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HYBRID BHA MINUTES

MINUTES OF THE HYBRID REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF BREMERTON HOUSING AUTHORITY (BHA) HELD AT 5:30 PM ON JUNE 24, 2024.

1. **CALL TO ORDER:** Meeting was called to order at 5:30 p.m.

2. **ROLL CALL:**

Present:

Chair Jeff Flood

Vice Chair Ryan Burton

Commissioner Joan Hanten

Commissioner Diane West

Commissioner Susie Beil

BHA Staff Present:

Jill Stanton, Executive Director

Andi Reed, Housing Director

Windy Epps, Finance Director

Carlita Alegria, CMS Director

Tim Schanne, Business Solutions Director

Tory Quinn, Director of Development and Acquisitions

Katie Sharp, Communications Manager

Lorna Camacho, Office Manager/Executive Assistant/Minute Taker

3. **PUBLIC COMMENT:** None.

4. **CHAIR COMMENTS:** Chair Flood apologized for having to miss the Evergreen Bright Start Ribbon Cutting ceremony. And thanked Commissioner Hanten for stepping in his absence.

5. **COMMISSIONER COMMENTS:** None.

6. **APPROVAL OF CONSENT AGENDA:** All items listed under the "Consent Agenda" are routine and will be enacted **by one motion** unless a commissioner so requires, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

6.1 Approval of Regular Minutes: April 29, 2024

6.1.1 Approval of Housing/Business Solutions Committee Minutes: April 18, 2024

6.2 Approval of Cash Disbursements –

April, 2024: \$22,951,104.39

May, 2024: \$22,976,283.06

- 6.3 Approval of Write-offs for Multi-Family/Housing Department -Tenant Accounts Receivable –
April, 2024: No Write offs
May, 2024: \$13,376.00
- 6.4 Approval of Write-offs for the Section 8 Housing Choice Voucher program -
April, 2024: No Write offs
May, 2024: No Write offs
- 6.5 Approval of Write-offs for the Landlord AR Section 8/Housing Choice Voucher Program -
April, 2024: No Write offs
May, 2024: No Write offs

☞ **Chair Flood called for a motion to approve the Consent Agenda as presented. Commissioner Hanten moved for approval of motion. Vice Chair Burton seconded the motion. Chair Flood called for question. None opposed. Motion carried.**

7. EXECUTIVE DIRECTOR’S REPORT:

7.1 Executive:

7.1.1 Executive Director’s Report: Comments by Ms. Stanton.

1. **Residents and Participants:**

Our Housing Choice Voucher (HCV) referral program is up and running. We have over 160 referrals. This has been overwhelming for our staff, but we are doing our best to get people processed as quickly as possible.

We are holding a clean-up day at Bay Vista on July 12, 2024, followed by a barbeque. The clean-up starts at 10:00 am and the barbeque will follow at Periwinkle Park around noon. Staff, staff families and residents are encouraged to participate. The Admiral Theater will be hosting a “Concert in the Park” at Periwinkle Park in Bay Vista on July 14, 2024.

2. **Partners and Advocates:**

In the last couple of months, we experienced several challenges regarding the Evergreen Bright Start project, but we finally got it done. Ms. Stanton would like to acknowledge how hard the Business Solutions team worked on this project in putting this event together. This event has allowed us to position ourselves out in the community. Special thanks to Tim Schanne and his team (Katie Sharp, Michael Stevenson and Christie Ho). We are pleased to use this as a model going forward.

We will probably delay moving in residents until August as there is still a lot of hiring, training, policy and logistics work to be done. We did have our first meeting

with Apple Health and Homes Program. We found that we must be aligned with the law. As the law does not fit with young adults. Foundation community support will be one of our challenges. There is no pressure to occupy units quickly and we want to ensure we do it right.

We have made significant progress on potential purchase of the property on Wheaton Way. We will discuss this in more detail during the Executive Session.

We did receive another six-month extension to our CMS contracts and have reason to believe we will receive another extension in six months.

3. **Financial Strength:**

We have issued RFPs for both lenders and investors for our RAD conversion. The terms have come in slightly more favorable than originally anticipated. Our closing date on this transaction is tentatively scheduled for December which means the construction will start in early 2025. We are getting staff ready and hiring more staff to handle the additional workload.

We have been pursuing various acquisition and development opportunities and with the hiring of a Director of Development and Acquisitions, this work will expand. Before we can begin, we need to understand the direction we want to take. We would like to host a half day retreat dedicated to strategies and goals for growing our housing stock and our voucher program. We will begin to work on date that works with the Boards schedule.

4. **Organizational Capacity:**

We hired a Director of Development and Acquisitions. Her name is Victoria (Tory) Quinn. She comes to us highly recommended from several sources in the industry. Tory has extensive experience in affordable housing lending, acquisition, tax credit, grants, and financial analytics. Ms. Quinn will be helpful as we go through the RAD conversion, especially as it pertains to financial work involved. Ms. Quinn has always wanted to return to development. Ms. Quinn is thrilled to be here and knows she can make an impact. We are all excited to have her on board and look forward to working with her.

We will be holding our annual employee appreciation event at Evergreen Park on July 17, 2024, from 11:30 am to 1:30 pm. This day happens to be BHA's actual 84th birthday so we are going to have a birthday theme. We always appreciate having our Board of Commissioners attend this event.

5. **Other Reports:**

We are still working on finding a Resident Commissioner to serve on our Board. One person expressed interest at the RAB meeting and was provided with the

information to apply. We did receive one other application, who is a resident of Housing Kitsap not BHA and, therefore, ineligible for the position.

~~7.1.2 Resolution B24-10 Authorizing the Executive Director to Enter into Purchase and Sale Agreement for Wheaton Way property~~

7.2 Finance: Comments by Ms. Epps.

7.2.1 Financial Report for the Second Quarter of FY 2024

The Finance Committee met on June 20, 2024, to review the financial performance of the Bremerton Housing Authority (BHA) for the second quarter of fiscal year 2024 (FY24). Ms. Epps presented the Board with an overview of the cash position to include a breakdown of the cash reserves, investment and total. Cash reconciliation looking at net income which is reflected and tied into all our statements. With a decrease to cash due to the acquisition of the Evergreen Bright Start grant.

7.3 Housing Management: Comments by Ms. Reed.

7.3.1 Tenant-Based Occupancy Report – Housing Choice Vouchers, SRO Project Based, SHP, and TBRA

1. Housing Choice Vouchers including HAP Expenses, Vouchers Utilized, and Per Unit Cost
 - HAP Expenses will continue to increase. We have between 150-160 applicants who are in the process of finding units to lease up. BHA has received many requests for rent increases from landlords. Which will impact the cost for HAP.
 - The Per Unit Cost is the difference between what we are currently paying per unit and what HUD is paying us in HAP to pay per unit. Currently, we are not using all our vouchers, and are able to afford the per unit cost. We recently pulled 300 applicants off the waitlist. If we had all our units leased up at the current per unit cost, we would be spending over \$2 million per month. At the current funding level, HUD would pay over \$1 million. To fully utilize all our vouchers, we would need an increase in funding of \$630,000 per month. In addition, we will not get to fully utilize our vouchers. But our goal is to ask HUD for additional funding. We are spending more than we are receiving.
 - We anticipate the number of vouchers utilized to begin to increase with the processing of HCV waitlist applicants and partnering agency referrals. The team working on this project has started orientations every two weeks and issuing vouchers.

2. HCV Vouchers Issued Not Under Contract:

- There should be a sharp increase in this number beginning in June. We have pulled 200 people from the HCV waitlist and have 140 applications being processed for eligibility. Orientations are being done every 2 weeks. Fifteen vouchers have been issued in the last week of May and first two weeks of June. The partnering agencies continue to refer applicants, and other agencies have requested MOUs.

3. VASH:

- We were recently told by the VA that, because of staffing issues, the VA would stop referring applicants to BHA. The VA is putting a hiring freeze in place on a national level. Our VA contact said they would increase the caseloads of their staff slightly, but each participant requires significant attention. The VA recently asked PHAs to become or partner with a Designated Service Provider (DSP). The DSP would case manage any participants in our program. While we like this idea and would love to participate, this program has no funding attached, and BHA doesn't have the capacity or funding to take on this role.

4. Port Outs:

- The decrease in HAP expense and Vouchers utilized was a result of going into shortfall. Because we needed to reduce expenses, we asked the Housing Authorities accepting the port to absorb the cost instead of billing BHA. We have since started requesting that we be billed for the port so we can keep the voucher in our count.

5. Continuum of Care:

- This program is operated by Kitsap Community Resources (KCR) with funding and oversight provided by BHA. KCR has had staff turnover in their program, as has BHA. Leif Wagner, the Community Connections Manager, has been working closely with KCR to review the services and programs they provide that impact BHA and its participants and to determine how BHA can best support them. There are applicants who are eligible for this program, so we should begin to see this number increase.

6. Single Room Occupancy – HAP Expenses and Vouchers Utilized:

- We recently determined that the letter BHA required to implement the 2023 rent increases was never received. While we had talked to HUD about this letter and they confirmed that the money was budgeted (the increase in funding in October 2023), the increases didn't flow through to the property because staff hadn't received written authorization from HUD to institute the increase. After several conversations with various departments at HUD, our field office was able to obtain the letter for 2023 as well as 2024. These rent increases for Max Hale will be effective retroactively, and those expenses be closer to budget in the next month or so.

7. TBRA:

- BHA recently signed a partnering agency MOU with Turning Pointe located in Mason County. We did receive our first referral from Turning Pointe. We will utilize TBRA vouchers when referrals come through. We hope to enter an MOU with DCYF to provide vouchers to families who meet the requirements established by HUD's Family Reunification Program (FUP). We will utilize TBRA vouchers before using regular vouchers.

7.3.2 Property Vacancy Report

We continue to work on water damage claims. Most recent was at the Summit. With several units still under repair from previous water damage claims. Some units were tested positive for meth. Cleanup costs \$7,500. Maintenance working hard on turning units quickly. As we prepare for REACT inspection in the coming weeks. But we are seeing improvements.

7.3.3 Resolution B24-11 Approval of Revisions to the Administrative Plan

The Housing/Business Solutions & Finance/CMS/Personnel Committee met on June 20, 2024, to discuss the HOTMA changes that will be incorporated to the Administrative Plan.

- ☞ **Chair Flood called for a motion to approve Resolution B24-11 Approval of Revisions to the Administrative Plan as presented. Commissioner Beil moved for approval of motion. Commissioner West seconded the motion. Chair Flood called for question. None opposed. Motion carried.**

7.3.4 Resolution B24-12 Approval of Revisions to ACOP Plan

The Housing/Business Solutions & Finance/CMS/Personnel Committee met on June 20, 2024, to discuss the HOTMA changes that will be incorporated to the ACOP Plan.

- ☞ **Chair Flood called for a motion to approve Resolution B24-12 Approval of Revisions to ACOP Plan as presented. Commissioner Hanten moved for approval of motion. Vice Chair Burton seconded the motion. Chair Flood called for question. None opposed. Motion carried.**

7.3.5 Resolution B24-13 Approval of Submission of BHA 5-Year Plan

The Housing/Business Solutions & Finance/CMS/Personnel Committee met on June 20, 2024, to discuss our intentions for the next 5 years.

- ☞ **Chair Flood called for a motion to approve Resolution B24-13 Approval of Submission of BHA 5-Year Plan as presented. Vice Chair Burton moved for approval**

of motion. Commissioner Beil seconded the motion. Chair Flood called for question. None opposed. Motion carried.

7.3.6 Resolution B24-14 Approval of Submission of FY 2025 Annual Plan

The Housing/Business Solutions & Finance/CMS/Personnel Committee met on June 20, 2024, to discuss the FY Annual Plan that provides HUD with updates on our process on the 5-Year Plan.

- ☞ **Chair Flood called for a motion to approve Resolution B24-14 Approval of Submission of FY 2025 Annual Plan as presented. Commissioner Beil moved for approval of motion. Commissioner Hanten seconded the motion. Chair Flood called for question. None opposed. Motion carried.**

7.3.7 Resolution B24-16 Appointment of Selected BHA Resident to the Resident Advisory Board

The Housing/Business Solutions & Finance/CMS/Personnel Committee met on June 20, 2024, to discuss the interest of the application received.

- ☞ **Chair Flood called for a motion to approve Resolution B24-16 Appointment of Selected BHA Resident to the Resident Advisory Board as presented. Vice Chair Burton moved for approval of motion. Commissioner West seconded the motion. Chair Flood called for question. None opposed. Motion carried.**

7.4 **Human Resources:** There are no HR items.

7.5 **Contract Management Services:** Comments by Ms. Alegria.

7.5.1 Resolution B24-15 Authorizing the Executive Director to Execute a Service Contract between the Washington State Department of Commerce and BHA for Physical Inspections and Management & Occupancy Reviews for Washington's 811 Program.

The Housing/Business Solutions & Finance/CMS/Personnel Committee met on June 20, 2024, to discuss Resolution B24-15 in detail.

- ☞ **Chair Flood called for a motion to approve Resolution B24-15 Authorizing the Executive Director to Execute a Service Contract between the Washington State Department of Commerce and BHA for Physical Inspections and Management & Occupancy Reviews for Washington's 811 Program as presented. Commissioner Hanten moved for approval of motion. Commissioner Beil seconded the motion. Chair Flood called for question. None opposed. Motion carried.**

7.6 **Business Solutions Reporting:** There are no BS items.

8. EXECUTIVE SESSION:

8.1 Potential real estate purchase per RCW 42.30.110(1)(b). This portion of the meeting was closed to the public.

The Executive Session commenced at 6:26 p.m. for a period of 10 minutes. The session continued for another 27 minutes and adjourned at 7:03 p.m. Regular portion of board session reconvened at 7:04 p.m.

9. UNFINISHED BUSINESS: None.

10. NEW BUSINESS: None.

11. FUTURE 2024 REGULAR MEETINGS: (No July Board meeting) August 26, 2024

No Committee and/or Board meeting to be held in July. Reports submitted for approval in July will be presented at the August 2024 Board meeting.

12. ADJOURNMENT: There being no further business, the meeting was adjourned at 7:05 p.m.

Gill Stanton

Executive Secretary

[Signature]

For

Chair of the Board

SEAL

