

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF  
COMMISSIONERS OF THE CHARLOTTESVILLE REDEVELOPMENT AND  
HOUSING AUTHORITY**

March 24, 2014

The Board of Commissioners of the Charlottesville Redevelopment and Housing Authority, (hereinafter "CRHA" or the "Housing Authority") met in Regular Session at 7:00 PM on March 24, 2014, in City Council Chambers at City Hall.

**I. CALL TO ORDER**

Commissioner Woodard called the meeting of the Board to order at 7:03 PM on March 24, 2014.

**II. ROLL CALL OF COMMISSIONERS**

**Present:**

Mr. Keith Woodard, Commissioner  
Mayor Satyendra Huja, Vice Chair  
Mr. Hosea Mitchell, Treasurer  
Ms. Julie Jones, Commissioner  
Ms. Sherri Clarke, Commissioner  
Ms. Claudette Green, Commissioner

**Absent:**

Ms. Sabrina Allen, Commissioner

**Staff Present:**

Ms. Constance Dunn, Executive Director  
Ms. Robin Munson, Finance Director  
Ms. Heather Jeffries, Asset Manager  
Ms. Allyson Manson-Davies, Deputy City Attorney  
Ms. Amy Lail, Executive Assistant

**III. MOMENT OF SILENCE**

Commissioner Woodard called for a moment of silence.

**IV. APPROVAL OF MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF COMMISSIONERS HELD February 24, 2014**

Commissioner Huja moved to approve the Minutes. Commissioner Jones seconded. All Commissioners voted to approve the Minutes with one Abstention, Commissioner Mitchell.

**V. RESPONSE TO QUESTIONS FROM PREVIOUS MEETING**

Ms. Dunn reported that CRHA recently met with PHAR and Legal Aid to go over the Eviction Policy and CRHA has agreed to formalize some of the current eviction practices into the current policy. A draft of this revision will be available to the Board and residents next week. Ms. Dunn reported that there have been no evictions in the first quarter of 2014.

CRHA has met with the Police Department to review all of the barment files and they are nearing the completion of this project. All individuals with insufficient documentation will be removed from the Barment List.

As a follow up to the PHAR Intern Grievance Hearing, the HUD Richmond Field Office recently conveyed the final decision in which they determined that the PHAR Intern Program does qualify as a HUD approved training program; and therefore the pay that the intern receives will not increase their rent. CRHA will retain 40% of future tenant participation funds or \$10 (ten dollars) per occupied unit subject to Operating Subsidy proration and use these funds to sponsor community wide training opportunities.

## **VI. PUBLIC COMMENTS**

Brandon Collins, 418 Fairway Ave., commented that he hopes that the board will stick by the budget that was submitted by the Finance Committee. He stated that he doesn't agree that the CRHA office should be moved to South 1st Street Community Center and recommended that the subject be taken off the table. He also pointed out the issue about the Housing Authority running out of money. He said that even if CRHA ran out of reserves they would not lose their operating subsidy. The CDC draft has the make-up of the committee, but there is some language that says the corporation will implement mixed income housing with market rate income housing and he feels that that is not necessary. He would like further collaborations regarding the CDC appointments. He stated that the City will help out with the larger problems on hand, and some of these decisions should be made after the City Manager's review is complete.

Annette Wilcox, 1400 Monticello Rd., Apt 102, commented on Debra Thomas' passing and expressed the loss of a close friend. She also said that the rent drop off box relocation is inconvenient and proposed mailing as a better alternative to her Landlord.

Kim Rolla, attorney at Legal Aid Justice Center, stated she is pleased to see that everyone is working together on the Eviction Policy. She spoke about the Formal Grievance Panel and CRHA's obligation to establish the Hearing Panel. Ms. Dunn responded that the panel has been established. Kim Rolla stated that she would like the names of the people on the Hearing Panel public.

Karen Shepard, employee at PHAR, commented on the use of the community centers and that the computers needed an operating system update and internet access. She said that she partnered with a mental health professional and they are starting their support group on Thursday, April 3, 2014.

Joy Johnson, 802-A Hardy Dr., commented that the Community Center use policy should be decided between CRHA and the residents. She continued that if an agreement can't be made, then the decision goes to HUD to make a final decision. She said that more thought needs to go into the Centers being used by residents. Ms. Johnson stated there needs to be a joint meeting with City Council about RAD, and how it really fit financially.

Deidre Gilmore, 613 Hinton Ave., commented that the community center is needed by the residents. She wants the children to have better access to the centers.

Emily Dreyfus, community organizer with Legal Aid Justice Center, said that the residents need the community center and that a key should be given to the resident association.

**VII. RESOLUTION #1329, AMENDMENT AND RE-FILING OF THE ARTICLES OF INCORPORATION FOR THE CHARLOTTESVILLE DEVELOPMENT CORPORATION**

Commissioner Woodard introduced Resolution # 1329. Ms. Davies stated that her office undertook some research on the configuration requirements of the CDC. The purpose was to ensure that the CDC is configured in such a way to qualify for HUD money as the requirements of a CHOTA have changed. It appears that they will need to amend the CDC Bylaws if you're going to adopt the CDC new Board configuration.. This document is here mostly for discussion for tonight. She stated that she hasn't had much input from individual Commissioners regarding the Amendment. The CDC in its current configuration just isn't useful for the CHRA and she suggested that CRHA adopt the changes to the board configuration. She stated that CRHA may not be in a position to use the CDC for a while but the correct configuration is important.

Ms. Davies stated that once the CRHA Board selects the panel for the CDC, those participants then make all of the decisions from there forward and determine how they receive funding. The slate of officers can be two residents and one city official or two city officials and one resident from a low income neighborhood. This configuration is in place in order to balance out the governing board of nine. CRHA will have to develop a plan to select the actual appointees.

Commissioners engaged in discussion regarding how to make sure that Residents are properly represented on the Board but also how to make sure the Board has individuals with the proper levels of Finance and Development experience.

Commissioner Clarke commented that it might be better to select the individuals before passing this with a motion?

Ms. Davies stated that there is no urgency to get this out there since it's been out there since 2012, but it doesn't make sense to try to get the people together until the configuration of the Board has been determined.

Commissioner Mitchell made a Motion to adopt the resolution 1329 as it is written with guaranties that a Resident Commissioner will be on the Board and also guaranties that they will have proper representation under 1A. low income community but also guaranty that people in business, finance or real-estate development will be involved.

Mayor Huja seconded the motion.

Commissioner Woodard said it has been moved and seconded. All were in favor. Commissioner Woodard abstained.

**VIII. RESOLUTION #1330, AMENDMENT AND RE-FILING OF THE BYLAWS OF THE CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY**

Ms. Davies said that she drafted an amendment to the Bylaws pursuant to the request of this Board. She said she understands there are some additional changes that the Board wants to make, and welcomes those additions. Ms. Davis stated that Section 11 added an attendance requirement to what the Board saw previously. Section 11 states if an individual Commissioner fails to attend three consecutive Regular Board Meetings without notice, then the Chair will seek the reason for the absences and bring that information back to the Board. If this threshold is met without the excuse being defined, then the Board will issue a notice that this person has failed to attend, and they are in dereliction of their duty.

Mayor Huja asked if that has to go to City Council and Ms. Davies responded that the CRHA Board has the power to issue the notice of findings to City Council, and that City Council would make the decision.

Ms. Dunn said that the Housing Authority has moved to post public notices to Resident Notice Bulletin Boards, City Hall Bulletin Board and to the CRHA website to help the budget.

Brandon Collins said any notice is appropriate as long as the public is informed about major changes.

Commissioner Green commented that she thinks the Housing Authority needs to work on Article 3, Section 2, regarding timely submission of Board packages. She stated that she received the Board information on Friday and that this does not provide enough review time. Ms. Dunn responded that information will be sent out to the Board ahead of time.

Commissioner Woodard moved to approve Resolution #1330. Commissioner Mitchell motioned. Mayor Huja seconded. All Commissioners voted in favor.

**IX. REPORTS**

**A. EXECUTIVE DIRECTOR'S REPORT**

Ms. Dunn began her report by stating that the The Housing Authority is always looking for resources that will benefit residents and fortunately we keep reminding everyone that we have no funds and we have absolutely no social services funding, but I would like to take a moment to highlight some informational resources that are available this evening that might be of value to residents. The first is the flyer we are providing that explains to residents how they can sign up for health care, and it's provided in the meeting materials. Second Comcast is offering dramatically reduced rates as a special to families for internet.

As a reminder the Housing Authority offers Community Service day on the 2<sup>nd</sup> and 3<sup>rd</sup> Wednesday of every month, residents then work with their property managers starting at 8:30 in the morning to perform various duties on site and that's an easy way to get your requirement met.

CRHA are also hiring for the position of a door greeter at Crescent Halls. Interested parties should fill out an application which is available in our offices and our website.

The Housing Authority is moving forward to establish a site based waiting list to complete the project based vouchers at the crossings. We believe this to be one of the final steps for meeting the HUD housing requirements to fund these vouchers. The first step is that the applicants on the CRHA Section 8 wait list will be notified in writing that they are eligible to apply for The Crossing wait list if they meet the requirements established for being homeless. CRHA must also revise our administrative chapter on project based vouchers as explained to applicants how they can be selected to the community. CRHA anticipates funding for the vouchers will be available May 1<sup>st</sup> for distribution.

I'm pleased to announce that the Housing Authority obtained the maximum possible points for meeting the occupancy indicator for the fiscal year ending 3/31/2014. The points awarded were based on the Housing Authority occupancy being greater than 96%. At this time our vacancy is at 9 units the best occupancy the Housing Authority has ever seen. Another accomplishment is that CRHA earned a score of 80 for the REAC inspections for the properties that were inspected in July, 2013. Residents should continue to report any repairs, and most importantly smoke detector issues. Residents also need to unblock windows and doors for egress. These items are not only serious safety issues for residents, but cost the Housing Authority extensive points on the REAC inspection.

HUD is announcing that they will continue to accept RAD applications pending Congress's decision to raise the 60,000 unit cap that was established in 2013. If the Housing Authority applies for RAD prior December 31, 2014, there is a lock-in for operating subsidy for this year's levels of 85%. Ms. Dunn suggested that Board establish a committee to review the Master Redevelopment Plan to determine if parts of the plan are still viable. A committee can consist of two Commissioners, a representative member from PHAR and assigned staff.

An Open Work Session to review the Master Redevelopment Plan was discussed and scheduled for Wednesday, April 23, 2014, at 5:30 p.m.

## **B. COMMITTEE REPORTS**

### **1. Resident Services**

Joy Johnson reported on the Residents Services meeting on 3/13/2014. Ms. Charlene Green with Charlottesville Human Rights Commission was the guest speaker. She talked about the role of the Commission and scheduled dates for Community input. Residents

also talked about how to use the leftover funds from the Capital Funding and Residents would like to see the money used to replace counter tops, roofs, and to test for mold.

Ms. Johnson reference an upcoming visit from HUD's Interim Director of the Richmond Field Office, Catherine Lamberg. The next meeting is the 2<sup>nd</sup> Thursday, April 10, 2014, at 1:00 p.m. at Crescent Halls.

## 2. Finance Committee

As of February 28, 2014 which is the 11th month of the fiscal year, Public Housing has a Net Loss of <\$170,147>. This is due to a decrease in expected revenue. The operating subsidy is slightly under due to front loaded calendar year disbursement that occurred in the prior fiscal year. More significantly, dwelling rent came in \$62,854 lower than the budgeted amount thus far.

Excess Utility income is also lower than the budgeted amount due to the settlement requirements of the Utility Agreement. Beginning with the August statement the newly adopted utility allowance schedule was adopted. These new allowances permit a greater usage of utilities before the resident is billed. In addition the settlement called for monthly credit of \$15 to be given to all eligible residents (251). The total variance in resident income is approximately \$77,000 and accounts for the bulk of the total variance in all income.

Section 8 HAP Net Loss is <\$123,164>. As mentioned in prior months' reports, the loss is due to the strict disbursement guidelines being imposed by HUD. There is more than enough budget authority to cover this amount. Staff will continue to work with HUD personnel to assure that, if necessary, adequate HUD-held reserves are released in a timely fashion. January funding was increased to 196,808 (from \$160,342) and an additional \$40,000 was requested and received. February 1 was also \$196,808 and we have received \$570,478 on 2/14/14. HUD

HAP Reserve balance at 12/31/13 was \$917,093. CY 2014, and total Budget Authority is \$2,365,418 (was pro-rated to 99.7%). CY 2014 disbursement schedule right now is \$1,112,625 (3 months in current FY, 9 in the next one). Staff will need to request HUD held reserve funding by June.

HCV/Section 8 Admin Net Loss is <4,794>. HUD has caught up with our increased number of vouchers and this was reflected in February funding (395 vouchers/month). \$11,034.03 was transferred from unrestricted money bringing HCV Unrestricted Net Assets (UNA) balance to zero at 2/28/14. The total transferred this year is \$70,732.

Ms. Munson referenced strategies for increasing our Admin Fees include increasing number of vouchers to get more admin fee from HUD so CRHA needs to reduce average HAP from \$646 to \$300. Also CRHA needs to look for outside funding. Other entities (County of Albemarle, Howard Evergreen's organization get subsidized. CRHA is also working to gradually lower the Payment Standard for families CRHA is also working to gradually lower the Payment Standard for families to lower the average HAP payment.

Central Office has a Net loss of <\$31,316> Income is under by \$6,340. For FY 13-14, we cannot charge Asset Management fee to Crescent Halls because they have negative cash in the prior FY. For February there were 13 vacant units at 2/28/13 or 3.47% vacancy rate Total AR is \$8,652 which is down from January's amount of \$9,723. 22 residents owe more than \$50 each and this equals a total of \$8,387.

The results of the 2/18/14 court date on 14 households: one case was continued (3/18/14) due to partial payment, 12 were dismissed as paid in full and trial was set for one (3/7/14). The trial case owes \$2,085.

Commissioner Mitchell commented that public housing had a net loss \$170,000 and Section 8 lost \$70,000 for a total loss through February of 2014 of \$240,000 which result in a reduction from Reserves.

Ms. Dunn said that the primary reason that we are incurring these losses is because HUD issues HCV Administrative fees based on the number of vouchers you issue. The cost of our housing assistance payment to landlords is almost double of what it should be under the HUD calculation, so we are implementing strategies to reduce the average landlord payment, so that we can get more of those vouchers issued and increase our admin fees which will bring us to a breakeven point. One of these reasons that our HAP is high is that housing in this area is expensive. CRHA has also cut staffing in the HCV Department to try to cut admin losses.

**X. RESOLUTION #1331, APPROVING THE AUTHORITY WIDE BUDGET FOR FISCAL YEAR ENDING MARCH 31, 2015**

Commissioner Woodard introduced Resolution #1331 and said that the Board needs to pass a budget and also work to reduce the budgeted deficit, projected as submitted as a \$366,124 loss.

Ms. Dunn said that the budget proposed is "business as usual" version with a request that the Board consider cost saving measures to reduce the deficit. She also acknowledges that none of the proposed measures such as moving offices to the community center are attractive, but that her responsibility is to put these things on the table for discussion.

Mayor Huja stated that he can't support a budget that projects a loss.

Commissioner Mitchell said that if we don't adopt a budget then they will have to cut \$160,000 worth of people. We are going to have to take \$23,000 out of the clinics, let the security guards go, take over the community center, and hand over the community centers to PHAR. He questioned whether applying for RAD will fix CRHA's deficit problems.

Ms. Dunn said that RAD will not fix CRHA's financial picture immediately but the long term picture is that there will be outside sources of funding as a result of RAD.

Ms. Munson said that the deficits in Section 8 will still need to be addressed because RAD only impacts Public Housing.

Ms. Dunn said that RAD gives us the opportunity to receive outside income. If CRHA doesn't convert under the RAD program then the Housing Authority is subject to HUD Demolition and Disposition rules which are difficult to overcome. HUD is still accepting and pre-approving RAD applications right now and if CRHA applies in 2014 there is a lock-in of 2014 Operating Subsidy levels.

Commissioner Mitchell said if we don't do RAD the Housing Authority will be out of business in 3 years.

Ms. Davies said that there is still operating fund from HUD, but it won't cover the cost of maintaining Housing Authority Operations. There needs to be adequate staffing to run Housing Authority Operations and meet HUD obligations such as REAC. Ms. Dunn added that the lower your reserve balance is at the time of conversion, the less attractive CRHA will be to investors and that's the direction of CRHA.

Mayor Huja said that RAD won't help until later down the road, so they need to make some decisions to reach a balanced budget tonight.

Commissioner Jones confirmed that even with the proposed cuts, the Housing Authority would be running at a deficit.

Ms. Dunn announced that if budget is not approved before the April 1, 2014 deadline, the Housing Authority would be in violation with HUD's requirements. Ms. Davies said either we make the difficult decisions or HUD will make them for us.

Commissioner Woodard asked for comments from residents or PHAR. Joy Johnson said that the Housing Board, City Council, and residents need to talk collectively about what steps to take going forward.

Commissioner Mitchell made a motion that we adopt a budget that would let us reduce and reorganize staff up to a reduction of \$160,000, adopt furlough for a savings of \$20,000 to \$30,000 and give control to the community centers to PHAR for a savings of \$10,000.

Mayor Huja seconded the motion.

Ms. Dunn said she would like implement furlough as a last resort and Commissioner Woodard agreed. Ms. Davies said that we should consider cutting the Security. Commissioner Mitchell said that we should keep the security. Ms. Davies said that we should talk about more areas for cuts in the Finance Meeting.

Commissioner Jones suggested an additional budget cut be added to the Finance Meeting Agenda and that this continues as a working topic for the Board.



All Commissioners voted in favor of passing the Resolution

Mayor Huja said that after the City Manager's report in June, there will be a joint meeting with City Council.

Commissioner Clarke said she would like to have more City collaboration.

**XI. COMMITTEE MEETING DATE CHECK-IN**

Resident Services Committee Meeting is Thursday, April 10, 2014, at 1 p.m. at Crescent Halls.

Finance Committee Meeting is Wednesday, April 23, 2014, at 4:30 p.m. at City Hall Basement Conference Room.

Open Work Session to review the Master Redevelopment Plan is Wednesday, April 23, 2014, at 5:30 p.m. at City Hall Basement Conference Room.

Regular Board Meeting is Monday, April 28, 2014, at 7 p.m. at City Council Chambers.

Ms. Dunn referenced that the next Regular Meeting in May falls on Memorial Day and the Board should select an alternative date. Commissioner Woodard suggested the May meeting be re-scheduled for Tuesday, June 3<sup>rd</sup>, 2014.

Annual Meeting is Monday, June 23, 2014, at 7 p.m. at City Council Chambers.

**XII. PUBLIC COMMENTS**

Joy Johnson said that if we are going to move to RAD that there has to be constant meetings with the residents and the Board. The City needs to determine how they will support the Housing Authority.

Brandon Collins commented that the Board seems to be working in a vacuum, and that the Board and PHAR need to start talking about redevelopment. He said that the City has expertise on making budget cuts and that they should seek help from the City. He stated that CRHA should commit to a process to handle these matters.

Kim Rolla questioned who has the authority to appoint the Board for the CDC and Ms. Davies stated that the CRHA Board makes these appointments.

Deidre Gilmore asked when they will be receiving the excess utility money and Ms. Dunn referred her to contact Legal Aid Justice Center.

**XIII. ADJOURNMENT**

Commissioner Woodard closed the Public Comments.

The Regular Meeting adjourned at approximately 9:15 p.m.

