

WINNEBAGO COUNTY HOUSING AUTHORITY MINUTES

Tuesday, March 16, 2010

Marian Manor, 3:00 P.M.

COMMISSIONERS PRESENT: Mike Norton, Chairman
Patty Maehl, Vice Chairman
Richard Schallert

STAFF PRESENT: Brad Masterson, Executive Director
Su van Houwelingen, Operations Director
Ruthi Griffiths, Finance Director
Kim Lynch, Executive Assistant

OTHERS PRESENT: None

- 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 February, 16, 2010. There being no questions, Ms. Maehl moved, to approve the minutes of the February 16, 2010 meeting as presented. Seconded by Ms. Keller, the motion carried 3-0.

- 3.) **Finance**

- a.) **Accounts Payable**

Chairman Norton inquired if there were any questions pertaining to the February accounts payable report. Ms. van Houwelingen and Mr. Masterson responded to questions pertaining to the report. The payment to Assurance Title in the amount of \$53,966.48 was for the purchase of an NSP property. The two payments to Limited Liability Co. were the annual report filing fee for River Cities LLC and Tower Redevelopment LLC.

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

- a.) **Old Business**

- i. **Schedule of Special/Routine Maintenance Charges**

Mr. Masterson reported that the current schedule of charges was approved and adopted just last year. Tenants are given a copy of the schedule and it is also explained to them prior to move-in. At the Annual Recertification they are again asked if they need a new copy. Tenants are not billed for normal wear and tear repairs. The schedule of charges is for repairs that exceed normal wear and tear. Masterson distributed and explained a summary report of tenant charges with tables for occupied and vacated units. He noted costs are typically higher for the larger units, because there are more people residing in the units and more doors, windows and surfaces at risk.

- ii. **Follow-up on Quarterly Financial Reports**

Ms. Griffiths responded to the inquiry regarding the mortgage interest expense amount for Summit/ Greenfield. In FYE 2010, the expense was reclassified from Non Operating

revenue to Mortgage Interest under Operating Expenses. This is why the line items are so different. Ms. Griffiths moved the numbers back to the original line items to make

comparison easier and will move them back where they need to be after the next quarter.

iii. Lutheran Homes Bond Issue Closing & Sale

Mr. Masterson reported that the bonds for Lutheran Homes were issued and sold. Masterson negotiated for a bond issuance fee of at least \$92,600. The Lutheran Homes attorneys in Minnesota originally held that the issuance fee should only be \$6,600 based on what the Wisconsin Healthcare and Educational Facilities Authority (WHEFA) would charge. Masterson informed the attorneys that amount was not competitive because WHEFA's bond are only state tax exempt bond. The bonds that the WCHA issued were both state and federally tax exempt and would therefore get a lower interest rate than WHEFA's bonds. Masterson contacted R. W. Baird who had helped the HA with the last bond project and asked them to help provide us with the documentation of the value of the federal tax exemption. After paying Baird for their emergency assistance, the WCHA realized a \$82,600 fee.

b.) Public Housing

i. Menasha Forty Family Renovations Update

Mr. Masterson reported that most of the first phase units are nearing completion and tenants are starting to move back in. There are 8 units to be renovated during phase and as tenants move in to the remodeled units the phase two clients can be temporarily relocated into those newly vacant units.

ii. Annual PHA Plan and Strategic Five-Year Plan

Mr. Masterson directed the Commissioners' attention to the PHA 5-Year and Annual Plan handout. The handout is a draft version that Masterson will continue to review and revise over the next month. The form is only for changes to the previous plan and there are not many changes to the policy or processes. Masterson did state in the plan that the HA no longer intends on selling off the larger four or five bedroom family units. He also added a provision for the possible use of project based vouchers to help subsidize properties that would help under-served populations such as people on parole or young mothers with no rental history. Mr. Benedict, Mr. Norton and a Clarity Care representative were the only attendees at the public comment meeting regarding the Annual and Five-Year plans, held on February 26, 2010. Masterson further explained the Open CF Annual Grants/Reserves and the Projected Future Capital Fund Expenditures charts. The Public Hearing on the Winnebago County Housing Authority's Annual and Five-year Plans has been advertised for April 13, 2010 at 3:00 p.m., which will precede the Board meeting.

c.) Assisted Housing

i. River Cities LLC - Tax Credit Sales and Construction Planning

Mr. Masterson reported that Ms. van Houwelingen continues to make progress on the due diligence list. The loan documents on TCAP money from WHEDA have still not been delivered. These documents will start the clock on the project. The investor still desires a mid-April start based on the number of tax credits they plan to take in 2010. There hasn't been any further discussion with the City of Omro regarding acquiring the city garage. Although a previous plan for a parking structure has been abandoned, some sort of covered parking at Riverside is still being designed. Dimension

Development believes the HA should do well financially on the developer fees for the River Cities redevelopment.

d.) Housing Choice Voucher Program Update

Mr. Masterson stated that briefings continue to be scheduled. Another 30 applicants will be contacted. Local applicants that are disabled are the first priority on the Voucher waiting list. Non-disabled applicants are selected by lottery. Local applicants that are not disabled typically would have a one in six chance of being selected. Finances shouldn't be much of an issue this year, as the budget authority grant is close to what was projected.

e.) NSP Activities Update

Masterson reported that a property on Parkway Avenue the HA recommended to the Redevelopment Authority for a determination on local blighting conditions became moot. Another buyer already has an accepted offer in on the property. The original proposal was to knock down the building currently on the site and give the land to Habitat for Humanity. Regarding the foreclosure money, the HA continues to make great progress. There is now an accepted offer in on a property on 14th Ave., and a property on Nebraska Street. Funds have been obligated for 11 of the 12 deals that were to be completed by the end of March. The State continues to be quite flexible about moving money from one category to another. A revised budget is being prepared for submission to the state tomorrow. A first replacement prospect for the South Park Group Home has been viewed. The HA was also approached about buying a HUD property on Ashland Street in Oshkosh. The HA refused the property because of its size and price. The HA offered \$21,000 and HUD replied they would not entertain anything below \$54,000. The state will be coming in July to do an NSP audit.

- 5.) Mr. Masterson presented Resolution 572-10. This resolution authorizes Ruth Griffiths to execute documents, contracts and disbursements necessary for effective administration of programs. Ms. Keller moved, seconded by Ms. Maehl to approve Resolution 572-10. Motion carried 3-0.

6.) Discussion

a.) Safe Act Training & Compliance Update

Masterson explained that after the mortgage market collapsed, the SAFE act was passed and now requires additional forms to be completed for the Home Ownership program. Mary Bach will be going to training in April to better understand the new forms and requirements. Discussion continues at the state and federal level regarding how non-profits might get relief from provisions in the Safe Act such as establishing escrow funds, millions of dollars of insurance, special training and specific licensing among other things.

b.) Affordable Housing News

Mr. Masterson reported the housing money in the jobs was deleted. Some of the agencies and cities that won capital fund recovery money have surrendered their grants because they can't do meet commitments in their applications. Accordingly, there will likely be a substantial pool of these funds made available. However, it is believed the same expenditure deadlines will persist, making utilization difficult.

Masterson summarized the OHA's efforts to acquire replacement sites for Court Tower. Potential sites have been identified on the north side, south side and west side of Oshkosh. A minimum of four acres is needed for each site. A two week extension of the deadline has been announced. The HA has also had substantial issues with internet service as of late. Masterson responded to additional questions from the Commissioners.

- 7.) Upon conclusion of discussion, Chairman Norton called for a motion to adjourn. Ms. Keller moved, seconded by Ms. Maehl to adjourn the meeting. Motion carried 3-0 at 4:05 p.m.

Respectfully submitted,

BRAD J. MASTERSON
Executive Director
Winnebago County Housing Authority

APPROVED