

MINUTES
GREEN BAY HOUSING AUTHORITY
Thursday, November 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, Chiquitta Cotton, and Brad Hansen

MEMBERS EXCUSED: Brenda Goodlet

OTHERS PRESENT: Robyn Hallet, Nikki Gerhard, Reed Lewis, Casey Murphy, Andy Rosendahl, and Stephanie Schmutzer,

APPROVAL OF MINUTES:

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

A motion was made by C. Cotton and seconded by S. Popp to approve the minutes along with the amendment to the minutes from the October 15, 2015 Green Bay Housing Authority meeting. Motion carried.

COMMUNICATIONS:

None

OLD BUSINESS:

2. Discussion and approval of revised Section 3 Plan

R. Hallet requested that this agenda item be tabled, explaining that no response has been received by HUD yet from the email she had sent to them requesting their review of the revisions made to the Section 3 Plan. C. Cotton asked who R. Hallet had contacted at HUD for this matter. R. Hallet explained that she sent an email to John Finger and Scott Koegler at the Milwaukee HUD office. C. Cotton explained that there is a staff person at the Milwaukee Housing Authority that is specifically for Section 3 and may be a helpful resource for the GBHA.

NEW BUSINESS:

3. Review of comparables and approval of flat rents for 2016.

R. Hallet explained that every year the Authority must review their flat rents. HUD has mandated that flat rents can be no less than 80% of the fair market rent. In addition, reasonable comparisons must be made of the flat rate rents to other comparable units in Green Bay. R. Hallet proposed to keep the flat rate amounts the same, for several reasons: first, the HUD FMRs decreased this year, and secondly, the comparables conducted indicate that the Authority's flat rents are in line with the rent for similar units. N. Gerhard clarified that the current flat rate rents for Mason Manor and Scattered Sites should not be decreased to reflect HUD's decrease in FMRs because the flat rent rates could increase again next year. Decreasing them now could give the residents a false sense of hope that the current rent rates will continually be at a lower price than

previously experienced. N. Gerhard explained that the residents are accustomed to paying the current rent rates and any change would be premature.

W. VandeCastle inquired about how the information for the comparables for the Scattered Sites was gathered. R. Hallet explained that ICS contributed greatly to this effort. There is a database in the HCV program that has the rent rates of comparable units in the area. ICS made a spreadsheet for the GBHA to show comparables, basing it on size, location, amenities, and other factors.

A motion was made by C. Cotton and seconded by S. Popp to approve the flat rents at the existing amounts for 2016.

B. Hansen inquired about a discrepancy of the proposed flat rent of \$885 for the Scattered Site four-bedroom as compared to the 80% of the fair market rent, which is \$902. After some discussion it was determined that the four bedroom flat rent would need to be increased to \$902.

C. Cotton made an amendment to the previous motion, to increase the Scattered Site four bedroom flat rent to \$902. B. Hanson seconded the motion. Both motions carried.

R. Hallet clarified that this change would be effective January 1st, 2016.

4. Discussion regarding over-income families and possible approval of revisions to Chapters 13 (Lease Terminations) of Admissions and Continued Occupancy Plan.

R. Hallet explained that the recent media attention on over-income families living in public housing is a growing concern and she therefore wanted to open up discussion about the possibility of the Authority putting policies into place for such situations. She explained that HUD sent Housing Authorities a letter to remind them about regulations established by HUD in 2003, giving Housing Authorities discretion on whether or not to terminate over-income families from Public Housing. The regulations referring to this issue contain many variables that make it complicated to establish language and a detailed policy. R. Hallet explained that she made an inquiry to Nan McKay and Associates about a current model plan for a policy for over-income families. No response has been received as of yet. R. Hallet explained that in the letter by HUD, different considerations must be made when deciding to terminate over-income families, such as: income stability, length of time for a safety net, preference for return, and hardship policy. Income stability pertains to the fluctuating income of the family in question and the length of time a family must meet or exceed the income limit. Length of time for a safety net concerns with the availability of housing units and family factors such as elderly or disability status. Lastly, a hardship policy would allow a family to return to public housing program promptly if they have experienced a hardship. These factors require consideration and thus make it difficult to create a cohesive policy. R. Hallet suggests waiting to see if Nan McKay and Associates will be designing language that the Authority could adopt. R. Hallet asked the members their opinions on this subject.

W. VandeCastle and S. Popp both stated they had read such articles. S. Popp expressed such families may be staying in public housing as N. Gerhard explained that

the current GBHA policy allows for this and it is used to promote mixed incomes within the programs. S. Schmutzer clarified the downfall of this is that over income families takes up space in Public Housing that could be made available to other needy families. R. Hallet expanded on this by explaining that the benefit of requiring the removal of over-income families is that families in more need will be able to rent units more rapidly. C. Cotton raised the concern of where to cut off over income families. N. Gerhard concurred that this would complicate the system more. S. Schmutzer suggested that a limit could be put in place, such as if a family meets a certain income threshold for a set period of time then that family would need to begin seeking another housing unit. N. Gerhard explained that as it is, staff is having difficulty keeping up with current vacancy rates and requiring over-income families to move would only exacerbate this problem. S. Schmutzer added that another parameter can be set, such as if the income threshold has been met for an extended period of time and that the waiting list is substantial enough to show there's a need in the community, an over income family can be requested to find other housing. C. Cotton raised the concern that the GBHA be careful in setting a policy that it helps the families and not be a detriment to them. N. Gerhard explained that many residents acknowledge when they have reached the threshold of the current program that they could afford a mortgage payment and move out willingly. C. Cotton explained another alternative would be to acquire a direct loan from HUD. B. Hansen inquired about how the residents figure out if the threshold has been reached. N. Gerhard explained that she works with the residents and informs them when the fair market rate has been reached. She also notifies the residents about other housing options or programs once they're attainable.

W. VandeCastle asked for notification on if a model policy could be found and brought to the members in future meetings.

5. Review of Fundamentals of Oversight section of Lead the Way training, followed by discussion and decision regarding other segments of the training

R. Hallet presented the online Lead the Way Training and opened it to discussion for the members. The members agreed on the usefulness of this training for a resource. N. Gerhard voiced that the current members attend to the concerns expressed in the training and have the needed knowledge base to perform their duties. B. Hansen explained that the training is very useful in establishing the role of the commissioner and acquiring detailed knowledge that may be lacking on important subjects. He added that this training can help prepare the members for issues in future meeting that a member may have limited knowledge upon. R. Hallet reviewed a few questions from the training with the members to get a consensus on their answers. She inquired with the members if they wanted to continue to do the training individually and then review at each meeting. The members agreed that the training is a valuable resource and should be continued. It was agreed that the Public Housing Basics would be the next segment to be covered.

INFORMATIONAL:

6. Report on results of GPNA

R. Lewis explained that the GPNA is a valuable resource tool for him and the GBHA to be used in the future. The data compiled in the GPNA gives an accurate timeline of the

life expectancy and cost of the infrastructure and amenities of Mason Manor and the Scattered Sites. R. Lewis expanded how the GPNA can be used as a quick reference tool for the future amounts of resources and capital needed on future projects. Each site is broken down into the specific needs of the site. R. Lewis explained that the GPNA will be valuable as a tentative baseline for budgeting. Since conditions change, like weather or deterioration, the guideline would need to be amended as the life expectancy of the units' shifts. Annual assessments must be made to determine the condition of the units. Major modifications made to the buildings in future must still be maintained up to code which can affect the budget. The GPNA also gives quick reference to the number of units and their type, eliminating guess work. R. Lewis explained that there were a few concerns in the building exterior summary that the Authority was already aware of. The building system components were in good condition, although there were concerns about the older elevators. The Authority decided to not to prematurely replace the older model elevators because the life expectancy is hard to judge. N. Gerhard reminded the Authority, that they have been proactively saving up funds in the budget to replace the elevators in the event of a breakdown. She explained that the GPNA reported on these concerns but the GBHA has already been attentive toward these concerns.

N. Gerhard mentioned the usefulness of the GPNA as a reference tool in the event of staff adjustments or if R. Lewis is unavailable for a project. R. Lewis clarified the usefulness of the GPNA as a living document, in case of adjustments needed or having notes that can be referred back to. W. VandeCastle inquired about who makes the adjustments. R. Hallet explained that the annual updates are part of the contract with the contractor, Keres.

W. VandeCastle acknowledged the usefulness of the GPNA as a tool. R. Lewis explained that, as a tool, the GPNA can reduce the chances of the Authority having to pay a costly project on short notice. He expanded on the projections made by the company are reasonably close to actual cost. The GBHA can save money on these projections based on R. Lewis' knowledge of appliances, utilities and installation costs. The projections were made with the current energy saving standards in mind. The downfall of this is that the actual efficiency is hampered by current government regulations to reduce energy.

W. VandeCastle expanded that with longer life expectancy, other projects could be attended in the future. R. Lewis clarified that repairing or replacing a small part of an amenity can save money as well. W. VandeCastle mentioned that other factors can be made note of such as destructive tenants. This manner of tracking the timetable of what needs to be replaced or repaired can be amended and insurance claims can be made. N. Gerhard clarified that Keres will do the modifications as needed while the GBHA will keep the modifications for records. R. Lewis explained that records of the modifications are made and kept by the GBHA so that annually the GPNA can be up to date.

B. Hansen inquired about the energy efficiency assessment. R. Lewis explained that the assessment tends to favor the most energy saving appliances. He disagrees with the assessment on a few matters since an appliance may be energy saving but overall has less efficiency. Government regulations limit the amount of power some appliances can use which reduces effectiveness or decrease the life span of the product. In the long run energy saving appliances can cost more than anticipated. R. Lewis explained that

another factor when buying appliances is the amount of use and how tenants handle the appliance. B. Hansen inquired about a playback analysis. R. Lewis explained that choosing certain energy saving appliances would cost more in upkeep than the money returned through savings.

B. Hansen inquired about the purpose behind HUD requiring PHAs to conduct a GPNA. S. Schmutzer explained that she does utility information reporting annually for HUD. The concern by HUD is to reduce the resource usage of the Housing Authorities. She expounded on this, at the end of each year every utility bill must be compiled to code and totals sent to HUD. The GPNA is a more consolidated process of acquiring that information. R. Hallet added that through the consistent reporting of needs via the GPNA tool, HUD can use the data to assess the general need of capital improvements of Housing Authorities across the nation. N. Gerhard expanded on this by explaining that this can be a tactic to make sure every Authority is budgeting the correct way and using their funds instead of stockpiling them. R. Hallet expressed that each Authority has different capabilities based on knowledge of staff and their main focuses, but the GPNA is a way to uniformly review all the data of every Housing Authority.

7. PHAS Score for FYE June 30, 2015

N. Gerhard happily reported that the GBHA is a high performer based on PHAS report. R. Hallet explained the components that are scored, reporting that the GBHA received the full points allotted for Financial and Capital Funds. She explained that under the Management category, some of the points lost were due to Tenants Accounts Receivable, but explained that the newly established policy was not in place long enough for it to have made enough of a difference to affect the score this year. At the time of our next PHAS score, we expect to receive full points in this area.

A motion was made by B. Hansen and seconded by C. Cotton to amend the agenda to address item #10 after #7. Motion carried.

10. Occupancy Presentation and Report for the month of November 2015.

N. Gerhard reported that there are a lot of vacancies currently, but staff is working as diligently as possible to get them filled. With the upcoming winter weather, there will likely be more vacancies at Mason Manor due to frail health of some residents. The number of applicants to the waiting list has also increased and includes more Brown County applicants. N. Gerhard then provided a visual and verbal presentation of the condition of the vacant units.

8. CFP Quarterly report.

S. Schmutzer reported that the CFP money received by HUD in 2012 must be spent by March 11th, 2016. She explained that the projected cost for smoke detectors in Scattered Sites was lower than anticipated; therefore, the leftover funds must be used on something else within the GBHA's Five Year Plan.

S. Popp asked for clarification on why the funds need to be spent. S. Schmutzer explained that CFP money must be obligated within a two year period and then spent with an additional two year period.

A motion was made by B. Hansen and seconded by S. Popp to accept and place on file the CFP Quarterly Report. Motion carried.

FINANCIAL REPORT AND BILLS:

S. Schmutzer reported that the spend down funding has been further expended due to landscaping that was recently done. Otherwise, the Authority is on track with its finances.

S. Schmutzer stated there wasn't anything out of the ordinary for bills.

A motion was made by W. VandeCastle, seconded by C. Cotton to receive and place the financial report on file. Motion carried

A motion was made by C. Cotton, seconded by S. Popp to approve the bills. Motion carried.

STAFF REPORT:

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

R. Hallet allowed the Authority to observe the Langan Investigation report and then asked if any members had any questions regarding the content. There were no questions.

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

S. Schmutzer added a staff report. She stated that she amended the budget, as was approved last month, for \$58,483 for the additional administrative position and \$22,438 was moved from maintenance labor to contracts for the work that will now be contracted out.

R. Hallet added a report that the Scattered Site Smoke Detector bid received quotes from 10 vendors. The low bid was \$3,900 as opposed to the budgeted \$8,000, thus resulting in the need that S. Schmutzer mentioned earlier of finding another permitted use of these CFP funds before the expenditure deadline in March.

R. Hallet invited all Authority members to the Mason Manor Holiday Party scheduled for Wednesday, December 16.

A motion to adjourn at 11:45 am was made by S. Popp, seconded by B. Hansen. Motion carried.

CM: RAH: JD