

HOUSING
ADVISORY
COMMITTEE



Thursday, July 28, 9:00 a.m.

**Housing Authority of
Washington County
Department of Housing Services
111 NE Lincoln Street, Suite 200-L
Hillsboro, Oregon 97124**



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Next Meeting:

August 25, 2011
Department of Housing Services, Conference Room
111 NE Lincoln Street, Suite 200-L
Hillsboro, Oregon 97124

2011 Meeting Schedule
July 28
August 25
September 22
DATE CHANGE:
Friday, October 7 - Retreat
October 27
November 17
Friday, December 2 - Luncheon



HOUSING ADVISORY COMMITTEE
Department of Housing Services
July 28, 2011 at 9:00 A.M.

AGENDA

- I. ROLL CALL**
- II. ACTION – APPROVAL OF MINUTES**
 - A. June 6, 2011 Meeting Minutes
- III. DISCUSSION - ORAL COMMUNICATIONS and MEMBER UPDATES**
- IV. ACCEPT - REPORT OF SECRETARY**
 - A. Financial Statement: Year-to-Date Income Statements
 - B. Section 8 and Low Rent Public Housing
 - C. Affordable Housing
 - D. Special Projects
 - E. Report on Homelessness
- V. OLD BUSINESS**
- VI. NEW BUSINESS**
- VII. ADJOURNMENT**



MINUTES
HOUSING ADVISORY COMMITTEE OF WASHINGTON COUNTY
June 6, 2011, 1:00 PM

Washington County Department of Housing Services – Juvenile Services Building
111 NE Lincoln Street, Suite 200-L, Hillsboro, OR 97124 – Housing Conference Room

COMMITTEE MEMBERS PRESENT

Ramsay Weit Peter Hainley
Laurie Butler
Ron Lehr
Juliet Parrott

COMMITTEE MEMBERS ABSENT

Carol Gakin Renee Bruce
David Nase Donna Pottle

STAFF PRESENT

Val Valfre, Executive Director
Kimberly Armstrong, Management Analyst
Michael O'Neill, Finance Manager
Gary Calvert, Asset Manager
Annette Evans, Homeless Programs Coordinator

Vice-Chair Butler called the meeting to order at 9:02 a.m.

I. ROLL CALL - A quorum was present.

II. ACTION - APPROVAL OF MINUTES

Peter Hainley noted two corrections to the March 24 minutes, in the discussion of the Affordable Housing Policy White Paper. The correction clarified his statement on providing information on why *lack of* affordable housing is a problem in the County.

Motion: Approve the minutes from March 24, 2011 with two corrections—Peter Hainley

Second: Ramsay Weit

Vote: All approve

Juliet Parrott noted one spelling error on the April 28 minutes.

Motion: Approve the minutes from April 28, 2011 with one correction— Ramsay Weit

Second: Carol Gakin

Vote: All approve

III. DISCUSSION - ORAL COMMUNICATIONS

- Val Valfre reported that several Housing agenda items have been approved by the Board of County Commissioners. Five Continuum of Care grants were renewed on May 3, and a Supportive Housing grant was renewed on May 17. The Board also received and updates on the Aloha-Reedville project at two Board worksessions.
- Three agenda items will be presented at the Board meeting on June 7.
 - Accept Proposal/Award Contract for Property Management Services
 - Authorize Insurance Premium Payments for FY2012



- Appoint Aloha-Reedville Technical Advisory Committee and Citizen's Advisory Committee
- The HAC retreat is tentatively scheduled for September 23, and committee members should consider possible topics and speakers for this event. Peter Hainley will not be available for September 23, but may be available on September 30. Possible topics mentioned include: diversifying funding sources and finding dedicated sources of revenue for affordable housing, finding short or long-term strategies to reduce costs, or exploring revenue sources for acquisition.
- Peter Hainley will be absent on sabbatical for the next three scheduled HAC meetings—June, July, and August.
- The State Legislature passed the bill to extend the affordable housing property tax exemption sunset date out of the joint tax committee.
- Ron Lehr recently toured the new HAP homeless transition center in downtown Portland next to Union Station. The facility includes a treatment center and day-use area on the lower levels, and affordable housing on the upper levels.

IV. REPORT OF SECRETARY

A. Financial Statement

Mr. O'Neill presented the financial report.

Section 8 has a negative year-to-date cash flow of -\$9,472, which will increase to approximately -\$60,000 by June 30, as a result of reduced Section 8 Administrative funding.

The Authority's Affordable Housing portfolio bond reserve requirements for the CAO's office will be met. The budget estimates included in the FY2012 budget packet include April fiscal-year-to-date estimates.

B. Section 8 and Low Rent Public Housing

- The narrative has been revised to reflect increased wait time (at least 3-4 years). The wait list is still very long, and DHS is working to utilize all available vouchers. The wait list has increased by approximately 200 households since April. The Section 8 program is currently overleased, and is using reserves to fund additional assistance payments.
- Average vacancy days per unit is 15.12. Twenty days and under is outstanding.
- Occupancy rates remain very high in public housing and for Section 8 vouchers.

C. Affordable Housing

- Occupancy rates also remain high in affordable housing. Aloha Park is now officially owned by the Housing Authority and its 80 units are included in the total affordable housing units.



D. Special Projects

- Project-Based Vouchers

Housing Authority is working with Luke-Dorf on a Substance Abuse and Mental Health Services Administration (SAMHSA) project grant submission, in partnership with the Mental Health and Special Needs Community Consortium. If the grant is awarded, the Housing Authority will authorize up to 90 chronically homeless PBVs over three years, (approximately 30 PBVs a year) to enable integrated treatment, permanent housing, and supportive services not covered by the Oregon Health Plan/Medicaid for chronically homeless persons experiencing mental and substance abuse disorders.

In 2011, the Housing Authority received approval to project-based an additional 100 Housing Choice Vouchers. Thirty-eight (38) of the project-based vouchers allocated in 2009 and fifty-two (52) of the 2011 allocation will be used to meet the requirements of the SAMHSA grant above, if an award is granted. The remaining 48 PBVs will be allocated based on serving Washington County's "highest need" populations as determined by Washington County's Consolidated Plan, the 10-Year Plan to End Homeless, and in consultation with community partners.

E. Report on Homelessness

- FY2010 McKinney-Vento CoC Homeless Grant

The Shelter Plus Care program was awarded \$134,460 in permanent supportive housing funds, bringing the total number of Shelter Plus Care vouchers to 141. The program is currently overleased, and assisting 170 households with these funds. Washington County's Continuum of Care application was the highest-scoring application in Oregon for the third continuous year. Val Valfre commended Annette Evans and the CoC on this excellent work.

- FY2011 McKinney-Vento CoC Homeless Grant

Annette Evans is working to pre-register Washington County with HUD in anticipation of the NOFA release. The HEARTH Act is not yet enacted, and FY2011 activities will be funded under the current Continuing Resolution. Ramsay Weit asked if these funds would include any new projects, and Annette Evans clarified that funding is likely to be solely for renewals, with a possible bonus project.

- FY2011 Emergency Solutions Formula Program (ESG)

This policy change will adjust shelter funding and require these funds and programs to be integrated into a system-wide Continuum of Care. This will result in some necessary program adjustments in the Washington County system, to move these programs beyond pass-through to shelters and homeless outreach and incorporate homelessness prevention and other efforts as part of the broader community homeless program. Annette Evans is working with Jennie Proctor and the Office of Community Development to begin these discussions.



- Town Hall “A Helping Hand” (6/4/2011)

The Interfaith Committee held a town hall to bring business partners into discussions about homeless services in Washington County. There will be some recap and discussion of the event, and a follow-up report will capture some of that feedback.

Juliet Parrott and Ramsay Weit suggested that the business community could be engaged by motivating them around a specific theme or issue, especially if leadership could be identified to head a campaign or program.

- HSSN Hosts Health Care Program Presentations (6/1/2011)

HSSN brought four guest speakers in to discuss local health care programs, including Essential Health Clinic, Project Access NOW, Pacific University Health Programs, and Virginia Garcia Memorial Health Center. These programs represent a possible opportunity for business partners to provide funding.

- Bridges to Housing (B2H) Program

Phase 5 of the B2H program, servicing 5 households, is included in the FY2012 Housing Services budget request.

Peter Hainley asked if the annual evaluation showed any outcomes that could be highlighted. Annette Evans stated that the evaluation does indicate that high-needs homeless families can maintain housing when provided with enough supports—however, it has been challenging to capture the cost savings generated through this program. Better health and education outcomes for children appear to be one of the most easily-identified results of the B2H program.

- Ten-Year Plan to End Homelessness: Year 4 Work Plan

The HSSN adopted the Year 4 Work Plan at its June meeting.

The HSSN has identified a program gap in providing rent subsidies to homeless persons with developmental disabilities. Housing Services has entered into a Memorandum of Understanding with Housing Independence to begin providing more targeted services to homeless persons with developmental disabilities.

Ramsay Weit suggested that HSSN connect with the ARC to discuss this issue.

V. OLD BUSINESS

- Tax Exemptions for Affordable Housing

Staff is working to set up an appointment with Mayor Truax of Forest Grove, and will also bring this issue back to the Board. Ramsay Weit also suggested that the analysis of impediments to Fair Housing may provide an additional justification for considering this exemption.



- Aloha-Reedville Study and Livable Community Plan

The advisory committees will go before the Board at their worksession on June 7. The Technical Advisory Committee for this project will overlap significantly with the Hillsboro-coordinated TV Highway Corridor Study, which will also inform the transportation recommendations of the project.

Two RFPs were published, and the County has issued Intent to Award notices to JLA Associates for the public involvement contract and Leland Consulting for the housing and economic analysis. Board approval is scheduled for June 7. Final contract negotiations are underway.

The project Kick-Off/Open House will take place on Thursday June 16 from 4-7pm, with project presentations at 4:30 and 6pm. Information, questionnaires, and feedback forms will be available at the event and on the project website.

Over 100 individuals requested applications to serve on the Citizen's Advisory Committee for this project, and over 30 applications have been submitted. So far, public response has been very enthusiastic.

Ramsay Weit asked how information on the affordable housing work would be conducted. More details will be available once the final contract scope is settled, but the existing conditions report and analysis is expected to identify and highlight gaps and inequities in access to affordable housing in the study area.

- Regional Transportation Mobility Counseling Project

No update was presented at the meeting.

- FY2011 VA-HUD VASH Vouchers

The allocation for these vouchers is expected to take place sometime in July.

- HAWC and Housing Department Reports

The resident survey was tested at Tarkington Square in Hillsboro and the Villager apartments in Forest Grove. The survey may be modified once the test survey results are assessed. Juliet Parrott suggested adding a deadline "reply-by" date to the survey.

- Regional Homeless and Affordable Housing Assessment

No update was presented at the meeting.

- Affordable Housing Report for Board Retreat

No update was presented at the meeting.

VI. NEW BUSINESS

- Regional Sustainable Communities Planning Grant, Round 2

HUD has indicated that the NOFA for the second round of Sustainable Communities Regional Planning grants will be released soon. Metro and the



consortium participating in the first regional submission have expressed interest in a new application, but details are not yet final.

- Substance Abuse & Mental Health Services Administration (SAMHSA) Project

A grant application was submitted for SAMHSA funding for this project. If awarded, the project will include 90 project-based vouchers to serve chronically homeless persons.

- Property Management Request for Proposal Award

Infinity Property Management received an Intent to Award notice for this 3-year contract on May 17. The Board of County Commissioners will approve this award on June 7.

- FY2012 PHA Plan

The FY2012 PHA Plan was approved by HUD, and includes some Fair Housing efforts that HAWC will undertake in cooperation with the Office of Community Development.

- HAWC FY2011-2012 Budget

The budget for the Housing Authority of Washington County is separate from the Department of Housing Services budget. The Department of Housing Services budget includes Housing Administration, which covers salaries and benefits for Housing employees, as well as the homeless programs and Continuum of Care (Shelter Plus Care and supportive housing), and was submitted to the CAO's office in February. This budget was submitted along with the entire Washington County budget, and will go before the Board on June 28.

The HAWC budget has been included as a 'memo only' in the County budget in the past, but was removed due to space constraints. The Housing Advisory Committee and the Housing Authority Board of Directors approve the HAWC budget.

HAWC staff salary and benefits costs have increased, largely due to increased medical benefits and PERS costs. HUD funding has been somewhat reduced.

The Section 8 Housing Choice voucher program is by far the largest HAWC program, serving 2,610 households. HUD has been operating under Continuing Resolutions at FY2010 funding levels from January-June 2011. However, the final FY2011 budget established HUD Section 8 administrative funding at a 7% reduction. This will result in a loss of \$67,000 through June 30. For FY2012, the HAWC budget assumes that Section 8 administrative funding will be restored to FY2010 levels by December 2012. The funding gap in the first part of FY2012 will be covered by Section 8 reserves and Local Fund dollars.

Staff cuts are likely to reduce lease-up rates, which would further reduce administrative funding (because administrative fees are funded on a per-voucher basis). Consequently, staff cuts are not a preferred strategy. If the Federal



FY2012 HUD budget does not restore Section 8 administrative funding, the Housing Authority will need to consider strategies to reduce staffing costs.

National housing advocates and Housing Authorities are working at a Congressional level to restore Section 8 administrative funding in FY2012.

There has been some Congressional discussion about requiring housing authorities to use Public Housing reserves to fund the Public Housing program, so that HUD funding may be reduced. As a result, the HAWC FY2012 budget is seeking to maximize capital improvements to public housing units and use reserves before they are swept by future Congressional Action.

Kayburn Terrace is now operating in the black, as a result of rent increases and changes in maintenance cost allocations. Aloha Park is the newest HAWC property. The revenue generated by this project is restricted to the property. It may be possible to use Aloha Park revenues to fund other programs after the mortgage is paid off, though this may require HUD approval.

The Affordable Housing program is now generating revenue, as a result of the bond refinance. The program will continue to generate funds that can be used to make capital improvements and other programs.

Motion: Approve the HAWC FY2012 budget—Ramsay Weit

Second: Laurie Butler

Vote: All approve

VII. ADJOURNMENT

Meeting adjourned at 11:01a.m.

Respectfully submitted,
Adolph "Val" Valfre, Jr.
Secretary/ Executive Director



IV. REPORT OF SECRETARY
A. Financial Statement
1. Financial Report to the Housing Advisory Committee
May 2011

Cash Flow

Along with comparison to budget, comparison to prior year is shown for all programs. The prior year amounts have been adjusted to eliminate the Homeless Program transactions for the sake of comparability. The prior year amounts are 11/12 of the actual amounts for the entire fiscal year.

Debt service payments, reserve contributions, and insurance expense are spread throughout the year rather than being reflected at the time of disbursement.

For the first eleven months of the Fiscal Year, cash flow from operations, of \$177,763 exceeded the budgeted amount by \$51,155, and the prior year by \$127,660. Cash flow from Aloha Park was \$64,031, which is a new property, and is not reflected in the budget or prior year amounts.

Public Housing had negative cash flow from operations of \$99,981, due to high maintenance labor and outside purchases. Section 8 had a negative cash flow of \$72,022, due primarily to a reduction in funding for Section 8 administration. Other programs had positive cash flow from operations.

Affordable Housing cash flow from operations exceeds the amount required to fund County bond reserves by \$20,516.

Statement of Net Assets (Balance Sheet) –

The Authority is continually monitoring its cash position. Nearly all of the cash of the Authority is deposited in the primary County bank account. The cash is in three categories:

- Unrestricted cash: available to pay operating expenses. Unrestricted cash for Section 8 and Public Housing can only be spent within those programs.
- Restricted cash – current: consists of tenant security deposits and FSS (Family Self Sufficiency) escrow accounts.
- Restricted cash – noncurrent: Section 8 restricted cash can only be used to pay for Housing Assistance Payments. The restricted cash for Kaybern, Aloha Park, and Affordable Housing are replacement reserves and bond payment reserves. The restricted cash in the Public Housing program is from the sale of property, and is approved to be used to pay the operating and administrative costs of the Affordable Housing program, as those expenses are incurred. This should eliminate the unrestricted cash deficit in non-Federal programs within five years.

Other – The Housing Authority budget was approved by the Housing Authority Board of Directors on June 28, 2011.



V. REPORT OF SECRETARY
A. Financial Statement
2. Year-To-Date Cash Flow - Expanded
Working Capital Basis
HOUSING AUTHORITY – UNAUDITED
July 2010 – May 2011

	Section 8	Public Housing	Kaybern (USDA)	Local Fund	Aloha Park	Affordable Housing	Total
Operating revenue							
Hud operating subsidies	1,590,905	1,276,671	23,118	2,678	27,671	14,496	2,935,539
Gross billable rent	-	607,784	56,064	43,604	325,106	3,811,838	4,844,396
Vacancy loss	-	(4,476)	(96)	(4,709)	(5,427)	(144,939)	(159,647)
Premiums (concessions)	-	(380)	(20)	(263)	(9,775)	(32,829)	(43,267)
Other tenant revenue	-	(1,742)	191	6,748	1,112	112,919	119,228
Tenant revenue	-	601,186	56,139	45,380	311,016	3,746,989	4,760,710
Other revenue (incl GF subsidy)	17,584	3,720	1,047	35,808	6,330	217,899	282,388
Total operating revenue	1,608,489	1,881,577	80,304	83,866	345,017	3,979,384	7,978,637
Operating expenses:							
Repair and maintenance	-	1,232,266	14,045	24,691	79,930	687,057	2,037,989
Total program operations	1,319,011	287,618	11,988	16,621	88,811	625,904	2,349,953
Utilities	-	56,271	8,003	2,954	37,522	357,249	461,999
Insurance	3,971	35,736	597	842	6,383	85,519	133,048
PILOT	-	37,202	-	-	-	-	37,202
Bad debt, net of recoveries	-	(3,040)	69	-	3,556	71,631	72,216
Other	61,640	-	-	728	9,484	-	71,852
Total operating expenses	1,384,622	1,646,053	34,702	45,836	225,686	1,827,360	5,164,259
Net program income	223,867	235,524	45,602	38,030	119,331	2,152,024	2,814,378
Other ongoing cash outflows:							
HAWC administration	295,889	335,505	3,822	3,729	3,500	2,212	644,657
Debt service	-	-	31,834	11,264	45,615	1,582,537	1,671,250
Replacements-operating	-	-	-	700	6,185	313,823	320,708
Total outflows	295,889	335,505	35,656	15,693	55,300	1,898,572	2,636,615
Cash flow from operations	(72,022)	(99,981)	9,946	22,337	64,031	253,452	177,763
Other unrestricted cash inflows (outflows):							
Investment income - unrestricted	4,793	19,703	(87)	9,007	429	(47,493)	(13,648)
Capital fund receipts	-	188,521	-	-	-	-	188,521
Capitalized modernization	-	(188,521)	(5,180)	-	(89,224)	-	(282,925)
Transfers to (from) Local Fund	-	-	-	(67,328)	-	-	(67,328)
Transfers to restricted cash - CAO	-	-	-	-	-	(232,936)	(232,936)
Transfers from (to) restricted cash - Repl Re	-	-	-	-	70,240	(54,340)	15,900
Section 18 transfers from Public Housing	-	-	-	10,362	-	800,481	810,843
Net unrestricted cash flows	(67,229)	(80,278)	4,679	(25,622)	45,476	719,164	596,190
Restricted cash flows:							
Housing Assistance Payments earned	17,026,868	-	-	-	-	-	17,026,868
Housing Assistance Payments	(16,664,481)	-	-	-	-	-	(16,664,481)
Investment income - restricted	27,234	40,433	-	-	-	-	67,667
Sale of property	-	-	-	-	-	-	-
Transfers from unrestricted - CAO	-	-	-	-	-	232,936	232,936
Transfers from (to)unrestricted - Repl Res	-	-	-	-	(70,240)	54,340	(15,900)
Sec 18 transfers to Affordable Housing	-	(810,843)	-	-	-	-	(810,843)
Total restricted cash flows	389,621	(770,410)	-	-	(70,240)	287,276	(163,753)
Net cash flows	322,392	(850,688)	4,679	(25,622)	(24,764)	1,006,440	432,437



IV. REPORT OF SECRETARY
A. Financial Statement
3. Year-To-Date Cash Flow – Expanded
Working Capital Basis
HOUSING AUTHORITY – UNAUDITED
July 2010 – May 2011

	YTD Actual	YTD Budget	Fav (unfav) Variance	Prior YTD	Fav (unfav) Variance
Operating revenue					
Hud operating subsidies	2,935,539	2,963,333	(27,794)	2,954,181	(18,642)
Gross billable rent	4,844,396	4,394,578	449,818	4,474,627	369,769
Vacancy loss	(159,647)	(154,886)	(4,761)	(197,437)	37,790
Premiums (concessions)	(43,267)	(38,056)	(5,211)	(46,956)	3,689
Other tenant revenue	119,228	82,383	36,845	131,329	(12,101)
Tenant revenue	4,760,710	4,284,019	476,691	4,361,562	399,148
Other revenue (incl GF subsidy)	282,388	336,722	(54,334)	415,135	(132,747)
Total operating revenue	7,978,637	7,584,074	394,563	7,730,878	247,759
Operating expenses:					
Repair and maintenance	2,037,989	1,755,815	(282,174)	1,989,436	(48,553)
Total program operations	2,349,953	2,279,276	(70,677)	2,168,502	(181,451)
Utilities	461,999	412,004	(49,995)	410,130	(51,869)
Insurance	133,048	121,855	(11,193)	117,888	(15,160)
PILOT	37,202	38,319	1,117	44,974	7,772
Bad debt, net of recoveries	72,216	56,524	(15,692)	94,397	22,181
Other	71,852	40,759	(31,093)	104,169	32,317
Total operating expenses	5,164,259	4,704,552	(459,707)	4,929,496	(234,763)
Net program income	2,814,378	2,879,522	(65,144)	2,801,382	12,996
Other ongoing cash outflows:					
HAWC administration	644,657	804,458	159,801	694,117	49,460
Debt service	1,671,250	1,627,672	(43,578)	1,695,692	24,442
Replacements-operating	320,708	320,784	76	361,470	40,762
Total outflows	2,636,615	2,752,914	116,299	2,751,279	114,664
Cash flow from operations	177,763	126,608	51,155	50,103	127,660
Other unrestricted cash inflows (outflows):					
Investment income - unrestricted	(13,648)	(47,179)	33,531	(39,155)	25,507
Capital fund receipts	188,521	422,282	(233,761)	643,396	(454,875)
Capitalized modernization	(282,925)	(422,282)	139,357	(790,253)	507,328
Transfers to (from) Local Fund	(67,328)	-	(67,328)	-	(67,328)
Transfers to restricted cash - CAO	(232,936)	(142,899)	(90,037)	-	(232,936)
Transfers from (to) restricted cash - Repl Res	15,900	-	15,900	-	15,900
Section 18 transfers from Public Housing	810,843	810,252	591	896,921	(86,078)
Net unrestricted cash flows	596,190	746,782	(150,592)	761,012	(164,822)
Restricted cash flows:					
Housing Assistance Payments earned	17,026,868	16,248,392	778,476	16,383,543	643,325
Housing Assistance Payments	(16,664,481)	(15,876,630)	(787,851)	(16,355,142)	(309,339)
Investment income - restricted	67,667	110,726	(43,059)	100,162	(32,495)
Sale of property	-	-	-	353,479	(353,479)
Transfers from unrestricted - CAO	232,936	142,899	90,037	-	232,936
Transfers from (to)unrestricted - Repl Res	(15,900)	-	(15,900)	-	(15,900)
Sec 18 transfers to Affordable Housing	(810,843)	(810,252)	(591)	(896,921)	86,078
Total restricted cash flows	(163,753)	(184,865)	21,112	(414,879)	251,126
Net cash flows	432,437	561,917	(129,480)	346,133	86,304



IV. REPORT OF SECRETARY
A. Financial Statement
4. Year-To-Date Cash Flow – Expanded
Working Capital Basis
SECTION 8 – UNAUDITED
July 2010 – May 2011

	YTD Actual	YTD Budget	Fav (unfav) Variance	Prior YTD	Fav (unfav) Variance
Operating revenue					
Hud operating subsidies	1,590,905	1,661,311	(70,406)	1,545,332	45,573
Gross billable rent		-	-	-	-
Vacancy loss		-	-	-	-
Premiums (concessions)		-	-	-	-
Other tenant revenue		-	-	-	-
Tenant revenue	-	-	-	-	-
Other revenue (incl GF subsidy)	17,584	71,582	(53,998)	21,498	(3,914)
Total operating revenue	1,608,489	1,732,893	(124,404)	1,566,830	41,659
Operating expenses:					
Repair and maintenance	-	-	-	-	-
Total program operations	1,319,011	1,328,712	9,701	1,208,098	(110,913)
Utilities	-	-	-	-	-
Insurance	3,971	4,092	121	3,972	1
PILOT	-	-	-	-	-
Bad debt, net of recoveries	-	-	-	-	-
Other	61,640	40,759	(20,881)	43,026	(18,614)
Total operating expenses	1,384,622	1,373,563	(11,059)	1,255,096	(129,526)
Net program income	223,867	359,330	(135,463)	311,734	(87,867)
Other ongoing cash outflows:					
HAWC administration	295,889	407,502	111,613	322,917	27,028
Debt service	-	-	-	-	-
Replacements-operating	-	-	-	-	-
Total outflows	295,889	407,502	111,613	322,917	27,028
Cash flow from operations	(72,022)	(48,172)	(23,850)	(11,183)	(60,839)
Other unrestricted cash inflows (outflows):					
Investment income - unrestricted	4,793	-	4,793	2,014	2,779
Capital fund receipts	-	-	-	-	-
Capitalized modernization	-	-	-	-	-
Transfers to (from) Local Fund	-	-	-	-	-
Transfers to restricted cash - CAO	-	-	-	-	-
Transfers from (to) restricted cash - Repl Re	-	-	-	-	-
Section 18 transfers from Public Housing	-	-	-	-	-
Net unrestricted cash flows	(67,229)	(48,172)	(19,057)	(9,169)	(58,060)
Restricted cash flows:					
Housing Assistance Payments earned	17,026,868	16,248,392	778,476	16,383,543	643,325
Housing Assistance Payments	(16,664,481)	(15,876,630)	(787,851)	(16,355,142)	(309,339)
Investment income - restricted	27,234	41,957	(14,723)	36,827	(9,593)
Sale of property	-	-	-	-	-
Transfers from unrestricted - CAO	-	-	-	-	-
Transfers from (to)unrestricted - Repl Res	-	-	-	-	-
Sec 18 transfers to Affordable Housing	-	-	-	-	-
Total restricted cash flows	389,621	413,719	(24,098)	65,228	324,393
Net cash flows	322,392	365,547	(43,155)	56,059	266,333



IV. REPORT OF SECRETARY
A. Financial Statement
5. Year-To-Date Cash Flow – Expanded
Working Capital Basis
PUBLIC HOUSING (Excl. Kaybern) – UNAUDITED
July 2010 – May 2011

	YTD Actual	YTD Budget	Fav (unfav) Variance	Prior YTD	Fav (unfav) Variance
Operating revenue					
Hud operating subsidies	1,276,671	1,262,595	14,076	1,371,106	(94,435)
Gross billable rent	607,784	544,445	63,339	506,842	100,942
Vacancy loss	(4,476)	(4,160)	(316)	(4,415)	(61)
Premiums (concessions)	(380)	-	(380)	-	(380)
Other tenant revenue	(1,742)	29,839	(31,581)	49,924	(51,666)
Tenant revenue	601,186	570,125	31,061	552,351	48,835
Other revenue (incl GF subsidy)	3,720	4,543	(823)	6,960	(3,240)
Total operating revenue	1,881,577	1,837,263	44,314	1,930,417	(48,840)
Operating expenses:					
Repair and maintenance	1,232,266	1,024,005	(208,261)	1,172,960	(59,306)
Total program operations	287,618	298,724	11,106	291,454	3,836
Utilities	56,271	56,216	(55)	52,684	(3,587)
Insurance	35,736	34,153	(1,583)	32,742	(2,994)
PILOT	37,202	38,319	1,117	44,974	7,772
Bad debt, net of recoveries	(3,040)	(544)	2,496	34,353	37,393
Other	-	-	-	-	-
Total operating expenses	1,646,053	1,450,873	(195,180)	1,629,167	(16,886)
Net program income	235,524	386,390	(150,866)	301,250	(65,726)
Other ongoing cash outflows:					
HAWC administration	335,505	383,810	48,305	360,815	25,310
Debt service	-	-	-	-	-
Replacements-operating	-	-	-	-	-
Total outflows	335,505	383,810	48,305	360,815	25,310
Cash flow from operations	(99,981)	2,580	(102,561)	(59,565)	(40,416)
Other unrestricted cash inflows (outflows):					
Investment income - unrestricted	19,703	34,527	(14,824)	30,477	(10,774)
Capital fund receipts	188,521	422,282	(233,761)	643,396	(454,875)
Capitalized modernization	(188,521)	(422,282)	233,761	(643,396)	454,875
Transfers to (from) Local Fund	-	-	-	-	-
Transfers to restricted cash - CAO	-	-	-	-	-
Transfers from (to) restricted cash - Repl Re	-	-	-	-	-
Section 18 transfers from Public Housing	-	-	-	-	-
Net unrestricted cash flows	(80,278)	37,107	(117,385)	(29,088)	(51,190)
Restricted cash flows:					
Housing Assistance Payments earned	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-
Investment income - restricted	40,433	68,769	(28,336)	63,335	(22,902)
Sale of property	-	-	-	353,479	(353,479)
Transfers from unrestricted - CAO	-	-	-	-	-
Transfers from (to)unrestricted - Repl Res	-	-	-	-	-
Sec 18 transfers to Affordable Housing	(810,843)	(810,252)	(591)	(896,921)	86,078
Total restricted cash flows	(770,410)	(741,483)	(28,927)	(480,107)	(290,303)
Net cash flows	(850,688)	(704,376)	(146,312)	(509,195)	(341,493)



IV. REPORT OF SECRETARY
A. Financial Statement
6. Year-To-Date Cash Flow – Expanded
Working Capital Basis
KAYBERN TERRACE (USDA) – UNAUDITED
July 2010 – May 2011

	YTD Actual	YTD Budget	Fav (unfav) Variance	Prior YTD	Fav (unfav) Variance
Operating revenue					
Hud operating subsidies	23,118	23,381	(263)	21,776	1,342
Gross billable rent	56,064	56,100	(36)	55,240	824
Vacancy loss	(96)	(1,683)	1,587	(1,287)	1,191
Premiums (concessions)	(20)	-	(20)	-	(20)
Other tenant revenue	191	1,194	(1,003)	1,392	(1,201)
Tenant revenue	56,139	55,611	528	55,346	793
Other revenue (incl GF subsidy)	1,047	244	803	792	255
Total operating revenue	80,304	79,236	1,068	77,914	2,390
Operating expenses:					
Repair and maintenance	14,045	22,430	8,385	30,063	16,018
Total program operations	11,988	11,778	(210)	12,220	232
Utilities	8,003	8,732	729	8,386	383
Insurance	597	560	(37)	543	(54)
PILOT	-	-	-	-	-
Bad debt, net of recoveries	69	-	(69)	1,859	1,790
Other	-	-	-	-	-
Total operating expenses	34,702	43,500	8,798	53,071	18,369
Net program income	45,602	35,736	9,866	24,843	20,759
Other ongoing cash outflows:					
HAWC administration	3,822	4,197	375	3,771	(51)
Debt service	31,834	31,854	20	31,854	20
Replacements-operating	-	1,078	1,078	1,801	1,801
Total outflows	35,656	37,129	1,473	37,426	1,770
Cash flow from operations	9,946	(1,393)	11,339	(12,583)	22,529
Other unrestricted cash inflows (outflows):					
Investment income - unrestricted	(87)	(2,470)	2,383	(2,243)	2,156
Capital fund receipts	-	-	-	-	-
Capitalized modernization	(5,180)	-	(5,180)	-	(5,180)
Transfers to (from) Local Fund	-	-	-	174,167	(174,167)
Transfers to restricted cash - CAO	-	-	-	-	-
Transfers from (to) restricted cash - Repl Re	-	-	-	-	-
Section 18 transfers from Public Housing	-	7,430	(7,430)	6,148	(6,148)
Net unrestricted cash flows	4,679	3,567	1,112	165,489	(160,810)
Restricted cash flows:					
Housing Assistance Payments earned	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-
Investment income - restricted	-	-	-	-	-
Sale of property	-	-	-	-	-
Transfers from unrestricted - CAO	-	-	-	-	-
Transfers from (to)unrestricted - Repl Res	-	-	-	-	-
Sec 18 transfers to Affordable Housing	-	-	-	-	-
Total restricted cash flows	-	-	-	-	-
Net cash flows	4,679	3,567	1,112	165,489	(160,810)



IV. REPORT OF SECRETARY
A. Financial Statement
7. Year-To-Date Cash Flow – Expanded
Working Capital Basis
LOCAL FUND – UNAUDITED
July 2010 – May 2011

	YTD Actual	YTD Budget	Fav (unfav) Variance	Prior YTD	Fav (unfav) Variance
Operating revenue					
Hud operating subsidies	2,678	2,758	(80)	2,678	-
Gross billable rent	43,604	17,122	26,482	16,623	26,981
Vacancy loss	(4,709)	-	(4,709)	-	(4,709)
Premiums (concessions)	(263)	-	(263)	-	(263)
Other tenant revenue	6,748	4,929	1,819	9,099	(2,351)
Tenant revenue	45,380	22,051	23,329	25,722	19,658
Other revenue (incl GF subsidy)	35,808	44,706	(8,898)	59,342	(23,534)
Total operating revenue	83,866	69,515	14,351	87,742	(3,876)
Operating expenses:					
Repair and maintenance	24,691	2,203	(22,488)	8,875	(15,816)
Total program operations	16,621	10,619	(6,002)	8,426	(8,195)
Utilities	2,954	93	(2,861)	90	(2,864)
Insurance	842	456	(386)	444	(398)
PILOT	-	-	-	-	-
Bad debt, net of recoveries	-	-	-	(160)	(160)
Other	728	-	(728)	61,144	60,416
Total operating expenses	45,836	13,371	(32,465)	78,819	32,983
Net program income	38,030	56,144	(18,114)	8,923	29,107
Other ongoing cash outflows:					
HAWC administration	3,729	4,802	1,073	3,636	(93)
Debt service	11,264	13,272	2,008	11,261	(3)
Replacements-operating	700	7,375	6,675	14,500	13,800
Total outflows	15,693	25,449	9,756	29,397	13,704
Cash flow from operations	22,337	30,695	(8,358)	(20,474)	42,811
Other unrestricted cash inflows (outflows):					
Investment income - unrestricted	9,007	18,802	(9,795)	15,512	(6,505)
Capital fund receipts	-	-	-	-	-
Capitalized modernization	-	-	-	-	-
Transfers to (from) Local Fund	(67,328)	-	(67,328)	(284,899)	217,571
Transfers to restricted cash - CAO	-	-	-	-	-
Transfers from (to) restricted cash - Repl Re	-	-	-	-	-
Section 18 transfers from Public Housing	10,362	-	10,362	-	10,362
Net unrestricted cash flows	(25,622)	49,497	(75,119)	(289,861)	264,239
Restricted cash flows:					
Housing Assistance Payments earned	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-
Investment income - restricted	-	-	-	-	-
Sale of property	-	-	-	-	-
Transfers from unrestricted - CAO	-	-	-	-	-
Transfers from (to)unrestricted - Repl Res	-	-	-	-	-
Sec 18 transfers to Affordable Housing	-	-	-	-	-
Total restricted cash flows	-	-	-	-	-
Net cash flows	(25,622)	49,497	(75,119)	(289,861)	264,239



IV. REPORT OF SECRETARY
A. Financial Statement
8. Year-To-Date Cash Flow – Expanded
Working Capital Basis
ALOHA PARK – UNAUDITED
July 2010 – May 2011

	YTD Actual	YTD Budget	Fav (unfav) Variance	Prior YTD	Fav (unfav) Variance
Operating revenue					
Hud operating subsidies	27,671	-	27,671	-	27,671
Gross billable rent	325,106	-	325,106	-	325,106
Vacancy loss	(5,427)	-	(5,427)	-	(5,427)
Premiums (concessions)	(9,775)	-	(9,775)	-	(9,775)
Other tenant revenue	1,112	-	1,112	-	1,112
Tenant revenue	311,016	-	311,016	-	311,016
Other revenue (incl GF subsidy)	6,330	-	6,330	-	6,330
Total operating revenue	345,017	-	345,017	-	345,017
Operating expenses:					
Repair and maintenance	79,930	-	(79,930)	-	(79,930)
Total program operations	88,811	-	(88,811)	-	(88,811)
Utilities	37,522	-	(37,522)	-	(37,522)
Insurance	6,383	-	(6,383)	-	(6,383)
PILOT	-	-	-	-	-
Bad debt, net of recoveries	3,556	-	(3,556)	-	(3,556)
Other	9,484	-	(9,484)	-	(9,484)
Total operating expenses	225,686	-	(225,686)	-	(225,686)
Net program income	119,331	-	119,331	-	119,331
Other ongoing cash outflows:					
HAWC administration	3,500	-	(3,500)	-	(3,500)
Debt service	45,615	-	(45,615)	-	(45,615)
Replacements-operating	6,185	-	(6,185)	-	(6,185)
Total outflows	55,300	-	(55,300)	-	(55,300)
Cash flow from operations	64,031	-	64,031	-	64,031
Other unrestricted cash inflows (outflows):					
Investment income - unrestricted	429	-	429	-	429
Capital fund receipts	-	-	-	-	-
Capitalized modernization	(89,224)	-	(89,224)	-	(89,224)
Transfers to (from) Local Fund	-	-	-	-	-
Transfers to restricted cash - CAO	-	-	-	-	-
Transfers from (to) restricted cash - Repl Res	70,240	-	70,240	-	70,240
Section 18 transfers from Public Housing	-	-	-	-	-
Net unrestricted cash flows	45,476	-	45,476	-	45,476
Restricted cash flows:					
Housing Assistance Payments earned	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-
Investment income - restricted	-	-	-	-	-
Sale of property	-	-	-	-	-
Transfers from unrestricted - CAO	-	-	-	-	-
Transfers from (to)unrestricted - Repl Res	(70,240)	-	(70,240)	-	(70,240)
Sec 18 transfers to Affordable Housing	-	-	-	-	-
Total restricted cash flows	(70,240)	-	(70,240)	-	(70,240)
Net cash flows	(24,764)	-	(24,764)	-	(24,764)



IV. REPORT OF SECRETARY
A. Financial Statement
9. Year-To-Date Cash Flow – Expanded
Working Capital Basis
AFFORDABLE HOUSING – UNAUDITED
July 2010 – May 2011

	YTD Actual	YTD Budget	Fav (unfav) Variance	Prior YTD	Fav (unfav) Variance
Operating revenue					
Hud operating subsidies	14,496	13,288	1,208	13,289	1,207
Gross billable rent	3,811,838	3,776,911	34,927	3,895,921	(84,083)
Vacancy loss	(144,939)	(149,043)	4,104	(191,736)	46,797
Premiums (concessions)	(32,829)	(38,056)	5,227	(46,956)	14,127
Other tenant revenue	112,919	46,421	66,498	70,914	42,005
Tenant revenue	3,746,989	3,636,232	110,757	3,728,144	18,845
Other revenue (incl GF subsidy)	217,899	215,647	2,252	326,543	(108,644)
Total operating revenue	3,979,384	3,865,167	114,217	4,067,976	(88,592)
Operating expenses:					
Repair and maintenance	687,057	707,177	20,120	777,537	90,480
Total program operations	625,904	629,443	3,539	648,307	22,403
Utilities	357,249	346,963	(10,286)	348,970	(8,279)
Insurance	85,519	82,594	(2,925)	80,188	(5,331)
PILOT	-	-	-	-	-
Bad debt, net of recoveries	71,631	57,068	(14,563)	58,345	(13,286)
Other	-	-	-	-	-
Total operating expenses	1,827,360	1,823,245	(4,115)	1,913,347	85,987
Net program income	2,152,024	2,041,922	110,102	2,154,629	(2,605)
Other ongoing cash outflows:					
HAWC administration	2,212	4,147	1,935	2,978	766
Debt service	1,582,537	1,582,546	9	1,652,577	70,040
Replacements-operating	313,823	312,331	(1,492)	345,169	31,346
Total outflows	1,898,572	1,899,024	452	2,000,724	102,152
Cash flow from operations	253,452	142,898	110,554	153,905	99,547
Other unrestricted cash inflows (outflows):					
Investment income - unrestricted	(47,493)	(98,038)	50,545	(84,915)	37,422
Capital fund receipts	-	-	-	-	-
Capitalized modernization	-	-	-	(146,856)	146,856
Transfers to (from) Local Fund	-	-	-	110,732	(110,732)
Transfers to restricted cash - CAO	(232,936)	(142,899)	(90,037)	-	(232,936)
Transfers from (to) restricted cash - Repl Re	(54,340)	-	(54,340)	-	(54,340)
Section 18 transfers from Public Housing	800,481	802,822	(2,341)	890,773	(90,292)
Net unrestricted cash flows	719,164	704,783	14,381	923,639	(204,475)
Restricted cash flows:					
Housing Assistance Payments earned	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-
Investment income - restricted	-	-	-	-	-
Sale of property	-	-	-	-	-
Transfers from unrestricted - CAO	232,936	142,899	90,037	-	232,936
Transfers from (to)unrestricted - Repl Res	54,340	-	54,340	-	54,340
Sec 18 transfers to Affordable Housing	-	-	-	-	-
Total restricted cash flows	287,276	142,899	144,377	-	287,276
Net cash flows	1,006,440	847,682	158,758	923,639	82,801



IV. REPORT OF SECRETARY
A. Financial Statement
10. Statement of Net Assets
HOUSING AUTHORITY – UNAUDITED
May 31, 2011

Assets	Section 8	Public Housing	Kaybern (USDA)	Local Fund	Aloha Park	Affordable Housing	Total
Current assets:							
Unrestricted cash and cash equivalents	104,748	1,998,003	6,330	973,890	84,212	(5,005,156)	(1,837,973)
Restricted cash and cash equivalents	179,643	65,833	1,080	31,700	34,630	269,410	582,296
Accounts receivable, net	(5,457)	115,232	(428)	1,976	591	422,501	534,415
Current portion of contracts receivable	—	—	—	2,364	—	—	2,364
Other current assets	361	8,905	54	6,573	5,378	24,921	46,192
Total current assets	279,295	2,187,973	7,036	1,016,503	124,811	(4,288,324)	(672,706)
Non-current assets:							
Restricted cash and cash equivalents	3,294,233	4,172,533	36,139	100	147,727	649,446	8,300,178
Contracts receivable	—	—	—	439,912	—	—	439,912
Capital assets, non-depreciable	—	4,524,354	55,180	161,383	41,617	4,117,867	8,900,401
Capital assets, depreciable, net	—	4,063,034	73,833	467,435	46,929	18,596,066	23,247,297
Total non-current assets	3,294,233	12,759,921	165,152	1,068,830	236,273	23,363,379	40,887,788
Total assets	3,573,528	14,947,894	172,188	2,085,333	361,084	19,075,055	40,215,082
Liabilities							
Current liabilities:							
Unrestricted cash overdraft	—	—	—	—	—	—	—
Accounts payable	22,487	53,892	575	124	93,706	106	170,890
Deferred revenue	—	32,389	54	16	3,730	2,239	38,428
Accrued interest payable - notes payable	—	—	2,661	184	1,568	563,747	568,160
Current portion of notes and contracts payable	—	—	2,946	8,367	—	281,264	292,577
Current liabilities payable from restricted assets:							
Tenant and other deposits	179,643	65,833	1,080	31,700	34,630	269,410	582,296
Total curr. liabilities payable from restr. assets	179,643	65,833	1,080	31,700	34,630	269,410	582,296
Total current liabilities	202,130	152,114	7,316	40,391	133,634	1,116,766	1,652,351
Non-current liabilities:							
Contracts and notes payable	—	—	334,181	543,593	217,815	26,934,043	28,029,632
Total non-current liabilities	—	—	334,181	543,593	217,815	26,934,043	28,029,632
Total liabilities	202,130	152,114	341,497	583,984	351,449	28,050,809	29,681,983
Net Assets							
Invested in capital assets, net of related debt	—	8,587,388	(208,114)	76,858	5,731	(4,213,351)	4,248,512
Restricted	3,286,560	4,172,533	36,139	100	12,726	361,423	7,869,481
Unrestricted	84,838	2,035,859	2,666	1,424,391	(8,822)	(5,123,826)	(1,584,894)
Total net assets	3,371,398	14,795,780	(169,309)	1,501,349	9,635	(8,975,754)	10,533,099
Total liabilities and net assets	3,573,528	14,947,894	172,188	2,085,333	361,084	19,075,055	40,215,082



IV. REPORT OF SECRETARY
B. Section 8 and Low Rent Public Housing
1. Section 8 Waiting List
June 2011

Wait List Time Based on # of HH Members												
# HH Members	1	2	3	4	5	6	7	8	9	10	11	Total
#Families	2,329	1,460	1,013	595	329	145	73	31	16	5	1	5,998
Average Days	763	706	733	733	741	768	794	789	789	440	952	740

Wait List Based on Gender			
Gender	Female	Male	Total
Total	4,169	1,829	5,998

Wait List Based on Race								
Race	Am. Indian	Asian	Black	Native Hawaiian	White	Multiple	Unk.	Total
	70	195	740	51	4,565	89	288	5,998

Wait List Based on Ethnicity				
HH Ethnicity	Hispanic	Not Hispanic	Unknown	Total
	1,075	4,821	102	5,998

Wait List Based on HH Type					
Type	Disabled	Elderly	Family	Other	Total
	1,546	415	3,009	1,028	5,998



IV. REPORT OF SECRETARY
B. Section 8 and Low Rent Public Housing
2. Public Housing Average Vacancy Days

Fiscal Year-to-Date
June 2011

Average Vacancy Days - Public Housing

Month	Total Vacant Units	Total Counted Vacancy Days	Average Vacancy Days Per Unit
July 2010*	2	31	14.50
August 2010	5	98	18.60
September 2010	6	116	18.33
October 2010	9	228	24.33
November 2010	12	288	23.00
December 2010	16	328	19.50
January 2011	21	450	20.43
February 2011	24	486	19.21
March 2011	27	502	17.59
April 2011	34	544	15.12
May 2011	39	620	15.03
June 2011	43	651	15.14

* Begin FY 2011 Reporting



IV. REPORT OF SECRETARY
C. Affordable Housing

• **SECTION 8 AND LOW RENT PUBLIC HOUSING**

a) Section 8 Waiting List: 5,998 (last month – 5,875). Statistically, the average wait time is about 2-3 years. However, there is a lag in the process. We are near 100% utilization of our vouchers, so there are few vouchers being offered each month. This will begin to markedly increase the number of applicants on the wait list and also the average wait list period. Given the above, new applicants should expect at least a 3-4 year wait.

b) Public Housing Average Vacancy Days: Vacancy days for the month of June 2011 were at 15.14 (last month – 15.90). Vacancy days are measured on a fiscal year basis. Our goal is 18 days and HUD rates 20 days or below as an “A”. This measurement reflects the time period between the existing tenant turning in the keys to the unit, the maintenance staff readying the unit for occupancy and the new tenant taking possession of the keys/unit.

c) Occupancy Rates:

*Public Housing: 99% (last month – 98%).

*Section 8: 102.1% (last month – 101.99%). Our monthly allocation of Section 8 HAP funds is 99%. Our goal of budget authority is 95% minimum.

We had 2,665 vouchers leased up in March (last month – 2,662). Eighteen (18) new vouchers were issued, and 57 applicants with vouchers are searching for housing (last month 7 new, 80 looking).

d) Work Order Effectiveness:

Average maintenance response time for work orders is a major indicator that correlates closely with resident satisfaction and preservation of our capital assets. For June, the average maintenance response time for emergency and routine work orders for the public housing portfolio reflected increased unit move outs and is as follows:

	<u>Avg. Response</u>	<u>Our Goal</u>	<u>HUD Standard</u>
Emergency WO's	2.52 hrs	3.0 hrs	24 hrs
Routine WO's	3.40 days	3 days	25 days

• **AFFORDABLE HOUSING**

The Housing Authority owns or co-owns 1312 units of affordable housing. The 601 affordable housing units solely owned by HAWC are consolidated for reporting purposes under our private property management group, Infinity Property Management, to provide consistent reporting. Infinity Property Management was awarded a three-year property management contract for the affordable housing portfolio in June.

a) Infinity-Managed Properties: 96.74% Occupancy (18 vacancies / 601 units), compared to 96.36% (19 vacancies) last month. NTR – 97%.



- **MAINTENANCE ACTIVITIES**

Special Projects:

- Replaced vinyl flooring at one (1) Public Housing kitchen unit.
- Garage doors replacements were completed on two (2) Public Housing units.
- Pest control services were provided at one (1) Public Housing unit.
- Replaces water heater at one (1) Public Housing unit and one (1) Rural Development unit.
- Replaced range at one (1) Public Housing unit.
- A new exhaust fan was installed at one (1) Public Housing unit.
- Ceiling fans (2) were installed as a Reasonable Accommodation request by a public housing client.
- Maintenance staff is performing intense inspections and repairs on all 243 Public Housing units in preparation for the REAC inspection scheduled for August 24-25. The physical inspection will count as 40% of the PHAS score.

Turnovers:

- Completed turnovers on four (4) Public Housing units and one (1) Rural Development unit with an average of 7.25 days per unit.
- Maintenance completed the interior painting on all of the turnovers using in-house staff.
- Cleaning complete on one (1) turnovers by in-house Maintenance staff.
- Cleaning complete on four (4) turnovers by an outside vendor.

Capital Fund Improvements on Public Housing

- Carpet has been replaced in three (3) units.

Training

- Improving Vacancy Turnaround.



**IV. REPORT OF SECRETARY
D. Programs and Special Projects**

- **PROJECT-BASED VOUCHERS**

Currently, we have 12 project-based vouchers (PBV) pledged to Community Partners for Affordable Housing (CPAH) for chronically homeless individuals at the Knoll in Tigard in support of our 10-Year Plan to End Homelessness. Seven (7) PBVs are already leased up. There are still 38 vouchers for this category that are outstanding and awaiting sponsors.

Luke-Dorf, Inc. has been conditionally awarded 90 project-based vouchers for chronically homeless persons (38 from the prior allocation and 52 from the new allocation of 100 project-based vouchers authorized in the FY2012 Annual Plan), that will be project-based if Luke-Dorf is awarded a SAMSA (Substance Abuse and Mental Health Services Administration) grant.

We also awarded all of our 25 “special needs” category vouchers to Luke-Dorf (12) and LifeWorks NW (13), and 22 of these vouchers are currently leased up. New residents are being screened for the available PBV units currently.



IV. REPORT OF SECRETARY
E. Report on Homelessness

• **OPENING DOORS - FEDERAL HOMELESS PLAN (YEAR 1)**

On June 22, Secretary of Labor Hilda Solis, Chair of the US Interagency Council on Homelessness (USICH), hosted a stakeholder conference to discuss outcomes of the 1st year of implementing Opening Doors, the federal strategic plan to end homelessness. Emphasis on the plan's collaborative work of 19 agencies focused on the "call for collective action – no level of government can or should do this alone". The USICH is working with member agencies to prioritize strategies outlined in Opening Doors. During the first year, the member agencies have defined the roles of each going forward and gathered baseline data around the key measures.

The development of the FY2012 President's Budget is under way, and the implementation of Opening Doors is tied to this budget process. Member agencies are looking at the plan's priorities as they make important budget decisions.

Implementation of the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act will be phased-in to various HUD programs, as federal appropriations become available to fully implement the Act and regulatory rules approved.

Signed in May 2009 by President Obama, the HEARTH Act reauthorizes the McKinney-Vento Act to:

- Amend the definition of homelessness to broaden the population of persons who can be served by federally funded homeless assistance programs;
- Replace the Emergency Shelter Grant with a new Emergency Solutions Grant that provides more flexible funding to include prevention of homelessness;
- Codify the Continuum of Care (CoC) model that has been administered by HUD;
- Legislate high standards of data reporting and performance measures.

• **FY2011 EMERGENCY SOLUTIONS PROGRAM (ESG)**

HUD has reviewed the appropriations law under the Continuing Resolution, and developed a plan of action for the remainder of FY2011. The current Emergency Shelter Grant (ESG) that provides funding for emergency shelter operations and outreach will be transformed under the HEARTH Act to the new Emergency Solutions Grant (ESG). HUD will implement a blended ESG program at a level of at least \$225 million, an increase of \$65 million over the national FY2010 allocation amount of \$160 Million.

Washington County Office of Community Development administers the ESG formula-funded program. In FY2010, the formula funding for Washington County provided \$88,350 as compared to \$122,532 estimated for FY2011 – a 39% increase in funding. The Emergency Solutions Grant, as amended by the HEARTH Act, will provide funding for shelter operations, with a new activity under prevention and rapid



rehousing assistance which is a direct result of implementation and delivery of the ARRA Homeless Prevention and Rapid Rehousing Program (HPRP).

- **FY2011 MCKINNEY-VENTO HOMELESS ASSISTANCE GRANT**

HUD released the FY2011 McKinney-Vento Homeless Assistance registration notice that requires Continuum of Care (CoC) lead agencies to register in advance of applying for the approximate \$1.6 billion under HUD's FY2011 CoC Homeless Assistance grant competition.

The Beaverton/Hillsboro/Washington County CoC pro-rata share is \$873,259, as compared to \$750,313 for the Clackamas CoC and \$3,685,155 for the Multnomah/Gresham/Portland CoC. Washington County's CoC is in Hold-Harmless funding whereby the funding needed to sustain current Supportive Housing Program projects is \$919,559 and exceeds the federal pro-rata formula of \$873,259. No new projects can be funded under Hold-Harmless.

The Washington County Department of Housing Services is the Lead CoC Agency for coordinating the countywide CoC system development and will prepare the application seeking \$2 million in federal funds to provide supportive services, Homeless Management Information System (HMIS), transitional and permanent supportive housing, and renew 110 units of Shelter Plus Care tenant-based rental assistance.

- **HOMELESS PLAN ADVISORY COMMITTEE (HPAC)**

On July 21, the Homeless Plan Advisory Committee (HPAC) will meet to continue work in providing leadership in the areas of policy and funding development and encourage public and private partnerships to address the socioeconomic factors of homelessness. The HPAC will participate in an exercise designed to lead policy and funding development that supports key strategies of the county's 10-Year Plan to End Homelessness. This exercise will leverage the work performed by the Washington County Housing and Supportive Services Network (HSSN) during their CoC Gaps Analysis, whereby cross-sector policy and funding support has been identified – the exercise will seek to draw on our common strengths of communication and collaboration, and reduce the “silo effect” in planning and service delivery systems.

- **COUNTY FUNDS HOMELESS PREVENTION AND REHOUSING ASSISTANCE**

The Homeless Plan Advisory Committee (HPAC) championed a proposal to request \$260,000 in FY2012 County General Funds to bridge the systems change implemented in 2009 that provides a universal point of referral for at-risk tenancies (10-Year Plan Strategy 1.1) – a systems model with demonstrated outcomes that aligns a Housing Specialist position to work with people experiencing housing instability, and funds to provide emergency rent assistance for persons at risk of



homelessness (Warm Line) and funds for rehousing assistance serving low-barrier homeless persons.

On May 26, Ms. Jerralynn Ness, Community Action, and Annette Evans, Washington County Housing Services, presented the \$260,000 Prevention Assistance and Rapid Rehousing proposal to the Washington County Budget Committee. On June 28, the Board of County Commissioners appropriated \$88,000 of the \$260,000 proposal (4-months of the total request). With budget constraints and reductions occurring across county departments, full funding of the proposal was not possible. Public and private partners continue to leverage funds to fully support the proposed need.

- **BRIDGES TO HOUSING (B2H) PROGRAM**

A new two-year Phase 5 project serving five families in the Bridges To Housing (B2H) program was appropriated \$50,000 in the FY2012 County General Fund budget. The total project budget is \$191,000, and leveraged \$141,000 in federal and local resources. Screening and implementation of the Phase 5 project will begin in July 2011.

The Neighborhood Partnerships submitted the Bridges To Housing program as an innovative model serving homeless families and received notification the program was selected for a site visit as part of a study to find “promising models”. On June 30, members of the Washington County Jurisdictional Implementation Team were interviewed by Abt Associates Inc. and the US Department of Health and Human Services regarding the alignment of public and private resource systems, challenges to implementing the B2H program, outcomes realized by program participants and community partners, and provide input on replicating this model in other communities across the nation.

WorkSystems Inc. (WSI) has realized budget reductions that resulted in a number of staff being laid-off. The Aligned Partner program supporting B2H is currently budgeted at \$51,146 in the WSI FY2012 budget; however, is in jeopardy of being downsized or ended in future budget cycles.

- **YEAR 4 – A ROAD HOME: 10-YEAR PLAN TO END HOMELESSNESS**

The Housing and Supportive Services Network (HSSN) approved the Year 4 Work Plan goals and strategies to end homelessness. The Work Plan is a fluid document that tracks progress of strategy implementation. Quarterly reports will be posted on the county website at <http://www.co.washington.or.us/Housing/10-year-plan-to-end-homelessness.cfm>

The latest budget requirements include:

\$2.0 million (58%) Funds Committed

\$1.5 million (33%) Unfunded or Funds Requested*

* Excludes the \$1.2 million budget line item for affordable housing in strategy 2.4.



The total Year 4 budget is estimated at \$3.5 million, excluding strategy 2.4

- **HOMELESS ASSESSMENT REPORT – YEAR 3**

The Washington County Homeless Assessment Report on outcomes and challenges is an annual compilation of client and program data that highlights the implementation of the 10-Year Plan strategies. Annette Evans will present the Year 3 report to the Homeless Plan Advisory Committee (HPAC) at the September 15 meeting, at which time the HPAC will have an opportunity to provide comment prior to the report presentation to the Washington County Board of Commissioners in October. Copies of the final report will be provided to the HPAC, city mayors and managers, the state Ending Homeless Advisory Council (EHAC), HUD, the federal US Interagency Council on Homelessness (USICH), and other community stakeholders.

- **FY2012 FEDERAL LEGISLATIVE AGENDA – FAMILY STABILIZATION SERVICES**

On November 23, the Washington County Board of Commissioners received a list of projects for the Fiscal Year 2012 Federal Legislative Agenda. The legislative priority list includes a Family Stabilization Services program for homeless youth under the Labor, Health and Human Services and Education Appropriation Bill.

The Family Stabilization Services program would augment the current runaway and homeless crisis system to effectively provide timely intervention to prevent youth homelessness and their entry into the criminal justice system. If funded, the Boys and Girls Aid Society would implement the program in partnership with the Washington County Housing Services and Juvenile Services departments.

- **HEALTH CARE CLINIC PROVIDERS PRESENT TO HSSN**

Accessing health care continues to be a great need for severely low-income persons and people experiencing homelessness. Last winter, the Severe Weather Shelters identified a rise in the number of homeless persons with chronic physical health conditions; e.g. diabetes, wounds, cancer.

On June 1, the Washington County Housing and Supportive Services Network (HSSN) received presentations on health care services provided by clinics and programs in Washington County. Presentations by Essential Health Clinic, Project Access NOW, Virginia Garcia Memorial Health Center, and Pacific University provided information on eligibility and services provided by each clinic. This meeting launched the first discussion in building a collaborative relationship with the health care clinics and programs to ensure that referrals to the health care resources are conducted in a manner that supports the client and fits with the clinic intake system. Longer-term, the HSSN seeks to develop an alignment between the homeless response system and our local health care professionals.



- **THE SALVATION ARMY VETERANS AND FAMILY CENTER**

On June 22, The Salvation Army hosted a Dedication Ceremony and Open House for the new 48 unit Veterans And Family Center program located at 14825 SW Farmington Road, Beaverton. The program provides transitional housing and supportive services to homeless veterans – both unaccompanied veterans and veterans with spouse/children. Homeless veterans currently living at the Harbor Light program in Portland have the option to move into the Beaverton location. Homeless veterans may live at the facility for up to nine months.

- **HUD-VASH (VETERANS AFFAIRS SUPPORTIVE HOUSING) PROGRAM**

Implemented in July 2010, the Housing Authority of Washington County in partnership with the US Veterans Affairs has provided 22 homeless veteran households housing within the HUD-VASH program, thus ending their homeless situation. To fully lease the 25 voucher program, outreach workers are actively seeking homeless veterans for referral to the VA CBOC (Veterans Affairs Community-Based Outpatient Clinic) or the VA Medical Center, where the veterans are screened for an array of housing programs and supportive services. Currently, all 25 vouchers (100%) have been successfully used by homeless veterans to acquire permanent housing. Great news!!

- **TOWN HALL “A HELPING HAND” (6/4/2011)**

The Interfaith Committee on Homelessness hosted a town hall session on Saturday, June 4, focused on engaging the business community in the role of preventing and ending homelessness in Washington County. The Keynote Speaker was Mr. Greg Van Pelt, CEO, Providence Health and Services, with a panel discussion that followed to include key leaders in the community who represent businesses and employment opportunities.

While the forum experienced a low turnout of attendees and an absence of media to cover the discussion, a debrief of the event highlighted the need to continue advocacy of policy and programs that prevent and end homelessness, and a priority to continue educating the public, including the business sector, on the challenges people experience with lack of employment/under-employment and housing instability - an effort to demystify and reduce the stigma associated with homelessness.



V. OLD BUSINESS

- **TAX EXEMPTIONS FOR AFFORDABLE HOUSING**

Housing Authority staff received general approval from Chair Brian and Chair-Elect Duyck to proceed in discussion of a county-wide tax exemption program for nonprofit affordable housing providers. HAWC has requested a meeting with Mayor Truax of Forest Grove, and will check in with the Hillsboro and Beaverton School Districts.

The goal of this effort is to create a streamlined, consistent process for applying for and receiving a property tax exemption across Washington County. This initiative supports the Consolidated Plan recommendation for intergovernmental cooperation and consistency, and is one of the key strategies of the County's 10-Year Plan to End Homelessness.

- **ALOHA-REEDVILLE STUDY AND LIVABLE COMMUNITY PLAN**
Sustainable Housing and Communities

Leadership, Technical and Citizen Advisory Committees

The advisory committee structure for the Aloha-Reedville project was approved by the Board, and appointments to the Technical Advisory Committee and the Citizen Advisory Committee were approved on June 21 and 28, respectively. The CAC includes four (4) At-Large vacancies so we can bring in communities/leaders identified later in the process. The first meetings for both advisory groups will be scheduled in the next month.

In addition to advisory committees, there will be a number of Key Stakeholders identified. These stakeholders will include organizations, agencies, and individuals who will receive CAC and TAC materials and be actively solicited for input throughout the process. There will also be many opportunities for residents and interested persons to get involved that will be defined as the public involvement plan is developed.

RFPs

The Board approved contractor awards for JLA for public involvement and Leland Consulting for housing and economic analysis on June 7, 2011. Contracts were negotiated with both groups, and final contracts were in contract review in early July.

Meetings with JLA and Leland to discuss detailed timelines and deliverables and begin work are scheduled for early July. A consultant coordination meeting with the entire project team and both consultant teams is scheduled for July 20.

Project Kick-Off Open House

The Aloha-Reedville Study Community Kick-off Open House took place on Thursday, June 16, 4 - 7 p.m. at Aloha High School. Over 125 attendees signed in, and staff received a great deal of feedback from the community.



Key themes from the Open House and surveys included:

- *Connectivity – particularly sidewalks, crossing TV Hwy*
- *Library – for and against*
- *Affordable housing – split between too much/too little, need more high-end, concern that ‘affordable’ equates to inferior building (cheap)*
- *Gang/code enforcement (generally lumped together) – run down properties*
- *Desire for sense of community, community center*
- *Need fresh new and varied businesses – several on retail/restaurants*
- *Adding density in existing neighborhoods – some on incompatible designs, destroying large lots, taking away urban forests and general loss of vegetation*
- *Sidewalks, sidewalks and sidewalks – most often heard comment*
- *Intersections 209/TV Hwy, 198/Kinnaman*
- *Pedestrian (and bike) crossing issues on TV Hwy*

- **REGIONAL TRANSPORTATION MOBILITY COUNSELING PROJECT**

The *Regional Transportation Mobility Counseling* pilot project will provide low-income households receiving rental assistance with support and resources to make fully informed housing and transportation decisions. The goal of this pilot project is to develop an educational curriculum to provide clear, understandable, and complete information on combined housing and transportation costs when making housing choices. If the pilot program is successful, participating housing authorities will seek to integrate the program into its regular operations.

A grant award for \$60,000 in Metro Regional Transportation Options (RTO) funding was approved in December. A revised scope of work and budget for this pilot project was approved by Metro. An informal RFP for a curriculum development consultant and a research and evaluation consultant will be released in early July. The consultants will assist PHA staff in developing the curriculum and tools, refining the pilot project, and evaluating the efficacy of the tools and implementation of the pilot.

- **FY2011 VA-HUD VASH VOUCHERS**

The Housing Authority initiated its solicitation process in January for the next round of HUD-VA Veterans Affairs Supportive Housing (VASH) vouchers. This solicitation included persistent communication with Oregon Senators and Representatives, Washington County partners and the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA). Senators Merkley and Wyden, and Representative Wu have signed on to an Oregon Congressional Delegation letter to be sent to the VA.

Note: The VA allocation was released in mid-July. Portland received 50 VASH vouchers and Washington County received none. There is the possibility of a second smaller increment in August, and I have requested the support of the Oregon Congressional Delegation and regional leaders of the VA. I have also emphasized that the new Salvation Army Veterans and Family Center in Beaverton will house 48 homeless veterans in their transitional housing for 9 months. This would be a perfect opportunity to allow a transition to permanent housing using new VASH vouchers.



- **HAWC and HOUSING DEPARTMENT REPORTS**

Staff is working to collect data for a HAWC annual report, to include demographics on the population accessing housing services, geographic data on public housing, affordable housing, and voucher clients, occupancy rates, lease-up rates, work-order efficacy, and other information and performance measures. The recent Auditor recommendations include a suggestion for a department-wide annual performance report.

- **REGIONAL SUSTAINABLE COMMUNITIES PLANNING GRANT, ROUND 2**

HUD released an Advanced NOFA for the Sustainable Communities Regional Planning grant program in June. HUD is not currently accepting applications or pre-applications for this program. HUD has indicated that the final NOFA will be released soon, but an exact date has not been provided.

The Advance NOFA, including is available for download here:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/fund_savail/ascrpg

VI. NEW BUSINESS

- **AFFORDABLE HOUSING DATABASE UPDATE**

Metro and other regional partners, including Washington County, worked together in 2007 to develop a region-wide database and map illustrating the subsidized affordable housing in the region. As a result of several projects, including the discussions around Sustainable Communities, Metro has invited partners to reconvene to update this work group to update the database and affordable housing map.

Regional partners will work with their local agencies to assemble data for Metro to update the database by the end of August, with the goal of having an updated database in September. This should allow the updated information to be included in existing conditions reports for a variety of projects around the region.

- **REGIONAL OPPORTUNITY MAPPING PROJECT**

Metro has convened a work group to discuss developing a regional set of indicators and a mapping tool that would allow something similar to Opportunity Mapping to be done region-wide. The group is considering basing the regional tool on Metro's internal Context Tool, which considers a variety of indicators to assess a location's overall livability. Regional partners would participate in determining indicators, providing data, and conducting local outreach to solicit community feedback, and Metro and the Coalition for a Livable Future would work to develop a database and web-based tool that would be available as a general resource. Washington County



staff will work with decision-makers to secure participation in this project, and set up a meeting with Coalition for a Livable Future to demonstrate the existing tool and begin discussion of possible indicators for the regional tool.

- **HOUSING AUTHORITY UNIFIED WAIT LIST**

For various reasons that I will explain in more detail below, I believe it is essential that we initiate an indefinite closure of the Wait List to “**new**” applicants. This closure will not change the voucher opportunity for the over 6000 applicants currently on the wait list.

First, we are overleased and will likely remain so through the end of the year. We are overleased because we distributed more vouchers to new applicants over a 6-month period to bring our utilization rate as close to 100% as possible. However, we anticipated higher attrition rates than actually occurred. Why? As a result of the poor economy, families are retaining vouchers and remaining in subsidized housing, rather than moving to market-rate units and freeing up vouchers for new households. We need to average 2610 vouchers over the 12-month calendar year, requiring that we drop from 2665 to 2592 by the end of December. Any vouchers leased in excess of this average require the Authority to use its local funds to cover the cost, which we do not have.

- **Action:** We have ceased pulling applications from the wait list and ceased issuing vouchers to these applicants. Consequently, we have discontinued income and background screening of applicants and applicant voucher briefings.
- We anticipate the current freeze on waitlist pulls to remain in effect through at least December 31, 2011. We **do** have a plan in place to achieve the 2610 average by that time.

Second, due to 2011 federal budget shortfalls, our Section 8 Housing Choice Voucher (HCV) Program Administrative Fees were prorated at 81% of what HUD deems necessary for a functional Housing Authority. This low proration has dire consequences, since “Admin Fees” pay the salaries of our staff. We work in a HUD operating environment that is highly regulated through the use of Administrative rules and regulatory and statutory requirements. As a result, administrative rules and regulations continue to expand, while funding for staffing contracts. There is now a clear disconnect between the expectations and requirements of operating and administering a Section 8 Housing Choice Voucher program, and the resources being provided to us.

- **Action:** Due to the funding shortfall, the Authority has temporarily covered the current CY 2011 budget gap by using all of its Section 8 unrestricted “Admin Fee” reserves and some available local funds, and by leaving the Assistant Director’s position vacant.
- In addition, we chose **not** to fill a vacant Occupancy Specialist position with a permanent hire, opting to fill the vacancy with a **temporary** position due to funding considerations



Third, the funding outlook for CY 2012 does not appear favorable, and more cuts are contemplated for “discretionary” federal budgets in departments like HUD. Given the budget deficit dynamics, there is a strong probability that our CY 2012 funding will also be reduced -- which will again adversely impact our staffing levels and require us to further prioritize our “core” services beginning as early as January 2012.

- As mentioned, the Section 8 Administrative Fee provides the funding for staffing, and is based on the number of vouchers under contract on the first day of each month. If “Admin Fees” continue to be heavily prorated, then staffing must be constricted to meet this reduced funding. This then will require fewer staff to cover an increasingly larger case load. If the larger caseloads burden staff and result in fewer vouchers being processed and put under contract, the reduced lease-ups will decrease HUD funding, resulting in further staff cuts, and the beginning of a downward spiral. We must take action **now** to prioritize our services.

Fourth, while we place a premium on maintaining service levels, we must make difficult decisions about which rules or regulations are a priority -- we simply can’t get to them all with reduced staff levels. When auditors review an agency’s operations, they do not give a “pass” because your staffing has been cut. We have asked the HUD Field Office in Portland for assistance in requesting waivers.

- **Action:** In the interim, we will prioritize our limited staffing to adhere to HUD regulations with respect to our current program participants. e.g., certifications, inspections, transfers, portability, reasonable accommodations, hearings, etc.
- We will close the wait list to “**new**” applicants only. Current applicants on the wait list will not be impacted. Staff will continue to “pull” existing applications from the wait list and issue vouchers when (and if) vouchers are available to be released.
- There are currently over 6000 applicants on our wait list, and it is increasing. To illustrate this point, if we were to “pull” 50 applications from the wait list each month, it would take **10 years** to exhaust the current wait list. Assigning staff to perform the administrative actions needed to keep the wait list open when it is so large is increasingly unmanageable and can no longer be considered a priority “core” activity under reduced staffing conditions.
- We recommend keeping the wait list closed until 24 months of remaining applicants (~ 1200) remain. At that point, the wait list may be reopened in accordance with our Section 8 Administrative Plan.

Fifth and finally, the majority of Oregon Housing Authorities have already closed or considering closing their wait lists. Our immediate neighbors – Multnomah, Clackamas and Yamhill Counties - have already closed their wait lists. Persons who are unable to apply in these and other counties will likely gravitate to Washington County and significantly expand our already large wait list.

- **Result:** Keeping a wait list open and allowing it to expand above necessary service levels is a very inefficient use of our limited staff. An increase in wait



- list size requires an expanding staff workload to meet regulatory requirements when staffing size and core operations are otherwise being impaired.
- Equally significant from a management perspective, each new applicant on the wait list creates a potential audit deficiency in data entry and wait list management.

Action Needed: I believe the proposed wait list closure is prudent, timely and necessary, given the current/projected funding cutbacks and the resultant need to prioritize staff actions to sustain **essential** “core” services. The proposed closure is authorized by our approved Section 8 Administrative Plan that states “the PHA may stop applications if there are enough applicants to fill anticipated openings for the next 24 months . . . the PHA will announce the closing of the wait list by public notice . . . giving at least 30 days’ notice prior to closing the list”.

In summary, the management of the wait list to include closing and opening is an administrative action already authorized by our approved Section 8 Administrative Plan. However, I am requesting a motion of support by the Housing Advisory Committee that I can share with the Board if requested.

Historical Note: Twenty years ago in 1991, the Housing Authority agreed to a HUD Fair Housing Equal Opportunity (FHEO) Voluntary Compliance Agreement (VCA) due to potential discriminatory impacts by its Wait List Management. At that time, the Wait List was actually several separate wait lists – and not the unified wait list that we have today. All the recommended changes were implemented, including a requirement to keep the Wait List open during business hours. Usually, a VCA expires within 3-5 years. The Housing Authority never addressed with HUD FHEO whether it could again resume local control of its wait list as is authorized to all Housing Authorities nationally, until early this year. In response to our request, the Regional HUD FHEO Office in Seattle officially deemed the VCA expired.

- **HAC SUMMER RETREAT**

The HAC needs to determine whether to hold its Annual Retreat on September 23, October 7, or some other date. Peter Hainley will not be available for the September 23rd date. We have a potential speaker who is available on October 7. However, availability of other HAC members for these dates has not been expressed.

At our last meeting, the Committee suggested the following possible topics:

- Diversifying funding sources and finding dedicated sources of revenue for affordable housing,
- finding short or long-term strategies to reduce costs, or
- exploring revenue sources for acquisition.

Other topics have been received which include:

- Identify opportunities wherein a project can bring in unrestricted income to the Authority.



- What are the legal and policy ramifications that may arise when a Housing Authority owns and operates what are essentially market rent units?

Between your reading of this report and our meeting on July 28, I would appreciate your support for one of these topics or variation thereof, or new topics for the HAC's consideration. Time is running short and a decision on date and agenda needs to be made very shortly if we are to secure appropriate speakers and invite guests. Please call or email Kim with your thoughts.

VII. ADJOURNMENT