

## MASON COUNTY HOUSING AUTHORITY MINUTES

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF MASON COUNTY (MCHA) HELD AT 8:30 A.M. ON **July 22<sup>nd</sup>, 2010**, AT THE MASON COUNTY COMMISSIONER CHAMBERS, 411 NORTH FIFTH STREET, SHELTON, WA 98584

1. **CALL TO ORDER AND ROLL CALL:** Chair Wallace called the meeting to order at 9:00 a.m. Roll call was as follows:

**Present:**

Chair Merrill Wallace  
Commissioner Gayle Weston  
Commissioner Jeannie Gruber  
Commissioner Carolyn Malanowski

**Absent:**

Tom Drake, Longview Finance Director

**Also Present:**

Marie Seymour, Central Operations  
Wendy Pearsall, Legacy Regional Manager

2. **MINUTES:** Approval of the June 24<sup>th</sup> regular meeting minutes.

**Chair Wallace called for motion to approve the June 24<sup>th</sup> regular meeting minutes. Commissioner Weston/Gruber moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.**

3. **PUBLIC COMMENT:** None

4. **CHAIRMAN COMMENTS-** Chair Wallace spoke about the loss of Commissioner Neher in a boating accident that happened a couple of weekends ago. He talked about how much Mr. Neher will be missed both professionally and personally and that he was a very upstanding man. He added that the memorial service is going to be at Alderbrook Resort on Saturday the 24<sup>th</sup> at 2:00.

5. **COMMISSIONER COMMENTS/REPORTS:** None

6. **FINANCIAL:**

- 6.1 **Approval of Claims Certification for June 2010**

The Cove Apartments - \$20,827.26  
Pine Garden Apartments - \$40,363.62  
Kneeland Park Apartments - \$12,404.25

Chair Wallace explained that he received a memo from Mr. Drake regarding the claims certification for June. He stated that the bottom line is the project income is doing well. The only issue being the cash flow because of the accounts receivable. He thinks that with a fixed income the only thing there is to work with are the expenses.

Wendy Pearsall joined the meeting at 9:07am.

Ms. Pearsall stated that Pine Gardens is down to \$5146.00, and \$4,500.00 of it is due to the audit. She is making a request of HUD to give permission to use the reserves to pay that. She printed current payables for everyone to look at and see where they stand today. Chair Wallace commented that they should try and be more efficient with HUD so that they

can get within the properties income levels.

Chair Wallace explained that Mr. Drake is in Idaho right now, which is the reason he was unable to attend the meeting. He added that Mr. Drake will be back next month for the meeting in August.

**Chair Wallace called for motion to approve the Claims Certification for June. Commissioner Weston/Malanowski moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.**

- 6.2 **Income Statement Review-** Commissioner Gruber asked that the Agency Fund be explained.

Chair Wallace explained that the Agency Fund used to be a big deal when the Housing Authority was managing their own properties because each one of the properties would pay a management fee to what was called the local fund. When Bremerton left the Housing Authority an amount went into the local fund. It was thought that Pine Garden with their current cash flow, even with the refinancing, was going to have around two years to pull from those funds. He added that hopefully the remodel on Pine Garden will lessen some of the maintenance costs so that those dollars can be gotten back.

Commissioner Weston added that it is hopeful that Pine Garden Apartments becomes self-sufficient and helps build the funds back up.

## 7. MANAGEMENT:

- 7.1 **Routine Occupancy and Property Inspection Reports** for The Cove, Kneeland Park, and Pine Garden for the month of June.

**The Cove Apartments-** Ms. Pearsall reported that the Cove is doing well and have had a few vacancies and two evictions that they went all the way to court on due to non-compliance for years. She feels like they've set precedence by going to the extreme, and that maybe people will comply better because of it. She added that with the huge waiting list, the units are being turned and will be ready to rent next week. She explained that there was a lot of damage to the units.

Commissioner Malanowski added that it would be helpful to make walkthroughs to make management presence known so that the renters would be less likely to cause damage and vandalize.

**Kneeland Park Apartments-** Ms. Pearsal reported that there have been two units sitting vacant for three weeks with the renters moving into a four-bedroom this week. She explained that the two units that have been vacant are getting renters soon. There are also two that are on notice to be vacated at the end of July which they are using waiting list to fill/

Commissioner Malanowski added that she has noticed that right now it's really hard to get vacancies filled even with huge waiting lists.

**Pine Garden Apartments-** Ms. Pearsall reported that she's sent all of the revised documents to CW Capital but hasn't heard anything back yet. She is planning on talking with her boss and asking him if he will assist her in pushing forward so that they may respond next week.

Chair Wallace made a comment that they may want to get unit #25 back online and start getting income from it.

Ms. Pearsall noted that both units 25 and 23 are offline right now. She explained that they have hired a new maintenance person, and have decided to not have them live on site anymore.

Ms. Pearsall explained that Elaine at The Cove Apartments works well with the Shelton Police Department and Sgt. Eddy Day of the Sheriff's Department suggested that if the Sheriff's office was offered a unit at Pine Garden that they would be willing to place a deputy on the site to live to help discourage criminal activity. Rent would be free for the deputy, but utilities would need to be paid for. Drugs and violence seem to be a trend at the apartments.

Chair Wallace added that without that unit's cash flow, Pine Garden may suffer without the rent of that unit, and there would have to be another way to get that extra money some other way, possibly redoing the budget to make it work.

Chair Wallace explained that Cities and Counties in the past have been able to apply for federal or state money for this purpose. The Sheriff's department might be able to apply for funds to pay for the rent so that they can stay.

Ms. Pearsall explained that she brought the current aging detail for Pine Garden and minus the audit fee of \$4,500.00, they really aren't doing all that badly.

Commissioner Malanowski added that it is non-subsidized so it would be allowable in theory.

Chair Wallace pointed out that October 1<sup>st</sup> will be time for the next annual audit, which will be another expense. He went on to say that in 2011 the state will be back for an audit that will cost more fees.

Ms. Pearsall stated that she would contact the Sheriff's office if they will be able to compensate for the rent somehow and if there are any programs that might help fund it.

**8. DEVELOPMENT:** None

**9. UNFINISHED BUSINESS: Pine Garden Renovation-**Chair Wallace reported that he received an update that CW Capital is willing to help them through the contracting. He understood the email to say that they went ahead and budgeted for the dishwashers anyway.

Ms. Pearsall confirmed that to be correct and that they took the refrigerators and ranges out of the budget because those items tend to get replaced on a fairly frequent basis anyway.

Ms. Pearsall explained that she revised the timeline for Mahoney and Son's Construction to complete the renovation from a five-week turnaround down to two- three weeks per unit. This will help save costs.

**10. NEW BUSINESS:**

- 10.1 **Resolution 2010-02 (exhibit "A")-** Chair Wallace spoke of resolution 2010-02 " Certificate of Secretary as to Resolution of Board of Directors of Mason County Housing Authority" which has to do with the fact that Kneeland Park still has Bremerton Housing Authority

listed. The document also lists the Chair with the authority to sign.

**Chair Wallace called for motion to approve Resolution # 2010-02, "Exhibit A" (Certificate of Secretary as to Resolutions of Board of Directors of Mason County Housing Authority). Commissioner Malanowski/Gruber moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.**

10.2 **News release**-to refill current Commissioner position that is vacant on the Housing Authority Board was updated and on July 27<sup>th</sup> will go before the Board of Commissioners. Chair Wallace explained that ultimately, the candidate should have background in property management.

10.3 **Letter received**- Chair Wallace reported that he received a letter regarding Harmony House and that it had recently been sold to Allied Pacific Development. Their plans are to renovate the facility and they would like to notify the Housing Authority of the availability of units.

11. **FUTURE MEETINGS:** August 26, 2010 @ 9:00 AM

12. **ADJOURNMENT:**

There being no further business, Chair Wallace called for motion to adjourn meeting at 9:40 a.m. Commissioner Gruber/Weston moved and seconded to approve motion. Chair Wallace called for question. None opposed. Motion carried.

*Mew Limer Fok*  
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Executive Secretary

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Chair

SEAL:

