



Asheville Housing Authority Commission Meeting Minutes December 13, 2017

I. Work Session

The work session was held at the Central Office starting at 4:11 pm. The following Commissioners were present: Chair Lewis Isaac, Member James Canavan, Member Jennifer Pickering and Member Raynetta Waters. The following Commissioners were absent: Member Cassandra Wells.

Lewis Isaac opened the work session by introducing agenda item #2; authorization of CEO to approve a voluntary partial buy-back of employee PTO balances in December at 50% of the value. He reminded the other board members that this was brought before the board last year for approval as well.

David Nash discussed agenda item #3; authorization for the CFO to transfer prior year surplus cash in the amount of \$1,028,600.00 from the RAD properties to the Surplus Cash Fund. He explained that the Housing Authority has to use its RAD revenues cover operations and put money aside for replacement reserves, but surplus cash after those expenses are covered can be distributed to the Housing Authority used for any purpose. This money will be utilized where needed in the future for capital improvements not budgeted elsewhere, possibly for guarantees to investors associated with the Lee Walker Heights redevelopment project, and could be used as a reserve fund for a self-funded health plan. The Housing Authority plans to transfer this money to a separate account.

David Nash discussed agenda item #4; authorization for the CFO to transfer \$2,798,500.00 from Surplus Cash to HACA's affiliated non-profit, Asheville Housing Development Services, Inc., to fund HACA's contributions to the Lee Walker Heights project. David explained that these funds are surplus cash received from Asheville Terrace, with approval from the Asheville Assisted Housing, Inc. Board, to serve as most of the \$2.9 million that the Board has previously approved as HACA's contribution to the Lee Walker Heights redevelopment project. These funds are being transferred to a non-profit affiliate that will focus on development projects going forward.

Jay Gurney discussed agenda item #5; authorization for CFO to transfer \$100,000.00 from COCC Net Revenues to Business Activities to fund a new affordable housing unit to be built in collaboration with the Green Opportunities YouthBuild Program. Jay explained that the Housing Authority is partnering with GO to build three to five homes on a lot we own adjacent to the Edington Center. He is working with the city to get the site plan approved. The YouthBuild grant will allow youth to be trained in construction trades through on the job training on this project.

Shaomin Li discussed agenda item #6; authorization for CFO to transfer \$167,140.22 from COCC net reserves to HACA's internal Eastview account to repay funds borrowed internally in the past. She explained that this action is the completion of internal accounting payables and receivables. Some of those were written off at the last meeting, but this money will be paid back to the Eastview program, which will be used to help with homeownership opportunities for our residents.

Shaomin Li discussed agenda item #1; approval of amendment #2 to the 2017 agency-wide operating budget. She explained that this amendment is based upon better information actual year-to-date numbers agency-wide. She explained, for example, that it is normal to budget a 3% vacancy allowance, however the actual vacancy loss is less than 2%, which results in approximately \$124,000 in increased revenue. The administrative expense budget decreases by \$270,000. The utilities will decrease approximately \$200,000. For capital outlays, the budget is being increased to cover a fence at Aston Park, camera upgrades and a new van at Pisgah View, a roof for Board Room, and Edington Center cameras and auditorium planning. These projects were \$76,000 more than originally budgeted.

David Nash discussed agenda item #8; approval of 2018 agency-wide operating budget. He explained that all Lee Walker Heights units are included as RAD units as of January 2018. HAP funds are expected to increase from \$18.1 million this year to \$19.4 million next year. The budget includes preventive maintenance positions that will be filled this coming year. Central Asheville includes more protective services to expand security guard hours at Aston Park Tower. Capital outlays include \$150,000 toward a new community facilities at Deaverview, and \$200,000 from the COCC toward the Edington Center auditorium.

Lewis Isaac discussed agenda item #11; authorization of CFO and HCV Director to establish a Landlord Mitigation Fund to help retain and recruit landlords, by covering up to \$1,500 in damages beyond normal wear and tear caused by tenants participating in the tenant based voucher program, using prior year HCV Admin Free funds not to exceed \$75,000. He explained that HCV staff met with landlords and they voiced concerns about the potential of tenants leaving property in bad shape. Gene Bell explained that we were having difficulty finding new landlords to participate in the program. This fund is intended to help rectify that problem and assist with increasing landlord participation.

The work session ended at 4:48 pm.

II. Regular Meeting - Call to order

Chair Isaac called to order the regular meeting of the Board of Commissioners at **5:00 pm on December 13, 2017** at the **HACA Central Office, 165 S. French Broad Ave., Asheville, NC 28801**. Teresa Jenkins conducted the roll call. The following Commissioners were present: Chair Lewis Isaac, Vice Chair Cassandra Wells, Member James Canavan, Member Jennifer Pickering and Member Raynetta Waters.

III. Approval of minutes from last meeting

James Canavan made a motion, seconded by **Raynetta Waters**, to approve the minutes. The Commissioners unanimously approved the minutes of **October 25, 2017**.

IV. Bills and Communications

Shaunda Sandford acknowledged Chavaun Letman for her accomplishments working with the Family Self-Sufficiency Program.

David Nash presented on the Lee Walker Heights project and walked through the plans and layout of the property design. He announced that we could hear results regarding funding for Lee Walker Heights in January or early February. The property will have 212 units; 96 of these units will continue to be deeply subsidized by RAD project based vouchers to house the current residents and new residents from our waiting list. The other units will be affordable to residents earning less than 60% of area median income (currently \$33,120 for a family of three). Relocation of current residents to other RAD developments will likely begin in summer and conclude by fall to begin construction, which is projected to be completed sometime in 2020.

V. Report of the Secretary

a) **Asheville Housing Properties**

Noele Tackett reported the monthly Asheville Housing Properties occupancy report submitted with the board package.

b) **Asheville Housing Vouchers**

Brandy Woodard reported monthly Asheville Housing Voucher report submitted with the board package.

c) **Family Self-Sufficiency**

Lindsey Creasman reported the monthly Family Self-Sufficiency participation submitted with the board package.

Karolina Hopkins provided an overview of the highlights for the Family Self-Sufficiency Program. She announced that on November 2nd a listening session was held in Deaverview to discuss the new community center. Another group will be working on a community garden in Deaverview. Also, a new GED class will be offered in Deaverview. She also announced that FSS had developed a new partnership with Bolton to hire residents and provide them with apprenticeship training opportunities. On Tuesday, December 19th FSS will host Holiday BINGO for the Aston Tower residents.

d) **Financial Report**

Shaomin Li presented the monthly financial report as submitted with the board packet. She briefly reviewed the budgets for each property sector. Overall, the revenues and expenses continue to be consistently ahead of budget. She explained that Pisgah View received insurance proceeds to cover the costs to repair the damage from the fire several months ago, and these funds have skewed the revenues agency-wide. Most of the expenses for that project will be incurred next year. As a whole the organization continues to be in good financial standing.

e) **Edington Center**

Shuvonda Harper provided the report for the Edington Center. She introduced Mr. Harris and thanked him for his assistance maintaining the gardens at the Edington Center. She reported on the successful Thanksgiving dinner that was held at the Edington Center for the community. She also announced that a Homework Club is being offered at the Edington Center. This is geared toward college readiness. Volunteers come in and sit with the kids and offer homework assistance. Also, the Edington Center now provides a book library at the front of the building.

f) **Residents Council Report**

Shuvonda Harper provided the report for the Resident Council. In connection with the Thanksgiving dinner for the community, the Resident Council delivered more than 500 meals to members of the community. She announced that Toys for Tots would be picked up and distributed with the assistance of FSS. Next year the Resident Council will continue to focus on increasing resident involvement.

g) **Property Management Report**

No report this month.

VI. New Business

1. Approval of Amendment #2 to the 2017 Agency-Wide Operating Budget.

Shaomin Li requested approval for the amended 2017 agency-wide operating budget. She explained that the budget was amended to better reflect the actual revenues and expenses.

James Canavan made a motion, seconded by **Raynetta Waters** to approve amendment #2 to the 2017 agency-wide operating budget.

The Board voted as follows:

AYE

Mr. Lewis Isaac

Ms. Raynetta Waters

Mr. James Canavan

Ms. Jennifer Pickering

NAY

Ms. Cassandra Wells

2. Authorization for the CEO to approve a voluntary partial buy-back of employee PTO balances in December at 50% of value (one hour of pay for every two hours of PTO), up to a maximum of \$1,000 per employee.

Gene Bell explained that each year Housing Authority provides staff with an option to participate in the buy-back program, and receive partial payment for unused PTO. He requested authorization to approve this program again this December.

Jennifer Pickering made a motion, seconded by **Raynetta Waters** to approve a voluntary partial buy-back of employee PTO balances in December at 50% of value, up to a maximum of \$1,000 per employee.

The Board voted as follows:

AYE

Mr. Lewis Isaac
Ms. Raynetta Waters
Mr. James Canavan
Ms. Jennifer Pickering

NAY

Ms. Cassandra Wells

3. Authorization for the CFO to transfer prior year surplus cash in the amount of \$1,028,600.00 from the RAD properties to the Surplus Cash Fund.

David Nash explained that RAD properties had a \$1.3 million in surplus cash at the end of 2016. The Housing Authority is proposing to distribute 75% to a separate account for reinvestment in our RAD properties, to assist with guarantee obligations for the Lee Walker Heights project, or potentially for a self-funded health plan.

Raynetta Waters made a motion, seconded by **Cassandra Wells** to authorize for the CFO to transfer prior year surplus cash in the amount of \$1,028,600.00 from the RAD properties to the Surplus Cash Fund.

The Board voted as follows:

AYE

Mr. Lewis Isaac
Ms. Cassandra Wells
Ms. Raynetta Waters
Mr. James Canavan
Ms. Jennifer Pickering

NAY

4. Authorization for the CFO to transfer of \$2,798,500.00 from Surplus Cash to HACA's affiliated non-profit, Asheville Housing Development Services, Inc., to fund HACA's contributions to the Lee Walker Heights project.

David Nash explained that the Board previously committed \$2.9 million to Lee Walker Heights. These funds will cover most of that contribution. They were transferred from Asheville Terrace, and we are transferring them to a new non-profit development affiliate.

Jennifer Pickering made a motion, seconded by **James Canavan** to authorize the CFO to transfer of \$2,798,500.00 from Surplus Cash to HACA's affiliated non-profit, Asheville Housing Development Services, Inc., to fund HACA's contributions to the Lee Walker Heights project.

The Board voted as follows:

AYE

NAY

Mr. Lewis Isaac
Ms. Cassandra Wells
Ms. Raynetta Waters
Mr. James Canavan
Ms. Jennifer Pickering

5. Authorization for the CFO to transfer \$100,000.00 from COCC Net Revenues to Business Activities to fund a new affordable housing unit to be built in collaboration with GO YouthBuild program.

Jay Gurney explained that the Housing Authority is partnering with GO to build houses near the Edington Center. The Housing Authority will be using these funds to purchase the materials and pay for specialists for the first house to be built in that project. Licensed HACA staff will manage the project. The YouthBuild program provides learning opportunities in the construction field. Upon completion, the YouthBuild homes will become affordable rental units for the community.

James Canavan made a motion, seconded by **Cassandra Wells** to authorize the CFO to transfer \$100,000.00 from COCC Net Revenues to Business Activities to fund a new affordable housing unit to be built in collaboration with GO YouthBuild program.

The Board voted as follows:

AYE

NAY

Mr. Lewis Isaac
Ms. Cassandra Wells
Ms. Raynetta Waters
Mr. James Canavan
Ms. Jennifer Pickering

6. Authorization for the CFO to transfer \$167,140.22 from COCC Net Revenues to HACA's internal Eastview account to repay funds borrow internally in the past.

Shaomin Li explained that this is a continuation of internal account reconciliation requested during the previous board meeting. This approval will pay back money to the Eastview program, for homeownership opportunities.

Cassandra Wells made a motion, seconded by **Raynetta Water** to authorize the CFO to transfer \$167,140.22 from COCC Net Revenues to HACA's internal Eastview account to repay funds borrow internally in the past.

The Board voted as follows:

AYE

NAY

Mr. Lewis Isaac
Ms. Cassandra Wells
Ms. Raynetta Waters
Mr. James Canavan
Ms. Jennifer Pickering

7. Approval of the 2018 Board Meeting Schedule

Lewis Isaac presented the proposed 2018 Board Meeting Schedule. The schedule was developed to allow residents and members of the community opportunities to attend meetings.

Jennifer Pickering made a motion, seconded by **Raynetta Water** to approve the 2018 Board Meeting Schedule.

The Board voted as follows:

AYE

NAY

Mr. Lewis Isaac
Ms. Cassandra Wells
Ms. Raynetta Waters
Mr. James Canavan
Ms. Jennifer Pickering

8. Approval of 2018 Agency-Wide Operating Budget.

David Nash presented the 2018 agency-wide operating budget and explained that there was a 2% increase in revenue to the RAD properties. Budget includes 5 new positions for preventive maintenance technicians. A reduction in overhead fees in Central Asheville allows for more security at Aston Tower to help control access to the property and ensure safety of the residents. We are also setting aside \$150,000 in Deaverview to fund community facilities, and \$200,000 for the Edington Center auditorium.

James Canavan made a motion, seconded by **Raynetta Waters** to approve the 2018 Agency-Wide Operating Budget.

The Board voted as follows:

AYE

NAY

Mr. Lewis Isaac
Ms. Cassandra Wells
Ms. Raynetta Waters
Mr. James Canavan
Ms. Jennifer Pickering

9. Approval of 2018 Replacement Reserve Budget.

Jay Gurney presented the proposed 2018 Replacement Reserve Budget. He explained the line items outlined in the budget and shared the projected cost for each project per property.

Raynetta Waters made a motion, seconded by **Jennifer Pickering** to approve the 2018 Replacement Reserve Budget.

The Board voted as follows:

AYE

NAY

Mr. Lewis Isaac
Ms. Cassandra Wells
Ms. Raynetta Waters
Mr. James Canavan
Ms. Jennifer Pickering

10. Authorization for the CEO to grant 10 hours of supplemental leave time to be used only in 2018 for each employee who has agreed to donate at least 1 hour of pay per month (or 1% of total salary) to the United Way Campaign.

Gene Bell explained that he would like approval to grant 10 hours of leave to be used in 2018 for each employee that agrees to give their Fair Share contribution to the United Way Campaign.

Cassandra Wells made a motion, seconded by **James Canavan** for the CEO to grant 10 hours of supplemental leave time to be used only in 2018 for each employee who has agreed to donate at least 1 hour of pay per month (or 1% of total salary) to the United Way Campaign.

The Board voted as follows:

AYE

NAY

Mr. Lewis Isaac
Ms. Cassandra Wells
Ms. Raynetta Waters
Mr. James Canavan
Ms. Jennifer Pickering

11. Authorization for the CFO and HCV Director to establish a Landlord Mitigation Fund to help retain and recruit landlords, by covering up to \$1,500 in damages beyond normal wear and tear caused by tenants participating in the tenant based voucher program, using prior year HCV Admin Fee (Unrestricted Net Position) funds not to exceed \$75,000.

Brandy Woodard explained that HCV held focus groups earlier in the year, and this was one of the ideas provided by one of the landlords. The established fund will hopefully increase landlord participation. She will be working to develop the procedures and guidelines.

Jennifer Pickering made a motion, seconded by **Raynetta Waters** to authorize the CFO and HCV Director to establish a Landlord Mitigation Fund to help retain and recruit landlords, by covering up to \$1,500 in damages beyond normal wear and tear caused by tenants participating in the tenant based voucher program, using prior year HCV Admin Fee (Unrestricted Net Position) funds not to exceed \$75,000.

The Board voted as follows:

AYE

Mr. Lewis Isaac
Ms. Cassandra Wells
Ms. Raynetta Waters
Mr. James Canavan
Ms. Jennifer Pickering

NAY

VII. Unfinished Business


None.

VIII. Public Comment

Mr. Harris is a member of the community and also assists with maintaining the gardens at the Edington Center. He shared that this is the 3rd year of the garden at Edington, and for some reason this year they've had a big problem with the ground hogs ruining the garden. He has asked that the Housing Authority think about some ideas to assist with garden preservation.

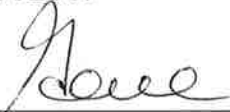

IX. Adjournment

There being no further business to come before the Board, the meeting adjourned at 6:08 pm. The next meeting will be held at Hillcrest Apartments, 100 Atkinson Street, Asheville, NC 28801 on Wednesday, January 24, 2018.



Lewis Isaac/Chair

ATTEST:

Gene Bell, Secretary