

RUTLAND HOUSING AUTHORITY
Board of Commissioners
Regular Meeting
March 11, 2019

Chairman Kevin Markowski called the meeting to order at 8:04 AM on Monday, March 11, 2019 in the RHA Board Room at 5 Tremont Street, Rutland, VT.

ROLL CALL/INTRODUCTIONS:

Let the record show the following:

Board of Commissioners Present:

Chairman Kevin Markowski, Vice-Chairman Karl Anderson, and Commissioner Rev. Andrew Carlson.

Rutland Housing Authority Staff Present:

Kevin Loso, Executive Director; Becky Ladabouche, Section 8 Program Manager; Sheri McCloskey, Property Manager; Carol Keefe, Resident Services Program Manager & SASH Supervisor; and Barbara Richardson, Administrative Assistant.

Tenants and Members of the Public Present:

None.

TENANT CONCERNS

A tenant let us know of her appreciation for her neighbors, who have been very supportive and helpful during her illness.

APPROVAL OF MINUTES (pages 1.3 – 1.11)

A motion was made by Commissioner Carlson and seconded by Vice-Chairman Anderson to approve the Minutes of the Regular Meeting of February 11, 2019. Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to accept as submitted. Said motion carried.

CONSENT AGENDA: (pages 1.12 - 1.19):

Chairman Markowski asked if there were any questions regarding the items in the Consent Agenda for the month of March 2019. There being none, a motion was made by Vice-Chairman Anderson and seconded by Commissioner Carlson to approve the Consent Agenda items, including:

Manifests: Section 8 Checks #2373 through #2377 and Direct Deposit #62334 through #62439

Manifests Public Housing #15574 through #15662

Credit Card Report 01/21/2019 – 02/20/2019

Manifests: Payroll: 2/13/2019 and 2/27/2019

Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to accept as submitted. Said motion carried.

EXECUTIVE DIRECTOR'S REPORT:

- **RHA Annual Meeting** – April's meeting will include the election of Commissioners and officers. Chairman Markowski's term is expiring, and we hope that he will continue his service. The Executive Committee will prepare a slate of candidates for the April Board Meeting.
- **Hickory Street 3 Update** –
Forest Park Drive Discontinuance/Transfer – The City has forwarded this issue to the firm of Ryan, Smith and Carbine, which signals that resolution is near. The process is rather cumbersome, and involves contacting owners of abutting properties.
Storm Water Maintenance Agreement – The cooperation agreement with the City has been finalized, and they will assume roughly 25% responsibility for the costs of maintaining the storm water retention pond.
Single-Family Home Update – RHA is not a co-developer on this project (Housing Vermont is working with Neighborworks of Western Vermont), and the final action we need to take for this phase of the process is to add some HUD regulation verbiage to the draft of the letter of intent, and for the Board to approve the transfer of ownership. The final plan is for 2 houses. None of the entities will take a developer fee. This project will complete the streetscape.

Proposed Resolution 2019-09 to approve the disposition of the remaining .43 acres at the old Forest Park site for the purpose of developing two or more single family homes contingent upon HUD approval of the pending Disposition and Retention application. Property to be transferred to Housing Vermont under the requirements of PIH Notice 2016-20 dated May 2, 2018. Additionally the Board authorizes the Executive Director to execute a letter of intent to Housing Vermont codifying the arrangement.

Chairman Markowski requested a motion to approve the above resolution. Commissioner Carlson made the motion, which was seconded by Vice-Chairman Anderson. The ayes, including that of Chairman Markowski, were unanimous to approve.

- **RAD Update**
Sheldon Towers Declaration of Trust – Last month we submitted a revised Declaration of Trust (DOT) for the Sheldon Towers property to the Board, and it has been finalized and recorded with the City. An accurate DOT is a necessary document in completing the RAD conversion.
Disposition/Retention Action: Hickory Street – At the February Public Hearing, the Board approved the revision to the RHA 5-Year Plan to allow for the disposition and retention of the remaining acreage at Hickory Street. We have received approval from the HUD Field Office and

the disposition/retention application has been submitted to the HUD Special Applications Center. An initial response is due within 30 days.

RAD Financing Plan – This is the next milestone towards conversion. Components include:

- Capital Needs Assessment – complete.
 - Title Search – complete and clean.
 - Environmental Review – This component is required despite the fact that we won't be doing any new construction. The Rutland Regional Planning Commission has completed the review and reports that we are exempt from federal government environmental requirements.
 - PILOT Legal Opinion – We have retained a Burlington attorney experienced in the RAD conversion process to write an opinion maintaining that our Payment in Lieu of Taxes agreement with the City of Rutland will continue after the RAD conversion.
 - Establishment of Subsidiary – We are working with the same Burlington attorney to set up a closed corporation that will serve as leasing agent for the RAD Section 8 Project Based Vouchers. This is necessary in that a PHA cannot hold the contract with HUD and also manage the vouchers.
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- **Sheldon Towers Cell Towers: Verizon Wireless Renewal Proposal** – At the last meeting of the Board it was decided to reject Verizon's rooftop cell tower proposal and to counter with a request for higher rent and more favorable use terms. Mr. Loso reported that Verizon has raised their proposal from \$2,700 per month to \$3,300 per month with more favorable use terms. Rental income of \$198K will be guaranteed over the course of the first 60 months. Additionally, 5-year renewal increases have been set at 7.5%. After a review of the pros and cons of revising the lease the Board approved the terms contingent on legal review by our attorney. Mr. Loso reminded the Board that in addition to the rent we require a common area fee to recover the cost of utilities.

Proposed Resolution 2019-10 to approve the Verizon Wireless rooftop lease proposal dated March 6, 2019 contingent upon legal review, and to authorize the Executive Director to execute the required documentation as appropriate.

Chairman Markowski requested a motion to approve the above resolution. Vice-Chairman Anderson made the motion, which was seconded by Commissioner Carlson. The ayes, including that of Chairman Markowski, were unanimous to approve the resolution.

- **SASH/HASS Funding** – The Governor's proposed 56% cut in State funding for SASH will result in irreparable harm to the program. These funds pay for statewide administration, DRHO oversight and stipends to our program partners. Included in the cut is the elimination of HASS, which funds RHA services to residents such as homemaker and personal care services. This would impact residents' ability to age in place. The cut would result in a loss of over \$56K to the RHA. It is anticipated that Medicare will pull their support for the program if there are no administrative entities overseeing SASH. Medicare support totals \$3.8 million a year, without which the program could not survive.

Mr. Loso testified at a recent budget hearing and submitted written testimony as well (see pages 1.23 – 1.24). Overall there is a lot of support for SASH and a lot of opposition to the Governor's

proposal. We're asking for continued funding for SASH and a guarantee for at least another year of HASS funding. Mr. Loso has had discussions with Peter Fagan and Bob Helm, members of our legislative delegation, who are both on the House Appropriations Committee. The proposal to maintain SASH and phase-out HASS came out of House Human Services Committee. The House Health Care committee submitted a strongly worded letter to the appropriations committee that is favorable for SASH. Along with our program partners, we'll continue our education efforts at the state level.

Page 1.25 provides talking points on the cuts for Commissioners to share with their legislative contacts on our behalf.

- **Governor's Initiative on Recovery Housing** – We have been asked by our colleagues at Downstreet Housing in Barre to support the Governor's upcoming press conference on recovery residencies by holding a local event to promote the initiative. Based on Mr. Loso's conversations on the local level, the initial consensus is that development of recovery housing in this community would be premature, despite the fact that Rutland County has the greatest need in the state. Mr. Loso is not suggesting that RHA should develop any recovery housing as it is not our area of expertise. A project of this nature would require a very solid commitment on the part of our service delivery community to provide complete wraparound services. Our sole involvement at this time would be facilitating a conversation on the local level.
- **ROSS Grant** – RHA has been awarded another 3-year ROSS grant. HUD initially awarded it, then rescinded it under an incorrect interpretation of the RAD notice of funding availability and award contract. We appealed the decision and pointed out the problematic language in the notice. ROSS funds will not be available to RHA once we convert to RAD, so this gives us time to plan for funding resident services going forward.

REPORTS AND DISCUSSION ITEMS:

Finance/Administration Report (Pages 3.2 – 3.11)

Consolidated Budget Comparison and Variance Reports for May and June 2018: Revenues and Expenses – In Ms. Buysse's absence, Mr. Loso reported that variances are within target, with fluctuations that will level out before the end of our fiscal year (3/31/19). We will soon schedule with the fee accountant to come in to close out the books. Page 2.7 indicates our fund balance up slightly from last month. These reserves are critical for funding the RAD conversion because it demonstrates to HUD that we have the resources to ensure sustainability and to fund the Project Based Vouchers through the end of the calendar year.

RHA Update (pages 2.8 – 2.11) – The RHA newsletter continues to grow in popularity and content. All RHA departments contribute, and with her skills Ms. Richardson polishes it into a great communication tool for us that is well received.

Training: “Dealing with Difficult Resident Issues” – The full staff attended this HTVN webinar presentation that was relevant and helpful. These sorts of trainings go beyond what’s required by the state, and enhance staff awareness and skills.

Property Management (page 2.12)

Ms. McCloskey reported annual recertifications are complete for Templewood Court and that new rents take effect April 1. Most of our tenants receive Social Security benefits, and the 2.8% annual cost of living increase results in an average rent increase of \$10 - \$12 month. At the end of February there were two vacancies, one of which will be leased up today.

At Sheldon Towers, the annual rent recertifications are in process. There is currently one vacancy, and in light of the planned unit upgrades needed there we may take this unit offline for modernization.

The Hickory Street Phase 1 Capital Needs Assessment will be scheduled for some time this month with Right-Trak Design. There are currently 2 vacancies at Hickory Street.

Miscellaneous Items - There was a small oven fire at Hickory Street last weekend that the tenant extinguished, but the Fire Department did respond. This incident prompted Ms. McCloskey to contact the Fire Department to schedule an educational session with tenants to review the evacuation plan.

At the January Board meeting we discussed the issue of the lower floors of Sheldon Towers being colder than in past winters, and that this was due to a faulty electronic switch between the two boilers. A resolution is in process; the part costs \$1600, and with labor we expect the final bill to be around \$3K.

We have ordered three new replacement washers for Sheldon Towers. Unit conversions here at Templewood Court are expected to be completed by month end, and are going well with no major issues.

Procedural Agreement with Vermont Legal Aid – Mr. Loso also apprised the Board that we have created guidelines for Vermont Legal Aid around file review. Based on discussions with colleagues we’re now providing more intensive oversight when a VLA attorney requests access to their client’s tenant file: They cannot remove items themselves, but must flag them for an RHA staff member to copy or scan for them. Additionally, we are now charging for staff time and copies.

Section 8 Program (pages 2.13 – 2.14)

Ms. Ladabouche reported that due to a rash of voucher holders aging out of the program, it’s been difficult to keep all vouchers issued. She is currently working on five offers. The Mainstream Vouchers are filled and the program is under budget. She is also working to qualify three new landlords.

Using the RAD training manual from the course the Property Managers attended last month, Ms. Ladabouche is educating herself and reviewing the Section 8 Administrative Plan in light of the conversion. Once RAD is complete we will operate using just the Administrative Plan, and we need to amend it to include relevant policies and procedures of RHA's Admissions and Continued Occupancy Policy. We have experience with this thanks to housing RHA Voucher holders at Hickory Street, but this is going to be a big operational transformation. We are grateful Ms. Ladabouche is here to provide the deep understanding of the program. She will be training the Property Managers in the policies and procedures of RHA's Section 8 program.

Resident Services Report (pages 2.15 – 2.35)

Ms. Keefe reported that she attended a Community-Based Public Hearing on the Governor's proposed budget and brought a resident who testified about how the SASH program benefits him (see page 2.16 for testimony). Three AARP tax volunteers were here in February and assisted 19 residents with filing. Ms. Keefe and a SASH Wellness Nurse will be tabling at the RRMC Resource Fair on March 12, sharing information about housing and the SASH program. Starting at the end of March Ms. Keefe will be leading a chronic pain/healthy living workshop with a Team Leader from the Community Health Team. The free Rutland Caregiver Coalition Conference for formal and informal caregivers is scheduled for Saturday, April 6 at RRMC, and she asked Commissioners to share the information with their contacts.

INFORMATIONAL ITEMS: (pages 3.2 – 3.33)

The following informational items were sent out prior to the meeting:

- A. Aged Delinquency Reports 1/2019
- B. Collections Report 1/2019
- C. Lease Violations/Evictions 1/2019
- D. Housing Occupancy Charts 1/2019

We are working on streamlining this information for the Board. We're making some progress and continue to explore other ways to present it. Property Management and Finance staff are doing a great job keeping delinquencies low thanks to better follow up than in the past. The Turnover Report now shows just the current and previous FY information. We are working hard to resolve the issue with turnover times at Hickory Street. With the intensive efforts to lease up Phase 3 behind us we look to be in good shape in that regard going forward.

MEDIA

Pages 3.34 – 3.35 are excerpts from the Vermont Housing Conservation Board's report to legislators that includes a profile of Hickory Street featuring an interview with tenant Jessica LeBlanc.

NEW/OLD BUSINESS

None.

EXECUTIVE SESSION

None required.

ADJOURNMENT OF MEETING:

There being no additional business to bring before the Board the meeting adjourned at 8:46 a.m. on a motion made by Commissioner Carlson and seconded by Vice-Chairman Anderson. Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to approve, and the meeting was adjourned.

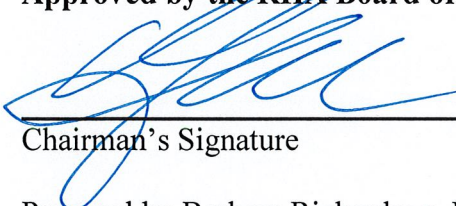

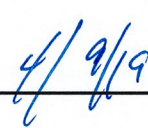
Date of BOC Annual and Regular meeting: Monday, April 8 @ the Sheldon Towers Community Room, 14 Sheldon Place, Rutland, VT at 8 a.m.

Respectfully submitted,



Kevin L. Loso
Executive Director/Secretary

Approved by the RHA Board of Commissioners

Chairman's Signature Date

Prepared by Barbara Richardson, Executive Administrative Assistant