



**ROCKFORD HOUSING AUTHORITY
BOARD OF COMMISSIONERS**

**Regular June Meeting
Minutes**

Thursday June 21, 2018

Present: Karen Hoffman, Vice Chair
Jeff DiBenedetto, Commissioner
Jamie Sanchez, Commissioner
Ken Oliver, Commissioner

Staff: Tim Horning, RHA Legal Counsel
Angel Mackey, Executive Assistant

Absent: Laura Snyder, CEO

The meeting was called to order at 4:16 p.m.

MINUTES:

Commissioner DiBenedetto moved that the RHA Board of Commissioners accept the minutes from the Special meeting held May 17, 2018, Commissioner Sanchez seconded the motion.

Ayes: DiBenedetto, Sanchez, Oliver, Hoffman

Nays:

MOTION APPROVED

QUESTIONS/COMMENTS FROM THE AUDIENCE

Note:

The Rockford Housing Authority invites comments from our audience, limiting each individual to three minutes. We do, however, refrain from discussion of personnel issues and grievances. The RHA offers to respond to all questions, if provided in writing, regarding sensitive or inappropriate discussion issues. When addressing the Board of Commissioners, please provide your name and the topic of discussion.

Karen R.

Is upset that people can't get her building and it secure at night. The doors are not locked at night and the call-in board is not currently working. Delivery people are not able to get into the building so people are not receiving their packages with is their medication. Some of the people don't like to have to come out of their house. She would like the board to have RHA get this door fixed. The board will talk to Laura about this issue.

CEO REPORT

Laura Snyder, CEO Written Report

Management

- At the suggestion of commissioner DiBenedetto, we have researched the cost of supplying a tablet or laptop for all commissioners to allow ease of access to RHA related items. After reviewing all options, pricing, and feedback from some of the commissioners, we have ordered iPads for all commissioners. Internet access for these devices will be the responsibility of each commissioner. All iPads should be in stock and ready for assignment at the next board meeting.
- Jerry Lumpkins has been invited and accepted the invitation to our board meeting on Thursday, June 21, 2018. At this time, Mr. Lumpkins will be honored for his time spent with the RHA and presented with a gift.
- Candidate Meet & Greets for all public offices up for election this November, have been scheduled for all developments and will begin on Tuesday, June 12.
- A Father's Day Cookout is being hosted by Mr. John Brantley at our North Main location on Thursday, June 14, at 3:00 pm.

Site Operations and Occupancy

Occupancy as of 6/5/18

- Brewington: 44%
- Fairgrounds: 96%
- Olesen: 100%
- North Main: 99%
- Park Terrace: 98%
- Scattered Sites East: 93% West: 94%
- Blackhawk: 93%

- Inspections at Scattered Sites have been completed and all findings transferred to a spreadsheet. I will be working with our Operations Manager, Procurement, and Finance to determine how repairs will be schedule and from what source the funding will come.

HCV

- HCV remains in High Performer status.
- Along with commissioner Hoffman, RHA HVC manager, Sybil Mueller, and I meet with Alan Zais, of the Winnebago County Housing Authority (WCH) on Thursday,

May 24, 2018, to discuss a project-based unit owned by WCH and administered by RHA. This unit is located in S. Beloit and was previously identified as an “opportunity area” and designated as part of the Regional Housing Initiative. Over the past year, RHA has struggled to find applicants that were willing to move to this area, although, WCH would submit resident applications to RHA that showed interest in this location, once processed and provided a listing of all available project-based units, the applicant would choose a different location. This unit remained vacant for more than six months. With this vacancy, Alan requested that RHA pay HAP payments to WCH outside of the regulation amount of two months rent, for a total amount of \$2,250. After reaching to HUD to ensure our staff was properly interpreting the regulation, RHA denied this request. Also, in response and to assist in this matter, RHA created an RHI waitlist, adopted this waitlist into the Admin Plan along with other changes, in our most recent update of the plan in March of 2018, with board approval. After several conversations, email exchanges, and board involvement, as a show of good faith and continued partnership, I have agreed to pay WCH the requested \$2,250 from COCC funds with board acknowledgment.

- We are not in any way obligated to pay this amount as our staff has remained within regulation and procedure while processing applications for this location. However,
- staff time dedicated to resolving this issue has gone well beyond the dollar amount requested. At this time, it would be more economical to pay the requested amount and address the unit location during our combined work with Econometria to create the RHI program. The Landlord meeting is scheduled for Friday, June 22, 2018 at 9:00 am. We anticipate several landlords in attendance and have invited Prairie State Legal to present on Fair Housing and the Winnebago County Health Department to discuss their Lead Base Paint Abatement program.
- We will be making payment to WCH this week for the 712 ½ Salmon address. If there are any objections to this payment coming from COCC funds, please advise.

Finance

- With the full RAD conversion of Orton Keyes and partial conversion of Fairgrounds, this year’s audit requires information from Gorman’s financial team. Although our auditing and financial teams are working closely with Gorman’s financial team, we are not in control of when this information will be received, and Gorman is not able to provide a solid date of receipt. Therefore, to avoid missing our deadline, we have requested a sixty-day extension for submittal of our 2017 year-end audit. The HUD field office has acknowledged this request, and we are awaiting a response. With this, the audit will not be presented at the June board meeting and when presented, will be presented after submission. The audit does not require board approval before submission, however, it has been RHA’s historical practice to present to the board before.
- The delay in submitting the audit generates a need to retain John with Nan McKay for another 30 to complete the audit.
- Budget packets have been sent to all property management teams to begin 2019 budget projections.

- Capital Fund meetings have been scheduled for all properties to review capital needs and plan for the 2019 capital funds.
- Capital Fund, funding for 2019 has been increased from the originally awarded, 3.2 million to 4.3 million.

Development – Procurement

- We have received the technical assistance response from Mr. Patel, of the SAC team at the Chicago regional office, for the Brewington Section 18 application. All comments have been submitted to EMG for review and response. Once the review is complete, a conference call will be scheduled to discuss.
- A conference call was held with Erik Standstedt of HUD last Friday to discuss the PNA (Physical Needs Assessment) for Brewington Oaks. Andrew Hupp, contracted engineer responsible for the PNA, is doing a final scrub of the numbers this week while our staff verifies the “down” units at Brewington Oaks. We are scheduled for another follow up call on Friday, June 15, 2018.
- Procurement is working on the RFP for a development consultant and a development partner for the completion of Fairgrounds. It is our goal to put the RFP for a consultant out prior to the developer. This will allow us to utilize the selected consultant for selecting the next developer.

OCCUPANCY REPORT

Operations, Tara Taylor

*Total Occupancy including Brewington 85%

*Total Occupancy excluding Brewington 97%

- The numbers have climb a little bit, RHA realized there were quite a few delinquencies with Scattered Sites,
- Commissioner Hoffman inquired if any evictions have affected our number, she has some concerns about Blackhawk.
- Tim explained to Commissioner Hoffman that evictions will always affect your occupancy number
- Tara explained to the board that even if someone is under eviction for delinquent rent, RHA tries to work with the tenant on a repayment plan with the resident to try to help the resident stay in the unit and avoid the eviction. Tara explained the Angelic units that are off line are affecting Blackhawks occupancy. RHA is still working with Angelic who has until August 1st of 2018 to find funding.
- Fairgrounds has offer letters that went out, that came back undeliverable.

SECURITY REPORT

Housing Policy Manager

- Christine responded to the board about the board at North Main Manor which is currently in the works to be fixed, she also addressed the issue that was brought up about the doors. She explained to the board that all doors are locked and require a key card for entry.
- Karen Hoffman asked if there was an incident at Fairgrounds
- Sargent Sanders explained to the board that there was no incident at Fairgrounds complex but there was an incident at the Fairgrounds pool which would be the park district

FINANCE REPORT

Taip Asani, Finance Director

- John went over the financials on page 10-23 of the board packet
- John Sykes Went over the 2017 Audit we hit some snags with the audit which is due next due to Gorman's Auditors not submitting their portion on time.
- Auditors predict they could be done by mid-July
- RHA has requested a waiver from HUD
- RHA has also requested SVA to conditionally submit/certify, they are considering this option

GORMAN REPORT

Julie Neibarger

- **Orton Keyes Redevelopment**
June 2018 Construction Progress Update: Full Completion is scheduled for the End of November 2017.
- **Fairgrounds Valley Apartments - Phase I/The Grove At Keith Creek**
June 2018 Update: Construction activity has been completed, and all COs have been issued by the City. Lease-up of RAD Conversion units began on August 2, with the receipt of the signed HAP Contract from HUD. Achievement of conversion to permanent financing is expected on or before June 30, 2018. This will release all remaining capital installments and fees to the development team. See final Closing Draw Package Attached.
- **Fairgrounds Valley Apartments - Phase II & III**
June 2018 Update: Planning for the remaining phases are ongoing. The temporary hold on the RAD award will provide the Housing Authority with the best options moving forward, and Gorman will be presenting its options at an upcoming Board Meeting. The decision to move forward with a new RFP for the remainder of the Project will identify all resources that might be available and can be leveraged to achieve the highest quality product and execution.

The Grove
Final Sources and Uses for Permanent Conversion
As of June 15, 2018

Sources

a. Equity-BC	\$8,478,926.00
b. Cash on Hand	\$24,743.27
c. Perm Loan	\$1,500,000.00
d. Equity-MM	<u>\$100.00</u>
Total	<u>\$10,003,769.27</u>

Uses

e. Reserve – Operating	\$169,732.00
f. Reserve-RE Tax/Ins	\$30,331.49
g. Tax Credit Fees	\$12,000.00
h. Interest – Citi Bridge	\$35,110.28
i. Interest – Citi Perm	\$433.34
j. Relocation	\$27,446.16
k. Lender Fees	\$13,160.96
l. Legal Fees	\$22,293.89
m. Permits/Fees by Dev	\$1,525.00
n. RE Taxes	\$16,755.67
o. Title Work	\$13,375.00
p. Developer Fee	\$109,220.22
q. Citi Bridge Payoff	<u>\$9,552,385.26</u>
Total	<u>\$10,003.769.27</u>

Resolution #2018-17

RESOLUTION THAT THE RHA BOARD OF COMMISSIONERS award a contract extension in the amount not to exceed \$17,219.00 for (30) additional days to Nan Mckay & Associates to complete the Financial Audit

Commissioner DiBenedetto moved that the RHA Board of Commissioners award a contract extension in the amount not to exceed \$17,219.00 for (30) additional days to Nan Mckay & Associates to complete the Financial Audit
, commissioner Sanchez seconded the motion.

Ayes: Commissioners: DiBenedetto, Sanchez, Oliver, Hoffman
Nays: None

MOTION APPROVED

RHA COMMISSIONERS:

RHA and the Board of commissioner recognized former RHA Chairman Jerry Lumpkins and presented him with a service award. Jerry Lumpkins spoke briefly to the board and RHA employees giving thanks and offering assistance if ever needed.

At 5:35 pm Commissioner Hoffman moved that the RHA Board of Commissioners approve to go into closed session to disscuss personel issues, Commissioner DiBenedetto seconded the motion.

Ayes: Commissioners: Hoffman, DiBenedetto, Sanchez, Oliver

R.A.B – RESIDENT ADVISORY BOARD

AUDIENCE:

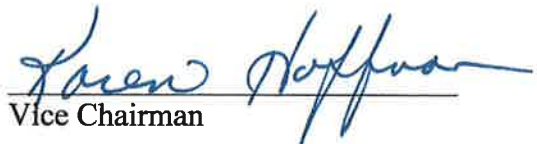
At 6:17 p.m. with no future business, Commissioner DiBenedetto, made a motion to adjourn. Commissioner Sanchez seconded the motion.

Ayes: Commissioners: DiBenedetto, Sanchez, Oliver, Hoffman
Nays: None

MOTION PREVAILED



Board Secretary
/ls


Vice Chairman