

Housing Advisory Committee
September 26, 2011 – Noon
Robert Lindsey Tower Community Room
370 Church Street SE (next to SHA)

1. ROLL CALL

2. APPROVAL OF MINUTES
 - 2.1 Minutes from July 25 and August 22 HAC meetings

3. REPORTS
 - 3.1 Program Management Report (Verbal)

4. ACTION ITEMS
 - 4.1 Revision of Section 8 Voucher and Mod Rehab Administrative Plan
 - 4.2 Execution of Agreements for Capacity Building Grant Award
 - 4.3 Purchase and Sale Agreement with the City of Salem - Widening of Hawthorne Avenue NE along the frontage of Northgate Village Apts.
 - 4.4 Labor Relations Support and Execution of a Payroll Services Contract with the City of Salem
 - 4.5 Execution of a Legal Services Contract with the City of Salem

5. OTHER ITEMS OF INTEREST
 - 5.1 Confirmation of Next Meeting Date – Request to Move October 24, 2011 meeting to another date due to conflict with OHCS annual conference/ discuss options
 - 5.2 Bylaws and Status of HAC Vacancies
 - 5.3 Upcoming Report Schedule (anticipated agenda items):

October HAC - no agenda items yet

Attachments:

- HAC Agenda
- 7-25 and 8-22 HAC Meeting Minutes
- Voucher Admin Plan Chapters 1, 3, 4, 7, 12, 18, 20
- Voucher Plan Summary of Revisions

MINUTES
of the
Salem Housing Authority
Housing Advisory Committee
July 25, 2011 - 12:00 Noon

Attendance:

<u>Members Present</u>	<u>Members Absent</u>	<u>SHA Staff</u>	<u>Guests</u>
Mark Knecht Betty Markey Leah McMillan Kristi Neznanski Annisa Olsson-Jones	Chuck Fisher Matthew Harris Brian Varley	Andy Wilch Linda Gregg	

Call to Order

The meeting was called to order by Betty Markey, Chair.

Minutes

Committee members reviewed the minutes of June 27, 2011. Leah McMillan **Made a Motion** to approved the minutes; the **Motion** was seconded and **Carried**.

Reports

Andy Wilch provided an update on program management. He noted that the Program Management Report (PMR) has added client profile statistics for assisted households and waiting list households. There was brief discussion about the demographic information included in the profiles, such as number of children, elderly and minority individuals in assisted and waiting list households. SHA staff plans to report these statistics each month in the PMR.

Member Status

Betty Markey introduced new HAC member Mark Knecht, representing elderly/minority citizens.

Maria Palacio has resigned after over nine years of service to the HAC (November 2001 to July 2011). Linda Gregg will arrange for a service award to be presented to Maria.

Action

HUD requires Board action to consent to revisions of program admissions and continued occupancy policies. The Public Housing Admissions and Continued Occupancy Policy

(ACOP) was presented to the Committee for review and recommendation for Board adoption. Revisions will incorporate changes to procedures for Social Security verification record retention requirements (HUD mandated), adoption of final Violence Against Women (VAWA) regulations (HUD mandated), and revisions to SHA's Incentive Transfer policy (discretionary). HUD authorizes public housing authorities to use discretion in setting policies that improve the efficiency of agency operations.

Annisa Olsson-Jones **Made a Motion** to recommend approval of the plan. The **Motion** was seconded and **Carried**.

Other Items of Interest

The committee members reviewed the latest draft of the HAC bylaws. Members noted additional revisions to the language relating to quorums, officers and regular meetings. Based on the consensus of the HAC, revisions were made to board composition and quorum and additional voting methods (e-mail and will be sent to the City Legal department for final review before adoption by the HA Commission).

Adjournment

The meeting adjourned at 1:20 p.m.

MINUTES
of the
Salem Housing Authority
Annual Budget Review Meeting
Housing Advisory Committee
August 22, 2011 - 12:00 Noon

Attendance:

<u>Members Present</u>	<u>Members Absent</u>	<u>SHA Staff</u>	<u>Guests</u>
Chuck Fisher Matt Harris Leah McMillan Kristi Neznanski Annisa Olsson-Jones	Mark Knecht Betty Markey Brian Varley	Andy Wilch Grace McCabe Linda Gregg	

Call to Order

The meeting was called to order by Chuck Fisher in Chair Betty Markey's absence.

Minutes

There were no minutes for review at this meeting. Minutes will be provided at the September 26, 2011 meeting.

Reports

Andy Wilch presented information on the SHA 2011-12 SHA operating budget. Staff is requesting recommendation to adopt the consolidated operating budgets for fiscal year 2011-12. The budget and accompanying Board certification must be submitted to HUD by September 30, 2011.

Consolidated budgets have been prepared for Central Office, Owned Housing, HUD housing programs and Grant programs. The budget package includes all programs and properties operated by SHA with the exception of four properties managed by the SHA for non-profit corporations or partnerships that independently approve their operating budgets. The net figure of \$468,746 represents funding that goes back into property operations.

Budget challenges faced this fiscal year include: 1) rental property portfolio performance, 2) Federal fund program and policy shifts, 3) focus on resource diversification, 4) focus on bottom line cost containment. The past year brought property management restructuring and a 8.2% reduction in staffing from FY 2010-11. Mr. Wilch also discussed SHA highlights and accomplishments.

There was discussion about the cost of operating housing properties. Mr. Fisher asked how the scattered properties in particular were performing. Mr. Wilch responded that these properties are not doing as well as multifamily properties in the public housing portfolio, likely due to the higher cost to maintain separate single family properties located a considerable distance from one another throughout Salem. This results in cost increases in fuel, travel time and additional staff hours. It was noted that HUD has some programs like Transforming Rental Assistance (TRA) that may support the transfer of rental properties such as some scattered sites to Section 8 project based vouchers in the future. Many changes are expected in HUD programs in the next year.

Annisa Olsson-Jones **Made a Motion** to recommend approval of the 2011-12 operating budget. The **Motion** was seconded and **Carried**.

Other Items of Interest

The Public Housing Admissions and Continued Occupancy Policy (ACOP) was briefly discussed. HAC previously reviewed revisions to social security verification, VAWA and SHA's incentive transfers policy and recommended adoption of the policy at the July 25 committee meeting. It was noted that the agenda item is still pending due to scheduling conflicts, and is now scheduled for adoption at the September 12 Commission meeting.

Further clarification about the goals of SHA's incentive transfer policy was provided by Nicole Utz, Housing Services Supervisor.

Andy Wilch noted that the Voucher Administrative Plan is also being revised and it was originally thought it would be ready to review at this HAC meeting. Staff decided to remove this item from the agenda and carry it forward to the September 26 HAC meeting for review and recommendation.

Adjournment

The meeting adjourned at 1:15 p.m.

**FOR HOUSING ADVISORY COMMITTEE MEETING OF: SEPTEMBER 26, 2011
AGENDA ITEM NO. 4.1**

TO: HOUSING ADVISORY COMMITTEE

**FROM: ANDREW WILCH
HOUSING ADMINISTRATOR**

**SUBJECT: SECTION 8 VOUCHER AND MODERATE REHABILITATION
ADMINISTRATIVE PLAN**

ISSUE

Shall the Housing Advisory Committee recommend HA Commission adoption of the Section 8 Voucher and Moderate Rehabilitation Administrative Plan incorporating changes in social security verification procedures, establishing a waiting list preference for chronically disabled individuals, establishing guidelines for terminating households with special purpose vouchers, pro-rating Housing Assistance Payments (HAP) for Moderate Rehabilitation units, adopting final Violence Against Women (VAWA) regulations and clarifying existing SHA policies relating to multi-generational family types that determine who is eligible to move into a Voucher household?

RECOMMENDATION

Staff requests that the Housing Advisory Committee recommend HA Commission adoption of the Section 8 Voucher and Moderate Rehabilitation Administrative Plan incorporating changes in social security verification procedures, establishing a waiting list preference for chronically disabled individuals, establishing guidelines for terminating households with special purpose vouchers, pro-rating Housing Assistance Payments (HAP) for Moderate Rehabilitation units, adopting final Violence Against Women (VAWA) regulations and clarifying existing SHA policies relating to multi-generational family types that determine who is eligible to move into a Voucher household.

BACKGROUND

Salem Housing Authority (SHA) maintains an Administrative Plan for the Section 8 program that governs the eligibility and continued participation of persons assisted under the Section 8 Program. Periodically, SHA updates the plan to incorporate regulatory and policy changes to improve program responsiveness to local needs.

The plan proposed for adoption by Resolution No. 2108 is the August 9, 2010 Administrative Plan with the following revisions:

- U.S. Department of Housing and Urban Development (HUD)-mandated changes

to Social Security verification requirements. HUD uses the social security number (SSN) to validate identity, obtain employment and income information via computer matching programs, and ensure that duplicate assistance is not paid. These uses allow HUD to determine compliance with program requirements and determine the initial and continuing eligibility and level of assistance a participant family may receive. HUD Notice 2013 states that once an individual's status is verified through the Social Security Administration (SSA) and Enterprise Verification System (EIV), SHA must destroy, no later than the family's next income recertification date, the documentation used to initially verify social security numbers. Revisions to the social security verification guidelines also require that foster children added to the voucher household must provide a complete and accurate social security number.

- Implementation of changes to Multi-Generational or Other Family Types. Previous SHA policies restricted the ability of a voucher participant to provide temporary housing for a minor whether related or unrelated, from a separate household, whose custodial parent is unable to care for them. The proposed policy would allow the voucher participant to temporarily house the minor as long as a prior relationship with the participant household is established and other program criteria is met.
- HUD-mandated changes to incorporate final VAWA regulations. Staff previously incorporated HUD's proposed VAWA notice to ensure the continued participation of domestic violence victims in SHA Public Housing programs. Previous policy language related to VAWA was included under Chapter 3 Eligibility, and Chapter 13 Lease Terminations. Staff proposes to delete the language related to VAWA in these chapters and to add a new Chapter dedicated to the implementation and exercise of the final VAWA regulations in program administration.
- HUD-mandated changes to the amount of HAP SHA is authorized to pay to a landlord of a Moderate Rehabilitation (Mod Rehab) Unit. HUD requires that SHA pay a pro-rated Housing Assistance Payment (HAP) based on the actual number of days that a tenant/program participant is in the unit. For example, if the program participant leaves the unit on the 20th of the month, the landlord would only be entitled to a pro-rated rent based on 20 days in the unit.

FACTS AND FINDINGS

SHA staff recommends adoption of revisions to the Section 8 Voucher and Moderate Rehabilitation Administrative Plan. The proposed revisions to the Administrative Plan comply with 24 CFR 5.216, establishing procedures for verifying Social Security and Supplemental Security Income benefits of applicants, participants, and household members of HUD-assisted rental units; implement pro-ration of HAP payment to owners of Moderate Rehabilitation units to reflect actual number of tenant days in unit; comply with 24 CFR 5.2001 requiring public housing agencies to implement final Violence Against Women Act (VAWA) regulations; and clarify existing SHA policies related to

multi-generational or other family types and determining who is eligible to move into a Voucher household.

The revisions to the Section 8 Voucher and Rehabilitation Administrative Plan can be found at the following link:

<http://www.cityofsalem.net/Residents/HousingAuthority/Documents/2010%20Voucher%20and%20Mod%20Rehab%20Admin%20Plan%20w%20Ch%2019%20FINAL.pdf>

A clean version of the proposed Section 8 Voucher and Moderate Rehabilitation Administrative Plan can be found at the following link:

<http://www.cityofsalem.net/Residents/HousingAuthority/Documents/VP%20Revisions%20for%20Web.pdf>

Further information about Section 8 Voucher program requirements is located at the following link:

http://portal.hud.gov/hudportal/HUD?src=/topics/housing_choice_voucher_program_section_8

Further information about Section 8 Moderate Rehabilitation program requirements is located at the following link:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/modrehab

Report prepared by: Andy Wilch, Housing and Social Services Manager

**FOR HOUSING ADVISORY COMMITTEE MEETING OF: SEPTEMBER 26, 2011
AGENDA ITEM NO. 4.2**

TO: HOUSING ADVISORY COMMITTEE

**FROM: ANDREW WILCH
HOUSING ADMINISTRATOR**

**SUBJECT: EXECUTION OF AGREEMENTS FOR CAPACITY BUILDING GRANT
AWARD**

ISSUE

Shall the Housing Advisory Committee recommend HA Commission authorization to complete all forms and execute all agreements necessary under the General Housing Account Program award to provide capacity building for the organization?

RECOMMENDATION

SHA staff requests that the Housing Advisory Committee recommended HA Commission authorization to complete forms and execute agreements under the General Housing Account Program.

BACKGROUND

In April 2011, the Housing Authority competitively applied for \$28,235 through the General Housing Account Program administered by Oregon Housing and Community Services; the purpose of the application was to secure funds to help build the Housing Authority's capacity. The application specified that the award would fund technological upgrades and Asset Management and Portfolio Preservation (AMPP) training. The Housing Authority Commission authorized the Housing Authority to apply for and to accept funds under the General Housing Account Program. In May 2011, the Housing Authority's proposal was awarded the full amount of its application request.

To receive funding, the Housing Authority must execute an agreement with Oregon Housing and Community Services (Attachment A), as well as sign and complete disbursement forms (Attachments B and C). To complete AMPP training, the Housing Authority must execute an agreement with Housing Development Center, the provider of the training. (See Attachment D.) As activities under the General Housing Account Program award are executed, additional agreements and forms may require execution and completion.

AMPP will provide Housing Authority staff with six formal trainings and approximately 150 hours in individual sessions, technical assistance, training, mentoring, shadowing and other activities on-site focused on preservation of affordable housing for each

owner. This curriculum will build asset management capacity and ensure continuation of the strong results of the last 20 years of affordable housing investment.

The specific technological upgrades proposed in the General Housing Account Program application were two digital imaging systems. Their intended purpose is to strengthen the Housing Authority's communication pipeline. Currently, on-site property managers communicate with Housing Authority staff through next-day file transport. The ability to update and send large files electronically will reduce communication times from days to minutes, increasing efficiency and setting up infrastructure for the systems needed to analyze issues and plan effectively.

FACTS AND FINDINGS

Authorization to sign all forms and to execute all agreements under the General Housing Account Program grant award will facilitate the Housing Authority's acceptance of funds and the activities for which funds were awarded.

**FOR HOUSING ADVISORY COMMITTEE MEETING OF: SEPTEMBER 26, 2011
AGENDA ITEM NO. 4.3**

TO: HOUSING ADVISORY COMMITTEE

**FROM: ANDREW WILCH
HOUSING ADMINISTRATOR**

**SUBJECT: PURCHASE OF A PORTION OF 3501-3575 HAWTHORNE AVE. NE FROM
THE HOUSING AUTHORITY OF CITY OF SALEM ALONG ITS NORTHGATE
VILLAGE FRONTAGE WITH HAWTHORNE AVE NE NECESSARY FOR A
CITY OF SALEM BOND IMPROVEMENT PROJECT**

ISSUE:

Shall the Housing Advisory Committee recommend HA Commission authorization for the Executive Director to execute a Purchase and Sale Agreement (PSA) to allow the City of Salem to acquire right-of-way and easements necessary to complete the City of Salem bond project to widen Hawthorne Avenue NE along the frontage of Northgate Village?

RECOMMENDATION:

SHA staff requests that the Housing Advisory Committee recommend HA Commission authorization for the Executive Director to execute a Purchase and Sale Agreement (PSA) to allow the City of Salem to acquire right-of-way and easements necessary to complete the City of Salem bond project to widen Hawthorne Avenue NE along the frontage of Northgate Village.

BACKGROUND:

In November 2008, Salem voters approved the Streets and Bridges General Obligation Bond Measure (Measure) to fund various improvement projects in the City. The Hawthorne Avenue NE and Hyacinth Street NE Corridor Improvements project (Improvement Project) was one of the projects identified for funding in the Measure. This Improvement Project requires property rights be acquired from the frontage of Salem Housing Authority's (SHA) Northgate Village (Attachment A). The Improvement Project will widen the current roadway to minor arterial standards and will include:

- Two travel lanes
- Curbs
- Sidewalks
- Bike lanes
- Streetlights
- Center turn lane for 2,200 lineal feet
- Modifications to existing traffic signals
- Storm water system modifications

The Improvement Project is 90 percent designed and is planned for the 2012 and 2013 construction seasons. Real Property Services staff of the City of Salem have been in the process of acquiring necessary right-of-way and easements from 66 of the properties fronting the Improvement Project, which includes SHA's Northgate Village at 3501-3575 Hawthorne Avenue NE. SHA held a meeting with residents October 15, 2010, to obtain feedback on the Improvement Project. Residents asked about the possibility of a fence being installed on the property's frontage along Hawthorne Avenue NE, which SHA plans to build once the City project is complete.

SHA staff submitted to U.S. Department of Housing and Urban Development (HUD) in December 2010, the required documentation requesting approval of the taking by the City of Salem. An amendment was requested and the final approval from HUD was received June 6, 2011 (Attachment B).

FACTS AND FINDINGS:

The City has started relocating utility lines in advance of the Improvement Project, as was approved by the Commission on June 13, 2011, through a permit of entry. SHA and City of Salem staff have worked collaboratively to develop the PSA (Attachment C) before this Commission for approval tonight. The City needs to acquire 3,630 square feet of new right-of-way along with a 1,911 square foot Public Utility Easement and a 1,911 square foot Temporary Construction Easement as part of the Improvement Project.

The PSA proposes the following key terms and conditions summarized below:

Purchase Price: \$34,867 which includes funding for a five (5) foot tall wrought iron style fence.

Documents: Warranty Deed and Temporary Construction Easement and a second conveyance document for the Public Utility Easement.

Closing Date: This transaction will close in escrow on or before a date mutually agreeable to both parties, but in no event will closing occur earlier than fifteen (15) days from date this agreement is signed by both parties, nor later than sixty (60) days from City's acceptance of condition of title, (the date that this transaction closes, is defined as when the recording of Seller's deed to Purchaser occurs in Marion County public records, the "Closing Date").

Attachment A: Location Map

Attachment B: HUD Approval Letter

Attachment C: Purchase and Sale Agreement

Report prepared by: John Gibson Real Property Services

G:\URBANDEV\ADMINISTRATION\Final Council Staff Reports\2011\Oct 10\SHA - Northgate Village\Staff Report draft SHA Northgate - City PSA Hawthorne Widening JG.doc

**FOR HOUSING ADVISORY COMMITTEE MEETING OF: SEPTEMBER 26, 2011
AGENDA ITEM NO. 4.4**

TO: HOUSING ADVISORY COMMITTEE

**FROM: ANDREW WILCH
HOUSING ADMINISTRATOR**

**SUBJECT: LABOR RELATIONS SUPPORT AND PAYROLL SERVICES CONTRACT
WITH THE CITY OF SALEM**

ISSUE:

Shall the Housing Advisory Committee recommend HA Commission authorization of payment to the City of Salem for labor relations support and authorize Salem Housing Authority (SHA) to execute a contract with the City of Salem to provide payroll services beginning October 1, 2011?

RECOMMENDATION:

SHA staff requests that the Housing Advisory Committee recommend HA Commission authorization of payment for labor relations support and execution of a contract with the City of Salem to provide payroll services to SHA beginning October 1, 2011.

BACKGROUND:

SHA contracts with the City of Salem each year for labor relations services and payroll services. FY 2010-2011 compensation paid to the City of Salem for labor relations services is \$8,166 and payroll services is \$4,617 for a total of \$12,783.

FACTS AND FINDINGS:

The City of Salem proposes to provide labor relations services to SHA during FY 2011-12 at a cost of \$9,014. The FY 2011-12 rate represents an increase of \$848 (10%).

The City of Salem proposes to provide payroll services to SHA during FY 2011-12 at a cost of \$4,788. The FY 2011-12 rate represents an increase of \$171 or 3.7%.

The total proposed FY 2011-12 cost for labor relations and payroll services is \$13,802; an increase of \$1,019 from FY 2010-11.

Attachments: Contract for Payroll Services

Report prepared by: Andrew Wilch, SHA Administrator
G:\URBANDEV\ADMINISTRATION\Final Council Staff Reports\2011\Oct 10\Authorization for a Labor Relations and Payroll Services Contract with the City of Salem

CONTRACT FOR PAYROLL SERVICES

This AGREEMENT entered into as of the first day of October, 2011, by and between the HOUSING AUTHORITY OF THE CITY OF SALEM, OREGON (hereinafter referred to as the "Authority" and the CITY OF SALEM hereinafter referred to as the "Contractor,")

WITNESSETH:

WHEREAS, the Authority has entered into contracts with the United States of America providing for financial aid to the Authority under the Housing Act of 1937, as amended; and

WHEREAS, the Authority desires to engage the Contractor to render certain services in connection with the undertakings of the Authority.

WHEREAS, pursuant to the bylaws of the Authority, the Finance Director of the City of Salem acts ex officio as the Treasurer of the Authority;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. The Contractor shall perform all the necessary services provided under this Contract in connection with and respecting all programs administered by the Authority; and shall perform and carry out all services in a satisfactory and proper manner.
2. Scope of Services
Payroll Services. For the period beginning October 1, 2011 and ending September 30, 2012, the service provided by the Contractor shall include the following:
 - a. maintain payroll records, prepare payroll checks and complete payroll reports to comply with local, state and federal laws and with any effective Collective Bargaining Contract;
 - b. prepare reports as requested by the Authority;
 - c. extend the same payroll services to the Authority as it does to the City of Salem;
 - d. disburse payroll deductions and fringe benefit payments correctly and in a timely manner;
 - e. prepare and submit monthly payroll reports to the Authority by the 10th of each month, and with any adjustments to each month's report to be provided by the 12th of each month.

3. Compensation

Total payments by the Authority under this Agreement shall be \$4,788. Payments are to be made in equal monthly installments on the first day of each month beginning October 1, 2011.

4. Treasurer Office Responsibilities

a. It is understood by both parties that the Treasurer shall perform responsibilities as stipulated in the Authority's by-laws, which are attached hereto and incorporated herein by this reference.

b. The Authority shall promptly provide all financial and budget documents as designated by the Treasurer.

c. The Authority shall promptly inform the Treasurer of any irregularities and corrective procedures.

5. Non-Federal Labor Standards Provisions

The following labor standards provisions are applicable to the contract under state or local law; provided, that the inclusion of such provision in this contract shall not be construed to relieve the Contractor or any subcontractor from the pertinent requirements of any corresponding federal labor standards provisions of this contract; and provided further, that the limitations, if any, in these non-federal labor standards provisions upon hours per day, per week or per month which the employees engaged on the work covered by this contract may be required or permitted to work thereon shall not be exceeded. Where minimum rates of pay required under state or local law are higher than the minimum rates of pay required by or set forth in the federal labor standards provisions of this contract for corresponding classifications, such state or local minimum rates shall be the applicable minimum rates of pay for such classifications.

6. Cancellation

Based on the Contractor's ability to provide these services, or the ability of the Authority to secure less costly or more efficient accounting services, early termination of this contract will be considered based on the recommendation of either the Housing Authority Administrator or the Finance Director.

IN WITNESS WHEREOF, the Authority and the City have executed this agreement as of the date first above written.

HOUSING AUTHORITY OF THE
CITY OF SALEM

CITY OF SALEM

BY: _____
Andrew T. Wilch, Housing Administrator
Manager

BY: _____
Linda Norris, City

DATED: _____

DATED:

ATTEST: _____
Recording Secretary

**FOR HOUSING ADVISORY COMMITTEE MEETING OF: SEPTEMBER 26, 2011
AGENDA ITEM NO. 4.5**

TO: HOUSING ADVISORY COMMITTEE

**FROM: ANDREW WILCH
HOUSING ADMINISTRATOR**

**SUBJECT: EXECUTION OF A LEGAL SERVICES CONTRACT WITH THE CITY OF
SALEM**

ISSUE:

Shall the Housing Advisory Committee recommend HA Commission authorization to execute a contract with the City of Salem to provide legal services to Salem Housing Authority (SHA) beginning October 1, 2011?

RECOMMENDATION:

Staff recommends the Housing Advisory Committee recommend HA Commission authorization to execute a contract with the City of Salem to provide legal services to SHA beginning October 1, 2011.

BACKGROUND:

SHA contracts with the City of Salem each year to provide legal services. Compensation is based on hourly rates set by the City. Under the current contract expiring September 30, 2011, the Housing Authority pays \$118.73 per hour.

FACTS AND FINDINGS:

For SHA's fiscal year beginning October 1, 2011, the City has proposed an hourly rate of \$96.42 for a decrease of \$22.31 (18.79 percent) from the FY 2010-2011 rate (Attachment A). This rate will be charged for actual time spent by the attorneys on SHA issues.

The proposed rate is calculated using the City of Salem's FY 2011-2012 Indirect Cost Allocation Plan as used to prepare the City budget. The fee will cover the Legal Department's full direct and indirect salary, fringe benefit and overhead costs for providing legal services. In addition to the hourly rate, SHA agrees to reimburse the City for expenses such as travel, filing fees and court-related costs that are incurred in the provision of legal services.

The proposed contract estimates the maximum compensation to be \$5,000, which corresponds with the amount budgeted for the fiscal year beginning October 1, 2011.

Attachment: Contract for Legal Services

CONTRACT FOR LEGAL SERVICES

THIS AGREEMENT is entered into this first day of October 2011, by and between the Housing Authority of the City of Salem, Oregon, hereinafter referred to as "Authority" and the City of Salem, Oregon, hereinafter referred to as "Contractor."

WITNESSETH:

WHEREAS, the Authority is engaged in the provision of low-income housing pursuant to powers granted to public housing authorities by state law and through financial assistance from the United States authorized by the United States Housing Act of 1937, as amended; and

WHEREAS, the Authority desires to engage counsel to render certain legal services, advice and assistance in connection with the low-income programs being administered by the Authority and counsel is desirous of providing such services; and

WHEREAS, Randall Tosh, City Attorney, is the chief law officer of the Contractor through whom the Contractor will provide such legal services to the Authority as it requires under this Agreement:

NOW, THEREFORE, it is hereby mutually agreed as follows:

1. Scope of Services

Contractor through its chief law officer shall render, but only as requested by the Authority, the legal services as indicated herein. Contractor shall not provide legal services (routine legal advice, appearances before City bodies, contract review, drafting, negotiation or similar functions) on matters or transactions in which the Authority and the Contractor are on opposing sides.

A. Planning, Development and Initial Occupancy of Low-Income Programs

Contractor is to perform all legal services in connection with, and to be responsible for all legal phases of the planning, development, initial occupancy, and financing of all low-rent housing projects to be undertaken by the Authority. Such services shall include but not be limited to the following:

1. Provide, as necessary, service in securing the approval of local public entities such as the approval of the local governing body of application for preliminary loans, of local cooperation agreements and of low-income projects.

2. Preparation or review of legal documents and papers; rendition of advice and assistance to the officers and employees of the Authority; consultation with parties having dealings with the Authority; supervision as to legality of the official acts and minutes of the Authority, rendition of legal opinions on all matters submitted by the Authority, including questions regarding conflicts of interest.

3. Rendition of all legal work necessary in connection with the preparation of applications for federal financial assistance, the preparation and adoption of development programs, and of all resolutions and policies necessary for the establishment of a complete tenant services and operations program.

4. Preparation of or review of contracts with surveyors, land negotiators, cost estimators, architects, appraisers, and all parties having dealings with the Authority regarding such planning, development, and initial occupancy of such projects; review and legal approbation of such contracts and payments thereon; handling of all legal questions and matters arising under such contracts of the Authority.

5. Rendition of advice and assistance to the Authority, and preparation of such documents as may be necessary in connection with exceptions from and variations of zoning, building, and inspection ordinances and regulations; appearance and representation of the Authority before public bodies and in court in all litigated matters (except "extraordinary litigation" as hereinafter defined).

6. Rendition of advice and assistance to the Authority in the acquisition of any interest in real property; assist in the preparation of necessary documents regarding such acquisition; approval of title insurance policies; rendition of legal opinions regarding title, liens and encumbrances, and any other matter affecting title or an interest in real property acquired by the Authority; and in projects to be acquired by the Turnkey method to assist in the negotiation, drafting and review of procedures and documents involving the selection of the Developer, and entering into of letters of intent and contracts of sale, the acquisition of title, and participation in the closing of "settlement" transaction upon completion of the Turnkey project.

7. In any project being constructed through the conventional competitive bidding procedures, Contractor is to provide review of documents relating to the advertisement and award of construction contracts, including the construction contract, specifications and performance and payment bonds.

8. Provide legal services in connection with the leasing or subleasing of property, the entering into of Agreements to lease, options to purchase property, and the sale of dwelling units to tenants.

9. Assist in the preparation and review of documents relating to the issuance of obligations of the Authority.

B. Legal Services in Connection with Management of Low-Income Projects

Contractor is to perform all legal services in connection with, and to be responsible for all legal phases of low-rent housing projects of the Authority now under management of the date hereof or which may later come under management. Such services shall include but not be limited to the following:

1. Advising the Authority governing body and staff on all legal matters affecting such projects; consultations with parties having dealings of a legal nature with

the Authority; attendance at meetings of the Authority; preparation of resolutions and related documents; review and approbation of minutes of the Authority; preparation and rendition of legal opinions of the Authority.

2. Assistance in the negotiations and preparation of contracts, leases and other documents of the Authority.

3. Appearance and representation of the Authority before the governing bodies of the City, County and other public bodies excepting the State Legislature; representation of the Authority in actions of unlawful detainer to secure the eviction of tenants of said projects and necessary court appearance in eviction matters.

C. Such services, however, shall not include any legal services performed in connection with unusual litigation which for the purpose of this Agreement means suits attacking the validity of a State Housing Authority law or the legality of the Authority, actions to enforce a Cooperation Agreement, and similar matters of a novel and complex nature, nor shall services be compensated for under this Agreement. Any services for unusual litigation shall be the subject of a separate and special litigation services contract for each such litigation.

2. Time of Performance and Term of Agreement

The services of Contractor are to commence upon the execution of this Agreement, and shall be undertaken and completed in such a sequence as to assure their expeditious completion in the light of the purposes of this Agreement. Excepting as otherwise provided herein, the services to be performed under this Agreement shall extend and the terms of this Agreement shall begin October 1, 2011, and terminate on September 30, 2012.

3. Compensation, Reimbursement and Methods of Payment

A. Compensation

The Authority shall pay the Contractor monthly for services performed by the City Attorney hereunder. Such compensation shall be paid at an hourly rate of \$96.42. Payment of such compensation shall be subject to the receipt, by the Authority from the Contractor, of an appropriate requisition and voucher specifying the number of hours spent with respect to specific legal services performed under this contract and that the Contractor is entitled to receive the amount requisitioned. Payment shall be made within thirty (30) days of receipt of such requisition and voucher by the Authority.

B. Reimbursement

In addition to the compensation provided above, the Authority shall reimburse the Contractor monthly for the following expenses.

1. Travel subsistence expenses of the City Attorney authorized by the Authority in connection with the performance of the Contractor's duties under this Agreement outside of the City of Salem, Oregon, equal to the actual cost of

transportation by common carrier or the sum of \$0.50 per mile if the travel is performed by privately-owned automobile. Such reimbursements shall not exceed the actual subsistence expense incurred and supported by written documentation; and

2. Such filing costs, witness fees, long-distance telephone calls and telegrams, expenses of services of process, court reporter's charges, jury fees, and similar costs relating to routine litigation and generally chargeable to a client.

C. Maximum Compensation

It is expressly understood and agreed that the total compensation and reimbursement, if any, to be paid hereunder shall be \$5,000. However, this amount for the purpose of this Agreement shall be considered only an estimate and shall not be considered a limitation.

4. Employment of Other Counsel, Specialists or Experts

Contractor will not employ or otherwise incur an obligation to pay other counsel, specialists or experts for services in connection with services herein without prior written approval of the Authority.

5. Termination of Agreement and Legal Services

This Agreement and all legal services to be rendered hereunder may be terminated at any time by 30 days written notice from either party, with or without cause. In such event, all finished and unfinished documents, pleadings, exhibits, project data, reports and evidence, shall, at the option of the Authority, become its property and shall be delivered to it or to any party it may designate. In the event of such termination, Contractor shall be paid for all work completed, up to the date of such termination.

6. Interest of Members of Authority

No member of the governing body of the Authority for which services are to be provided under this Agreement, and no other officer, employee or agent of the Authority who exercises any functions or responsibilities in connection with the managing or carrying out of the low-rent housing project shall have any personal interest, direct or indirect in this Agreement.

7. Interest of Other Local Public Officials

No member of the governing body of the locality in which the Authority functions, and no other public official of such locality, who exercises any functions or responsibilities in the review, approval managing or carrying out of the low-rent housing project shall have personal interest direct or indirect in this Agreement.

8. Equal Employment Opportunity

During the performance of this Agreement, Contractor agrees as follows:

A. Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin, familial status, age, mental or physical disability, sexual orientation, gender, identity, or source of income. Contractor will take affirmative action to ensure that applicants are employed, and that

employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and Authority setting forth the provisions of this nondiscrimination clause.

B. Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

C. Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

9. Conflict of Interest

A. Both parties recognize that upon notification by Contractor that a conflict of interest may exist, or at any time either finds that it is concerned about a potential conflict of interest between the parties with respect to a matter on which the Contractor may be called to provide counsel or legal representation to Authority, Authority may choose to seek independent legal counsel at its own expense. Likewise, in such cases, Contractor may notify Authority that the Contractor will not provide legal services to Authority with respect to a particular matter.

B. Both parties recognize that a potential conflict of interest would exist any time Contractor represented both the City of Salem and Authority with respect to agreements between the City and Authority. In addition, the Authority expressly consents to Contractor's representation of the City in these matters.

C. THE PARTIES ACKNOWLEDGE that they have been advised to consult independent legal counsel prior to agreeing to the terms of this Contract including the Authority consenting to allow the City Attorney's office to represent the City of Salem with respect to agreements between the City of Salem and the Authority, and that the parties have either done so or determined not to do so.

IN WITNESS WHEREOF the Authority and Contractor have executed this Agreement as of the date first above written.

HOUSING AUTHORITY OF THE CITY OF SALEM CITY OF SALEM

BY: _____
Andrew T. Wilch, Housing Administrator

BY: _____
Linda Norris, City Manager

DATED: _____

DATED: _____

ATTEST: _____
Recording Secretary