

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.

Wednesday, September 29th, 2021 at 1:30pm

To prevent the spread of COVID-19 Homes for Good conducted the September 29th, 2021 meeting via a public video call with dial-in capacity. The public will be able to join the call, give public comment, and listen to the call.

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.)

None.

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

Char Reavis: I just wanted to thank the staff for the wonderful budget book that we received in the mail. It's amazing and thank you for taking the time to do that for our board.

Laurie Trieger: Depending what route I take, I can go by The Keystone on my way in, and by The Nel on my way home every day, and it's just been so much fun. The other day, I went by The Keystone and the folks had their blinds up and I could see a family sitting around the table having a meal as I was driving. It gave me a good feeling in my heart, and then just watching the walls starting to go up on The Nel, it's really exciting and it's fun to get to go by that several times a week.

3. ADJUSTMENTS TO THE AGENDA

None.

4. COMMISSIONERS' BUSINESS

Commissioner Joe Berney dropped off the meeting due to technical difficulties at 3:09pm and was excused.

5. EMERGENCY BUSINESS

None.

6. ADMINISTRATION

A. Executive Director Report (Estimated 10 Minutes)

Jacob Fox asks **Beth Ochs** to give an update on Rent Assistance.

Beth Ochs gives an update on Per Unit Costs and how those have been affected by COVID-19, the application for HUD set-aside funds, and that Homes for Good has received set aside funds from HUD. Beth also gives an update on Homes for Good's distribution of the 6.8 million dollars from the State Rent Assistance Program and 3.6 million dollars from the County Rent Assistance Program. She also gives an update on the progress in issuing the 184 Emergency Housing Vouchers that have been allotted to the Agency, 149 of which have been issued already.

Jacob Fox talks about the larger context of OHCS's struggles to distribute the State Rent Assistance Program across the state and them struggling to work with Community Based Organizations. He expresses his concern of OHCS's plan to re-centralize those funds and no longer have organizations like Homes for Good do this work.

Joe Berney: But if what you said is correct and it's not efficient operationally, and the only glimmer of hope, I'm using your words, was Lane County, then it kind of makes sense, sadly, right? I guess do we want disfunction locally, or do we want it at the state level?

How do you see this playing out, and what should we do about it with local capacity?

Jacob Fox: Well, I think as this Board knows, there's something special in terms of the connection between Lane County and Homes for Good. I think the reason why the rest of the state's been challenged is because the partnership between the local housing authority and the County isn't as strong. For me, Joe, when we distributed all the Landlord Compensation Fund, we scaled that up, that money is all distributed, and housing authorities efficiently did that across the state. So, I feel like the State needs to really lean on housing authorities to be part of that distribution network, and they don't seem to be doing that, and there's conversations happening about that.

Joe Berney: How can we assist you as it relates to the outcome of those kinds of decisions here?

Jacob Fox: Let me give it some thought and get back to you.

Pat Farr talks about advocacy at the County level.

Laurie Trieger: From my understanding... some of this is sort of growing pains and a Catch-22 around wanting to engage CBO's (Community Based Organizations) more, but them not having the capacity because we haven't supported them in the past. It's a little bit of catching up resources with values, and so you want to give CBO's the chance to do something, but they're not resourced to do it well, and then you take it back from them because they didn't perform, because they didn't have the resources, and it's sort of this vicious cycle. Is that something that's in play here at all?

Jacob Fox: I think so, I also think there's a vision of growing a centralized Housing Finance Department at the state level and to retain as much of the funding and the administrative overhead as possible. So, I think that's also a factor.

Steve Ochs gives an update on the geological assessment at the Lazy Days site, and how it is not a high or medium hazard, which means Homes for Good can move forward in pursuing purchase of the site. He also gives an update on the septic system on the site which have been inspected and repaired as part of the due diligence process.

Jacob Fox gives an update on another parcel in Blue River that is in the process of being donated to the McKenzie River Trust which he has been in conversations about building more Affordable Housing on an additional portion of this parcel.

*Jacob Fox gives an update on the executed purchase and sale agreement of a 6.88 acre parcel in Florence which Jacob will come back to the board in October to discuss, and then **Steve Ochs** gives a description of the parcel.*

Joe Berney: Does staff have a vision for what will go there?

Steve Ochs talks about how currently there is not a set plan, but the Agency will be doing some staff and partner engagement in Florence to help determine partnerships and ideal population.

Char Reavis asks about a potential community meeting for feedback in Florence.

Jacob Fox gives an update on moving forward on the Four Corners project with Sponsors Inc.

Jacob Fox gives an update on conversations with Lane County Health and Human Services and Pacific Sources to be able to use the CCO's reserve funds, which they are required to have by the state, to use as a revolving a pre-development and acquisition fund.

B. Approval of 8/25/21 Board Meeting Minutes

Motion: **Pat Farr**

Second: **Joe Berney**

The minutes are approved unanimously 6-0 with Commissioner Jay Bozievich abstaining.

C. **ORDER 21-29-09-01H** — In the Matter of Approving the Move to Work Cohort #4 Application (Beth Ochs, Rent Assistance Division Director)

Beth Ochs gives a background of the Move to Work Program and the process Homes for Good has taken thus far to create their application for Cohort #4. She talks about the potential programmatic changes that would happen if Homes for Good is designated as a Moving to Work Agency.

Char Reavis: How would this affect money received from the potential Infrastructure Bill that may be passed?

Beth Ochs: I don't think it would impact the receiving of funding, but what it would do would un-silo that funding. So right now, for example, the operation funds of Public Housing and the admin fee of the Rent Assistance Program, those two funding sources can't be commingled under a Public Housing Agency. Under Move to Work, they can be co-mingled. So, if you wanted to mix those to make an

enhanced Resident Services Program or pool funds together to create a different housing subsidy or additional housing, the Moved to Work program allows for that, which is one of the key benefits of going to Move to Work.

Jacob Fox: The movement Federally, up until this administration has been to get Housing Authorities to change Public Housing to the Section 8 platform and to fix up all Public Housing buildings using tax credits and loans, but with the current administration, there seems to be the possibility of a significantly renewed commitment to the Public Housing portfolio, so we're watching what's happening closely through the different industry groups, and if there was a re-investment in Public Housing, and we decided to stay in the Public Housing Program into the future, the Moving to Work status wouldn't change anything.

Heather Buch: I'm really excited about the two items and this that we're posing here, I'm very curious because on the first one, which is being able to inspect the unit prior to somebody applying and then getting it approved. I can tell you now, that management companies will love this because it's just the time lag of waiting to approve somebody and then trying to get some by scheduled and they want to fill their units faster, so that will really help fill those units faster. Although I have to say, I did not know that that was some kind of requirement on that. That you have to operate, or that is set somehow, for the Housing Authority, I knew that that was the way that it worked, and that was a challenge for management companies, and this would greatly help that. The question really is, what is it that currently makes it so that you have to wait until an applicant is approved to schedule that?

Beth Ochs: There are two key factors require us to wait. One is capacity, so with current staffing levels and funding levels, we don't have the luxury of inspecting units with the intent that somebody may move into them, if we were to go to every three year for at least a portion of our portfolio, that would allow us to build in some of that capacity, and then the other factor is that there are regulatory time frames that are removed under Moved to Work, about how much time can lapse between an inspection being done on an empty unit versus a tenant leasing up, and that's around five days because HUD requires the PHA to take action on the Request for Tenancy Approval within that time frame, so there's a gray area with HUD about, if we inspect this unit before someone's declared interest in it, then how long is that inspection good for, and HUD is not clear on that really, because HUD's expectation is that you're not even in inspecting the unit until the tenant has declared interest in it. So, under this cohort, there is clear guidelines and parameters that allow a PHA to inspect it in the way that it's written in the cohort, is that essentially as long as it's not occupied in between the time the PHA inspected it and the subsidized tenant moves into it, then the inspection would be counted as eligible, so we see as one of the biggest perks is that it gives actual clarity and provides a clear statutory pathway for us to do that.

Char Reavis: I just wanted to say, if we move to Moving to Work, into the Section 8 model, what's that going mean for people who live in Public Housing? Because Section 8 doesn't have all of the same disregards as Public Housing, in other words, is it going to raise their rent?

Wakan Alferes: I think there's kind of two things going on, and they do somewhat intertwine. The process of working to apply for Moving to Work just gives us a kind of agency flexibility and will be part of this specific cohort that we're applying to. Separately, the RAD future of Public Housing, I think is slightly different. And so, I think that's kind of more what you're talking about Char, is if we go Public Housing or a Section 8 funding stream in the future, how would that impact Public Housing, and that

we're not quite there yet. For Moving to Work, that wouldn't impact Public Housing. So, for that piece (RAD) we will definitely circle back and talk more with residents about that in the future.

Laurie Trieger: If I'm remembering right from the packet, it said, this is a competitive process and they're looking to add a 100 new agencies. So, I'm curious what our sphere of competition is, are we competing Regionally or Nationally?

Beth Ochs: We are competing nationally. The way that this particular cohort is working, is that we have to meet the application requirements, which closes the public process and with this resolution, and then the packet itself, and then as long as we've met those requirements, then were put into a general lottery and then it's more of a random selection process at that point to then give Move to Work status from the PHAs selected from that lottery.

Laurie Trieger: It's less that it's competitive, and more that it's a randomized selection of people deemed eligible, so there's a screening first, and then there's a fingers crossed.

Beth Ochs: Correct.

Laurie Trieger: And do you know what's the timeline of when will we know, or how many PHAs are applying?

Beth Ochs: I don't, and I'm apprehensive to even take a guess based on the fact that prior cohorts have kind of stalled out and not even gone on to further process, so, they sort of more or less cancelled out the cohort that came before this. They started the process and then they're like, "No, we're not going to do this", and then they moved on to Cohort 4. So, I don't have any idea of the timeline going forward, I'm hopeful that they'll see this process the whole way through, I think there's a lot more interest in this particular cohort, at least for us as a Public Housing Agency than there was on like say, Rent Reform under Cohort 2, to our Work Requirements under cohort 3.

Laurie Trieger: If I'm understanding, I'm trying to wrap my head in on this, this isn't necessarily going to allow us to do new work, it's going to allow us to do work we do in a different way, hopefully a more effective and a more streamlined, efficient way and with some different kinds of supports or criteria for how we structure the work, is that accurate?

Beth Ochs: Yes, but I think it also allows us to do better work because we have that statutory flexibility under Move to Work. So for example, there's also options under Move to Work for streamlined ways of getting income reviews done for Section 8 Voucher holders, so if we were, say, allowed to implement a policy like that and streamline that process, that we could keep our same staffing levels, but then those staff could be more available for one-on-one appointments for doing rental references if you're wanting to move to more education, so I think we would be able to do what I think at the public level would be seen as "new work", but with the same potential funding levels and the same amount of staff that we have now, because we would have that regulatory relief and some the things that we function and now that could be streamlined down under some of the aspects of that Move to Work operation manual.

Laurie Trieger: So fundamentally, this is systems change work is what this is, if it happens.

Beth Ochs: Yes.

Joe Berney about how the Governance change would affect this, with the PHA not being connected to Lane County.

Jacob Fox: The answer to that's more nuanced because Homes for Good, will always be connected to Lane County because once the governance change is implemented, there'll still be two County Commissioners on the board, and under Oregon Revised Statute, Lane County will always be the governing body for Homes for Good, and have the power to appoint the Board.

Joe Berney: Okay, so Lane County will be the governing body for the governing body of Homes for Good?

Jacob Fox: Yes.

Motion: **Pat Farr**

Second: **Heather Buch**

This motion is approved 6-0 with Commissioner Jay Bozievich abstaining.

D. **ORDER 21-29-09-02H** — In the Matter of Adopting the 2021-2022 Budget (Jeff Bridgens, Finance Director) (Estimated Time 50 Minutes)

Jacob Fox gives highlights from his Executive Directors Message. He talks about the changes in the budget over the past year since the Agency received a number of unexpected funds due to the Pandemic. He talks about the line staff growth, and the need to increase staff in some of the managerial and support roles to compensate. He also talks about the Strategic Equity Plan, and Emergency Resilience Planning and how those will be woven into this budget, and budgets to come.

Jeff Bridgens talks about the growth of the Agency budget from 32 Million in expenditures in 2018 to 52 Million this year for FY22, much being attributed to new programs.

Jeff Bridgens talks about the layout and key changes in the Budget Document. He explains the color coding of the sections, and the summary page for each section. He talks about some of the nuances of restricted, un-restricted, and some programmatically restricted funds. He then points out the new "All Agency Summary" Appendix.

Jeff Bridgens talks about the breakout of budgets in the Rent Assistance Section. This budget used to just be "Housing Choice Vouchers" and now it is separated into the different Voucher Programs including "Mainstream Vouchers," "Emergency Housing Vouchers," and the "Landlord Compensation Fund."

Joe Berney: You mentioned a couple different types of vouchers, but vouchers are always money that is being used to pay rent, correct?

Jeff Bridgens: Correct.

Joe Berney: And what is the dollar amount of the vouchers, not the staff, but the vouchers and the money being injected that way into our community?

Beth Ochs: For Housing Choice Vouchers (HCV), the average is about \$595 per voucher per month. The Mainstream Vouchers have a very similar per unit cost to the HCVs, but the Emergency Housing Vouchers, because they have a different funding stream and payment standard that is higher, we anticipate a higher per unit cost. This document (the budget document) focuses more on the

administrative fees, and the not the HAP (Housing Assistance Payments) which is the money being pumped into the community.

Joe Berney: I would at some meeting like to know that aggregate dollars that is being injected into the local economy. My other question is Landlord assistance—if we are giving money to a Landlord that is Landlord assistance, but what do we mean by “Landlord Assistance” ?

Jeff Bridgens: We are estimating providing approximately 20 Million in Housing Assistance Payments this year.

Joe Berney: Now Landlord Assistance, that’s different?

Jeff Bridgens: It is. The voucher money does go directly to landlords, but the “Landlord Compensation Fund” is a fund that we have been involved with from the State, and it is different in that it is making landlords whole from lost rents.

Joe Berney: So that could be even with vouchers, there is lost rent? So, then this would backfill that?

Beth Ochs gives an overview of the State Rent Assistance Program, and the lost rent that the Landlords can apply to get compensated for due to tenants not paying rent during the pandemic.

Laurie Trieger: Is there any matching up if the Landlord is receiving funds from the Landlord Compensation Fund, and the tenant is receiving aid from another program like the County Emergency Rent Assistance (not an ongoing subsidy)? Could one unit be receiving help from both of those funds?

Beth Ochs: Yes, it is possible, and we have seen it happen with some applications. The landlord and the tenant both have access to different pots of money, and when they apply, they declare that they are not going to be made whole from a different source, but in practice what we have seen is both the landlord and the tenant applying at the same time unknowingly of each other. So, we have had that, and OHCS is working on procedures of how to return those funds because landlords have reached out and said they don’t need the funds anymore.

Heather Buch asks a clarifying question about the “Materials and Services” line, and if that is the HAP.

Jeff Bridgens clarifies that, although that line includes HAP, it also includes any material expenses that are not personnel expenses.

Jeff Bridgens gives an overview of the Supportive Housing Section of the Budget Document. He talks about the new budgets of Bridges on Broadway, The Keystone, Munsel Park (a blended component unit), and Legion Cottages. He then gives an overview of the Community Services Section which includes Real Estate Development activities are in. He talks about the effects of the RAD Home sales in the budget.

Jeff Bridgens and Esteban Chacon Montero talks about the Energy Services budget and the work with Lane County to include both Heating and Cooling into the “Heat Crisis” program.

Char Reavis and Michelle Thurston expresses confusion over Munsel Park being considered “Supportive Housing” when it is a Public Housing complex.

Jeff Bridgens talks about the switch of Munsel Park after 15 years moving from a Tax Credit property, being considered a "Discreetly Held Component Unit," into a Homes for Good managed budget.

Jacob Fox talks about the terminology difference between "Permanent Supportive Housing" in projects like The Nel, and The Commons on MLK, and "Supportive Housing." He talks about the renaming of the "Property Management Division" into the "Supportive Housing Division" when Wakan Alferes came on board and combined Property Management and Resident Services into one coordinated division.

Jeff Bridgens goes over the Central Office Cost Center budget, and the increase in personnel in this budget. He talks about how the COCC uses the "Asset Management Model" that essentially charges fees to the other divisions/program of the agency, and the rates are determined by HUD. He talks about the gaps in COCC funding coming directly from unrestricted funds from Real Estate Development.

Jacob Fox talks about the unique support positions that the agency is able to have from the Developer Fees from Real Estate Development, which creates a drive to continue building new affordable housing.

Motion: **Pat Farr**

Second: **Char Reavis**

This motion is passed 6-0 with Commissioner Joe Berney excused.

- E. **ORDER 21-29-09-03H** — In the Matter of Approving the Public Housing Operating Budget for the Fiscal Year Ending September 30, 2022 (Jeff Bridgens, Finance Director) (Estimated Time 10 Minutes)

Jeff Bridgens: This is a requirement with HUD, so all of these budgets are the same as what we just approved in the last order, it is just taking out and approving the Public Housing and the COCC as part of HUDs requirement for our operating subsidy application every year.

Motion: **Pat Farr**

Second: **Heather Buch**

This motion is passed 6-0 with Commissioner Joe Berney excused.

7. OTHER BUSINESS

None.

Adjourn.