

WINNEBAGO COUNTY HOUSING AUTHORITY MINUTES

Wednesday, April 25, 2012

Marian Manor

3:00 P.M.

COMMISSIONERS PRESENT: Mike Norton, Chairman
Rebecca Hackett, Vice Chairman
Scott Waterworth
Richard Schallert

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

OTHERS PRESENT: Mr. Paul Eisen, County Board Supervisor District #4

- 1.) Chairman Norton called the meeting to order at 3:03 p.m.
- 2.) Chairman Norton directed the Commissioners to review the minutes of the regularly scheduled Board Meeting held on March 27, 2012. It was noted that Mr. Paul Eisen's name was inadvertently not recorded as a guest present at the March meeting. The minutes will be amended to record him as present. Masterson stated that he is still looking for another Resident Commissioner to replace Karen Keller who recently resigned from the Board due to health issues. There being no further questions or comments, Ms. Hackett moved, seconded by Mr. Waterworth, to approve the minutes of the March 21, 2012 meeting as amended. Motion carried 4-0.

3.) **Finance –**

a.) Accounts Payable

Chairman Norton inquired if there were any questions pertaining to the March accounts payable report. Masterson and van Houwelingen responded to inquiries regarding the March payments. Ms. van Houwelingen stated that the \$110,254.69 payment to Winnebago County was the first annual payment on the River Cities Redevelopment loan from Winnebago County. The payment to Berkadia is the mortgage payment on Cumberland Court. Masterson stated that the payment to Firestopping Specialists was a payment in connection with the Mainview (MV) renovations. Building codes relating to fire stopping were reviewed. The monthly payments to Aflac are for ancillary insurance policies that employees have opted to take. The full cost of the premiums for these policies is paid by the employees through payroll deduction. The HA does not contribute any portion of the premium and only acts as an intermediary for the payments. Payments for the Home Buyer Program and a garnishment payment from payroll were also identified.

b.) River Cities LLC Audit

Ms. van Houwelingen explained that Suby, Von Haden and Associates (SVA) are the accountants that conducted the audit for River Cities Redevelopment (RCR) LLC. Because of their expertise in tax credit properties, they conduct the annual audits for Marian Manor LLC and River Cities LLC. Due to the size of the Authority, the audits will always continue to reflect the finding regarding the lack of segregation of duties. Ms. van Houwelingen states she is comfortable with the current process of having the Board review the payables, van Houwelingen signs off on the purchase orders, the Authority's accountant, LuAnn, posts the invoices and cuts the checks and Angie at HABCO does the month end financials. Board

approval is not necessary for this audit because RCR is an LLC. Masterson and van Houwelingen responded to questions about the audit and financial policies in general.

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

a.) **Assisted Housing**

i. **River Cities Redevelopment**

▪ **Garage Status Review**

Mr. Masterson stated that the draft of the "Privilege in the Street" document that was received which would allow the Authority to put the bump out on the curb was not adequate. The agreement was sent back to the Village of Winneconne with a request to modify the agreement. Masterson sent a sample agreement for them to consider. The civil engineer was given the approval to put out the staking for the concrete work at Riverside.

The meeting with the City of Omro Administrator went well. Drawings have been received from the architect for design options for the Omro garages. The intention is to have the garages in Omro done by winter. The Authority is proposing a 30 year lease to the City on Omro. Until HUD informs the Authority how much of a bump in rent will be allowed because of the garages, it is difficult to determine what the lease value for the City garage will be. One option would be to agree to pay the City of Omro a percentage of the rent increase that HUD approves for the units. Another option would be to take nearly all of the rent increase and put it into a reserve account fund that could be used when the City of Omro and the Authority agree to repairs or improvements.

▪ **Financial Wrap-up**

Mr. Masterson stated the Authority is still scheduled for another million dollar equity payment from Stratford Financial. Ms. van Houwelingen has been working with Dimension Development and Stratford Capital to get the documentation done as quickly as possible. Three more items are needed to go to final closing. Three months of at least 95% occupancy and economic occupancy is needed. Three months of cash flow statements are being prepared to show a positive cash flow.

▪ **Near Elderly Waiver Request**

Mr. Masterson explained that the waiver allowing vacancies to be filled by applicants age 50 to 62 is only good for one year and must be requested annually. Ms. van Houwelingen is working on this year's request. Documentation indicates that RCR may not meet the requirements for the waiver this year because it is at or above 95% occupancy.

▪ **Neighborhood Redevelopment**

Mr. Masterson distributed and summarized an article from the Oshkosh Northwestern newspaper regarding the potential development of a resort on the Wolf River in Winneconne adjacent to Riverside Apartments.

Before moving on to the report on Public Housing, Chairman Norton inquired if the Authority had received an invitation to a meeting with the ARC on transportation issues. Masterson responded to questions regarding transportation issues relating to River Cities Redevelopment.

b.) Public Housing**i. Pending HUD REAC Inspections**

Masterson stated that REAC inspections have been scheduled for the beginning of May. Inspections by Authority Staff revealed there are some concrete issues mostly with city sidewalks. The cracked sidewalks should not be an issue for the REAC inspections. The City of Menasha contacted the Authority about cracked aprons and sidewalks at some of the units. The Authority was aware of this issue last year during construction, but were not able to resolve the issues before it got cold. The City of Menasha was advised that the Authority would address the concrete issues this year. There is also one bad roof that may not be resolved before the REAC inspections are done.

c.) Housing Choice Voucher Program**i. FSS Grant Application for \$69,000**

Masterson reported that Jennifer, the new FFS Coordinator, did most of the work on the FSS grant renewal application and that it was submitted on time.

d.) HOME/NSP/HCRI/CDBG Updates

Masterson reported that the Authority has received a \$42,000 payment from the City of Neenah. This is administration money due from the City of Neenah for administrative costs of the home ownership program from 2004 to the present.

Of the 17 total projects under the NSP Program, the Authority has one house left to sell. NSP money can also be used to develop rental property as well as for land banking. Masterson responded to questions regarding the NSP guidelines and the Lenox Lofts project. Masterson received a letter from WHEDA informing the Authority that the Lenox Lofts application will not be funded at this time. The application received all the points that were requested. So, there is no way to make the application score any better than it did. The current status of the application is "On Hold". Masterson responded to question regarding the tax credit application and other options. The Mixed Finance Application for Tower Redevelopment was submitted to Chicago last week and the tenant relocation plans is being drafted.

Masterson distributed a copy of the 2012 CDBG Regional Consortia map. Per County Executive Mark Harris' request, Masterson attended a meeting for the State's new Small Cities Block Grant regional system with Mary Bach. The new regional system and map were reviewed.

Before adjourning, Masterson explained that the next time the Authority can apply for tax credits will be in February 2013.

Per Chairman Norton's request, Masterson distributed a web page from the National Low Income Housing Coalition. Masterson stated that neither the OHA nor the WCHA are currently members of this organization. This Coalition tends to approach all issues from the tenant's view and not the Housing Authority's view as some of the other groups the Authority belongs to.

The City of Omro has approached the Authority regarding making a donation to the City of Omro Canine Unit they want to establish. Masterson stated that he would present a few donation requests received for the Board's consideration at the May Board meeting.

Mr. Franzen reviewed the new state Tenant/Landlord laws and how they affected the Authority. Section 704 of the Wisconsin State Statutes has now been amended requiring the Authority to give a check-in list to tenants at the time they move into a Public Housing unit and allow them seven days to return it indicating any problems with the unit. Security deposits must now be returned within 21 days or a letter indicating what monies were withheld from the security deposit and why. The HA is no longer required to hold a tenant's belongings 30 days before disposing of the items if a tenant abandons a unit.

Ms. van Houwelingen stated that the District 3 Commissioner Training planning is progressing. Training will probably be sometime in June or July at the Bridgewood Resort in Neenah.

5.) **Adjournment:**

There being no further business, Chairman Norton called for a motion to adjourn. Mr. Schallert moved, seconded by Ms. Hackett to adjourn the meeting. Motion carried 4-0. The meeting was adjourned at 4:22 p.m.

Respectfully submitted,

BRAD J. MASTERSON
Executive Director
Winnebago County Housing Authority

APPROVED