

WINNEBAGO COUNTY HOUSING AUTHORITY MINUTES

Tuesday, August 24, 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 (arrived during meeting)
Kim Lynch, Executive Assistant

OTHERS PRESENT: None

- 1.) Chairman Norton called the meeting to order at 3:07 p.m.
- 2.) Chairman Norton directed the commissioners to review the minutes of the regularly scheduled board meeting held on July 27, 2010. Mr. Masterson explained that he reports to the Board as a statutory officer, Secretary to the Board of Commissioners. Deputy Director van Houwelingen continues to report to Mr. Masterson, but can serve the Board when she is acting in Masterson's absence. There being no further questions or comments, Ms. Keller moved, seconded by Ms. Maehl, to approve the minutes of the July 27, 2010 meeting. Motion carried 3-0.

3.) **Finance – Accounts Payable**

Chairman Norton inquired if there were any questions pertaining to the July accounts payable report. Mr. Masterson responded to questions explaining that the payment to Gustave A. Larson Company was a down payment for the mechanical equipment for the Mitsubishi heating and cooling system for Mainview.

Extend Agreement for General Ledger Services –

The HABCO agreement will be renewed for another year, but doesn't require Board action under the new Procurement Policy. The HA is not ready to bring the entire general ledger back in house. A new server is being installed on Thursday. After that process is complete, smaller projects such as the group home ledgers will probably be brought back in house.

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

a.) **Old Business**

Mr. Masterson stated that he had no old business to discuss and asked the Commissioners if they had any questions. There being none, Masterson continued on with new business.

b.) **Public Housing**

Mr. Masterson reported that the HA was contacted by a lawyer in Neenah regarding 16 feet of untitled property next to the Milwaukee Street properties the HA owns. The house on the property to the north of the untitled land was deemed uninhabitable and recently demolished. The HA has had conversations with the city of Menasha regarding possible options for both parcels of land. The HA has not yet determined its official position regarding the land tracts.

i. **Menasha renovations Update**

Mr. Masterson went on to report that the air conditioning work has been completed in all of the Menasha 40 units. The roofing work has now been started. An amendment to

the roofing contract has been agreed to. The amendment is essentially the addition of a safety tie down spot. Hooks can be installed underneath the ridge vent. If anyone has to be on the roof doing repairs or cleaning gutters, etc., they can secure their harness to the safety hooks. Siding is being repaired. Phase 3 work will not be started until the first two phases are closer to complete. Work has started on the porches. The masons have agreed to take the brick off where the new porches are going and use it to fill the air conditioner sleeve holes. The rough-ins for Phase Two are done and the plumbers and electricians are in the units finishing up their work.

ii. Storms Damage

Mr. Masterson reported that the HA is looking at the family units in Neenah & Menasha to determine how much damage was caused by the recent hail storm. The deductible on the insurance is quite high. Once the extent of the damage is determined, a decision will be made as to whether or not a claim will be filed.

iii. MASS Certification or Waiver

Mr. Masterson explained that originally the HA was intending on filing a waiver request for MASS certification. However, it now appears that the HA will continue on with the MASS certification process and a resolution will be presented later in the meeting to approve the certification. An HA is eligible for a waiver if they are transitioning to asset management. HUD has said that the OHA is eligible to file for the waiver. Technically, the HA has until mid-September to submit the MASS certification. Submitting the certification would provide the HA with a continuous baseline of our MASS reporting information each year. From a software standpoint, it would help indicate which fields aren't being filled in properly thereby generating incorrect information. So, the HA will finish and submit the certification. Masterson reviewed what kind of information is included in the MASS certification.

c.) Assisted Housing

i. River Cities Redevelopment

▪ **Scheduled Closing**

Mr. Masterson reported that the closing has been scheduled several times, but has still not happened. Realistically, the closing will probably happen next week Monday or Tuesday. Stratford Capital is clearly on board and Masterson sees no cause for concern. It will not be necessary for Chairman Norton to be present for the closing.

▪ **Construction Progress**

Mr. Masterson reported that there has been good progress on construction. However, progress cannot continue much more until the closing actually takes place. If the closing is pushed out much further, it will put all of the credits Stratford wanted to take in 2010 at risk. Ms. van Houwelingen explained that one of the big differences between the Marian Manor project and the River Cities project is that Marian Manor only had an investor. River Cities has a syndicator, Stratford Capital, and three or four investors. So, there are more steps involved and more people to please. Masterson distributed then reviewed a handout on the Guaranteed Maximum Price, deducts and adds for the project as of 08/09/2010. Most all of the interior and exterior selections have been made. The September board meeting may be held at Riverside depending on how far along construction is. Last week the first vertical set of apartments were opened up to the outdoors. The window units were removed as well as the concrete spandrels which are over two tons each. The contractor put the spandrels on Craig's List and they have already been sold.

ii. Foxview Manor & Riverside Management Review and Audit

Ms. van Houwelingen reported that overall, things went very well. There was only one tenant file that had a recertification issue, but it was easily resolved. A few minor interior issues, such as scrubbing carpets, will not be addressed until the rehab is done. The only major issue was that in WHEDA's opinion, the HA is not using the correct form for sending out verifications. This issue is the result of the friction between multi-family and public housing. Public housing went in the direction of a more general consent form to enable an HA to investigate suspected unreported income/assets. WHEDA's interpretation of the Assisted Housing guidelines is different. WHEDA wants a separate form, signed by the tenant, for each verification being sent that states specifically who the form is being sent to. The HA does not want to be running two different systems and is in the process of working through the issue with WHEDA.

WHEDA was also here to review the group homes. There isn't much to that review because the HA only owns the buildings and the tenants are not ours. WHEDA was given the financials. The capital budgets still need to be forwarded to WHEDA. Overall the review went fine.

Kerber & Rose, the new auditors, will be here on October 4, 2010 to conduct the audit for the Winnebago County Scattered Sites. Ms. van Houwelingen referred the commissioners to a copy of a letter from the auditors that was included in the commissioner's packets.

d.) Housing Choice Voucher Program – SEMAP Revived

Mr. Masterson explained that SEMAP was affected by Transition Years and the stopping of PHAS. Masterson reviewed a notice that showed that FYE June 30 PHAs would not be scored under SEMAP for year-end 06/30/2010. Now HUD is saying that June 30 PHAs must submit SEMAP by the end of August. Fortunately, the quality control inspections were already done which is the most time consuming task. The file reviews have not yet been done. Masterson reviewed the SEMAP Certification form and the entries.

e.) NSP Obligation Deadline & Contract Performance

Mr. Masterson recalled that this is the \$1.2 million in stimulus money that was awarded to purchase foreclosed homes. According to HUD, the HA has fully obligated all of its money and has now exceeded all of its program goals. The state's position now is that the HA may not be able to be a developer. If the Authority acts as a developer and HUD rules against that status, NSP funds invested would be recaptured and the Authority would have to cover the loss of funds. So, a contractor will be needed to do the rehab work on the four houses to avoid recapture of money that was obligated by the HA as a developer. The work will be very extensive, with up to \$75,000 per renovation. Two contractors have been awarded work. Each contractor was awarded two homes to rehab. Masterson responded to questions regarding the NSP properties.

f.) Personnel Matters

Masterson stated there are currently three points to discuss. First, over 300 resumes have been received for the Property/Program Manager position that was posted. The resumes are still being reviewed. Second, the former Finance Director that was recently let go during her probation period has retained an attorney. Personnel records have been forwarded to the attorney per their request. Because there are no notes or recordings from meetings, nothing of that nature could be sent. The HA's attorney has been notified of the circumstances. Lastly, notice has been received that an employee who is out on medical leave has filled for unemployment benefits back to May. The HA has been actively working with the employee and his doctor regarding clearance on the medical issues. No termination action has been issued.

- 5.) Mr. Masterson presented Resolution 584-10. This resolution approves the SEMAP Certification submission for FY Ending 06/30/2010. Masterson reviewed the SEMAP Certification form and information. Ms. Maehl moved, seconded by Ms. Keller to approve Resolution 584-10. Motion carried 3-0.
- 6.) Mr. Masterson presented Resolution 585-10. This resolution approves the MASS Certification submission for FY Ending 06/30/2010. Masterson reviewed the MASS Certification form and Resolution. The following changes were made. In paragraphs three and four, Oshkosh Housing Authority was corrected to read **Winnebago County** Housing Authority. Ms. Maehl moved, seconded by Ms. Keller to approve Resolution 585-10. Motion carried 3-0.
- 7.) **Discussion – Affordable Housing News**

Mr. Masterson reported that Congresswoman Maxine Waters, a strong advocate of affordable housing, is facing ethics violation charges. If she is found guilty of the allegations and can't be effective, it will hurt affordable housing issues. Continuing on, Masterson explained that it is extremely unlikely that the Senate and the House will come to a conference committee prior to September 30, 2010 when the current bills money will run out. It is expected that when congress reconvenes they will adopt a continuing resolution to carry the housing programs though until probably about February. Both the Senate's and the Congress' bills fund public housing at almost 100%.

Mr. Masterson stated that, even though Tower Redevelopment LLC still exists, renovations of Court Tower are on hold indefinitely. WHEDA announced that all developers had paid their first fee payment and no tax credits were surrendered. Therefore, development of the properties that the HA had options on is not going to be happening in the near future. Future tax credit deals may not be a viable option for Court Tower if WHEDA puts the cap back on limiting the amount of tax credits that can be awarded in any one application. Masterson responded to questions about the tax credit awards and other general questions.

Ms. van Houwelingen reported that the issues regarding the Lakeland Care District are being worked on. Communication is improving. There have also been discussions with HUD-Milwaukee regarding the South Park Group Home replacement.

Masterson informed the commissioners about the Fall WAHA Conference in Sturgeon Bay. The HA will pay for any commissioner who would like to attend the commissioner training.

The one and only practice in the water for the Dragon Boat Races is on September 10, 2010. The staff picnic went well despite the rain and everyone had fun.

- 8.) There being no further business at this 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 4:30 p.m.

Respectfully submitted,

BRAD J. MASTERSON
Executive Director
Winnebago County Housing Authority

APPROVED