

Coos-Curry Housing Authority  
Regular Board Meeting

M I N U T E S

January 28, 2015  
North Bend City / Coos-Curry Housing Authorities Main Office  
1700 Monroe St.  
North Bend OR 97459

Attendance:

Coos- Curry Board Members: Bruce Newman, Chair; Mark Low, Vice-Chair; Joe Cook, Commissioner; Laura Beville, Commissioner, Karen Gilmartin, Commissioner; Kathleen Bunten, Commissioner and Patty Sanden, Commissioner

Absent: None

Staff: Ned Beman, Executive Director; Cheryl Slagle, Deputy Executive Director; Karen Dubisar, Accountant and Denise Russell, Assistant to Executive Director.

Others Present: None.

1. Call to Order: The meeting was called to order by Chair, Bruce Newman, at 3:58 p.m.
2. Oath of Office – Patty Sanden: Patty Sanden took the oath of office for the Coos-Curry Housing Authority Board of Commissioners. She graduated from CSU – Fresno with a degree in Business Administration. Patty is the Project Manager for the Maslow Project.
3. Establishment of a Quorum: A quorum for the Coos-Curry Housing Authority was established.
4. Residents and Citizens to be Heard: None.
5. Approval of Minutes: Commissioner, Joe Cook (Vice-Chair, Mark Low 2nd) made a motion to accept the minutes of the October 22, 2014, Board Meeting as presented. The motion passed unanimously with no discussion.
6. Resolution No. 611: Recognition of David Tilton's Service: Executive Director Beman stated that Commissioner David Tilton served on the Board for 8 years and his term is up. Mr. Tilton was very diligent in reading the minutes. He was an asset to the Board. Hopefully, Coos County will find another attorney to replace him. Chair Newman stated that Commissioner Tilton always had very insightful comments.

Vice-Chair, Mark Low (Commissioner, Kathleen Bunten 2<sup>nd</sup>) made a motion to give recognition to Commissioner Tilton for his service. The motion passed unanimously.

7. Resolution No. 612: Adoption of Updated Flat Rents. There is a \$5.00 change to the Flat Rents for Port Orford. There were no public comments submitted.

Commissioner, Laura Beville (Commissioner, Patty Sanden 2<sup>nd</sup>) made a motion to approve the Flat Rents increase for Port Orford. The motion passed unanimously.

8. Resolution No. 613: Administrative Plan Changes. Deputy Executive Director, Cheryl Slagle, explained that

the changes were made to the Administrative Plan to expand the definition of "Family" as used by HUD. In addition, there were a couple of wording errors in the Eligibility and Terminations section that were corrected.

Chair, Bruce Newman, requested clarification, that even though it is legal to use marijuana in Oregon, that the Federal Regulation still makes the use of the drug an eviction offense. E.D. Beman stated that HUD has recently sent out a notice reaffirmed that it is. It is not as much an issue for us unless they are ingesting it, because we have a no smoking policy, which covers anything that is smoked without having to deal with legality issues of the substance being smoked.

Chair Newman noted that there was a duplicated word in the draft, and asked if anyone else had any comments while he was looking for the error in the denials section (4.8).

Vice-Chair, Mark Low (Commissioner, Karen Gilmartin 2<sup>nd</sup>) made a motion to accept the changes to the Administrative Plan with minor edits that do not change the intent of the plan. The motion passed unanimously.

9. Resolution No. 614: Approval of Budget for FY2014/15. E. D. Beman explained that we believe that it was approved last spring, but we cannot find any record of it. It is usually done in April or May.

Commissioner, Kathleen Bunten (Commissioner, Joe Cook 2<sup>nd</sup>) made a motion to reapprove the Budget as proposed. The motion passed unanimously.

10. Correct FYE on Resolution No. 608 to Reflect Accurate Dates: This is a request to the Board to approve a change to the FYE date on Resolution 608 for HUD. E. D. Beman requested that the Board allow any changes that HUD request for Year End date to be included in the motion, so that it doesn't have to be put through the Board again.

This creates a onetime 18-month audit and then returns to annual from there, which we need for the Consortium Agreement.

Vice-Chair, Mark Low (Commissioner, Patty Sanden 2<sup>nd</sup>) made a motion to correct the FYE date as request by HUD, and also authorizing future changes in the date should it be requested from HUD. The motion passed unanimously.

11. Update on Consortium Agreement: E. D. Beman reported that NBCHA is questioning the need for a formalized agreement between CCHA and NBCHA. The attorney has written a letter to the NBCHA stating that the HA's are working as a Consortium and a formal agreement is needed. NBCHA asked E. D. Beman to go to HUD, which gave them four choices. They can form a Consortium, Management Agreement between the HA's, Consolidate under one ACC, or separate operations. NBCHA held a work session two weeks ago, and decided that they do not want a management agreement or split the operations because they cannot afford to financially. The options left are to form a Consortium or Consolidate. The whole goal is to reduce the reporting requirements to HUD. Option 3 would resolve that; however, it is not palatable to the City of North Bend.

E.D. Beman and NBCHA Chair, Patty Cook, have both talked with Chair Newman regarding the signing over of Coos-Curry's Public Housing Units to the NBCHA in an act of cooperation. So that NBCHA would have all of the Public Housing that could be consolidated into one AMP from three. There would be one report to HUD, one budget, one FDS submission, and they would have control over contracting. Coos-Curry would still have overall control because they are the lead agency. Coos-Curry would still have all of the Housing Choice Vouchers. CCHA would still be approving the Annual Plan and the Five Year Plan that would include the Capital Funds, etc. We are hoping this will be palatable to the City of North Bend. Chair Newman noted it is a backdoor way of getting us to where we need to be, but if it is successful it is better than where we are right now.

E. D. Beman noted consolidation would give NBCHA more voice because by doing the consortium they will be

a Board under a Board. Those are the two choices that they have because they do not like the other options that HUD suggested.

North Bend City appointed Marie Martin to the NBCHA Board but did not appoint the resident commissioner because the Mayor has not spoken with them yet. Historically, the Mayor has not spoken to resident commissioners prior to appointment.

12. Office of General Counsel Letter: E. D. Beman reported that HUD General Council is looking at how the Housing Authorities operate. It would be best to have a formal solution to offer to them before they tell us how we are going to operate. The HAs have responded to General Council with the information that they requested. General Council did give us a slight extension on the deadline. Part of the solution is to try to consolidate or a consortium with one AMP. NBCHA is substandard financially and CCHA is substandard in management. CCHA's substandard management was from not filling the Port Orford units. The Field Office and General Council asked why we did not move the units in Port Orford to a different location. They are what they are, they are going to be hard to house, and they have their own waiting list. By combining all Public Housing together in one AMP it provides for a better average of 160 units instead of 52 units lowering the percentages with 40-day turns.

The substandard financial in NBCH, the funds were not move soon enough from Capital Funds to show that we had cash. The other reason is that HUD took back all of CCHA's reserves one year and half of NBCHA's reserves. This action had a direct impact on the financial status of the Agencies. Every year the HAs loses operating subsidy. Part of the explanation includes how the HAs are trying to resolve the issues by formalizing an agreement through consolidation or consortium, which will provide for one AMP and pooled resources instead of intra-company transactions.

Chair Newman reported that one of the meeting at the PHADA Conference was all about the PHAS scoring and the financial piece of it. HUD continues to underfund the administrative costs to run their programs. It is inevitable that agencies will score poorly financially because agencies cannot run programs at a deficit.

13. Jordan Cove: HUD legal has now stated that the Housing Authority cannot accept a payment from Jordan Cove unless there is an already proven negative impact to the ability of the HA to provide services to clients, and only if there are no more emergency funds available through HUD.

E.D. Beman and Karen Dubisar had a discussion with the Field Office on Monday and Tuesday regarding this issue. The appropriation statutory language states that they have 17 Billion dollars to run the Section 8 Program. If we spend the million dollars, it is above what was appropriated.

HUD funds the program at a 100 percent but does not provide for additional funding as costs rise, so if you rents go up, the number of clients you are able to service will go down proportionately to the increase in rents.

Our County Commissioners are going to go to Washington, D.C., and will be talking with the legislative staff. The Field office and E.D. Beman are not happy because D.C. for over a year has never mentioned the issue during the discussions and negotiations. E.D. is asking HUD and legislators how to fix this issue.

Once we have approval from HUD for the Jordan Cove money. Jordan Cove will be write the check once the money is released from the company for the project, which is expected to be the third quarter of this year.

Jordan Cove is aware of the issue, and can pursue the issue. The County and State Legislators can also address the issue.

Commissioner, Joe Cook, reiterated that HUD has a built in formula for attrition, if he is understanding this correctly, based on funding. If the HA has a change in that curve, does that trigger the possibility? Does the HA know what that curve is? E.D. Beman stated that there is a tool that HUD has provided that is supposed to allow the agency to forecast out two years. E.D. Beman emailed the field office regarding the tool and the fact that it doesn't work for this issue.

14. Secretary's Report:

- a. Finance: There were fences put up in Port Orford, and the capital funds will be moved into operations to balance out the loss currently shown. The cash on hand is \$205,000. There is \$66,000 local funds, \$70,000 general funds. If Jordan Cove gives the agency the \$1,000,000, it will go into local funds because it is not HUD money until it enters into the program. There are a Capital Funds left that will be switched over as they are needed.

Section 8 is doing okay. The Main Stream is down a little bit but it fluctuates. The unrestricted assets are good.

- b. Operations: The vacancies are okay. The BOLI investigations of NBCCHA has been concluded for the tenants currently in the CCHA units. It was determined that the HA did nothing wrong.

Section 8 Year End total shows 10 clients lost during the year. Still working on increasing the numbers of vouchers used. The top of the list during the year was 668 clients of which 98 were housed during the year. The tenant has to be housed prior to receiving funding to from HUD. Staff works really hard to keep the number of participants up. It takes approximately 6 applicants to for every applicant that leases up. The HA is trying to provide a wider variety of options for service of those that don't like crowds or going to Gold Beach or Brookings for those that cannot come to the office.

Coos-Curry Housing Authority now has 44 VASH vouchers. This number is up from 25. The VA is working on hiring an additional Case Manager, which will take approximately six months. In addition to the additional Case Manager, the Resident Service helper will be hired in a couple of months. This person would be a resource for the new Veterans to use while moving through the process. The HA had a meeting with the VA, and they thought it was a good idea for the Case Manager to bring the clients up to meet with the Section 8 Manager to finish the paperwork the same day to get the client out searching for a home. Hopefully, this will get the Veteran on the program that much quicker. All the Housing authority has is vouchers, there are no move in funds available.

Chair Bruce Newman wondered if we know what the cost unit is per year to administer the voucher program because an Executive Director at the PHADA conference reported that it cost them \$6,900 per year per unit to administer the voucher program. E.D. Beman said that we would have the figure for the next Board meeting.

- c. Maintenance:

- d. Staff Training:

15. Information Items: None

16. Executive Session: None

17. Adjournment: Upon a motion by Vice-Chair, Mark Low (Commissioner, Kathleen Bunten 2<sup>nd</sup>) the Coos-Curry Housing Authority meeting was adjourned at 4:45 P.M.

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Bruce Newman, Chair  
Coos-Curry Housing Authority

ATTEST:

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Ned Beman, Executive Director