

MINUTES
BROWN COUNTY HOUSING AUTHORITY
Monday, December 21, 2009
City Hall
100 N. Jefferson Street, Room 604
Green Bay, WI 54301
3:00 p.m.

MEMBERS PRESENT: Darlene Hallet-Chair, Tom Diedrick, Paul Kendle, Rich Aicher

MEMBERS EXCUSED: Michael Welch-Vice Chair

MEMBERS ABSENT: None.

OTHERS PRESENT: Rob Strong, Robyn Hallet, DonElla Payne, Chip Law, Matt Roberts, Dan O'Connell, Patrick Faulds

APPROVAL OF MINUTES:

1. Approval of the minutes from the November 16, 2009, meeting of the Brown County Housing Authority.

A motion was made by R. Aicher and seconded by P. Kendle to approve the minutes from the November 16, 2009, meeting of the Brown County Housing Authority. Motion carried.

2. Approval of the minutes from the December 17, 2009, special meeting of the Brown County Housing Authority.

A motion was made by R. Aicher and seconded by P. Kendle to approve the minutes from the December 17, 2009, special meeting of the Brown County Housing Authority. Motion carried.

COMMUNICATIONS:

None.

REPORTS:

3. Report on Housing Choice Voucher Rental Assistance Program.
 - A. Preliminary Applications
D. Payne stated that there were 131 applications received for the month of November.
 - B. Housing Assistance Payments
D. Payne stated that the HAP for November was \$999,488.00
 - C. Housing Assistance Unit Count
D. Payne stated that the unit count for November was 2724.

- D. Housing Quality Standard Inspection Compliance
M. Roberts stated that the initial pass rating was 40% with a reinspection pass rating of 34.12%. The fail rate is at 25.88%, which is the lowest it has been all year.
- E. Housing Choice Voucher Administrative Costs and HUD 52681B
C. Law distributed the 52681B. ICS is still under budget by \$22,000.00 for HCV through November. He still does not expect to be under budget at the end of December.
- F. SEMAP Monitoring Report
D. Payne stated that the SEMAP monitoring is still at 100%.
- G. Report of the Housing Choice Voucher Family Self-Sufficiency Program.
D. Payne stated that there were 101 clients in November, of which 41 contribute to escrow accounts. There were no graduates in November. There was one new contract in November.
- H. Report on the Housing Choice Voucher Home Ownership Option.
D. Payne stated that the client count is 97.
- I. Report on Langan Investigations Criminal Background Screening and Fraud Investigations.
D. Payne distributed the report. There were seven investigations opened in November. Two were closed as substantiated, one was closed as unable to substantiate, and four investigations still remain open.

OLD BUSINESS:

- 4. Discussion and possible action about Brown County utilizing HUD Veteran Affairs Supportive Housing (VASH) Vouchers.

F. Hallet stated that she and D. Payne participated in a telephone conference with HUD Milwaukee, representatives from Milwaukee County Housing Authority, representatives from the Racine County Housing Authority, and Veteran Affairs (VA). Essentially these VASH Vouchers are special vouchers to allow homeless veterans to participate in the Housing Choice Voucher Program. Some time back a study was conducted to determine which jurisdictions had a certain number of homeless veterans and would be able to use these vouchers. Green Bay was identified as one of the communities in need of these vouchers but somehow Green Bay was not included when the vouchers were actually distributed. Now that HUD has been made aware of this, they are looking to the Milwaukee and Racine County Housing Authorities to determine if some of the vouchers given to them could be utilized here in Brown County.

F. Hallet stated that a point-in-time survey found that there were 19 homeless veterans in Green Bay.

She went over the list of pros and cons that she submitted to the Authority in their agenda packet. One pro is the reduction in community's cost to serve homeless vets through homeless shelters. Another is ability to serve Brown County residents without using our own Vouchers, since these would all be port-in vouchers. She further explained that because all of the vouchers were allocated to other communities there aren't any available for Green Bay to have as their own. HUD is willing to have us work the Milwaukee and Racine County Housing Authorities to have the vouchers ported up here. Usually a port-in voucher comes with a person because the person is moving to this area. The Veteran's Administration would identify someone who is a resident in Brown County and a homeless veteran. We would then contact the Racine County Housing Authority (Milwaukee County Housing Authority has stated that they have pretty much allocated all of theirs.) and let them know we have a veteran who is in need of a voucher. That individual would have to apply in Racine, get the voucher, and then port up here. The individual would not physically move down there but would apply through Racine for the paperwork to be completed.

Other advantages include serving two high areas of concern: homelessness and veterans; assisting vets to stabilize their lives and reach self sufficiency; coordination with VA Case managers.

Disadvantages to the VASH Vouchers include: additional administrative work; misunderstandings due to them being port-in vouchers; perception that Brown County already has a sufficient number of vouchers; and that screening is limited to sex offender registry. R. Hallet explained that screening for the VASH vouchers can only be based on the sex offender registry and that could result in the admission of individuals who have drug/violent history or other criteria that would otherwise make them ineligible for HCV.

D. Hallet clarified that ICS would help with the paperwork for the VASH vouchers and wondered if this would be a nightmare for landlords to deal with these people that have problems like a violent history.

D. Payne stated that the Veteran's Administration did say that these individuals do need to be in case management and adhering to a specific action plan that has been set up with the Vet's. If they do not follow the plan or meet with their representative from the VA, then they are removed from the program.

R. Strong stated that we can't screen the veteran's based on their past history but we should have every right to manage it once they are in our program.

D. Payne stated that is something that we can make sure is part of the Veteran's plan with their VA case worker.

D. Payne stated that there will be one individual in her office that would handle these VASH vouchers.

R. Aicher stated he doesn't know what is all involved in the extra administrative work that would be required with the VASH vouchers or how much it would cost to

co a software upgrade. It is hard for him to get a handle on this aspect of it. We need to look at if this is going to be a lot of extra work and will it cost thousands of dollars to set up the program.

F. Hallet stated that regarding the software, she has been told but has not yet confirmed that HAPPY software, which is what we currently use, does have an extra module for the VASH vouchers so it would be just the purchase of that additional module. She does not believe that module would be more than a couple of thousand dollars.

D. Hallet asked how long this VASH voucher program had been in Milwaukee County and Racine County.

D. Payne replied that this is their first year for having the VASH vouchers.

T. Diedrick stated that if it is realistic from a financial standpoint, he would like to move forward with this. He is not going to worry about other people who are concerned about the size of our HCV program.

F. Aicher stated that one thing that might be a concern for the public or elected officials is if you have ongoing issues with tenants that aren't addressed by the VA. We might want to look into how strict the VA is with the veterans and how much slack do they cut for them.

F. Strong stated that to some degree we may be able to tell the VA that this is what we expect and these are the rules we expect the Veterans to live by. If someone is arrested or found to be taking drugs, or whatever the case may be, we would need to be notified. If the VA is willing to agree to that and work with us then it would make some sense to do this.

F. Strong asked if we needed to amend the Administrative Plan before we could accept the VASH vouchers.

F. Hallet stated that she does not think so.

F. Strong stated that he was inquiring because we would then be able to bring the changes to the Administrative Plan back to the Authority so that they could understand what types of requirements we are going to have for the VA to keep an eye on for us.

E. Payne stated that it would be easier to put together a separate chapter for the VASH voucher program.

F. Strong stated we could come back with that chapter at the January meeting and before we move forward with the program.

A motion was made by T. Diedrick and seconded by P. Kendle to approve Brown County utilizing HUD Veteran Affairs Supportive Housing (VASH) Vouchers,

subject to further analysis and the review/approval of the changes to be made to the Administrative Plan. Motion carried.

F. Strong stated that there are individuals here from Madison and asked if the agenda could be adjusted to take item 7 next.

A motion was made by T. Diedrick and seconded by R. Aicher to take item 7 out of order. Motion carried.

NEW BUSINESS:

7. Discussion and possible action on Project Based Vouchers for Port Plaza Tower relocated tenants.

F. Strong stated that about a year ago we talked about the Port Plaza Tower tenants and relocating those tenants. This has moved forward. The tenants would be relocated into two new developments in the community. The Wisconsin Housing Preservation Corporation has secured the tax credits to help move this project forward. A year ago the Authority pledged up to 150 units contingent upon HUD approval. We are now getting to the point where they are going to close on the tax credits and close on the purchase of one of the properties and they do own the other property already. Because the time period for the loan is 15 years and the limit from HUD on the project basing for vouchers is 10 years, there is a 5 year gap where the investment groups are going to be edgy about whether the occupancy could continue. He is looking to suggest to the Authority that we would do the 10 year loan with a 5 year loan renewal that would automatically rollover.

D. O'Connell from Wisconsin Housing Preservation Corporation spoke to the Authority. He stated that the financial markets have changed dramatically as well as the investor market for tax credits. One of the big issues with a lot of the investors is that they don't like to invest in properties that have a lot of extra issues surrounding the projects. Investors don't really comprehend the Section 8 program and they don't really like it. It is hard to see a commitment by the investor for 15 years when HUD is only committing to 10 years. The worry then becomes if there will be sufficient funding to address the last five years. As often as possible on the Project Based Vouchers, most developers try to get the 20 year gap contract. Because this is a little bit different, HUD provides a ten year contract as a maximum. The automatic rollover does help the investor be more comfortable with their commitment. D. O'Connell stated that the closing would be in February and March with the ground breaking shortly after that.

F. Strong stated that procedurally, we are going to do an RFP, Wisconsin Housing Preservation Corporation will submit their project, we'll accept their project, then move forward with the issuance of these vouchers. We need to start on this now so that when construction is done, we'll be in a position to provide the vouchers to the tenants.

F. Aicher stated that he does not have a problem with 5 years or 10 years but we are assuming vouchers are available. There has to be a government program through HUD that the vouchers are definitely available to us.

F. Hallet stated that there is a contract that would be signed between the Housing Authority and the owner of the establishment. While she is not familiar with the wording in the contract she is almost entirely certain that there would be some kind of wording to that effect.

F. Aicher stated that while it should be in the motion, the contract should be verified that the necessary wording is in it because we can't put the Housing Authority financially on the line.

A motion was made by R. Aicher and seconded by P. Kendle to approve the 10 year contract for up to 150 Project Based Vouchers, with a 5 year renewal that would automatically rollover, subject to the availability of the vouchers by HUD. Motion carried.

A motion was made by T. Diedrick and seconded by P. Kendle to return to the regular order of the agenda. Motion carried.

OLD BUSINESS:

5. Update on status of ICS's Request for Proposal for HCV applicant screenings.

C. Payne stated that requests for proposal were sent out and three were received. She eliminated one right away because it was not feasible as far as experience and cost. She distributed graphs to the Authority that show the administrative funding from HUD since 2006 and the estimate based from Langan and another company that she will talk to the Authority about. She stated that Langan has always done a good job but that Langan has increased their prices significantly. Over the next year Langan is proposing anywhere from a 26% to 29% monthly increase over the current costs. The total costs would be around \$90,000.00 to use Langan's services next year and as you look at the graph, it shows that the administrative funding from HUD has been decreasing.

E. Payne stated that she has spoken with Clyde Cribb who is a licensed investigator for CCI Investigate Services. He has 32 years of law enforcement experience and he retired from the Brown County Sheriff's Department in 2001 as a Captain. He has been providing a full range of investigative services to attorneys, individuals, and government agencies for the past eight years. She contacted three of his references and each one stated that he is the only investigator that they would consider using. She was informed that he was very thorough and reliable. She and Mr. Cribb went over the different types of investigative work that is necessary for the preliminary applications and also unreported household members, the different types of fraud, and criminal activity. Mr. Cribb's bid came in at \$28,000.00 less than Langan's to provide the exact same services.

C. Law stated that he and Jon Syndergaard had also met with Mr. Cribb and were very impressed with him. Mr. Cribb retired from the County as a Captain, which is impressive. This decision is not being taken lightly and we are aware of the perceived political clout that Langan brings with them. The \$28,000.00 difference is equivalent to funding a FTE to work on the program. ICS wanted to present this to the Authority and get their feedback and opinion because ICS realizes how critical this is to the success of the program. He feels that Mr. Cribb is very competent and is excited to take this work on. He feels that the best direction is to go with Mr. Cribb.

T. Diedrick asked if Mr. Cribb had staff or performed all the work himself.

C. Law stated that he does the work himself. If the work grew to more than Mr. Cribb thought he could handle alone, he would deal with that internally. Mr. Cribb also questioned why ICS was not doing the screenings themselves. ICS does not do the screenings themselves due to the politics and the potential perceived bias. Mr. Cribb was trying to give business back to ICS that they would be able to do on their own and not pay for those services.

D. Payne stated that ICS' contract with Langan has expired and they are currently on a month to month basis. M. Mason with Langan is aware that ICS is looking at other proposals. D. Payne and C. Law explained the increases that Langan would be charging, according to their proposal. The bid from Langan for \$90,000.00 is actually a revised bid that is lower than what they had first bid.

R. Strong stated that he could talk to the Police Chief to see if he is familiar with Mr. Cribb and if they'd be willing to give him the same access to information as Langan has. C. Law suggested ICS could also talk to the Police Department to find out if, with CCI, if they would be able to get the same level of information.

R. Aicher suggested giving Mr. Cribb about 25% of the business the first month and see how that goes and report back to the Authority. C. Law agreed that was a good idea.

NEW BUSINESS:

6. Discussion and possible action on summons for Foreclosure of Mortgage for a recipient of a BCHA loan for down payment and closing costs.

R. Hallet stated that in 2003, the BCHA provided a loan for a 2nd mortgage for \$4,400.00. The loan was a deferred payment loan with 0% interest to a homebuyer. This homebuyer is now facing foreclosure. Corporate Counsel did respond to the summons that the Authority received stating that if there was money received in excess of the first mortgage, that the BCHA would have a right to that money. We have done some research on this property so that the Authority could make a decision on whether or not they'd consider purchasing the property at the Sheriff's sale.

The Authority has determined that it would not take any action on this item. The \$4,400.00 would be recouped if there is money received in excess of the first mortgage as stated by Corporate Counsel.

BILLS:

F. Hallet provided the Authority with an updated copy of the bills that have been paid and new bills received in.

A motion was made by R. Aicher and seconded by T. Diedrick to authorize payment of the bills from the addendum totaling \$17,759.91 and also from the list of bills totaling \$608.08. Motion carried.

FINANCIAL REPORT:

The financial report was received and place on file.

STAFF REPORT:

R. Strong stated that the Senior Accountant will be starting on December 28, 2009. He was working with the Wisconsin Legislative Bureau on the auditing side. He is a Certified Public Accountant and is very detail oriented. He is from Green Bay and wanted to move back to Green Bay.

D. Hallet stated that she will not be at the January 18th meeting. R. Strong stated that he would be on vacation and would not be there either. After some discussion, the Authority decided to hold the regular meeting on January 11th to address the Freedom House issue and forego the other normal items on the agenda until February. R. Hallet stated that she would get back in touch with the Authority regarding if that date would work or if a new one needs to be chosen.

R. Hallet asked the Authority how they would feel about having the whole packet emailed to them to save postage costs. They would receive hard copies of the packets at the meeting. The Authority was fine with doing it that way.

A motion was made by R. Aicher and seconded by P. Kendle to adjourn the meeting at 4:36 p.m. Motion carried.

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