

WINNEBAGO COUNTY HOUSING AUTHORITY MINUTES

Tuesday, November 25, 2014

Marian Manor

3:00 P.M.

COMMISSIONERS PRESENT: Mike Norton, Chairman
Tina Beahm
Scott Waterworth

COMMISSIONERS ABSENT: Rebecca Hackett, Vice Chairperson
Frank Frassetto

STAFF PRESENT: Susan van Houwelingen, Executive Director
Lee Franzen, Operations Manager
Kim Lynch, Executive Assistant
LuAnn DeBruin-Ziebell, Accountant

OTHERS PRESENT: None

- 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 October 28, 2014. There being no questions or comments, Mr. Waterworth moved, seconded by Ms. Beahm, to approve the minutes of the October 28, 2014 meeting as presented. Motion carried 3-0.
- 3.) **Finance –**
 - a.) **Accounts Payable Report From October**
Chairman Norton inquired if there were any questions pertaining to the October accounts payable report. There were no questions or comments regarding the accounts payable report.
 - b.) **Questions Regarding Budgets Presented at the October 28, 2014 Meeting**
There were no additional questions regarding the budgets that were presented at the previous meeting.
 - c.) **2014 SVA Audit Letters**
Ms. van Houwelingen stated that Suby Von Haden & Associates (SVA) is still under contract with the Authority to complete the 2014 audits. The compliance portion of the audits will start the week of December 2, 2014. Audits are done annually.
 - d.) **COCC – Loan Interest & Developer Fee Projections**
Ms. van Houwelingen reviewed the spreadsheet showing the loan interest and developer fee projections. The \$500,000 Bank First National loan is the only long term loan at 15 years. The short term loans through Forward Community Investments will be paid off by about November 2015 with either the final equity payment for Tower Redevelopment or the developer fee from the sale of the Mainview tax credits.

The \$600,000 Forward Community Investment loan will be paid back with historic tax credit money. The Authority will be getting an FHLB grant to pay the \$618,000 Bank First National loan.

The historic tax credit application has been submitted for the Lenox property. There is also about \$217,000 in Neighborhood Stabilization Program (NSP) funds left in the Authority's account in Madison that may be able to be used for renovating the property. However, the property must be vacant and blighted to qualify. Ms. van Houwelingen is working with the City of Oshkosh to get a "spot blight" declared on the property. The money from historic tax credits and the NSP program will be used to pay off the Wisconsin Bank & Trust loan.

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

a.) Scattered Site Family Units

Ms. van Houwelingen stated that the Fast team will soon be finishing up with needed repairs at Cumberland Court and will then be back at the Menasha 40 Family Units. April 2015 is the target date to have the Menasha 40 Unit rehab project completed.

b.) Housing Choice Voucher Program Update

- **Voucher Utilization**

Ms. van Houwelingen reported that there are currently about 400 participants in the voucher program. The Authority plans to absorb about 8 or 9 port-in participants to bring the total number of participants up a bit closer to the allowed 413 vouchers the Authority has. There are three port-in vouchers that will not be absorbed because they are VASH Vouchers and cannot be absorbed. There are also three port-in vouchers from Appleton HA that will not be absorbed per their request. Ms. van Houwelingen went on to explain the porting and absorbing processes and responded to questions. When a voucher participant "transfers" their voucher to another jurisdiction it is called "porting." The receiving authority has the option to "absorb" the voucher. If the agency absorbs the voucher, it in essence becomes their voucher and the assistance paid out for that voucher comes out of that agency's HAP contracted funds. If the agency does not absorb the voucher, the originating agency is billed for the HAP payment expenses for that voucher.

- **FSS Progress Report**

There are currently 34 participants in the Family Self Sufficiency (FSS) Program. To date there have been three graduates of the program. The new FSS Coordinator, Kay, has done a very good job taking over the program.

c.) Assisted Housing

- **Fox View**

Ms. van Houwelingen stated that the Mainview Property Manager, Marcy, is now also the property manager for both Fox View and Riverside.

- **Riverside**

Ms. van Houwelingen stated there is nothing new to report for Riverside.

d.) Home Buyer Program Update

Ms. van Houwelingen reported that the Home Buyer Program audit will be next week. A home deal involving Habitat for Humanity did recently close.

e.) Agency Matters

- Executive Director Review and Compensation Plan

Ms. van Houwelingen stated this topic will be discussed in closed session later in the meeting.

- Developer Fee Income

Ms. van Houwelingen stated that about \$700,000 in developer fees will be earned on the Mainview project most of which will go right back into the property.

- Employee Merit

Ms. van Houwelingen stated that funds to cover employee merit pay are always included in the budgets. Staff evaluation will begin in January 2015. This year the property managers will meet with their team members and the managers and the COCC office staff will meet with management.

- Group Home Update

Franzen and van Houwelingen met with Bill Topel and Tom Saari from Winnebago County Human Services to discuss group home rents, capital needs and the lease.

Summit Group home in Oshkosh and Greenfield Group Home in Neenah were originally purchased together under one bond. Summit's program is run by Winnebago County and Greenfield's is run by Clarity Care. Ms. van Houwelingen is researching the possibility of having WHEDA finance Summit and selling Greenfield to Clarity Care. There are currently no replacement reserves for Summit which consists of eight efficiency apartments with common areas. The last rent increase at Summit was in 1997. The Authority would like to get a 5% rent increase which may not be able to happen until August 2015. Rent increases in smaller increments over 5 years are another option. Ms. van Houwelingen responded to questions regarding the group homes. The Toward Tomorrow 2 (TT2) Group Home is also a WHEDA loan. This group home does have replacement reserves, but has a higher interest rate on the loan. van Houwelingen will start discussions in 2015 with WHEDA to refinance TT2.

5.) Resolution 640-14: HUD Form 52574 – Budget Revision 2014 & Budget 2015

Ms. van Houwelingen reviewed HUD Form 52574 and stated the form was required by HUD and approves the budgets that were proposed at the previous meeting. After all questions were addressed, Ms. Beahm moved, seconded by Mr. Waterworth, to approve Resolution 640-14. Motion carried 3-0.

6.) Resolution 641-14: Year End Write Offs of Bad Debt

Ms. van Houwelingen reviewed the Write-Off of Uncollectible Tenant Accounts Receivable Balances spreadsheet and Historical Comparison then responded to questions. Write-offs are up this year over last. Now when a tenant does not follow through with completing re-exams, they are automatically moved to flat rent which is a higher rent. Rent accumulates at higher rates when not paid. If the tenant then completes their re-exam, the rent may be adjusted to the lower rent which could result in less money being written off in the end. Ms. van Houwelingen explained the eviction process under HUD guidelines as well as the inspection process. Bad debt write offs were also lower in the past because the policy to

increase to flat rent when participants are non-compliant has only been in effect for about 1 to 1-1/2 years. Only balances due for participants no longer in the program are written off. After all questions were addressed, Mr. Waterworth moved, seconded by Ms. Beahm, to approve Resolution 641-14. Motion carried 3-0.

7.) **Resolution 642-14: Utility Allowance Schedule Update**

Ms. van Houwelingen requested this resolution be carried forward to the next meeting so the information used to determine the utility schedule could be verified. The board agreed to withdraw this resolution and address it next month.

8.) **Discussion – WHEDA Conference**

Ms. van Houwelingen summarized the WHEDA Conference recently held in Madison. WHEDA stands for Wisconsin Housing and Economic Development Authority.

Chairman Norton inquired about the possibility of not allowing landlords who owe back taxes to participate in the voucher program. Ms. van Houwelingen stated that this topic has come up from time to time in the past and noted that typically the only people who are hurt by taking such action are the voucher clients themselves and not the landlords. Often the clients do not have the means to move elsewhere and would lose their assistance if they stayed in their current unit. Therefore, the Authority is hesitant to push the issue as it could hurt the voucher clients. Ms. van Houwelingen stated that she would research the laws and any options there may be that would not have a negative impact on the voucher clients.

The Court Tower Residential Care Apartment Complex (RCAC) has received certification from the State. Franzen and van Houwelingen met with an agency that currently manages an RCAC. This agency may be interested in partnering with OHA to manage Court Tower's RCAC. They will be meeting with Lakeland Care regarding pay benefits from Lakeland and how to structure the care costs. Chairman Norton asked to be kept in the loop regarding the negotiations.

A list of the various holiday parties will be sent to the commissioners so they can attend. An annual meeting for commissioners and staff will likely be scheduled around May after the audits are completed.

The December board meeting will likely be a joint meeting held on Monday, December 22, 2014. The commissioners will be notified as soon as a decision is made.

9.) **Convene in Closed Session Under WIS, Stat §19.85(1)(c) to Consider Promotion, Compensation and Performance Evaluations.**

Ms. Beahm motioned that the WCHA open meeting be adjourned and a closed session be opened under Wis. Stat. § 19.85(1)(c). The motion was seconded by Mr. Waterworth. Motion carried 3-0. Roll call was taken and the meeting was moved into closed session at 4:10 p.m.

10.) **Adjournment of Closed Session:**

After the closed session discussions regarding the 2014 performance evaluation and 2015 compensation of the executive director were completed, Mr. Waterworth moved, seconded by Ms. Beahm to adjourn the closed session meeting. Motion carried 3-0. The closed session meeting was adjourned at 4:18 p.m.

Respectfully Submitted,

Susan van Houwelingen
Executive Director
Winnebago County Housing Authority

APPROVED