



Meeting Minutes

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

BOARD OF COMMISSIONERS

Location of the meeting:

Board of County Commissioners Conference Room, Public Service Building, 125 East 8th Avenue, Eugene, OR, 97401

Phone: 541.682.2506

The meeting location is wheelchair-accessible. Anyone needing special accommodations (deaf, people with hearing loss, language translation, chemical sensitivity needs, and large print copies of agenda), please make your request at least 48 hours prior to the meeting.

JANUARY, 24th, 2018 — HOUSING AND COMMUNITY SERVICES AGENCY

(2:30 p.m.) (Board of County Commissioners Conference Room)

1. ADJUSTMENTS TO THE AGENDA

None

2. COMMISSIONERS' BUSINESS

- Char Reavis introduces the new Homes for Good Board Member, Michelle Thurston
- Sid Leiken opens up the nominations for the new Homes for Good Board Chair.
 - Board Chair, Jay Bozievich nominates Char Reavis for another term as the Homes for Good Board Chair.

Motion to approve the nomination: Vice-Chair, Jay Bozievich

Motion seconded: Sid Leiken

Motion is approved unanimously

3. #PUBLIC COMMENTS

None

4. COMMISSIONERS' RESPONSE TO PUBLIC COMMENTS AND/OR OTHER

ISSUES AND REMONSTRANCE

Sid Leiken: At the Lane County Board of Commissioners meeting we received an update from our staff about the new tax law that will be in place. I would like to receive an update in a future meeting on how or if the new tax law will affect your agency positively or negatively.

Jacob Fox: During my Executive Director Report, I can tell you what I know now. When I come back next month I can give the board additional information or I can do a deeper dive on any specific topic if the board has regarding this matter.

5. EMERGENCY BUSINESS

None

6. EXECUTIVE SESSION *was held to conduct deliberations with persons designated by the HACSA Board of Commissioners to negotiate real property transactions. This executive session is held pursuant ORS.192.6602E which allows the board to meet in executive session for the purposes listed above. Representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session except to state the general subject of the session as previously announced. No decision may be made in executive session. We reserve the right to come back out in public session should things arise.*

7. ADMINISTRATION

A. Approval of the 12/20/2017 HACSA Board Meeting Minutes

Motion to approve minutes: Commissioner Sid Leiken

Motion seconded: Vice-Chair Jay Bozievich

Motion is approved unanimously

B. Executive Director Report

Jacob Fox: Introduces the new HACSA Resident Services Director and member of the Leadership Team, Wakan Alferes to the board. She has worked for Home Forward and is familiar with our funding sources. Home Forward has done innovative work in resident services and self-sufficiency and she gets to bring some of their best ideas to our agency which we hope to incorporate into our programs and make a bigger difference here in Lane County.

Wakan Alferes: It's great to meet everyone. For the last 8 years I have been working in resident services for Home Forward and looking forward to bringing that experience to this agency.

Jacob Fox: The new name and its simplicity are really resonating with the community as well as the tagline, "Homes, People, Partnerships, Good." It is a time of newness and rejuvenation for the agency around the rebranding. I want to acknowledge the project lead, Ela Kubok for her tireless work on this process as well as the project team at VERB for working with us on the rebranding. The

new name change cost around \$55,000. There are additional administrative costs of \$5000 as well as the website change which is \$50,000. Our agency's total budget is thirty four million dollars. So this was just a fraction of 1% so this positions us for different types of investment and support for the community and I consider it money well invested.

- The last part of my report is an update on Housing Plus. Before the time that I arrived, Larry Abel and the deputy director at the time, Dorothy formed a 501(c)(3). This board was involved in that effort and did approve the 501(c)(3). We kept it going because we felt that in the future there would be a need for us to grow a 501(c)(3) subsidiary nonprofit. There were some things that I encountered in the organization that I didn't expect that have taken a lot of time. I will not get into all of the details at this time. A couple examples are:
 - The proactive management of our real estate portfolio was not proactive enough. We have assets that need significant time and attention we have envelopes that have been compromised and buildings that need repair. There weren't robust enough compliance systems in place. Since \$26 million of our \$34 million annual budget comes from the federal government, it's really important to have a robust and quality control system in place.
- I haven't had the energy or time to grow a nonprofit. When you grow a nonprofit, you also have to think about fundraising. That is a large body of work that we currently do not have the infrastructure for. Roughly 18 months ago when Chris Totus resigned from the board, he was the board chair and Larry Abel stepped on to the board. There has been discussion at the board meetings whether or not to aggressively grow the nonprofit or not. There have been different opinions on how fast to grow it. I expressed to some of the board members who wanted to more aggressively grow the nonprofit that I did not feel the time was right nor do we have the capacity to grow the nonprofit at this time. As a result, a little over a week ago, Larry submitted his resignation from the board. I am currently looking at the bylaws of the board and it doesn't clarify what my role is as the Executive Director of Homes for Good in relation to my role with Housing Plus. The bylaws lack clarity. I feel we need to take a step back to have legal counsel take a look at our bylaws and the Housing Plus bylaws to make sure we are clear with the legal relationship between the two entities. I want to engage with Homes for Good Board on what to do with this nonprofit in the long term.

Pete Sorenson: What is the process of replacing a board member for the nonprofit?

Jacob Fox: What I would do is go out and talk to people that might be interested in serving on a board that is currently not active nor time consuming. I have done that with Darcy Phillips from Cornerstone and Karen Saxe from NEDCO. I would

make sure we had the minimum number of board members and you as the Homes for Good Board appoint the Housing Plus Board.

Pete Sorenson: We need to get on top of this just to make sure we are complying with the State requirements. Do we need to meet 4 times a year?

Jacob Fox: I think those are just in the bylaws but I am not sure that is a requirement of the State.

Pete Sorenson: I think we need to take out references to HACSA and replacing with references to Homes for Good, reduce the number of board members, and redo the bylaws to say that they only meet once a year. We can also find out from the current board members who doesn't mind going off of the board. I don't think you have to meet 4 times a year. I think that is something you want to amend in your bylaws. What is the relationship between Homes for Good and Cornerstone Community Housing?

Jacob Fox: I have been in communication with Richard Herman, their former Executive Director around the vision of the relationship between Cornerstone and Homes for Good. What we talked about was Steve Ochs at Homes for Good and his team would provide real estate development services for Cornerstone and also asset management. There were also discussions of moving housing assets from their balance sheet or LLC's over to HACSA's balance sheet or LLC. Then Richard left and the new Executive Director came on board, Darcy Phillips. Between Darcy and their own board, they wanted to continue to explore their own capacity around real estate development and asset management.

Pete Sorenson: We know government funding is being reduced. We need to look at getting more private sector support. Should we look at other successful fundraising models such as LCC Foundation? I do not think it is your job to run both organizations.

Jacob Fox: We do not think it is good idea to shut down the Housing Plus. With Wakan on board, we are hoping to grow the potential of the 501(c)(3). We have fundraised for scholarships. We provided \$1000 secondary scholarships for two students in our apartment communities as well as started a reading program where Homes for good staff reads to children and promotes literacy at our apartment communities.

Sid Leiken: My wife and I both chaired the Harvest Dinner for the LCC Foundation and co-chaired Hosea Youth Services charity dinner. The Harvest Dinner raised \$300K and since then it has gone way up. I agree with Pete, there needs to be a



disconnect with both orgs and have another person oversee the 501c3. It is okay to be informed about the other nonprofit but not be hands-on.

Pete Sorenson: Are you aware of any other models out there over the last year with organization similar to ours are doing this and have a model that is working? Also are willing to share their model? We don't need to reinvent the wheel. Really small organizations are raising a substantial amount of money from their employees and their clients and they want that to continue. We need to look at asking former clients.

Jacob Fox: We are looking at a story banking effort and giving back. We are trying to think about connecting with the people we have served. I can bring back some additional information.

Jacob Fox: To go back to your question Sid about tax reform impact. The impact is volatility in the tax credit market. Banks that now have a lower corporate tax rate may not give us as favorable of tax credit pricing as in the past. When we come back to discuss the real estate portfolio, we can do a deeper dive.

Char Reavis: Before we move on, maybe it is time to have another work session after legal has had time to look over the bylaws. I have found the last several work sessions have been empowering and a good opportunity.

Jacob Fox: Sometimes we can add a work session into a board agenda and we will be taking a look at our board governance moving forward.

- C. Order 18-24-01-01H/In the Matter of Authorizing the Adoption of HACSA's new name, "Homes for Good"(Jacob Fox, Executive Director)

Jacob Fox: The board authorized to change the new name which we have done. We are in the process of changing our name with HUD and other subs and are making sure we have all the documentation we need.

Pete Sorenson: I think having a good name that indicates homes is a positive thing. There is a lot of difficulty with change but I think this is a good thing and the name can mean a lot. I appreciate it.

Char Reavis: How are the new signs coming along?

Jacob Fox: The signs for the new name are on order; we are waiting for the permits to be approved. As well as the letters to those who are served by our

programs and on waiting lists regarding the name change. Those letters will go out in the next few days. Signage changes will be up within the next few weeks.

Motion to approve the board order: Commissioner Sid Leiken

Motion seconded: Gary Williams

Motion is approved unanimously

- D. Order 18-24-01-02H/In the Matter of Updating the Housing Choice Voucher Administrative Plan (HCV Admin Plan)(Beth Ochs, Rental Assistance Division Director)

Jacob Fox: I will start and give you some context and then Beth will give you the specificity of the order. The Section 8 program serves between 2700 – 3000 people at any one time. It is \$15 million per year that comes through us and goes out to private sector landlords for this program. When I started at the organization 4 years ago, I was shocked that there wasn't a Project Based Voucher program in place. Beth has done an amazing job stabilizing the Rent Assistance Division to where I feel very good about moving forward with this program.

Beth Ochs: Project Based Vouchers are tied to the units where Section 8 Vouchers are tied to the tenant. A Section 8 Voucher holder can go out into the community and find a private landlord to rent from. Project Base Vouchers are tied to the unit itself and a waitlist exists for that particular property or home and that person is matched with that home. The subsidy only exists while the tenant is in that unit. PBV recipients can be converted over into a standard Section 8 Voucher after one year of residency in the PBV program if they choose. What we are doing today is to gain authorization to allow for "accepted units." There is a different aspect to PBV for accepted units (households eligible for supportive services, poverty rate of 20% or less, exclusively for the elderly, disabled) we want to add a clause where we may add accepted units if we choose to do so. With accepted units, there will need to be supported services included. Moving forward with putting out an RFP for PBV, our current admin plan does not allow the flexibility to incorporate everything we need to submit and RFP so that person responding has all the information they need and ensuring that we are asking for all the right information. So we want to make a change in the admin plan for that.

Jacob Fox: Lane County Administration has come to us and requested the commitment of Project Base Vouchers for the Housing First Program and the way that our admin plan sits now, it wouldn't work. This change will allow us to target our most challenging citizens.

Char Reavis: I want to understand a little better, is that any project based private owner?

Beth Ochs: Yes, under HUD regulations it's called, "Choice Mobility." A recipient of the PBV regardless of the project after one year has a right to exercise Choice Mobility and if a standard tenant based Section 8 Voucher is available, then they would receive it. If there wasn't one available, the next one that is available would be slotted to them.

Jacob Fox: Multi-family HUD housing is different from the type of voucher we approve, those are permanent, these are not. In certain buildings, PBV are permanent and there is no choice mobility.

Motion to approve the board order: Commissioner Sid Leiken

Motion seconded: Jay Bozievich

Motion is approved unanimously

- E. Discussion/HACSA 2017 Strategic Plan Outcomes and Goals for 2018(Jacob Fox, Executive Director)

Jacob Fox: We are looking at reformatting this document for the board. On the landscape document we highlighted items the board may be more interested in as well as some of the items we didn't accomplish. We will maintain the lengthier document to be available to you. I will talk you through some of the high points of 2017. I want to highlight the foundation of our social media platform. We did create a permanent position which Ela was promoted into. Now that we are engaged more in the community we are getting more media inquiries 30+ stories in the last year. At the Register Guard's Forum on Homelessness, the two editors at the event acknowledged our work in the community multiple times.

- In Community Education, we have invested in employee advancement and professional development and training. Char and Ela have added 7 R.A.B. (Resident Advisory Board) members and attended advocacy training in Salem where the members are able to speak about why our funding is important.
- In Staff Training, we talked about the recent rebranding training with staff. We will also be inviting board members to our department orientations. It is a half day event where we bring new staff together to educate them about the organization, tour some of our properties, then end the day at lunch to get to know each other better. We decided to run all employees through this orientation due to positive feedback on this event. We will be inviting the board to these events.
- One thing we didn't do is more surveying with clients. This is an area we will continue to work on.

- Pay for Success Program: I will be reaching out to you and Paul Solomon about partnerships from Sponsors.
- In Asset Preservation, we did not get done with Sheldon Village it's a 12 year old apartment building with major envelope issues. Spencer is working on this project and getting very close completing a plan to repair the building. In 2017 we could not find the right funding array to make that happen.
- We will keep you up to speed on our goals of 2018 as things come about.
- That concludes my overview of 2017 and preview on 2018.

Char Reavis: Under Community Education, I think it would be worth mentioning in the future that the Lane Community Board and this board advocates for housing in many different ways. It is important to document this to HUD. The document should reflect the board's involvement. I also think that there is a document that acknowledges the board involvement with RAB. Also we can discuss the smart meters going forward at a later date.

8. OTHER BUSINESS

Char Reavis: Would you like to talk about the government shutdown?

Jacob Fox: The recent one day government shutdown had no impact on us. What shutdowns mean for us is that we have to have cash on hand to run our programs. If there is information in advance of a shutdown, HUD often fronts money in the event of a shutdown. With our Section 8 program there is over a million and half dollar per month that goes out the door. With a program like that, cash could get tight in the event of a shutdown.

Jay Bozievich: Is there strategy to hold on to funds as there may be another shutdown in the coming weeks?

Jacob Fox: We received an 80-page document of HUD that breaks down their contingency plan. We are still reviewing that document. We have enough liquid to make payouts for a month. If it goes beyond that things could get difficult. We can discuss this more at a later date.

Adjourn