

RUTLAND HOUSING AUTHORITY
Board of Commissioners
MINUTES
Regular Meeting
July 13, 2020

Vice-Chairman Karl Anderson called the meeting to order at 8:06 AM on Monday, July 13, 2020 in a Zoom meeting room to which the public had been invited via the RHA website and through notices posted at RHA properties.

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

Board of Commissioners Present:

Chairman Kevin Markowski (joined at 8:20 a.m.), Vice-Chairman Karl Anderson, Commissioner Tina Johnson, Commissioner Jim Richards and Commissioner Andrew Carlson.

Rutland Housing Authority Staff Present:

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

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 June 8, 2020. There was unanimous approval.

CONSENT AGENDA (pages 1.9- 1.17):

A motion was made by Commissioner Johnson seconded by Commissioner Carlson to approve the Consent Agenda items for July 2020, including:

Manifests: Section 8 Checks #2451 through #2458 and Direct Deposit #64052 through #64153

Manifests Public Housing #17008 through #17084

Credit Card Report 05/21/2020 – 06/18/2020

Manifests: Payroll: 06/03/2020, 06/17/2020 and 06/18/2020

MEDIA (Page 1.18 – 1.19)

“COVID money sought for housing plan”, Gordon Dritschilo, Staff Writer, Rutland Herald, May 11, 2020. Mr. Loso expressed regrets that plans were leaked to media by one of the program partners before the Board could meet. The story took staff members by surprise, and could have had an impact on the purchase option that had not yet been negotiated for the Woodstock Avenue property. Mr. Loso addressed concerns with the partner and stressed that any news must go through the RHA because of our role as the lead on the project.

EXECUTIVE DIRECTOR’S REPORT

RHA Response to COVID-19

Tenant Welfare/Safety Measures – Coronavirus prevention continues to be a priority – Ms. Keefe and Ms. Sanderson will provide more details.

Staffing – Work Transition Plan – The office continues to practice established procedures to safeguard the health of staff members.

Tenant Account Receivables – We have not seen any impact – most tenants receive benefits, and those who have lost hours have been eligible for rent adjustments. The state has extended the eviction moratorium and we expect that HUD will as well. If we do start to see some impact we will avail ourselves of the state's rental arrearage funding to cover unpaid rents.

HUD COVID-19 Funding – We continue to monitor allowable expenses under the operating fund. We are charging as much as possible to the funds, and Section 8 administrative fees are being expensed to a separate relief fund. Deadline to spend these funds remains 12/31/2020 and we will spend them all by then unless Congress extends the deadline. See page 2.8 for expenditure details.

RAD Update

Post-RAD Conversion Modernization – The scope of work for the Sheldon Towers unit and common area modifications is nearly finished, and the RFP will be published later this month. The project requires some tenant relocation because we need a minimum of 5 empty units for contractors to work on in each of the three phases. A mandatory pre-bid meeting is scheduled for any contractors interested in the project, with a target for work to begin on September 1. HUD requires the work to be complete by May 1 2021. We will require specific pandemic related safety measures to be followed by workers and tenants.

COVID-19 Vermont Economic Recovery Package

Vermont received \$1.4B in CARES Act funding of which \$23-\$25M, administered by the Vermont Housing Conservation Board (VHCB), is available to address homelessness. In Rutland County there are approximately 200 individuals and families staying in motels: some were moved out of congregate housing, others have had job loss that led to homelessness. RHA submitted a letter of intent to VHCB to develop Bridge & Permanent Housing and was invited to submit an application, and thanks to the support of community agencies which have signed an MOU to provide supportive services, we were able to meet the deadline. Typically, the Housing Trust of Rutland County (HTRC) would have led this effort but for their change of leadership and their focus on the Lincoln Place project.

There are two elements to the proposal. The first is to purchase the old John Deere dealership at 101 US Route 4 East and create 9 units of bridge and permanent housing (the max number of units that are allowed under the Act 250 review threshold). This site will have an on-site property manager/supervisor for oversight and maintenance. We are negotiating a long-term lease agreement with the Rutland Regional Medical Center (RRMC) for 2 - 3 units where they can discharge patients who have nowhere to live. This benefits RRMC because patient-length-of-stay has an impact not only on the medical system but also on their funder-mandated metrics. RRMS will provide onsite clinical services or will partner with VNHSR to cover those needs. We will work with agency partners to screen applicants. Two conditions that make an applicant ineligible for services are being a registered sex offender or a criminal record (production of drugs, violent crime). The Homeless Prevention Center (HPC), Rutland Mental Health Services (RMHS) and BROCC have signed an MOU to provide wraparound supportive services. In the short term this will get people out of motels. The long-term vision is that this property provides a transitional 3-6 month stay, during which the program partners work with tenants to ensure they can maintain a lease in the wider community. This will require significant screening because this is a population that we might not serve in our regular programs because of their track record of poor rental/credit/criminal history. Unfortunately the homeless population, by virtue of their circumstances, tends to run into legal problems. Also, a high percentage of those who are homeless suffer from mental illness: RMHS will have a .5 FTE working at the facility to support them. Supportive services are there to ensure that residents get their basic needs met - primary care services, food, medications – and to

provide employment counseling. Medicare-eligible folks will be able to enroll in the SASH program. RHA needs to be insured by all partners that level of services are dependable for the long term. Fortunately we have great relationships with the agencies.

Rutland Town has provided a letter of support, and next Mr. Loso will convene meetings where surrounding property owners can ask questions and we can achieve their buy-in. The purchase option was signed last Thursday (not to exceed \$625K, but we are awaiting the appraisal). If it doesn't appraise that high we'll return to negotiate.

Second phase of project is 10-11 units located at 15, 17 & 19 Pine Street which will have Project-Based Section 8 subsidies. These are blighted buildings that Giancola Real Estate purchased through a tax sale and they are in need of full rehab. They are a focal point of a Project VISION initiative for housing upgrades. Joe Giancola will use his construction company to completely rehab units for a turnkey purchase arrangement (not to exceed \$775K). Joe recognizes the need for affordable housing, and though his costs will likely exceed the purchase price he is committed to the project.

The applications were due last Friday, and VHCB will make a decision by early August. Once the grant is awarded the requirement is that we lease up tenants by November 20th. Joe can get it done because he has a construction company. Naylor and Breen will likely be the contractor for the Woodstock Avenue property, and they've provided some services already and are poised to jump right in. Costs to date include architectural expenses, consulting fees for the letter intent and application, appraisals for both properties, and a Phase 1 Environmental Assessment for Woodstock Avenue.

In the long term, the rental income will be sustained through the long-term lease with RRMC with the balance of revenues coming from Vermont Rental Subsidy Programs and the Agency of Human Services shifting motel voucher funding to this property. RRMC has also committed to a \$150 - \$250K capital campaign for this project. The vision is for helping people find stability during their stay at Woodstock Avenue, then transition to Pine Street where less intensive services will be available. The third resource is the HTRC's permanently supportive housing site (Lincoln Place), designed for people who need long-term support. These three options are a community-wide response to the issue of homelessness, representing a continuum of ways to get people into permanent housing. The community response has been extraordinary: the MOU outlines specific services that each agency will commit to.

Because of the structure of both the VHCB grant and the Section 8 Project-Based Voucher program, we are exploring the option of Housing Initiatives, Inc. (HII) being the property owner, which will facilitate funding and the issuance of Project-Based Section 8 Vouchers. HII and RHA will enter into a management agreement whereby the RHA will perform all necessary services in leasing up, maintenance and staffing the projects. HII is a 501(c)3 which will help with property tax abatement. For the current residents of the Pine Street properties we have developed a relocation plan and incentives to find new housing. Joe has 600+ rental units in Rutland so that will help.

These properties were chosen for their vacancy, location, and price. With the Pine Street property RHA is insulated from risk with the turnkey arrangement. The risk with Woodstock Avenue is the tight deadline, but Naylor & Breen have committed to a quick turnover, once we receive confirmation of funding.

Proposed Resolution #2020-14 to ratify authorization of the Executive Director to submit the Bridge & Permanent Housing proposal to the Vermont Housing and Conservation Board's Coronavirus Relief Fund Housing grant and to incur on the part of the RHA costs associated with both the proposal requirements and the Letter of Intent.

Vice-Chairman Anderson made the motion, which was seconded by Commissioner Johnson. The vote was unanimous to approve.

REPORTS AND DISCUSSION ITEMS

Finance/Administration Report (Pages 2.2 – 2.11)

Consolidated Budget Comparison and Variance Reports for May 2020: Revenues and Expenses, Variance and Cash Flow – Expenses incurred in the development of the Bridge & Permanent Housing initiative are being charged to the development account, funded by Hickory Street development fees. There was a slight increase in rents, and other revenues are significantly under budget. Payroll is over budget due to overtime hours. HERO bonuses (see Page 2.7) were paid out of COVID-19 operations funding, as were utilities. Administrative Training & Travel is way under budget as well.

Year-to-date the budget surplus is \$16,793 and the bank balance stands at \$1,094,939.11

Property Management Report (Page 2.14 – 2.32)

Sites Update – Ms. Sanderson reported that, until we reach the 5-unit minimum for beginning the Sheldon Towers unit upgrades, vacancies at Templewood Court and previously renovated Sheldon Towers will be used to relocate Sheldon Towers tenants whose apartments are slated for upgrades. There is one vacancy at both Hickory Street phase 1 and 3. Hickory Street rent recertifications are ongoing.

Other items – The Sheldon Towers unit upgrade pre-bid meeting is scheduled for August 6 and the bid opening for August 27 at 3 p.m. Maintenance has moved contents of the rented storage pod to the new shed at 9 Tremont. The new consolidated application for Templewood Court, Sheldon Towers and Housing Choice and Project-Based Voucher programs is complete.

Proposed Resolution #2020-15 to approve the Common Application for Sheldon Towers, Templewood Court and Section 8 Programs effective July 13, 2020.

A motion was made by Commissioner Johnson and seconded by Commissioner Carlson. There was unanimous approval.

Section 8 Program Report (Pages 2.33-2.34)

Ms. Ladabouche reported that three Housing Choice Vouchers (HCV) are turning over. Five Mainstream vouchers are scheduled for August 1 lease up.

Of the second allocation of 35 Mainstream vouchers RHA received in April 6 voucher holders are still trying to find housing. There are 15 more vouchers available in August. Mr. Loso acknowledged the extraordinary job Ms. Ladabouche does in finding affordable housing for our voucher holders in Rutland City, but availability is worse than ever. We and our partners are building the inventory of quality affordable housing in the community: The proposed Pine Street apartments would provide 10 - 11 units, and Lincoln Place will provide 19 more (HCV will be converted to PBV for these projects).

Another CARES-funded program, the Vermont Rehousing Initiative, is being rolled out to provide \$30K/unit grants to landlords who want to bring their apartments into compliance with HUD's Housing Quality Standards. Owners are expected to provide a 10% funding match. Joe Giancola will look into this for the Pine Street properties, which could save VHCB's funds and reduce our acquisition costs.

Resident Services Report (pages 2.35-2.60)

Ms. Keefe reported that she is receiving resumes from candidates for the Rutland Community Half-Panel SASH Coordinator position. She has been covering the position in the interim. SASH piloted ZOOM programming with a workshop led by Cinda Donton, titled "COVID-19 and the Love Connection" that focused on self-care and gratitude. She also shared two SASH Success Stories (page

2.36 – 2.37) that illustrate the critical role the program plays in keeping participants well and living independently.

The HASS grant report for the grant year ending June 30 is ready for submission.

INFORMATIONAL ITEMS: (pages 3.2 – 3.9)

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

- A. Aged Delinquency Reports 6/2019
- B. Collections Report 6/2019
- C. Lease Violations/Evictions 6/2019
- D. Housing Occupancy Charts 6/2019

NEW/OLD BUSINESS

None.

EXECUTIVE SESSION

On a motion by Vice-Chairman Anderson and seconded by Commissioner Carlson, the Board entered Executive Session at 9:49 a.m. to discuss contractual or human resource issues, the premature disclosure of which could put the RHA at a significant disadvantage. There was unanimous approval.

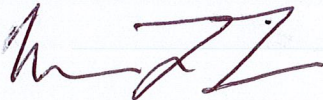
On a motion by Commissioner Johnson, seconded by Vice-Chairman Anderson, the Board came out of Executive Session at 9:42 a.m. There was unanimous approval.

ADJOURNMENT OF MEETING:

There being no other business, Vice-Chairman Anderson moved to adjourn the meeting at 9:50 a.m. Commissioner Carlson seconded the motion, and there was unanimous approval.

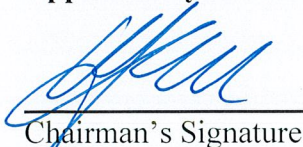
Date of next BOC Regular meeting: Monday, August 10th at 8 a.m. via Zoom Conference (public posting of meeting announcement to follow).

Respectfully submitted,



Kevin L. Loso
Executive Director/Secretary

Approved by the RHA Board of Commissioners


Chairman's Signature

8/10/2020
Date

Prepared by Barbara Richardson, Executive Administrative Assistant