

## New Columbia Owners Association

### MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

#### *TIME AND LOCATION*

Upon notice duly given, a meeting of the Board of Directors of the New Columbia Owners Association, an Oregon nonprofit corporation (the "Association"), was held in the Community Room at 4625 N. Trenton St., Portland, Oregon on Tuesday May 26, 2009 at 6:15 p.m.

#### *PRESENT*

Present at the meeting were Directors Ben Wickham and Caren Cox constituting a quorum of the Board of Directors. Also present were Darcy Vincent, New Columbia Community Manager, Matt Andrews, Regional Manager of Allied Group and Anna Wickham, New Columbia Leasing Agent who took minutes.

Homeowners present included Steve Pickering, Julie Newhouse, Mischa Becker, Sonja Andreas, Kimberly Mason, Meike Niederhausen, Coley Lehman, Stacy Canterbury and Sharon Huffman.

#### *MEETING OPENED*

Ben called the meeting to session.

#### I. REVIEW & APPROVAL OF MEETING MINUTES FROM APRIL 28, 2009

Caren suggested the following edits to the April 28, 2009 minutes:

- The list of those present should acknowledge the Homeowner's that did attend the Annual Meeting.
- Recorded minutes for: II. *Review of March 2009 Financial Report* should be corrected to indicate that Trenton Terrace paid their dues for March and April and were not charged fees of any kind.
- Recorded minutes for: V. *Town Hall Meeting* verbiage should read that the Board "announces" the next Town Hall Meeting, rather than "schedules".

With these proposed corrections, Caren motioned that the minutes from the April 28, 2009 meeting be approved and Ben seconded the motion.

## II. ANNOUNCEMENT OF NEW PROPERTY MANAGEMENT COMPANY SELECTION.

Guardian Group has been awarded the contract for managing New Columbia and will be present for the OA meeting scheduled June 23, 2009 at 6:15pm in the Community Room of 4625 N. Trenton to give Homeowners an opportunity to meet the new management. Date and time of the presentation will also be posted on the New Columbia HAP website.

## III. REVIEW OF APRIL 2009 FINANCIAL REPORT

**Matt Andrews, Allied Group:** In review of the detailed Profit/Loss report, the figures are on par with the predicted budget—although it does not factor in late charges for OA members not paying dues on time. Currently 18 members are at the attorney for failure to pay and about 25-30 have received past-due notices. Payroll is under budget, but this was prior to hiring the dedicated groundskeeper for the OA who has started this month.

## IV. GENERAL PROPERTY UPDATE

- Allied announced that, as of May 15<sup>th</sup>, two officers from Knighthawk have begun patrolling the neighborhood nightly. Fliers with contact information for the company are available in the Leasing Office.
- Allied explained that ProGrass has been firing up the sprinklers this month and 50% are up and running.

**Board Question:** Have we agreed not to water the bioswales?

**Allied Response:** I don't know if there's a direct line to the bioswales that can be shut off? Capping the sprinkler would be expensive.

**Member Comment:** They should have separate valves.

**Allied Comment:** I will check up on that.

- Ben remarked that the turf on the property was recently aerated and the leftover would decompose on its own.
- Allied commented that their have been reports of moles in a few of the yards, but it is being handled.

## III. REVIEW OF APRIL 2009 FINANCIAL REPORT (resumed)

- Caren reintroduced the subject of budget to confirm that the financial report *does* show a positive income.

**Matt Comment:** That's based on every Homeowner paying their dues.

**Caren Response:** I'm referring to the Profit/Loss balance sheet. We've had a discussion about an OA dues increase in July. We need to decide if cash flow is improving, is an increase required?

**Matt Comment:** The total payroll variance is positive \$9,461. That number is based on every Homeowner paying dues, which is not the case.

**Member Comment:** So we're barely breaking even?

**Matt Response:** A small increase is the only way to maintain a full-time groundskeeper. Also, our current budget for landscaping doesn't show costs for damages to the sprinklers. We accounted a certain amount for that, but we won't know the actual cost until we're fully up and running.

**Ben Comment:** An increase was implemented on a limited term basis to be reassessed after 6 months. Taking into account the increased water usage, we expect a small deficit. If we postpone the increase we may see a deficit in 2010. We've presented the special assessment to the Membership, you've seen it—let's implement it. If the budget looks good it may go back to \$50 in 2010.

**Caren Comment:** When we passed the special assessment resolution we projected a shortfall, which we didn't see. I'd like to see the actual cash position. Some Homeowners are in arrears, some up to 2 years behind—but that had already happened before the collection process was in place. We now have 85% of the population paying within 30 days of the due date...people are starting to pay on time. But late fees being added are an issue—are we sending out announcements?

**Ben Response:** We'll inform folks, the Board will review statements from the June meetings and we can suspend the special assessment if we so choose.

**Caren:** If I could see where we really are cash-wise I could better understand.

**Ben:** When we do calculate the real money we project to take in, we have a deficit. The budget does not have a mechanism to take non-payment into account. The balance sheet shows we have \$15,000 in our operating account, we don't have an operating reserve. If we used all our cash we'd have to do a fee increase to generate funds.

**Caren:** If there is a positive balance, we can tell the Homeowners about the benefits; bark dust, park maintenance...not all Homeowners are aware of where the money goes.

**Member Comment:** Unless it happens on the weekend, no one is around to see that there's maintenance being done.

**Ben Comment:** Many OAs have regularly assessed increases. New Columbia has not yet done this, it shouldn't come as a shock. The purpose was to implement a reasonable increase. We've notified all that an increase was coming, and it's a fairly small amount for each Homeowner.

**Caren:** That notification will be too late. Maybe say "if accrual is improving and the increase results in a positive cash flow, then maintenance features will be added..."

**Ben:** If we continue to beat the budget and look at the budget in 2010 and see that we don't need special assessments, we can go back to \$50 in 2010—that's the goal.

**Member Question:** Would it be possible to provide incentive for paying dues on time, or 6 months to a year in advance? Similar to the discount for paying insurance premiums in advance?

**Ben Response:** The amount of assessment is required as part of the declaration, it's a legal document. If we agreed on a 3% discount, the OA would have to agree to add that as a bylaw.

**Caren Question:** Would this have to wait until the Annual Meeting?

**Ben Response:** Not necessarily.

**Caren:** We could discuss it at the 4<sup>th</sup> Quarter meeting and have in on the table by December...

**Ben:** What we need to decide is whether the value of paying early is worth paying less. If there's enough participation we could end up losing money.

**Member Comment:** What I'm hearing is that we're constantly chasing down Homeowners for non-payment—that's a lot of hours spent. An incentive program would diminish that.

**Member Comment:** But the ones defaulting will still default. The incentive now is that you don't get late fees.

**Caren Comment:** Guardian has a broader array of payment methods; electronic payments, electronic funds transfer, ACH...there's no way to forget. I think excuses will fall by the wayside.

**Member Question:** My dues are sent electronically already, will that have to change?

**Matt and Ben:** It will just be made out to New Columbia, that won't change.

**Caren:** In the OA letter announcing Guardian's management, we should include a note that electronic payments won't change.

**Ben:** Guardian is preparing information for folks also. If you want a separate Memo about the rate increase and dues payments we can do that.

## V. A BRIEF OVERVIEW OF AFFORDABLE HOUSING AT NEW COLUMBIA

**Ben:** Caren had asked for more information about how the rental properties work. The rental dwellings at New Columbia are Affordable Housing. The Tax Credit program is set up by the government as a provision from the IRS. It's a promise to keep the rent low in order to receive tax credits for the property, investors are involved. The partnerships are not owned by HAP...we're the General Manager of the ownership, the face of the property. Partnership funding made the community possible.

There is also subsidized housing. While the whole property is Tax Credit, we layered on Public Housing subsidy, resulting in tenants renting at 30% of their income. The federal government sends HAP subsidy payments monthly and HAP sends these to the Partnerships. These units are subsidized by the government directly.

The third type is Section 8. People can move in with a voucher which is like a portable subsidy, or move into PBS8 units, which are apartments where the Section 8 subsidy is attached to the rental unit and does not travel with the tenant if they move. Some here are elderly or disabled, receiving Social Security, others work full-time and their rent is equal to market rate...people with vastly different circumstances live here.

**Caren Question:** So they're all intermixed?

**Ben Response:** Yes. There's no way to say one area is Public Housing, one area is PBS8. All the units were built, and then designated.

**Member Question:** Is there any mix of Market Rate rentals?

**Ben Response:** None

**Member Comment:** I know the margin is close, it's based on income.

**Ben Comment:** The Tax Credit program has several levels, usually 60% of the AMI. HUD figures how much is 30% of the individual renter's income, and that's the cap. Sometimes 60% of the AMI is equal to the Market Rate, sometimes it's less.

**Member Question:** So all residents must be income qualified?

**Member Question:** Is there a reason that some rentals have their own trash bins?

**Ben Response:** Those apartments do not have an alley where garbage kiosk could be located.

**Member Question:** So they pay garbage?

**Ben Response:** The city requires the landlord to pay garbage.

**Caren Question:** For every rental unit here, there's a screening process—is it different for each category?

**Ben Response:** The criteria is the same. The income criteria is equal, rental history check is the same. The AMI for a family of 4 is \$65,000, 60% of that is \$42,000 per year or a wage of \$18-\$20 an hour. So someone can make \$20 an hour working full-time and still qualify for a Tax Credit unit.

**Member Question:** If the income decreases, does the rent decrease?

**Ben Response:** Only if they're in a government subsidized "Public Housing" unit.

**Caren Question:** Based on total household income?

**Ben Response:** Much of our work is recertifying incomes annually to determine income.

**Member Question:** Is there a review process for someone who has acquired a criminal record during a lease? Like a re-screening process?

**Darcy Vincent Response:** For a new roommate or a transfer to a new apartment, we'd rescreen.

**Caren Comment:** The household make-up seems very fluid here. It's all under the same lease but the household seem to change.

**Member Question:** I understand there's a 2 week maximum visit or else it's unauthorized. Is there anyway to monitor that?

**Ben Response:** We need evidence. People do get away with things. It can happen. Our goal is to provide consistent enforcements of property rules.

**Member Question:** How is that followed up?

**Ben Response:** It has to be proven in Multnomah County Eviction Court that the guest is unauthorized.

**Member Question:** Who does the screening for new residents?

**Ben Response:** A third party, Pacific Screening. Their business is background investigation.

**Member Question:** Who's criteria are they using?

**Ben Response:** It's an established criteria. Guardian will be using it, it's not going to change in July.

**Member Question:** Are other inspection going to be enforced? I see a lot of exterior problems with the renters that aren't being addressed.

**Ben Response:** Well, I see problems with Homeowners also. There are 600 households. We walk the site daily...you have to decide the threshold for telling someone they'll lose housing for having toys in the yard.

## VI. MEMBER COMMENT PERIOD

Ben opens the Member Comment Period.

- Chicken Ownership

**Stacy Canterbury:** I've printed out some language for the bylaws, I'd like to share that (printouts are handed to Caren and Ben)

**Member Comment:** I'd like to mention that chicken feed can encourage rats which can invade the houses. Rat infestation can cause expensive damage to homes.

**Ben Question (to Stacy):** So you'll be conducting surveys?

**Stacy Response:** Yes. I'll be soliciting volunteers. I'll give out my phone number and email, feel free to offer any positive or negative comments. My phone number is: 503.286.1425 and my email is: [stacyandgrant@hotmail.com](mailto:stacyandgrant@hotmail.com).

**Steve Pickering Question:** Is the cost of changing the legal documents to be covered by the OA?

**Ben Response:** It would cost \$200 an hour. We changed the bylaws, not the CC& R a year ago.

**Stacy Question:** That requires an attorney?

**Ben & Caren Response:** It has to be filed with the county, you need an attorney. There is a nominal filing fee of \$35 as well.

**Caren Comment (to Stacy):** I would also like to see a draft of the survey—and the plan for distributing the survey to homeowners - whether it's going to be via email or phone...

**Stacy Response:** I assumed we'd post it in the mail. I would like an agreement of what the survey would entail.

**Member Question (to Stacy):** Will you include positive and negative comments? I would like comments to accompany the survey.

**Stacy Response:** You mean someone's view sent like a Voter's Guide?

**Member Comment:** No. Like commenting on the survey, numbered 1-10.

**Ben Comment:** I'll just quickly mention that to change the bylaw, 70% of the members must agree. The survey will inform us whether there's a groundswell of support.

Homeowner, Stacy Canterbury provided drafts of proposed language changes for bylaws to allow for homeowners to have chickens and advised she intended to survey homeowners about interest. Members suggested the survey should include Pro and Con statements from community residents as well as survey questions. Board member asked for draft copy of survey questions and explanation of how survey would be distributed. Stacy indicated her expectation was that survey would be mailed but there was no decision on method or (if mailed) who would bear the cost of that mailing. Member voice concern about vermin problems associated with storing feed for chickens. Member asked if survey results indicate significant interest in changing bylaws to allow for urban chickens, would there be legal costs associated with the change. Board member advised there would be some legal costs associated with modification and filing of any bylaw change. Stacy advised she would be soliciting volunteers to help with survey and provided her phone number and email 503.286.1425 stacyandgrant@hotmail.com.

**Member Question:** I'd like to talk about the mole poison. If a neighbor is using it, could it leach into my soil?

**Matt Response:** the problem is mostly on the hill between Cecilia and Columbia Blvd. I don't have a time frame, it's been okayed and ProGrass will let us know the affected areas and we'll notify the HOA.

**Stacy Question:** Would it be possible to use a non-toxic method?

**Caren Response:** It's just not effective.

**Steve Question:** What's going on in terms of tree replacement?

**Ben Response:** Tree loss in the community has been mapped but ProGrass suggested no new tree replacement until the Fall. The heat will kill the young trees, so we're going to wait.

**Caren Question:** Can we have the dead trees removed, would ProGrass do that?

**Ben Response:** Sure. We'll remind ProGrass to remove the obviously dead trees.

**Steve Comment:** Some bioswales are still being established and do need water.

**Member Question:** Is the police office going to be in the apartment where the shooting was?

**Ben Response:** It's behind the bus stop on Fessenden.

**Caren Response:** If you go around on Haven, that's the back door and the front faces your [the member's] house.

**Matt Comment:** Soon there will be a sign up.

**Stacy Question:** What about the red curb paint for the bioswales?

**Ben Response:** That's a city issue, they own the curbs.

**Caren Comment:** At April meeting Allied volunteered to contact the city and find that out.

**Matt Response:** I haven't done that yet, I apologize. I'll take care of it.

**Caren Question:** Are we hosing out the garbage kiosks on a regular basis?

**Matt Response:** Yes, we've cleaned several out and bleached them. Within a month we'll get to all of them.

**Member Question:** Will this be on a continual basis?

**Matt Response:** On a rotating basis as the man-power is available. Right now we have the power washer out.

**Caren Question:** Also on the To-Do list was the Community lighting?

**Matt Response:** Doug will be going around during the evening and marking poles to be replaced. We have the bulbs and we have the rental of the lift scheduled.

**Caren Comment:** Well, I know one light out is on Columbia Blvd. and it's over a narrow sidewalk. A truck can't get to that.

**Matt Comment:** The Genie is a stand-alone unit and can get into tight spaces.

## VII. ADJOURNMENT

There being no further business before the Board, Ben made a motion to adjourn and Caren seconded the motion.

The meeting was duly adjourned at 7:30 p.m.

Signature of Secretary: \_\_\_\_\_

Date: \_\_\_\_\_