MINUTES
BROWN COUNTY HOUSING AUTHORITY
Monday, April 21, 2014, 3:00 p.m.
City Hall, 100 N. Jefferson Street, Room 604
Green Bay, WI 54301

MEMBERS PRESENT: Tom Diedrick–Chair (by teleconference), Ann Hartman–Vice Chair, Sup. Andy Nicholson, Corday Goddard, and Adam DeKeyser

OTHERS PRESENT: Robyn Hallet, Kim Flom, Stephanie Schmutzer, Charles Androsky, Patrick Leifker, Nicole Tiedt, Yvette Tice, Kylie Reynebeau, and Julie Melnarik

APPROVAL OF MINUTES:

1. Approval of the minutes from the February 17, 2014, meeting of the Brown County Housing Authority.

A. Nicholson made a motion to approve the minutes of the February 17, 2014, meeting of the Brown County Housing Authority. C. Goddard seconded. Motion carried.

2. Approval of the minutes from the March 20, 2014 meeting of the Brown County Housing Authority.

A. Nicholson made a motion to approve the minutes of the March 20, 2014, meeting of the Brown County Housing Authority. A. DeKeyser seconded. Motion carried.

COMMUNICATIONS:

R. Hallet formally introduced Kim Flom as the Community Development and Planning Director for the City of Green Bay. K. Flom made introductions and gave a brief background.

REPORTS:

3. Report on Housing Choice Voucher Rental Assistance Program:

   A. Preliminary Applications
   P. Leifker reported that there were a total of 125 Preliminary Applications collected during the month of March.

   B. Unit Count
   It was reported by P. Leifker that the Unit Count for the month of March 2014 was 2,915.

   C. Housing Assistance Payments Expenses
   As reported by P. Leifker, Housing Assistance Payments Expenses for the month of March 2014 were $1,144,124.

   D. Housing Quality Standard Inspection Compliance
   P. Leifker reported on the Housing Quality Standard Inspection Compliance report. In the month of March 2014, there were 397 inspections conducted, 208 of which passed on first inspection. Upon re-evaluation, 72 passed inspection and 91 failed. There were 26 no-shows during this time.

   A. Hartman inquired as to the definition of a "no-show." P. Leifker explained that in these instances, despite attempts to call the client or landlord while onsite for the inspection, no one is available to permit them entrance. On these occasions the inspector leaves a note and it is the client's responsibility to contact ICS to reschedule.

E. Program Activity/52681B (administrative costs, portability activity, SEMAP)
Y. Tice reported that there were 278 port-out vouchers in the month of March 2014, with an associated HAP expense of $217,806. ICS was under-budget by $5,747. The Family Self-Sufficiency Program (FSS) was under-budget by $948.

F. Family Self-Sufficiency Program (client count, escrow accounts, graduates, new contracts, homeownership)
N. Tiedt reported that in the month of March 2014, there were 68 Family Self Sufficiency clients, 28 clients with escrow accounts, zero graduates, and two new contracts. There were 63 homeowners participating in the program.

G. VASH Reports (active VASH, new VASH)
N. Tiedt explained that there were 20 VASH participants in the month of March 2014. During this time there were zero new contracts.

H. Langan Investigations Criminal Background Screening and Fraud Investigations
P. Leifker reported that there were five new Langan Investigations assigned for the month of March 2014. Six previous investigations were closed and two were still active. There were 187 new applications sent for background checks, of which 186 were approved.

A. Nicholson inquired if there were any new investigations declined, or if the five sent over represented the total amount of new investigations.

P. Leifker clarified that the total number of investigations had been sent over to Langan.

I. Background screening denial reports
P. Leifker reported on the reasons for denial of new applications. There was a variance in the reasons as given by Langan and ICS. The reason being Langan has access to broader investigatory resources. There were a total of six denials in the fourth quarter of 2013, and five denials in the first quarter of 2014.

J. End of Participation reports
P. Leifker explained that this report had been requested at the previous meeting. A breakdown on the reasons for end of participation was presented. The two most frequent reasons include voluntary termination (42 percent for the first quarter of 2014) and violation of family obligations (32 percent for the first quarter of 2014). For the fourth quarter of 2013, these numbers were 35 percent and 33 percent, respectively. Other reasons include late annuals, failed HQS inspections, expired vouchers, increases in income, deceased, unreported household members, criminal activity and port outs absorbed.

A. Hartman inquired if tenants were given ample warning before termination due to a late annual. P. Leifker explained that this was correct; the annual review process starts three to four months in advance, so there is ample warning.

T. Diedrick inquired if there was information on participants in the program who were cut off due to unpaid utilities. P. Leifker explained that instance would be represented as a family obligations violation.

K. Family breakdown reports
P. Leifker reported on the breakdown of active households on the program. The family breakdown reports indicated that most participants' head of household is elderly or disabled, at 52 percent for the fourth quarter of 2013, and 53 percent for the first quarter of 2014; and

households in which the heads are not elderly or disabled but does have earned income, which is at 40 percent for both quarters.

OLD BUSINESS:

4. Approval of revisions to Chapter 4 (Applications, Waiting List and Tenant Selection) of Administrative Plan

P. Leifker explained that several changes had been made to Chapter 4 of the Administrative Plan. The changes had been made in an effort to streamline and simplify the process. The current plan states that mail will be forwarded to the new address of applicants who have moved while on the waiting list. ICS is now seeking approval for this wording to be removed from the plan.

C. Goddard inquired if applicants are notified of the need to report changes of address. P. Leifker stated that on every letter the applicants receive there is notification that they must notify ICS of any changes to their living situation i.e. household composition, disability status, etc. Forms are available in the ICS lobby and website.

C. Goddard made a motion to approve the revisions to Chapter 4 of the Administrative Plan. A. Nicholson seconded. Motioned carried.

NEW BUSINESS:

5. Approval of Chapter 8 (Housing Quality Standards) of Administrative Plan.

P. Leifker reported that this was another proposal to a change to the current Administrative Plan. The proposal is to require carbon monoxide detectors in all units, which would ensure compliance with Wisconsin state law. ICS had HUD and received pre-approval for this change.

A. DeKeyser made a motion to approve the changes to the Chapter 8 Administrative Plan. C. Goddard seconded. Motion carried.

6. Review and approval of proposed Utility Allowances for Housing Choice Voucher Program, effective July 2014

It was explained by P. Leifker that the Utility Allowances were an annual calculation that are computed and made effective every July. ICS verifies the sources of utilities to analyze the average utility usage. Changes are proposed based on this data. He explained the changes this year are minimal.

A. Hartman inquired if the unusually harsh winter had affected the previous year's utility costs. P. Leifker responded that this was correct. The data indicated that oil costs had gone up considerably over the last year. Over the same period, electrical costs were down across the board.

A. Nicholson made a motion to approve the proposed Utility Allowance for the Housing Choice Voucher Program. C. Goddard seconded. Motion carried.

7. Discussion and possible approval to develop and release a Request for Proposals to Project Base Vouchers for rural housing and/or supportive housing opportunities

R. Hallet explained that this item had been placed on the agenda primarily because of two separate opportunities which made Project Based Vouchers desirable to different entities. The first was in regard to an owner of an apartment complex known as Senior Home in Pulaski, WI, who had previously had Project Based Vouchers with the Authority. According to the best information available, these units were originally Project Based in the year 2000. Due to incomplete information in the file, the exact term of the contract is unknown, but best available data indicates the Contract for this property has expired. According to HUD, the owner must therefore reapply if they would like to continue to project base the units. This necessitates another Request for Proposals.

R. Hallet the explained the details of the second opportunity: She had been contacted by a developer who wished to create permanent supportive housing in the City of Green Bay, specifically directed toward the homeless and those at risk for homelessness. The housing would include on-

site services, primarily for mental-health care. The developer expects between 24 and 40 units, which would help the community alleviate the problem of homelessness. The developer is seeking Wisconsin Housing and Economic Development Authority (WHEDA) tax credits. Having a commitment for Project Based Vouchers would increase the likelihood of being awarded the tax credits. Taken together, these two issues provide a good cause to put out a Request for Proposals.

A. Hartman inquired how many vouchers would be used at the Senior Home in Pulaski. R. Hallet replied that they previously had 14, although they may now be interested downsizing to 8 or 10.

C. Goddard asked if Project Based Vouchers meant that tenants would be able to afford rent based on a particular site. R. Hallet clarified that the difference between a PBV and a Tenant Based Voucher. The Tenant Based Voucher stays with the tenant as they move from one place to another and a Project Based Vouchers typically stay with the project. R. Hallet suggested that in the Request for Proposal, there could be indications specifically for rural housing and/or supportive housing opportunities.

A. Nicholson inquired about the definitions of the words "and/or supportive."

R. Hallet clarified that supportive housing would have supportive services integrated into the programming directly on site, specifically mental health. Her suggestion to make the RFP available for either or both rural housing and supportive housing was to streamline two potential RFPs into one.

A. Nicholson asked if the developer strictly wanted to place the project within the City of Green Bay.

R. Hallet responded that the developer believes that this type of project would best serve clients by being constructed in Green Bay where additional services are readily available.

A. Nicholson inquired as to the identity of the developer.

R. Hallet stated that the developer is Ted Matkom from Gorman and Company.

A. Nicholson asked if a site had been chosen for the project.

R. Hallet stated that a site had not yet been chosen.

C. Goddard inquired if the Authority would have some type of role in the project's programming besides supporting outreach.

R. Hallet indicated that the Authority would not be involved in the day-to-day management or provision of supportive services.

A. Nicholson inquired if the Authority had a choice between the two opportunities, or if they were a bundled package.

R. Hallet stated that the Authority could set it up any way desired. Both of the entities are serving different parts of the population; one is serving a rural area and one is serving people who need supportive housing. Her suggestion was to allow applicants to put in a bid based on preference between the two.

A. DeKeyser asked about the number of units in the supportive housing project.

R. Hallet reported that the developer had indicated between 24 and 40 units.

C. Goddard inquired if that number was also the number of Project Based Vouchers he would need.

R. Hallet replied that this was correct, it was her belief that he would want that many. There is a regulation that caps Project Based Units in a building at 25 percent, but there are exceptions when onsite supportive services are provided. The exact number of Project Based Vouchers the developer would request is not yet known.

C. Goddard asked how the agreement would be enforced once the developer is awarded the desired tax credits.

R. Hallet clarified that at the time of his application to WHEDA, the developer would only need confirmation from the Authority that it is willing to do the Project Based Vouchers and if the tax credits are awarded and the project progresses, a written agreement would be signed. This would take place before construction of the building.

C. Goddard inquired if the written agreement would coincide with how long the tax credits remained in place.

R. Hallet stated that there would be a time limit, but she was not familiar with how the timing coincided with the tax credit.

T. Diedrick stated that the idea of rural housing is attractive because the deconcentration has been a longstanding goal of the Authority.

R. Hallet expressed agreement and pointed out that Gorman and Company had not yet presented a building site for the project, but has indicated that the project would not be desirable outside of Green Bay.

A. Nicholson inquired if the developer was from the area.

R. Hallet replied that she knew he is Wisconsin-based, but he is not currently based in Green Bay.

A. Nicholson asked what would happen in a scenario where the developer received 40 units and only had enough Project Based Vouchers for 24. How would the remaining 16 be handled?

R. Hallet clarified that the remaining 16 units would be at market rate.

A. Nicholson asked how the voucher system worked with market rate units and if there were there any examples in the city that this arrangement could be compared to?

A. DeKeyser stated that the Flats on the Fox, an apartment complex by the corner of Main and Washington, have a similar arrangement. R. Hallet confirmed.

A. Nicholson inquired if the Flats had mental services on-site.

A. DeKeyser clarified that no, it does not.

A. Nicholson asked if there were any buildings that were directly comparable to the proposed project.

R. Hallet stated that the properties from which the tenants of the Port Plaza Towers had been relocated to are comparable; but, they are all project-based and none are at market rate.

A. Nicholson inquired where the developer was basing his information from.

R. Hallet stated that she was unaware of any particular data that he was basing the proposed project on, or if he was just aware of the discussions in the community about homelessness.

A. Nicholson stated that he would like to know if there was any data that the proposed project was based on and inquired if the developer was aware of what HOPE was attempting to do.

R. Hallet stated that she had not discussed HOPE with him.

T. Diedrick inquired as to the nature of the supportive services offered at the proposed project.

R. Hallet stated that the developer had indicated that the supportive services would be of the nature of mental health counseling, alcohol and other drug abuse counseling, job readiness and other similar services.

C. Goddard stated that the Authority could craft the RFP based on its preferences, and the developer could choose to submit a proposal or not.

R. Hallet inquired if the Authority would like her to move forward with publishing an RFP.

A. Hartman asked if given a situation in which some units are project based and some were at market rate, would all tenants have access to the support services?

R. Hallet stated that she would think so.

A. Nicholson and A. Hartman both expressed concerns that perhaps all tenants would not have access to the support services.

K. Flom inquired if the Authority wanted more information on the proposed project.

A. Nicholson stated that he agreed with the rural area project, but there was currently not enough information on the supportive housing project. Combining the project based units and fair market units are an item of concern, because there are no examples to look at. He expressed doubt that the City of Green Bay is in need of a project of this nature.

T. Diedrick agreed that more information was needed before the Authority could make a decision.

R. Hallet inquired if she should ask the developer to attend the next meeting. She could create an RFP for the rural housing project and hold off on the supportive housing project, depending on the Authority's decision.

A. DeKeyser inquired if there was a deadline on the RFP for the rural housing project.

R. Hallet stated that the project was not time-sensitive.

A Hartman asked how long a Project Based Voucher contract typically lasts.

R. Hallet stated that it could be created or up to 15 years.

A. Hartman stated her agreement with the rural senior housing, but she would like more information on the second project.

A. Nicholson made a motion to create an RFP for the rural housing opportunity. C. Goddard seconded. Motion carried.

R. Hallet inquired if she should ask Mr. Matkom to come back to a future meeting.

C. Goddard stated that the main question was if there was really a need for supportive housing in the community and they need to understand this first.

A. Hartman agreed, inquiring why he thinks we need this.

T. Diedrick stated that he would like to see some market research that indicates it is necessary.

R. Hallet stated that the Authority's questions would be best served by having the developer answer them directly.

T. Diedrick stated his agreement that asking the developer questions about the proposed project would be informative.

R. Hallet stated that she assumed the developer is aware of the homelessness issue that Green Bay is dealing with and that he is proposing a project with a high point-value with the tax credit system, which supportive housing would earn high points. She was not aware why the developer had chosen Green Bay over other cities. One explanation could be the upheaval of homelessness that the City had been dealing with.

A. Hartman clarified that the RFP for rural housing passed, and the project based supportive housing was still awaiting a decision.

A. Nicholson asked if the developer of the project based supportive housing could submit more information on the proposed project.

A. Nicholson made a motion to send the project based supportive housing project back to staff until further information is gathered. A. DeKeyser seconded. Motion carried.

8. Discussion and possible action regarding VASH Project Based Voucher opportunity

R. Hallet explained the VASH (Veterans Affairs Supportive Housing) opportunity. In February HUD released an opportunity for housing authorities to apply for VASH project based vouchers. The VASH vouchers used in Brown County to this point had not been project based; the tenants could use them anywhere. The BCHA now could use this opportunity with Cardinal Capital's upcoming Veterans Manor Green Bay. It was her judgment that the Veterans Manor Green Bay was a good fit for the VASH project based voucher opportunity. As with all VASH vouchers, it required that the veterans serviced are not subject to a background screening. Accepting VASH vouchers meant that veterans with any drug or violent crime activity must be allowed onto the program. This may be an issue for Cardinal Capital. Before addressing this opportunity with Cardinal Capital, R. Hallet was seeking the Authority's approval to apply for the VASH vouchers. The VASH voucher system is specifically designed for chronically homeless veterans. Statistical data indicated that there were 18 chronic homeless veterans identified in Brown County in 2013. This is an indication of a need for VASH vouchers. R. Hallet's initial recommendation was to apply for 10-15 VASH vouchers, as this would serve the majority of the 18 chronically homeless veterans.

A. Nicholson inquired if the VASH vouchers strictly served veterans and where the veterans would be staying.

R. Hallet replied that this was correct and that she intended to apply for these vouchers specifically for us at Cardinal Capital's Veterans Manor facility.

A. Hartman inquired when construction on the facility would be completed.

R. Hallet stated that Cardinal Capital planned on closing on the property in July and starting construction immediately thereafter. They anticipate completion in summer 2015.

A. Nicholson asked where the location of the facility will be.

R. Hallet stated that it will be near where the old mental health facility on St. Anthony Drive.

A. Hartman inquired if it would be located near the new VA clinic. R. Hallet replied that this was correct.

C. Goddard stated that acceptance of VASH funding disallowed background checks. However, if tenants behave poorly, can they be removed from the program?

R. Hallet replied that this was correct.

N. Tiedt also explained that tenants who violate rules can be terminated from the program.

R. Hallet stated that with the VASH vouchers, veterans work closely with a VA a case manager.

A. Hartman asked if the Authority moved to apply for VASH vouchers, would the vouchers wait to go into effect until the building is constructed.

R. Hallet replied that this was correct. That support was needed from the Veterans Administration, for which she was awaiting response.

A. Nicholson made a motion to approve the action regarding VASH Project Based Voucher opportunity. C. Goddard seconded. Motion carried.

INFORMATIONAL:
9. Update on Fraud recovery efforts

R. Hallet reported on the funds recovered from the Tax Refund Interception Program (TRIP). She stated that the Authority had recovered a total of $38,000 so far for the year 2014. A number of delinquent accounts had been paid off completely.

T. Diedrick voiced his approval of this process as a fraud-recovery tool.

BILLS:
S. Schmutzer reported on bills for the month of March, 2014.

R. Hallet inquired about a payment of $809. S. Schmutzer clarified that that particular payment was due to a tax interception that had to be returned to the former client because her debt to the BCHA had previously been discharged through bankruptcy. Per HUD regulation, housing authorities cannot collect on fraud payments if they were discharged in bankruptcy.

A. DeKeyser made a motion to accept and place on file. C. Goddard seconded. Motion carried.

FINANCIAL REPORT:
S. Schmutzer reported on the financials for the month of March, 2014. She explained that HUD will soon start taking back PHA-held reserves. They are also saying that checks will have to be cut for these amounts, so the Authority may see a check for this in the near future, but the amount is yet unknown. On a positive note, the BCHA had received a proration covering 99.7 percent of HAP expenses.

A. Hartman inquired if S. Schmutzer could estimate how much funding HUD would take back.

S. Schmutzer replied that it could be between $750,000 and $1,000,000, but she explained HUD has been over and under paying us in varying amounts lately, so at this point, she doesn't know what HUD is going to do.

Y. Tice clarified that HUD runs a quarter behind and we may have requested money from our HUD-held reserves, but they don't take that into consideration when they do the calculations for the next quarter.

A. Nicholson made a motion to accept the March 2014 financials. C. Goddard seconded. Motion carried.

STAFF REPORT:
R. Hallet reported that C. Androsky would be pursuing other opportunities and would be exiting his role as Housing Intern. R. Hallet thanked him for his contributions to the BCHA.

A. Nicholson made a motion to adjourn. C. Goddard seconded. Motion carried.

Meeting adjourned at 4:02.

ca:rah:jd