MINUTES
BROWN COUNTY HOUSING AUTHORITY
Monday, May 20, 2013, 3:00 p.m.
City Hall, 100 N. Jefferson Street, Room 604
Green Bay, WI 54301

MEMBERS PRESENT: Tom Diedrick–Chair, Ann Hartman, Corday Goddard

MEMBERS ABSENT: Sup. Andy Nicholson

OTHERS PRESENT: Robyn Hallet, Rob Strong, Matt Roberts, DonElla Payne, Lori DeGrave, Patrick Leifker, Ben Fauske, Stephanie Schmutzer, Samantha Francar, Christy Paavola of Reed Ribble's office

APPROVAL OF MINUTES:

1. Approval of the minutes from the April 15, 2013, meeting of the Brown County Housing Authority

   A motion was made by A. Hartman and seconded by C. Goddard to approve the minutes from the April 15, 2013, Brown County Housing Authority meeting. Motion carried.

   T. Diedrick took a moment to thank R. Aicher for all of his years of service with the BCHA.

   R. Hallet suggested making introductions on record. T. Diedrick introduced himself as Chair of the BCHA. A. Hartman introduced herself as a BCHA Commissioner. C. Goddard also introduced himself as a BCHA Commissioner. C. Paavola introduced herself as a representative from Congressmen Reed Ribble's office. M. Roberts introduced himself as the Director of Operations at ICS. D. Payne introduced herself as the Programs Leader for the FSS/HO/LHB/VASH programs. L. DeGrave introduced herself as the HR Director at ICS. P. Leifker introduced himself as the HCV Program Leader at ICS. B. Fauske introduced himself as the Executive Director of ICS. S. Schmutzer introduced herself as the new Senior Accountant with both BCHA and GBHA. R. Hallet introduced herself as the Housing Administrator for both BCHA and GBHA. R. Strong introduced himself as the Community Development Director for the City of Green Bay and also operates as the Executive Director for the BCHA. S. Francar introduced herself as the new intern with the City of Green Bay Planning Department.

   A motion was made by C. Goddard and seconded by A. Hartman to take Item #6 following Communications and then to return to the regular agenda order. Motion carried.

COMMUNICATIONS:

2. Letter from HUD dated April 29, 2013, of final SEMAP score for 2012

   R. Hallet stated that this letter indicates that HUD has determined that the BCHA SEMAP score for 2012 is 96%, making the BCHA a high performer. She and the BCHA Commissioners thanked ICS for their hard work to achieve this high score.

INFORMATIONAL:

6. Discussion with Reed Ribble's office regarding Housing Choice Voucher Program

   A. Hartman stated that one of the concerns that the BCHA has is that there is an issue with port-outs and port-ins. That is, that people are moving to Brown County from another place, getting their voucher, and then moving back to their original place and taking their voucher with them. Often when vouchers are taken to larger cities, the BCHA then has to pay more than they would have in Brown County.

C. Paavola asked who sets the residency requirements. R. Hallet responded that HUD allows the HA to set residency preference but cannot make it a requirement. The local HA can also define what it means to be a resident. Currently, the BCHA requires photo identification with a Brown County address and two other proofs of residency (e.g. utility bill). R. Hallet clarified that the port-out participants are meeting all of the residency requirements but do not really intend to stay in Brown County and instead they return to a higher cost-of-living area.

T. Diedrick added that another aspect of this is the enormous administrative cost associated with this, which is close to $80,000 annually that is not reimbursed as B. Fauske stated.

M. Roberts added that there is a waiting list for the HCV program, so there are potentially local residents that are not able to receive a voucher because of a voucher being used in a different, often higher-cost city such as Milwaukee.

C. Paavola asked about the demographics of those that are porting out. M. Roberts responded that often they are single mothers with children who receive child support from out-of-state. P. Leifker added that once they move to Brown County (and provide the appropriate documentation) they jump up on the preference list because they are then considered a Brown County resident.

R. Strong added that the BCHA understands the importance and relevance of portability. However, it seems clear that there is a significant amount of abuse taking place with it. He stated that they are not looking to dismiss the portability option, rather to do something to stop the abuse that is happening with those that move to Brown County only to receive the voucher. He also added that BCHA's screening is much more involved than it is in other areas, and some recipients may take advantage of this as well. For example, they move to the receiving HA and allow an unreported household member to live with them, and the new HA may not catch it.

B. Fauske mentioned that ICS is working to manage their costs throughout the year, but then at the end of the year, if a receiving HA chooses to absorb the vouchers suddenly because it benefits them, that really impacts our costs negatively. R. Strong emphasized that this affects the next year's funding because future year funding is based on previous year usage. R. Strong also stated that we currently have 268 vouchers outside of Brown County, which is out of 3,100 vouchers total, a high percentage.

M. Roberts added that the receiving HA can choose to absorb or not absorb the new vouchers, which has a significant impact on ICS and the BCHA. R. Strong added that this can implicate the numbers of vouchers which influence the amount of funding that the HA receives. He added that there is not an easy solution to this because it is a federal program. They are just trying to set parameters for what the BCHA is liable for.

P. Leifker cited a 2010 report, which is when they first noticed this tread starting to occur. Prior to that time, they averaged 7 port-outs per month from January 1, 2009, to May 31, 2010; that has gone up to 268, a significant spike. They submitted documentation to HUD regarding this increase, though nothing came of it (P. Leifker provided a copy of this documentation to C. Paavola). He added that they started to require more of the applicants to prove residency. D. Payne added that they started looking at utility bills and bank statements, and in situations with suspicious activity, would require more proof of residency.

C. Paavola asked if the HA would be able to set requirements that dictate how long a voucher recipient must remain in Brown County, to which several people responded they could not. P. Leifker added that the only requirement the HA could implement is if someone residing outside of Brown County receives a voucher, they would have to live in

Brown County for one year with that voucher. Because of the priority of Brown County residency, this does not really apply to this program.

B. Fauske explained that this has become so common that clients have figured out what they need to do to legitimately get a voucher in Brown County, and then at their first appointment, they indicate that they are moving out of the area. We are unable to deny them portability. It's understandable that you'd want someone to be able to port out if, for example, they are offered a job opportunity in another area, but it's not right if they are getting a voucher from us just because they could get it here more quickly than in their area.

C. Paavola asked if we could require proof of employment outside of Brown County in order to allow portability. R. Strong responded that likely we cannot, but this is an idea of something we'd like to see implemented.

R. Strong suggested a regulation change could be to freeze the voucher at what they would receive in the initial HA rather than increase to what it would be in a higher-cost area. P. Leifker added that the per-unit cost for a voucher outside of Brown County is $778 per month. The per-unit cost for a voucher within Brown County is $399 per month. R. Strong added that that equates to two people that aren't being served in Brown County because of this.

C. Paavola stated that she would discuss this with the Congressmen and welcomes any other ideas that the BCHA has to address this. Some suggestions were to prohibit some of the port-outs or to require the destination HA to make up the difference in vouchers.

R. Strong also added that another issue the BCHA has contacted HUD about was that voucher recipients tended to be concentrated in certain neighborhoods. This works against the deconcentration of poverty. He asked for a tool to help combat this. Another issue was the perception of people "living off the program" or taking advantage of it, which could be combated by requiring a time incentive for recipients to find work.

C. Paavola asked if a recipient could receive a voucher as long as they wanted as long as they meet the income requirements. R. Strong added that there are some people who will need the voucher for an extended period, but he is talking about those that are able to work but choose not to. He also added that they could focus on encouraging clients to participate in the FSS program to give them tools to become self-sufficient, but funding is limited. The FSS plan provides an escrow account, credit counseling, and goal setting; there are various components to help them become self-sufficient. D. Payne and M. Roberts then went on to explain in more detail the FSS Program.

M. Roberts added that the vast majority of port-outs do not stay in Wisconsin, that most of them are going to Illinois, specifically Chicago, and Minnesota. C. Paavola asked how HUD determines how many vouchers the HA receives. R. Hallet stated that it is more so the dollar amount of funding, not in terms of numbered vouchers. The amount of funding is based on the previous years' actual usage. She added that because you can't use what you don't have, it is nearly impossible to get ahead to get more voucher funding. M. Roberts explained that Chicago does not even accept applications; their waiting list is closed. In effect, no new people in Chicago are able to receive housing vouchers.

T. Diedrick added that about 8 years ago the BCHA looked at how they could make the program cleaner through screenings, and the BCHA has been doing this for a while. As a result, they have very little fraud when it comes to voucher recipients. Additionally, they have made significant progress in collecting overpayments for those who have committed fraud. This is something that is unique to Brown County compared with other housing authorities. R. Hallet added that while this is a positive aspect to the program, it comes with

a significant cost to hire a private investigator to conduct a background check on each applicant without receiving extra funding from HUD.

C. Paavola asked about the conditions of the housing units that voucher recipients are living in. R. Hallet responded that each unit has to pass a Housing Quality Standards inspection before they can receive the voucher. Additionally, at a minimum there are annual inspections of the apartments to ensure that the dwellings are sanitary and safe. She also added that the City of Green Bay has a strong Inspection Department, so the BCHA partners with them. For example, if there is a landlord that refuses to make repairs, the BCHA would reach out to the City's Inspection Department, and they would be able to deliver citations and enforce the changes that landlords need to make.

R. Strong added that when there are issues with landlords, it often goes beyond insufficient dwellings to include inappropriate charges and demanding higher rent. They have someone to look into this further, and he added that the BCHA really sees the program as one that helps a population that is in need. M. Roberts added that they at ICS have a good handle on which landlords are the problem ones.

M. Roberts asked C. Paavola what the process on the Congressmen's end would be. She responded that she would first go through the information herself and talk to her colleagues. Then they would work through possible solutions, pros and cons, and then the feasibility of various solutions. Sometimes the result would be a bill or a letter to HUD; it depends what they feel would be the most effective and what the BCHA would be most comfortable with. R. Strong added that the BCHA was one of two communities in the United States that was a pilot program to run the voucher program; if there needs to be a pilot program to administer changes, he clarified that the BCHA would be willing to again be a pilot program if it would be easier to get through the state legislature.

C. Paavola asked if anyone knew of any other communities that are having the same issues. R. Hallet responded that she has been talking with staff of the Door County Housing Authority who are having an issue with portability, but in their case the voucher recipients aren't even establishing residency in Door County, and they are remaining in their original city of origin. She added that there are similar issues, but because of local regulations the issues will vary slightly.

All members thanked C. Paavola for her time and her hard work.

A motion was made by A. Hartman and seconded by C. Goddard to return to the regular order of the agenda. Motion carried.

REPORTS:

3. Report on Housing Choice Voucher Rental Assistance Program
   A. Preliminary Applications
      P. Leifker reported that there were 89 preliminary applications for April 2013.

   B. Unit Count
      P. Leifker reported that the unit count for April 2013 was 3,054.

   C. Housing Assistance Payments Expenses
      P. Leifker reported that the Housing Assistance Payments for April 2013 was $1,181,832.

   D. Housing Quality Standard Inspection Compliance
      M. Roberts reported that there were 368 inspections in April 2013 and of those 57.06% passed their first inspection, 23.91% passed the reevaluation, and 19.0% failed.

E. Program Activity/52681B (administrative costs, portability activity, SEMAP)
P. Leifker reported that for April 2013 portability was at 268 vouchers, for a total April 2013 cost of $208,537.29; voucher utilization was at 88.97%, the total administrative cost was $101,350.56 and was overspent by $7,378.88. Additionally, there were 21 port-in units, of those 19 are VASH clients.

F. Family Self-Sufficiency Program (client count, escrow accounts, graduates, new contracts, homeownership)
D. Payne reported that there were 97 FSS clients in April 2013; 33 had escrow accounts, no graduates, 5 new contracts, and 70 homeowners.

G. VASH Reports (active VASH, new VASH)
D. Payne reported that there were 19 VASH and 2 new VASH for April 2013.

H. Langan Investigations Criminal Background Screening and Fraud Investigations
P. Leifker reported that there was 1 new investigation assigned, 1 new investigation closed, 2 previous investigations closed, and 2 investigations still active. He added that he attached a chart that displays by municipality where the investigations have taken place: Green Bay had 3 investigations; Ashwaubenon and Allouez each had one.

R. Strong asked about the number of port-outs decreasing. P. Leifker responded that it is likely due to the fact that ICS has not been leasing as many up.

I. Reasons for Background Screening Denials
(No report was given because no background screenings are being conducted due to not issuing vouchers currently.)

J. Customer Service Report
L. DeGrave reported that she as the HR Director has taken on customer service at ICS. Some of those things that ICS is doing in terms of customer service include focusing on the experience in the lobby. She added that some of the staff went to a training where clients could walk into the lobby and could electronically submit their information in a kiosk, and their specialist would receive it that way. Another thing that ICS is looking at is implementing a comment box in the lobby to receive customer feedback. The other thing that is being done is a customer service survey. This gives the client the opportunity to provide more detailed feedback on their experience. This survey would be handed out at the front desk when clients come in for appointments, and also put this online. They are also working on a customer service log; this would document the various issues being brought up by customers and the different responses and actions from ICS. She added that they will look at simplifying the content of the website. They are also looking at formulating downloadable forms that can be submitted electronically. They are also working on a customer service manual which would include a timeframe and policy for answering phones and returning phone calls. They are working with the Inspection Department in that they are collecting landlord emails, making communication more direct and quick, and would also reduce costs in terms of mailing and envelopes.

She then asked what the BCHA is looking for in a customer service report. T. Diedrick asked what the incentive is for clients to fill out the survey, adding that when there is some monetary incentive people are much more likely to provide valuable feedback. L. DeGrave agreed that incentives do help and that ICS had not yet decided on what that would be. In terms of when the BCHA would like to receive the reports, T. Diedrick responded that initially quarterly would be a good place to start. He also stated that ICS should give the BCHA what they think is pertinent, keep it simple, and the BCHA will inquire about certain items as they arise.

OLD BUSINESS:
None

NEW BUSINESS:

4. Review and approval of revisions to Chapters 2 (Fair Housing and Equal Opportunity) and 12 (Termination of Assistance and Tenancy) of the Housing Choice Voucher Administrative Plan

   Regarding Chapter 2, P. Leifker reminded the commissioners that HUD had previously released some temporary cost-saving measures that PHAs could implement; this is one such cost-saving measure. If a client is requesting a reasonable accommodation for a disability, this allows the PHA the opportunity to increase the percentage that they pay per unit up to 120%, without having to obtain HUD approval in each instance. Previously they would have to assemble a packet, send to HUD, and wait for HUD's response. He added that this happens only once or twice a year, but it is something that would reduce staff time and money.

   The Chapter 12 revision is a clarification on a current termination policy. Currently it is not expressly written how many lease violations result in voucher termination. This change would set that number at four notifications. This would help with consistency with the Specialists and would be helpful if any legal action was taken.

   C. Goddard asked if four notifications was the base rule as it seemed like a lot. P. Leifker responded that the vast majority of lease violations are money motivated and the clients not paying their rent. They are usually not due to police calls or other issues. Due to the clientele that is being served, they understand that due to monetary reasons, one per quarter could be acceptable or understandable.

   A motion was made by C. Goddard and seconded by A. Hartman to approve the revisions to Chapters 2 and 12 of the Housing Choice Voucher Administrative Plan. Motion carried.

INFORMATIONAL:

5. Update regarding Cardinal Capital's tax credit application for veteran housing project

   R. Hallet reminded commissioners that Cardinal Capital had presented information to the BCHA various times regarding their veteran housing project and their application for WHEDA tax credits. Cardinal Capital was not awarded the tax credits. Therefore, at this point the project is not progressing. WHEDA will be accepting applications for another round in July; however, only two applications in the entire state will be accepted so they have some significant competition.

   A. Hartman asked why Cardinal Capital was not awarded the tax credit; R. Strong responded that the funding went to existing projects that would not need new construction. The July applications would be designated as "high impact", all of those applications that did not receive the tax credit could apply to this one. He added that Cardinal Capital will be able to apply for this, and the BCHA would do what they can on their end. At this point, he said they will hang onto the 52 vouchers they would need for this veterans project until there is a better idea on what the future of this project is.

BILLS:

A print out of the bills was passed out. S. Schmutzer clarified that the bill to the City of Green Bay is so high is because it covers four months of payroll.

A motion was made by A. Hartman and seconded by C. Goddard to approve the bills. Motion carried.

FINANCIAL REPORT:
None

STAFF REPORT:

7. Congratulations to DonElla Payne of ICS for NAHRO consulting work

   R. Hallet and the Commissioners extended their congratulations to D. Payne for the consulting work that she has been contracted to perform through NAHRO.

8. Fall WAHA Conference is September 17-19 in Appleton

   R. Hallet reminded the Commissioners that BCHA budgets for two Commissioners to attend the WAHA Conference. Since it is so close to Green Bay, it would be a good opportunity to attend, so she wanted to give them advanced notice. She added that on September 18 there is specific section dedicated to Commissioners. A. Hartman asked if they could choose to go for one day; R. Hallet responded that she would have to look into this. T. Diedrick asked for the staff to bring an agenda of the conference for the Commissioners to review.

A motion was made by A. Hartman and seconded by C. Goddard to adjourn. Motion carried.

Meeting adjourned at 4:20 p.m.

mmr:rh:ejns