

HADCO
Board Meeting Minutes
May 29, 2025

PLACE: HADCO Conference Room

TIME: 12:34 PM

ATTENDEES

Commissioners: Jeff Cooley, Mike Baker, Chris Spens, and Donna Bosier. Jerry Griese was absent.
HADCO Leadership: Janeal Kohler and Jamie Ambrosini.

READING & APPROVAL OF MEETING MINUTES

Commissioner Baker motioned to approve April 24, 2025, HADCO Board meeting minutes. Commissioner Spens seconded. No additional discussion. All in favor; motion passed.

REPORT OF THE SECRETARY

No operating statements to present at this meeting; the finance department is focused on fiscal year end activities. Emerald CPA is working on the audit. An auditor will be on site next week. So far, the audit is going well and faster than expected.

Oregon Housing is auditing Vine Street this week. This happens about every three years. The audit is a year late and the auditors didn't provide much notice beforehand. Their compliance manual states that they have to give at least 15 days' notice of an audit. That was the exact notice time. This left little time for unit pre-inspections and some outdoor finishing work.

One challenge for this audit is our electronic files. Oregon Housing regulations do not allow electronic files. There must be physical files kept at the property in case there is management or ownership turnover and to streamline on site audits. Oregon Housing is not willing to be flexible on this which means the files flagged for audit must be printed and brought to the property for the auditor. Other programs allow paperless audits. This may be a finding on the audit. Janeal expects two Rural Development audits this year, but the notices haven't been received yet.

Blueridge II received a regulatory warning from HUD based on a recent audit. The letter just came in a few days ago. There is conflicting information between the audit results and a letter of satisfactory completion from 2024. The satisfactory completion letter for 2025 hasn't been received yet. Staff are confident that documents were uploaded correctly. They also believe that some things were flagged as errors when they shouldn't have been. HADCO's response must be submitted within 30 days of the letter. Janeal is preparing her rebuttal to dispute the inaccurate findings.

PUBLIC COMMENT: None

BILLS, BOARD COMMUNICATIONS AND DISCUSSION ON PUBLIC COMMENT:

HADCO hasn't received any further communication about the property on Rocky Ridge. Commissioner Cooley will follow up on it.

The HADCO electric bike program has no activity. Several tenants have shown interest, one tenant attended the orientation, but no one has checked out a bike. HADCO has two bikes at the administrative building and one at Vine Street. The Resident Advisory Board discussed moving one bike to Eagle Landing, but the property manager hasn't responded to calls or emails. They suggested moving another bike to Reedsport, but we need a local individual to be responsible for checking the bike in and out. Tenants seem to abandon the sign-up process before taking the orientation. However, the orientation ensures the tenant knows how to properly operate the bike before taking it out.

Rides are scheduled for three hours at a time. This allows time to run a few errands or use them recreationally before returning it. Janeal isn't aware of other housing authorities with a similar program.

UNFINISHED BUSINESS: None

NEW BUSINESS

Commissioner Cooley opened the public hearing for the amendment to HADCO's annual plan amendment to change its public housing conversion application from Streamlined Voluntary Conversion to a RAD/Section 18 Blend conversion and to increase the public housing security deposit amounts by bedroom size. No public was in attendance and no public comments were received during the 45-day comment period.

Resolution 2177 – Increase Public Housing Security Deposits: The Resident Advisory Board was consulted about the change in security deposit amounts. It was also opened for 45-day public comment. The security deposit amounts have not been updated in years and are very low for the current housing market. The current deposit amounts are \$300, \$400, \$500, \$700 for 1-4 bedroom units respectively. The average delinquency at move out is \$1,151 for all bedroom sizes combined. 3-bedroom units have the highest delinquency. The RAB agreed that the deposits should be increased.

The RAB agreed that the full deposit amount should be paid at move in. There are community organizations, like UCAN and UHA, that provide security deposit assistance with public funds. While funds can run out, they are regularly replenished. The RAB also suggested that payment agreements should be allowed if the new tenant can show financial hardship. They suggested that 50% of the deposit should be paid immediately; the balance should be paid in no more than three months. If a resident does not comply with the payment agreement, lease termination policies will be followed.

The proposed security deposit dollar amounts are based on 80% of HUD's 2025 Fair Market Rents: \$700, \$900, \$1,300, and \$1,500 for 1-4 bedroom units respectively. Commissioner Cooley suggested reducing the 3-bedroom security deposit to \$1,100. This would make all deposits double the previous amount +\$100. Moving forward, security deposit amounts will be reviewed annually when utility allowances and flat rents are reviewed. Commissioner Spens motioned to approve Resolution 2277 with the \$200 reduction in the 3-bedroom unit proposed deposit amounts. Commissioner Baker seconded. All in favor; motion passed.

Resolution 2276 – Amend HADCO's Annual Plan Related to its Public Housing Conversion Application: The Resident Advisory Board was consulted about the need to change the type of conversion application, the history behind the change, and how the change affects the residents. The language in the public notice of the plan change and in the Annual Plan itself was prescribed by HUD. Commissioner Spens motioned to approved Resolution 2176. Commissioner Baker seconded. All in favor; motion passed.

ADJOURNED: 12:58 PM