

MINUTES

Homes for Good Housing Agency



BOARD OF COMMISSIONERS

Location of the meeting:

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

Wednesday, April 21st, 2021 at 1:30pm

To prevent the spread of COVID-19 Homes for Good conducted the April 21st, 2021 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.

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)

No Response to Public Comment and/or other issues and remonstrance

3. ADJUSTMENTS TO THE AGENDA

Pat Farr has a conflict at the end of the meeting

Joe Berney has a conflict on the first and third Wednesdays of every month and **leaves at 2:52pm.**

4. COMMISSIONERS' BUSINESS

Joe Berney asks about the potential of numbering the pages in the board packet for easier access of materials.

Jordyn Shaw: Yes we can definitely add page numbers moving forward, but the Table of Contents in the Board Packet is currently hyperlinked so that if you click on a particular item, it will take you directly to that item in the packet.

Joe Berney: Great thank you.

5. EMERGENCY BUSINESS

6. ADMINISTRATION

A. Executive Director Report (Estimated 10 minutes)

Jacob Fox: Talks about plans for the Lazy Days Mobile Home Park. The Governor's office forwarded a proposal to Peter DeFazio's office that would secure a Federal earmark for the property. That request

went from OHCS, to the Governor's office, which they decided to forward onto Peter DeFazio's office. Jacob then talks briefly about the funding levels in earmarks.

Jacob talks about the lodging facility previously known as the Red Lion, and that Homes for Good is close to having a name for the property that was selected by residents.

Jacob talks about the Equity Strategy Team (EST), and the Strategic Equity Plan that they are working on, and using a document from King County as a framework. He talks about the process in which the EST will bring draft of this document to the board for input in the coming months.

Jacob talks about the Real Estate Development Virtual Affordable Housing Town Hall Presentation that will occur on April 29th. The first will be focusing on Metro development, and later ones will be scheduled to talk about Rural Development.

Jacob talks about the Patrician and working with CASA of Oregon.

Jacob talks about the Homes for Good Foundation and awarding a scholarship for 2021, as well as talking about the new board members for the Foundation Board that the Homes for Good board will need to approve next month.

Talks about Springfield Economic Development Agency (SEDA) board meeting and the status update of the Glenwood site.

Laurie Trieger: Asks for more information about the town halls and how to spread the message.

Ela Kubok: We are doing them on zoom, we sent out invitations through our regular channels—the way we normally invite folks to our ground breakings or events relating to Real Estate Development Activity. We will also have information on our social media regarding the town halls. So what we will do, is forward you all the invitation so that you all can see it again, so that will be helpful and then you can share it with folks who have approached you about housing or Real Estate Development. We decided to do two in order to accommodate those who might have family obligations. We will be doing one at noon, and one at 6pm, and they are happening next Thursday.

Laurie Trieger: Do people need to pre-register, or are they also going to be live-streamed on your social media? I would love to share it.

Ela Kubok: There is no pre-registration, it is just a zoom meeting link. We will be doing a short presentation, and then we want to do something a little different and interactive—we want to do small groups where folks who are super interest in let's say Tiny Homes, gets to talk to some staff about projects we have done with tiny homes. So, because we want to do those breakout groups, it won't be live streamed, it will be recorded, so if someone is not available to join, they can view them at a later date. In order to keep them interactive they will be a zoom link.

Char Reavis: I just wanted to clarify, is there a special invitation from the board? And if there are going to be more than 4 members, do we need to do something special?

Ela Kubok: We will make sure to appropriately notice the meeting so that if a quorum attends that there will be no official business at the meeting. This will be similar to the notices we do for groundbreaking events.

Joe Berney: Talks about the two proposals that the SEDA board are discussing for Glenwood. Each proposal would be the largest for profit development in Lane County. Each of the proposals are about 3 million dollars will all private money. Both of the proposals talked about having Homes for Good as a partner.

Char Reavis: I just think this would be a great topic to discuss more at the next Board meeting because I think it is so interesting and I would love to dive deeper into it.

Jacob Fox: Thanks Char, let's just stay in communication with Joe and whether it should be before the SEDA board makes a decision or after, and have Courtney from the City of Springfield present on the proposals. I will connect with Joe between meetings to see what makes sense.

B. Approval of 3/17/21 Board Meeting Minutes

Motion: **Pat Farr**

Second: **Heather Buch**

The minutes are passed unanimously 7/0.

C. **ORDER 21-21-04-01H** — In the Matter of Authorizing the Financing and Development of The Nel in Eugene, Oregon (Nora Cronin, Project Development Manager) (Estimated Time 15 Minutes)

Nora Cronin: This is the property that we still have an option agreement with the opportunity to purchase the property at 1100 Charnelton and develop it as Permanent Supportive Housing, 45 units, largely modeled after The Commons on MLK.

Closing is targeted for May 12th. This is the final board order to get the financing and close on the financing to start construction.

Nora talks about the different loans and funding sources for the project.

The board order identifies the authorized representatives to negotiate the documents and sign.

The project will receive Project Based Vouchers for all of the units.

Todd Boyle asking a question in the Chat Box: Does ownership of the Nel revert to private ownership like so many other HUD/LIH after 15 years?

Nora Cronin: This project is owned by a limited partnership for the purpose of the tax credits. Homes for Good has the right of First Refusal on the sale of this, so when the Limited Partner goes to exit at year 15, Homes for Good would become owner of the project. This may be under the same name as the Limited Partnership, but it would be 100% fully owned by Homes for Good.

Jacob Fox: Just to add to that, normally that is done at no cost, sometimes investors want money from reserve accounts, but in our experience is they convey ownership to us for a dollar.

Pat Farr: I am intrigued by the comparison to The Commons on MLK, we have all toured that building, and I am curious how similar it will look. Are the floors and services set up the same?

Nora Cronin: Yes, we are using the same architect, and the general design of the units and the services will be the same. It is a 4-story building and the units will be on the upper three floors, same as The Commons on MLK. All of the studio apartments will be furnished, and the ground floor will be used for services, a property management office, a community room, laundry room, bike storage, etc. So the set up is very similar.

Joe Berney: Congratulations, this is a big deal. I just have a few questions: What is the dollar amount for the systems charge waivers for the City of Eugene?

Nora Cronin: Roughly \$198,000.

Joe Berney: Did you say that the development fee that is being waived, is this part of the financing?

Nora Cronin: We consider it part of the financing when we put it in our budget as sources and uses. But when we go to pay permits and fees the money doesn't actually change hands, it is just a journal entry in the City of Eugene. But we do consider it a project source.

Joe Berney: How much would the development fee for Homes for Good normally be in this type of development? And how much will it be.

Nora Cronin: In our budget we have a 1.5 million dollar development fee, of which we are deferring \$375,000 to be paid back during operations.

Joe Berney: So, the development fee for a project for Homes for Good is usually 11%?

Nora Cronin: Yes, this one is just shy of 12%.

Joe Berney: I have been advocating on this board to adopt a similar plan to Lane County's for Community Benefits Agreements, probably to the point of exhaustion.

Is it too late to do Community Benefits Agreements on this project? And when will we start incorporating that into our bidding?

Nora Cronin: I will answer the part about whether or not it is too late for this project and then I will kick it over to Steve or Jacob. Yes, it is too late for this project, we have already executed our contracts, the Essex contract has been secured for a while now, and everything is ready for us to start construction in 3-4 weeks.

Joe Berney: Essex actually won a contract from the County using this bidding process. So that company actually as a result of the County's bidding process, is providing full employer paid health insurance for every employee, which is huge.

Steve Ochs: I did reach out to Shawn and he provided a lot of the documents that Lane County is using. There are some differences we will need to navigate through and then bring it back to the Board. One of the things is that the County doesn't use the CMGC model for bidding, but Lane Community College does, so we are getting in contact with them to see how that is working. The other part is the federal dollars we are using, it is less related to our Affordable Housing projects, but more of our Capital Projects, when that team gets HUD money, we will have to work with our attorney to see how we can get them to work together.

The other thing we will have to think about is that when we go to apply for Tax Credits from the state, there is a per unit cap that they put on their funding. It is not a hard cap, but if you go over the cap you need to explain why, so in the past if we have had prevailing wage projects, or if it is lumber, we have to write that in.

Jacob Fox: Certainly, philosophically we fully support recycling money into our community, living wage jobs, paying healthcare for all family members for workers. When I start to think about developing in rural Lane County, the contractor profile is very different, and I just haven't wrapped my head around what smaller contractors doing smaller jobs in rural Lane County could look like.

Pat Farr: Clarifies the SDC fees being waved v being paid by the city.

Nora Cronin: They waive them for us, they pay them internally from one department to another in the City of Eugene.

Motion: **Heather Buch**

Second: **Laurie Trieger**

The motion has passed unanimously 7/0.

D. **PRESENTATION** — Quarter 1 Excellence Awards (Bailey McEuen, Human Resources Director) (Estimated 5 Minutes)

Jacob Fox: Explains the quarterly excellence award process.

Jeff Bridgens: Introduces Susie Obie as one of the excellence awards winners.

Susie Obie's skills and experience helps Homes for Good consistently every day. Her work is always balanced, supported, documented and as with any true accounting professional, accurate to the penny! I appreciate Susie's practical working knowledge of the Agency. She is dedicated, consistent and helpful when called upon. What started as a high school job has in fact turned into 41 years of service! Thank you Susie Obie for all you do!

Beth Ochs: Introduces Anna Collins as the second excellence awards. Anna is a Housing Specialist which means she runs a caseload of about 500 participants and does all of their annual reviews and interims.

But what really sets Anna apart is that she has become mentor extraordinaire, she in the past has mentored two Housing Specialists, but with the new growth of the organization with Federal funding, is mentoring four new Housing Specialists at once. She has set up a classroom style zoom. She gets a lot of great feedback from the new staff we are hiring. We quickly had to adjust to a telework environment and we have hired multiple new staff that we haven't met in person, and Anna has been able to make them feel super welcome, and has been able to get them onboarded and successful so that we can be of better service to the community. It is really great to see an employee go above and beyond their normal caseload.

Anna Collins: Thank you I really appreciate it and I love working with everyone here, it is an amazing agency and I love what we do for the community.

E. **WORK SESSION** — Governance (Jacob Fox, Executive Director) (Estimated 30 Minutes)

Jacob Fox: Greg Rikhoff is on the call today and I will let him chime in as the slides go on.

Jacob goes through the governance slides, talking about current structure, HUD rules relating to governance, and Oregon Revised Statutes related to Housing Authorities.

Jacob recommends a seven-member board with two Lane County Commissioners with a balance of urban and rural represented with at least two resident appointed commissioners.

Jacob recommends a recruitment and implementation timeline that would start recruitment in October of 2021 and election in January 2022.

Jay Bozievich: My greatest concern is that this is an Agency that spends public funds. This board distributes millions of dollars of public funds and reducing the amount of elected officials on the board is a non-starter for me. I strongly agree that we need to keep all five Lane County Commissioners on the Board, and I am happy to expand the total number to nine members to add some extra people so that we have more sub committees. I have an extreme problem with Lane Transit District, they even have taxation authority, but it is a completely appointed board, and is not responsive to the local community. How do you hold them accountable? That is my "anti-model" of how a board should be. So, if you are planning on reducing the amount of commissioners, that is a non-starter for me.

Pat Farr: I have been proposing a change in governance probably since before you started as Executive Director Jacob, and I am excited about looking at a new model. For an expansion of expertise, but also because the Board of County Commissioners clearly is a governing body of it, and even if we expanded to 9 members with 4 appointed, the Lane County Commissioners would still have the majority. That has been the concern for me. I am on a number of committees, that work with Affordable housing and Public Housing, and I think Lane County is a little bit exclusive as having all of the Commissioners as members of the Board of the Housing Authority. Usually a completely private board is running the Housing Authority and the County Board just has peripheral oversight. So for me spreading out the expertise and the membership, giving some more power and oversight to the non-elected officials is close to what other counties are doing.

I think other communities look to Lane County as a model for housing issues, and I think part of that is because of the close association that the Commissioners has with this board. As you mentioned this model, the County Commissioners would have appointing authority to appoint all of the members to this board, which keeps the County Commissioners in a fairly controlling position in making sure that the partnership between the government and the Housing Authority stays close.

I will say this also, that eight years ago, this Housing Authority Board was almost completely inactive. Commissioner Bozievich was at every single meeting, I was at every single meeting, most commissioners were not, so I am looking forward to the discussion from the other members, specifically the appointed board members.

Char Reavis: I really appreciate all of the comments so far.

She talks about the history of the board.

I firmly believe that we should always have at least 2 Lane County Commissioners on the board.

Heather Buch: I feel like this has been coming on for us from whenever I started in 2019. There has been a huge uptick in activity—in construction, and project activity, in real estate development which takes a great deal of expertise, and a great deal of oversight to make sure those projects go well and that every dollar is accounted for, and that we are abiding by the mission of the organization. There are several organizations around town that don't require them to have elected officials on them, even though they aren't required to because they are important to the community. I do feel like we need more voices, and different kinds of voices, and that would be a value to Homes for Good. I support a change, and I support the proposals that you brought forward for us today. I do want to take extra consideration with our appointed commissioners because they feel and interact with the agency on a daily basis. I would even support adding another Appointed Commissioner if there are folks that are interested.

Commissioner Buch talks about the perspective that appointed commissioners have and how valuable that is.

Joe Berney: This to me has been the 500lb elephant in the room since Jacob met with me about 2 years ago when Jacob met with me about why he wanted to do this.

I tend to agree with Commissioner Bozievich, and that if you don't have elected officials, you tend not to have the accountability. Point 2, in your PowerPoint presentation, the last thing you said is that there is public confusion, can you share what that confusion is and how that has affected the success of Homes for Good.

Jacob Fox: People confuse us as a division of Lane County, does that effect our business? Probably not, but it doesn't make it clear that we are a separate governmental entity.

Char Reavis: One thing that comes up for residents is that they feel like they have to go to their commissioner in their district instead of being able to go to this board because they don't realize that they are different entities.

Joe Berney: To me that is a messaging issue.

I don't see why we can't go with our same structure: 5 County Commissioners, 2 Appointed Resident Commissioners, and then add 2 more Appointed commissioners and expand the board to nine to expand the expertise.

Joe talks about expanding engagement through standing committees.

Laurie Trieger: As the newest member I think I have a little less grounding, but also less attachment to any particular model, and a set of fresh eyes.

Commissioner Trieger talks about keeping the end in mind: and the goal and the role of the board.

Commissioner Trieger touches on Jacob Fox's earlier point about funding and having certain funding sources tied to the diversity of the Board of Commissioners, which she points out as something to consider.

I think adding two more appointed Commissioners to the Board would be a minimum of what we should do. I may be in support of taking the bold visionary step in restructuring the board overall. I do have, depending where we land, some operational questions and concerns of how we would seek out those two additional seats. I heard a mix of urban and rural, but we are districted in such a way that that might provide certain limitations.

Michelle Thurston: Char and I interact with a lot of different Housing Authority board through different trainings, conference, and committees we participate in. Homes for Good is the only board that I am aware of that is majority-lead by elected officials. I know that Char has already spoken on this, but we run into it a lot that people think that this is an organization run by the county, even as residents. With the name change it has gotten better, but I think there is that perception that this is a Lane County run organization because our Board is primarily run by elected officials.

Jay Bozievich: I appreciate the concern about confusion, I get emails all the time about Lane Transit District and LRAPA because they start with "Lane." People get confused about levels of government.

What is important to me is the accountability aspect of having the full Lane County Board of Commissioners on the Homes for Good Board. Yes, other places don't have that, we are unique that way. But I think that is a good thing, it has made us strong. I would like to go to the maximum amount: Nine, if we could go to eleven I would say go to eleven where we aren't a majority of the board. But we can not remove the public official oversight of spending public funds. Elected officials bring their own level of expertise.

Commissioner Bozievich talks about elected official support for accountability in the County's discussion of redistricting, but not here.

Commissioner Bozievich talks about other board in Lane County that have a majority of elected officials on them that spend public funds: LRAPA, LCOG, etc.

Commissioner Bozievich talks about the other issues that arise if only two county commissioners are on the board: like how are those two selected from the five.

Commissioner Bozievich states that HUD and the state made these statutes for a reason to make sure there was accountability.

Heather Buch: I would just like to point out that there are a lot of different non-profit agencies that funnel a lot of public funds that don't have any requirement of having County Commissioners, and definitely not all of them, on their boards even though it may involve county funds. I don't see any reason to why we all have to be on the Board, it almost seems like a little bit of a power play that's not necessary, because there are a lot of qualified people in our county that adequately serve on and represent the people on that Board. I don't feel like we have to keep control by being on both boards. It is clear that things will come to the County Commissioners regarding Homes for Good and its governance no matter what. The whole point of making sure we have all the Commissioners on here just because we have public funds doesn't make sense to me when you see all the other agencies in our area that have no county commissioners on their boards with vast sums of public money serving through them. That argument just doesn't make sense to me.

Laurie Trieger: Commissioner Buch made most of the points that I wanted to make that county dollars, state dollars, federal dollars, flow through organizations of all manners and structures. I appreciate Commissioner Bozievich pointing out that HUD set the rules up this way for a reason, but HUD did not set it up that all of the County Commissioners have to be on the board, but that there has to be representation, and oversight, and there is nothing in this presentation that doesn't agree with that stipulation. I think the comparison about the redistricting is irrelevant.

Commissioner Trieger talks more about the redistricting for Lane County.

Joe Berney: I do feel that there are other options here, I agree with all the points that have been brought up, even opposing ones. Ultimately on an issue like this, I would defer to staff, and the reason I would is because they are giving their lives and careers and professions to making low income housing in Lane County.

Commissioner Berney Leaves at 2:52pm

Jacob Fox: I presented one option; we have discussed other options. I put out what my preference was, and I am not asking for a decision today. The board has been fantastic quite frankly, and the partnership is strong. Lane County Commissioners are always going to appoint the board, and they will also have the ability to remove board members. I just need more investment of time from the board members, or if we want to talk about advisory bodies or proxies.

I have been hesitant to ask for 10-15 hours of the Board Members time each month, because I don't think the County Commissioners have the time to give. So as an Executive Director that has worked with other organizations that have perfectly healthy and functioning boards that are appointed, I know that they work. I haven't dealt with malfeasants or dysfunctional boards from boards that were appointed by County Commissioners.

Pat Farr: As I said earlier I have worked with a lot of other Housing Agencies around the state, and with the acceptance of the Multnomah board, all other counties look to Lane County for their relationship with their non-profits, with their Housing Authorities, and Municipalities.

The relationship that has been built, however, I don't accredit to having all five county commissioners on the board, it has been because of the outreach from the executive director, offering ways to engage in partnership that have produced results.

Commissioner Farr talks about his past experience with the Board.

For me having two LC Commissioners on the board would still give the Commissioners oversight, and will not diminish the partnership, or stop the envy that has come from 32 other counties in the state of Oregon.

Things have changed since I first proposed a governance structure, however, the need for a greater representation on this board is still there.

Jay Bozievich: Talks about the difference of non-profits getting money through contracts already being voted on by LC instead of Homes for Good who gets direct money from HUD that is not voted on.

Talks about how having the whole LC board on the HFG Board has strengthened the county's stance and buy-in on housing issues and weaving it into the County's strategic plan.

I think we should go with a member board nine, I wish we could go to eleven, but that is statutorily restricted.

I have a strong belief that we need to keep all five Lane County Commissioners on the Board.

Greg Rikhoff: These are good days with remarkable engagement, and we know that the County Commissioners knowledge, experience, and accountability is tremendous. And I think in the past there has been time that those have been lacking. The thinking we had in supporting Jacob and Homes for Good is that the time to look at repairing the roof is when it is dry—when things are going good, when you have the team you want, the Executive Director you want, when you have strong board engagement. I think as we think about capacity issues for the board, I know that you are all very committed, but it is a conversation worth having.

Heather Buch: I just want to note that although there is one very impassioned plea to keep all elected officials, it does look like there is strong support from this board to move forward. The vote and solution might not be unanimous, and I am happy to have more conversations, but that we could move forward.

Char Reavis: Talks about resident experience, and conversations with other residents who would like to come to the board with questions or concerns that they have had issues trying to get residents to bring them to the board, but how many of them are intimidated by the board because of the number of elected officials.

Jacob Fox: If this is going to move forward, this conversation would need to shift from the Homes for Good Board to the Lane County Board who would ultimately make the decision. I do think it would be healthy to have one or two more discussions as the Homes for Good Board and talk about some different structure options.

Char Reavis: I just wanted to take this opportunity to point out that right now our by-laws only have a removal procedure for appointed commissioners, and no way to remove County Commissioners from the board. That has always bothered me, and that there should be accountability all around. I just feel that it is unfair that the appointed commissioners have to live under a set of rules that others don't. I think this is actually a ORS rule that Michelle and I will need to go to the state about to change as well.

Jacob Fox: Even if the structure stays the same, we will need to revise our by-laws, they are very generic and they need a pretty comprehensive change.

Jay Bozievich: Talks about the recall election process which can occur at any time, and how elected officials can be removed every four years.

7. OTHER BUSINESS

Adjourn.
