

**ANN ARBOR HOUSING COMMISSION
REGULAR BOARD MEETING
October 24, 2007
MINUTES**

The meeting took place in the AAHC Conference Room, 106 Packard, Ann Arbor, MI 48104. Chairperson *Parent* convened the meeting at 6:04 p.m.

ROLL CALL: Commissioners present: David Parent, Alan Levy, Dwayne Seals and Deborah Gibson
Commissioner absent: James Jackson.
Staff Present: Elizabeth Lindsley, Felicia Epps, Weneshia Brand, and Mirada Jenkins.
Guests: Steve Kunselman, Nehemiah Thomas, Elmira Collins, Amer Almaamar, Tabitha Harris, Harry Stacy, Monica Martin, Tina Herman, Jessica Smith and Rhonda Cuykendall

I. **APPROVAL OF AGENDA** - Commissioner *Gibson* moved and Commissioner *Levy* supported to approve the agenda. The Agenda was approved 4-0.

II. **PUBLIC COMMENTARY** - *Thomas*: is there a contingency plan concerning wheelchair bound residents in the event of a fire? *Lindsley*: the Fire Dept. has access to a knock box that identifies disabled residents. *Thomas*: would officers know of disabled residents units from the outside of building? *Lindsley*: no, the officers are not aware. *Parent*: revisiting an emergency evacuation plan should be implemented soon. *Thomas*: evacuation should be practiced annually. *Smith*: the Commission should perform federal background check for criminal histories on potential residents. *Lindsley*: the Commission is currently exploring several background screening vendors.

III. **APPROVAL OF MINUTES**

1. **Regular Board Meeting – August 15, 2007 and September 26, 2007.** Commissioner *Levy* moved, Commissioner *Gibson* supported, to approve the minutes of August 15, 2007. The motion passed unanimously, 4-0. Commissioner *Gibson* moved, Commissioner *Levy* supported, to approve the minutes of September 26, 2007. The motion passed unanimously, 4-0.

IV. **NEW BUSINESS**

B. Resolutions.

1. **Resolution FY08-05: To Disband, Invalidate, and Dissolve the Ann Arbor Housing Commission Subcommittee: Asset Management.** – Commissioner *Gibson* moved, Commissioner *Levy* supported. *Gibson*: the asset management model has been implemented; therefore, the subcommittee is no longer needed? *Lindsley*: the subcommittee can have a continuing role of evaluation. *Levy*: a six and twelve month review can be scheduled without continuing a subcommittee. *Parent*: there are several areas that may be evaluated. *Gibson*: can the subcommittee continue with a different purpose? *Lindsley*: it will no longer be a subcommittee; at a six-month interval it will become a discussion item. *Parent*: the subcommittee has served its purpose. The motion passed unanimously, 4-0.
2. **Resolution FY08-06: To Approve Change Order #1 for ABC Paving Company for Additional Work \$10,618.74.** – Commissioner *Levy* moved, Commissioner *Seals* supported. *Lindsley*: the commission proposed to split the bill into a change order and a purchase order. The motion passed unanimously, 4-0.
3. **Resolution FY08-07: To Approve Change Order #1 for First Contracting for \$-7,822.** – Commissioner *Levy* moved, Commissioner *Gibson* supported. *Lindsley*: the change order is to eliminate the roof repair at S. Seventh and N. Maple, which will allow additional roof repair through a separate contractor. The motion passed unanimously, 4-0.
4. **Resolution FY08-08: To Approve FY08 Agency Wide Budget, under Asset Management Model.** – Commissioner *Levy* moved, Commissioner *Gibson* supported. *Lindsley*: HUD did not provide the forms, but the budget must be submitted to receive funding. *Levy*: what was HUD's response? *Lindsley*: last year after REAC inspections we were deemed troubled, which required us to submit a budget; their response was to submit our budget immediately. The process requires electronic submission with a deadline of 12/15/07, but the web-based software just recently became available. *Seals*: why was there a decrease in the fund balance? *Lindsley*: it is a result of changed financial reporting and we have 50% more depreciation than funding. *Seals*: the understanding of where the money is going is unclear. *Lindsley*: there is an explanation in this month's report and next month's audit and financial report from Andy Zenk. *Seals*: where did the savings come from? *Lindsley*: there wasn't literally a savings. *Parent*: what period does this budget cover? *Lindsley*: July 1, 2007 to June 30, 2008. *Seals*: questions the financial report. *Parent*: Betsy, please explain the retained earnings. *Lindsley*: the agency incurred a \$300K hit in 2006 resulting from a utility allowance adjustment, rental rate impact and short funding for the first six months of the calendar year. *Seals* – it seems the commission received additional funding. *Lindsley*: the agency is not 100% fully funded, HUD distributes funding on a calendar year, yet the agency operates and reports on a fiscal year. *Parent*: the last 5-6 years funding has been in the low 80% with higher cost, in addition to HUD's mandate to Asset Management; retained earning is below HUD guideline for reserves. *Levy*: HUD provided no funding for the mandated transition. *Lindsley*: the large equity from the consolidated financial report is restricted S8 HAP funds. *Seals*: questions the number of staff added. *Lindsley*: four staff persons were

added. *Seals*: question the total number of staff. *Lindsley*: twenty-four. *Seals*: the cut allowed an addition of three employees? *Lindsley*: operating subsidy from HUD should increase, but benefit cost increased. The Asset Management model required additional staff. *Parent*: all line items have been reviewed and cuts were made to areas that allowed it. *Seals*: pay cuts and layoffs are always a concern. *Parent*: the current budget doesn't foresee additional cuts or layoffs. *Seals*: what percentage of pay was cut? *Lindsley*: 15 – 18%, but some employees received a promotion when bidding for positions. *Seals*: does the agency petition HUD? *Parent*: Nahro petitions on behalf of Housing Authorities. *Kunselman*: in previous years did the City contribute more than \$60K to AAHC? *Lindsley*: no, AAHC previously competed for \$30K, now the City awards AAHC \$60K annually. *Kunselman*: can the commission create a resolution to present to council? *Lindsley*: yes. *Parent*: the restructure was less radical than the alternative: separation from the city. *Lindsley*: some authorities privatize and contract jobs for both administrative and maintenance. The motion passed unanimously, 4-0.

- 5. Resolution FY08-09: To Approve Award of Contract to Maycock Construction Co. in the Amount of \$50,000 for Concrete Paving Replacement at North Maple Estates.** Commissioner *Gibson* moved, Commissioner *Levy* supported. *Lindsley*: Maycock is a minority owned business that has worked for PHA's of southeast Michigan and was the lowest bidder. *Kunselman* – are the repairs to public sidewalks? *Lindsley*: no, the sidewalks are internal. *Parent*: are these funds from a previous project that was over bid? *Lindsley*: yes, these are remaining funds from the parking lot repair of last year. *Gibson*: is the City responsible for the sidewalks at Miller Manor? *Lindsley*: ultimately, the commission is responsible. *Kunselman*: was the commission charged for the park repairs? *Lindsley*: no. *Gibson*: was there any additional determining factor for selection of the contractor. *Lindsley*: Maycock is familiar with the Davis Bacon wage report. The motion passed unanimously, 4-0.
- 6. Resolution FY08-10: To Amend the Section 8 Payment Standard.** Commissioner *Gibson* moved, Commissioner *Levy* supported. *Parent*: was there a change in the percentage? *Lindsley*: no, only to comply with HUD fair market rents. *Jenkins*: the effective date is December 1, 2007. *Parent*: does HUD accept this procedure? *Jenkins*: yes, HUD stipulates the procedure must be stated in the regulations. *Parent*: how often is the payment standard reviewed? *Lindsley*: annually. The motion passed unanimously, 4-0.
- 7. Resolution FY08-11: To Approve Revisions to the Section 8 Administrative Plan.** Commissioner *Gibson* moved, Commissioner *Levy* supported. *Jenkins*: the revision derived from contradictions between the software, agency plan, and administrative plan. *Parent*: is this just an update and clarification? *Jenkins*: yes. *Parent*: regarding the format of the document; are the preferences listed in order of importance. *Jenkins*: no. *Parent*: the format and language of the document remains unclear. *Lindsley*: the resolution may be tabled. *Parent*: does item E, simply change the time frame from 14 calendar days to 10 business days? *Jenkins*: yes, to consider holidays and also to clarify the eligibility of extensions. The motion to table passed unanimously, 4-0.

- 8. Resolution FY08-12: To Approve Tenant Account Receivables (TAR) Write-off.** Commissioner *Levy* moved, Commissioner *Gibson* supported. *Levy*: how did the first party reach a \$3,200 balance? *Lindsley*: the agency agreed to a payment agreement as opposed to wage garnishment. *Seals*: inquires of retro rent. *Lindsley*: previous rent charges that were determined by recertifications as family composition/income changed with a specified effective date. The motion passed unanimously, 4-0.
- 9. Resolution FY08-13: To Approve Transfer of New Construction Funds to Purchase Ford Focus.** Commissioner *Gibson* moved, Commissioner *Levy* supported. *Lindsley*: other staff persons will use the vehicle and liability of personal vehicle use has been considered therefore, the commission asks to use New Construction reserves for the purchase. *Levy*: purchase of another vehicle is needed. *Seals*: are cars or truck taken home and how many vehicles are there in total? *Lindsley*: no, and we have seven trucks and one car. *Gibson*: attests to current parking issue at Miller Manor. *Lindsley*: arrangements can be made. *Levy*: will there be an insurance increase? *Lindsley*: yes, nominally. The motion passed unanimously, 4-0.
- 10. Resolution FY08-14: To Approve Contract for Roof Replacement with Cefai Builders, Inc. \$26,500.** Commissioner *Gibson* moved, Commissioner *Levy* supported. *Lindsley*: the references for the contractor were good and their experience includes two PHA's and Detroit. The motion passed unanimously, 4-0.
- 11. Resolution FY08-15: To Award Contract for Snow Removal Service.** Commissioner *Gibson* moved, Commissioner *Levy* supported. *Lindsley*: the bids were competitive, the pricing was per push and fixed seasonal rates; the fixed rate was selected, as it seemed most cost effective. *Seals*: why was it decided to use three different companies? *Lindsley*, ultimately it reduced cost. *Parent*: the assessment was made at the property level as opposed to the AMP level? *Seals*: did you entertain a quantity discount if one contractor did all sites? *Lindsley*: that was never considered, but will be entertained for future bids. *Parent*: is each manager is responsible for communication with contractors? *Lindsley*: yes. The motion passed unanimously, 4-0.
- 12. Resolution FY08-16: To Approve Contract with Exelon for Alternative Gas Provision: Baker Commons and Miller Manor.** Commissioner *Levy* moved, Commissioner *Gibson* supported. *Levy*: will the City complete an analysis? *Brand*: yes, from three years of historical data and the city continues to compare cost with DTE to assure the most cost effective decision. The motion passed unanimously, 4-0.
- 13. Resolution FY08-17: To Approve Revisions to the Public Housing Admission and Continued Occupancy Plan (ACOP).** Commissioner *Levy* moved, Commissioner *Gibson* supported. *Lindsley*: the revision derived from

inconsistencies with the software, administrative plan and the agency plan. *Levy*: suggest that S8 uses the same model as PH. *Parent*: why is the preference called Former Federal Preference. *Lindsley*: the language was taken directly from the agency plan. *Parent*: please explain the rank and weight process? *Lindsley*: each preference holds the same weight, but are ranked by order of importance. *Gibson*: please explain the working preference? *Lindsley*: the applicants that work thirty hours or more have precedent over those who do not. The motion passed unanimously, 4-0.

C. Discussion Items:

- 1. Capital Needs Assessment** – *Parent*: propose to table the item. The motion passed unanimously, 4-0.

V. OLD BUSINESS.

A. Discussion Items. None

VI. COMMISSIONER SUBCOMMITTEE REPORTS.

A. Asset Management –Parent/Lindsley. - None

B. Personnel – Jackson/Levy. – *Levy*: a discussion for an evaluation of the Ex. Dir should be added to the November agenda. *Parent*: the discussion should be a closed session item.

C. Financial – Betsy Cornellier. Included in packet

VII. COMMISSION REPORTS.

A. Executive Director – two employees were terminated; one was a probationary employee and the other exhausted all paid time off and is at a step three-grievance process. The commission hasn't received the New Construction funding and PH has low reporting rate. *Parent*: has the commission posted the two positions? *Lindsley*: the two positions will be posted next Tuesday. *Seals*: explain the exhaustion of paid time off. *Lindsley*: in eleven years of service the employee maintained a low or zero balance for paid time off. *Parent*: was HR assisting in the termination process. *Lindsley*: yes, HR was consulted, particularly regarding the long-term employee. *Parent*: request that B. Cornellier provide a narrative report for the financials. *Lindsley*: PH reporting rate dropped below 95%, which will result in decrease funding. Would the board be interested in a CD Affordable Needs survey presentation? *Parent*: it can be added as a discussion item for next November.

B. Section 8 Housing Programs Manager – *Jenkins*: staff is at 100% of recertifications with the exception of the staff person who was terminated. PIC errors were high due to software issues, EIV is low and MTCS is at 98%. The confirmatory review determined that with documenting processes and determining factors that create paper trails on clients, the commission should obtain a standard review rating in FY08.

C. PH Site Managers – Included in packet

D. Security Report – Included in packet

VIII. ADDITIONAL PUBLIC COMMENTARY – *Elmira Collins*: attests that several residents including her contact the police in cases of emergencies. Monica and Tabitha have made improvements to the community. *Amer Almaamar*: previously individuals participated in loitering and violent behavior, but the community has been peaceful lately. *Tabitha Harris*: there are other residents concerned about issues at Maple Meadows and it is unfair for Metzger to accuse

Monica and myself for the issues. *Harris*: continues to question the September minutes and inquires the response from Metzger concerning drug activity. *Brand*: some discussion items must be discussed in a closed session. *Harris*: reiterates her frustration with the response from the commission. *Tina Herman*: the site has improved and Tabitha doesn't cause any problems at Maple Meadows, there continues to be some noise disturbances. *Matthew Stacey*: the children engage in noise disturbances. *Harry Stacey*: the police should patrol both at night and in the day. *Monica Martin*: the commission was informed of the party at a residents unit, though it is unsure whether the police were informed, more action should have been taken. There are other residents (names will be omitted from the minutes) that engage in criminal activity that remain in public housing. *Martin*: a printout of Maple Meadows boundary lines is being distributed, complaints have been put in writing, given to the manager, but there was no response, complaints have been filed against Peace Neighborhood Center and it is suggested that Maple Meadows is made an discussion item on the agenda.

IX. ADJOURNMENT

The meeting adjourned at 9:16 p.m.

Commissioner David Parent, Chairperson

Elizabeth Lindsley, Executive Director