Minutes of the Regular Meeting
of the Board of Commissioners of the
Housing Authority of the City of Everett

March 28, 2022

Meeting Called to Order

The Regular Meeting of the Board of Commissioners of the Housing Authority of the City of Everett was called to order by Vice-Chair Chip Burgess at 12:01 p.m. on Monday, March 28, 2022. This meeting was held via Zoom videoconference as an emergency measure to prevent the spread of the COVID coronavirus.

Commissioners Present at Roll Call:

Vice-Chair Chip Burgess
Commissioner George Perez, Jr.
Commissioner Koren Smith
Commissioner John Traynor
Commissioner Paul Manselle

Commissioners Absent:
Chair Benjamin Young

Also in attendance were:

Staff:
Ashley Lommers-Johnson, Executive Director
John Forsyth, Deputy Executive Director
Wendy Blain, Director of Finance
Jason Morrow, Director of Development
Linda Manning, Director of Human Resources and Administration
Wendy Westby, HCV Program Director
Kristen Cane, Director of Asset Management
Janinna Attick, Senior Policy Analyst
Heather Smith, Strategic Engagement Manager
Chris Neblett, Hearing Officer/Administrative Coordinator
Jaysen Garcia, Executive Assistant

Guests:
Gary Haddenham, Broadway Plaza Resident Council President
Kembra Landry, City of Everett

Public Comment

None

Communications

None

Approval of Minutes

Vice-Chair Burgess called for a motion to approve the minutes of the Regular Meeting held on February 28, 2022. Commissioner Perez moved for approval of the minutes, Commissioner Smith seconded, and the motion carried.

Consent Agenda

Vice-Chair Burgess called for approval of the Consent Agenda containing the following items:

1. Section 8 Payments for the Month of January 2022.
2. Summary of Vouchers for the Month of January 2022
3. Approve Earthquake Insurance Renewal for Broadway Plaza East and West and Wiggums Park Place
4. Approve Contract with New Vendor for Agency-wide Elevator Preventative Maintenance Program

Commissioner Perez motioned for approval of the Consent Agenda, Commissioner Manselle seconded, and the motion carried unanimously.

Executive Director's Report

Executive Director Lommers-Johnson's report covered activities to date in achieving two of the Housing Authority's four long-term Strategic Objectives. Activities specific to the first objective of doubling the agency's housing inventory by creating 1,500 additional units by 2030 included the following: continuing to build internal capacity to achieve this objective; execution of a purchase and sale agreement on a Rucker Avenue property for the development of up to 130 senior housing units; redevelopment plans for Baker Heights to include current construction of 105 new units and construction of up to 1,500 units following the demolition of the remaining vacant units; and the recent purchase of a 381 unit complex, Huntington Park. The Executive Director expressed thanks to Strategic Engagement Manager Heather Smith for her work in publicizing the Huntington Park acquisition, which resulted in nine articles from various newspapers, trade journals, and other news outlets.

Activities specific to the second objective of providing access to and creating communities of opportunity for program participants included the following: the acquisition of Huntington Park, given its proximity to public transportation, places of employment, retail amenities, and access to good schools; contracting with the University of Washington's Evans School for a cohort of students to assist in defining communities of opportunity in

Snohomish County; utilizing MTW demonstration program funding to create a new Housing Locator position, who will assist housing program participants, families with children in particular, to locate housing in communities of opportunity; developing a range of MTW policy changes to facilitate housing program participants' access to communities of opportunity; and developing plans to transform the Delta Neighborhood, starting with the former Baker Heights neighborhood, into a community of opportunity (i.e., a walkable community with access to retail amenities and other services) by leveraging the Housing Authority's assets within the Delta Neighborhood. The Executive Director said he planned to discuss the other two Strategic Objectives, related to the Housing Authority's diversity, equity, and inclusion initiatives and employee engagement in the agency's mission, at the next Board meeting.

Public Hearing on Proposed Capital Fund Program (CFP) 5-Year Action Plan

At 12:20 p.m. Vice-Chair Burgess convened the public hearing on the Housing Authority's proposed Capital Fund Program (CFP) 5-Year Action Plan and opened the floor to public comment. No public comment was offered, and Hearing Officer/Admin Coordinator Chris Neblett provided some background on HUD's required submission process for this document, including a 45-day public review period in the time leading up to this hearing. Historically the CFP 5 Year Action Plan and PHA Plan have run the public review period concurrently, but some midstream changes regarding planned Capital Fund expenditures altered this year's schedule. Mr. Neblett concluded by noting that the CFP 5 Year Action Plan would be presented for Board approval via resolution later in today's meeting.

Director of Finance Wendy Blain reviewed the planned uses for the 2021 Capital Fund allocation (year one of the CFP 5-Year Action Plan), including distributions for the demolition of the vacant Baker Heights units and the Moving to Work demonstration program. She noted that Capital Funds were fungible between these identified expenditures, but no additional items could be added. Executive Director Lommers-Johnson provided some additional background on the Capital Fund Program, and how its historical underfunding was impetus for the Housing Authority to convert much of its Public Housing to the RAD PBV program, sell the Public Housing Scattered sites, and plan for the sale of Baker Heights. He noted that a formal decision to exit the Public Housing program has not been made, in order to keep the option of developing as much Public Housing as the law allows open in the future.

After calling once more for public comment on the proposed CFP 5-Year Action Plan and receiving none, Vice-Chair Burgess called for a motion to close the public hearing. Commissioner Traynor moved to close, Commissioner Smith seconded, and the public hearing on the proposed Capital Fund Program (CFP) 5-Year Action Plan ended at 12:29 p.m.

Items for Individual Consideration

Resolution No. 1534 Ratifying Execution of a Purchase and Sale Agreement for Real Property at 3828 Rucker Avenue and Approving Other Actions to Effectuate the Acquisition

By way of background, Director of Development Jason Morrow noted that last year the

Board authorized the purchase of a 1.06-acre site located at 3826 Rucker and currently occupied by Pacific Stone. He said negotiations with the owner of that site over environmental considerations were in the process of wrapping up and the sale would likely close relatively soon. In the meantime, the Housing Authority had found it desirable to acquire two adjacent single family home parcels to the south of 3826 Rucker, as a means to create an optimal site for development. The Board authorized execution of a purchase and sale agreement for one of those parcels, 1311 39th Street, in 2021, and the owner of the home at 3828 Rucker recently agreed to sell, thereby creating a fully rectangular site with frontage on three sides.

Director Morrow outlined the terms of sale for 3828 Rucker contained in the purchase and sale agreement up for ratification by the Board: this included a $550,000 purchase price plus closing costs due at closing, a waiver of all contingencies, and a targeted closing date of April 18. In addition to ratifying the execution of the purchase and sale agreement, this resolution authorized the financial closing of this transaction and management of the property prior to redevelopment. Assuming a final closing of the adjacent 1.06-acre site occupied by Pacific Stone, Director Morrow anticipated the design phase of the assembled site would take place around June 2022, construction would commence sometime in 2024, and units would be delivered by late 2025 or early 2026.

Commissioner Smith moved to adopt the resolution. Commissioner Manselle seconded, and the motion passed unanimously.

Resolution No. 1535 Adopting PHA Annual Plan, MTW Supplement, and Capital Fund Program 5-Year Action Plan for FY 2022-23

Hearing Officer/Admin Coordinator Neblett began by discussing the approval process for the PHA Annual Plan effective July 1, 2022. The proposed Annual Plan was presented to the Board at a public hearing at the February regular meeting. No public comment on the Plan was received, either at the hearing or during the 45-day public review period that preceded it, although the Resident Advisory Board's comments and the Housing Authority's response were included in the Annual Plan. He said this resolution was intended to memorialize the Board's approval of the PHA Annual Plan, the MTW Supplement, and Capital Fund program 5 Year Action Plan in advance of their submission to HUD for approval by a deadline of April 15, or 75 days prior to their shared effective date of July 1.

Senior Policy Analyst Janinna Attick provided some additional background on the MTW Supplement. She said the Housing Authority gained access to the MTW demonstration program's funding flexibilities when it signed a contract of participation with HUD in August 2021; however, HUD must approve the MTW Supplement before the Housing Authority can gain access to the MTW program's policy flexibilities. She said the MTW Supplement was intended to accompany the PHA Annual Plan and spelled out the MTW program policy changes and waivers the Housing Authority intends to implement over the coming fiscal year, as well as an assessment of the policy outcomes and impact of the waivers in subsequent years going forward. She went on to note that the most substantive waiver included in this iteration of the MTW Supplement was the tiered rent study, which will simplify the way rents are set for non-elderly and non-disabled households, with a goal of incentivizing program participants to gain self-sufficiency through increased incomes while reducing the Housing Authority's administrative burden at managing the Voucher program.

Commissioner Smith moved to adopt the resolution. Commissioner Perez seconded, and the motion passed unanimously.

Resolution No. 1536 Revising HCV Program Utility Allowances

Hearing Officer/Administrative Coordinator Neblett said this resolution adopted an updated utility allowance schedule for the Voucher program following the required annual review of utility allowances. HUD requires revising an allowance for a utility when the rate used to determine it has changed by 10 percent or more since the allowance was last revised. Mr. Neblett said the Housing Authority contracted with the Nelrod Company in partnership with the Housing Authority of Snohomish County to review the utility allowances and update this year's iteration of the utility allowance schedule. The allowances for fuel oil, propane, and natural gas were found to have increased by 10 percent or more since they were last revised, making it necessary to update the utility allowance schedule to reflect these changes. The updated utility allowance schedule was to go into effect July 1.

Commissioner Perez moved to adopt the resolution. Commissioner Smith seconded, and the motion passed unanimously.

Resolution No. 1537 Reappointing Directors to HUD 202 Nonprofit Boards

Hearing Officer/Administrative Coordinator Neblett introduced this resolution by first noting that the eleven HUD 202 properties operated by the Housing Authority were owned by nonprofit corporations, each of which was governed by a Board of Directors. Articles of Incorporation governing four of these nonprofit corporations were recently amended to change the composition of their respective Boards to match that of the Housing Authority's Board of Commissioners, in preparation for converting the properties they represent to the RAD program. However, the Articles of Incorporation for the other seven HUD 202 nonprofit corporations required their directors to be appointed by the Housing Authority's Board. In order to hold a May annual meeting of those 202 Boards, it was necessary to reappoint Chair Benjamin Young and Vice-Chair Chip Burgess as directors.

Commissioner Smith moved to adopt the resolution. Commissioner Perez seconded, and the motion passed unanimously.

Adjournment

Vice-Chair Burgess announced that the next regular meeting was scheduled for noon on May 23. Given the gradual lifting of restrictions related to the COVID pandemic, Executive Director polled the Board as to whether it would prefer to meet in person or remotely. The majority of commissioners said they felt comfortable meeting in person, with one commissioner preferring to meet remotely. The Executive Director indicated that the next Board meeting would be in person with the option to attend remotely for commissioners and Housing Authority staff, although it remained to be determined how to include members of the public in future meetings. Vice-Chair Burgess called for a motion to adjourn the meeting. Commissioner Smith motioned as requested, Commissioner Perez seconded, and the meeting adjourned at 12:51 p.m.

Vice-Chair, Board of Commissioners

ATTEST:

Secretary