

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF KANSAS CITY, KANSAS**

Thursday, March 18, 2021
12:30 p.m.

Held Electronically
Via Zoom

On the 18th day of March 2021 at 12:30 p.m. the Board of Commissioners of the Housing Authority of Kansas City, Kansas met in special session via Zoom due to the coronavirus pandemic. The meeting was called to order by Chairman Watkins, and upon roll call, the following members of the body were present:

Matthew T. Watkins, Chairman
Rev. Jimmie L. Banks, Vice-Chairman
Jacques Barber, Commissioner
Broderick Crawford, Commissioner
*Rachel Jefferson, Commissioner
P. Anne McDonald, Commissioner
Timothy J. Rhodes, Commissioner
J.D. Rios, Commissioner
Denise Tomasic, Commissioner
Linda Warner, Commissioner

ABSENT: Cardelia Walker, Commissioner
Charles Wilson, Commissioner

ALSO, PRESENT: Thomas M. Scott, Executive Director/CEO
Cherrie Escobar, Director of Section 8
Gerald Glavin, Asst. Director of Operations-FM
Sharron Davis-Mays, Self-Sufficiency Coordinator
Jacqueline D. Randle, Executive Services Manager
Caroline Rogers, Director of Finance
Anthony J. Shomin, Director of Contract Administration
Elaine Stroud, Director of Operations
Nebyu Tilahun, Assistant Director of Finance
Kendra Tyler, Asst. Director of Housing Operations-HM

Chairman Watkins called the meeting to order and roll call was taken. He then welcomed Dr. Mosier, President of the Kansas City, Kansas Community College.

Chairman Watkins called for approval of the minutes. Commissioner Rios made the motion to approve the minutes of February 18, 2021. Commissioner Rhodes seconded the motion, and the following vote was recorded:

AYES: Banks, Barber, Crawford, McDonald, Rhodes, Rios, Tomasic, Warner, Watkins

NAYS: None

ABSENT: Jefferson, Walker, Wilson

ABSTAIN: None

Motion carried.

Executive Director's Report

- Mr. Scott noted the agenda was lengthy today and his report just referenced meetings that have taken place, but he would draw attention to some key items.
- Pre-interviews for the Executive Director position began this week. Formal interviews will be held on March 30, 2021.
- There is one person at a Scattered Site with COVID-19. We were able to begin getting employees vaccinated on March 5, 2021. Seventy-eight employees have taken their first shot. As other employees elect to be vaccinated, we will send this information to the health department. Ms. Stroud was instrumental in getting this implemented. We were able to vaccinate the aides in the high-rises and are looking to have vaccination sites at each high-rise to start around April 10, 2021 which is two weeks after everyone has their second shot. Vice-Chairman Banks asked if some employees have decided not to be vaccinated. Mr. Scott noted that was correct. The agency's response is to bring someone in to educate staff. We do not have a policy on vaccinations currently. Vice-Chairman Banks asked if the Board should come up with a policy to address this as those not being vaccinated could affect others. Mr. Scott noted that we could establish a policy if the Board chooses to do so. He further expressed to the Board that nursing homes, assisted living facilities and health care workers cannot mandate that their staff be vaccinated according to the CDC regulations. However, employers can mandate having the vaccinations. Vice-Chairman Banks asked that Mr. Scott investigate this further. Commissioner McDonald noted that she was opposed to mandated vaccinations even though she agrees that everyone should have them.

Committee Reports

Finance

Commissioner McDonald noted that Jackie Randle sent the written Finance Committee report to the Board and she would not take up a lot of time as the budget would be discussed later in the meeting. Income from rent is lower, and vehicle and fuel costs are down. Vehicles can be stored safely at the new maintenance facility and they no longer need to be driven home. The decrease in rental income was discussed and staff is working with residents to get rental assistance. Mr. Scott added there are a number of programs available to help with rental assistance and utilities. Housing Operations staff has put together a list to distribute to our residents and will stay on top of this to help residents through this process.

Personnel

Vice-Chairman Banks noted that as the Board knows, we are in search for an Executive Director with Mr. Scott in the forefront of the search. A couple of candidates have been identified through this process. A Zoom meeting is set for Tuesday, March 30, 2021 at 11 a.m. with the two candidates, the Personnel Committee and Mr. Scott. He then asked Mr. Scott to provide further information about the two candidates. Mr. Scott noted that one hour would be allowed for each interview with 30 minutes in between for review. He explained that both candidates are very strong. One works in Housing Management out of state. The other one works in local government with great leadership skills and is also out of state, but close by. They are both good candidates.

Development

Commissioner Rhodes indicated that the Development Committee has not met, but he would be getting something on the calendar very soon.

Resident Participation

In Commissioner Wilson's absence, Ms. Davis-Mays noted that the Resident Participation Committee had one meeting with the resident leaders. They are getting their budgets done and were made aware of what is going on with housing.

CHIG

Chairman Watkins noted that CHIG met on Tuesday. The DHAL's census is at 100 and visitors will soon be allowed back in the building. There is no COVID-19 in the building and management is doing a great job. There has been a full round of vaccines for everyone that wanted it. Mr. Scott added that we have done two shots with residents and staff who wanted them. He said 98 plus percent have been vaccinated. There are a couple of folks that have not had the shot but will take it. DHAL is COVID-free. There are a few folks in quarantine, due to them leaving the

building. They quarantine for 14 days once they return. Visitation opened on March 9, 2021. The visitation policy has been tailored to the CDC guidelines. He believes management has done a good job in protecting folks and are moving forward.

The following committees did not meet: Bylaws, Development, Inclusion and Public Information, and Executive.

New Business Consent Items: None

New Business Discussion Items

Resolution No. 2021-02, PHA Board Resolution approving the Annual Operating Budget, was introduced.

Mr. Tilahun led a PowerPoint presentation of the 2022 operating budget for the Kansas City, Kansas Housing Authority. He noted that the fiscal year runs April 1, 2021 to March 31, 2022. He advised that the budget is prepared for three different budget centers: COCC, HCV and Public Housing Program. There are seven different property groups or AMPs. The budget is prepared using year-to-date revenue and expenses adjusted for inflation. Mr. Tilahun noted it is a very conservative budget. Seven types of revenue were presented. The largest source of income comes from operating subsidy, 44 percent; followed by resident income, 25 percent. The three different budget centers were discussed further and in greater detail. Vice-Chairman Banks questioned the rates for Fee for Service, being \$35 or \$50 with nothing in between. Mr. Scott asked to explain and noted that those fees are the hourly rate and benefits for the position based on the skill level of the position. This is the amount charged to the AMP and not the rate that the resident pays. Their rates are listed in the approved price list and based on normal wear and tear. Other maintenance staff are charged as direct costs to the property and are not based on Fee for Service. Fee for Service employees travel like a service technician. The Section 8 Administrative fee was discussed. Mr. Tilahun explained that the operating subsidy for Public Housing is based on 92 percent proration rate and the budget will be adjusted if this amount changes. He then reviewed the six expense types: Administrative, Tenant, Utilities, Maintenance Services, Protective Services and General. The final slide showed net income budgeted at \$1,183,624 compared to 2021FY which is 40 percent higher. Mr. Tilahun concluded that we are expecting a very good year. He asked if there were questions. Commissioner Barber noted that we would always be operating at a deficit with Section 8. He questioned if HUD believes the program can be subsidized or spread out within the administrative budget. Mr. Scott noted the Section 8 program and Public Housing programs are separate. It is not possible for the Housing Authority to absorb costs for Section 8. The funds from the COCC are not federalized funds and can be used in the Section 8 program. He noted the fee was 70—71 percent for Section 8 in the 1990s, so it has not increased much.

The Section 8 program has had difficulties due to the lack of properties available for the program. There has been an issue with quality Section 8 in Wyandotte County. There are not enough tax credit properties in this community. He further explained that we need to look at a marketing program for Section 8, but it has been difficult with COVID-19. There is a combination of a lot of things that are contributing to problems with Section 8 housing. Mr. Scott speculated that we should be receiving 90 percent subsidy from Section 8 and not 83 percent subsidy. Commissioner Barber noted he would not take up anymore time and would discuss this further offline.

Mr. Tilahun added that when we budget \$818,000 for Section 8 if we lease more, we will receive more funding. Vice-Chairman Banks complimented Tom (Scott), Nebyu (Tilahun) and Caroline's (Rogers) work on the budget. Commissioner Rios thanked Nebyu (Tihahun), and Tom (Scott) for 90 minutes spent yesterday going over the budget.

Commissioner Rios made the motion to approve Resolution No. 2021-02. Commissioner Rhodes seconded the motion, and the following vote was recorded:

AYES: Banks, Barber, Crawford, Jefferson, McDonald, Rhodes, Rios, Tomasic, Warner, Watkins

NAYS: None

ABSENT: Walker, Wilson

ABSTAIN: None

Motion carried.

RESOLUTION NO. 2021-02—PHA Board Resolution approving the Annual Operating Budget

Chairman Watkins and Commissioner Barber complimented staff on putting together such a clear presentation and explanation of the budget.

Resolution No. 2021-03, approving the collection loss write-off, was introduced.

Ms. Rogers noted that a collection loss write-off is done every six months and every resident that has not paid off their debt is added to the write-offs. This was last done in September 2020. The current write-off amount is \$83,000. In previous years, the write-offs have been \$252,000; \$245,000; \$179,000 and before that it was back in the \$80,000s. She noted that we were billing a high number of retro-rents that caused tenants to move out and drove up a high volume of write-offs.

We have cleaned up the retro-rents and the numbers have gone down. The expectation is that the next write-off will be in the same range as today. However, we do not know the affects of COVID and if tenants will be able to recover.

Commissioner Rios made the motion to approve Resolution No. 2021-03. Commissioner McDonald seconded the motion, and the following vote was recorded:

AYES: Banks, Barber, Crawford, Jefferson, McDonald, Rhodes, Rios, Tomasic, Warner, Watkins

NAYS: None

ABSENT: Walker, Wilson

ABSTAIN: None

Motion carried.

RESOLUTION NO. 2021-03—COLLECTION LOSS WRITE-OFFS.

Resolution No. 2021-04, approving the absorption of the Bonner Spring Public Housing Authority, was introduced.

Mr. Scott asked that Chairman Watkins go to page 38 of the board packet for this resolution. He noted we will probably go back to putting the resolution in the front of the attached documents. Bonner Springs has asked us to absorb its 50 units of public housing. Mr. Scott met with the City Council and Mayor. Documents are in the board packet for the Kansas City, Kansas Housing Authority to absorb the units on July 1, 2021. This must be done during the first of a quarter and there must be a 120-day review. Bonner Springs must provide substantially more documents than we must, so an exception was granted by HUD. Mr. Scott explained that the first document is a legal opinion by Kutak Rock of Bonner Springs' ability to transfer the property over to the Kansas City, Kansas Housing Authority. The second document on page 35 is a brief letter from this agency requesting the transfer date and fiscal year-end date be March 31, 2021. The next document is a resolution from Bonner Springs City Council that allows for the transfer from Bonner Springs to Kansas City, Kansas. The next document is to allow Kansas City, Kansas Housing Authority to work within Bonner Springs and operate that facility. The resolution follows. We have reviewed Bonner Springs' financials. The units are 50 years old. It will give us 50 public housing units which are currently full and in a different area of Wyandotte county. This will come in under a different budget and will be an AMP on its own. Vice-Chairman Banks questioned what impact, if any, this would have on next year's budget. Mr. Scott noted this would not bring a substantial amount of income, but the property has been well operated and is in very high demand. It will increase our Admin fees into the COCC and will also reduce the payroll costs out there because they must hire someone to do the

Executive Director and daily duties. We will have a part-time manager onsite. Bonner Springs has some reserves. Commissioner Warner asked what the residents are saying. Mr. Scott noted there were several meetings with residents, but he did not participate in those meetings. The biggest concern was that things were going to change. They are still going to have a Meals on Wheels program and other social service programs. There is a concern of their rent going up and it will not as it is being calculated at the same rate. We are going to be onsite after April 10, 2021 when everyone has had a chance to get their shots and get past those two weeks. Chairman Watkins noted this will help to diversify rental locations for our tenants.

Commissioner Rios made the motion to approve Resolution No. 2021-04. Commissioner Crawford seconded the motion, and the following vote was recorded:

AYES: Banks, Barber, Crawford, Jefferson, McDonald, Rhodes, Rios, Tomasic, Warner, Watkins

NAYS: None

ABSENT: Walker, Wilson

ABSTAIN: None

Motion carried.

RESOLUTION NO. 2021-04—APPROVING THE ABSORPTION OF THE BONNER SPRING PUBLIC HOUSING AUTHORITY.

Resolution No. 2021-05, authorizing the Executive Director to donate Kansas City, Kansas Housing Authority property located at 624 State Avenue in Kansas City, Kansas, was introduced.

Mr. Scott noted that he met with the president of the junior college to go over the plan that encompasses our maintenance facility. He reminded the Board that most of the maintenance facility was closed. As a result, our costs were driven up last year because the maintenance vehicles were driven home because they could not be parked at the facility due to the condition of the building. This caused us to purchase the Meadowlark Lane building. Maintenance staff is almost completely relocated to the new facility. The new KCKCC building will bring needed resources downtown. Mr. Scott indicated there was concern about the Willa Gill center. He showed the map which outlines the area that will be encompassed by the new center, and the Willa Gill center is out of that area. There is also a reference in the accompanying letter by Dr. Mosier. The junior college will absorb the cost of the transfer of ownership and related items. Commissioner Jefferson noted the actual building was not included, but the parking lot is, she was confused by this. Mr. Scott noted that most of the parking is done behind the building. He suggested

that Dr. Mosier could speak to this more specifically. Dr. Mosier explained there will be parking underneath the main building. The Unified Government will put diagonal parking on both sides of the street. One row or two of parking will be put on Nebraska Ave. It will all be public parking that Willa Gill center volunteers can also use. Vice-Chairman Banks asked to have this verified concerning parking on the north side Nebraska Ave. Commissioner Crawford thanked Dr. Mosier for presenting the most current rendition of the map as there are several versions out there. Dr. Mosier noted he has had several meetings with the Mayor and his staff, and he is appreciative of the Board's consideration. The Board continued its discussion related to the area outlined on the map. Commissioner Barber asked would the underground parking be free. Dr. Mosier noted it would be free. Commissioner Jefferson referenced Dr. Mosier's letter asking what was meant by "*closer to where these individuals live.*" Dr. Mosier noted his understanding from the UG is that there are individuals that live to the north and south of that location and there can still be a facility in this current location and some food delivery. It will be several years before a new location is identified. Chairman Watkins noted there are a lot of conversations taking place and he would be happy to include anyone wanting to be in those conversations. Commissioner Jefferson noted she would like to be involved in those conversations.

Commissioner Rios made the motion to approve Resolution No. 2021-05. Commissioner Crawford seconded the motion, and the following vote was recorded:

AYES: Banks, Barber, Crawford, Jefferson, McDonald, Rhodes, Rios, Tomasic, Watkins

NAYS: None

ABSENT: Walker, Wilson

ABSTAIN: Warner

Motion carried.

RESOLUTION NO. 2021-05—AUTHORIZING THE EXECUTIVE DIRECTOR TO DONATE KANSAS CITY, KANSAS HOUSING AUTHORITY PROPERTY LOCATED AT 624 STATE AVENUE IN KANSAS CITY, KANSAS.

Commissioner Rios thanked Dr. Mosier and the KCKCC on being progressive. Vice-Chairman Banks added that he would hold Dr. Mosier to those commitments on parking and would like to have him come back to show us the results. Dr. Mosier then offered to provide a tour of the new facility once it is built.

Executive Session

At the Chairman's request, the Vice-Chairman made the motion to go into Executive Session for 20 minutes to discuss a real estate issue. Commissioner McDonald seconded the motion, and the following vote was recorded:

AYES: Banks, Barber, Crawford, Jefferson, McDonald, Rios, Tomasic, Warner, Watkins, Wilson

NAYS: None

ABSENT: Rhodes, Walker

ABSTAIN: None

Motion carried.

Executive session began at 2:00 p.m. Mr. Scott was present during Executive Session.

Vice-Chairman Banks made a motion to extend Executive Session for another 10 minutes to continue the discussion on a real estate matter. Commissioner Jefferson seconded the motion, and the following vote was recorded:

AYES: Banks, Barber, Crawford, Jefferson, McDonald, Rhodes, Rios, Tomasic, Warner, Watkins

NAYS: None

ABSENT: Walker, Wilson

ABSTAIN: None

Motion carried.

The extended Executive session lasted from 2:20 p.m.—2:30 p.m. The entire Executive session ran from 2:00 p.m.—2:30 p.m. Mr. Scott was present the whole time.

Commissioner Jefferson made a motion to return to Special Session. Commissioner Rhodes seconded the motion and the following vote was recorded:

AYES: Banks, Barber, Crawford, Jefferson, McDonald, Rhodes, Rios, Tomasic, Warner, Watkins

NAYS: None

ABSENT: Walker, Wilson

ABSTAIN: None

Motion carried.

Commissioner Barber noted his concern that people may not be able to make up the rent that they missed. He is curious to see how we will deal with this under HUD. He asked could this be on the agenda for next time. Chairman Watkins made a note of this.

Chairman Watkins then called for the meeting to adjourn and it passed unanimously.

Matthew T. Watkins, Chairman

Thomas M. Scott, Executive Director/CEO

*Arrived after roll call.