

MINUTES

Homes for Good

Housing Agency BOARD

OF COMMISSIONERS



Location of the meeting:

This meeting was conducted via public video call and conference line (see details below).

Wednesday, August 19th, 2020 at 1:30pm

To prevent the spread of COVID-19 Homes for Good conducted the August 19th Meeting via a public video call with dial-in capacity. The public was able to join the call, give public comment, and listen to the call:

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/720420901>

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United States: [+1 \(872\) 240-3212](tel:+18722403212)

Access Code: 720-420-901

1. PUBLIC COMMENTS – 20 Minutes

(Maximum time 20 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.)

No Public Comment Given

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

Commissioner Pat Farr was excused from the whole meeting.

3. ADJUSTMENTS TO THE AGENDA

No Adjustments to the Agenda

4. COMMISSIONERS' BUSINESS

No Commissioners' Business

5. EMERGENCY BUSINESS

No Emergency Business

6. ADMINISTRATION

A. Executive Director Report (Estimated 10 minutes)

Jacob Fox: Talks about the Diversity Equity Strategy team that the agency will be forming, and some of the work they will do including looking at the Section 3 Program and the hiring of residents, low income people, and other minorities.

Jacob talks about the site staff who are working on food programs to get needed food to residents.

Jacob touches on the financial impacts of COVID-19.

Jacob talks about Real Estate Development including a positive change order for Market District Commons, and the funding for the 1100 Charnelton Permanent Supportive Housing Project.

B. Approval of 7/22 Board Meeting Minutes

Motion: **Heather Buch**

Second: **Michelle Thurston**

Joe Berney: I just wanted to point out what is not in those minutes: we have been promised for a long time to look at long term strategies and integrating more inclusive perspectives into those, it is also not on this board agenda.

Char Reavis: Is this something we discussed that was not included in the minutes that you would like to be added?

Joe Berney: No, I apologize, this is something that Jacob brought up months ago, and was supposed to speak with me and with other people months ago, and that has not yet occurred. Nothing has happened, and this is just a way for me to bring it up saying it would be nice to have that discussion.

This motion has been based unanimously 6/0 with Commissioner Farr being excused.

C. **ORDER 20-19-08-01H**— In the Matter of Approving the Submission of the PHA FY21 Annual Plan (Melanie Church, Division Analyst) (Estimated Time 5 minutes)

Melanie Church: Talks about the annual plan schedule, and the waivers from HUD for the plan process during COVID-19.

Char Reavis: So, I believe Michelle and I have quite a bit to say about this, so I am going to let Michelle go first.

Michelle Thurston: The one thing that I would like to point out that the information wasn't really provided to residents of the buildings. Yes, it was on the website, but usually there are hard copies, and information

on how to contact Homes for Good for any questions, comments, or concerns. There was a RAB (Resident Advisory Board) Meeting last month, where it was discussed, and we had a lot to say, and the results were widdled down to about two sentences, and residents really didn't get an equitable voice in that.

I know it was on the website, but a lot of people don't have access to computers, or the internet. There was a lot of information shared on social media, and a lot of people don't have social media. So, I do have some upfront concerns about that.

Char Reavis: So COVID has messed a lot of things up. Usually things come to RAB like it did, and then they come back to RAB again in the form of a book because these are changes in our polices, then it goes to Public Comment which HUD said that we didn't have to happen this year. As a board member I will sign this in if we vote on it, but as a resident leader, with RAB, I feel like we didn't get enough feedback from people. Normally as a RAB member I would have taken this to a resident meeting and let people know about it and that they would be able to comment on it, but Resident Meetings aren't happening right now our community rooms are closed so that didn't happen.

Char then express that she is not in support in the change of the occupancy standards that can affect transfers. Char talks about the current policy and some of the implications of the change in Public Housing, and her opposition.

I really wish this could have gone back to the RAB again.

Wakan Alferes: Talks about the ability to still gather comments from RAB after another copy is sent out to RAB that day, and work those comments in before submission.

Jacob Fox: Asks Melanie and Wakan to explain the change and the nuisances in the occupancy.

Melanie Church: (Referencing Pg. 39 of the Board Packet on screen)

Talks about the new policy and the alignment with Section 8 occupancy. She talks about the current policy and what unit sizes families can qualify based on ages of children and genders of children. She gives examples of family compositions and what they would qualify for. She talks about how this mostly affects families during the intake process, not those who are transferring or who grow their family sizes. She talks about the Fair Housing Council of Oregon, and the new policy aligning with their suggestions. Melanie also talks about the limited amount of Public Housing units, specifically the limited amount of 3- and 4-bedroom units, and the new occupancy standards would allow Homes for Good to House the most amount of people fairly.

Melanie talks about the current transfer list that Homes for Good holds, and that many of the transfer requests are for Elderly or disabled families who are looking to move from a one-bedroom unit to a two bedroom unit to accommodate a live-in aid, or to have another family member move in. The change in policy would not affect these transfers, since the other family member or the live-in aid would still be allocated a separate bedroom. The larger families who have requested transfers haven't done so specifically because of the ages or the genders of their children, but instead based on the total number of people in the unit.

Melanie talks about the alignment of the Public Housing Policy to be consistent with the Section 8 policy, so that if residents transfer between programs, they will have a consistent experience.

Joe Berney: I am just less curious about the institution of Homes for Good is explaining, and more curious about the resident Commissioners' perspective.

Michelle Thurston: I personally don't have a problem with the new guidelines, I see where it could affect people who want to have let's say, five kids, and have the different ages or genders mixed together being a recipe for disaster. But I also understand that we are housing people who otherwise wouldn't be housed, so in that respect I don't have a problem with that. So, my problem is, even though it was brought to the RAB, RAB did not get the chance to bring it to the residents, and for them to get the chance to chew it over, discuss it, see if they had any issues. I know for my complex the biggest area to understand is the new pet policy. They know that there are going to be new rules, but they don't have any of the information because they don't have access to internet, they don't have access to a computer, so they didn't have the opportunity to provide input. So that is my main concern, that my fellow residents didn't get the chance to contribute comments or read and understand.

Char Reavis: My issue is that there is only one sentence under that section with the occupancy there is only one sentence about RAB comments when we had a 45-minute conversation about it, and I didn't feel like our comments were captured like they could have been.

Joe Berney: When does this have to be submitted? Do we not have time to accommodate?

Wakan Alferes: Usually this is due to HUD in July. The HUD waivers states that we have until October 19 to submit. We do feel like we do have the time to get the additional comments from RAB like Char stated, but I don't know that we have time to have resident meetings before then. We have tried to get a number of resident meetings going, and they just haven't been working in a digital format. I think there are some very valid points that they are pointing out that are COVID struggles. I think it is also good to point out that even if HUD gives us a waiver, which makes our work easier in the moment, it doesn't detract from the need to collect good feedback and input from our participants and residents, and I

Michelle Thurston: One thing I wanted to point out that Char and I were the only RAB members that were able to attend that meeting due to the technology, so I am under the impression that our voices were listened to, but maybe not communicated. I would at least like to say thank you for listening and addressing that.

Commissioners discuss not to make a motion and bring this item back to the next Board Meeting after some corrections and additional comments.

- D. **ORDER 20-19-08-02H—** In the Matter of Accepting a Quote and Awarding the Contract for the Legion Cottages - General Contractor Project. (Jacob Fox, Executive Director) (Estimated 10 minutes)

Commissioner Heather Buch declares a conflict of interest and recuses herself from the item, being related to the Executive Director of St. Vincent DePaul who is a service provider partner for the project.

Jacob Fox: Explains the role of St. Vincent DePaul in the project being a referring supportive services partner, and the context for the retroactive procurement.

Jacob explains the context of the contract being slightly over \$100,000, and other context for the retroactive contract. Jacob states, that as suggested last month, Homes for Good will be coming to the board in the next couple of months to get the contract signing approval of the Executive director raised to \$150,000 to align with federal requirements.

Joe Berney: Is it federal requirements that an Executive Director has signing authority up to 150K as you stated, or does the Federal regulations give you the leeway to go up to 150K, which makes it a decision here locally?

Jacob Fox: As I understand it, HUD said executive directors can authorize contracts up to 150K without board approval, but the Board would need to authorize me to do that first because the current threshold is 100k for my authority.

Michelle Thurston: I just wanted to make sure that this is something that we are going to discuss in a different board meeting, because that seems very reasonable in my opinion.

Motion: **Jay Bozievich**

Second: **Joe Berney**

Jay Bozievich: Talks about the closeness of the bids and the competitiveness

This motion is passed unanimously 5/0 with Commissioner Heather Buch being recused, and Commissioner Pat Far being excused.

- E. **ORDER 20-19-08-03H—** In the Matter of the Joint Order of the Board of Commissioners and Local Contract Review Board Exempting the Construction of PSH developments 1100 Charnelton and 13th and Tyler in Eugene, Oregon from the Competitive Bidding Requirements and Directing the Use of the CMGC Alternative Contracting Method. (Nora Cronin, Project Development Manager) (Estimated Time 5 minutes)

Nora Cronin: Explains that this is a joint motion for the board of commissioners and the contract review board to exempt both projects from using the competitive bidding process and use the CMGC Alternative Contracting Method instead.

Joe Berney: Can you state why this is the desired mechanism to move forward?

Nora Cronin: Yes, so some of the biggest factors for us is that in the CMGC contracting method we are able to get the contractor on board really early in the design. It helps save costs, and the architect prefers to have the architect there at the table, and we are able to get some of the sub-contractors to the table

early, so we are able to get more of an efficient building, and quite frankly for affordable in our opinion.

Joe Berney: Comments that this is one of the methods that some of the Lane County projects are exploring and are looking at implementing Community Benefit Agreements.

Inquires if Homes for Good is under the same requirements for Prevailing Wages as other municipality building projects.

Nora Cronin: States that 13th & Tyler is both BOLI and Federal Davis Bacon wage rates, and that 1100 Charnelton is only subject to the Federal Davis Bacon wage rates.

Joe Berney: This question to Jacob: Is Homes for Good going to be looking in to how the County is implementing Community Benefits Agreements to bind these as long as they don't increase costs, and is Homes for Good going to embrace that also? Especially on these projects given what we just learned?

Jacob Fox: I think that is a good discussion to have as a board Joe, and what I think what we need to do is look at the costs and make sure it is comparable if we enter into those agreements, and I don't think this board, particularly Char and Michelle as appointed commissioners have had a briefing on Community Benefit Agreements, so that would be my suggestion as next steps.

Joe Berney: Give an interview about Community Benefit Agreements. He states that he is interested in having a board discussion about Community Benefit Agreements prior to commitments being made so that they can be embraced through these projects.

I think you will find that as long as you are subject to prevailing wages you will find that this does not increase costs.

Jacob Fox: Joe just one question: When would you enter into those agreements, and can you tell us just a little bit about the timing and how those work? Jacob states that he has experience with Community Benefit Agreements in Portland, but not in Lane County.

Joe Berney: The vernacular is unfortunate, a Community Benefits Agreement in Lane County, is not the same as in Portland. They're fundamentally different. Ones in Portland add layers of cost, it adds layers of community groups that are involved in negotiating, these do not do that.

Motion: **Michelle Thurston**

Second: **Joe Berney**

Jay Bozievich states he is going to abstain on this vote; I would have voted yes on the 1100 Charnelton site and no on the 13th & Tyler project if these would have been separate board orders. I am going to continue to oppose the fairgrounds project, I think it is setting up a future dynamic between the Fairgrounds and the residents, and I think that is going to be a problem.

This motion passes 5/0 with Commissioner Bozievich abstaining, and Commissioner Pat Farr being excused.

- F. **ORDER 20-19-08-04H**— In the Matter of Approving Contract 20-C-0050 (Construction Management/General Contractor Services) for 1100 Charnelton, PSH Community in Eugene, Oregon (Nora Cronin, Project Development Manager) (Estimated Time 5 minutes)

Nora Cronin: Notes the contract number has changed to “20-C-0050” from the original board order title.

Nora Cronin: This board order is to approve entering into a contract with Essex construction for the 1100 Charnelton Project. Information about the process is in the board memo. There was an RFP in June, three contractors applied. A five-person committee evaluated the proposals based on the criteria posted in the RFP. Key factors in selecting Essex was that Essex proposed a shorter construction timeline than the other two, which resulted in significant cost savings to the project. This is because of their experience in tight urban sites, as well as their staff capacity at the time which also lead to them scoring well.

With this project, you would be allowing us to enter into the contract with Essex. This is a similar contract to what you have seen with The Commons on MLK, Market District Commons, and RAD Phase II. It would set a pre-construction services amount, and a guaranteed maximum price for when they go out for final bid, and sets the fixed CMGC fee at 3.5%, and it sets out the bidding process we would require for sub-contractors.

Jacob Fox: Would like to get feedback from Joe about the additional details within the board memo, and if it fit his requests from a couple of board meetings ago.

Joe Berney: Now, pretty much, and we can always talk after the meeting.

Motion: **Michelle Thurston**

Second: **Heather Buch**

This motion passes 6/0 with Commissioner Pat Farr being excused.

- G. **WORK SESSION**— 2021 Budget Work Session (Jeff Bridgens, Finance Director)
(Estimated Time 30 Minutes)

Jeff Bridgens: Gives an overview of the budget process, and that the Agency budget will be coming to the board in September for approval.

Goes over the overall budget for FY 2019 and compares to budgeting for FY2020.

Joe Berney: (Financial Overview 2019 slide) The total revenue and resources available, listed as \$52mm, what of that is revenue, is that all revenue? Or, what of that is revenue and what of that is debt?

Jeff Bridgens: Good question: \$38mm of that comes from revenue, the rest comes from borrowing.

Joe Berney: So, on the surface it looks like we made more money than we spent, but that is not correct.

Jeff Bridgens: No, when you see our financial statements, you will see the \$38mm dollars in revenue, but when you look at our operating expenses, you will only see about \$35mm dollars in expenses. So you will see an operating income of about 3 million dollars, but we spent a lot of that on non-operating expenses such as interest expense, and some other increases for capital related grants as well factoring into the overall net position. But what you will see in terms of the operating revenues and expenses is an overall operating net income in 2019.

Jeff Bridgens: (Rent Assistance Division FY 2021 Budget Slide) Talks about the increase in Housing Assistance Payments (HAP) and an increase in admin fee, and its relation to new voucher programs that the agency is administering, and the relationship the Fair Market Rent (FMR) study that the agency had conducted. With that we would see an increase in HAP going out to residents. Some of that may not be new vouchers, but also more expensive vouchers, spending more on a per-voucher basis.

Jacob Fox: (Rent Assistance Division FY 2021 Budget Considerations Slide) Talks about the FMR study, Project Based Vouchers in relation to new Real Estate Development projects, Diversity Equity and Inclusion initiatives, and a potential management position in Rent Assistance.

Joe Berney: What does "continued diversity, equity, and inclusion training" mean to you and how much money would that be?

Jacob Fox: It doesn't necessarily mean a huge line item, but for me I think the budget needs to reflect our ongoing commitment to DEI work. For the Rent Assistance Division, it could be continued training for our staff, it could be targeted outreach to female landlords, or landlords of color in the community. For me it is a continued theme that we will come back to the board with more specific about.

Joe Berney: It doesn't sound like you are firm on what that means, I would propose that Homes for Good, what that means is, in terms of hiring, renting and contracting, that if your making that extra effort to reach out to people, you move money towards them.

Jeff Bridgens: Notes about how HUD funding is budget at this time, but that Homes for Good will not receive notice of what the actual HUD funding is until about January. Also talks about the RAD conversion of Public Housing units into project-based vouchers and how that increases funding into the Rent Assistance Division.

Joe Berney: It looks to me that Homes for Good is incentivized to build new because there is an administrative fee or development fee built in. Is that Correct?

Jeff Bridgens: There is a development fee for new developments as that is a significant support that Homes for Good requires to subsidize other programs where there isn't as much admin dollars, so it is a significant revenue source for the agency. In regards to vouchers, there is an administrative revenue associated with each voucher.

Joe Berney: So, there is an incentive for Homes for Good to build new, financially.

Jacob Fox: Yes, for sure.

Heather Buch: Talks about her experience with developer fees, building new and with rehabilitation.

Jeff Bridgens: Talks about the Public Housing Budget. Jeff mentions the impact of RAD on the Public Housing Budget. Also talks about the impacts of COVID-19 rent loss on the FY 2020 budget.

Jeff Bridgens: Talks about the Real Estate Development Budget

Jacob Fox: Mentions the potential shrinkage of staff by two employees due to the shrinkage in the portfolio due to RAD.

Jeff Bridgens: Talks about the COCC budget and the Real Estate Development Budget.

Jacob Fox: Talks about the cross-divisional impacts of the RAD program and the budget. The potential addition of a new Project Developer to focus on development in Rural Lane County. He also talks about potential rehabilitation projects such as Olive Plaza, then the developer fee structure.

Jeff Bridgens: Talks about the increase in the COCC budget due to the New Administration Building and rents associated with it for the new admin building.

Char Reavis: Asks about the Rent being charged to the divisions.

Jeff Bridges: For the divisions who are using the new admin building by space, they are charged a market rent for office space. That rent is intended to cover the cost of operating the building and pay their principal and interest on the loan that was taken out to buy and renovate the building.

Char Reavis: So, it comes out of the budget of each division.

Jeff Bridgens: Yes. So, the rent is a way for each division who is using the space, pay for the space.

Michelle Thurston: You were saying you want to add on to the development team.

Jacob Fox: Yes, what I have flagged is potentially three new positions. We frankly don't know if we will be able to afford them yet, but yes that is accurate.

Michelle: Asks about the reduction of staff in other areas, and if the addition of those areas mean the reduction in other areas such as Resident Services or Property Management.

Jacob Fox: Talks about RAD and the affect it will have on the FTE of the Supportive Housing Division. Some divisions may grow a little bit, some divisions may shrink some, but our goal is about a net neutral in the total staff.

Jacob Fox: Talks about the need for another Finance staff member to help support the Real Estate Development team and the complicated financial transactions that go on in that department.

8. OTHER BUSINESS

Adjourn