

Board Meeting September 26, 2019

Fayetteville Housing Authority

Meeting Minutes

I. **Call to order**

Commissioner Terry called to order the regular meeting of the Fayetteville Housing Authority Board of Commissioners at 6:00 p.m. on September 26, 2019 at City Hall Room 111, 113 West Mountain Street Fayetteville AR.

II. **Roll Call**

The following commissioners were present: Lucky McMahon, Mellissa Terry, and Ezra Breashears. Also, in attendance: Executive Director, Angela Belford, Deputy Director, John Berry, Director of Housing, LaTonia George, Guest Speaker Mitch Minnick, Executive Director of the Fort Smith Housing Authority, and members of the public

III. **Old Business**

Approval of minutes from the August regular board meeting August 29, 2019. Commissioner Terry moved to table the approval of the minutes until the October Meeting, Commissioner McMahon second the motion, all voted in favor.

IV. **Guest Speaker**

Guest Speaker: Mitch Minnick, Fort Smith Housing Authority Executive Director, has been on the HA team for 10 years. Spoke about what the Fort Smith Authority has done over the last 15 years. Worked with the city to develop home ownership of a low-income buyer.

In 2005 the FSHA strived to diversify the housing available in Fort Smith. FSHA hired an out of state developer, they demolished 176 units, replaced with 172 new units, a combination of duplexes as well as single family units. Tax credits were provided by the state, the city provided streets, 34% of the money was from private dollars. In 2003-04 the FSHA created a Central Office Cost Center (COCC) using an asset management model. COCC takes all the administration cost under one cost center, this allows for flexibility. By creating the COCC, funds become more local; HUD is not involved as much in the process. COCC allows for the flexibility to pursue low income tax credits, and a non-profit development company was set up to handle in-house projects. FSHA is willing to work with other HA's to develop their property. FSHA builds projects using internal staff to be the developers. FSHA has developed a non-profit construction company; they have built 3 different subdivisions. Long term they have developed 288 duplex/4 plex's for elderly and disabled populations. These projects fall into 3 buckets: work for HA, work for non-profit partners, work for private individuals. The FSS program (Family Self Sufficiency) helps

people to become self-sufficient by developing an escrow account for working their way out of government assistance. One participant received a \$24,000 when she graduated from the program; HUD provides the money that is placed into escrow.

FSHA has a homeless preference program and they award one voucher a month to a participant party. Riverview Hope Campus takes a holistic approach, with a vision of putting help within the reach for low-income families and individuals by offering homeless services, a dorm, full kitchen, cafeteria, laundry, and community partners room. RHC offers client access to services they may need. RHC wants to expand in the future to serve more individuals. By applying for 25 mainstream vouchers, they can assist more homeless individuals. Preference is given to people experiencing homelessness or nearing homelessness.

FHSA continues to seek further affordable housing options. One path is to look for abandoned homes, demolish the existing structure and rebuild on the property, or renovate the structure. Currently have 30 lots for single family dwellings. By renovating blighted homes, they not only provide needed housing but there is the added benefit of the homes being back on the tax rolls-property taxes. Over the next 5-10 years, FHSA expects to continue to grow the program and grow voucher funding.

FHSA purges their waiting list once a year, before the last purge there were over 1000 on their list. Their purge process includes sending out letters to update information, if the letter is not answered, they purge them from the voucher waiting list. FHSA territory is Sebastian County.

FHSA has the capacity for in-house construction, they have a team complete project. FHSA Employs local sub-contractors to complete the work. They are willing to help other housing authorities develop their construction program, sharing best practices.

FHSA goal is to help the community. FHSA Development fee structure is a shared fee proposition, sharing the profits with the developer. As FHSA moved forward and gained more experience with development, they got a larger percentage of the profit/fees. FHSA's development company has a general contractor and 2 project managers to manage and advise on projects. Executive Director Minnick, commented that there is resources on HUD website, including a CPD Calculator used to calculate if an applicant meets the qualifications. Executive Director Minnick commented that the Arkansas Housing Trust fund is setup, but not funded by the legislature.

V. Continuation of old business

1. Resolution #1173 – Authorization to extend Cell Phone Tower Lease

Executive Director Belford had a discussion with the Fayetteville City Attorney, Kit Williams about a new potential shorter-term AT&T lease, she also discussed it with the city's IT department. City Attorney Williams indicated that the lease doesn't expire until 2022. In the future AT&T could abandon the site. They presented several options, the advantage to lump sum is the Executive Director Belford has received authorization from HUD to use the lump sum for the non-profit. The options are to vote on the resolution or table it for the future. Can vote on it, or table it. Commissioner Terry asked that the resolution wait until next meeting to

receive input from the commissioners not present at this meeting. Commissioner McMahon would also like to wait. Commissioner Terry moved to table the resolution, Commissioner McMahon seconded the motion, all voted in favor.

2. Resolution #1176 – Procurement Policy

Discussion: Executive Director Belford indicated to change the procurement policy it would need board approval (not required by State or Federal law). Executive Director Belford-last month the board discussed raising the procurement amount from the current limit of \$25,000 to \$75,000. FHA's attorney reviewed the procurement policy considering the State of Arkansas change in policy, raising the amount to \$75,000 that requires three sealed bids. Currently Section 17 requires board to approve contracts over \$25,000. FHA's attorney indicated that two options exist: 1 remove the need for board approval; 2 raise the limit to match the State of Arkansas, in this instance \$75,000. Commissioner Terry asked for clarity of the Procurement Policy. Executive Director Belford said that Section 17, required the board to approve expenditures over \$25,000, she then gave 2 recent examples where she had brought contracts for approval (pest and security) because according to the policy it had to be brought before the board, per policy. Executive Director Belford also explained that since the board approves the budget, they are basically approving the purchases. FHA's attorney advised that the board could remove the need for approval or raise to match the State of Arkansas. Commissioner Terry commented the city limit is \$19,999.99 above that it must be brought to the city council. Executive Director Belford indicated that 2 years ago the limit was changed to \$75,000 to match state procurement policy. Commissioner Terry still likes the policy of bringing it forward for transparency sake; if it has already been approved as part of the budget, it shouldn't be a problem to get board approval. Commissioner Breashears sees no burden, if they need to approve over \$25,000. Executive Director Belford explained that it would have to be brought to the next board meeting and may take over 4 weeks to gain approved. Commissioner Terry indicated that a special board meeting could be called if an unforeseen cost or special need arises, for an expenditure over \$25,000. Commissioner Terry stated if it becomes too cumbersome especially with FHA development, the board can change the policy in the future. Commissioner Terry believes it gives better public accountability by keeping the \$25,000 limit; additionally, she believes it builds a better policy for those that come after the current board. Commissioner Terry "there is a great story to tell about the money saved by the Executive Director negotiating contracts, by having to have it approved by the board, it gives visibility to the citizens". Commissioner Terry moved to leave section 17 as is. Commissioner McMahon suggested to look at other HA to see what they have in place. Commissioner Terry amend her motion, recommend section 17 stays as is until a revision is deemed necessary, by the board. Motion was seconded by Commissioner Breashears, and all voted in favor. Commissioner McMahon asked if it could be brought up at the next meeting when all commissioners are present, Commissioner Terry indicated it could be added to future agendas.

3. Discussion of by-law changes

Executive Director Belford reported that this needed to be discussed when all commissioners are present. The change involved the removal of commissioners, and how this occurs.

VI. NEW BUSINESS

1. Commissioner Terry asked to suspend the agenda and move to the public comment period to accommodate the daughter of a Hillcrest Towers resident. The daughter expressed concern about repairs needed in her mom's unit after renovation, and concerns that these repairs were adding to her mom's delicate health condition. Executive Director Belford assured the daughter and the board that the issue would be taken very seriously and addressed quickly. Commissioner Terry thanked her for bringing this to the board's attention.
2. Resolution #1181 – Personnel Policy
 1. Executive Director Belford, "last month the board had an opportunity to look over the personnel policy, something that the board had asked executive director to complete; FHA's HR company took the handbook and policy and added ADA, FLSA requirements and all additional items that needed to be added. The greatest change is FHA currently has vacation and sick time; proposing moving this to PTO (Paid Time Off) where employees have the flexibility. Current policy allows you to accumulate a large amount of sick time, the change to PTO would allow staff to accumulate/carry up to 2 years. Currently we pay out vacation and sick time, HR consultants indicated that companies who separate the 2, usually only pay out vacation". Executive Director Belford indicated that Commissioner Bensinger mentioned last month "more and more people moving to PTO, this has a positive effect of healthier people because they are not working all the time and gives them flexibility". At the board's direction, Executive Director Belford had been asked to see what the staff thought, the staff gave a 100% approval. Shared the whole 55 pages of the policy so staff could comment via the survey.
 2. The other major change to the policy is the removal of the 90-day waiting period for staff to qualify for holiday pay and allow them to use their PTO starting day one. The current policy states that you can't use sick, vacation or holiday until you have been at FHA for 90 days. FHA has hired many new people, including the new Deputy Director that this affects. If a holiday falls during the 90 days staff is docked for this, the upcoming months have many paid holidays. Executive Director Belford and the HR Consultant are advocating for day one. Staff starts accruing time day one, if you give proper two weeks' notice and leave, FHA pays the staff member for the time accrued, so FHA should start allowing staff to use their accrued time. Commissioner Terry appreciated that the staff had been surveyed and if the staff was good with it, she was as well. Executive Director Belford reminded them that you accrue it from day one, and per each pay period. Commissioner Breashears asked will it cost any more, the answer was "no" as they are currently accruing from day one. They just can't access it. FHA's current handbook states, if you give notice you receive a pay out of both sick and vacation when you leave the employment of FHA. Deputy

Director Berry shared from previous experience PTO was preferred and helped recruit a diverse work force. Commissioner Terry moves to approve resolution 1181 to update the personnel policy. Commissioner McMahon seconded the motion. All voted in favor.

3. Resolution #1188 – Approval of Morgan Manor Outdoor Security Camera Project
Executive Director Belford walked Morgan Manor with the police department community liaison; the officer asked for the tree to be trimmed, crepe myrtle trimmed, and 3 large stands of grass to be cut. Commissioner Terry indicated that the grass was fennel and part of the community garden project from Willow Heights, maybe Ameri-Corp can harvest or transfer to Appleseed or to Hillcrest Towers. The Officer discussed range of security cameras. The Officer wanted cameras placed to see when people came into property, front end and when they left the back end.
Executive Director Belford learned through training that the state bid policy for procurement allows the state bid for the cameras; the state has already negotiated the best prices on products. So, FHA can call Graybar in Springdale and receive cameras at 20% of the cost using the state bid. A Samsung expert came and walked the property with the police and the Executive Director, they suggested camera placement and the need to add LED lights. The Officer also recommended the addition of motion lights for front and back doors for extra safety and security. Commissioner Terry “has an energy audit been conducted on Morgan Manor”, the answer was yes, there has been an energy efficiency test done. SWEPCO indicated they could put up lights and light poles but not allowed add security cameras to the poles so that is not a workable alternative to FHA placing the poles. The City of Fayetteville may be able to get poles at a good price as they purchase many poles. Cameras will be placed in multiple areas pointing in multiple directions to better secure the area. Need internet access to the box that controls the feed to transmit the information. For full coverage, before trenching and the cost of the poles it is approximately \$80,000, proposal is in the packet. Completing Morgan Manor camera project first, will be a good test; FHA has applied for a grant for cameras for the other three properties, Morgan Manor is not eligible for the grant. There is money in the operations account to do complete the security camera project. Commissioner Terry asked if there a way to do this, where that the kids who lives there, feel they are in a comfortable zone? This is really a good idea; it helps alleviate some of the problems. Can they add benches and move playground equipment away from the road? This is your place we are not just staring at you. Can the AmeriCorps move the equipment? Do both projects together to add to the living experience, increase safety and a place to hang out. Lot of kids in the complex, allow kids the freedom.” Executive Director Belford “can they add basketball hoops at the appropriate height on the new poles, poles add value to the living experience?” Executive Director Belford indicated there will need to be trenching to the poles. Cameras in both directions will add better coverage to the area. Commissioner Terry “why do we need electricity; can we use solar?” Solar currently does not provide enough power for the cameras. Commissioner Terry add battery efficiency is increasing so please review. Mr. Belford “high quality needs CAT 5 cable, wireless won't get a good signal and allow all of the cameras to function at once”. Executive Director Belford will explore solar as an option. The recording system keeps the information for 4 weeks, it is

motion activated, so doesn't record all the time. Commissioner Terry wants the residential environment to make a safe place, but not a surveillance state. Can help the residence by using the cameras when there is a dispute, or a crime committed. There will be a monthly charge for electricity and Cox internet, FHA will own the equipment so no monthly charge for that. Executive Director Belford indicated that this will give FHA an opportunity to review/test the system and can extend to the other three properties. Commissioner Terry discussed approval for the Morgan Manor outdoor security camera project and reasonable modification for site work at a cost of \$80,000 plus the site work and digging. Pole installation would be contracted and may be able to purchase needed poles from the City of Fayetteville. The City may be willing to do site work at no cost to FHA. Executive Director Belford explained that to reduce cost, the contractor will not need to trench under the street. Commissioner Terry stated that this project is why we need to have a \$25,000 limit on procurement. Executive Director Belford indicated even if it was under the \$75,000 limit, she would have brought it to the board. The resolution is written so FHA has flexibility by using the term "site work" to make modifications to the original proposal. Commissioner Terry "as a thought, we can approve it "as is" with the caveat, to look for less evasive forms of site work and energy efficiency, with reasonable modifications. Executive Director Belford FHA owns the streets, sewer line, etc. Commissioner Breashears would like to dedicate them to the city. Commissioner Terry "the resolution doesn't bind us to a specific model or a specific price and allows for reasonable modifications, so she is comfortable with it. Commissioner McMahon moved to approve Morgan Manor outdoor camera project, Commissioner Breashears second, all in favor and so moved.

Commissioner Terry spoke on intent of a Consent Agenda - bundle together resolutions, after discussion and agreement, at a public meeting. Items can still be discussed at the regular board meeting. Commissioner Terry indicated it might be convenient, to discuss any questions about the individual resolutions, then vote on the resolutions as a "bundle", thus a consent agenda.

- A. **Resolution #1178 – Approval of Public Housing Budget** Commissioner Breashears "public housing budget for 2020 what we are going to spend, that is a problem. Need to decide to keep 9- or 5-months money in reserve. Must sequester 4 months of reserve per HUD. There is no way that income can support the spending. Money spending in operating cost is 33% more than our income." Executive Director Belford "look at past years budget it indicated that FHA should lose \$198 K, only lost \$125,000, we are \$23,000 ahead of the budget." Once Executive Director Belford sees an entire year, then have a budget that is closer to projections. FHA office is working through the process of using a Central Office Cost Center, more staff has been hired and some of this will be moved to the COCC, this will provide a static cost to the programs. Commissioner Breashears "that's good, we have increased our labor over the last two years". Executive Director Belford, we don't send the information to HUD. Commissioner Breashears thought Lindsey should have used the actual numbers. Executive Director Belford would you like to review after the first quarter? Commissioner Terry for professional budget standards, need a full year go by to prepare the budget, approve as is with the caveat that the budgets are approved

and can have a special meeting if we need too in the future. It would benefit to approve that the fiscal year end. Commissioner Breashears move to approve the consent agenda except for item J it will be tabled, Commissioner McMahon seconded the motion, all voted in favor.

- B. Resolution #1179 – Approval of PBRA Budget**
- C. Resolution #1180 – Approval of Voucher Program Budget**
- D. Resolution #1182 – 2019-2020 Utility Allowances for HCV**
- E. Resolution #1183 – 2019-2020 Utility Allowances for Public Housing**
- F. Resolution #1184 – 2019-2020 Utility Allowances for PBRA**
- G. Resolution #1185 – 2019-2020 Voucher Program Payment Standards (Fair Market Rent)**
- H. Resolution #1186 – 2019-2020 Flat Rents for Public Housing**
- I. Resolution #1187 – Authorizing the Charge Off of Certain Non-Expendable Equipment that was junked**
- J. Approval of July 2019 FHA Programs’ Balance Sheets & Income Statements and August Accounts Payable Summary**

STAFF REPORT.

1. Executive Director, Angela Belford
2. Hiring- Director of Housing, implement strategy and updating / navigate process. Project management.
3. Supportive case manager Justin Lee, MSW, a single dad lived in Morgan Manor, moved through the housing spectrum and starts October 28, 2019. Have new hired maintenance workers
4. Commissioner Breashears asked about how many people have cars and how many people have visitors.
5. Resident satisfaction survey, working with U of A Social Work students to put in final format
6. Commissioners should go to a conference maybe in DC, legislative conference and talk to our representatives. Conference March 29-31, 2020. Executive Director Belford -looking for results, on energy efficiency, working on a new solution for heating and air, replacing as current equipment is terrible, excessive energy consumption. Double the incentives for using mini split, it also can be to heat the water. Commissioner Terry likes closed loop systems. Executive Director Belford appreciate commissioner McMahon for her knowledge.
7. Deputy Director, John Berry
Operations and Voucher Program Manager Report for 9/26/19

Current HUD-VASH #'s

- a. Leased Up: 115
 - b. Seeking: 3
 - c. Total HAP Payment: \$44,897
- 2.) Current Section 8 Vouchers

- 4) Online rent payments in last 30 days: **53**
Amount Collected in the last 30 days: **\$14,195.00** (August 20-September 20, 2019)

Last month: \$ 12,594.00
- 5) Current waiting list:
 - a. Public Housing: 841
 - b. Hillcrest Towers: 167
 - c. Morgan Manor: 362
- 6) Tara West has taken the position of Resident Engagement Coordinator. She has really jumped in and hit the ground running. Joy Hunnicutt asked her to give us a rundown of her current and upcoming activities for the community center. Tara is working with current and new donation partners to expand donations with the vision of setting up daily donations to assist all our properties. She is working on offering Meals on Wheels and Commodities to our Lewis Plaza residents, to start, with the vision of expanding to all our properties. She is also building an "event" calendar to fill the residents mind, body, and soul. This includes church offered on site, bible studies, yoga and meditation, art classes and displaying their art in our cases. Tara has started a volunteer program as well for the residents at Hillcrest Towers.
- 7) We are still preparing for our next REAC inspection for our Public Housing Properties. Maintenance has been working at Willow Heights the last month, going through each unit to identify and correct all deficiencies. We have hired contractors to work on brick repairs that are needed at both Lewis Plaza and Willow Heights. They are both finished now. We intend to be better prepared for our REAC inspection this year than we were last. We will not get more than a 14-day notice. We expected to receive notice this month but have not yet.
- 8) Kevin Nail, Maintenance Foreman, and Joy Hunnicutt, Property Manager, attended a REAC training in North Little Rock on September 24-25. It was hosted by Affordable Housing Association of AR (AHAA) and AR NAHRO. The training was given by the U.S. Inspection Group, Inc. They covered all possible deficiencies, level of importance on deficiencies, and the recent updates and upcoming changes for REAC. This training will help us be better prepared in assessing units and sites and understanding what measures need to be taken in order to stay in compliance with HUD standards.

Commissioner Terry "Our housing Future: A call to action for NWA". A discussion of the 2018 report was discussed. the Commission met in 2018. Asked to Change last paragraph reinforced advocacy for more housing, how can we be of assistance, city council and community engaged with FHA. Our community did it, proud of Fayetteville. Has been stigmatized due to lack of preventative maintenance. Commissioner Terry made formal request to change the statement.

Future Meetings: October 24 - Elect Officers

November 21st, December 19th Vote to change the next quarters' meetings. Commissioner Terry moved, Commissioner Breashears second, all voted yes.

Executive Session: Discussion of Performance Objectives for Executive Director – tabled until full board is in attendance.

Commissioner Terry big fan of process, looking for performance objectives, review, 360 evaluations.
Sent to HR Consultants. As board chair Commissioner Terry to email to the commissioners.

PUBLIC COMMENT

ADJOURNMENT Commissioner Terry move to adjourn, Commissioner Breashears seconded, all voted yes.