

# WINNEBAGO COUNTY HOUSING AUTHORITY MINUTES

Tuesday, December 28, 2010

Marian Manor, 3:00 P.M.

COMMISSIONERS PRESENT: Mike Norton, Chairman  
Patty Maehl, Vice Chairman  
Karen Keller

STAFF PRESENT: Brad Masterson, Executive Director  
Su van Houwelingen, Deputy Director  
Lee Franzen, Asset Manager  
Kim Lynch, Executive Assistant

OTHERS PRESENT: None

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- 1.) Chairman Norton called the meeting to order at 3:05 p.m.
- 2.) Chairman Norton directed the Commissioners to review the minutes of the regularly scheduled board meeting held on November 23, 2010. There being no questions or comments, Ms. Keller moved, seconded by Ms. Maehl, to approve the minutes of the November 23, 2010 meeting. Motion carried 3-0.

3.) **Finance –**

**a.) Accounts Payable**

Chairman Norton inquired if there were any questions pertaining to the November accounts payable report. Masterson & van Houwelingen responded to various questions explaining that the payment to Northern Escrow in the amount of \$165,526.20 was stimulus money that paid Alliance Construction for work on the porches and roofs for the Menasha units. The payment to TX Child Support SDU is for an employee's child support obligation. Ms. van Houwelingen explained that Section 8 payments to landlords do not appear on this report. However, the auditors do review that information. Ms. van Houwelingen and Masterson responded to questions regarding vending and purchasing procedures.

4.) **Report of the Executive Director**

**a.) Old Business – Unit Recertification**

Mr. Masterson directed the Commissioners' attention to a copy of an e-mail that was included in their packets. The email reported that, as of December 2, 2010, 47% of Housing Authorities had not completed the unit verification certification process in PIC that is used to calculate the Capital Fund allocations. Masterson reported working late into the evening on Dec. 2 to comply with yet another deadline, only to learn the next morning that HUD had extended the deadline to December 17. He noted HUD's too little too late response was tacit recognition of over-worked housing authorities, when a majority couldn't get a simple report completed on time.

Masterson went on to report that the search for a new pick-up truck with a plow in good enough condition, for the right price, is still in process. Auto dealers that do State pricing can't get any 2010 vehicles at this time. Maintenance would prefer a Dodge truck because the Ram 2500 has a stronger frame by far and can handle the plowing. The GMC 1500 trucks currently in service have sustained damage and no longer can accommodate the plow frame. The Authority is also looking to replace a 1999 van that is used by the Section 8 inspector as well

as acquire a vehicle for use by the family unit manager, now that his portfolio has doubled and work requires extensive mileage.

Mr. Masterson stated that because the Authority is a non-qualifying agency, an PHA Annual Plan is not required to be filed in 2011. However, if the Authority decides to proceed with amending the preference for disabled persons for the Housing Choice Voucher Program, it would be considered a substantial deviation from the 5 Year Plan and would require public hearings be held and a plan be submitted.

**b.) Public Housing**

**i. Menasha Renovations Update**

▪ Low VOC Paint Application – Phase III – FAST on hold

Mr. Masterson stated that the Menasha 40 Rehab is going well. However, the start of Phase 3 renovations has been put on hold in anticipation of the FAST Team starting work on the Mainview renovations. Mr. Masterson reported that the low VOC paint issue has been resolved. The unit that required the low VOC paint has now been repainted by Home Depot with the correct paint and the family can move in.

▪ Office Expansion or Relocation

Mr. Masterson stated the Menasha office is too small and expanding or relocating the Menasha office will need to be resolved in 2011. Masterson is investigating options. The Red Cross will be moving out of the United Community Services building and that space and others are being considered.

**c.) Assisted Housing**

**i. River Cities Redevelopment**

▪ Riverside Final Phases/Transition to Foxview Manor

A River Cities Production & Leasing Schedule was distributed. Mr. Masterson reported that Riverside should be completed by mid-January and will need to be filled by March. A review of the schedule shows that McGann needs to be given nine units instead of six during the first two phases of renovation at Foxview. This will move the completion date of the project from July 8, 2011 to May 22, 2011. Accelerating the work virtually guarantees contractor's timely performance, but imposes a greater marketing and leasing burden on the Authority to fill renovated units.

▪ Accessible Bathtubs

There will be two accessible bathtubs installed at a cost of \$8,000 each as an ADA accommodation.

▪ Requested Contract Additions – Retaining wall/soffit/ceiling

McGann Construction is requesting some contract additions such as a retaining wall at Riverside. They also want to replace all vented soffits, rather than just those pieces removed during renovation.

▪ Shed Encroachment

Masterson reported that a letter has been sent to the owners of a shed adjacent to Foxview. The shed is on the Housing Authority's property. No response has been received as of this time.

▪ Focus On Energy

Focus on Energy's response to the Authority's request for funding assistance for the River Cities project was disappointing. There will only be a small amount awarded to the Authority for fluorescent lighting.

When queried, Masterson stated that there will be at least one open house at Riverside if not more. However, a date has not yet been set for a Grand Opening.

**d.) Homeownership – Grant Awards HOME \$300,000 & HCRI \$66,500  
– HOMES 2000 Bond Payoff**

Mr. Masterson directed the Commissioners' attention to the copy of a letter from the Department of Commerce. The State has awarded two new grants to the WCHA, \$300,000 in HOME funds and \$66,500 in HCRI funds. This award is for a two-year period.

All of the HOMES 2000 loans except one have been repaid. The amount of money in the reserve is more money than is due for paying off the bonds. So, Wells Fargo wants to pay off the bonds which will stop generating all the monthly paperwork associated with the bonds as well as fees that are being charged to the Program. The one homeowner who is still paying on their loan would pay the Authority directly. The Authority is working with Citi Bank to get everything in order. The goal is to give notice by January 1, 2011 and call the bonds due for February 1, 2011. The program would then officially be over.

A contracted tree surgeon cut down a tree adjacent to 823 Grand Street, which is one of the NSP properties that the Authority owns. The tree had substantial sentimental value to the neighbor who has made her displeasure known about downing of the tree. Masterson assured the neighbor a replacement of her choosing within reason could be acquired and placement mutually determined.

**e.) Personnel Matters – 2011 Compensation Schedule & Merit Awards**

Mr. Masterson reported that a proposal was presented at the OHA Board meeting seeking no Cost of Living Adjustment for 2011, but increasing merit pay for staff with a pool equal to 3% of total payroll. Due to economic conditions, many employees did not get cost of living adjustment in recent years and some endured pay cuts to keep their jobs. Step increases will still remain in place. Masterson believes that promoting HUD's asset management vision requires merit awards be a significant incentive. He recommended that agency management have the discretion to award merit pay anywhere from 0.0% to 5%. His proposal also asked for a 3% merit award for the Executive Director and Deputy Director. Property managers will evaluate the staff at their building and those evaluations will then be reviewed and adjusted by Masterson and van Houwelingen. The proposal was only presented to the OHA Board for approval because all staff members are employed solely by the Oshkosh Housing Authority.

Mr. Masterson introduced Lee Franzen who has been promoted and brought into the main office from Court Tower. Lee's title was still pending, but among his duties will be purchasing, policy and procedure development, and file and property reviews. After going through several hundred resumes and interviewing several people, conversations with existing staff led to the decision to not hire additional staff, but merge some positions and re-assign current staff. Stacy Groff will now manage Marian Manor while continuing to serve Cumberland Court Apartments. M&I Bank, Marian Manor's tax credit partner, will be notified of the change. The Mainview manager, Chad Wiechert, will be transferred to Court Tower and Marian Manor's current manager, Marcy Conger, will take over at Mainview. These re-assignments will strengthen the Housing Authority enabling cross training of staff, bringing new perspectives to the properties and a fresh set of eyes reviewing the files. Ms. van Houwelingen explained that the property managers will still report to her and Brad.

**5.) Discussion**

**– Congressional Rejection of Omnibus Spending Authorization**

Masterson reported that Congress did not pass an Omnibus bill. It won't be known what the Authority's budget will be until about March 2011. Until then, it's business as usual. There

could be a problem for Voucher funding, depending on the look-back period for determining eligibility and any pro-ration based on insufficient appropriations to serve Vouchers allocated.

– **Expansion of No Smoking Provision to Family Housing**

Mr. Masterson stated that Marian Manor, Foxview and Riverside are now smoke free buildings. As the Menasha 40 family unit renovations are completed, the Authority is strongly considering making those units smoke free as well. As other units are remodeled, the Authority would like to continue to head in that direction. After some discussion, Ms. Keller moved, seconded by Ms. Maehl to extend the “No Smoking” policy to the Menasha 40 Family units after they have been renovated. Motion carried 3-0.

– **Development of Market Rate Existing Housing Inventory**

Mr. Masterson stated that the Authority does not own any 2-bedroom units in Neenah. To fill that housing need gap, Masterson is exploring the possibility of purchasing 2-bedroom houses under \$70,000 and using the units for market rate rentals for lower income people that are not subsidized through any other program. The income should be enough to cover costs such as mortgage payments, insurance, etc. If the Authority decides to go this route, rehab money could be sought thru the federal home loan bank or HOME Rental Development Funds to fix up the units and prevent them from falling into disrepair and becoming an eye sore. Buying up some of these properties could also strengthen neighborhoods. Hearing no objections from the Board, Masterson will continue to investigate this approach while favorable pricing and interest rates allow.

- 6.) There being no further business at the time, Chairman Norton called for a motion to adjourn. Ms. Keller moved, seconded by Ms. Maehl to adjourn the meeting. Motion carried 3-0. The meeting was adjourned at 4:14 p.m.

Respectfully submitted,

BRAD J. MASTERSON  
Executive Director  
Winnebago County Housing Authority

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APPROVED