

# HOUSING OPPORTUNITIES OF SW WASHINGTON BOARD OF COMMISSIONERS REGULAR MEETING

Monday, February 26, 2018 at 4:00 p.m.

820 11<sup>th</sup> Ave.

Longview, WA

## Minutes to Regular Meeting

Chairperson Fischer called the meeting to order at 4:00 PM

### **PRESENT:**

Chair, Bruce Fischer  
Vice Chair, Wayne Ostermiller  
Commissioner, Floyd "Gus" Nolte  
Commissioner, Peter Bennett  
Commissioner, Allan Rudberg  
Secretary, Chris Pegg

### **ABSENT:**

Commissioner, Lori Bashor-Sarancik

### **STAFF:**

Becky Phillips, Finance Manager  
Vickie Rhodes, Housing Program Supervisor  
Katie Bonus, Asset Manager  
Jon Dieter, Director of Community Service  
David Pennington, VIP Operations Manager  
Ariana Anderson, Administrative Assistant

### **GUESTS:**

Scott Vydra, City Councilmember  
Dan Freedman, Development Consultant  
John Steppert, Longview Resident  
Linda Brigham, Longview Resident

**CHANGES AND ADDITIONS TO THE AGENDA:** None

### **OPPORTUNITY FOR PUBLIC DISCUSSION:**

Linda Brigham introduced herself and presented information about a three-part town hall community gathering hosted by the Cowlitz County Sheriff's Department and Youth and Family Link. The purpose is to discuss the prevention, treatment, and education surrounding prescription and substance abuse. The first meeting will be held on March 15<sup>th</sup>, 2018 at Youth and Family Link in Longview. Scott Vydra, City Councilmember commented briefly on the state budget. Both the House and Senate have passed their budgets however, discussions are on going for final operating and capital budgets.

### **STAFF REPORTS:**

Finance Manager Becky Phillips discussed the financial reports and stated HOSWWA should expect to see a change in expenses for next month due to increased legal fees and extra IT charges. All other revenues and expenses are running close to budget. Asset Manager Katie Bonus commented there is a high turnover rate at Phoenix House, which is difficult for us to control because clients are referred by service partners. Tulip Valley is also currently experiencing a higher number of vacancies. Overall, the agency is doing very well. Lilac Place is performing well and running close to budget also.

Housing Opportunities of SW Washington

Minutes to Regular Board meeting

February 26, 2018

Page 1 of 4

Commissioner Nolte moved to approve the financial report as presented. Commissioner Bennett seconded the motion. No further discussion.  
Motion passed unanimously.

**CONSENT AGENDA:**

Commissioner Nolte moved to approved the consent agenda as presented including January 2018 Vouchers as paid for both Housing Opportunities and Lilac Place as well as uncollectable accounts.

Commissioner Rudberg seconded the motion. No further discussion.  
Motion passed unanimously.

**CHAIRMAN AND SECRETARY REPORTS:**

The Longview City Council voted unanimously to provide a letter of support for a capital budget request of \$100k to provide funding for affordable housing development in Longview. This is great news. Several important bills are receiving strong support this year as well, including HB 1570 Document Recording Fees.

Housing and Homeless Advocacy Day was on February 1<sup>st</sup>. Councilmember Mike Wallin attended the event with Secretary Pegg and Commissioners Fischer, Nolte and Rudberg. He was very helpful in advocating for HB 1570 Document Recording Fees. This is an important source of local funding to support housing and services.

Secretary Pegg also reported on an increase in administrative fees for the Housing Choice Voucher program. The proposed increase is small and annual proration's have not been announced which will have an impact on the final fees paid. Currently, they are prorated at 77%.

Jon Dieter, Director of Community Services has been assisting with preparation of the Washington State Quality Award. This is a required submission when agencies receive significant state funding awards. It is a lengthy process and labor intensive. HOSWWA received word that a single application could be prepared for both agencies, HOSWWA and JPCHA. The application due date was also extended from April to July 2018.

The Read More Learn More, Initiative committee members, Commissioner Nolte and staff member, Lori Lengyl delivered a presentation to the Rotary Club of Woodland. They have agreed to provide two "Little Free Libraries" for both Woodland properties, Lilac Place and Tulip Valley. The club will provide the materials and the labor, and a donation of gently used children's books. Joe Wardell and David Jones have visited tenants at Lilac Place to encourage and assist them in signing them up for a library card. Tenants are returning them! They anticipate returning next month to Tulip Valley to work with the local library to establish a mobile library site location at Tulip Valley. Secretary Pegg reported there was a concern expressed by the parent of a child who selected a book from our free library about the appropriateness of the book material. There was much discussion regarding the monitoring of the books; however, it was concluded the books will not be monitored by HOSWWA and any questionable book/and or content is an opportunity for parent/child discussion. Vice Chair, Ostermiller commented on how the staff is working hard behind the scenes on the Read More, Learn More Initiative. Commissioner, Nolte commented, "it [program] is breaking this generational cycle of poverty... which is huge".

Secretary Pegg announced HOSWWA received 11 new Veterans Affairs Supportive Housing (VASH) Vouchers, making 51 total. HOSWWA anticipates using some of the vouchers with project based properties in Chehalis and Centralia. Some questions were raised regarding how long it would take to fill them. There was a discussion about the process for selection and referral by the VA. Commissioner Bennett expressed concern over the length of time it takes from award of the vouchers to actual lease up for veterans. Staff reported they have a good working relationship with the Portland VA and everyone in our region is doing what can to fill vouchers. The impact of government bureaucracy is a national issue that everyone is aware of and work continues to streamline and improve the process.

Secretary Pegg commented on the Public Disclosure Commission (PDC) complaint filed against the agency. Staff is working with an attorney who does not believe there was any violation. A response has been filed with the PDC and Secretary Pegg expects the issue to be resolved soon. As of today, there has not been any response from the PDC.

### **UNFINISHED BUSINESS:**

**BOARD DISCUSSION/ACTION:** Annual review of Strategic Plan.

Secretary Pegg reminded the Board of the Strategic Plan annual review coming up during the March meeting. Finance Manager Becky Phillips discussed what might need to be updated regarding IT. Secretary Pegg and Becky Phillips are satisfied with the new IT providers. They have indicated HOSWWA is in need of new software. Software programming is outdated and a consolidation of servers may be cost efficient in the end. Commissioner Bennett suggested the Strategic Plan be shared in efforts to raise any thoughts, ideas, and or input from public. Secretary Pegg agreed to share it on social media, HOSWWA's website and the local media.

**BOARD DISCUSSION/ACTION:** Update on Ocean Beach Hwy development.

Secretary Pegg informed the Board of the status of negotiations on the additional land. This allows for greater density and additional units Rep. Walsh is supportive of the project and is working with staff on a capital budget appropriation. There are no updates as of today. A target population has not yet been identified, as it is too premature in the process. Secretary Pegg favors a mixed income project if funding supports this.

### **NEW BUSINESS:**

**BOARD DISCUSSION/ACTION:** Approval of lease renewal with Cowlitz County for 124 and 202 Washington St. Longview, WA.

Secretary Pegg and Director of Community Service, Jon Dieter met with Matt Hanson from Cowlitz County to extend the year-to-year lease on the two homes on Washington St. to support homeless youth outreach in partnership with Janus Youth Programs. The community continues to support this work. The City of Longview and the City of Kelso have both provided funding to support on-going operating costs and rehab work at the houses. Love Inc. has completed a lot of the rehab work voluntarily, which allowed the grant funding to accomplish much more. Secretary Pegg informed the Board that once they've approved the draft lease it will go to the County Commissioners for final approval.

Commissioner Bennett moved to approve the lease renewal at 124 and 202 Washington St. Longview, WA as presented. Commissioner Nolte seconded the motion. No further discussion. Motion passed unanimously.

**BOARD DISCUSSION/ACTION:** Approval of Resolution 18-04, Restructure of WA Dept. of Commerce loans for Sylvester Apts. And Eagle Pointe Village

Housing Opportunities of SW Washington

Minutes to Regular Board meeting

February 26, 2018

Page 3 of 4

The WA State Dept. of Commerce has approved a restructure of the loans for the Sylvester and Eagle Pointe Village Apartments to improve cash flow. The loan on Sylvester's interest has been restructured from 1% to .5% reducing payments. Eagle Pointe's loan will be deferred until Dec. 2029 when the loan to Bank of the Pacific will be paid off, allowing the accumulation of reserves for future capital repairs.

Commissioner Nolte moved to approve the restructure of WA Dept. of Commerce loans as presented. Commissioner Rudberg seconded. No further discussion.  
Motion passed unanimously.

**BOARD DISCUSSION/ACTION:** Approval of Resolution 18-05, regarding Driftwood Point Apartments.

Secretary Pegg reported on progress on the Driftwood Point project, a 27 unit, new construction apartment complex in Long Beach, WA. The Low Income Housing Tax Credit investor, US Bank, is requiring HOSWWA to act as co-general partner, , co-guarantor, developer, and managing partner. There was much discussion regarding this partnership, its structure and potential risks and rewards. Dan Freedman of Freedman Associates, the contract development consultant on the project, and Secretary Pegg addressed all questions

Commissioner Nolte moved to approve resolution 18-05 as presented. Commissioner Bennett seconded the motion. No further discussion.  
Motion passed unanimously.

**BOARD DISCUSSION/ACTION:** Approval of Resolution 18-06, Modification of TBRA Administrative Policy.

Housing Program Supervisor, Vicki Rhodes explained Tenant Based Rental Assistance (TBRA) program and the benefit of combining all three TBRA jurisdiction's into a single , consistent administrative plan and to modify the Family Payment Standard methodology to ensure consistency with TBRA guidelines. Rent limits are limited by HUD standards and HOSWWA has capped it at the 110% Fair Market Rates (FMR). Unfortunately, some participants are having difficulties finding units due to low vacancy rates and increasing rents. Property owners in Pacific County market housing as vacation rentals. This modification allows higher rents and deposits and creates an opportunity for participants to build a good rental history.

Commissioner Bennett moved to approve Resolution 18-06 as presented. Commissioner Nolte seconded the motion. No further discussion.  
Motion passed unanimously.

**EXECUTIVE SESSION:** None scheduled.

**SCHEDULING OF NEXT REGULAR MEETING:** March 26, 2018

Respectfully submitted by:

CHRISTINA M. PEGG, Chief Executive Officer

**BOARD APPROVAL OF MINUTES**



Bruce Fischer, Chairperson



Attest: Christina M. Pegg, Secretary