

MINUTES OF A REGULAR MEETING OF
LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY
BOARD OF COMMISSIONERS MEETING

November 26, 2018
5:30 p.m.

Edgewood Homes
Conference Room

1. Call of Roll

Chair Powers called the meeting to order at 5:31 pm. Upon call of roll, the following Commissioners responded present:

Jamie Davison
Wallace Meyer, Jr.
Ellen Paulsen
Joshua Powers

Vice Chair Duran was absent by prior arrangement. Also present were member of the public Dava Spohn, and LDCHA staff members Beverly Hyatt, Ruth Lichtwardt, and Shannon Oury.

2. Approve Minutes of the October 22, 2018 Board of Commissioners Meeting

Commissioner Paulsen moved to approve the Minutes as presented. Commissioner Davison seconded. The motion passed unanimously.

3. Receive Comments from Tenants and Public

There were no comments.

4. CONSENT AGENDA

- A. Receive October 2018 Public Housing Financial Report
- B. Receive October 2018 Clinton Place Financial Report
- C. Receive October 2018 Section 8/VASH Program Report
- D. Resolution 2018-29: Write-Off Tenant Accounts Receivables (TAR) in the Amount of \$30,339.63
- E. Resolution 2018-30: Write-off Uncashed, Unclaimed Checks in the Amount of \$10,687.96
- F. Resolution 2018-31: Approve 2019 Application for HOME Tenant Based Rent Assistance
- G. Resolution 2018-32: Approve Revised Maintenance Schedule of Charges for Tenant-Caused Damages

Commissioner Meyer moved to approve the Consent Agenda as presented. Commissioner Davison seconded. The motion passed unanimously.

5. REGULAR AGENDA

A. Executive Director's Report

Executive Director Oury reported that the LDCHA has received a letter from HUD granting conceptual approval of the Cottages at Green's Lake. The agency also has received email

notification that it will be awarded the grant from the Housing Trust Fund which will be used to install solar panels on the Cottages and built-in furniture in the interiors. The official grant notice letter should be coming shortly.

Based on the agency's final audited financials, HUD revised the LDCHA's PHAS score for 2017 from 90 to 92. Both scores keep the agency in High Performer status, and the score of 92 now matches what LDCHA received in 2016. Recent research has shown that the agency has had continuous High Performer status since 1993.

Bert Nash and LDCHA received a \$80,000 grant from Kansas Housing Resources Corporation to continue the Community Support Services HOME TBRA program. This program provides rent subsidy for low income persons with serious and persistent mental illness.

Ms. Oury discussed the cash management system which HUD is considering implementing for public housing. She outlined why it would make managing the agency's public housing properties much more difficult. In answer to questions from the Board, she explained that there would not be a public comment period, as what HUD is considering would be a new interpretation of an OMB circular which has already been out for some time. She called the Board's attention to industry group comment contained in the packet and explained that she wanted the Board to be aware of it as a possible issue.

Ms. Oury gave an overview of the attached draft Safe and Affordable Housing section of the Community Health Plan. She explained that she was particularly excited that the city of Eudora participated in the process. The LDCHA has housing vouchers throughout Douglas County but the other cities have not generally participated in affordable housing issues and she is glad that outreach has begun. She said that the Health Department would like the endorsement of the LDCHA for the draft plan. Commissioner Meyer moved to accept and endorse the draft plan. Commissioner Paulsen seconded. The motion passed unanimously.

B. Receive Report on 2018 Awards Under the Employee Performance Incentive Fund

Executive Director Oury called the Board's attention to some calculations on the whiteboard and a spreadsheet included in the Board packet, and explained the several factors which have led to less of a surplus in the public housing budget than had been projected. She also pointed out factors which did contribute to expanding the funds available but which were outside control of the staff and therefore should not be considered as incentive. There was considerable discussion about what could be contributing to a drop in rental income, which staff will be analyzing, various demographics, and the agency's mission to serve the lowest income households. Ms. Oury explained that taking all those issues into account, the requirements for the incentive were not met in the public housing budget. She also gave background on Section 8 funds which need to be expended pursuant to cash management or they will remain as HUD held reserves. RSO grant funds must be used by December 31 or they will have to be returned to HUD. The two other criteria, the PHAS and SEMAP scores remain high and achieve the agency's program standards.

There were several questions from the Board about the history of how the awards criteria were set and the measurements used. Ms. Oury said that the current criteria are set more on how the agency matches its projections and how the agency as a whole meets its program standards. It is not based on personal job performance and achieving goals. As long as an employee “meets expectations” at their review, their share of the incentive is based on the number of hours worked. She also explained the usual delay between performance reviews and employees receiving a raise because of the often considerable delay between their anniversary date and when the agency receives confirmation from HUD that it will have the funds to give raises.

After considerable discussion, the Board directed that the policy be revised to give all annual performance reviews at the same time of year rather than on the employees’ anniversary date. The Board also asked that the criteria for the incentive be revised to place a higher weight on individual performance. Ms. Oury said that she could bring a draft of such a revision to the December meeting.

Commissioner Meyer moved to award the Employee Incentive in the amount of \$80,000 and to look at revising the incentive criteria for next year. Commissioner Paulsen seconded. The motion passed unanimously.

C. Resolution 2018-33: Approve Creation of a 501(c)3 Corporation, the Articles of Incorporation and Bylaws

Executive Director Oury explained that the agency’s current 501(c)3, Douglas County Housing, Inc., has been accruing funds which are earmarked by the Board for development projects to expand the availability of affordable housing. Because DCHI has also been the entity which has been used to apply for grants for the youth programs, the amount of money in the account has created problems with grant-funding agencies since it appears on the surface that the entity has plenty of funds and might not need the grants. Due to this issue, the Board had directed that staff explore the creation of a new 501(c)3, Full Circle, Inc., which will be used exclusively for funding the youth programs. This Resolution will approve the creation of the Full Circle 501(c)3 and the initial documents necessary to begin the process.

Commissioner Meyer moved to approve Resolution 2018-33 as presented. Commissioner Paulsen seconded. The motion passed unanimously.

D. Resolution 2018-34: Revise Public Housing Market Rents for Edgewood Homes and Scattered Sites to Flat Rents

Executive Director Oury explained that market rents are only used by the LDCHA if an MTW participant reaches 80% of Area Median Income and they do not want to join the homeownership program. They were developed to mirror the value of the unit in the open market if it were not subsidized. They are also used if a participant fails to meet the work requirement. She emphasized that Resident Services works with anyone who is not meeting the work requirement to bring them into compliance and that no participant has ever been evicted for failing to meet it.

Ms. Oury gave a synopsis of how the market rents were developed and periodically revised. After the last revision, HUD came out with a rule on flat rents that also said the flat rents can also be used at market rents. Adopting that will simplify setting the rents.

There were questions from the Board on some of the amounts on the chart provided, which Ms. Oury attributed were likely due to location of the units. She explained the calculation that is used to set the flat rents.

Commissioner Paulsen moved to accept Resolution 2018-34 as presented. Commissioner Davison seconded. The motion passed unanimously.

6. CALENDAR AND ANNOUNCEMENTS

Ms. Oury invited the Board members to the Staff Holiday Party and potluck on December 20, and announced that she will be out of the office December 10-12.

7. Adjournment

There being no further items of business, Commissioner Paulsen moved to adjourn. Commissioner Davison seconded. The meeting adjourned at 6:47 pm.

Chair

Secretary

Attest