

The Regular Meeting of the Board of Commissioners was convened at 12:08 pm on Wednesday, April 20, 2005 at the Housing Authority of Snohomish County.

Present: Commissioner Goulet
Commissioner Komnick
Commissioner Lewis

Excused: Commissioner Anderson
Commissioner Boyle
Commissioner Vander Lugt

Staff: Ann Schroeder-Osterberg, Director of Development, Construction and Maintenance
Duane Leonard, Finance Director
Manu Morgan, Tenant Based Assistance Manager
Rickie Bates, Director of Administrative Services
Steve Kehler, Director of Asset Management
Jenisa Story, Administrative Assistant

Counsel: Faith Pettis, Preston, Gates & Ellis

Guest: Ned Palmer, Bank of America

INTRODUCTION AND OATH OF OFFICE

Marilyn Komnick was sworn in as a new commissioner by Commissioner Lewis. Staff introduced themselves and welcomed Ms. Komnick to the Board.

CONSENT ITEMS

Commissioner Goulet moved for approval of consent items. Commissioner Komnick seconded and the motion passed unanimously to adopt the following:

Item B. – Approve Agenda for the April 20, 2005 Regular Meeting

Item C. – Action on Minutes of the March 9, 2005 Special Meeting

Item D. – Resolution No. 1547 Authorizing Payment of March 2005 Expenditures

INFORMATION ITEMS

Item F. – Development and Construction Progress Report

Ann Schroeder-Osterberg informed the Board about a potential acquisition, Autumn Chase. Built in 1989, Autumn Chase is a 120-unit apartment complex in Bothell on the Bothell-Everett Highway. The Housing Authority has no existing units in that part of the County. The listing price was \$12 million, but the owner has agreed to \$11.5 million.

The cost does not allow much for up front capital improvements. Staff will be doing inspections next week to determine if work is needed. If there is too much work, then it won't be feasible to buy the property.

All funding applications have been sent in for the proposed additional units at East Terrace and Fairview. Staff believes that we should receive funding from the County, but State funding is uncertain due to the high demand. Staff is asking the State for set aside funds for families and children. The funding application for First Steps III, which will provide housing assistance and Health District case management for ten families, should go through.

Bids are in and on budget for the Autumn Leaf rehabilitation project. HomeSight has almost sold out the Kokanee Creek development. Staff is looking into completing the build out of the Thomas Place manufactured home community. There are six lots left, but three of these lots still have old mobile homes on them.

On March 31st, all County and State funded loans were transferred to HomeSight. Many single-family rehabilitation loan applications are in the process. Even so, staff does not expect to meet the goal of 40 loans this year.

Over the past year, approximately \$2 million worth of capital improvements have been completed at Housing Authority properties. Staff is trying to package similar improvements together into one bid process to save money and time.

Item G. – Financial Report

Duane Leonard explained that the Commissioners would be receiving a quarterly report in May. He also stated that the Kids Country daycare lease is up and the daycare would like to renew its lease.

Item H. – Tenant Based Assistance Report

Manu Morgan explained the March lease up and rent roll reports. There was a 45% increase in annual recertification work from February to March. The department is also issuing to more families.

Item I. – Asset Management Report

Steve Kehler presented the March asset report, which tracks vacancies and delinquencies. Affordable properties have done well. Vacancies are up, but there has been more traffic at these properties. Edmonds Highlands had a managerial change a couple months ago and the property is still recovering from the transition. Westwood Crossing and Whispering Pines are both over 95% occupied. According to the latest Dupre' + Scott report, the rent at Housing Authority properties is on target with competitors. Public Housing is working on improving the turnaround time of its units. Staff has begun offering credit counseling as an option for late rent payers. A couple families have expressed interest in pursuing counseling. Vacancies are up in Rural Development

properties. There is no known reason for the increase in vacancies. Fairview is continuing to improve with the change in tenants at the property.

Item J.—Administrative Services Report

Rickie Bates reported that the receptionist has moved on and staff is recruiting for a new receptionist. Over 165 applicants have applied for the position. Currently, the 19 support staff that provide break coverage for the front desk are filling in for the receptionist. Staff is also working on standardizing front desk procedures. Recruitment has begun for a resident manager position in Marysville. Rickie reminded the Commissioners that the May Board meeting is the Annual meeting. At that meeting, the Commissioners will be electing a new chair and vice chair.

Item K. – Legal Counsel Report

Faith Pettis reported that legal counsel has been working on a couple evictions and reviewed a letter of intent to purchase Autumn Chase. The Department of Revenue recently sent a letter to the Housing Authority regarding the leasehold excise tax issue. This letter was a victory for the Housing Authority as the Department of Revenue agreed that no tax is due for rental units.

ACTION ITEMS

L. Resolution No. 1548 Ratifying an Increase in Funding Request to Washington State for East Terrace and Fairview Transitional Housing

Ann explained that the original funding application had combined both East Terrace and Fairview together. State officials asked the Housing Authority to split apart the applications. Staff has added service funding to the application. The total funding requested has increased from \$1.5 to \$2 million.

Commissioner Goulet moved to approve the resolution. Commissioner Komnick seconded and the motion was unanimously approved.

M. Resolution No. 1549 Approving Calculation and Submission of the FY2006 Performance Funding System (PFS) Operation Subsidy

This application is for funding of the Public Housing program. Currently, the Housing Authority serves 253 families. Staff anticipates a \$397,000 subsidy, but does not yet know what the Housing Authority will receive. The requested subsidy amount is to cover the difference between dwelling income and anticipated expenses.

Commissioner Goulet moved to approve the resolution. Commissioner Komnick seconded and the motion was unanimously approved.

N. Resolution No. 1550 Authorizing Sale of Markland Model Furnishings to Everett Housing Authority

The Housing Authority originally purchased the furnishings for the model unit at Markland Woods. The furnishings were then lent to HomeSight for use in the model unit at Kokanee Creek. The Housing Authority has no further use for the furnishings. Everett Housing Authority is starting sales at the Pine Ridge development. Staff is asking that the Board waive the disposition policy and approve the sale.

Commissioner Goulet moved to approve the resolution. Commissioner Komnick seconded and the motion was unanimously approved.

ADJOURNMENT

There being no further business to come before the Board, Commissioner Komnick moved to adjourn the meeting. Commissioner Goulet seconded and the motion passed unanimously. The meeting adjourned at 1:02 pm.

Chairperson

SEAL

ATTEST:

Secretary