reduced for 2012.

- **Section 8:** Section 8 rental assistance is provided to residents and avails them the option on where they live; most voucher holders live in privately owned units. The vouchers are portable throughout the United States.

Project-Based Section 8 Vouchers are assigned to a designated unit(s).

To balance the Section 8 program in 2012, plans are to transfer \$958,952 from the MTW reserves.

- **Bond Projects:** Properties financed through tax exempt bonds; 50% of the residents must be low income and the remaining 50% have no income limits.

Mr. Hajarizadeh noted that these properties provide the highest level of funds to the VHA (Fishers Mill, Willow Creek, Cougar Creek, Parkland, Springbrook and Camas Ridge).

- **Tax Credit Properties:** VHA has ten tax-credit properties that have entered into 15 year partnership agreements with private investors – including banks. The properties are unsubsidized and residents must have incomes under 60% of AMI, with a few units serving extremely low income residents that are charged lower rents.

Operating revenue and expense are up due to the addition of Vista Court scheduled to open in January 2012.

- **Vancouver Affordable Housing:** VAH is a subsidiary of the VHA with board members consisting of mostly VHA board members or executive staff.

VAH is acquiring the VHA's disposition of 40 single family homes, Van Vista and 150 units of Skyline Crest duplexes. The net cash operating proceeds will be returned to the VHA to be used toward affordable housing opportunities.

Troy Drawz, Director of Development, reported that the single family homes will be sold in blocks of four at a time and that each resident must be given a six-month notice of plans to sell the home to allow them adequate time to relocate.

Mr. Hajarizadeh will provide a narrative on VAH at the next board meeting.

- **Homeless Shelter Maintenance:** VHA owns and leases several homeless shelters to nonprofits at no cost.

Mr. Hajarizadeh reported that the VHA just expended enormous costs for rehabilitation on the three Share shelters; staff has begun discussion with them about taking on the maintenance responsibilities.

- **Columbia House and Cougar Homes:** The two properties are HUD funded under Section 8 New Construction; tenants pay 30% of adjusted gross income for rent and utilities.

Mr. Hajarizadeh noted little difference in the 2011 and 2012 proposed budget.

- **Nonprofit Management:** This budget includes salary and benefits for staffing of Columbia Nonprofit Housing and Council For The Homeless; reimbursed to the VHA in full.

- **Grants Management:** Federal grants applied for and received by the VHA for the payment of client services.

Mr. Hajarizadeh said that additional grants are expected in 2012 -- up to 30%, and staff is currently working on allocating the funds.

- **Construction Funds:** Includes predevelopment funds, six remaining Fannie Mae homes, and several specific construction project funds in various stages of due diligence.

The report highlighted the planned development activities for 2012.

- **Staffing Schedule:** Staffing includes a net reduction of 6 FTE's through retirement, layoff and attrition. To date, there has been a reduction of 4.45 staff and 2 more are expected in 2012.

The report noted the approach in which staff is considering maintaining the lean staffing.

- **Fund Transfers:** Transfers from reserves and between funds in the 2012 VHA Budget.

Mr. Hajarizadeh agreed to provide the commissioners with a report of Reserve Balances.

Discussion followed.

The board as a whole commented that they are very impressed with the team effort of this budget and that the review, discussion and approval of the budget will be much easier this year due to the modified format.

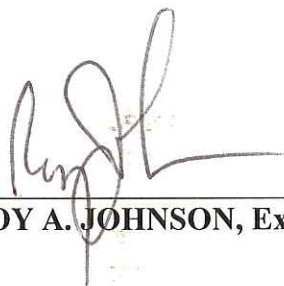
Ms. Hajarizadeh responded that he had assistance from his financial team, property managers, and management staff. He shared that his theme is to work on the budget until it looks good.

Chair Ryan Smith dismissed the management staff, with the exception of Jan Wichert and Saeed Hajarizadeh, to discuss salaries and benefits.

**ADJOURNMENT**

There being no further business, the Work Session was adjourned at 1:30 p.m.

**ATTEST:**



**ROY A. JOHNSON, Executive Director**

  
**CECI RYAN SMITH, Chair**

