



*Connecting people to homes, hope and opportunity. Jennifer Westerman, CEO*

**BOARD OF COMMISSIONERS MEETING**

**Monday, May 24, 2021 at 4:00 p.m.**

**Via Zoom**

**PRESENT:**

Chair Marchelle Knapp  
Vice Chair David Nelson  
Commissioner Sue Lantz  
Commissioner David Vasquez  
Secretary Jennifer Westerman

**ABSENT:**

Commissioner Allan Rudberg  
Commissioner Traci Wood

**STAFF:**

Vickie Rhodes, Housing Assistance Programs Manager  
Rachelle Sanders, VIP Manager  
Katie Bonus, Director of Operations  
Becky Phillips, Finance Manager  
Linda Hanna, HR Executive Assistant

**PUBLIC:**

Julie Overby, JPCHA Commissioner  
Mike Wagenblast

**1. CALL TO ORDER**

(a) Chair Knapp called the meeting to order at 4:03 p.m.

**2. CHANGES AND ADDITIONS TO AGENDA, IF ANY: None**

**3. OPPORTUNITY FOR PUBLIC DISCUSSION:**

(a) Public Hearing for Annual Plan:

Chair Knapp asked Vickie Rhodes to explain what the Annual Plan is. Ms. Rhodes stated that the HUD Annual plan is different than the Agency Strategic Plan. The Strategic Plan covers all aspects of the Agencies business, while the HUD Annual Plan is specific only to the HUD Section 8 programs. HUD requires the agency to file a 5-year Annual Plan with goals on how to address affordable housing in our area, including but not limited to project based vouchers, fair housing opportunities, waiting lists, etc. Then they require an Annual plan for the Fiscal year giving updates on our goals. HOSWWA is considered a high-performing agency by HUD, so the paperwork required yearly is repetitive. She also indicated that we are on the third year of the 5-year cycle and this plan will go into effect in October 2021 for FY 2022.



- (b) Mike Wagenblast added public comment that he is drafting a resolution to make a declaration for a statewide housing emergency. He stated that current processed lumber costs are 375% higher than a year ago.
- (c) Chair Ms. Knapp adjourned the Public Discussion at 4:22 pm.

#### 4. FINANCIAL REPORTS:

- a) Ms. Phillips provided financial reports for HOSWWA for March and April 2021 as included with the Board packet. Overall, she was extremely pleased with the performance of the agency, with current liabilities decreased by 17% or \$197 thousand for the year and overall operating expenses are under budget by 10% or \$272 thousand.

She also stated that through December 2020 and April 2021, unrestricted cash has increased by \$100 thousand per month. This was attributed to in part by Voucher Admin Fees of \$62,000, and waterfall from Lilac Place for \$17,000. In June, she stated that the agency would be calculating the waterfall from Driftwood in June 2021.

Ms. Phillips stated that in May 2021, reserves will be reduced by HUD for HAPS by \$260,000. There is currently \$314,000 in reserves and that amount is higher than HUD likes our reserves to be. In addition, she stated that we would have a \$60,000 payment to YARDI due in August for Annual fees.

- b) Ms. Phillips provided the financials for Lilac Place for March and April 2021 as included in the Board packet. The main comment is that the Net Operating Income is above expectations by 13%.
- c) Ms. Phillips provided the financials for Driftwood as included in the Board packet. She stated that with the Tenant Revenues being over budget by 2% and Operating Expenses being over budget by 13%, Driftwood had a Net Operating Income below expectations by 18%, however, this is an 11% improvement from prior reports.
- d) Chair Knapp asked if we could expect to see an increase in maintenance issues when the state COVID restrictions are expected to be lifted in June. Ms. Bonus replied that while the exterior issues have been maintained since the restrictions were put into place, all interior maintenance issues have been on hold. Ms. Bonus anticipated an increase for these repairs.
- e) Chair Knapp also asked about Tenant Revenues and if we were experiencing late rents due to COVID or otherwise. Ms. Bonus responded that repayment agreements are always offered to tenants, as well as information regarding the



services of CAP. She indicated that we have not been told by any tenant that they were late due to COVID. Most tenants that are late have been going to CAP or other agencies to help with the rent. We only have a couple of tenants that are consistently late.

**5. CONSENT AGENDA:**

- (a) *Commissioner Vasquez made a motion to approve the Consent Agenda. Commissioner Lantz seconded the motion. Passed unanimously.*

**6. CHAIRMAN, AND SECRETARY REPORTS:**

- a) **Chair Report:** None
- b) **Voucher Status:** Ms. Rhodes gave her report as included in the Board packet. She stated that the 35 new Mainstream vouchers are slowly being utilized but that we have until September to achieve 80% utilization. She announced that she is advertising for a new Housing Support technician to help support our Housing Specialists, to lease up new vouchers awarded by HUD.
- c) **Property Summaries:** Ms. Bonus provided the property summaries as included in the Board packet. Overall, the properties are doing well with an overall occupancy of 98%.

Ms. Bonus stated that the Stratford building is currently under target occupancy and the negative operating cash flow for the property is attributed to multiple issues.

She also stated that the property manager for Driftwood, quit on April 1<sup>st</sup> without notice. She has been interviewing and they have offered the job to a local Long Beach resident.

Ms. Westerman, in response to the Stratford negative operating cash flow, asked the Board to recall that there had been an issue when they tried to refinance the Sylvester building pertinent to an ecology issue with the property that the Columbia Theatre owns next door to the building. This issue prevented the refinance at that time. Ms. Westerman reached out to the City of Longview and they asked a consultant to investigate and advise on resolving the issue. She is hopeful that a resolution will be found soon, allowing the agency to refinance before interest rates go up.

- d) **VIP Summaries:** Ms. Sanders provided an update on the Veteran Integration Program (VIP) as provided in the Board packet. They currently have transitional



housing for 35 veterans. She was pleased to announce that two clients were able to obtain permanent housing with the use of vouchers. In addition, two clients who had lost their jobs due to COVID have now returned to full-time employment. She stressed that the VIP staff continue to work with their clients to build trust and rapport, since so many have not had a safe environment for an extended time.

Ms. Sanders stated that she has applied for the VA Capital Grant as of today for \$273,000. If this grant is awarded, then they will be able to improve the Hemlock property by adding additional bathrooms so clients will have a private 1 bath, 1 bedroom apartment.

Chair Knapp asked if VIP had been able to reach out to the VA regarding getting vaccinations for their clients. Ms. Sanders stated that the veterans in GPD transitional housing are qualified for the vaccine. To date, 14 clients have chosen to be vaccinated. VIP continues to educate and offer assorted options for those that may change their minds.

- e) **Secretary's Report:** Ms. Westerman, provided the Secretary's Report as included in the Board packet. She updated the Board on pending retirements for Gordon Meyer and Vickie Rhodes. She invited the Board to come to HOSWWA's office on Thursday, May 27<sup>th</sup> at 11:00 am to celebrate Gordon's retirement. Brief updates were given on Driftwood and the development of Willapa Center. Ms. Westerman stated that the groundbreaking ceremony was tentatively set for June 24, 2021 at Noon. That date could change if the final bids, received by May 27, 2021, are not acceptable. She updated the board on the status of Sunrise Village, formerly known as 38<sup>th</sup> and Pennsylvania. Ms. Westerman did note that the prevailing wages for Cowlitz County are higher than Clark County which affects out total development cost. Pacific Place is waiting for the USDA to finalize the transfer application so it can be sent to Underwriting. Ms. Westerman explained the award of 42 Emergency Housing Voucher, which are a result of ARPA (American Rescue Plan Act) funding. These vouchers come with a special admin fee in addition to the normal admin fee. They are vouchers to benefit the homeless and domestic violence victims.

Also discussed by Ms. Westerman were the HCV numbers maintained by Ms. Rhodes. She explained that HUD has a 2-year tool that consists of extraordinarily complex spreadsheets. She recently learned that these HCV numbers are posted on the HUD website and are visible to the public. HOSWWA numbers are always good and reflect well on the agency.

Ms. Westerman provided an update on HOSWWA's policy regarding the wearing of masks due to COVID. With all the various government and state agencies coming out recently with decisions or updated policies regarding where, when, and why masks should be worn, she reached out to our attorney for his



recommendation. His recommendation at this time is to continue to wear the masks until such time as all legal opinions have been rendered. She therefore has extended the mask policy for all HOSWWA staff until our attorney recommends they can be removed.

Ms. Westerman also discussed that the presentation to the Longview City Council was scheduled for June 24, 2021, which is also the day for the Willapa Center groundbreaking ceremony. She indicated that it would be a challenge to do both on the same day. Chair Knapp asked if it was possible to move the City Council meeting out until later in the fall. It was discussed if it would work to have the HOSWWA Annual Meeting and the City Council presentation on the same day. Chair Knapp asked Ms. Westerman to investigate if this was possible. Ms. Westerman indicated that she would do so.

**7. NEW BUSINESS:**

**(a) Board Action: Approval of Resolution 21-07 Agency Annual Plan:**

*Commissioner Lantz made a motion to approve the plan and Commissioner Nelson seconded the motion. Passed unanimously.*

- (b) Chair Knapp asked if Ms. Westerman wanted the HOSWWA Board to attend the groundbreaking ceremony for Willapa Center. Ms. Westerman felt that it was beneficial for the JPCHA Board and HOSWWA Board to support each other and she indicated that it would be a good idea to attend. She also stated that this project had generated a lot of interest, from HUD and the State.

Chair Knapp asked the other Board members if they would check their schedules and let her know if they were going, so they could plan on ridesharing. She also expressed appreciation of all the arduous work and dedication that had gone into this project by all.

**8. UNFINISHED BUSINESS: None**

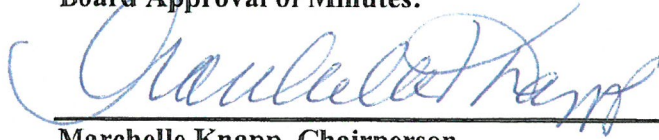
**9. EXECUTIVE SESSION, IF ANY: None**

**10. ADJOURNMENT:**

- (a) Chair Knapp stated that the next meeting will be Monday, June 28, 2021, at 4:00 p.m.
- (b) Chair Knapp adjourned the meeting at 5:06 p.m.



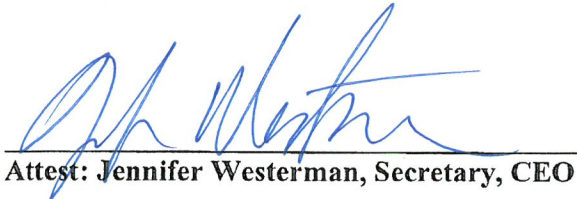
**Board Approval of Minutes:**



**Marchelle Knapp, Chairperson**

6/29/21

**Date**



**Attest: Jennifer Westerman, Secretary, CEO**

7/1/21

**Date**

