



**MINUTES**  
**BROWN COUNTY HOUSING AUTHORITY**  
**Monday, August 20, 2007**  
**City Hall**  
**100 N. Jefferson Street, Room 604**  
**Green Bay, WI 54301**  
**3:00 p.m.**

**MEMBERS PRESENT:** Rich Aicher, Chair; Darlene Hallet, Vice-Chair; Tom Diedrick; Paul Kendle.

**MEMBERS EXCUSED:** Michael Welch

**OTHERS PRESENT:** Nikki Aderholdt, Keith Pamperin, Rob Strong, Robyn Hallet, Noel Halvorsen, Chip Law, Bill Paape, Jon Syndergaard

**APPROVAL OF MINUTES:**

1. Approval of the minutes from the June 18, 2007, meeting of the Brown County Housing Authority.

A motion was made by T. Diedrick, seconded by D. Hallet, to approve the minutes as provided. Motion carried.

**COMMUNICATIONS:**

2. July 9, 2007, Notice from HUD Central on "The Money Follows the Person Rebalancing Initiative."

K. Pamperin reviewed the July 9, 2007, notice "The Money Follows the Person Rebalancing Initiative" from HUD Central. The BCHA already provides a local preference for persons with disabilities. However, the initiative is aimed at using housing vouchers to save on other governmental resources. K. Pamperin requested that ICS compare this notice to the current BCHA policy to determine whether there is a better opportunity for serving persons with disabilities, particularly residing in "group living environments."

3. August 2, 2007, HUD receipt and acceptance of December 31, 2006, SEMAP indicator responses advising that a corrective action plan is not required and requesting that program indicators continue to be monitored to ensure compliance.

K. Pamperin indicated that ICS is currently monitoring the SEMAP indicators and provides a monthly report on them. ICS has improved all indicators, with the exception of "lease up" and has also pledged to continue monitoring the indicators to ensure unanticipated deficiencies do not develop.

4. Invitation of NeighborWorks Green Bay for all parties to attend the open house to see the BCHA-funded acquisition/rehabilitation/sale home at 610 Mather Street, Green Bay, on Wednesday, August 29, 2007, from 3:00-6:00 p.m.

K. Pamperin invited all of the commissioners and staff to see the completed conversion of a single-family, owner-occupied home. The home at 610 Mather Street is a large 2,600-square-foot home that was once a four-family rental unit in disrepair. NeighborWorks Green Bay acquired the property and completely renovated it into a single-family house, which will be sold to an owner-occupant. The house features five bedrooms, three bathrooms, a new attached garage, a first floor laundry room, a large kitchen with a work island, a vaulted ceiling located in the master bedroom, and all new mechanical systems.

K. Pamperin stated that this property is adjacent to two other properties that were rehabilitated and converted earlier this year. The conversions have reduced the density on the 610 Mather Street block from eleven rental units to three owner-occupied units.

#### REPORTS:

5. Report on Housing Choice Voucher Rental Assistance Program.
  - A. Preliminary Applications

R. Hallet reported that preliminary applications in the month of July rose to 253 applications. This is an improvement from June, which reported 231 applications, and May, which reported 241 applications.
  - B. Housing Assistance Payments

R. Hallet stated that the HAP payments are totaling \$977,609 for the month of July. This total, as well as utilization, has been increasing each month.
  - C. Housing Assistance Unit Count

R. Hallet stated that 2981 households received Housing Choice Voucher Assistance in the month of July. This total has increased from June and May, by 11 and 21 respectively.
  - D. Housing Quality Standard Inspection Compliance

C. Law distributed an updated HQS Inspection Report.

R. Hallet stated that 217 of the 412 (52.67%) passed on the first inspection. Ninety-two housing units required repairs and passed on the second inspection. The remaining households, 103, failed the inspection and will not be allowed to receive HAP payments until repairs and improvements are made and an inspection has been passed.
  - E. Housing Choice Voucher Administrative Costs

C. Law stated that for the first seven months of the year, ICS's total administrative expenses are at 55.38% of the budget. ICS has currently spent a total of \$17,000, which is less than authorized for yearly administrative fees. C. Law stated that this total will likely change as the year progresses. HAP expenses appear to have decreased based on 2006 HAP expenses. Although HAP expenses were at 103% in the month of July and exceeded authorized dollars from HUD, ICS used excess dollars from previous months that had not been utilized.
  - F. SEMAP Monitoring Report

R. Hallet reported that staff continues to monitor all indicators. If scored today, the BCHA would receive all points available on a month-to-month basis, except for "lease up."

R. Aicher asked if ICS was monitoring how applicants became aware of the program. R. Hallet stated that ICS is monitoring that, and most reports indicate that applicants learn about the program by word of mouth, specifically from family and friends.
6. Report on Small Claims Actions.

K. Pamperin indicated that Tony Wachewicz, an Interim Assistant for the Corporation Counsel, is very new at the process. K. Pamperin is concerned that the BCHA may be overwhelming him with the small claims actions and voiced his concern to John Jacques

(Corporation Counsel) and emphasized that it is important to the BCHA that these small claims actions be filed. K. Pamperin also suggested that if the Corporation Counsel felt it necessary, they could propose bringing help into the office to process the claims for the BCHA.

K. Pamperin stated that his student intern, Nikki Aderholdt, had prepared and delivered 90 cases for processing.

7. Report of the Housing Choice Voucher Family Self-Sufficiency Program.

R. Hallet stated that in the month of June, five new clients signed up for the self-sufficiency program and three new clients opened FSS escrow accounts. ICS sponsored a Women's Retreat, also held in June, resulting in tremendous success. ICS staff learned HCV FSS clients want more of that type of training but would prefer two-day retreats in the future.

K. Pamperin requested that R. Hallet explain what an FSS retreat is. R. Hallet replied that ICS carries out a series of workshops that are meant to develop self-esteem and self-worth. For example, at the retreat held in June, one such workshop was called "Draw Your Heroine." In this workshop, women took the time to acknowledge "heroes" in their lives, depicting their strengths, as well as weaknesses. They then compared their heroes to themselves.

R. Hallet also indicated that group discussions were held, demonstrating solutions to problems in their lives. One success story involved an individual who was out of work for five to seven years, struggling with disabilities. After engaging in the program, this individual went back to school, completed schooling, and currently has a full-time job. Another individual, who joined the program in September of 2006, was a single father. After engaging in the FSS program, he went back to school and graduated. Upon graduation, he received a full-time job offer and has been off of the HCV program since July 1, 2007, due to maintaining an adequate earned income.

8. Report on the Housing Choice Voucher Homeownership Option.

R. Hallet indicated that in July two households became successful HCV homeowners, and nine households are still pending. ICS sponsored its first two Home Maintenance and Repair "walkthroughs" in July. These walkthroughs entail a certified ICS HQS Inspector visiting the homeowner's home and advising them of any deficiencies that need attention and any health or safety issues that need immediate attention and providing an estimate of the remaining issues that may need attention in the future.

R. Hallet stated that as of June 1, there were seven households working toward achieving HCV homeownership. ICS also sponsored a Real Estate Professionals workshop that was very well received.

9. Langan investigations criminal background screening and fraud investigations.

K. Pamperin provided both the June and July reports. The numbers appear fairly consistent. On a positive note, the program is seeing a larger number of cases not being substantiated and more applications being approved. This advantage tells us the processes of screening and utilizing fraud investigations is working in that a greater number of applicants are now self-screening, eliminating unqualified applicants and providing more qualified applicants in the process.

R. Hallet introduced the Summary of Fraud Hearings Report, which is a new report requested by the BCHA at the June meeting. It showed a listing by the number of hearings held each month, year to date, and the outcome of each of those hearings.

K. Pamperin questioned if unreported household members is the only time an overpayment amount is due. R. Hallet responded that unreported persons in the household and unreported income are the primary issues that would allow for the collection of an overpayment. Criminal violence does not generally result in an overpayment.

D. Hallet questioned if the unreported household members also bring in an unreported income. R. Hallet indicated that generally "yes," if the unreported person earns an income. However, the unreported persons often are not income earners.

T. Diedrick questioned if the overpayments are ever reimbursed. K. Pamperin responded that the BCHA has collected several hundred dollars. Typically, the overpayment amounts are not paid back, but that is why it is important to file a small claims action. The small claims action will put a court record in place, which notifies landlords and other housing authorities that fraud has been committed against the BCHA.

K. Pamperin stated that when Christopher Paquet handled the small claims actions, stipulation agreements were made rather than handling it in court. There was one Hispanic family in particular that C. Paquet entered into an agreement with. The agreement stated that if the individual made 12 consecutive payments of \$25 per month, they would be eligible to reapply for HCV housing assistance. In addition, the total overpayment owed would be reduced from \$7,794.00 to \$5,000.00. Although the individual did not make consecutive payments, a total amount of \$300.00 was paid. K. Pamperin requested authorization to establish a new stipulation agreement, which would require 12 months of consecutive payments of \$50 per month. Upon entering into the new stipulation agreement, they would be allowed to reapply for housing assistance, given their eligibility. However, payments must remain continual and consecutive until the remaining \$4,700.00 is paid in full. T. Diedrick advised that if the household is non-English speaking, the new stipulation agreement should be put into basic language so that there are no misunderstandings. K. Pamperin indicated that an adult daughter who is fluent in English does reside in the household.

R. Aicher, following discussion, stated that it was the Authority's consensus to authorize the new stipulation agreement as expressed. However, staff should make it clear that there is no slack in the payment process, and any discontinuance of payments after the readmittance into the HCV program shall be cause to terminate assistance.

#### **NEW BUSINESS:**

10. Review and approval of Chapter 14 of the BCHA Housing Choice Voucher Administrative Plan.

R. Hallet reviewed Chapter 14 of the Administrative Plan, which focused primarily on program integrity. A request for authorization to submit the revised Chapter 14 to HUD was made.

A motion was made by D. Hallet, seconded by P. Kendle, to approve the revised Chapter 14 and submit it to HUD. Motion carried.

11. Review and approval of modifications to Chapters 9 and 10 of the BCHA Housing Choice Voucher Administrative Plan regarding absorbing ports after 12 months, as long as

funding allows (Chapter 10), and inclusion of VAWA (Violence Against Women Reauthorization Act of 2005) provisions (Chapters 9 and 10).

R. Hallet reviewed Chapter 10, which proposed changes to allow the absorption of HCV households that port into Brown County after one year of assistance has been paid by the porting authority.

R. Aicher questioned the proposed change. K. Pamperin stated that the BCHA has a policy that states that it will not absorb households porting into Brown County from other communities. This does not prevent households from moving to Brown County, and federal regulations do not allow the BCHA to prevent households from porting in or out of Brown County. However, the reason for not absorbing is to discourage other housing authorities from encouraging households to port into Brown County. When households do port from other communities, it is an administrative nightmare in terms of billing and collecting monthly payments. To alleviate this administrative hassle, the change proposes to abstain from absorbing for the first 12 months, which requires the previous housing authority to continue payments to the BCHA. After 12 months, the BCHA is proposing to absorb the household into its program, which ends the hassle of billing and collecting. After 12 months, the BCHA can reasonably be assured that the household is intending to remain in Brown County. With this change, multiple goals are accomplished: porting into Brown County is discouraged; administrative hassles are alleviated; and utilization of authorized HAP dollars is used to stabilize the number of households assisted in Brown County.

R. Aicher asked if all port-ins need to meet the BCHA's local screening and participation process. K. Pamperin responded that the applicant would need to undergo the full screening process before being ported into Brown County. R. Hallet advised that if this change is approved, three families would be absorbed over the next four months, costing \$842.00 per month.

A motion was made by T. Diedrick, seconded by D. Hallet, to allow the change for absorption. Motion carried.

12. Authorization to set aside a limited number of Specific Housing Choice Vouchers to meet special needs.

K. Pamperin requested that no action be taken on this issue yet.

A motion was made by D. Hallet, seconded by T. Diedrick, to table any action. Motion carried.

13. Request of Mutual Housing Association (MHA) to return repaid HOME funding and retain repaid HOME CHDO-qualified funding, as per regulations.

K. Pamperin reviewed the request and stated that in the past when ICS was managing MHA affairs, the MHA needed to utilize repaid HOME funds before using any newly administered HOME funds. This allowed for a revolving loan fund, so that as monies were repaid, they were spent first before the new HOME expenditures. After ICS and the MHA parted ways, MHA continued to receive repayments, which have built up in segregated, restricted accounts. Some of the HOME funds allocated to the BCHA, as well as to the MHA, were allocated as qualified CHDO funds. Under federal regulations, qualified CHDO fund repayments must be retained by the CHDO, which is then utilized to cover operational costs. The MHA has reported that it is currently holding \$307,000 of repaid HOME funds. The MHA and BCHA staff have researched the various allocations of HOME

funds and determined that of the repayments received by the MHA, \$142,000 was allocated as qualified CHDO funds and \$165,000 was allocated as non-CHDO funds. The MHA is requesting that the BCHA authorize them to retain the qualified HOME funds, subject to state approval, and return the \$165,000 of non-CHDO funding. The funding retained would be utilized by the MHA for eligible expenses incurred in operations, including improvements to existing properties, management expenses, accounting services, taxes, and insurance.

K. Pamperin stated that he had written to the State Department of Commerce's Bureau of Housing explaining the situation. He has not received a response back, and the authorization for the MHA to retain the qualified CHDO funds is an option, not a requirement.

R. Strong questioned how the provided numbers were tracked. K. Pamperin indicated that a previous intern, Andy Rosendahl, compiled the numbers, which were then analyzed and verified by Anne May Steffel.

P. Kendle questioned whether the BCHA has to allow the MHA to retain all of the CHDO funding. K. Pamperin stated that the BCHA does not.

R. Aicher stated that the MHA should provide a plan for how it would utilize the \$142,000.

R. Aicher clarified that for now the BCHA would like the return of non-CHDO monies and will await the decision of the state on behalf of the CHDO funds.

A motion was made by P. Kendle, seconded by T. Diedrick, to accept the returned non-CHDO funds, allowing the MHA to withhold the CHDO funding until a response is received from the state. Motion carried, with D. Hallet abstaining.

14. Request of the Mutual Housing Association for authorization to sell non-performing rental property at 2430 New Franken Road at a market value less than combined BCHA debt.

K. Pamperin stated that the MHA owns a large duplex that it is struggling to occupy. This creates a huge burden to the tax flow. The MHA decided it would like to either sell or put it to another use. There have been a number of showings, indicating that there are people who might be interested in leasing or buying it. The MHA is requesting approval to sell the property, recognizing that it would not be able to cover the debt owed to the BCHA. Unfortunately, the market value of the property is \$120,000 to \$130,000, leaving a remainder of \$25,000 still owed to the BCHA.

R. Aicher questioned what the BCHA's options were. R. Aicher stated that one option would be to forgive the remaining amount owed and walk away from the situation. The other option would be to restructure the debt on the other MHA properties that have remaining equity.

P. Kendle stated that this situation is a result of a mistake that was made five years ago and the Authority recognized that then. However, the BCHA needed to go forward to salvage the project. The situation is not going to get any better and he couldn't imagine that the MHA would be in any position to pay back that difference.

K. Pamperin stated that another option was available. One of the loans on the property is at an interest rate of 6%. If the MHA could lease the property and put it to worthy community use and create property cash flow, the BCHA could reduce the 6% interest rate on the \$83,000 loan to a deferred, no-interest loan.

K. Pamperin stated that the MHA is looking at avenues to sell or transition all of its properties since it does not have the capacity to continue leveraging funds for Brown County. As a volunteer nonprofit organization, there is little purpose or enjoyment in being in the rental property management business.

N. Halvorsen indicated that the MHA board decided to sell the property due to a negative annual cash flow. If MHA sold the property, it would give the BCHA the money from the sale and then ask that the BCHA forgive the remaining balance owed. The MHA would just like to cleanup the situation.

A motion was made by P. Kendle, seconded by T. Diedrick, to authorize the sale of the property at 2430 New Franken Road and absorb the loss. If the selling price is less than market value, the board will depend on the executive director to use his best judgment when considering the selling price. Motion carried, with D. Hallet abstaining.

A motion was made by P. Kendle, seconded by T. Diedrick, to decrease the 6% interest deferred payment to a 0% interest deferred payment. Motion carried, with D. Hallet abstaining.

15. Request of NeighborWorks Green Bay to amend the existing agreement to provide pre- and post-purchase HCV counseling by adding \$8,000 of additional funding.

A motion was made by T. Diedrick, seconded by D. Hallet, to approve the additional \$8,000 of funding. Motion carried.

16. Request of NeighborWorks Green Bay for \$200,000 to provide deferred payment no-interest loans for down-payment closing cost assistance of up to \$5,000 for homebuyers at 80% of median income or above who are purchasing a single-family home for owner-occupancy or up to \$10,000 for the purchase and conversion of a duplex or multifamily dwelling to a single-family owner-occupied home in near downtown impact neighborhoods of the City of Green Bay.

R. Strong indicated that NeighborWorks is trying to stabilize neighborhoods by bringing diverse income levels into the central city. This program would work similar to a down-payment closing cost program. However, this program aims at a whole new cliental. The city's DPCC programs are restricted to serve households below 80% of the median income, while the new effort would provide DPCC to households that are above 80% of the median income.

A motion was made by D. Hallet, seconded by P. Kendle, to approve \$200,000 that would provide deferred payment no interest loans for down-payment closing cost assistance of up to \$5,000 to homebuyers of single-family owner-occupied properties with incomes at 80% of the median income or above who are purchasing a single-family home for owner-occupancy or up to \$10,000 for the purchase and conversion of a duplex or multifamily dwelling to a single-family owner-occupied home in near downtown impact neighborhoods of the City of Green Bay. Motion carried.

17. Request of NeighborWorks Green Bay to amend the existing agreement to provide the balance of repaid HOME funds of \$182,310 to provide deferred payment no-interest loans of up to \$20,000 for down-payment closing cost assistance to Housing Choice Voucher homebuyers.

K. Pamperin noted that this would be a good place to incorporate some of the returned HOME funding. These funds are restricted to be used outside the City of Green Bay and the cost of homes outside the city tend to be higher and less affordable to first-time homebuyers.

A motion was made by P. Kendle, seconded by T. Diedrick, to amend the existing agreement with NeighborWorks Green Bay and to provide the balance of repaid HOME funds of \$182,310 to provide deferred payment, no-interest loans of up to \$20,000 for down-payment closing cost assistance to Housing Choice Voucher homebuyers. Motion carried.

18. Authorization to add an additional 36 hours at a total cost of \$360 for the BCHA student intern between August 12 and September 4, 2007.

A motion was made by T. Diedrick, seconded by D. Hallet, to approve the additional hours and cost for the BCHA student intern. Motion carried.

**BILLS:**

**FINANCIAL REPORT:**

A motion was made by P. Kendle, seconded by D. Hallet, to approve the bills and receive the financial report as presented. Motion carried.

The meeting was adjourned at 4:50 p.m.

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