

Coos-Curry Housing Authority
Regular Board Meeting

M I N U T E S

February 27, 2013
North Bend City/ Coos-Curry Housing Authorities Main Office
1700 Monroe St.
North Bend OR 97459

Attendance:

Coos- Curry Board Members: Susan Brown, President (Via Phone); David Tilton, Commissioner; Joe Cook, Commissioner; David Kitchen, Commissioner (Via Phone); and Chris Christopher, Commissioner (Via Phone).

Absent: Bruce Newman, Commissioner.

Staff: Ned Beman, Executive Director; Denise Russell, Assistant to Executive Director.

Others Present: None.

1. Call to Order: The meeting was called to order by Susan Brown, President at 4:06 p.m.
2. Establishment of a Quorum: A quorum for the Coos-Curry Housing Authority was established.
3. Residents and Citizens to be heard: None.
4. Approval of Minutes: Upon a motion by Commissioner, David Tilton (Commissioner, Joe Cook 2nd) the minutes of the January 23, 2013, Coos Curry Housing Authority's Regular Meeting were approved. The motion carried unanimously.
5. Resolution No. 588: Approval of Annual Plan: Commissioner Tilton requested clarification on the Annual Plan, section 5.2 (Goals and Objectives) that *the HA will evaluate and possibly transform Public Housing to other forms of assistance* as being what was discussed in the Public Meeting to Review the Annual Plan for additional source of revenue, such as RAD. Ned indicated that is correct. Upon a motion by Commissioner, David Tilton (Commissioner, David Kitchen 2nd) for the approval of Resolution number 588. The motion carried unanimously.
6. Resolution No. 589: Revised Flat Rent Schedule: Ned explained that flat rent is not income dependant, and is only reviewed every three years. The Resident in the Public Housing program can live there as long as they pay the flat rent, which is comparable to rents in the community, and no utilities are paid for by the Housing Authority. The program participant, for example, may have entered in another Housing Authority program and now has gainful employment. This program on one side-of-the-coin is good for revenue generation for the Housing Authority but on the other does not fit the program goals. Unfortunately, there is not a mechanism in the Public Housing program that will move the individual out of the program like there is in Section 8. In Section 8 when the participant reaches market level rents, the Housing Authority is no longer subsidizing their rent payments, and the participant drops off of the

program.

The flat rent is reviewed regularly to make sure that it is in alignment with current community rents. There is currently no one in Coos- Curry that is paying flat rent.

Susan Brown requested a motion for adopting the Revised Flat Rent rates. Commissioner Joe Cook made the motion (Commissioner Chris Christopher 2nd) to adopt Resolution 589. The Resolution passed unanimously.

7. **Resolution No. 590: Appreciation and Recognition of Ms. Beverly Nordquist's Service:** Coos -Curry Housing Authority heard the Resolutions of Appreciating and Recognition of Ms. Beverly Nordquist's Service. Commissioner Nordquist is resigning her commission for health reasons.

Ned informed the Board that postcards were sent out regarding the open Resident Commissioner seat. The Board will review and select a new Resident Commissioner at the next Commissioners meeting from the applications that have been submitted with the individual being seated at the April meeting.

A motion to send the letter of appreciation was made by Commissioner, David Tilton; (Commissioner, David Kitchen 2nd). The motion carried unanimously.

8. **Secretary's Report:** Ned reported to the Board of Commissioners that he met with Senator Jeff Kruse, Senator Arnie Roblan, and Representative Caddy McKeown. The discussions centered on working for local control for local conditions on Mental Health and Public Health issues opposed to making statewide legislation that is driven out of Portland.

Another thing that is coming out of Portland, will affect the Housing Authority in three ways, is proposed legislation from Speaker Tina Kotek of the State of Oregon's House of Representatives (HB2639): 1) Section 8 contains a fair housing issue regarding "source of income." In Portland, a lot of the rental advertisements state "No Section 8". The landlords are suggesting that they would like a six-month lease instead of a year lease in the event that they are unable to advertise their property with a Section 8 restriction. Our Administrative Plan would need to be changed to accommodate a six-month lease, which would not be a big deal because most private sector leases are month-to-month; 2) Setting up a fund for damages to the property by a Section 8 tenant that a landlord can access for damage recovery, once they have been through the Small Claims Court process. The Tenant would need to pay the pot back. The Housing Authority will not be holding the funds. Ned stated that it would probably be the Community Action Agencies (i.e. ORRCA) because they are already receiving State funding for other things, and it would just be another fund they would have to monitor; and 3) Reporting why people did not lease up after receiving a voucher. The Housing Authority does not have a mechanism to measure that. In addition, House Speaker Kotek, wants the Housing Authority to report on our utilization of Vouchers, which is information that we know on a daily basis.

House Speaker Kotek would like to work with a foundation to pay for a study on the "why" people do not lease up. The Housing Authority has been working with a lobbyist to communicate that not only should they look at "why" individuals do not lease up, but also to look at, for example, if you have 100 people on our list, why only 25 actually get issued a voucher and why only 10 people get housed. It will provide feedback to the Housing Authority on what we may be doing wrong, and if there is something that can be changed because it does cost money to get through processing for housing. House Speaker Kotek indicated that she was

willing to work with us on getting a Foundation to fund the study.

Two things that Ned would like to see the study address is: 1) the study be done by area (South Coast, Portland, South East, etc.) to answer “why” at the local level; and 2) drill down on “why” they cannot find a unit, for example, did you not find a unit because of criminal history, bad leasing history, or does the property just not fit the idea of what the prospective tenant wants.

The parameters for the study are being determined currently. There is not a foundation that has been selected to complete the study.

Ned reported that on March 1st, the sequestration will begin. Jamie, in Congressman DeFazio’s office, said that there is no conversation in D.C. The House and the Senate are not communicating. For the Housing Authority in Public Housing, it is hard to plan because we do not know what the six or nine percent cut is coming out of. Ned is not sure of what budget numbers the legislators are planning on taking the percentage out of, which makes it impossible for the Housing Authority to do any budget planning. Because we do not have a lot of options, it may be necessary to defer maintenance down the road. The Housing Authority is unable to plan until we know what our budget numbers will be.

In Section 8, they are contemplating reducing voucher funding. This translates into dropping people that are already housed and receiving Section 8 assistance. The first tier that will be affected, should the legislators decide to shrink funding to Section 8 programs, will begin (according the Administrative Plan) with the single non-elderly and non-disabled individuals currently on Section 8, of which there are 41. This translates into a \$16,000 savings for the Housing Authority. The second tier that will be affected is the families, and finally, the third tier affected will be the elderly. The reorganization has relieved the pressure on the Section 8 funding side.

The other option that the legislators could do and are talking about is a Continuing Resolution to fix this problem. They are not currently talking about putting in the \$750 million dollars that they took out last year. It would be an even cut spread across all Housing Authorities. Hopefully next month Ned will be able to provide a real plan to the Board.

- A. **Financial Report:** There are still funds left in the Capital Funds. Ned noted that we do have cabinets that need fixing, and depending on what funding we get for the 2013 year will determine if we work on this project.

Commissioner Christopher requested clarification on page 18, if the \$73,148 was all the Capital Funds that we have left to carry the Housing Authority through. Ned indicated that number is only for the 2012 year. In addition there is still \$52,569 left in the 2011 Capital Funds for a total of \$125,717 in the Capital Fund. The Housing Authority spends funds from the oldest funds first.

The Public Housing side, because we are a small agency, has some flexibility to keep operations and services to tenants going. And since we are not going to do any modernizations, we are able to do maintenance repairs with the money and still remain solvent.

Commissioner Christopher wondered when the Housing Authority should start thinking about capping subsidies to targeted groups. Ned noted that the Housing Authority has been instructed to call the field office in the event it reaches the point of

running in the red. The maintenance services will be affected if we lose funding.

Commissioner Christopher noted that it is not prudent to wait until Public Housing is running in the red to act. Ned explained that because we are a small housing authority that he is able to move Capital Funds into operations in order to help the subsidy. In order for the Housing Authority to reach higher expenses than income, there would need to be a serious cut in both Capital Funding and Subsidies. Ned is not as concerned on the Public Housing side as he is on the Section 8 side because they keep cutting the administration fees. This affects the ability to lease up, and creates a situation where vouchers may need to be cut, which will result in the loss of housing to single individuals first. There are currently 41 individuals that are in the single category. The savings to the Housing Authority would be approximately \$16,000 per month in vouchers.

Commissioner Kitchen asked for clarification on the Profit and Loss Statement, and why there is a big difference between current year and the year-to-date numbers, and where does he see the Capital Funds. Ned noted that the Capital Funds are on the page before. For all of 2012 HUD has not given us any subsidy. The Housing Authority had to use reserves to pay for the subsidy, and that is why there is a variance of \$-68,000. In January, HUD started to send subsidy again. HUD is not supposed to take reserves this year.

Commissioner Cook requested clarification of the dwelling rent income and why there is such a difference of almost \$10,000. Ned stated that it is because of loss of income from families. The families move out and the new families have lower income than the previous residents.

The Voucher program is being used. No one is currently leaving the program. Ned noted that in a conversation at the State meeting, there is a phenomenon - if you want to lease up, clients drop off the program and conversely if you want to lower the number of clients, they stay on the program. HUD is happy with where we are in using up 99.9 percent of the budget. Even though we are not using all of our vouchers, we are where we need to be. We have stopped using our reserves for this program. We will see what the numbers look like going forward.

The Housing Authority is good with the unrestricted and restricted assets. Commissioner Christopher asked for clarification on the HAP reserves. Ned noted that they are the Net Restricted Assets. Unrestricted (operating) is \$151,279.00 which can be used for HAP if it is needed. The Housing Authority is working on bringing the restricted funds back up to \$224,000.

The Balance for Coos-Curry Housing Authority Public Housing is \$151,998.64. HUD recommends six months of operating expenses.

- B. **Operations Report:** The reorganization has been done. The Deputy Executive Director is Cheryl Slagle, the Public Housing Manager is Lisa Lucero, the Multi-Family Housing Manager is Debbie Kauffman, and the Section 8 Manager is Karen Grisso. Karen Dubisar and Danielle Cleary will be handling the Accounting Department with Karen being the lead. On Monday, Karen Grisso and two other employees will be interview applicants for the position of Section 8 Technician. This is a position that opened up when Karen was selected as the Section 8 Manager. Tammy Laird is moving on, and has already obtained employment that will start on Monday. Stacy Shurtleff is moving to South

Dakota with her husband. Overall, the decisions are good for the Housing Authority.

The Housing Authority is leased up as much as it can be both in funding usage and units occupied.

Commissioner Christopher wondered what the acceptable proficient limit on work orders is. Ned stated that it is twenty days. The Housing Authority keeps working on it. If money gets tighter, those days will go up. Our maintenance staff does the billable work and the contractors work nights and weekends for painting so that we are able to turn the units faster.

Commissioner Kitchen requested an update on the VASH program in regard to distribution of the vouchers between Coos and Curry Counties. Ned reported that the VA Representative is currently working with three applicants, two are from Curry County and one is from Coos County. The Housing Authority and the VA Representative are working together better. Ned will have the report broken out into the numbers housed in Coos and Curry Counties. Enabling a determination of what the percentage housed in each County is in relation to the number of Veterans in each County. Commissioner Kitchen believes that Curry County currently has approximately 2500 veterans in Curry County. Commissioner Brown spoke with Tom Mann, Administrator of Veterans Services Division for the State of Oregon, expressing her concern about the VASH Vouchers not being distributed in Curry County as appropriately as they should be. Tom Mann said that he would contact the VASH Voucher officer.

C. **Maintenance Report:** None

D. **Contracts and Projects:** None

E. **Staff/Training:** None

9. **Informational Items:** None

10. **Executive Session:** None

11. **Adjournment:** Upon a motion by Commissioner, Joe Cook; (Commissioner, David Tilton, 2nd), the Coos-Curry Housing Authority meeting was adjourned at 4:48 p.m.

Susan Brown, President
Coos-Curry Housing Authority

ATTEST:

Ned Beman, Executive Director