

MINUTES
ANN ARBOR HOUSING COMMISSION
REGULAR BOARD MEETING
August 22, 2012

Meeting Time and Location: **6:00 p.m.**
Miller Manor, 727 Miller Ave, Ann Arbor, MI

The meeting took place at Miller Manor, 727 Miller Ave., Ann Arbor, MI 48103. President Woods convened the meeting at 6:12 p.m.

ROLL CALL: Commissioners present: Ronald Woods, Marta Manildi, and Leigh Greden. Commissioners absent: Gloria Black – arrived at 6:27 p.m. and Andy LaBarre – arrived at 7:45 p.m. Staff Present: Jennifer Hall, Nick Coquillard, Betsy Cornellier. In Attendance: Bennie Horne.

Call To Order/Roll Call

I. APPROVAL OF AGENDA

Manildi moved and *Greden* seconded.

Motion Approved 3-0 (Manildi, Woods, Greden - yes. 0 - no)

II. PUBLIC COMMENTARY – limited to 5 min./person

A. Resident Organizations – None.

B. Others Requesting to Speak – None.

Horne: Distributed information packets to the entire board. He described that back in Nov. 2011 he smelled chemicals in his apartment, which became more intense in the spring of 2012 and he alerted AAHC staff who responded. The police and health department have also been contacted and have not been able to identify. He also has communicated security ideas with the previous Board and this is the first time that he has had the chance to present his security concerns to this Board.

III. APPROVAL OF MINUTES

A. Regular Board Meeting Minutes – July 18, 2012

Greden moved and *Manildi* seconded.

No discussion. Motion Approved 3-0 (Manildi, Woods, Greden - yes. 0 - no)

IV. NEW BUSINESS

A. Presentations:

Finance – FY12 Unaudited Financials

Cornellier: Regarding the current audit, the auditor said the tenant files were “in great shape.” This is very positive. The auditor will be available to present his findings to the Board in November.

Public housing programs came in within budget either due to cost controls or transfers from Central Office. The West and East AMP reserves should have 3-4 months in order to increase the agency PHAS (Public Housing Assessment System) score. Reserves and expenditures are monitored throughout the year to maintain appropriate levels.

Manildi: Were both AMPs budgeted at a profit or loss? *Cornellier:* Both AMPs were budgeted at a loss. In PHAS, a main public housing report – if the occupancy portion in the Management indicator is rounded up by HUD, enough points will be gained to earn a passing score in the Management indicator. The AAHC is passing in every other PHAS indicator.

Black: How is budgeting for disasters reflected? *Hall:* The Commission would use reserves and operating costs to cover such issues – the Commission would have to absorb it into operating costs. If there was a major disaster there could be federal funds available to apply for.

Cornellier: In Section 8/HCV, the loss realized in final financial report for FY12 was less than budgeted.

B. Board Discussions:

Future Development and Redevelopment (RAD application update)

Hall: Introduced the topic – HUD’s push to convert PH properties to project-based Section 8. (See chart included in the Board Packet). The disadvantage of RAD (Rental Assistance Demonstration) program is that HUD promised Congress that there will not be any additional costs to HUD and therefore RAD rents are capped at current public housing levels, which are less than what is allowed under the voucher program. Hall is working with a financial consultant to see if any of the AAHC properties make sense under these constraints. *Hall* is attending a RAD training on Sept. 7 to get full details on this opportunity. Tonight, the goal is to review the “pros and cons” chart in consideration of the RAD opportunity.

Woods: Thanked Ms. Hall for suggesting the Board to contact government members re: Congress recent plans to reduce housing funding. *Woods* also wanted to offer congratulations to Community Action Network and the Rotary Club for the opening of the Exercise Trail recently. He also said that this Saturday, August 25, South Maple Estates/Maple Meadows will have its Community Day with Peace Neighborhood Center sponsoring. He also discussed the need to create a subcommittee to begin the evaluation process of the Executive Director. The Board agreed to begin by talking with the City’s H.R. staff Sharie Sell. The Board discussed creating a subcommittee of two to begin this process.

C. Resolutions:

FY 13-03 - To Approve SEMAP Certification for FY12

Greden moved and *Manildi* seconded.

Hall: Presented the resolution as the annual SEMAP – page two has a chart outlining the report. This is an annual self-assessment spanning 15 indicators which HUD reviews and responds to PHAs with a final score within two or three months after submission. The AAHC is submitting as a High Performer.

Coquillard: Explained in brief the great work of the Section 8 Department, led by Weneshia Brand. The staff really worked on areas that needed improvement, while maintaining a high level of success in SEMAP indicators the team has been consistently solid in. One reason for the improvement from last year’s submission as a Standard Performer is that the staff implemented a peer self-assessments of files to ensure such work as rent calculations, inspections and rent reasonable checks were correct and documented in the files as required.

Motion Approved 3-1 (Manildi, Woods, Greden - yes. Black - no)

FY 13-04 - To Approve FY12 Unaudited Financials

Manildi moved and *Greden* seconded.

No discussion (item discussed in full above).

Motion Approved 4-0 (Manildi, Woods, Greden, Black - yes. 0 - no)

FY 13-05 - To Approve Contract Award for Baker Commons Roof with VJM Design and Build

Manildi moved and *Black* seconded.

Motion Approved 4-1 (Manildi, Woods, Greden, LaBarre - yes. Black - no)

Hall: Presented the resolution. The Baker Commons roof is currently constructed with asphalt shingles applied in 1995. These shingles are quickly deteriorating on the roof and have in fact been recalled and are under warranty. The Commission is working on getting at least partially reimbursed due to their defective nature. There has been patch work done over the past several years, but the entire roof now must be replaced. The Commission doesn't want further leaks to occur and needs to replace it as soon as possible. The AAHC only received one bid and would normally rebid the project but time is of the essence. Two contractors did give a no-bid response which meets the requirements of our procurement guidelines to accept this bid.

Black: How did you advertise? *Hall*: Through the City procurement site, MITN procurement advertising, and by calling potential contractors who have the scope and capacity to complete this project. The scope is large and specialized because it is a high-rise, with a steep slope and metal material. The goal is to apply a durable, long-term option on the roof. *Black*: I do have an issue with this bid only having one bidder.

Coquillard: Shared that AAHC staff did a lot of prep work calling contractors in advance of the bid process to have them ready for when the bid was published. *Cornellier*: Added that Davis-Bacon rates apply which may have been prohibitive for some firms.

Black: Stated her concerns at the lack of minority bidders. She would like the Commission to make an effort address that issue.

Woods: Asked for *Hall* to either at the next Board Meeting or, at maximum, the Board Meeting after next, to arrange for a discussion of the Commission's procurement process and that this discussion include how it may better pursue minority contractors.

Greden departed the meeting at 8:00 p.m.

V. COMMISSION REPORTS

- A. Executive Director Memorandum**
- B. Unaudited Financials (Consolidated Budget to Actual)**
- C. SEMAP Report and Cover Letter**
- D. Bid Sheet for Baker Roof**
- E. RAD Application Pros and Cons**

A. Executive Director Memorandum

Hall was also asked to present what she knew about the status and recent changes at the Ypsilanti Housing Commission. *Hall* gave a brief update based on public information – basically that YHC was over leased. HUD gave YHC several options to bridge its shortfall. The

AAHC was asked by HUD to consider absorbing the YHC HCV program, which the AAHC agreed to do. HUD decided to give the HCV program to MSHDA because they have a larger capacity and they are in negotiations at this time. There have also been discussions at several governmental levels to consider creating a “regional” housing commission. *Hall* said there is the possibility of a task force being developed to investigate a regional housing commission. If HUD asks the AAHC to be part of a solution that would keep the housing in the community, then the AAHC will participate in those discussions.

Manildi: Echoed *Hall*'s view that if asked, and based on many, many factors, the Commission would possibly consider how it could help. *Black*: I think this would be a tremendous undertaking.

Woods: We are best positioned as a Commission to be open to receiving a HUD proposal and be ready to process and decide based on weighing the related issues. Also, if there is a discussion of a regional housing authority, it could mean a variety of possibilities of how housing is organized. He said the Commission should be open to a dialogue in this discussion.

Black: Agreed with Commissioner Woods, but would like to see the AAHC have loyalty to its current structure.

All Board members asked *Hall* to listen to the coming dialogue and to discuss what is learned with the Board in future meetings.

B. Unaudited Financials (Consolidated Budget to Actual)

See information above – discussed earlier in the meeting.

C. SEMAP Report and Cover Letter

See information above - discussed earlier in the meeting.

D. Bid Sheet for Baker Roof

See information above - discussed earlier in the meeting.

E. RAD Application Pros and Cons

See information above - discussed earlier in the meeting.

VI. ADDITIONAL PUBLIC COMMENTARY – limited to 5 min./person

None.

VII. ADJOURNMENT

Black moved and *LaBarre* seconded.

Motion Approved 4-0 (Manildi, Woods, LaBarre, Black - yes. 0 - no)

Adjourned – 8:23 p.m.

Other Handouts:

Ann Arbor Police Department Report

Smoke Free Work Plan Washtenaw County Public Health