

# WINNEBAGO COUNTY HOUSING AUTHORITY MINUTES

Tuesday, August 30, 2011

Marian Manor, 3:00 P.M.

COMMISSIONERS PRESENT: Mike Norton, Chairman  
Rebecca Hackett, Vice Chairman  
Karen Keller

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

OTHERS PRESENT: None

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- 1.) Chairman Norton called the meeting to order at 3:08 p.m.
- 2.) Chairman Norton directed the Commissioners to review the minutes of the regularly scheduled Board Meeting held on June 28, 2011. There being no questions or comments, Ms. Hackett moved, seconded by Ms. Keller, to approve the minutes of the June 28, 2011 meeting. Motion carried 3-0.

3.) **Finance –**

**a.) Accounts Payable**

Chairman Norton inquired if there were any questions pertaining to the June or July accounts payable reports. Because there was no meeting in July, there were two months of reports to review. Mr. Masterson and Ms. van Houwelingen responded to various routine questions regarding payments and vendors before moving on to the Quarterly Occupancy report.

**b.) Quarterly Occupancy Report**

Masterson stated he created two tables showing the occupancy analysis 04/01/2011 through 06/30/2011. The first table reflects the numbers excluding the units undergoing renovations as they are not available for lease at this time. The occupancy rate, excluding units under renovation, is 98.3%. The second table reflects the occupancy numbers for all units including those vacant due to renovations. The occupancy rate for all units is 92.2%.

**c.) Quarterly Financial Summary**

Ms. van Houwelingen reviewed the quarterly reports for all WCHA programs and noted that, except for River Cities Redevelopment (RCR) and HCRI/CDGB, all programs showed assets in excess of liabilities. The HCRI & CDGB program is a "pass through" type of program where as money is spent, a draw request is submitted and the HA is reimbursed for the expense creating a wash. The Net Operating Income before Depreciation also shows positive income in all programs except for HCRI & CDGB. The large income in Non-Rental Income for the 86 Family Units is due to insurance proceeds received to reimburse the HA for storm damage repairs. Investment money for the Voucher program is more this year compared to last because the program expenses are below HUD projected need, but excess revenue can't be used to support more Vouchers so the funds accumulate. HUD will be decreasing the HA's HAP money in the near future to compensate for the excess funds held, so that number will decrease quickly.

**4.) Report of the Executive Director****a.) Public Housing****i. Phase 3 Beyond 50% Complete / Phase 4 on Hold Until 2012**

Masterson reported that the FAST Team has seven buildings left to finish renovations of the Phase 3 units. By the end of October, 28 of the 40 dated Menasha Family units will be done. Between working on the Mainview renovation project, snow plowing responsibilities in the winter and the fact that the HA does not want to have to make families relocate during the winter months, Phase 4 renovations for the Menasha units will most likely not begin until the spring of 2012.

**ii. South Park CBRF Relocation & Replacement**

Masterson reviewed contacts with Clarity Care inquiring as to when they will be moving their clients from the South Park Group Home to the Pinel building. Authority staff will most likely help with the relocation work. Once the clients have been moved and the Authority reclaims any doors, windows, power door openers, etc. from the South Park property, the City will be notified that the building is vacant and ready to be turned over. Masterson stated there was a short discussion at the OHA Board Meeting regarding an inquiry from Clarity Care as to whether or not the OHA would be willing to donate toward the cost of installing the sprinkler system at Pinel. The Board did not support a donation being made.

**b.) Assisted Housing****i. River Cities Redevelopment****▪ REAC Inspection – Physical Assessment Sub-System (PASS) Scores**

Masterson reviewed the REAC Inspection Summary reports for Foxview and Riverside. Riverside scored a 95% which makes them a high performer. As a high performer, they will not have to be inspected again for three years. Foxview's score was 77%. Points were deducted for an inoperable hydraulic door closer on the trash room door, damaged roof shingles, an inoperable exit sign light and an inoperable GFI on a patio. Foxview will be inspected again in two years. Masterson pointed out the faulty shingles are part of a warranty claim and the exit and GFI are new installations. He then responded to questions regarding how inspections are conducted and scored.

**▪ Leasing Progress**

Masterson reported that all units have been initially leased except for the 2-bedroom unit at Riverside. The buildings did not lease as fast as projected, so the tax credit equity payments will be offset.

**▪ Riverside and Foxview Garages, Parking and Landscape Plans**

Mr. Masterson stated that a civil engineer was paid to go over to Riverside and design drainage solutions for inclusion in the garage and landscaping plans. There is a meeting set for next week with the City of Omro regarding their progress on replacing the city garage. While only one of the three variances requested was approved by the Village of Winneconne, siting changes appear to comply with code and only a landscaping plan will still need approval.

**c.) Voucher Utilization and Funding, Circuit Court Complaint**

Masterson reported the Authority applied for and received extra money to meet the HAP payment obligations to landlords. Because the Authority has not able to spend all of the current money, HUD will be recouping the money when it does its year-end adjustments. The

voucher waiting list is currently over 1,200 people. Chairman Norton requested a report on a quarterly basis indicating how many of the applicants on the waiting list are from Winnebago County and how many are from outside the county. Masterson responded to various questions regarding voucher program policy.

Masterson further reported that Legal Services filed a complaint in circuit court regarding an administrative hearing decision made by the Authority. The tenant involved was written up for not paying utility bills, but counsel contends she was not adequately informed of her violation.

**d.) Home Ownership Programs**

Masterson directed the commissioner's attention to the copy of an article on HUD's SAFE Act Final Rule. In review, the SAFE Act was enacted to enhance consumer protection and reduce fraud by requiring establishment of certain minimum standards for licensing and registration of mortgage loan originators and certain housing counselors. Part of the Safe Act is the requirement for mortgage holders to establish escrow funds, millions of dollars of insurance, special training and specific licensing among other things. These requirements would, in essence, have made it impossible for the Authority to continue to run the homebuyer program. HUD has now issued a final rule that makes it clear that the Act does not apply to employees of local governments and certain nonprofit organizations.

Masterson distributed a copy of a letter received from the City of Oshkosh stating their funding had been cut by 50%. This will mean that the proposed funding amount of \$17,000 the City was going to give the WCHA to help cover Mary Bach's services will be reduced to \$8500 for the remainder of 2011. Starting in 2012 the City will no longer be able to provide any funding. The City of Neenah has not made timely payments for their share of admin money toward the Homebuyer program either. HCRI & HOME do allow 10% of their money to be used for admin expenses. Historically the HA has not used HCRI & Home money to cover admin expenses so there was more money to fund homebuyer deals. With the cut in the funding used to cover Mary's services, the HA will have to start using some of the HCRI & HOME money to cover the program's admin expenses.

**5.) Resolution 594-11: Revised Write-Offs Policy to Prevent FASS Scoring Issues**

Ms. van Houwelingen reviewed the necessity for the resolution and responded to questions. After questions were answered, Ms. Hackett moved, seconded by Chairman Norton, to approve Resolution 594-11. Motion carried 3-0.

**6.) Discussion: Presentation of Draft 2012 PHA Five-Year and Annual Plans**

Masterson directed the commissioners to the Development & Re-development Activity Projection handout and reviewed the tentative work scheduled for Court Tower and Mainview. FHLB loan applications have been submitted in the amount of \$600,000 for Mainview and another \$300,000 for Court Tower. At least five quality tax credit investors have sent letters of interest in buying Tower Redevelopment Phase 1. A power point presentation was shown outlining a timeline for the activities planned. Masterson stated that the 45 day public comment period will end by the September Board Meeting. The WCHA is a qualified PHA because it has less than 550 public housing units and vouchers. Therefore, it doesn't need to submit an annual plan every year and it is only changes to the Five-Year Plan that trigger the process.

▪ **Capital Fund Budgeting and Other Modernization Work**

Scheduled modernization work was reviewed. Court Tower will become a near-elderly building, for those 50 and older. There will be no change in the eligibility criteria for Mainview. Mainview is a more complicated project than Court Tower. Asbestos removal is currently underway at Mainview. New VAC, cabinets, flooring, showers, doors & kitchens will be put in at Mainview. Future capital funds will be used to pay back loans that will be secured to complete both the Mainview and Court Tower renovations. Some of the units at Mainview will be combined to make 2-bedroom, 2-

bathroom fully accessible units. Funding for Cumberland Court renovations will probably be secured through WHEDA yet in 2011.

- **Limit Local Preference for Persons with Disabilities for Housing Vouchers**  
Masterson reported that a change in the local preference for persons with disabilities is being considered for the voucher program. Currently all persons with disabilities on the voucher waiting list are being processed for openings before any non-disabled households are processed. A change to giving a local preference to disabled households for only one half of the openings is being proposed.

- **Reduce Monitoring and Intervention of Unpaid Utilities Balances**  
Mr. Masterson stated that the HA needs to get out of the “tenant utility monitoring business.” A more consistent policy needs to be developed regarding delinquent utility balances due and repayment plans. The policy needs to consider the amount of time in default or the amount in relation to the overall utility obligation rather than just saying any delinquent balance or an outstanding balance above a certain dollar amount triggers enforcement.

- **Determine Residency at Initial Application**  
Masterson stated that residency needs to be verified at the time of initial application and the local preference removed unless the owner confirms residency. Residency needs to be defined to require a minimum of 90 days of qualifying occupancy, completion of a semester with full-time equivalent credits, a minor registered continuously for a semester in school or in home-schooling. An updated ACOP and Admin Plan for the voucher program will need to be written. The policy regarding denials for criminal behavior may also need to be amended.

Commissioner Training – WAHA in Stevens Point, Nat'l NAHRO in St. Louis  
Masterson distributed information on the WAHA Fall Conference and the NAHRO National Conference in St. Louis and invited the commissioners to consider attending.

- 6.) There being no further business, Chairman Norton called for a motion to adjourn. Ms. Hackett moved, seconded by Ms. Keller to adjourn the meeting. Motion carried 3-0. The meeting was adjourned at 5:17 p.m.

Respectfully submitted,

BRAD J. MASTERSON  
Executive Director  
Winnebago County Housing Authority

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APPROVED