

MINUTES
GREEN BAY HOUSING AUTHORITY
Thursday, February 19, 2015, 10:30 a.m.
1424 Admiral Court, Second Floor Reading Room
Green Bay, WI 54303

MEMBERS: William VandeCastle - Chair, Sandra Popp - Vice Chair, and B. Hansen

MEMBERS EXCUSED: Chiquitta Cotton

MEMBERS ABSENT: Brenda Goodlet

OTHERS PRESENT: Robyn Hallet, Kim Flom, Stephanie Schmutzer, Nikki Gerhard, Ka Vang, Noel Halvorsen, and Sadie DiNatale

APPROVAL OF MINUTES:

1. Approval of the January 15, 2015 minutes of the Green Bay Housing Authority.

A motion was made by B. Hansen and seconded by S. Popp to approve the meeting minutes of January 15, 2015, as presented. Motion carried.

OLD BUSINESS:

3. Update and possible action on the status of the loan made to NeighborWorks® Green Bay for the Farmory project.

Per a motion made by W. VandeCastle and seconded by S. Popp, item three, of Old Business, was moved up to allow N. Halvorsen an opportunity to update the Authority on the Farmory project.

N. Halvorsen briefly discussed the progress of the Farmory project which is associated with the GBHA as NeighborWorks® had received a loan from the Authority for this project. The Farmory project is an attempt to create an indoor, urban farm. The project's board of directors has recently been elected and project tasks are already underway which began with identifying all possible tasks needed to see this project through.

Current project tasks completed include: removed asbestos from the building, removed underground fuel tanks, removed boiler, removed smoke stack, and the salvation of a majority of the building's flooring, amongst other demolition priorities. The project is now almost to the point where improvements can be made to the existing infrastructure. A business model has been prepared and steps to accomplish the next steps of the project have been developed.

N. Halvorsen explained that the next steps are related to resource development. Raising several hundred thousand dollars is at the top of the to-do list. Capital improvements on the building itself are projected at \$5-600,000. Installation of the farming equipment and growing technologies are other associated costs. The project committee is currently working with a grant expert to explore federal opportunities in areas of agriculture and community development, amongst other facets such as health and human services grants and local and corporate based grants.

Another current task is to determine what will actually be grown, how the Farmory will operate with the intended produce grown, and how the inside of the building will facilitate the farm (which will require visual renderings). This task is projected to be completed by the end of April.

W. VandeCastle inquired about the type of produce that will be grown. N. Halvorsen explained that one of the initial views when the project first began was to grow mushrooms and micro greens. Once realizing the vast amount of space the building beholds with the understanding that growing racks will be 5-7 levels tall, the thought was realized that the Farmory would eventually produce more mushrooms and micro greens than the local demand would need. Accordingly, the project

committee wants to ensure that they determine the right mix of produce to grow or perhaps even consider a distribution process to set in place for the regional or national market.

S. Popp inquired whether this project would work with any horticulture group or school. N. Halvorsen stated that this is definitely a collaborative process. They would be working with Northeast Wisconsin Technical College, economic development teams, among other key individuals and groups.

B. Hansen asked what the future of the Farmory would be, once successful. For instance, what would become of the generated revenue? N. Halvorsen explained that the model currently being utilized allows for generated profits to be used to subsidize the mission aspect of the project. N. Halvorsen elucidated that low-income or unemployed individuals, returning Veterans, and other special needs populations would have the opportunity to learn how to operate the farm and gain experience in urban farming. These individuals would help the project to earn profits and in exchange they would be gaining professional experience, scholarships, and unique skills to potentially start their own businesses, become more employable, and enhance their wellbeing and self-sufficiency. In addition, the Farmory would be paying rent to NeighborWorks®. Beyond that, any additional profits would be a community conversation to be held in the future. A potential prospect may be that the Farmory building alone will not be big enough and expansion would be needed in which case generated profits would help pay for said expansion.

A motion was made by B. Hansen, seconded by S. Popp to return to the regular order of business. Motion carried.

ELECTIONS OF OFFICERS:

2. Elections of Officers

W. VandeCastle stated that the current terms for the current officers are up.

A small discussion occurred indicating that the current officers would serve again for another term.

A motion to keep the officers the same as the previous year was made by B. Hansen and seconded by S. Popp. W. VandeCastle will serve as the Chair and S. Popp will serve as the Vice-Chair. Motion carried.

COMMUNICATIONS:

None

NEW BUSINESS:

4. Discussion and possible action regarding flat rent rates.

R. Hallet stated that several meetings ago, W. VandeCastle made the suggestion of possibly subsidizing or rebating flat rent increases being mandated by HUD. Staff has since discussed this notion internally to address the feasibility of the suggestion. Staff first considered the possibility of subsidizing the phasing in of flat rent increases from a financial perspective, as there is a healthy amount of revenues in reserve. It was understood that some residents, currently paying the flat rent, may decide to leave GBHA public housing because they may be able to find housing of the same quality elsewhere for equal or lower costs, once they realize the flat rents increases. Accordingly, staff did some work to find out if it would be possible to use GBHA's revenue to offset the adjustment through subsidization.

Staff took a look at the cost burden, determining how much it would cost the GBHA to phase in the flat rent increases while subsidizing it for a period of four years. Accordingly, the first year the GBHA would subsidize the entire rent increase, the second year 75 percent would be subsidized, the third year 50 percent, and the fourth year 25 percent of the flat rent would be subsidized. Considering those reductions per year and considering the number of residents currently at the flat rent, the cost burden or financial impact would be \$22,260 to implement this process.

R. Hallet went on to explain that staff discussed how this process would be implemented. There were many concerns regarding a fairness perspective in that some tenants may not believe they were getting the same kind of benefits as others. Further, the notion that some tenants were grandfathered in became a crucial topic to consider and it was discussed whether this process would truly meet the GBHA's objective. Moreover, this subsidy may impact other income-based programs residents may participate in, since subsidization may count as income for those programs. The way in which this whole process would be tracked (especially with the phase in) was also cause for concern. As these obstacles are quite extensive, staff went on to recommend not proceeding with this suggestion. All the same, staff wanted to bring this information to the Authority as ultimately the decision is theirs.

W. VandeCastle stated that he appreciated the time to look this over and analyze the possibility.

W. VandeCastle made a motion not to proceed with the exploration of subsidizing the flat rent increases. S. Popp seconded the motion. Motion carried.

INFORMATIONAL:

5. Review of revised Move in/Move out Addendum

N. Gerhard informed the authority that this item was brought back to the table per commissioner request. At the January 2015, meeting of the Authority, revisions were suggestions and have now been made. The changes made to the Move in/Move out Addendum were numerical values added to each inspection item and a corresponding page added with room for tenants to make comments. No further suggestions were made to the Addendum.

S. Popp inquired whether any of the inspection items include or cover an evaluation of accessibility features. N. Gerhard confirmed this.

A motion to approve the revised Move in/Move out Addendum was made by B. Hansen which was seconded by S. Popp. Motion carried.

6. Status of TRIP account

N. Gerhard informed the committee about the current status of the TRIP Program (Tax Refund Interception Program) first reminding the Authority that this program is intended to be utilized for fraud cases. The program aids in the collection of money from tenants who have moved out but still owe money to the Authority.

N. Gerhard explained that the GBHA's participation in the program is up and running well. Previous tenants who now owe money have all been entered into the program and the GBHA has currently intercepted a total of \$550. Another update will be given once the tax season is over to provide a status on the total amount of money collected for the year.

S. Popp asked where the intercepted money goes once collected. S. Schmutzer stated that money received goes into the GBHA's receivables account, falling under revenue.

W. VandeCastle asked whether there were any limits to the program. N. Gerhard stated that the program will not intercept any money that has been entered in under \$20.

7. Tablets for maintenance staff

N. Gerhard informed the Authority that two full-sized, wireless iPads have been purchased from IT to be utilized by maintenance staff. The intent of this purchase was to make the process for completing work orders more efficient which additionally frees up office time. The proper software has already been downloaded on the tablets and maintenance staff has already begun receiving training to administer the technology. The iPads come with email and a notepad, screen protectors and cases.

W. VandeCastle stated that this was a great idea as it will not only enable efficiency but it will also increase the quality of reports as reports can be created right in the field as opposed to going back to the office, risking the possibility of accidentally leaving some information out.

S. Schmutzer additionally explained that the tablets have cameras so that they can take pictures of neglected units and before/after move-in pictures to hold as proof. They can then email the pictures, or reports, back to the office right away.

S. Popp asked if the tablets were password protected. S. Schmutzer confirmed this as the tablets are connected to the City's network.

W. VandeCastle commented that the tablets also serve as an additional safety measure as the tablets serve as another outlet of communication. An example was provided that if staff ever runs into any problems out in the field, where they cannot access their cell phones, the tablets can become very useful.

8. 2015 Capital Fund Award and review of past Capital Funds awards

R. Hallet notified the Authority of the Capital Fund award amount for the 2015 fiscal year. R. Hallet discussed how awarded funding has changed over the years through the use of an informational graphic that depicted data going back to 2007.

S. Popp inquired about the drop in funds around 2011 and moving forward. R. Hallet explained that HUD has experienced many fiscal cuts which has attributed to funding cuts for the GBHA. The cuts are not the result of poor performance or otherwise within the control of the GBHA.

R. Hallet continued by stating that staff is already conducting discussions about how to best spend the Capital Funds in the upcoming year. These discussions will be summarized in a report and will be conveyed to the Authority in upcoming months.

FINANCIAL REPORT AND BILLS:

S. Schmutzer updated the Authority with the current financial report first replying to a question that was asked at the January 2015 meeting. S. Schmutzer responded to the question regarding a \$16,000 expense for Scattered Sites stating that this expense was related to basement unit repairs that came out of the spend down money in the budget.

Additionally for Scattered Sites, S. Schmutzer explained the use of funds spent under the budget item of computer support, telephone, and communications. In the past this money was budgeted from Mason Manor which has now been corrected.

S. Schmutzer stated that for Mason Manor the only item over budget is heating and cooling expenses. This item is also expected to increase due to cold weather and potential, future repairs to the boiler. The possibility of replacing the current boiler has been put on the radar in the Authority's Five Year Plan.

S. Schmutzer also mentioned that the end of the fiscal year is in June of 2015.

S. Popp made a motion to approve and place the financial report of file which was seconded by W. VandeCastle. Motion carried.

In regards to the bills, S. Schmutzer inquired if there were any questions.

B. Hansen asked about a bill for \$3000 regarding elevator repairs. S. Schmutzer stated that this is in regards to the GBHA's elevator maintenance contract.

S. Popp inquired about an electricity bill from Wisconsin Public Service asking whether this bill was for all apartments. S. Schmutzer explained that the item in question is in actuality utility reimbursements and are only put in this account line until the end of the year, at which time they are

then moved back to each rental unit. For simplicity sake, all payments are placed under Scattered Sites until the end of the year.

B. Hansen inquired about the water utilities bill. N. Gerhard stated that the water utility bills are not all paid at the same time because Mason Manor's water bills are received monthly and Scattered Site bills are received quarterly, but each unit does not necessarily correspond to the same quarter.

Lastly, S. Popp inquired why there is a bill for landscaping in the winter. R. Hallet stated that this bill is a pre-payment for Weed and Feed. The company offers a discount for pre-payment.

A motion to approve the bills was made by B. Hansen and seconded by S. Popp. Motion carried.

STAFF REPORT:

9. Langan Investigations report for the month of January 2015.

R. Hallet verbally reported the information provided on the written Langan Investigation's report.

A motion was made by S. Popp to approve and place on file, seconded by B. Hansen. Motion carried.

10. Occupancy Report.

N. Gerhard reported the upcoming vacancies and occupancy rate.

A motion was made by S. Popp to accept and place on file, seconded by B. Hansen. Motion carried.

A motion was made by S. Popp, seconded by B. Hansen to adjourn at 11:32 a.m. Motion carried.

sd:rah:jd