

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 9:00 A.M. ON **June 23, 2011**, 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 9:03 a.m. Roll call was as follows:

Present:

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

Absent:

Also Present:

Tom Drake, Longview Finance Director
Jackie Mallon, Former Commissioner
Britta Creed, Clerk of the Board

2. **MINUTES:** Approval of the May regular meeting minutes.

Chair Wallace called for motion to approve the May 26, 2011 regular meeting minutes. Commissioner Gruber/Weston moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.

3. **PUBLIC COMMENT:** Jackie Mallon, former Commissioner, reported on Mason County's First Veterans Stand Down. She stated it was very successful and handed out a report to show all statistics. Finding homes and jobs for the Veterans was the main objective.

Tom Drake suggested using the funds that were set aside for the homeless shelter to be used to assist homeless Veterans.

Cmmr. Malanowski mentioned changing the "rent ready" policy for the apartments. She also suggested a mentoring and protective payee program for the homeless Veterans that will receive housing. She thinks it will be overwhelming not to have something in place to help assist.

Ms. Mallon requested having a representative from the Housing Authority attend the next Mason County Veterans Stand Down March 2012.

Chair Wallace agreed to represent the Housing Authority.

4. **CHAIRMAN COMMENTS:** Chair Wallace welcomed Cmmr. Monroe as the newest Commissioner. She will be in term through 2012.
5. **COMMISSIONER COMMENTS/REPORTS:** Cmmr. Weston had an opportunity to MC an event held at St. Edwards Church to save the Masonic. The Simpson Family granted \$50,000 to rehab the building, which will be received once the money is matched.

6. FINANCIAL:**6.1 Approval of Claims Certification for May**

The Cove Apartments - \$15,756.58
Pine Garden Apartments - \$32,592.40
Kneeland Park Apartments - \$11,567.50

Mr. Drake announced that the telephone charges were very high at two of the sites due to the landlines, cell phones and internet.

Chair Wallace mentioned that Wendy Pearsall, Legacy Regional Manager, owes the Board a recap on the possible savings. That will then give the Board an opportunity to discuss their thoughts on savings including having one regional manager.

Cmmr. Malanowski thinks that cell phones expense is okay but believes that they might need to be monitored due to increased personal use.

Mr. Drake discussed options to save used in Longview.

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

6.2 Income Statement Review – Mr. Drake reported that Cove Apartments, Pine Gardens and Kneeland Park's vacancies are all higher than anticipated.

Cove properties have quite a few expenses such as general expenses, payroll taxes, workers compensation and property liability.

Pine Gardens spent money on appliances and floor coverings which they will to bill back to the HUD funds.

Mr. Drake reported a concern on the balance sheet for Pine Gardens and Kneeland Park. They both have minimal cash running about \$40,000 in payables with no improvement.

7. MANAGEMENT:

7.1 Routine Occupancy and Property Inspection Reports for The Coves, Kneeland Park, and Pine Garden for the month of May.

Cove Property has 95% lease-up which is not good. It needs to be at 97% to break even for the budget. Twelve 10-day notices were issued for May.

Kneeland Park showed 100% occupancy. They started the month with twenty-one units and ended the month with four vacant units and three reserved. The bad debts total \$2,033, which is a combination of rent and vacancies.

Cmmr. Weston questioned the training for Pine Garden Apartments.

Chair Wallace said that they go to Legacy Boot Camp to train on computers, rules and regulations etc. on all of the properties.

8. DEVELOPMENT: None

9. UNFINISHED BUSINESS:**9.1 Pine Garden Renovation Status/Legacy**

Chair Wallace received a call from Ms. Pearsall regarding a disagreement between HUD and the Housing Authority Finance folks. The Housing Authority agreed to have relocation and relocation funds, which they had decided on \$50,000. HUD wants it down to \$30,000.

Also, Pine Garden Apartments found out they are not going to have enough dishwashers to complete all units. Chair Wallace said that they are considering putting the dishwashers in the larger units first, then the smaller units. HUD would like to have a breakdown on how the money is being spent. There is no documentation from CW Capital to HUD regarding dishwasher issue.

9.2 MCHA Real Property Disposition/Status of CAC Possible Purchase

Community Action Council – Chair Wallace heard that CAC would like to pick and choose which apartments to manage. Housing Authority agrees that it is total package.

9.3 Kneeland Park Tax Credit has come to a close.

Mr. Drake talked to Mark Kanter, Attorney with Kantor Taylor, who is in the process of sending letters and forwarding the material for Washington State Housing Finance Commission to get approval for changing the partnership. The letter is asking to buy out KeyBank for a \$1.00 which should remove them from the partnership to turn assets back to the Housing Authority. Mr. Kanter has talked to the State Department of Revenue on how to avoid excise tax. A bill was sent to Bremerton for the services rendered so far.

9.4 City of Shelton Sewer System Project Update. Chair Wallace believed that Fairmont Cove was on a septic system and was confused why they were charged a sewer fee. He checked with the County who confirmed that Fairmont Cove is not on a septic system. The Fairmont Cove Apartment complex was built in the 70's and didn't have a permit for the septic system. Chair Wallace met with an engineer who stated there was actually a septic system with a trickle line. Chair Wallace notified the Legacy Regional Manager to relay a message he received that this will be complete by 2012.**10. NEW BUSINESS:** Mr. Drake shared that Longview is looking for a new model have a Joint Housing Authority.

Cmmr. Monroe commented that the board doesn't want to loose their identity.

Chair Wallace mentioned Jefferson and Callam which is starting a Joint Housing Authority. He thinks it should be a Peninsula Housing Authority.

11. FUTURE MEETINGS: July 21, 2011 ~ Special meeting requested to replace July 28th, 2011 regular scheduled meeting.**12. ADJOURNMENT:**

Chair Wallace called for motion to adjourn meeting at 9:59 a.m. Commissioners Gruber/Weston moved and seconded to approve motion. Chair Wallace called for question. None opposed. Motion carried.

Mr. Drake noted that the 2012 Cove Apartment Budget Assumption needed approval.

Chair Wallace called for a motion to reverse the adjournment and reconvene the meeting at 9:59 a.m. Commissioners Gruber/Weston moved and seconded to approve motion. Chair Wallace called for question. None opposed. Motion carried.

2012 Cove Apartment Budget Assumptions – Chair Wallace explained that the Cove needed to have unit's assessable, being a 504 situation. Ms. Pearsall is doing what is needed to comply and also requested a rent increase to all 60 units to help increase the budget.

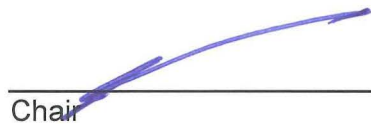
Chair Wallace would like to go forward to approve the budget and ask Ms. Pearsall a number of questions at the next Board meeting. It has been noted that adjustments can still be made on staff once the budget is set in place.

Chair Wallace called for motion to approve the 2012 Cove Apartment Budget. Commissioner Malanowski/Gruber moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.

Chair Wallace called for motion to adjourn meeting at 10:10a.m. Commissioners Gruber/Weston moved and seconded to approve motion. Chair Wallace called for question. None opposed. Motion carried.



Executive Secretary



Chair

SEAL:

