



CITY OF ANN ARBOR, MICHIGAN

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ANN ARBOR HOUSING COMMISSION

Ann Arbor Housing Commission January 20, 2010 REGULAR BOARD MEETING MINUTES

The meeting took place in the AAHC Community Room, 727 Miller Ave., Ann Arbor, MI 48103. Chairperson Alan Levy convened the meeting at 6:37 pm.

ROLL CALL:

Commissioners present: Alan Levy, Deborah Gibson, Marta Manildi, James Jackson, and Dwayne Seals
Staff Present: Marge Novak, Betsy Cornellier, Nick Coquillard and Weneshia Brand
In Attendance: Tony Derezinski, Brigitte Burke, Marty Strange, Jayne French, Barbara Mitchell, Al Schnaidt

- I. **APPROVAL OF AGENDA** - The Agenda, Commissioner *Gibson* moved and Commissioner *Jackson* supported. *Levy*: add discussion regarding the agency plan public hearing and staff selection process for vacant positions. The agenda approved 4 Ayes 0 Nays.
- II. **PUBLIC COMMENTARY** – *Strange*: (resident of Miller Manor) recognizes that the City is committed to budgetary review. Monday at the RAB meeting discussed and agreed to distribute a petition requesting that the maintenance department maintain existence at the Commission. *Strange* reads aloud a petition that will be posed to all AAHC residents. Expresses concerns of residents regarding security of keys and trust, and asked that the Commission take residents' needs into consideration; asked the Commission to seek other avenues before moving forward. *French*: expresses residents' concerns about the maintenance decision; states that the residents are very happy with the management team who inherited a big mess; residents are happy with the changes made, trust has been restored and people like the maintenance staff; questions how the Board made the decision regarding maintenance. *Levy*: states that the Board is not responding at this time, but will look into opportunities to meet with residents and communicate with residents as they move forward. *Mitchell*: concurs with *French*'s statement and reiterates concerns regarding maintenance decision. *Gibson*:

expresses appreciation for resident support; this participation affirms concerns that were previously expressed. The Commission has voted, my vote was nay; residents' input should be considered as the Commission goes along with future plan. The resident petition demonstrates the need for consideration.

III. APPROVAL OF MINUTES –

- A. **Regular Board Minutes - December 16, 2009:** Motion by Commissioner *Gibson*, seconded by Commissioner *Jackson*. Minutes approved: 4-0
- B. **Special Board Minutes - January 6, 2010:** Motion by Commissioner *Jackson*, seconded by Commissioner *Manildi*. *Levy*: explains that the minutes will be posted on the AAHC webpage. *Manildi*: clarifies that the closed session of the Special Board Meeting dealt only with labor relation issues and that the remainder of the meeting was held in open session. Minutes approved: 4-0.

IV. NEW BUSINESS

A. Resolutions

- 1. **FY10-18: To Recognize Jayne Miller for Her Contributions to AAHC –** Motion by Commissioner *Jackson*; seconded by Commissioner *Manildi*. *Levy*: it is appropriate to recognize Jayne for her contributions to the Commission. The resolution is appropriate in that sense; presentation is prior to Jayne leaving her position with the City of Ann Arbor. *Gibson*: appreciates Jayne's efforts to bring attention to City Council the Commission's organizational position. Approved: 5-0.
- 2. **FY10-19: To Approve Revisions to the AAHC Procurement Policy –** Motion by Commissioner *Jackson*; seconded by Commissioner *Manildi*. *Novak*: the HUD Detroit office completed a desk review of the Commission's administration of the ARRA/Stimulus grant, focusing on procurement procedures and oversight of stimulus dollars. The Commission responded to the recommendations made from this review. There was also an on-site visit for further review of the ARRA grant; the Commission has incorporated all of the recommendations into the revised procurement policy, however this is still considered a work in progress, as we anticipate making further changes some time in the near future. A written report of the HUD on-site review is expected within 30 days from the visit and we expect further recommendations to be made. *Gibson*: inquires if the newly added items apply to all procurement. *Novak*: yes, there is little language that applies to ARRA only. *Seals*: inquires of a list of additional items. *Novak*: the list of 17 items recommended by HUD is included in the resolution packet; HUD suggested incorporating the language from the HUD Procurement Handbook, which is what was done. A majority of recommendations were in regards to the cost estimate processes and documentation. *Levy*: in the 17 items is there anything that was burdensome. *Novak*: no, the recommendations are manageable; the process will require better documentation. *Seals*: inquires of the threshold amounts. *Novak*: the policy was amended to increase the small purchase amount from \$1,000 to \$2,000. *Seals*: inquires of the City purchasing standards. *Novak*: would follow-up.

Jackson: inquires of the change. *Novak*: raised the threshold to \$2,000. *Seals*: confirms that above this amount requires three quotes. *Manildi*: clarifies that the policy may be amended at a future date. *Novak*: yes, we will continue to review the policy. *Manildi*: inquires the difference between the ARRA review and SEMAP review. *Novak*: explains the difference between the two reviews and clarifies that they are totally separate reviews. *Levy*: mentions that the recommendation is reasonable; inquires of the previous conversation regarding the procurement policy specifically check-writing policy. *Novak*: confirms acclimation. *Seals*: clarifies two signatures required for checks exceeding \$25K. *Cornellier*: it is a self-imposed directive. *Levy*: suggests voting on the resolution presented; forming a subcommittee to review current policies and making necessary recommendations for change. *Novak*: traditionally contracts exceeding \$25K are brought to the Board. *Levy*: other organizations vote on a threshold limit, with purchases purchased below the threshold represented in the form of a report. Approved: 5-0

3. **FY10-20: To Approve Change Order #5 to First Contracting Contract** – Motion by Commissioner *Manildi*, supported by Commissioner *Gibson*. *Novak*: the change order has already been executed; the resolution provides for a time extension to the contract; as of December 13th the contract expired. The majority of remaining construction items are a result of change orders; fire suppression system, foundation work, concrete work etc., the resolution extends the contract to April 15th. *Levy*: inquires of company's performance. *Novak*: very satisfactory work, very responsive. Approved: 5-0.
4. **FY10-21: To Approve Revision to S8 Admin Plan (Homeownership)** – Motion by Commissioner *Jackson*, supported by Commissioner *Gibson*. *Coquillard*: AAHC operates two homeownership programs; PH and S8; this policy refers to HCV participants who can purchase a home using their voucher; qualifications are governed by HUD, however this requirement is optional to the PHA. This resolution proposes to lower the requirements for the number of average hours worked per week from 30 to 25 hours per week. The recommendation is a result of an evaluation of a participant's circumstances who attends school full-time and is employed. *Seals*: clarifies that the one year employment requirement is made by HUD. *Coquillard*: the requirement is set by HUD. *Jackson*: how many participants take advantage of this opportunity. *Coquillard*: program is optional to PHA, one participant has successfully participated. *Novak*: explained the history of the success story and that the Commission would like to expand this program. Approved: 5-0.
5. **FY10-22: To Approve Tenant Accounts Receivables (TAR) Write-Off** – Motion by Commissioner *Manildi*, supported by Commissioner *Seals*. *Cornellier*: two tenant write-offs – small total amount; one participant has high balance (just lost employment therefore only collecting \$50/month), not writing off this amount. Commissioners should expect to see more write-offs next month. *Seals*: inquires of participant high balance. *Cornellier*: suspects low reporting of income after the fact. Approved: 5-0.

B. Presentation:

- 1. Finance (Review of Year-to-Date Financials)** – *Cornellier*: reports on second quarter financials; a section was added to compare November 2009 YTD to December 2009 YTD. Central office has an increase of \$97K, \$90K of which was received from the City and earmarked for salaries; an additional \$60K was received from the City as has been received in past years for PH resource coordinators, etc., this amount was split between PH West, East, and S8; West YTD basically broke even; income \$23K, under in utilities by \$20K, increase in miscellaneous administrative expense and maintenance supplies and contracts. Subsidy dropped for January for both East and West. PH East at a loss of \$18K for year, substantial allocation to snow removal contract and major repairs. S8 received \$14K; loss of \$9,500 for administration, change of \$6K, spending \$120K a month more than what is funded for S8. *Gibson*: inquires if VASH is being tracked separately. *Novak*: yes, VASH is accounted for separately, VASH has equity of \$770K, with expenditures of approximately \$16,000 per month. *Seals*: inquires of the HAP bottom line. *Cornellier*: explains line items. *Novak*: if we continue to receive HAP as received in Jan and Feb, potentially the reserve will last until March or April. Stresses the importance of protecting reserves to be used as short-term gap fillers given timing of funding – reserves can be replenished once actual funds are received. *Levy*: inquires of Yardi's performance. *Cornellier*: replies, most financial reports are manually created.

Amendments to the Agenda – Additional Items for Discussion

Agency Plan – Wed March 17th proposed date for agency plan public hearing meeting; please confirm attendance. *Novak*: five year plan was submitted April 2009; annual update to plan requires submission by April 16th to HUD. Requires Board approval and a 45-day public comment period; the plan will be publicly available starting on January 30th, ending with the March 17th regular board meeting which will include the public hearing; notice must be out by Monday. *Manildi*: inquires of five year plan. *Novak*: submitted April 2009; provides overview of process. *Gibson*, *Jackson*, *Seals* confirm attendance at March 17th Board meeting. *Gibson*: clarifies public hearing. *Novak*: agenda item in March.

Staff Selection – *Levy*: introduces Brigitte Burke, City of Ann Arbor HR Dept; *Levy* met with Jayne Miller and Rebecca Warrington regarding permanent hire for the Executive Director (ED). The hiring of the ED is the responsibility of the Commissioners. The selection of Deputy Director (DD), Residency Managers, Section 8 Manager and Financial Analyst, are the responsibility of the ED. The Board can make stipulations regarding Board participation with regards to screening and interviewing processes. The urgency is that the MOU with the union expires on March 31st. Human Resources will post the ED and DD job descriptions January 21st, Commissioners will have the ability to change the job description. The current plan is to post the positions for two weeks, sources being: Career Builder and NAHRO. Every candidate must follow the standard procedures for completing applications; the initial screening will be completed by HR; a subcommittee (AAHC Board of Commissioners volunteers) will interview qualified applicants, Commissioners are welcome to develop questions for the interview, however HR has standard questions for all positions. Commissioners will need to discuss availability and time commitment.

Phone interviews will be completed by HR, however Commissioners are welcome to conduct additional phone interviews. *Burke*: HR will develop a panel of hiring personnel with an open discussion after finalists are selected. *Seals*: inquires of timing to complete reference verifications. *Manildi*: suggests expressing to applicants the extent of confidentiality involved in the hiring process. *Burke*: the screening and interviewing process will decrease the number of applicants to only qualified and competent individuals. *Seals*: inquires why the positions were not posted in the Ann Arbor newspaper. *Burke*: web-based job portal connects to a larger venue at a more reasonable cost. *Manildi*: inquires to the job descriptions qualifications section. *Burke*: HR will take into consideration; the work experience, education, certifications and knowledge combined. *Seals*: inquires if the screening will weed those applicants that fail to meet the minimum qualifications. *Burke*: yes, however all levels of knowledge will be analyzed. *Seals*: inquires of work experience versus education. *Burke*: HR will consider everything, however work experience is most important. *Levy*: suggests that residents and supportive service providers need to be included in the process with the finalists. *Burke*: the participants would represent the organizations. *Levy*: suggest receiving feedback from Commissioners regarding qualifications, responsibilities, questions and availability for February. *Gibson*: inquires if a specific recruitment organization exists for minorities to apply. *Burke*: Career Builders and Monster job portals will attract to majority of qualified individuals.

V. COMMISSION STAFF REPORTS

- A. Interim Executive Director – *Novak*: Obama signed HUD Funding bill on December 16th, which directs HUD to determine PHA funding within 60 days, which is expected by mid February - both Section 8 budget authority and Public Housing operating funds. SEMAP review is scheduled for next week; Rick Wears from HUD Detroit Field Office will review the FY08 and FY09 SEMAP submissions. Will begin conversation with HUD for S8 front loading and required documents. Quarterly ARRA report was submitted as well as Section 3 reporting. Working with auditor for completion of final audit. Final audit will be emailed to Commissioners prior to submission to HUD. Meetings with individual staff were held with Jayne Miller the day after the Special Board Meeting. Nick will be responsible for drafting the RFP and contract for the maintenance outsourcing project. PH has high vacancy concerns, 10 ready for occupancy, HUD wants 30 day unit-turn turn around; West is 270 days and East is 117 days for unit turns. *Gibson*: inquires the reason. *Novak*: results from residents' length of occupancy and need for maintenance of the units once they become vacant; maintenance staff have responsibility to complete routine maintenance requests which leaves less time for unit-turns. *Gibson*: inquires of the lengthiest process i.e. replacing carpet, painting, vanity replacements. *Coquillard*: it is assigning staff to complete unit turn repairs while completing routine maintenance repairs. *Levy*: inquires if the housing stock is attractive to applicants. *Novak*: mentions that the unit type needs to be analyzed. *Novak*: currently we are focusing on 100% obligating stimulus funds; CFP09S grant is 99% obligated, however must be completely obligated by March 17th; PH East and West have identified capital items to be included in the agency plan.
- B. Financial Manager – as submitted; no comments or questions.
- C. Interim Section 8 Report – as submitted; no comments or questions
- D. Interim PH-West – as submitted; no comments or questions.
- E. Interim PH-East – as submitted; no comments or questions.

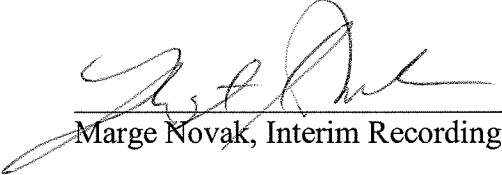
F. Security Reports – as submitted; no comments or questions.

VI. **ADDITIONAL PUBLIC COMMENTARY :**

VII. **ADJOURNMENT:** at 8:44 pm. Approved: 4-0.



Alan Levy, Chair



Marge Novak, Interim Recording Secretary