

North Bend City Housing Authorities
Regular Board Meeting

M I N U T E S

February 24, 2015
North Bend City Housing Authorities Main Office
1700 Monroe St, North Bend, OR 97459

Attendance:

North Bend Board Members: Patty Cook, Chair; Helen Sutthill, DVM, Vice-Chair; Bruce Martin, Commissioner and Marie Martin, Commissioner

Staff: Cheryl Slagle, Deputy Executive Director; Lisa Lucero, Public Housing Manager and Denise Russell, Assistant to Executive Director

Others Present: Peter Liverca and Roger Semin, Residents of Hamilton Court

1. Call to Order: The meeting was called to order at 12:30 p.m.
2. Oath of Office – Marie Martin: Marie Martin took her oath of office for the North Bend City Housing Authority's Board of Commission.
3. Establishment of a Quorum: A quorum for North Bend City Housing Authority was established.
4. Residents and Citizens to be Heard: Peter Liverca, Chair for the Up & At'Em Seniors resident group and Roger Semin came to the Board meeting to talk about the newly reorganized By-law changes and funding options. The group is in dire straits for finances. The current system requires that the group come to the Housing Authority to get their funds. The fund requests have to be done on either the 10th, 20th, or last day of each month. The issue is that sometimes they need money now. They had control of their funds from 1994 until the new By-laws took affect with no problems. The group would bring their book work over to the accounting department for an audit once-a-year. Any discrepancies would be reviewed and resolved.

The group is funded, since 1994, through their laundry monies from Mac Gray Corp. They would like to receive 50 percent of their funding or the whole thing. Peter would like to have, why this change took place discussed and taken care of. Peter is not certain why the change took place; he is not privy to that information.

Chair Cook asked, "So the funding that you had was through the laundry, and it is gone now?" Peter indicated that the laundry is still there, but the funds are being taken care of by the Housing Authority, and doesn't know why. There was never had a problem with auditing. The group had receipts for all transactions that they did. There are times when things come up, like the other night one of the ladies suggested a coffee klatch and doughnuts, but the group couldn't get to any money. Prior to this change, they could go to Safeway and get enough doughnuts for those that would be there. They also purchase the supplies for their kitchen. The residents have a Thanksgiving dinner, Christmas dinner and an occasional thank you barbeque for the Housing

Authority staff. They cannot do that now on the 50 percent they are receiving. Commissioner B. Martin clarified that they cannot do the dinners because there are no funds available to do it. Peter stated that they are able to do it, but they do not have the funding. He has been beating his shoulders to try and get something started.

Commissioner B. Martin asked for clarification on the funding coming through the laundry, is it a private outside source? Mac Gray monitors the machines and gives a portion of the money back to the Housing Authority. Peter stated that he called Mac Gray, and they stated that they give the Housing Authority 50 percent of what comes out of the laundry machines. Deputy Executive Director Slagle indicated, traditionally 50 percent of that amount is given back to the Up & At'Em Seniors to fund their group activities. There was a dispute within the Up & At'Em Seniors group when the Treasurer didn't want to continue in the office and no one else wanted to step into that position, so the monies came back to the Housing Authority to be dispersed upon request.

Lisa Lucero, Public Housing Manager for the Housing Authority, indicated that the Board had spoken of the lawsuit against HUD for the capture of the reserves, and that federal funding could not be used to participate in that action. North Bend City Housing Authority did not have any private funding. That is when Up & At'Em Seniors started receiving 50 percent of the funds from the laundry. More recently, the Up & At'Em Seniors' Board did have a dispute on whether or not to dissolve, continue, or redo the By-laws and restructure the organization. The accounting information and checkbook was brought over to Lisa until they decided what they were going to do. Executive Director Beman met with a couple of volunteers from the Up & At'Em Seniors group to go through the By-laws and make changes that were then posted appropriately for public comment. No comments were received. The residents decided to proceed forward with Up & At'Em Seniors. They want to get back the checkbook and the accounting information to continue to run the way they had been. Lisa received an email that she forward to Up & At'Em Seniors, which said that the Housing Authority would prefer to continue to send out funds to the resident group. Peter offered to share the email with the Board.

Commissioner B. Martin asked if there were any improprieties found during the audits. Lisa indicated that there weren't every any. The discrepancy came from the Up & At'Em Seniors Board not like the bickering in their meetings. When their Board would send the residents to the Housing Authority with the complaints, it seemed to be causing some tension in their meetings. The Board for the Up & At'Em Seniors group decided to quit, and that is when E. D. Beman became involved to find out if they wanted to continue the group through a reorganization and revamping of the By-laws. It is nice to have a group for the seniors to keep them active.

Chair Cook stated that email gave the residents the option to make the purchases and turn the receipts in for reimbursement from their funds. Peter clarified that the email is instructions to the Public Housing Manager on what could be done for making the purchases not for the residents and Lisa agreed. Once she made the purchases, then accounting would transfer funds from their account to pay for those transactions. Peter noted that they sometimes have four-day weekends, and that is a long time to wait to receive funds for an activity that is spur-of-the-moment.

Peter stated that the organization belongs to the residents. All he does is facilitate the activities for the month. It is for the residents to figure out. The problems in the past were from people

making a schedule of activities and a time without decisions being made by the residents during the meetings. The participation went down to 10 or 15 residents, which is rather low. It used to be 25 or 30 participants.

Commissioner B. Martin stated that the email is asking Lisa to pay for the items for the Up & At'Em Seniors. Lisa indicated that is correct and clarified that it would be purchased with a company credit card. The requests from Up & At'Em Seniors would have to be turned into Lisa to purchase in advance, and then she would be responsible for getting the items. In a perfect world this would work, but it doesn't take into consideration her vacations, sick time, or other Public Housing sites, etc. Peter thought this was a lot to ask of Lisa to do.

There was a policy in the old By-laws that they were the go-betweens between the office and the residents. There were a lot of small, minor things that either the resident cannot come over or do not want to come over to the office for. Peter would like to see the Up & At'Em Seniors get back to the way it was to increase participation. The group goes nowhere now because they do not have the funding. Commissioner B. Martin noted that it says you have the funding. Lisa, stated no, that recently Up & At'Em Seniors reviewed their By-laws, and agreed to appoint a Chair and Co-Chair, to meet once every three months, and revamp Up & At'Em Seniors. The question that was asked during that meeting, was how do we get our funding now? Lisa went to E.D. Beman and the accountant with what Up & At'Em Seniors requested. The email shown to the Board was the response given, and that is why Peter came to this meeting. Lisa stated that the group is still in the process of getting back up and running.

Peter introduce Roger Semin as the Co-Chair, and that he had been in real estate and handled financial matters. Roger would be willing to take the Co-Chair/Treasure job. Roger stated that he is a fairly new resident, and is not really aware of what happened in the past. He personally feels that it is silly that the group is not able to have the money to take care of their expenses, and document what we are doing.

Vice-Chair Sutthill, requested clarification that the funds were given back to the Housing Authority because the treasurer simply did not want to do the job, that there was never any misconduct with the funds. The Public Housing Manager stated that there was no misconduct.

Lisa explained that the discrepancies started when half of the funding got taken away from the Up & At'Em Seniors. It limited the activities that they could do. The aggression, anger, and animosity started coming a little bit more. The Board Members got tired of hearing it because there was nothing they could do about it as it was being handled at the Housing Authority.

Chair Cook clarified that half of the funding was taken away when the Housing Authority bought into a lawsuit? Peter responded yes, the real startling part of this, which shocked me was, a week or week-and-a-half later at the North Bend City Council meeting awarded the \$2,000 dollars that E.D. Beman said was necessary to enter into the lawsuit. It was received in a lump sum. The reasoning was he had to get the money from the laundry because he could not use HUD money to sue HUD. Up & At'Em Seniors at that time was the only source of other monies to him, so initially about 80 percent or so of the funding was taken. Peter went to talk to someone and entered into negotiation with the Housing Authority. After about two or three months of discussion, it was decided to give Up & At'Em Seniors 50 percent.

Peter stated that one of the residents saw E. D. Beman receive the funding from North Bend City on public broadcasting TV, and brought it to his attention. Chair Cook, asked if they have

received a portion of the money back? Peter stated that after he went to see a lawyer, the Housing Authority was going to keep 85 percent of funding. Commissioner B. Martin asked if he was keeping 85 percent of the \$2,000 that came out of the funds. Peter clarified that money was not taken out of the fund, but from the monies coming into the Housing Authority from Mac Gray, instead of all of it going to the Up & At'Em Seniors group, the Housing Authority was going to keep 85 percent of that monthly reimbursement. Commissioner B. Martin asked for clarification that money was taken out to pay the lawsuit. Peter indicated that money was taken out for three or four months to help with the lawsuit. Chair Cook asked if the money was not received back. The residents told the Housing Authority that they didn't want the funding back and that they could keep it, that's okay. Up & At'Em Seniors just wants the money that they are supposed to get back.

In 1994, Up & At'Em Seniors got organized by three of the residents, because they were tired of nothing going on. The group was funded through Mac Gray. There was no amount, but Peter knows for sure that when he came here, the average amount for the first year was about \$350.00 per month. They received the whole amount of the Mac Gray funds at that time. When the lawsuit started is when 85 percent of it was held back, which gave the group \$80-\$90 per month. Peter spoke with E. D. Beman and said, "why don't you," he said "no", so I had to go elsewhere for help. E.D. Beman after some meetings finally said that the Housing Authority would give them 50 percent of what Mac Gray sent to the office. That is what we have dealt with for the last year. Commissioner B. Martin clarified that 50 percent has been going into a fund since Up & At'Em Seniors was put on hold, now they have reorganized and want access to what has gone into that account? Peter said that he can keep it, if he has hidden needs... Commissioner B. Martin, stated that you want money to use and access... Peter indicated they want the monthly amount that they used to get from Mac Gray, they would like that again. Peter has a letter from 1994, he thinks, that talks about getting the money from Mac Gray through the office.

Commissioner B. Martin asked if anyone knows if money is going into an account for Up & At'Em Seniors funding? Deputy Executive Director Slagle indicated that, Karen Dubisar, the Accountant would be the person that could answer that question. Commissioner Martin stated that according to the letter, there is a checkbook that exists with money in it for Up & At'Em Seniors. How much money is in that account? Peter stated that it should be about \$1400.00. The Public Housing Manager indicated that they bring her the bank statements and she just puts them in the file unopened because she knows it was in limbo.

Commissioner B. Martin asked Lisa if Up & At'Em Seniors wants something, she goes and buys it for them on the Housing Authority credit card, and that is billed to the Up & At'Em Seniors account somewhere? Lisa responded, yes, it comes in the statement, and the accounting department would take the funds from the Up & At'Em Seniors funds to pay that line item on the credit card statement. Commissioner Martin said, "not out of their checkbook – out of some other one because the letter asked for the money in the checkbook be turned over, and then that money put into some account. Lisa said that there must be an account where the Mac Gray money is going into.

Commissioner B. Martin asked Peter to clarify that he is asking for the ability to have the checkbook back, to write checks as you need them, and know what amount of money is going into that account? Peter indicated that is correct. If possible, before E.D. Beman leaves in June, to straighten the finances before a new Executive Director starts who may be reluctant to change things from the way they are now.

Commissioner Sutthill asked to see the money/fund trail because she has some questions from what Peter is saying, and no one is saying where these numbers are flowing. She would like to see that.

Commissioner B. Martin stated that they would not be able to provide them with an answer today. Peter stated, that is fine, that they just wanted the Board to know that they had a bit of an issue, nothing major.

Chair Cook asked Peter who the signers on the checkbook are. Peter indicated that Mary (old Chairperson) and Arlene was the treasurer. It takes two signers. There is one other, but he is not sure who it is. There are not currently any signers in the organization. Mary came and asked Peter the other day about when they would go over to put his name on the account. Peter indicated to Mary that he would not do that until this is all straightened out.

Chair Cook stated that they need more information. The Board would like to see the trail of money going into that G/L account, also it would be good to look at the By-laws, and Commissioner B. Martin asked for copies of Peter's letters for a starting point. There are potentially fifty members.

Lisa stated that the By-laws only has the organization with a Chair and Co-Chair, but they can add members as they see fit – if they want a secretary or treasurer. No one is really big on being the secretary as they found out at the last meeting. Peter reported that Mary said that she would do that for the interim. Lisa added that it was as each meeting came along, and Mary did not want to commit to the full term. Peter stated that they have a new resident that may want to be a party to this.

Peter thanked the Board for listening to them.

5. **Approval of Minutes: January 27, 2015:** Vice-Chair Sutthill, DVM made a motion (Commissioner Bruce Martin 2nd) to accept the minutes from of the North Bend City Housing Authority's Regular Board Meeting with the correction showing Chair Patty Cook attended the meeting via phone. The motion carried unanimously.

6. **Discussion of HUD's Four Options and Possible Action:** Chair Cook noted to the Board that the Resident Commissioner is going to be seated tonight. Next month there will be a full Board.

Chair Cook asked if the Board had a chance to look at the options. Commissioner M. Martin indicated that she has been studying them for the last five days but there are a lot of unanswered questions. Chair Cook reported that HUD is watching the Housing Authority right now to see what the HA is going to do. If the HA is unable to decide HUD will make a decision for us. It behooves us to come to an agreeable solution for the Housing Authority.

There are five choices, 1A is actually part of the Consortia option. At the last meeting, the Board agreed to look at option 1A. Options 1, 2 and 4 are not feasible, so the only other option would be option 3 to consolidate or merge the two Housing Authorities together. There are a lot of questions and perceptions that could be worked through if the questions could be answered. Option 3 gives the clients the most service options, and Patty is uncertain that option 1A would. Commissioner M. Martin asked what service option that the residents would have. Deputy

Executive Director Slagle explained that under option 1A in the consortia, that all of the public housing would be one AMP, one program, which would give the residents the ability to transfer between Coos-Curry and North Bend public housing units. Currently, the only way for the resident to transfer is to go through that locations waiting list. The individual would have to wait until all the others on the list have been housed. Chair Cook stated the reason for combining the public housing units, is to provide individuals, say that are living in Myrtle Point, the ability to transfer their housing to Coos Bay for a job. Right now, they are limited to the program they are in. They would have to go to the bottom of the list for the other public housing waiting lists, unless, they have already applied to the other program's lists, in which case, they do still have to wait until they come to the top of the list to move. The public housing programs can give preference to those that are working. Ultimately, the Housing Authority is in the business of renting suitable properties with a certain percentage of the residents working and paying rent, which is our income. The issue is still that they are different programs, which cannot be comingled. Lisa Lucero, Public Housing Manager, reported that what most applicants currently do is apply for all of the waiting lists at the same time, which allows them to be active on all the other lists while they are housed in Myrtle Point, and waiting for the top of the list in North Bend. Myrtle Point and North Bend's two bedroom list are very long, however, Myrtle Point's generally moves faster because there is not a lot of turnover in the North Bend units. Commissioner B. Martin asked if the public housing programs waitlists were combined would some that are housed potential jump ahead of those that are on the waitlist and move over to North Bend then. Lisa explained that the waiting lists are done by date and time, and the potential is that they may be closer to the top of the list. DED Slagle, noted that if the lists are combined they would be pulled just by the bedroom sizes.

Chair Cook asked if the Moving to Work program is a Section 8 program. Coos-Curry does not have this program currently. Moving to Work is in the pilot program, and Housing Forward in Portland has the program. It is an enhanced Section 8 program that allows for more flexibility in how the program is operated. They do not have to follow the same HUD regulations that a Section 8 program does. The program charges 27 percent for the first couple of years, and then 25 percent for the next few years in an effort to work them up and off of the program. There is talk about expanding the program. The program receives more money than the regular Section 8 program as they pay more toward housing. There are additional requirements that the participants are required to follow in order to receive assistance through this program, rather than the traditional Section 8 program where recipients lose or quit jobs when they find out that their rent will go up. Chair Cook asked if the Moving to Work program is something that they could take advantage of if the two Housing Authorities were to merge together. DED Slagle indicated that it was. There are a lot of other programs that the Agencies could qualify for, which currently cannot be done because the public housing programs are not large enough or require a Section 8 program to meet the requirements. Chair Cook would like to see a list of potential programs that Housing could benefit from if they were merged.

There are cons under number three, but there are no cons under 1A. Commissioner Sutthill noted that Section 8 does not transfer under option 1A. This translates into fewer programs that the Housing Authority would be eligible for.

Commissioner M. Martin asked where Coos-Curry's Public Housing units are. There are 26 duplexes at eighteen sites: 14 units in Coos-Bay, 22 units in Coquille, 6 units in Myrtle Point and 10 units in Port Orford.

The Section 8 program is allocated 851 vouchers, but currently housed is 669 total based on

funding. The more paid per household the fewer that can be housed. The vouchers are used throughout Coos and Curry counties from Lakeside to Brookings. DED Slagle stated that she can pull a report to show the numbers in the communities.

Chair Cook asked if any of the other Commissioners have any additional questions or comments on the HUD options.

Chair Cook reported that she had a meeting with Mayor Wetherell of North Bend City. One thing that he wanted to know is if the Housing Authorities combine, who decides where money is spent. Chair Cook told him that it would be a Board decision based on need at the time, for the residents needs, not focusing on whether we are spending money in North Bend, Myrtle Point, or Coquille, etc. DED Slagle noted that one aspect that the City of North Bend Council seems to be missing is that they do not own the housing authority properties, the Housing Authority does. It is the HA's responsibility to maintain the buildings to HUD required standards, and to house people in need. The reason for consolidating, is because HUD has decreased our funding amounts to the point that neither housing authority receives enough to do a large scale, necessary, work project. If the two are combined, the amount of money would be the same but as one lump sum to be used where needed, when needed, for required projects each year. Rather than not being able to do a roof at Hamilton Court because one year's money is not enough, and the Housing Authority may not be able to save for several years to complete a project, or have HUD take the reserves again.

7. Secretary's Report:

- A. Financial Report: The Airport Heights loss is because of two fencing accidents and the Housing Authority is waiting on final payments from insurance companies. The contractors have been paid for the work. Chair Cook noted that Hamilton Court has a loss. DED Slagle stated that she would have to check with accounting as to why they are showing a loss.

Commissioner B Martin asked what Contracts/Administrative is for Hamilton Court? DED Slagle will find out and get back to the Board on what it is for. Cheryl stated that is part of her to do list in learning what is in each of the line items on the budgets.

- B. Operations Report: Chair Cook received a letter from E.D. Beman that June 4th, 2015 will be his last day of work if not before should his house sell. He noted that the most important decision that the Board has to make is finalize an agreement between the two Housing Authorities.

Chair Cook reported to the Board that she has received a letter from HUD on what the Housing Authority is going to do to bring the PHAS score up, which is low because HUD took the reserve funds were taken. E. D. Beman has responded in a letter to HUD on the actions the Housing Authority has taken thus far to address the issues.

Commissioner M. Martin requested a list of acronyms and the organizational chart. DED Slagle indicated that she has been working for the Housing Authority for sixteen years at which time there were 25 employees. Currently, the staffing level is at 15 employees.

C. Maintenance Report: Commissioner M. Martin overheard a conversation from one of her friends at church a few months back, and she was telling Commissioner Martin that her kitchen sink was backing up every day. I asked her several time if it was fixed, the resident responded that it had not been fixed. Lisa Lucero, Public Housing Manager, asked if it was reported. Commissioner Martin indicated that it had been. They determined that it was not coming from the apartment above her. PHM Lucero indicated that the maintenance department will go snake out the drains as far as they can. If the problem is persistent, then maintenance will call the plumber because there are issues with the pipes corroding and backing up out in the mainline and needing to be replaced. The tenant needs to call in additional work orders so that the issue may be addressed. She has encountered situations where the tenant will call in the initial work order, but not a second one for the same issue. She would encourage the tenant to call in another work order and say that it is happening again. If it is unresolved they can call her. The money is there to fix the issue.

D. Contracts and Projects

E. Staff/Training

8. **Information Items:** None

9. **Executive Session:** The Board of Commissioners may retire to Executive Session at any time upon the motion of any Commissioner, as authorized under ORS 192.660; (a) Employment of Public Officers, Employees and Agents; (b) Discipline of Public Officers and Employees; (e) Real Property Transactions; (h) To Consult with Legal Counsel; or (i) Performance Evaluations of Public Officers and Employees.

10. **Adjournment:** The North Bend City Housing Authority meeting was adjourned at 1:39 p.m.

Patty Cook, Chair
North Bend City Housing Authority

ATTEST:

Cheryl Slagle, Deputy Executive Director