



**Peoria Housing Authority
Board of Commissioners
Regular Board Meeting**

MONDAY, AUGUST 25, 2014

MINUTES

OPENING: At 4:32 p.m., Chair Zika opened the meeting with the Pledge of Allegiance, a moment of silence and roll call.

ROLL CALL: Commissioners Present: Commissioners, Cannon, Chapai, Fassino, Robinson, and Chair Zika. Commissioner Perkins arrived at 4:57 p.m.

PRESENTATION:

In the absence of Ms. Cheryll Boswell, METEC Executive Director, Ms. Brenda Coates, Chief Executive Officer gave a brief presentation on the Financial Opportunity Center (FOC). Local Initiatives Support Corporation (LISC) awarded a \$100,000 grant to METEC to operate the FOC. PHA partnered with METEC on the grant application as a way to bring services to PHA residents. A part-time staff person will focus on outreach to PHA residents. FOC will focus on three core areas:

- Employment
- Financial Literacy
- Income Tax Preparation

COMMUNITY COMMENTS:

Chair Zika called for community comments. No community comments were made.

NEW EMPLOYEES:

Kate Jones, Human Resources Director introduced Timm Krueger, Community Relations Manager.

APPROVAL OF MINUTES:

Minutes of the July Regular Board Meeting held August 4, 2014 – Chair Zika asked if there were any comments, corrections, or changes to the minutes. Chair Zika commented on his request to develop a metric to consolidate and keep track of positive things done for PHA residents. This item will be placed on the Open Items List. Hearing no further comments, Chair Zika asked for a motion to approve. Motion to approve moved by Commissioner Fassino, seconded by Commissioner Chapai. Roll call.

Ayes: Cannon, Chapai, Fassino, Robinson, and Chair Zika.

Nay: None, motion carried.

ACTION ITEMS AND RESOLUTIONS:

The following reports were reviewed and discussed:

Financial Report – Matthew Kamradt stated that the date on the income statements should read June 30, 2014. The data reflected in the statements are correct; only the title contained an error (pages 15 – 17). Ms. Coates shared that an email providing log-in instructions was recently received for the local debt recovery program mentioned last month. The Illinois Association of Housing Authorities (IAHA) worked with the State Comptroller's office to assist housing authorities in recouping money owed. Chair Zika questioned how residents are accepting the maintenance charges made to their accounts. Ms. Lewis, Asset Management Director explained that charges were added to the accounts to increase the collectability of the charges; however, there is push-back mainly because the collection of maintenance charges had not been enforced in the past. Ms. Coates shared that the board approved maintenance charge in effect states actual charge. Many residents are not calling in the needed repairs because they are not sure what the charge will be. Ms. Coates and Ms. Lewis have discussed moving to a flat or average rate for maintenance charges. Chair Zika explained that the question was raised for two reasons: (1) charges that will not be collected and (2) comments heard in the community. There is a balance between wear and tear and damages made by residents.

Chair Zika asked about the double expense of the material charges. Mr. Kamradt explained that extra repairs completed at Scattered Sites and the budget based on the previous year is contributing to the overage. Ms. Lewis shared that the additional items were noted based on the 100% inspections conducted in addition to the contractor identifying items that had to be repaired prior to REAC inspections. Mr. Kamradt also shared that PHA completed more of its own maintenance work; therefore reflecting more charges in the material and maintenance line items and less in the contractor's line item. Chair Zika commented that additional explanation in the write-up would have been helpful.

Chair Zika asked if the real estate taxes and homeowner association dues were not attributed to Scattered Sites, would Scattered Sites be profitable. Mr. Kamradt responded that both line items are under budget and assisting the current change in budget. Mr. Kamradt also shared that a change in the real estate taxes should happen soon as PHA approaches the end of the compliance period.

Chair Zika asked for clarification of the miscellaneous other charge at Sterling Towers. Mr. Kamradt shared that the charge is related to the asbestos abatement.

Chair Zika asked for a motion to approve the financial reports. Motion to approve moved by Commissioner Cannon, seconded by Commissioner Chapai. Roll call.

Ayes: Cannon, Chapai, Fassino, Robinson, and Chair Zika.

Nay: None, motion carried.

Section 8 Reports – Chair Zika asked for questions or comments. Ms. Robin Redding, Section 8 Director reported that the Section 8 waiting list was opened on Monday, August 18, 2014 and approximately 3,000 applications were distributed. Approximately 2,200 applications were

returned on Friday, August 22, 2014. Ms. Coates expressed her thanks to everyone who participated and shared a cost to the COCC will be charged for the repair of a broken light post.

Commissioner Fassino asked for an explanation of the paragraph related to the Housing Assistance Program (HAP) subsidy. Mr. Kamradt explained how the HAP subsidy is calculated and funded. The subsidy is based on an estimate of need for the prior three to six months. HUD is unable to fund at 100%; therefore, it is prorated based on a formula and funds received by the federal government.

Chair Zika asked for a motion to approve the Section 8 report. Motion to approve moved by Commissioner Chapai, seconded by Commissioner Robinson. Roll call.

Ayes: Cannon, Chapai, Fassino, Perkins, Robinson, and Chair Zika.
Nay: None, motion carried.

Chair Zika commented that the percentages reflected on page 53 in the "rents uncollected %" column are identical to those presented last month. Chair Zika prefers the most recent data. Mr. Kamradt shared that the finance department is working to have the most recent data available for September.

Asset Management Memorandum – Chair Zika asked for questions or comments. Commissioner Robinson inquired about the HOPLIF reference. Ms. Lewis explained that HOPLIF stands for Homeownership for Public Housing Low Income Families. The program no longer exists; however, there are three units that will be assigned to the Scattered Site AMP once renovation is complete.

Commissioner Fassino asked what approach is being used to improve occupancy from 93% to 97%. Ms. Lewis explained that a make ready crew made up of the maintenance staff has been instituted. Ms. Lewis reiterated the necessity of passing the REAC inspections and the focus placed on that task which impacted occupancy. Focus is now placed on occupancy and the crew is working to make units ready. There is also a weekly call with a HUD official. Currently there is a goal to net eight units weekly by September 30, 2014 to put PHA as a goal of 93% which is HUD's target. However, this is not PHA's goal, so efforts continue to be made. Commissioner Fassino questioned the ability to maintain the quality and occupancy level simultaneously. Ms. Lewis expressed that it is a juggling act, but the team is working to comply. In addition, Ms. Lewis and Mr. Kamradt are working to evaluate the feasibility to secure additional manpower. Ms. Coates commented on additional items impacting occupancy – some of the residents being issued Section 8 vouchers are public housing residents; several 10-day notices have been issued due to criminal activity and vacations with staff, particularly maintenance staff. Vacations had been placed on hold earlier in the year due to the REAC inspections and the possible HUD visit. Overall, occupancy and maintaining units will continue to be a juggling act. Chair Zika asked for a motion to approve the asset management report. Motion to approve moved by Commissioner Fassino, seconded by Commissioner Perkins. Roll call.

Ayes: Cannon, Chapai, Fassino, Perkins, Robinson, and Chair Zika.
Nay: None, motion carried.

Operations Report – Chair Zika asked for any questions or comments. Chair Zika asked for questions or comments regarding the operations report; hearing none, Chair Zika called for a motion to approve the operations report. Motion to approve moved by Commissioner Cannon and seconded by Commissioner Perkins. Roll call:

Ayes: Cannon, Chapai, Fassino, Perkins, Robinson, and Chair Zika.

Nay: None, motion carried.

RESOLUTIONS:

#AR082514-01 – To Post the FY2015-2019 5 Year and FY2015 Annual Agency Plan Out for 45-Day Comment Period

Brenda Coates, CEO presented the resolution to post the Plan for a 45-day comment period. The Agency Plan is a template required by HUD that consists of two parts, the 5-year and the Capital Fund Action Plan. The template gives HUD an opportunity to be familiar with policies of the housing authority and any changes made to those policies. In addition, progress on the goals and actions that may be pursued for the coming year, i.e., acquisition or demolitions, must be included in the Plan. It was noted in the PHA Agency Plan that the City of Peoria Consolidated Plan was awaiting HUD approval. Mike Sims of the City of Peoria Neighborhood Development Division recently confirmed that the City's plan has been approved by HUD; therefore, the PHA Agency Plan will be revised to reflect the approval. In addition, Mr. Sims shared that the City is using a different program to reflect their housing needs, so PHA has included the 20 pages of data from the City's plan as an attachment to the PHA Plan. The Plan will be advertised and placed in several public locations in addition to being posted on the PHA website for public viewing.

Any questions should be directed to the PHA Executive Office. A special Board Meeting to approve the Plan will be held on October 14, 2014 to accommodate a timely submission to HUD. Chair Zika called for a motion to approve Resolution #AR082514-01. Motion to approve was moved by Commissioner Fassino, seconded by Commissioner Robinson. Roll call:

Ayes: Cannon, Chapai, Fassino, Perkins, Robinson, and Chair Zika.

Nay: None, motion carried.

#AR082514-02 – Approval of Section 8 Fraud Recovery Write-offs

Matthew Kamradt, Finance Director shared that the write-offs are being presented as a clean-up of the receivables. Commissioners commented on the amount of the write-off and no previous action being taken. Mr. Kamradt stated there is approximately \$40k from last year allocated for the write-off and the remaining will go against the current year. Mr. Kamradt explained that the portion to be written off only go through 2011. More recent amounts owed or amounts owed by current residents are still being actively sought. The write-off will be taken out of the receivable, but kept and tracked as a balance write-off carried forward. Tracking will be done through the HUD Enterprise Income Verification (EIV) system as well as a possible recapture through the State recapture system. Chair Zika called for a motion to approve resolution #AR082514-02, Approval of Section 8 Fraud Recovery Write-offs. Motion to approve moved by Commissioner Cannon, seconded by Commissioner Chapai. Roll call:

Ayes: Cannon, Chapai, Fassino, Robinson, and Chair Zika.

Nay: Perkins, motion carried.

#AR082514-03 – Notice to Appointment of Nominating Committee for Resident Commissioner

Chair Zika presented the resolution for approval. Chair Zika expressed his appreciation of Ms. Chapai participating on the PHA Board of Commissioners. Chair Zika further explained the process of appointment of the PHA Board Commissioners noting the nomination for the Resident Commissioner is presented to the Mayor by the PHA Board Commissioners. Chair Zika called for a motion to approve Resolution #AR082514-03. Motion to approve was moved by Commissioner Fassino, seconded by Commissioner Perkins. Roll call:

Ayes: Cannon, Fassino, Perkins, Robinson, and Chair Zika.

Abstained: Chapai, motion carried.

#AR082514-04 – Electing Directors for River Valley Foundation, Inc.

Ms. Brenda Coates, CEO presented the resolution for approval. Ms. Coates explained that the River Valley Foundation, Inc. (RVF) is the nonprofit (501(c)(3)) arm of PHA that was started several years ago, but sat dormant due to manpower. PHA would like to reconvene the organization. Ms. Coates shared the composition of the board of directors and their affiliations. Ms. Coates provided an overview of the proposed use of the 501(c)(3) in addition to sharing that a number of housing authorities operate a nonprofit. Activities of RVF could include participating in development activities, revenue stream opportunities and the operation of the Access to Resources and Referral Opportunities (ARRO) program. A meeting with the RVF board has been scheduled for Tuesday, August 26, 2014. Mr. Brian Mooty, PHA Counsel gave a brief overview of the oversight responsibility the PHA Board of Commissioners would have over the RVF Board. Mr. Mooty also explained the PHA would be the sole member of RVF and appoint the board as noted in the RVF bylaws. PHA will provide administrative support to RVF; in addition, the PHA Board of Commissioners previously authorized \$50k for start up funds to the RVF. Mr. Mooty continued to share the importance of the entity having a 501(c)(3) status as it relates to grant opportunities and tax credit use in development opportunities. Chair Zika called for a motion to approve Resolution #AR082514-04. Motion to approve was moved by Commissioner Chapai, seconded by Commissioner Cannon. Roll call:

Ayes: Cannon, Chapai, Fassino, Perkins, Robinson, and Chair Zika.

Nay: None, motion carried.

OLD BUSINESS:

Taft Redevelopment Update – Yvonne Long, Modernization and Development Director updated the Board on activities related to the Taft redevelopment. Ms. Long noted a decision had been made in July 2014 not to submit the full application of the Preliminary Project Assessment (PPA) and the PPA approval does not roll over to future rounds. Therefore, a new application will have to be submitted and that date will likely be in December 2014. There will be changes to the Qualified Allocation Plan that PHA will have to be responsive to so the previous PPA that had been submitted will be reviewed and modified. A Task Force update meeting will be scheduled for the month of September. Also a Taft Homes Resident meeting was held in relation to the 5-year and Annual plan and a recommendation was made to hold regular monthly meetings with the residents as it related to the Taft Homes Redevelopment – this will begin starting the month of September. Lastly, PHA will still be able to use the Federal Home Loan Bank in its application.

Community Health and Wellness Event – Yvonne Long, Modernization and Development Director recapped that the Community Health and Wellness Event is an effort of the Focus Forward Central Illinois (FFCI) Health Care Exchange Initiative. PHA has volunteered to host and co-sponsor the event. Twenty-eight vendors have confirmed their participation. A plea was made to the Commissioners to participate in the event and the dunk tank specifically. Ms. Long recapped the time and date of the event. Ms. Coates shared that flyers will be distributed to the community partners, in addition; any marketing assistance by the Commissioners would be appreciated. The event has been marketed as a family fun event.

Board Outstanding Item List – Brenda Coates, CEO commented that Ms. Lewis is working on the item related to how other housing authorities handle Tenant Accounts Receivable (TARS). Ms. Coates also asked about the scheduling of the Strategic Planning Session – should the session be planned as a half or full day session. Ms. Coates also suggested the use of a facilitator. Chair Zika reflected that the goal of the session should be identified to set the appropriate time. Ms. Coates proposed, per the recommendation of a previous consultant, Keith Sweeney, that a third party address the PHA Board and key staff about the state of housing in addition to long range goals, review of where PHA is and identify what the 2015 goals are. Having input from the Commissioners would be helpful as PHA staff begins to schedule their Agency Plan goals for November.

Commissioner Fassino shared that it would be helpful to visit other housing authorities in advance of the planning session and asked for a time recommendation from the CEO. Ms. Coates shared that previous sessions have been scheduled for a half day; however, if a facilitator is used and a presentation on the state of housing is conducted, then it would be suggested that a four hour morning session with a break for lunch and possibly another 1½ may be needed. Commissioner Perkins expressed the need to know what the goal of the session would be. Commissioner Perkins also expressed that Commissioners should visit the properties of the PHA, and when visiting other housing authorities, brings back ideas of what PHA may try – this type of session would take an entire day. If the session will be a review of basic housing information, then a half day would suffice. Chair Zika expressed it is better to schedule a full day and end early. Commissioner Robinson suggested if visits will be made to other housing authorities, PHA should develop what questions will be asked and no more than two Commissioners per visit. Chair Zika suggested scheduling visits in September and possibly have the session in October.

Chair Zika reiterated to add the metric for helping residents to Outstanding Item List.

Computer Software Update – Matthew Kamradt, Finance Director shared this memo was provided as an update to the Commissioners. The goal is somewhat behind due to demo scheduling and high priority projects in the finance department. Commissioner Robinson asked if the packages being considered are “out of the box” packages. Mr. Kamradt shared that the Request for Qualification (RFQ) would be sent to multiple software companies. There are several companies that specialize in housing software. Commissioner Robinson asked if the RFQ is asking how the software companies’ packages will fit PHA needs or is PHA asking for software modification. Mr. Kamradt explained that PHA is looking to see what the software currently has and how that fits PHA needs. Commissioner Robinson cautioned against modifications of the software. Chair Zika commented that the use of “wish list” may need to be

broken down into must haves and other or optional categories. Mr. Kamradt explained that it is PHA's desire for the software to have a lot of components and functionality. Mr. Kamradt further explained that there are some items the PHA wishes to have that the software cannot provide and it will be necessary for PHA to provide some hardware on its own, but PHA is asking the software provider to recommend brands. Commissioner Robinson suggested a question related to software could be posed to other housing authorities – what are their experiences (positive and negative). Mr. Kamradt shared that housing authority recommendations are being requested from the software providers.

NEW BUSINESS:

Section 8 HUD Proposed Fair Market Rents (FMRs), FFY2015 – Robin Redding, Section 8 Director shared that the Section 8 department is recommending that the current FMRs be maintained that were effective in 2014. The current rent amounts are competitive with the market in this area. Chair Zika asked what the concern would be if the rents were increased. Ms. Redding explained that if the rents are increased, it basically is a pass through to the landlord. Chair Zika also asked about the quality of the landlords. Does Section 8 attract quality landlords or are the rents too low? Ms. Redding expressed that it is her opinion that the rents are not too low, but Section 8 does have some stigma. Ms. Redding announced that the Section 8 department plans to hold a landlord conference before the end of 2014 to attract new landlords, re-educate current landlords and work on changing the perception of Section 8. Also, there has been discussion about holding a monthly roundtable session for landlords interested in the Section 8 program. Chair Zika asked if the County would share the rental registry. Ms. Redding will look into the possibility of securing the listing. Commissioners and staff had further discussion regarding the Section 8 process and the quality of landlords. It was suggested that a small survey be conducted of landlords who have no interest in the Section 8 program. Ms. Coates shared one major issue discussed at a monthly community neighborhood meeting hosted by Councilmen Weaver and Turner – the comment was regarding damage to property and the feeling that PHA or the government should pay for repairs made by tenants on the Section 8 program. Ms. Coates explained that reimbursements to landlords have not happened in several years. Ms. Coates and Ms. Redding also shared that a number of landlords do not want to go through the necessary paperwork related to the Section 8 program. Ms. Redding stated the Section 8 department keeps a list of participating landlords as well as those who call to inquire about the program.

CHIEF EXECUTIVE OFFICER'S REPORT:

Brenda Coates, CEO publically thanked the staff who worked on the National Night Out Against Crime events. In addition, there were approximately 150 PHA children signed up to attend the RiverPlex Back Pack event. A special thanks to Nicole Livsey for a successful summer food program.

Effective October 1, 2014, PHA will only take walk-ins on Monday. Currently, walk-ins are accommodated on a daily basis and this has a significant impact on the work that PHA staff has to do. Notices will be posted to give a 30-day notices and anyone needing reasonable accommodations will be handled appropriately. Ms. Coates shared that the Joliet Housing Authority is operating with a similar policy and it seems to be working well. This is a change, but similar to the last change made regarding the closed lobby from 12:00 p.m. – 1:00 p.m., PHA residents and customers adjusted well.

Ms. Coates reminded the Commissioners that Heidi Elliott-Gardner had made a request at last month's board meeting for a memorial community garden at the Harrison Homes location in honor of deceased resident Thomas Dixon. Ms. Coates wanted to update the Board that Ms. Lewis will be contacting Ms. Gardner to find out the details and also see what part PHA would need to play. Once this information is gathered, PHA staff will report back to the board and the item will be placed on the open items list.

Ms. Coates recapped the information regarding smoke-free previously presented and shared that a smoking cessation class was recently held at Sterling Towers. The PHA had proposed to be able to look into implementing smoke-free housing in April 2015 for Sterling residents and any new properties. Ms. Coates asked what other information the Commissioners needed prior to bringing a resolution before the Board. Ms. Coates also explained that PHA is experiencing challenges in the marketing of Sterling Towers. There have been individuals who need housing that have turned down units due to the smoke conditions at the property. Ms. Coates further expressed her concern to meeting the occupancy goal at Sterling Towers due to the smoking challenges.

Commissioner Cannon expressed his desire to see the survey that was conducted in addition to wanting the Security and Resident Relations Committee to have a discussion prior to the change being made for walk-ins. Commissioner Perkins expressed her on-going concern regarding the issue of smoking and those who use oxygen. Ms. Lewis stated that a survey was completed and the results presented to the Board. The smoking information will be re-sent to the Commissioners. Ms. Coates shared that the new policy would be applicable to all residents with an implementation on April 15, 2015. This would allow for residents to get through the winter and implement in the spring.

Mr. Cannon requested that Ms. Chapai be allowed to continue as an ad-hoc member on the Security and Resident Relations committee. Chair Zika responded that the Finance committee charter specifically allows for non-commissioners to be on that committee, so with the development of a Security and Resident Relations charter, so parameters are clear, membership of non-commissioners could be allowed. Ms. Chapai agreed.

BOARD COMMENTS:

Chair Zika asked for comments.

- C: Commissioner Cannon asked Ms. Lewis about the improvement of the parking issue (cars parking in front of the trash dumpster) at Harrison Homes. Ms. Lewis replied that the remedy is working great.
- C: Chair Zika stated that Commissioner Williams officially accepted the Personnel Committee Chair position. Commissioner McQuirter requested to be relieved of the Chair responsibilities when he became ill and Commissioner Williams accepted those responsibilities.
- C: Chair Zika gave accolades to Commissioner Mary Chapai for her participation and contribution to the PHA Board of Commissioners.
- C: Chair Zika recognized, welcomed and congratulated Commissioner Thea Robinson as the new PHA Board Commissioner.

- C: Commissioner Perkins asked if a decision had been made regarding Commissioner Robert McQuirter recognition. Commissioner Perkins would like a decision made soon.
- C: Commissioner Perkins shared that she and Commissioner Williams met on Saturday; therefore, the Personnel committee did meet and there was no notice needed due to only two Commissioners being present.

Chair Zika shared that no additional action would be taken after the executive session.

EXECUTIVE SESSION:

Chair Zika called for a motion to move into Executive Session for the purpose of Litigation. Motion to move into Executive Session was made by Commissioner Chapai, seconded by Commissioner Fassino. Roll call:

Ayes: Cannon, Chapai, Fassino, Perkins, Robinson, and Chair Zika.
Nay: None, motion carried.

ADJOURNMENT of EXECUTIVE SESSION, RESUME REGULAR BOARD MEETING:

Chair Zika called for a motion to adjourn the executive session and resume the regular board meeting. Motion to adjourn the executive session and resume the regular board meeting was made by Commissioner Perkins, seconded by Commissioner Fassino. Roll call:

Ayes: Cannon, Chapai, Fassino, Perkins, Robinson, and Chair Zika.
Nay: None, motion carried.

ADJOURNMENT of the REGULAR BOARD MEETING:

Chair Zika called for a motion to adjourn the regular board meeting. Motion to adjourn the regular board meeting was made by Commissioner Perkins, seconded by Commissioner Chapai. Roll call:

Ayes: Cannon, Chapai, Fassino, Perkins, Robinson, and Chair Zika.
Nay: None, motion carried.

Respectfully Submitted by:



Aurthur Perkins
Board Secretary

/bm