



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

BOARD OF COMMISSIONERS MEETING

September 23, 2024, at 4:00 p.m.

In Person and Zoom

PRESENT:

Commissioner Allan Rudberg
Commissioner Michael O'Neill
Chair Marchelle Knapp
Commissioner Dixie Kolditz
Secretary Jennifer Westerman
Commissioner Sue Lantz
Commissioner David Vasquez

ABSENT:

STAFF:

Katie Bonus, Director of Operations
Alex Wallis, Finance Manager
Rachelle Burch, Supportive Services Manager
Elizabeth McGarry, Executive Assistant
Cecilia Larson, Rent Assistance Program Manager
Rachelle Burch, Supportive Services Program Manager
Drew Cunningham, Housing Development Coordinator

PUBLIC:

MaryAlice Wallis, Longview City Council

1. CALL TO ORDER

- a) Chair Knapp called the meeting to order at 4:00 pm

2. CHANGES AND ADDITIONS TO AGENDA, IF ANY: Yes

Changes under New Business, item (c) Board Action: Resolution 24-13 Administration Plan Update revised to Chapter 8 only and removing Chapter 4. We provided the revised documents before the meeting related to the agenda change. Pages to be removed from the Board Packet are 49 and replacing it with the revised Resolution 24-13. Pages 50 and 51 come out. Page 51 is replaced with the revised Administrative Plan memo. Page 53 also needs removed as we are not making those changes right now.



3. OPPORTUNITY FOR PUBLIC DISCUSSION:

4. FINANCIAL REPORTS:

- a) Mr. Wallis provided financial reports for August 2024 for HOSWWA and Lilac Place, as provided in the Board Packet.

Secretary Westerman clarified the \$2.1 Million is unrestricted, this does not mean we can spend it on anything. The USDA has reserves and they have different federal rules than some of the other federal dollars.

5. CONSENT AGENDA:

- a) *Commissioner Vasquez made a motion to approve the Consent Agenda for HOSWWA and Lilac Place. Commissioner O'Neill seconded the motion. Passed unanimously.*

6. STAFF REPORTS

- a) **Voucher Status:** Ms. Larson gave the Voucher Status Report as provided in the Board Packet.

Secretary Westerman added, we are watching the funding closely as the voucher program is almost 100% leased in terms of funding. Until we know what the funding is going to look like on the next cycle, we do not want to get ahead of our funding. We have not had this problem in a long time and a big congratulations on Ms. Larson's team and the admissions team for getting so many vouchers out the door.

- b) **Property Summaries:** Ms. Bonus gave an update on the Property Reports as provided in the Board Packet.

Ms. Bonus wanted to clear up why Driftwood Point is under budget on utilities and stated, we just got a notice from the City of Long Beach saying they have been overcharging us for water and were charging us for the wrong size pipe. Ms. Bonus stated that she adjusted for the water but forgot to adjust for the sewer. The sewer costs are coming in lower than anticipated.

- c) **Supportive Services Division:** Ms. Burch gave an update on the Supportive Services Division as provided in the Board Packet.

7. CHAIR AND SECRETARY REPORTS



- a) **Secretary Report:** Secretary Westerman did not have a report this month due to annual leave.

8. NEW BUSINESS:

- a) Board Action: Resolution 24-11 Approving the Annual Budget for Fiscal Year 2025

Commissioner Vasquez inquired about retaining staff for the \$25K for pay incentives/merit increase for staff and asking if there is a program for that budget itself.

Secretary Westerman responded by saying, we started out the budget conservatively with the election this year with a lot of unknowns. If things look good in a few months, we might do a budget revision.

Chair Knapp inquired about insurance rates and wondering if we have looked outside the risk pool or are we saving money staying in the risk pool.

Secretary Westerman responded by saying, we shopped for insurance a couple of years ago and did not complete that process. The Housing Authority Risk Retention Pool was created by the Housing Authorities in this region and that is why the Association of Washington Housing Authorities exists. There were other Housing Authorities that pulled out of the Risk Retention Pool in the past and went to the market. We were looking at their example and thinking this could be a good idea but now we are seeing that the people that pulled out of the Risk Retention Pool are trying to get back in. Secretary Westerman also mentioned that we have more security being in the Risk Pool than being out of it.

*Commissioner Rudberg made a motion to approve Resolution 24-11.
Commissioner Kolditz seconded the motion. Passed unanimously.*

- b) Board Action: Resolution 24-12 Approving the 2025 Fair Market Rent at 100% for year 2025.

Ms. Larson reported on Resolution 24-12. This year due to the budget we would like our Fair Market Rents at 100%. Last year it was 110%. There will be no adverse effect for our current participants because we already have it in our Administration Plan that if they have a higher Fair Market Rate it will never be lowered unless they move. If they move, they go back to the fair market rent that has currently been approved. For those who have interim and annual rates, they will stay at the higher rate that we currently have. To best utilize our dollars we are asking to approve our fair market rents at 100%.



Secretary Westerman also noted that if people have trouble leasing or the funding picture changes significantly, we can come back to the board and have it raised. We are trying to be conservative right now with all the unknowns.

Chair Knapp inquired, because we were at 110% and now backing down to 100% because those dollars are not spent will that money go back to create more vouchers or does that just go away.

Secretary Westerman responded by saying, it is all one pool, so it funds vouchers. HUD does have recapture processes and in an unprecedented move this year, they have done two rounds of recapture., As far as we know, we have escaped recapture for both of those rounds and are in good position. What we are at risk of is HUD telling us that we must stop leasing.

Commissioner O'Neill inquired about lowering this rate are we going to continue leasing vouchers at the properties?

Ms. Larson responded by saying yes, we are still able to lease properties, and they are still coming in, like Ms. Westerman said, it is all in one pool. Ms. Larson also stated that landlords are asking for rent increases so that is utilizing a lot of that money. We are trying balance all those things and still be able to pull off our waitlist and still use all our funds. Secretary Westerman also noted that this is a strategic trade-off that we have talked about is once you raise those payment standards up, you are spending more per family, which means you are housing fewer families. So, if you look at the statistics that Ms. Larson provided, we are spending the dollars, but we are spending it on a fewer number of families and we are under leased by numbers. We are housing fewer numbers of people because they are costing more per each. It feels like we are a little out of balance, but we need to remember that the way that we get paid for leasing vouchers is by the numbers of vouchers. So, every time that number decrease, we are suffering a pay cut for staff, so it is juggling act with the voucher program.

Commissioner O' Neill stated that you mentioned the vouchers can go from 90%-110% what would be the trade off if we went down to 90% and have we considered that.

Ms. Larson responded by saying, we have not considered that because it would be too low. Secretary Westerman stated that if we go too low it will rent burden families, and we do watch the statistics. We look at how many families are paying more than 40% in rent. We have a few families that are rent burdened right now but not many.

*Commissioner O' Neill made a motion to approve Resolution 24-12.
Commissioner Kolditz seconded the motion. Passed unanimously.*



c) Board Action: Resolution 24-13 Administration Plan Update Chapter 4

Ms. Larson is requesting Board Approval to amend the Administration Plan to include two mandatory changes. The first change is Smoke Detectors must either be hard-wired or sealed with a 10 - year battery life. They must be installed in specific areas in the unit. The change will be affective December 29, 2024. The second change is Carbon Monoxide Detector, and they must be installed in a manner according to the International Fire Code. This change was effective December 2022. The mandatory change is in accordance with the 2021 Consolidation Appropriations Act.

*Commissioner Kolditz made a motion to approve Resolution 24-13.
Commissioner O' Neill seconded the motion. Passed unanimously.*

d) Board Action: Changes to Utility Allowance Schedule

Ms. Larson presented the Changes to the Utility Allowance Schedule. We use this allowance to calculate the gross rent of the unit by adding the allowance of all the utilities that the tenant is required to pay plus the contract rent. The Utility Allowance is set for each type of utility according to the voucher size and the tenant is eligible for and the type of unit. This year the report found that the utility rates more than 29.01% therefore requiring us to update our Utility Allowance.

Chair Knapp inquired about how Nelrod collects their data. Ms. Larson responded by saying they get their data from the utility companies and they take the average for one bedroom, two bedrooms, three bedrooms, and town homes. They collected data from several utility companies and they have also factored the taxes into that as well.

Secretary Westerman added that HUD has a very specific number of measures on how utility allowances are calculated and there is a book on how they are supposed to be calculated and Nelrod has turned themselves into an expert on this topic and many housing authorities use them for this purpose.

*Commissioner Vasquez made a motion to approve Changes to Utility Allowance.
Commissioner O' Neill seconded the motion. Passed unanimously.*

e) Board Action: HR Policy Change

Requesting the board to remove language requiring 60 - day preapproval of annual leave for staff as provided in the Board Packet.

*Commissioner O' Neill made a motion to approve HR Policy Change.
Commissioner Kolditz seconded the motion. Passed unanimously.*



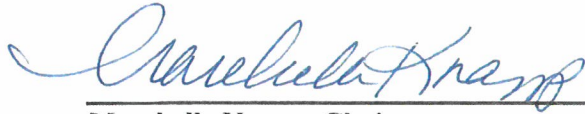
9. UNFINISHED BUSINESS: None

10. EXECUTIVE SESSION, IF ANY: None

11. ADJOURNMENT:

- a) The next regular meeting will be Monday, October 28, at 4:00 p.m.
- b) Chair Knapp adjourned the meeting at 5:06 p.m.

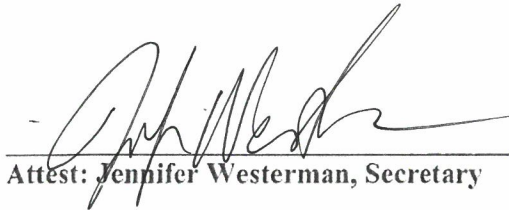
Board Approval of Minutes:



Marchelle Knapp, Chairperson

10/29/24

Date



Attest: Jennifer Westerman, Secretary

10/29/24

Date

