

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

January 26, 2015

The Board of Commissioners of the Charlottesville Redevelopment and Housing Authority, (hereinafter "CRHA" or the "Housing Authority") held the Regular Meeting at 6:00 p.m. on January 26, 2015, in City Council Chambers at City Hall.

I. CALL TO ORDER

Commissioner Woodard called the meeting of the Board to order at 6:00 p.m. on January 26, 2015.

II. ROLL CALL OF COMMISSIONERS

Present:

Mr. Keith O. Woodard, Chair
Ms. Julie Jones, Treasurer
Ms. Lauren Curley, Commissioner
Ms. Audrey Oliver, Commissioner
Mayor Satyendra Huja, Commissioner

Absent:

Ms. LaTita Talbert, Vice-Chair
Ms. Sabrina Allen, Commissioner

Staff Present:

Ms. Constance Dunn, Executive Director
Ms. Robin Munson, Finance Director
Mr. Andrew Gore, Deputy City Attorney
Ms. Amy Nofziger, Executive Administrator
Ms. Heather Jeffries, Asset Manager

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 November 24, 2014

Commissioner Curley moved to approve the Minutes. Mayor Huja seconded the motion. All voted in favor to approve the Minutes without abstention.

V. EXECUTIVE DIRECTOR'S RESPONSE TO QUESTIONS FROM PREVIOUS MEETING

Ms. Dunn said she received an anonymous letter from a resident at Hardy Drive who is upset that a neighbor is living in public housing and has received a large lump sum of money in a legal settlement. She said she cannot respond to the letter directly but wanted to offer that the HUD rule regarding lump sum payments is that they cannot be counted towards the rent calculation unless the payment is deposited into a bank and there is an associated bank statement which is provided to CRHA a resident could cash the money, spend it all and then fail to report it as income to CRHA.

Ms. Dunn said that as a follow-up to the addition of the Homeless Preference, CRHA will be setting a meeting time with the Department of Human Services and TJACH during the week of February 9-13th. In the meantime, CRHA is starting the notification process for the public housing applicants to determine if they meet the preference requirements.

Ms. Dunn said at the Annual Meeting, Commissioners referenced a “non-smoking” policy for Community Centers and “non-smoking” is already a term built into the Community Center policy so there is not additional action needed by the Board.

In the Board packet there is HUD information regarding implementation of non-smoking policies in public housing. Ms. Dunn said she had earlier recommended implementing a non-smoking policy for new admissions at Crescent Halls but that no action had been taken. She asked for Commissioner’s feedback on this item this evening. Commissioner Jones wants to meet with residents informally before the official public comment period.

VI. EXECUTIVE DIRECTOR’S REPORT

Ms. Dunn reported that staff training through nationally recognized professional institutions continues to be a priority for CRHA. Prior to 2012, training was not a consistent priority for staff and as a result many of CRHA’s processes fell out of compliance with HUD guidelines and most CRHA employees did not receive annual training updates. Another value of training is that it allows the Housing Authority to keep abreast of constantly changing HUD guidelines, another component of HUD compliance.

CRHA belongs to The Nelrod Consortium which provides weekly training sessions each Thursday for all staff as part of the membership. Recent topics include: How to be Happy in the Workplace; Non-verbal Communication-the importance of body language. To track employee training, CRHA has created a comprehensive tracking spreadsheet with all relevant training topics and each employee listed. Trainings are added by Topic, Employee and Date as they occur.

To improve customer service, routine and emergency work order requests are now emailed real-time to all staff that work with the maintenance team. This allows an Asset Manager who might be out of the office doing inspections to know what work items are coming into the office. This is also valuable to understand the types and frequency of work requests as they come in. Each Friday, CRHA closes all completed work orders and does an assessment of what is remaining going into the weekend. This allows all staff members to follow any incomplete work and assess the cause for any delays.

Ms. Dunn reported that next week, four maintenance employees will attend a free training on Electrical and Plumbing offered by Central Wholesalers. On February 18th, staff will be attending a training regarding HUD’s REAC inspection standards expected to occur in June or July of this year. For the first time in several years, HUD will be inspecting all four of the amps. Preparing for REAC requires a huge staff effort and the score determines a portion of the yearly PHAS score and CRHA’s performance status with HUD. Residents should expect to be receiving a least two interior inspection notices, backyard notices and notices regarding blocked egress. One of CRHA’s challenges each year are the number of air conditioners in rooms with only one window and the number of inoperable smoke detectors found at inspection time. These two items cost CRHA significant points on the inspection with HUD and typically make up the majority of CRHA “threat to health and safety deficiencies” at inspection time. As a result, Ms. Dunn said she will be making sure that residents are very informed and educated through the monthly newsletter, through notice and in conversation with the Asset Managers.

For the first time, CRHA has required residents to remove their AC units from windows. Removing AC units will reduce the gas heating costs. To date, residents have been very cooperative regarding this requirement and CRHA has offered and assisted those residents unable to remove their AC units. This will be a necessary requirement starting in late October each year.

CRHA is addressing the raccoon issue by hiring a trapper and posted notices to deter residents from dumping trash outside the containers.

In the Board packet, there is a letter from the Richmond Field Office summarizing the results of HUD's On-site Review conducted in September of 2014. This review was conducted as a follow up to the Assessment request by CRHA Board in late 2012. The earlier review revealed programmatic deficiencies in both the Public Housing and the Housing Choice Voucher Programs. Ms. Dunn said she was happy to report that this most recent review, almost a year later, indicates that CRHA has made significant improvements in meeting program requirements and maintaining file integrity. CRHA's response is included for your review.

Ms. Dunn reported that one of the major areas that HUD noted in the review is CRHA's lack of diligence in capturing unreported income and collection of debts. CRHA's bad debt total from 2000 to 2014 was \$384,000, a significant amount that would support operations at the current budget needs for approximately two years. Although CRHA approved a revised Eviction and Termination Prevention Policy along with the Annual Plan, it is critical that CRHA find a balance between collection of monies owed and the desire to work with families who are otherwise complying with the lease agreement. Since the September HUD Review, CRHA has used the recommended HUD generated reports to capture an excess of \$14,000 of resident unreported income.

CRHA, PHAR and LAJC have coordinated a HUD visit on January 29th at 2:00 p.m. at Crescent Halls Community Room. In speaking with HUD Director Catherine Lamberg, she recognized that coordinating the schedule for such a large group was difficult but also pointed out that the Field Office does not typically allocate time and resources in this way for Housing Authorities. Ms. Dunn said she is hopeful that all Commissioners and partner agencies that are interested in attending will be able to clear their schedules for this important meeting. HUD will be addressing the topics of CRHA's budget deficit, financial viability in light of tough choices and the rules regarding Demolition/Disposition of properties as CRHA moves toward redevelopment.

Ms. Dunn said she was pleased to report that the City funded Plugged-In Workforce Class will begin tomorrow, January 27th. Nine students were enrolled through outreach from CRHA, PHAR, City of Promise and volunteers in the Community. The class is geared to prepare students to have the tools and skills for furthering their opportunities for employment and education.

VII. PUBLIC COMMENTS

Brandon Collins, 418 Fairway Ave., employee of PHAR, 1000 Preston Ave., announced the intern program is accepting applications.

Annette Wilcox, 1400 Monticello Rd., is pleased that she doesn't need to have an inspection this year.

Deidre Gilmore, 613 Hinton Ave., said FSS Program needs improvement, thanked Ms. Dunn for the print-out and thinks Ms. Mason is a good fit for the FSS position.

Karen Shephard, ROSS Coordinator for PHAR, thanked Ms. Dunn for working with ROSS client. She said she wants CRHA FSS Program to work closely with ROSS Program because CRHA program has monetary incentive.

Joy Johnson, 802 Hardy Dr., said she wants current FSS participants to be given a second chance to participate. She commented that the leaves on the property haven't been picked up very well.

Ms. Dunn said a new procurement for grounds management will be solicited earlier in the season this year with a simpler submittal process for bidders.

VIII. BOARD DISCUSSION REGARDING NEXT STEPS IN REDEVELOPMENT AND ANNUAL PLAN DEVELOPMENT, PAY OFF OF DEBT FOR AVON GARAGE UPDATE, RESOLUTION #1341

Mr. Gore explained the proposed Resolution #1341 and asked the Board to take formal action at this time. Commissioner Jones made a motion to adopt Resolution #1341. Commissioner Curley seconded the motion. All voted in favor except Mayor Huja abstained to avoid future conflict of interest when loan is proposed to City Council.

Commissioner Jones said a new CDC needs to be formed with new articles of incorporation because there were too many changes to amend. Mr. Gore said that ARHA formed a LLC which worked well in their redevelopment.

Board discussed keeping the Annual Plan on the agenda as an ongoing discussion point throughout the year.

IX. REVIEW OF BARMENT POLICY

Ms. Dunn reviewed the Barment Policy that was approved in December, 2012. There was discussion about the new Barment List. Mayor Huja said the City Manager needs get involved and the Commissioners said they would like a status update and CPD to attend the next meeting.

X. NON-SMOKING POLICY

This Agenda item was discussed throughout different points of the meeting which is reflected in these Minutes.

XI. COMMITTEE REPORTS

A. Resident Services

- i. Ms. Dunn said that Resident Services Committee met December 11, 2014, at Crescent Halls and Joy Johnson, Committee Chair opened the meeting at approximately 1:15 p.m.

Discussions included: PluggedIn Virginia Workforce Career Readiness Program; News Flyer boxes were being installed around CRHA communities in an effort to continue to keep residents informed on local activities; the Barment List; and FSS.

Other local community organizations introduced themselves, opportunities for collaboration and community service and spoke about their particular programs and objectives:

- Urban Agriculture Collective of Charlottesville (information.uacc@gmail.com)
- Ridge Street Neighborhood Association
- The IX Art Park (ixchiq@gmail.com)
- Bridge Progressive Arts Initiative (director@thebridgepai.org)

Next Resident Services Committee Meeting will be held Thursday, January 8, 2015, at 1 p.m. at Westhaven Community Room.

CRHA's Facebook page has meeting announcements along with other information.

Meeting adjourned at approximately 2:30 p.m.

- ii. Ms. Dunn said that Resident Services Committee met January 8, 2015, at Westhaven and Joy Johnson, Committee Chair, opened the meeting at approximately 1:00 p.m.

Discussions included: various up-coming Martin Luther King and Civil Rights events in the community; the goals and objectives on the Annual Plan; upcoming meeting with City Council and ARHA; the proposed homelessness preference change; FSS training; specific maintenance requests; leaf removal; Barment Policy; Police presence at the next meeting; and expansion of the Resident Services Committee.

Next Resident Services Committee Meeting will be held Thursday, February 12, 2015, at 1 p.m. at Westhaven Community Room.

CRHA's Facebook page has meeting announcements along with other information.

Meeting adjourned at approximately 2:40 p.m.

B. Finance Committee

Ms. Munson said that the Finance Committee Meeting was held January 21, 2015 in the Basement Conference Room at City Hall.

Ms. Munson presented the December 31, 2014 Income Statement and Budget to Actual comparison reports for Public Housing, Section 8 and Central Office explaining Year-to-Date variances. At this time the Public Housing program shows a net loss of \$46,504. Income is \$62,032 lower than budget. Although the operating subsidy income is higher than budget (HUD is using 89% pro-ration right now and the budget uses 85%) the resident rent is \$91,136 lower than the budgeted amount thus far. At the present time total expenses are under budget by \$164,830. \$4.4 billion will be made available for CY 2015 Public Housing Operating Subsidy, the same amount as in CY 2014. This equates to approximately 83-84% pro-ration. The Public Housing Capital Fund grant will be funded at \$1.875 billion, the same as CY 2014.

Section 8 Housing Assistance Payments (HAP) showed a net loss of <\$568,850>. Income is lower than budget due to HUD cash management rules based on CRHA need for cash. Monthly HAP payments have decreased from the budgeted amount due to voluntary end of participations and several port outs being absorbed by the receiving housing authorities. CRHA held balance (Net Restricted Assets) at 12/31/14 is \$5,895 or approximately 0.03 months of HAP expense. Staff estimates a carry-over of \$212,419, or 1.08 months of HAP funding into 2015. This amount should not be subject to any recapture by HUD. CRHA absorbed approximately 11 port-in voucher holders during the fall to make up for the port outs absorbed by their receiving authorities, as well other voluntary terminations. January HAP disbursement from HUD was adequate for our needs and HUD anticipated that the February disbursement will be the same as the January one. This should also be adequate for CRHA's needs. HUD is in the process of transitioning PHA-held funding (NRA) to PHA reserves to be held at HUD level. At this point in time CRHA has almost zero NRA and must carefully monitor cash needs in to ensure that adequate funding is received in a timely manner in order to make HAP payments to the landlords. HAP renewals will be funded at \$17.48 billion (approximately four times the amount of Public Housing Operating Subsidy), which should be close to 100% funding. The Administrative portion of the Section 8 program shows a net gain of \$17,208. This month \$0.00 needed to be transferred from CRHA unrestricted funds to cover losses in the Section 8 program. The total transferred this year remains at \$14,496 which is under the budgeted loss for the

program. HUD still has not recaptured the front loaded the funding for the administrative income. Subtracting this amount form our net gain still leaves a net gain of \$2,773. Housing Choice Voucher (HCV) administrative fees will be funded at \$1.53 billion which equates to approximately 72% pro-ration.

The Central Office shows a net loss of \$12,512 and is performing ahead of budget. Income is on target; expenses are slightly over budget.

The draft amount of eligible operating subsidy for CY 2015 is estimated to be \$57,150 more than that of CY 2014. This is primarily due to higher occupancy.

At 12/31/14 there were 5 vacant units (1.3% vacancy rate – 98.7% occupied) down from 6 in the prior month.

Rent Receivables for active residents totaled \$20,309 with 59 residents owing more than \$50 each (\$19,796). The increase is primarily due to three families with very high balances. CRHA has been working with them through the fall of 2014 having had several meetings with deadlines for payment. In the next couple of weeks at least two families will face eviction if payment agreements are not honored.

Ms. Munson reported there were a couple more repayment agreements in December for rent balances. There are now a total of eight, representing \$5,118 in addition to the active accounts receivable balance of \$20,309.

The Public Housing Family Self Sufficiency Program has 12 active participants. Nine of those participants have an escrow balance. The total at 12/31/14 is \$22,474.18. The HCV Family Self Sufficiency Program has 13 active participants. Eleven of those participants have an escrow balance. The total at 12/31/14 is \$22,541.98

Results of the 12/31/14 court cases on ten, households were as follows: four cases dismissed due to payment in full, and judgment and possession awarded on six cases.

A budget work session for FY16 will be scheduled for an early February date.

C. **PHAR**

Brandon Collins reported:

- PHAR is not a committee and does not want to be listed under the Committee Reports on the Agenda.
- Eviction and Termination Policy and Facilities Use Policy-pleased with changes.
- Barment List-upset with the incomplete status
- Annual Plan-wants the planning process to be expanded.
- Capital Plan-wants to keep an open email dialogue
- REAC-wants to use last year's REAC inspection results for this year's REAC inspection results for Capital Planning
- HCV Administrative Plan-wants to be involved in the planning.
- FSS Program-very interested in the program and it needs to be a collaborative effort.
- Redevelopment-serious action needs to be taken. Upset just now hearing about CDC again and has City loan questions.
- Personnel Committee-wants clarification of its purpose.

- Non-Smoking Policy-doesn't think there will be a positive consensus among residents but thinks it is worth a shot.

XII. OTHER BUSINESS: PERSONNEL COMMITTEE

Commissioner Curley said the Personnel Committee language as a revision to the CRHA Bylaws is included in the material this evening and there will be a Resolution on at next month's meeting. She read the proposed language:

Personnel Committee should be responsible for promotion of a positive and a supportable environment in which CRHA personnel can serve both residents and applicants while maintaining and stewarding CRHA's assets and serving the greater Charlottesville community.

The Personnel Committee would endeavor to do all of the following:

- 1) up-hold mission statement of the CRHA,
- 2) meet the goals identified by CRHA Board of Commissioners,
- 3) adhere to HUD recommendations and best practices by:
 - a) meeting quarterly,
 - b) regular review of the CRHA Policies, Procedures, and Practices Handbook and make recommendations to the CRHA Board as to any needed amendments,
 - c) review of the annual Executive Director's presentation to the Board regarding personnel to include staffing, job descriptions, and training, and ...
 - d) direct the annual evaluation of the Executive Director.

Commissioners indicated that they would like a City HR person on the committee.

XIII. COMMITTEE MEETING DATE CHECK-IN

HUD Meeting will be held at Crescent Halls Community Room on Thursday, January 29, 2015, at 2p.m.
Budget Planning Meeting will be held at Basement Conference Room on Wednesday, February 4, 2015, at 6:00 p.m.

Resident Services Committee meeting will be held at Westhaven Community Center on Thursday, February 12, 2015, at 1:00 p.m.

Finance Committee Meeting will be held at Basement Conference Room on Wednesday, February 18, 2015, at 4:30 p.m.

Board of Commissioners meeting will be held at City Council Chambers on Monday, February 23, 2015, at 6:00 p.m.

XIV. PUBLIC COMMENTS

Joy Johnson, 802 Hardy Dr., said she wants to know why the CDC won't work as originally planned. She said the Redevelopment Committee needs to have an outline like the Personnel Committee. She said she agrees that the Annual Plan should be an on-going conversation. Ms. Johnson suggested there be conversation with JABA about getting help for the resident to quit smoking.

XV. ADJOURNMENT

Commissioner Woodard adjourned the meeting at 7:30 p.m.