MINUTES
BROWN COUNTY HOUSING AUTHORITY
Monday, January 19, 2015, 3:00 p.m.
City Hall, 100 N. Jefferson Street, Room 604
Green Bay, WI 54301

MEMBERS: Tom Diedrick—Chair, Ann Hartman—Vice Chair, Corday Goddard, and Sup. Andy Nicholson

MEMBERS ABSENT: Adam DeKeyser

OTHERS PRESENT: Robyn Hallet, Kim Flom, Stephanie Schmutzer, Matt Roberts, Patrick Leifker, Nicole Tiedt, and Sadie DiNatale

APPROVAL OF MINUTES:

1. Approval of the minutes from the December 15, 2014 meeting of the Brown County Housing Authority.

A. Nicholson made a motion to approve the minutes from the December 15, 2014, meeting of the Brown County Housing Authority. A. Hartman seconded. Motion carried.

COMMUNICATIONS:

2. Letter from Department of Housing and Urban Development dated December 9, 2014, regarding the award of six additional VASH Vouchers.

R. Hallet communicated that the BCHA received a letter from the Department of Housing and Urban Development dated December 9, 2014, regarding the award of six additional VASH Vouchers.

3. Letter from Department of Housing and Urban Development dated January 8, 2015, regarding CY 2015 Funding

R. Hallet communicated that the BCHA received a letter from the Department of Housing and Urban Development dated January 8, 2015, regarding CY 2015 Funding. She highlighted several points of interest in the letter: The HAP funding is at 100 percent with no proration this year, which is very good. There is a new category for the HAP set aside adjustment which can be applied for each year; this new category is for vouchers issued in the last part of calendar year 2014, which is important as the BCHA was issued additional VASH vouchers late in 2014. Furthermore, this year there will be no offset for renewal funding, whereas in recent previous years HUD offset the reserves of Housing Authorities who had too much in reserves. Lastly, the letter states that Administrative Fees are going to have a proration between 73 and 74 percent.

REPORTS:

4. Report on Housing Choice Voucher Rental Assistance Program:

   A. Preliminary Applicants
   P. Leifker reported that ICS collected 119 preliminary applications for the month of December 2014.

   B. Unit Count
   P. Leifker stated that the unit count was 2,904 for December of 2014.

   C. Housing Assistance Payments Expenses
   P. Leifker indicated the HAP expenses were $1,090,063 for December of 2014.

D. Housing Quality Standard Inspection Compliance
P. Leifker reported that 244 units passed the first evaluation, 54 passed re-evaluation, 107 failed, and there were 28 no-shows.

E. Program Activity/52681B (administrative costs, portability activity, SEMAP)
S. Schmutzer stated that Yvette Tice was excused from the meeting. M. Roberts stated that Integrated Community Solutions will follow up with this information.

F. Family Self-Sufficiency Program (client count, escrow accounts, graduates, participation levels, new contracts, homeownership)
N. Tiedt reported that there were 74 active participants for December 2014. Regarding participation levels there were 47 participants in level one, 18 participants in level two, seven participants in level three and two participants in level 4. However, N. Tiedt stated that sometimes a level four will remain a while longer in the program if they are currently enrolled in school.

T. Diedrick asked how much further the two participants in level four have to go in the program. N. Tiedt stated that they are extremely close to graduation.

N. Tiedt continued with the reports stating that there were four new contracts for December of 2014. There was one graduate in December. For escrow accounts, there are 36 open accounts. There are 62 homeowners on the program.

G. VASH Reports (active VASH, new VASH)
N. Tiedt reported that there were no new VASH Voucher recipients in December of 2014 and there were a total of 18 active VASH voucher holders.

H. Langan Investigations Criminal Background Screening and Fraud Investigations
P. Leifker reported that in December of 2014, there were two new investigations assigned, five previous investigations closed, and two investigations still being active. Only one application has been processed thus far, which was from Green Bay and has been approved. The fraud investigation broken down by Municipality for December of 2014 includes six within Green Bay and one in Bellevue.

P. Leifker stated that four cases were denied by Langan that were not previously denied by ICS as Langan was able to find information from sources that Integrated Community Solutions cannot access.

I. Quarterly Active Cases Breakdown Report
P. Leifker reported the breakdown of active case loads by type stating that 52 percent of our active case loads have a head of household who is elderly or disabled, 37 percent have a head of household who is not elderly or disabled but they do have an earned income, seven percent have a head of household who is not elderly or disabled or have an earned income but they do have children in the household, and 2 percent have a head of household who is not elderly or disabled, has no children, and is not working.

J. Quarterly End of Participation Report
P. Leifker reported the breakdown of fourth quarter terminations. There were 114 port outs absorbed. Two additional areas with an extensive amount of terminations were for violation of family obligations and voluntary terminations.

A. Hartman asked if the data for port out absorbed terminations were typical for the end of the year. P. Leifker confirmed her inquiry that this was typical.

K. 2014 End of Participation Report.
P. Leifker reported the end of year report for End of Participations, noting that again the biggest categories were port out absorbed, violation of family obligations and voluntary terminations.

OLD BUSINESS:
None

NEW BUSINESS:
5. Approval of revisions to Chapters 5 (Briefings and Voucher Issuance) and Chapter 17 (Project Based Vouchers)

P. Leifker discussed the revisions to Chapter 5, titled Briefings and Voucher Issues. The revision is in regards to Suspensions of Voucher Terms where the word "not" will be removed from the policy: "When a request for Tenancy Approval and proposed lease is received by the PHA, the term of the voucher will not be suspended while the PHA processes the request". Removing "not" will benefit the client in that if they submit a Request for Tenancy Approval, the time on their voucher will stop. If a client submits a Request for Tenancy Approval, it may take upwards of two weeks to process their RTA. As the policy currently stands, the client would not get those two weeks back on their voucher if their RTA is denied, or for another reason the unit cannot be approved. By removing the "not", the client would be able to take the two weeks that their case was on hold and add that time to the end of their voucher timeline, giving them more time to find a different unit.

A. Nicholson asked to have that explanation restated. P. Leifker elucidated, that a client is given a specific amount of time on their voucher. The current policy states that during the time when a client is being evaluated to determine whether they qualify for portability or housing quality standards, for instance, that client is still using their voucher time. ICS proposes that the Authority does not hold the client accountable for the time it takes to process the case, if the case ends up being denied.

A. Nicholson inquired why "not" was in the policy to begin with. P. Leifker stated that he wasn't here when the policy was created and there was not any record or documentation for why it was originally there.

A. Nicholson asked what the benefit would be to keep the policy the way it is. P. Leifker stated that there was no benefit of the original policy to ICS's understandings. R. Hallet stated that a potential reason of having this original policy was to speed up the transition of tenancy; if one client was expected not to work out one may think that it would be best to provide the voucher to another client that might work out better. Nevertheless, it would make more sense to provide the client with an extra week or two rather than to start all over with a new client.

T. Diedrick asked whether the Authority would like to make a motion regarding this chapter or wait until the next chapter was discussed. The Authority decided to wait to hear the revisions of the next chapter before making a motion.

R. Hallet continued with the agenda item by discussing revisions made to Chapter 17, titled Project Based Vouchers. The model Administrative Plan from Nan McKay & Associates was used to make revisions to the current BCHA Administrative Plan. In addition, the revised areas also include sections where the Housing Authority had adopted language that was different than Nan McKay & Associates' Plan.

Accordingly, R. Hallet verbally discussed a summary of revisions made to Chapter 17 on a page by page basis.

A. Hartman asked a question about the language regarding termination of HAP for tenants in wrong sized or accessible units (page 44). A. Hartman inquired whether the family, who is living in a wrong

sized or accessible unit due to a change in household, has to be looking for a new house to more appropriately meet the family's current needs. R. Hallet stated that the PHA will offer the family another form of assistance that is not a tenant-based voucher, and if the family does not accept the offer, does not move out of the PBV unit with a reasonable time as determined by the PHA, or both, the PHA must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by the PHA and remove the unit from the HAP contract.

A. Nicholson asked R. Hallet what floor rent was, referring to the revisions made on page 51 and 52 of Chapter 17. R. Hallet stated that in situations where the Fair Market Rent decreases per HUD regulation, then the rent determined by the PHA may have to additionally decrease. In this instance, it may be helpful for the BCHA to establish a floor rent, to prevent rent from decreasing too low. R. Hallet went on to recommend that the BCHA would not establish a floor rent to avoid possible errors when Fair Market Rent decreases.

A. Nicholson proposed to hold off approving the revisions to allow the Authority time to review each revision. A. Nicholson additionally asked if there was a rush on needing to approve the revisions. R. Hallet stated that it was Cardinal Capital who wanted these revisions as they expect people to begin applying to live in Veteran's Manor soon. Nevertheless, R. Hallet stated that the Authority may wait to approve changes until a later meeting as Cardinal Capital has not inquired further about the revisions.

R. Hallet stated that she will email the Authority with the Chapter 17 revisions which will give additional time to for Authority members to call in or email any questions they may have.

A. Nicholson additionally had a question regarding RFP advertising in which R. Hallet stated that she could answer that question easily right away. The question was in regards to page six of Chapter 17. R. Hallet stated that the BCHA has to specifically state where RFP proposals will be advertised. The other change was the frequency at which an advertisement has to be published. The original policy is not a HUD regulation and so R. Hallet proposes condensing the amount of advertisement for RFPs. R. Hallet also wanted to speed up the process of when proposals were due, changing the policy from 30 calendar days to 7 calendar days.

A. Nicholson asked what the RFP's would be for. R. Hallet stated that it could be for new construction or rehab or for existing properties but this specific policy is in regards to landlords competitively bidding for project based vouchers.

A. Nicholson asked another question regarding provisions to exceptions for the 25 percent project cap on page 14 and 15 of Chapter 17. R. Hallet explained that in projects that are not specifically for elderly or disabled, and if the property is not a single-family building, then there is a cap to how many units within that project that can be project based. This is to encourage mixed-use so that a project is not all low-income people. In addition to the exemption for projects that are designated for elderly or disabled, there is also an exemption for a project if the families are receiving supportive services. The housing authority or landlord does not have to provide supportive services; they can connect the family with other services in the community but they would have to monitor the family to ensure they are using said supportive services.

A. Hartman stated that she would like to hold off on approving these revisions for one month. M. Roberts asked if it would be possible to go ahead and approve Chapter 5 today and only hold off on approving Chapter 17 until next month.

A motion to approve revisions made to Chapter 5 was made by C. Goddard.

A. Nicholson asked why these two items were not separated on the agenda. R. Hallet stated that on past agendas, items of this nature were not separated as multiple items but in the future this format could be changed to reflect separate items.

C. Goddard's motion to approve revisions to Chapter 5 was seconded by A. Hartman. Motion carried.

A motion to table the discussion and to wait to approve Chapter 17 for another month was made by A. Nicholson which was seconded by C. Goddard. Motion Carried.

INFORMATIONAL:

6. Collection of repayments for non-fraud overpayments through TRIP

R. Hallet reminded the Authority that the BCHA has been collecting overpayments for fraud through the TRIP program. However, there are some cases that are not fraud but rather errors in calculation where tenants must repay certain amounts. These cases were not previously being collected through TRIP but in recent discussion with ICS it was decided to additionally collect these debts through TRIP as well. Since TRIP collections must be with a governmental agency, BCHA rather than ICS is responsible for these collections.

S. Schmutzer additionally stated that HUD has a very broad definition of fraud which allows the BCHA to use TRIP for a variety of debt collection activities.

7. Upcoming Audit by the HUD Office of Inspector General

R. Hallet stated that the BCHA is well underway with the audit. HUD's Office of Inspector General has done a risk analysis of all Housing Authorities in our region and has therefore determined that the BCHA would need to be audited. The first phase is considered a survey phase in which they review various components of program administration. If there are no errors in any of these components then the BCHA would not progress to the next stage which is the actual audit. If there are errors, only the particular components with the errors would be audited within the next stage.

T. Diedrick asked what the risk factors were that would determine if a PHA was at a "high risk". R. Hallet stated that one of the biggest factors is how much funding the PHA receives and how large of an area the Authority serves.

T. Diedrick asked R. Hallet to keep the Authority informed in which R. Hallet confirmed.

A. Hartman asked how long this audit process will take. R. Hallet stated that the survey phase will take approximately two months and if proceeding to the audit phase, the audit will take approximately four to six months. The likelihood of progressing to the audit phase is a 50/50 chance.

BILLS:

S. Schmutzer stated that checks were cut on December 30, 2014, so that there would not be as many accounts payable for the current calendar year.

A motion was made to approve the bills of December of 2014, by A. Nicholson which was seconded by A. Hartman. Motion carried.

FINANCIAL REPORT:

S. Schmutzer stated that she provided a Preliminary Trial Balance on the financial report. This year ICS's monthly financials will be added to the BCHA financial reports on a monthly basis, making the accounting process much easier as reviews can be made monthly as opposed to trying to catch errors on a yearly basis.

STAFF REPORT:

8. Date of next meeting: February 16, 2015 (Joint BCHA/ICS Board Meeting)

T. Diedrick stated that the next meeting will be a joint meeting with BCHA and ICS board members.

R. Hallet lastly mentioned that the letter to legislatures that had been prepared to address portability of vouchers was sent and an acknowledgement letter was received from legislative members. A phone conference is currently scheduled with one legislative member.

C. Goddard made a motion to adjourn, seconded by A. Nicholson. Motion carried. Meeting adjourned at 4:02 pm.

sd:rah:jd