

**AGENDA**  
**GREEN BAY HOUSING AUTHORITY**  
**Thursday, June 16, 2016, 10:30 a.m.**  
**1424 Admiral Court, Second Floor Reading Room**  
**Green Bay, WI 54303**

**MEMBERS:** Brad Hansen- Vice-Chair, Sandra Popp, and Terri Refsguard

**MEMBERS EXCUSED:** William VandeCastle – Chair, Chiquitta Cotton

**OTHERS PRESENT:** Robyn Hallet, Stephanie Schmutzer, Ka Vang, Jayme Valentine, Suad Abdulahi.

**APPROVAL OF MINUTES:**

1. Approval of the May 19, 2016 minutes of the Green Bay Housing Authority.

A motion was made by S. Popp and seconded by B. Hansen to approve the minutes from the May 19, 2016, GBHA meeting. Motion carried.

**COMMUNICATIONS:**

None

**OLD BUSINESS:**

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

R. Hallet reminded commissioners that at the May GBHA meeting N. Halvorsen, Director of NeighborWorks® Green Bay, requested the Authority consider a permanent deferral of the \$205,000 loan from the GBHA until the Farmory building is sold or ceases to operate as the Farmory. S. Popp indicated that the brief discussion at May meeting suggested that although the Authority supports the idea of the Farmory, the Authority was hesitant to make a permanent deferral because the Farmory is not a housing project. B. Hansen indicated this is his opinion as well. He further commends NeighborWorks® for this project and what it can do for the community, however stated it doesn't meet the goals of the Authority. T. Refsguard questioned if the Authority would have approved the loan if it had been known that the structure couldn't be converted into a housing project. She also expressed that NeighborWorks® is working with fundraising experts and believes there would be other funding sources available to support this project. She stated that affordable housing is a big need in this community and that should be the focus of the Authority.

R. Hallet stated she spoke to W. VandeCastle who shared his thoughts, knowing he couldn't be present at the meeting. His thoughts are consistent with those already expressed: that the Farmory sounds to be a very promising project, but it is still in its infancy, so he is hesitant to make a permanent deferral on the loan. He would prefer to continue the loan as it is and would be open to reconsidering it at a later date.

B. Hansen asked for clarification on what it would mean to continue the loan as-is. S. Schmutzer explained that the current agreement is for a temporary deferral of the principal, with an interest-only payment yearly. The Authority could call the debt and require payment on the principal. The choice is to completely defer the loan for the foreseeable future, including no interest payments, or to continue to ask for payments on the interest only. She expressed that eventually the Farmory will start earning revenue and perhaps we ask NeighborWorks® to start making

principal payments at that time. S. Popp expressed that since this isn't a housing project anymore, her choice would be for NeighborWorks to start paying back the loan, but she doesn't know what a realistic payment arrangement would be for NeighborWorks®.

T. Refsguard asked when NeighborWorks® informed the Authority that this would no longer be a housing project. There was general consensus that it may have been about two or three years ago that NeighborWorks changed their focus, but they didn't necessarily know what their new focus would be; they just knew housing wouldn't be feasible. It was around that time that the Authority reduced the interest rate to one percent. S. Schmutzer expressed that about a year and a half ago NeighborWorks® started pursuing the Farmory. T. Refsguard asked for clarification on why the Authority approved the continuation of the loan even though we knew it would no longer be a housing project, which S. Schmutzer affirmed this is because NeighborWorks wasn't generating revenue from the building to start paying it back and we knew they wouldn't have the means to repay on it. S. Schmutzer expressed that the Authority may want to request annual or quarterly payments once the Farmory is up and running. R. Hallet challenged that we'd have to clarify what point that would be. S. Popp expressed agreement, stating that could be in one year, or it could be three to four years from now and in the meantime, the money is stagnant, not being used for housing. However she would want to give NeighborWorks enough time to replace the loan with other funding. She would feel more comfortable with that than just continuing to defer it indefinitely.

T. Refsguard expressed that N. Halvorsen indicated that about \$2 million would be needed for the project; NeighborWorks should consider the \$205,000 loan as part of their fundraising need instead of counting it toward what has already been raised. B. Hansen said that in a year and a half, NeighborWorks® has made a lot of progress: the board, the open house and community interest, the partnerships with ThedaCare, Titledown, and other big names. He feels they will be successful, but agreement was expressed that we don't know what the timeframe will be. S. Schmutzer suggested the Authority could offer an extension for another year while informing NeighborWorks that payment will be due after this final deferment. There was discussion about if language needed to be added to the existing agreement or if a verbal indication that this is the last extension would suffice.

S. Schmutzer expressed that it is to NeighborWorks®' advantage to make payments on the principal of the loan because doing so will reduce the interest due each year. B. Hansen inquired if she is suggesting that the Authority keeps the one percent interest rate and requires principal payments from NeighborWorks®. S. Schmutzer added that the Authority could extend the loan as-is for another year and determine the structure of the repayment in the future. R. Hallet stated the Authority could choose to make the existing agreement a month-to-month contract and negotiate a repayment agreement at a later date. After further discussion the Authority opted to extend the loan for another year while informing NeighborWorks® that next year we would require payment in full or the beginning of a repayment agreement. It was further determined that the Authority would like NeighborWorks® to report to the Authority in six months as to a payment plan that would be feasible for them, which would allow for the remaining six months of the agreement for the Authority to negotiate a plan that is mutually agreeable. It was determined that a revision to the language in the existing agreement isn't necessary.

A motion was made by B. Hansen and seconded by S. Popp to defer principal payments on the \$205,000 loan to NeighborWorks® Green Bay for one more year, until June 30, 2017, as well as informing NeighborWorks® that the Authority will not permanently defer the funds into the Farmory and instead will negotiate a payment plan to begin July 1, 2017. Motion carried.

#### **NEW BUSINESS:**

3. Approval of GBHA Budget Resolution No.16-02

R. Hallet stated that this resolution is required by HUD for the budget that the GBHA approved last month.

A motion was made by S. Popp and seconded by T. Refsguard to approve the Resolution. Motion carried.

4. Approval of revisions to Chapters 6 (Income and Rent Determinations) and 9 (Re-examinations) of Admissions and Continued Occupancy Policy.

R. Hallet explained that the modification requested for Chapter 6 is in regards to medical expenses and is to ensure conformance between the written policy and the practice. This amendment would allow for a medical deduction for non-prescription/over-the-counter items. Residents would need to provide a doctor's statement that the items are medically necessary, as well as a receipt showing the cost, and a self-certification of the frequency of purchase.

The changes for Chapter 9 start with a statement that the GBHA will conduct a criminal background check for all adult residents annually. R. Hallet clarified that background checks are currently conducted for new move-ins, but staff would like to begin doing so for existing residents as well. Such checks would be conducted internally by staff checking various websites.

The other changes to Chapter 9 are in regards to the effective dates of annual re-examinations. It is broken into two categories: one for increases in rent and one for decreases in rent. The section for increases in rent clarifies that a reminder letter is sent to residents 30 days before their annual re-examination is due. This letter serves as a 30-day notice of a rent increase because it warns residents that if the review is not completed by the due date, the resident would be responsible for the maximum flat rate rent. It further states that families would be required to pay the flat rent until the annual re-examination has been completed and after completion the income-based rent would apply. The section regarding decreases in rent likewise states that the family will be required to pay the flat rent until the annual review is completed and the lowered rent would be applied to the first of the month after the review is completed. This change ensures the same effective date for an annual review regardless of an increase or decrease in the tenant rent. J. Valentine added that this encourages residents to return annual paperwork promptly.

A motion was made by S. Popp and seconded by T. Refsguard to approve the changes. Motion carried.

5. Approval to write off Year End delinquent tenant accounts.

S. Schmutzer explained that unpaid rent or damages after tenants vacate can affect the Authority negatively in our PHAS scoring, so we routinely request approval to write off the balances. Staff still attempts to collect on them by entering them into the TRIP system, but some of the residents are elderly or have passed away so we may never be able to collect on some of them.

B. Hansen inquired on progress collecting on ones previously written off. S. Schmutzer explained that she does enter them into TRIP, but a lot of Mason Manor residents aren't employed so unless they file for a Homestead refund, there is no tax interception. She added that the federal government is also looking at a tax interception program similar to the State's program, so that may become an option in the future.

T. Refsguard inquired how residents incur balances as large as some listed. S. Schmutzer explained that the particular resident with a high balance had set up many repayment

agreements with the Authority, but continued to default on them. In addition, if a tenant moves out without giving notice they will be charged the flat rent, so at the Scattered Sites in particular, this can result in the rental charges increasing drastically and accumulating quickly.

R. Hallet inquired about Mason Manor unit #609 being listed twice with different move out dates. K. Vang explained that there had been a long term resident who vacated and then another moved in and quickly broke the lease. The rent increased to the flat rent, plus they had left the unit in bad shape.

J. Valentine added that when a tenant vacates from a Housing Authority unit owing money, that information is entered into a national database so they cannot receive assistance from another Housing Authority until their balance is paid in full. S. Schmutzer acknowledged that residents will sometimes contact her later to establish a repayment agreement because they need assistance again. J. Valentine also stated that residents cannot write such debt off in a bankruptcy. S. Schmutzer explained that in the case of a bankruptcy, we cannot actively collect on the debt, but residents are still unable to receive Housing Authority assistance until the money is paid off.

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

6. Discussion and possible action regarding possibility of lead in water lines.

R. Hallet explained that since the May meeting staff has made significant progress regarding the topic of lead in water. She explained that two Scattered Site properties were identified by the Water Utility as being in their lead service area, so they were tested by the Water Utility. One tested low at three parts per billion, as compared to the action level of fifteen. The other property had been vacant for some time, so our intern flushed the water several times before the test; however the test results still indicated a high lead level of 20 ppb. Our concern was that the water may not have been flushed enough so we decided as staff that we would flush the water more and then re-test. In addition, the Water Utility provided a chart of all of our Scattered Sites indicating the material in the Water Utility's pipes, the in-house pipes, and the lateral pipes. Only three properties have lead in any known materials and for all three, it is in the City's materials which they state they will be replacing in the future. The caveat, however, is that there are several properties in which the Water Utility doesn't know the materials of the in-house pipes. As staff, we've decided to test all the GBHA properties, which are a cost of \$18 per property, so it is reasonable. We are in the process of doing this now and can give another update once more information is known.

**INFORMATIONAL:**

7. Review of Ethics section of Lead the Way training.

The Authority reviewed the quiz questions for the Ethics section and discussed various points.

8. Department of Community and Economic Development Organizational chart.

R. Hallet indicated that the organizational chart is included in the packet, as requested at the May meeting when the reorganization of the department was explained. She summarized that the changes affecting the Authority include: R. Hallet, as Housing Administrator, will be reporting to the Assistant Development Director, which is currently being recruited; and making permanent the Clerk Typist III (Administrative Support Specialist) position, which is currently filled by S. Abdulahi as a temporary employee. She noted that we will be interviewing for this position.

The Authority next proceeded to Staff Reports before Financial Reports and Bills.

**STAFF REPORT:**

9. Langan Report for the Month of June, 2016.

R. Hallet indicated there was no significant activity this month. She clarified that when applicants first apply, staff does a background check internally by checking various websites. When an applicant reaches the top of the waiting list then Langan and Associates does a complete background check.

A motion was made by S. Popp and seconded by T. Refsguard to receive and place on file. Motion carried.

10. Occupancy Report for the month of June, 2016.

K. Vang indicated that we've added the Status column to the report to inform the commissioners of the status of each unit. She further explained that the list of vacant units at Mason Manor is growing as several people have moved out recently. She also expressed that she has run into several instances in which applicants' criminal background checks pass, however, they do not have good landlord reference checks. K. Vang went on to clarify that we employ preferences, so homeless applicants are selected first. K. Vang explained that after J. Valentine is comfortable with this report, she will be presenting it in the future.

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

11. Status of Housing Interns

R. Hallet reported that our Housing Intern C. Murphy resigned as of last week. A new intern was just offered the position and will be getting back to us as to her starting date.

**FINANCIAL REPORT AND BILLS:**

S. Schmutzer indicated that the year end is approaching as of June 30<sup>th</sup>. It looks like we will be ending the year with money in excess of the recommended amount of six months' expenses, so we need to spend that down. We put into the upcoming budget to once again commit some money from the excess to the elevator replacement fund. She further stated that we are planning to start charging late payment fees, which we haven't been doing to date. This will contribute to the Scattered Sites being more financially independent.

S. Popp inquired as to the status of pest control. K. Vang explained we recently had a canine inspection this week. We only have two problem units, down from five previously. After treatment, the other three have been cleared. She explained we are doing fairly well, but the problem will never completely go away. T. Refsguard inquired why it won't ever go away, to which K. Vang explained that we have policies to prevent it, but people still bring in used furniture without informing management, residents sometimes have bedbugs but don't tell us and thus aren't detected until their next inspection, etc.

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

A motion was made by S. Popp and seconded by B. Hansen to adjourn. Motion carried. Meeting was adjourned at 11:51 am.

RAH:jd