

RUTLAND HOUSING AUTHORITY
Board of Commissioners
MINUTES
Regular Meeting
November 11, 2019

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

ROLL CALL/INTRODUCTIONS: Let the record show the following:

Board of Commissioners Present:

Chairman Kevin Markowski, Commissioner Tina Johnson, Commissioner Jim Richards and Commissioner Rev. Andrew Carlson.

Rutland Housing Authority Staff Present:

Kevin Loso, Executive Director; Julie Sanderson, Property Manager; Carol Keefe, Resident Services Program Manager & SASH Supervisor; Staci Buysse, Director of Finance & Human Resources; Becky Ladabouche, Section 8 Program Manager; and Barbara Richardson, Administrative Services.

Tenants and Members of the Public Present:

None.

TENANT CONCERNS

None.

APPROVAL OF MINUTES (pages 1.3 – 1.8)

A motion was made by Commissioner Carlson and seconded by Commissioner Johnson to approve the Minutes of the Regular Meeting of October 14, 2019. There was unanimous approval.

CONSENT AGENDA: (pages 1.9 - 1.17)

A motion was made by Commissioner Richards and seconded by Commissioner Johnson to approve the Consent Agenda items for October 2019, including:

Manifests: Section 8 Checks #2411 through #2413 and Direct Deposit #63177 through #63283

Manifests Public Housing #16286 through #16387

Credit Card Report 09/16/2019 – 10/20/2019

Manifests: Payroll: 10/09/2019 and 10/23/2019

The motion was unanimously approved.

MEDIA

“Setting the Record Straight on the Annual Contributions Contract: HUD’s Explanation to HAs and Congress is Misleading” PHADA Advocate, 10/30/2019, v.34 #18 (pages 1.18 – 1.19) – This reports on the continued struggle with HUD’s unilateral revisions to the Annual Contributions Contract (ACC – the document that regulates the relationship between PHAs and HUD). In 2012 the Public Housing industry took HUD to court over HUD withholding operating subsidies and insisting PHAs use their reserves. This was against established regulation and PHAs prevailed. HUD’s proposed ACC seeks to eliminate accountability for such future actions, essentially allowing the agency free

reign. Though HUD cannot unilaterally make these changes, it keeps trying and the industry keeps fighting it. This will continue to be relevant after the RAD conversion because we have 20 Public Housing units at Hickory Street, and the ACC also regulates S8 activity.

127th Annual Report Fiscal Year July 1, 2018 – June 30, 2019, City of Rutland Vermont (page 1.20) – We are pleased that Peter Huntoon’s painting of Hickory Street is on the cover of the annual report.

EXECUTIVE DIRECTOR’S REPORT:

Hickory Street Update

- **Forest Park Drive Discontinuance/Transfer** – The City has taken possession of Hickory Street, as all documents have been recorded.
- **Housing Vermont Single-Family Homes Proposal** – Although the Vermont Housing Finance Agency (VHFA) did not approve Low-Income Housing Tax Credits for this project we continue to pursue funding to fill the \$240K gap in the construction budget. Housing Vermont’s (HV) proposal is to have both HV and RHA take on \$110K debt. RHA will be paid back over 10 years out of incentive management fees from Hickory Street phases 1 & 2, which essentially makes it a grant, not a loan. The Board tabled the topic for further consideration, including exploration of other options (e.g., constructing duplexes that would allow owners to generate income to help pay for the properties; involvement with Habitat for Humanity). Mr. Loso will invite Kathy Beyer from Housing Vermont to present their proposal at the December Board meeting.

Recovery Residences – We have scheduled a meeting in January with representatives from key stakeholders, including Downstreet Housing (which commissioned the study that led to this initiative). RHA’s role would be in development or rehabilitation and management of the physical plant, and services would be provided by an entity such as Grace House.

RAD Update

- **Revisions to CHAP** – As reported at a previous meeting HUD discovered that they had shorted us more than \$40K in previous Demolition or Disposition Transitional Funding/Replacement Housing Factor funds (DDTF/RHF) from prior Forest Park disposition actions. We used these funds to boost our base contract rents for the RAD conversion, which required us to ask for a revision to the Commitment to Enter into a Housing Assistance Payments Contract (CHAP). HUD approved our request and will be issuing the revised CHAP so that we can move toward closing.
- **RAD Conversion Commitment** – The revised CHAP will now require changes to both the Financing Plan and ultimately the RAD Conversions Commitment document, which outlines all of the key closing details.
- **Closing Status** – The closing has been delayed while we obtain subordination agreements for all of the communications companies that lease space on the roof of Sheldon Towers, thereby delaying our RAD closing. The agreements cover ramifications should we sell the property or HUD retakes ownership. Our attorney, Celia Daly, is working with Verizon, Sprint, AT&T, VTel and U.S. Cellular to secure the agreements, but this has postponed our closing until after November 30th. We are researching the impact of the delay to determine the best way forward.

VHFA – LIHTC Compliance Monitoring Reports Year Ending 12/31/2018 Hickory Street I, II & III (pages 1.21 – 1.23) – Vermont Housing Finance Agency (VHFA) completed their comprehensive review of our tax credit management activities at Hickory Street, and found no evidence of noncompliance. This is a great result – we commend Ms. Sanderson for her work.

SASH Task Force Update (see pages 2.46 – 2.50) – We received the facilitator’s full report of the discussion among Southwest Vermont Council on Aging (SVCOA), the Visiting Nurse Association & Hospice of the Southwest Region (VNAHSR) and SASH coordinators. The process takes a Quality Assurance approach, identifying opportunities for program improvement in part to strengthen the relationships between SASH Coordinators and Wellness Nurses and SVCOA and VNAHSR Case Managers with the objective of improving client services. We are looking at manageable collaborative goals to work on over the next few months.

REPORTS AND DISCUSSION ITEMS:

Finance/Administration Report (pages 2.3-2.8)

Consolidated Budget Comparison and Variance Reports for September 2019 – See Ms. Buysse’s full report for details. Highlights: Revenues from rents were more than \$15K under budget due to 4 vacancies at Sheldon Towers and 2 at Templewood Court. Units are being filled.

Cash Flow – Cash flow continues to be consistent. The Payment in Lieu of Taxes (PILOT) to the City was made in September and will be recorded at year end. With PILOT subtracted from the surplus stands at \$107,401, and the ending bank balance for September was \$1,268,879.69.

Capital Fund Close-out (pages 2.9 – 2.16) – The 2017 close-out paperwork is our certification to HUD that we received and spent the funds as per our Annual and Five-Year Plans:

- Page 11 indicates how we utilized the funds.
- Page 12 shows that the bulk of the grant was used for general capital fund repairs
- Pages 14 and 15 show the breakdown of those capital fund repairs by project.

Proposed Resolution 2019-20 to approve the close out documentation for Capital Fund Grant VT01P003501-17 and to authorize the Executive Director to sign and submit the form HUD-53001 effective 11/11/2019.

Commissioner Carlson made a motion to approve the resolution which was seconded by Commissioner Johnson. There was unanimous approval.

Review of Draft RHA Five Year Plan 2020-2024 (pages 2.17 – 2.31) – The Five-Year Plan includes goals and objectives to be pursued by the RHA for 2020-2024, progress over the past 5-year period, various HUD regulatory provisions and must be certified by the State that it is consistent with the Vermont Consolidated Plan. Major points were reviewed with the Board, including the RAD conversion of our Hickory Street Public Housing units. The draft plan is available at our office or on the RHA website for review. The Public Hearing Notice for the December 9th meeting at Templewood Court has been published in the Rutland Herald and Sam’s Good News, and the announcement sent to residents via articles in the RHA Update. Resident Advisory Board meetings have been scheduled for November 12th at Templewood Court, November 13th at Hickory Street, and November 14th at Sheldon Towers. Provided there are no changes required as a result of the tenant/public meetings, the Board will be asked to approve the plan and attached certifications on December 9th.

Once the RAD conversion is complete, including the Public Housing units in Hickory Street phases 1 and 2, HUD will no longer require RHA to submit a 5-Year Plan, and we will adopt an internal strategic planning process.

Insurance Review for 11/1/19 – 11/1/20 – The Board reviewed the HAI Group premium renewal summary including Commercial Property and Liability coverage. Mr. Loso reminded the Board that we carry Officials Liability Coverage in the amount of \$1 million to cover their work.

Review of Blue Cross Blue Shield Renewal Rates (page 2.33) - Blue Cross Blue Shield health insurance premiums increased 11% across the board for the coming year – the biggest increase in 3 years. Ms. Buysse discovered that MVP had the same increase. According to the AFSCME Contract we can only renegotiate our rates if they increase 12% or more. Deductible amounts also went up: the employee share is now 13.5%. Ms. Buysse compared RHA’s insurance plan to that of other large employers (RRMC, State of Vermont) and confirmed that RHA’s is a much more generous employer. We will start reviewing plans for 2020-2021 in July and will be ready if we want to explore other options.

RHA Update November, 2019 (pages 2.36-2.39) – The Front page highlighted the Resident Advisory Board meetings and RAD updates.

Property Management (page 2.40)

Site Updates – Ms. Sanderson reported that as of October 31 Templewood Court is at 100% occupancy. Sheldon Towers saw 3 more move-outs of elders entering assisted care, but the 5 units that had been vacated for the renovations (that were postponed until after the RAD conversion) are now filled and just 1 unit will be vacant after a lease-up tomorrow. Offers are out for 1 unit at Hickory Street phase 1, and 2 offers are out for phase 2.

In late October Ms. Sanderson attended a powerful and eye opening Bridges Out of Poverty training in Burlington.

Draft RAD Occupancy Policies and Lease Revisions to ACOP – After the RAD conversion our ACOP will be much smaller, as the Section 8 Administrative Plan policies will be in force for the units at Templewood Court and Sheldon Towers. Recommended changes to the lease are minor. Mr. Loso recognized staff for their hard work on a short deadline to produce these documents for this meeting. He confirmed with Chairman Markowski that any substantive changes will be brought before the Board in the future.

Proposed Resolution 2019-21 to approve the Rutland Housing Authority RAD Occupancy Policies and Lease effective 11/11/2019.

Commissioner Johnson made a motion to approve the resolution which was seconded by Commissioner Carlson. There was unanimous approval.

Section 8 Program (pages 2.41 – 2.42)

Ms. Ladabouche reiterated the difficulty of finding affordable 1-bedroom units in the community for RHA voucher holders (HUD’s Fair Market Rents for Rutland are currently \$777, and will increase to \$797 in January with a \$800 Payment Standard set by RHA). The Mainstream vouchers have 99% utilization and we hope to have this at 100% on December 1.

Mr. Loso pointed out that his colleagues in the Vermont Association of Public Housing Directors sometimes question his annual report on RHA’s Section 8 utilization because they all find it very difficult to fill all the vouchers they have with the budget authority that HUD provides. He points to Ms. Ladabouche’s ability to develop relationships with landlords and to skillfully negotiate rents as the reason for this level of performance.

We await word from HUD on our request for up to 35 more Mainstream Vouchers.

Resident Services Report (pages 2.43 – 2.146)

Ms. Keefe was happy to announce that the Resident Opportunities and Self-Sufficiency (ROSS) grant report for the previous period has been submitted. The new Standards for Success reporting tool requested a tremendous amount of data. It is unclear what HUD intends to do with this additional information.

SASH Facilitation Progress Report (pages 2.46-2.50) – Representatives of SASH, the Southwest Vermont Council on Aging and the Visiting Nurse and Hospice of Southwestern Vermont reconvened to review the facilitator's report, provide feedback and develop a plan for next steps. The goal is to overcome barriers – both structural (HIPPA requirements; reporting platform/communication tools) and perceptual (flexible vs. rigidly defined roles) – to maximize coordination and cooperation in the service of client well-being. It's a challenge, and we are making progress.

SASH Coordinators attended Care Navigator training, which is required under One Care (the Medicare Accountable Care Organization for Vermont). This is the electronic care plan for high-needs clients that multiple health and social service agencies will access in order to better coordinate care.

INFORMATIONAL ITEMS: (pages 3.2 – 3.11)

The following informational items were sent out prior to the meeting, and they indicate that trends are overall favorable:

- A. Aged Delinquency Reports 9/2019
- B. Collections Report 10/2019
- C. Lease Violations/Evictions 10/2019
- D. Housing Occupancy Charts 10/2019

We have had success in filling units, but a steady stream of turnovers are keeping maintenance staff very busy. We have three evictions in process.

NEW/OLD BUSINESS

Approval of Disposition/Retention Application DDA#0009238 and Transfer of Ownership to Housing Initiatives, Inc. - This is HUD's approval of the Disposition/Retention action for the .43 acres at Hickory Street. This achieves our desired goal of getting the parcel off the books before the RAD conversion. The property will be transferred to Housing Initiatives, Inc., for future development.

Proposed Resolution 2019-22 to approve the transfer of .43 acres located at the old Forest Park site (VT003000001) to Housing Initiatives Inc. in compliance with the terms of the approval letter from the HUD Special Applications Center dated October 24, 2019 (DDA0009238).

Commissioner Richards made a motion to approve the resolution which was seconded by Commissioner Carlson. Approval of the resolution, including the vote of Chairman Markowski, was unanimous.

Prior to moving into Executive Session, Mr. Loso presented each commissioner with a token of appreciation for their service throughout the year and wished everyone a Happy Thanksgiving.

EXECUTIVE SESSION – On a motion by Commissioner Carlson and seconded by Commissioner Richards, the board entered Executive Session at 9:15 a.m. to discuss contractual or human resource issues, the premature disclosure of which could put the RHA at a significant disadvantage.

On a motion from Commissioner Carlson, seconded by Commissioner Johnson, the Board came out of Executive session at 9:35 a.m.

ACTION: None

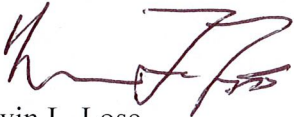
ADJOURNMENT OF MEETING:

There being no other business to bring before the Board, Commissioner Richards moved to adjourn the meeting at 9:36 a.m. Commissioner Carlson seconded the motion. There was unanimous approval.

Date of Five-Year Plan Public Hearing: Monday, December 9, 2019 @ the Rutland Housing Authority Board Room, 5 Tremont Street, Templewood Court, Rutland, VT at 8 a.m. - Mr. Loso will not be in attendance, but staff support will be provided by Ms. Buysse, Ms. Sanderson, Ms. Ladabouche and Ms. Richardson.

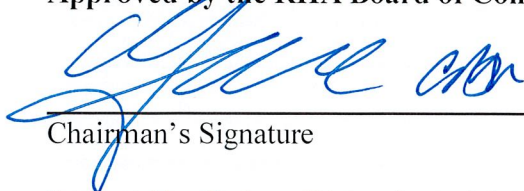
Date of next BOC Regular meeting: Monday, December 16, 2019 @ the Rutland Housing Authority Board Room, 5 Tremont Street, Templewood Court, Rutland, VT at 8 a.m.

Respectfully submitted,



Kevin L. Loso
Executive Director/Secretary

Approved by the RHA Board of Commissioners



Chairman's Signature

1/13/2020
Date

Prepared by Barbara Richardson, Administrative Services