



CITY OF ANN ARBOR, MICHIGAN

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ANN ARBOR HOUSING COMMISSION

Ann Arbor Housing Commission

August 17, 2011

REGULAR BOARD MEETING

MINUTES

The meeting took place at Baker Commons in the Community Room, 106 Packard, Ann Arbor, MI 48104. President Manildi convened the meeting at 6:07 P.M.

ROLL CALL:

Commissioners present: Marta Manildi, Ron Woods, Leigh Greden, Gloria Black

Commissioners absent: None, one vacancy

Staff Present: Nick Coquillard (Interim Exec. Dir.), Betsy Cornellier (Fiscal/Administrative Manager)

In Attendance: Sumedh Bahl, Community Services Director; Tony Derezinski, Council Member; Andy LaBarre; Residents from Baker Commons – Robert Morgan, Carolyn Miller, Victor Bell, Dee Kelly.

Welcome: President Manildi welcomed attendees and announced that the Mayor had appointed Andy LaBarre as an AAHC Commissioner and he will officially join the Board after being sworn in.

- I. **APPROVAL OF AGENDA** – Commissioner *Greden* moved and Commissioner *Black* supported a motion to approve agenda. Commissioner Manildi offered a friendly amendment to add one item to the agenda under Section IV. A. 3. Resolution FY 12-10: To Approve Revisions to the Section 8 Administrative Plan – Chapter 11: Owner Rents, Rent Reasonableness, and Payment Standards. Commissioners Greden and Black agreed to the amendment. The amended agenda was approved 4-0.

II. **PUBLIC COMMENTARY**

- A. Resident Organizations – None

B. Others Requesting to Speak – *Miller*: Asked when the Commission would be installing the new windows at Baker Commons. *Coquillard*: summarized the process of the windows bid process over this past summer and that the bid should be posted soon. *Miller*: expressed concern about the condition of Baker Commons community room carpet and asked about the Commission’s plans to replace this carpet. *Coquillard*: responded that replacement was discussed this past spring with B.C. Residency Manager Beth Yaroch and he will follow up. *Miller*: communicated that she witnessed water leaking in the community room near the television, and asked who should this issue be brought to? *Coquillard*: stated that this information should be brought to Beth Yaroch. *Bell*: said that about four to five times a year the water is cut off in the building and asked why can’t the water problem be fixed? *Manildi*: said that water problems can be difficult to find and asked Coquillard to follow up. *Bell*: expressed that he felt there was a security concern and persons were able to enter the building. *Bell*: asked for cameras on every floor. *Manildi*: said that security would be discussed later in the meeting. *Morgan*: shared a letter from Coquillard and expressed his concerns that his windows had yet to be replaced and that he was promised new windows by this past summer. He said he wanted his windows replaced before the winter. *Manildi*: said that the Commission does its best to try to meet as many concerns as possible as quickly and efficiently as possible, and a bid process is progressing and the Commission believes it must fix all of the windows in one contract. *Black*: said that she sensed and understood Mr. Morgan’s frustration and that the Commission was addressing the problem. *Bell*: agreed with Mr. Morgan and said it took two months to get a screen repaired. *Kelly*: said that the Commission staff was doing a good job.

III. APPROVAL OF MINUTES

A. **Regular Board Meeting Minutes – July 20, 2011** Moved by *Woods*; supported by *Greden*. Minutes approved: 4-0.

IV. NEW BUSINESS

A. Resolutions

1. **FY12-08: To Approve FY 2011 Unaudited Financials** – Moved by *Greden*, supported by *Woods*. *Cornellier*: Presented the details around the resolution and handed out the Ending Budget to Actual report, provided to the Board each month. She handed out the FDS report and also the PHAS Scoring report. *Cornellier*: explained that the three main programs had positive Net Incomes, and that all ending unrestricted reserves came in as expected. She said there were some adjusted payroll entries and added payables and water bills from the previous report reviewed last month. She compared the expenses which were applied to the CFP grant on West and East. *Greden*: asked if there were any red flags? *Cornellier*: asked the Board to remember the AAHC’s FY12 budgets with each major program projecting a loss: \$90,000 for East and West and \$160,000 for Section 8. Reserves are available to cover these expected

losses. *Manildi:* asked the function of the Board to approve these financials, and *Cornellier* explained that HUD requires it. *Black:* asked that if the Board did not approve these financials, would the HUD force the end of the audit, and *Cornellier* said she did not know. *Black:* asked if there was a certain amount that had to be in reserves? *Manildi:* asked how long reserves would last and whether HUD would reclaim them? *Cornellier:* explained that to receive full points in PHAS, that 4 months of reserves was expected to be retained, and that at this point, HUD has not said they would reclaim them. She explained that West has about 2 years reserves, East has more than 2 years reserves, and Section 8 will only have 1 year of reserves. *Cornellier:* said she was hopeful that Section 8 could re-position itself to be 'sustainable', however, she didn't have any ideas for Public Housing. *Cornellier:* said she hoped that long-term plans could be made which would enable the Commission to use its large reserves in COCC, Garden and Section 8 NC in a positive way, and not to just keep the Commission afloat. She said she thought felt audit was going well after three weeks. She reported that the auditors had tested revenues, expenses, bank records, payables, receivables, CFP, additional fixed assets, depreciation, accruals, balance sheet balances, receipts, and management fees. She reported that auditors found some instances where the AAHC went retro with 2 or 3 tenants due to EIV discrepancies and might do a prior period adjustment, and that this could be considered material. At this time, the auditors are reviewing and testing the annual payroll figures. She also discussed a roof issue at Baker Commons, and that it may need to be unexpectedly replaced. She reminded the Board that the Commission's CFP grants were reduced by \$70,000 than the previous and that it was going to be difficult to find the \$100,000 for Baker Common's roof in the CFP Grant. Approved 4-0.

2. **FY12-09: To Approve SEMAP Certification for FY 2011** – Moved by *Woods*, supported by *Manildi*. *Coquillard:* Introduced and provided overview and background on the resolution, and provided some historical background on most recent SEMAP submissions, including last year's FY10 submission. The FY11 self score places the Commission as a standard performer, at the low-end of the scale. One category which the Commission anticipates no points is in "adjusted income" which has been a consistent issue and must be a priority for Section 8 Manager *Weneshia Brand* to address and turn around. The other category the Commission anticipates no points is in the lease-up indicator where the AAHC fell short of the 95% lease-up rate required to score points in this category. He briefly discussed the Commission's effort to lease up and that it is currently seeing major progress in July and August. *Black:* asked for clarification regarding Indicator 8, Payment Standards, and *Coquillard* explained the basics regarding the indicator and said that Section 8 Housing Manager *Weneshia Brand* will be present at next month's meeting to explain further. Approved 4-0.

3. **FY12-10: To Approve Revisions to the Section 8 Administrative Plan – Chapter 11: Owner Rents, Rent Reasonableness, and Payment Standards –** Moved by *Greden*, supported by *Woods*. *Coquillard*: Introduced and provided a brief overview regarding the need to make these proposed additions and changes to the Section 8 Administrative Plan after HUD’s recent on-site audit and comments. The changes provide updates that reflect the Commission’s current procedures related to reviewing and approving reasonable rents. Approved 4-0.

B. Presentations:

1. **Finance – Betsy Cornellier:** *Manildi*: Asked if there was any additional information to present other than that presented earlier? *Cornellier*: discussed that funding in the CFP grant is much lower than in previous years – about \$70,000-\$80,000 thousand less.

C. Board of Commissioners Discussion:

1. *Manildi*: Discussed that there would be an update during *Coquillard*’s presentation regarding the recent incidents at North Maple. She said that Andy LaBarre had been appointed by the Mayor as the Commission’s newest Commissioner and welcomed him. She said that the search committee was working on hiring a permanent Executive Director and that Commissioners Black and LaBarre have joined the search committee. The committee is in process of reviewing resumes and information and aim to have a public meeting to discuss candidates on August 31. The process following that meeting will include public meeting(s) to interview, discuss and select a permanent Executive Director. The search committee will meet next Monday with Human Resources. *Woods*: asked about non-Baker Commons residents gaining entry into Baker Commons. *Coquillard*: explained typical examples of how that occurs including tenants letting visitors in. *Manildi*: viewed this as a serious issue of safety and for Beth Yaroch and Kevin Centala to be ready to report on this topic during their next presentation. *Miller*: said the front automatic door stays open too long and that this is especially an issue on the weekends. She asked if there could be someone hired to work security on the weekends. *Manildi*: said the Commission needed to think creatively on this issue. *Black*: agreed and it could be a good idea to have a sign-in sheet for those entering Baker Commons.

V. COMMISSION STAFF REPORTS for July 2011

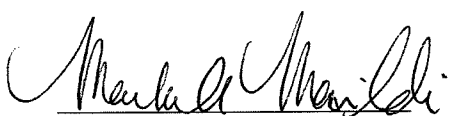
- a. Executive Director Memorandum – *Coquillard*: Provided a brief update regarding the work with the Ann Arbor Police Department and Peace Neighborhood Center in follow-up to several verbal and physical altercations near an at North Maple. *Manildi*: asked if *Coquillard* knew why Commission staff and managers were not informed until more than a week after the incidents? *Coquillard*: said he was not sure, but those issues have been discussed and full expectations of communication by

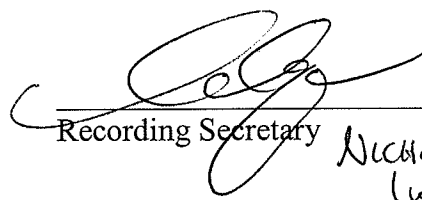
A2PD to AAHC staff have been re-established. *Manildi*: said we must have an eye on a sustainable procedures and Coquillard said he would ensure that the Commission will continue to have an open line with A2PD. *Woods*: thanked staff for quick follow-up and the steps taken after being notified, but said that the Commission must position itself for the future and ensure that we know about and address these safety issues immediately. He said he was very appreciative of Peace Neighborhood Center (PNC) staff here and he raised the question of the roles PNC and the Commission. *Coquillard*: said the two teams are working together and do so very well and that we will continue to communicate and support each others' efforts and goals. Coquillard then highlighted just a few other items from his report.

- b. Financials Agency-Wide (YTD) - Final Unaudited Financials (See also Resolution FY12-08), including Agency-Wide Summary and FDS Reports
- c. Section 8 Report – not submitted this month – full SEMAP for August
- d. Public Housing Agency-Wide Reports – as submitted
- e. Public Housing West AMP Report – as submitted
- f. Public Housing East AMP Report – as submitted
- g. Public Housing Security Report – as submitted

VI. **ADDITIONAL PUBLIC COMMENTARY:** *Miller*: said that when the police come in, they don't have a key. Coquillard will follow up.

VII. **ADJOURNMENT:** at 8:15 P.M. Movement to adjourn was moved by *Woods*, supported by *Black*. Approved: 3-0 (Commissioner Greden departed the meeting a short time before meeting's end).


Marta A. Manildi, President


Recording Secretary
NICHOLAS COQUILLARD
INTERIM
EXECUTIVE
DIRECTOR