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Meeting Minutes

Homes for Good Housing Agency

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.

Wednesday, August 22nd, 2018

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

1. PUBLIC HEARING (CM/GC)

The public hearing will be held for the purpose of taking comments on the Homes for Good adoption of a Construction Manager/General Contractor (CM/GC) alternative contracting method exemption for construction of the Sheldon Village Rehabilitation Project.

- No public comments made.

2. #PUBLIC COMMENTS

(Expected maximum time 10 minutes: Speakers will be taken in the order in which they sign up and will be limited to 3-minutes per public comments. If the number wishing to testify exceeds 10 speakers, then additional speakers may be allowed if the chair determines that time permits or may be taken at a later time.)

2. COMMISSIONERS' RESPONSE TO PUBLIC COMMENTS AND/OR OTHER ISSUES AND REMONSTRANCE (2 min. limit)

4. ADJUSTMENTS TO THE AGENDA

- Presentation by Moss Adams moved to the first agenda item.

5. COMMISSIONERS' BUSINESS

- *Sid Leiken – Excused*
- *Jay Bozevich – Excused*
- *Pete Sorensen - Excused*

6. EMERGENCY BUSINESS

7. ADMINISTRATION

A. Approval of Minutes: 07/25/2018

Motion to approve minutes: Michelle Thurston

Motion seconded: Gary Williams

Motion is approved unanimously 4/0 with Sid Leiken, Jay Bozievich, and Sid Leiken excused

B. Homes for Good, "Month in Review"

Communications Director, Ela Kubok highlights Homes for Good activities since the previous board meeting.

- National Night Out
- Bascom Village Governor Visit
- Healthiest Employers of Oregon Award

C. Order/18-22-08-01H – In the Matter of the Joint Order of the Board of Commissioners and Local Contract Review Board Exempting the Rehabilitation of Sheldon Village Apartments from Competitive Bidding Requirements and Directing the Use of the CMGC Alternative Contracting Method. (Steve Ochs, Development Director) (Carrie Connelly, Local Government Law Group) (estimated time 10 minutes)

- **Steve Ochs:** A contractor is brought on earlier in the process to work on design issues early in the process. In 2014, the law changed regarding the bid process. In this case you are hiring the contractor and once the process is designed they put out the ad and take the bids. In our case, we are still putting it out to bid, but first you must organize a public hearing to see if there are findings. Meili is our contractor. Now is the time to build a contract with Meili.
- **Gary Williams:** I like this process as the former Mayor of Cottage Grove we followed this process and it worked very well.
- **Char Reavis:** Why are we going through this process?
- **Cary Connelly:** The project will be smoother, and the costs will be clearer with this process by bringing on a contractor early. This is a legality Homes for Good must satisfy to get the contract going. This is a required part of the procurement process.

Motion to approve 18-22-08-01H: Gary Williams

Motion seconded: Michelle Thurston

Motion is approved unanimously 4/0 with Sid Leiken, Jay Bozievich, and Pete Sorensen excused

D. Discussion/Homes for Good 2018 Audit Report (Jeff Bridgens, Finance Director)(Kevin Mullerleile, Moss Adams)(Jim Lanzarotta, Moss Adams)(estimated time 30 minutes)

Moss Adams PowerPoint Presentation

Powerpoint can be viewed in the Board Materials section of the Homes for Good website.

- **Jeff Bridgens** Introduces the Moss Adams presenters and briefly outlines the presentation to come.
- **Jim Lanzarotta:** The audit has been completed with the reports finalized and findings have been made public. This was our first-year auditing with Homes for Good.
- **Jim Lanzarotta presents the following slides:**
 - **Slide #1:** Moss Adams Staff Involved in the Audit Process
 - **Slide #2:** Audit Services Provided - Overview of the process and standards involved in the audit. State Laws and Single Audit Requirement, and REAC Reporting.
 - **Slide #3:** Findings were clear. Five of the 6 tax credit properties received clean opinions. The Oaks at 14th was not audited as it was not required due to the newness of the property.
- **Jeff Bridgens:** The Oaks at 14th had an independent audit in December 2017.
- **Kevin Mullerleile:**
 - On the government standards report, there were no findings. On the Oregon Minimum Standards, there were no findings.
 - There were no issues with internal controls that were brought to our attention. There were good controls of rent agreements. Capital assets were correct from last year's financial statements with no errors found. We did find some errors that can be corrected on some historical documents of assets. Management is working to correct past asset errors in the system.
 - No findings on long term debts
 - There will be an ongoing discussion on Notes Receivable.
 - Federal awards were found materially correct.
 - Under "Required Communications" there has not been any significant changes in accounting practices since last year. No significant difficulties found in performing the audit. There aren't any significant risks in the finances or disagreements in management or compliance and internal controls found.
 - No fraud or illegal actions was found
 - The Executive Director, Deputy Director, and Finance Director all signed an agreement to the validity of documents audited.
- **Jim Lanzarotta:**
 - These are complex real estate transactions and it is great to that Homes for Good has made an investment in the caliber of people employed to oversee these transactions. You are in relatively good financial condition with strong balance sheets. Look into benchmarking in the future to keep revenue and balances strong and healthy.
 - There will be an accounting update. OPEB standards coming up and lease agreement changes coming.

E. Order/18-22-08-02H – In the Matter of Authorizing the Issuance of a Bond for the Sheldon Village Apartments (Spencer McCoy, Project Developer) (estimated time 10 minutes)

- **Spencer McCoy:** We will be rehabbing Sheldon Village Apartment's water damage from 2015. The targeted date for construction is September 7th. John Juritz Pacifica Law Group is here to speak on the bond.
- **John Juritz:** A tax exempt bond allows you to borrow at a lower interest rate. The agency issues its bond to buy the loan with Banner Bank. We will take Banner Bank's loan and the

interest becomes tax exempt. We have staff dedicated to bonds to help set up the structure. The bond is also secured by the project.

Motion to approve 18-22-08-02H: Gary Williams

Motion seconded: Michelle Thurston

Motion is approved unanimously 4/0 with Sid Leiken, Jay Bozievich, and Pete Sorensen excused

F. Order/18-22-08-03H – In the Matter of Authorizing the Rehabilitation and Financing of Sheldon Village Apartments (Spencer McCoy, Project Developer) (estimated time 10 minutes)

- **Spencer McCoy:** The financing for the rehabilitation will flow through Sheldon Village LLC. This board order authorizes us to do that.

Motion to approve 18-22-08-03H: Gary Williams

Motion seconded: Michelle Thurston

Motion is approved unanimously 4/0 with Sid Leiken, Jay Bozievich, and Pete Sorensen excused

G. Order/18-22-08-04H – In the Matter of Revising Order 18-23-05-01H “In the Matter of Authorizing Formation of MD Commons LLC and MD Manager LLC. (Steve Ochs, Development Director) (estimated time 10 minutes)

- **Steve Ochs:** Previously the board approved the order that had two incorrect references. This is the same board order with the two references related to an incorrect address has been removed. We are looking for the board to adopt the revised order.

Motion to approve 18-22-08-04H: Michelle Thurston

Motion seconded: Gary Williams

Motion is approved unanimously 4/0 with Sid Leiken, Jay Bozievich, and Pete Sorensen excused

H. Presentation/Homes for Good Resident Services Presentation (Wakan Alferes, Resident Services Director) (Beth Ochs, Rent Assistance Division Director) (Darlene Kelly, Property Management Division Director) (estimated time 30 minutes)

Resident Services PowerPoint Presentation

Powerpoint can be viewed in the Board Materials section of the Homes for Good website.

- **Wakan Alferes:** Discusses the Resident Services Team Structure
 - FSS Coordinators - 3
 - Resident Services Assistant - 1
 - Supportive Housing Specialist -1
- 10% of Homes for Good clients are utilize the Resident Services resources
- 200/900 voucher units are utilizing Resident Services resources
- Resident Services is funded through grants from FSS, ROSS, and COC
- Resident Services is the link between shelter, life, and services

- Going forward, Resident Services are looking to increase their support per unit allowance. Currently it is \$189/unit a year. Nationally it is \$300 - \$500 per unit a year.
- Resident Services looks to also add 2 FTE positions and possibly a third to address rural housing.
- The annual cost of a Resident Services Coordinator can be covered by avoiding 10 evictions a year.

Supportive Housing Slide Presentation

- Department Recommendations
- Participant/Staff Ratios improvement
- Improve diverse funding streams
- Impact framework
- Best Practices
- Identifying needs of our participants
- Demographic Data examination and aligning those with our services
- All residents to have access to services wherever they are in Lane County

Permanent Supportive Housing

- What services are we providing now and what do we want to do in the future

Whole Family Support

- Services for youth and families

Stability to Self Sufficiency.

- What we are doing now and what we can be doing in the future

Services for Elderly/Disabled

Supporting Housing Plans for FY19

- Add 2 FTE
- **Beth Ochs:** Resident Services hasn't been a part of Rent Assistance historically. It became apparent spending time and resources bringing people on to the program but did not have the component to supply services to assist voucher holders to secure housing and maintain their voucher. We worked on achieving this through streamlining from various positions to route that to the Resident Services position. We have also converted our inspection process through technology.
- **Pat Farr:** It is exciting that Homes for Good is streamlining. How much savings has been achieved through streamlining.
- **Beth Ochs:** It is too early to tell. Right now, we have healthy reserves which allows us to spend that money down and then go to HUD to plan how we are going to sustain funds. We turnover 32 families a month. We are searching to find out why. We are working to track that information.

- **Pat Farr:** It would be great to identify those EOP's who are progressing through the system to measure success
- **Michelle Thurston:** The biggest complaint or concern is what to do with the voucher once someone receives it.
- **Darlene Kelly:** We serve 700 public housing units. In the past, public housing used to have a high amount of welfare recipients. Now we are serving a different community, working families, elderly, disabled, and large families. If residents weren't interested before in services, we weren't providing them. Now we want to expand our base level of services regardless of interest. Our residents are facing many challenges and we want to help them remain housed.
- **Michelle Thurston:** Residents appreciate the assistance to keep stable housing and people are starting to take advantage of the services. It would be nice to see those services expand further.
- **Darlene Kelly:** For the Madrone project, we need to continue to identify the wrap around services. It is exciting to add this position.

8. OTHER BUSINESS

Adjourn

Please note this is a short excerpt of the proceedings, a full recording of the meeting is available upon request by emailing amccoy@homesforgood.org.