

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

Thursday, June 18, 2020
12:30 p.m.

Held Electronically
Via Zoom

On the 18th day of June 2020 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
Denise Tomasic, Commissioner
Cardelia Walker, Commissioner
Linda Warner, Commissioner
Charles Wilson, Commissioner

ABSENT: Broderick Crawford, Commissioner
Rachel Jefferson, Commissioner
P. Anne McDonald, Commissioner
Timothy J. Rhodes, Commissioner

ALSO PRESENT: Thomas M. Scott, Executive Director/CEO
Cherrie Escobar, Director of Section 8
Gerald Glavin, Asst. Director of Facilities Management
Julio Marino, Jr., User Support/Inventory Coordinator
Sharron Davis-Mays, Self-Sufficiency Coordinator
Jacqueline D. Randle, Executive Services Manager
Caroline Rogers, Director of Finance
Anthony J. Shomin, Director of Facilities Management
Elaine Stroud, Assistant Director of Housing Management
Nebyu Tilahun, Assistant Director of Finance
Liza Abney, HUD Staff
Adam Austin, HUD Staff
Tanya Burgin, HUD Staff
Larry Maxwell, HUD Staff
Peter Reeves, HUD Staff
Kathy Ritzler, HUD Staff
Craig Vandervort, HUD Staff

Chairman Watkins called the meeting to order and roll call was taken.

Chairman Watkins called for the approval of the minutes. Vice-Chairman Banks made the motion to approve the minutes of May 21, 2020. Commissioner Barber seconded the motion and the following vote was recorded:

AYES: Banks, Barber, Tomasic, Walker, Warner, Watkins, Wilson

NAYS: None

ABSENT: Crawford, Jefferson, McDonald, Rhodes

ABSTAIN: None

Motion carried.

HUD Staff

Mr. Scott introduced Tanya Burgin, Division Director Region VII. He noted that other HUD staff was also present in the Zoom meeting. Ms. Burgin thanked the Board for allowing them to join the meeting to discuss the repositioning of Juniper Gardens. She shared that the KCKHA received a letter June 3, 2020 outlining information on the required conversion of Juniper Gardens and requesting to meet with the agency. She asked that discussion take place regarding the repositioning of Juniper Gardens and any other developments. She introduced HUD staff: Craig Vandervort, Liza Abney, Kathy Ritzler, Pete Reeves, Larry Maxwell and Adam Austin. Ms. Burgin asked to hear from the Board on its plans to move forward and they would answer questions or provide additional information.

Mr. Scott spoke on behalf of the Board. He noted that the Commissioners are on board with the necessity to make changes with the Juniper Gardens property. A plan began early on since his return in June 2019. However, there were emergencies that came up that took precedence over the plan. Mr. Scott took full responsibility for this. The RFP went out for an appraisal of the development. The environmental caused a delay due to ground water issues and the air vapors. This had to be resolved and the OIG audit closed on the environmental. Fran Cleary has the information up to this point. The agency closed to the public on March 19, 2020 further adding to the delay. We were scheduling meetings for relocation with residents at Juniper Gardens and have consequently lost 90 days. We have since put an RFP together for relocation services and drafted a letter to the residents of Juniper Gardens notifying them that we would be meeting when we are able to. There are currently 104 vacancies out of 265 units at Juniper Gardens. Twelve units are offline, 8 units are being used by Youthbuild, and

another 4 units are being used for service agencies. There are about 150 units currently occupied. We plan to submit the plan to HUD and offer relocation opportunities to the residents through public housing vacancies, tenant protection vouchers and/or their choice for a third option. To relocate 150 units it could take 18-24 months. We experienced this in 2005 when 125 units were demolished. There are concerns with the value of the property. The City endorses the removal of Juniper Gardens and they may be able to help with the demolition. There is an OIG issue with the environmental concerning ground water issues. The property was built in 1962. The sub-plumbing has deteriorated and is not suitable for rehab. Mr. Scott concluded that the Housing Authority Board is on board with the repositioning of Juniper Gardens and eliminating it from the portfolio.

Mr. Vandervort, portfolio manager with HUD, specializing in public housing programs, explained that a letter was sent a couple of weeks ago in which Juniper Gardens fell under conversion regulations with HUD. This refers to developments with about 250 units with vacancies that exceed more than 12 per cent for more than three years. This is the reason the housing authority was contacted. HUD was happy to see the demolition application and it is being reviewed. What HUD needs now is a board approved plan concerning what is going to happen with Juniper Gardens. The plan does not have to be in detail. It needs to be a formal board approved plan the agency has prepared and is sanctioned by the board. Mr. Vandervort indicated the plan does not need to be written in stone and can be changed. Mr. Scott noted we could prepare a basic plan with a couple of options. Mr. Vandervort and Ms. Burgin were in agreement that this would be fine. Mr. Scott noted the plan would be available for the July board meeting.

Mr. Scott added that COVID slowed down this process and we had hoped to be further along. He shared that Ms. Escobar has reached out to Johnson County, Olathe and Leavenworth Housing Authorities for cooperative agreements for Section 8. This was two weeks ago and we have not heard back from them. Ms. Abney, portfolio manager on the HVC side, offered to reach out to the Johnson County, Olathe and Leavenworth agencies and check on the status. Mr. Vandervort thanked Mr. Scott for the updates. Ms. Burgin thanked the Housing Authority for sharing the information with them.

Executive Director's Report

- Mr. Scott noted a thorough report was given last month regarding COVID-19.
- On June 15, 2020 we reopened the high-rises to visitors, but limited it to two visitors per resident. They must wear PPE which is provided.
- Also, on June 15, 2020 we restarted the afternoon children's program with Brad Grabs and The Learning Club at Juniper Gardens, St. Margaret's Park, Chalet Manor, Cyrus K. Holliday and Douglas Heights. They are practicing

social distancing and limit the number of participants. They were meeting outside prior to this.

- We have visited with a number of organizations to partner with us to provide meals to our high-rise residents. The Fire Department furnished meals for Glanville Towers on a one time basis. We have activated the resident associations to continue with Harvesters. High-rise lobbies are closed except for food distribution.
- We re-established move-ins beginning June 15, 2020. We had continued to prepare units for occupancy. There are nine move-ins and two are in holding. Our target is to move in 10 families per week. Our numbers had dropped to 89 percent, not including Juniper Gardens. We hope to get the numbers back up to the mid-90s by mid to late July. There are between 85 and 90 units ready for occupancy. BPU has changed its process and they now want a signed lease before turning the utilities on. This has complicated the process for our family residents. Folks are now taking up signed leases and they may not be able to get their utilities turned on.
- Background investigations have changed. We now want to know if they have debts to other organizations. This affects Section 8 considerably.
- Minimum rent is \$50 and the late charge is \$25. Unreported income is causing folks to abandon their units and come back later to get back into housing. We have 128 people on zero rent which means they pay \$50 minimum rent and get an URP or Utility Reimbursement Payment from the Housing Authority for their utilities. This zeros itself out. This will be discussed later when Ms. Rogers talks about collection loss write offs in the annual plan. There are ten, unverifiable zero incomes with the agency right now.
- There was a ransomware attack on the Citrix server earlier in the week. That is a 2008 server and is no longer under support, and we do not get the security upgrades. We are moving away from Citrix and going to a Horizon program. We will get rid of the thin clients and go to laptop computers. We will then be 100 percent able to work remotely and this will almost eliminate the ransomware attacks. We were down 2.5 days. The computers went down Saturday and we did not get them back up until mid-day on Monday. This is an eligible use of CARES Act funding.
- Software upgrades are being done for the Finance department. This will affect purchasing and inventory control as well. Now that the FDS was submitted today and the annual report will be voted, we can focus on the software upgrades. We are also going to a new provider and going paperless.
- We are still doing COVID-19 physical upgrades to our facilities. The main office will be getting an ADA accessible doorway to give folks a place to come in and meet with staff. A teller window is going in with a transfer tray and a night drop for rent. An information center will be set up between the Resident Selection and Section 8 departments. They will be able to buzz folks in for move-ins and recertifications.

- We have completely decontaminated the high-rises which will last 90 days. This will be done at least one more time.
- Chairman Watkins asked when the work would be completed at the main office. Mr. Scott noted the transfer window should be in before our next board meeting. The cut through for the door should run into August.
- Chairman Watkins asked for an update of the maintenance facility. Mr. Scott indicated the roof and drywall is complete. The electrical is about 95 percent complete. The side walls will be done on Tuesday. Curbs were poured on Monday. The loading dock should be poured this afternoon. The sprinkler system is in process. The timeline runs through July 27, 2020 when we should be able to do the walk through for the punch list.
- Vice-Chairman Banks asked if the entrance road would be widened. Mr. Scott indicated there is a dual entrance and once construction is over, the road will be twice as wide.
- Commissioner Wilson asked Mr. Scott about the hand sanitizer stations at the high-rises. Mr. Scott indicated they were received today and would be installed shortly. Commissioner Wilson then requested information on the relocation to the maintenance facility. Mr. Scott noted that if they are successful in meeting the deadline, it would be the first part of August.
- Commissioner Wilson asked about the Juniper Gardens demolition. Mr. Scott noted that would depend on the plan submitted to HUD. This is an alternative plan that the Board will submit at its next meeting. We will also have to work through this with the Unified Government. The Housing Authority does not have the funds for demolition. We did put relocation into our Capital Fund plan last year and some demolition money was put in there. A lot will have to do with the environmental and the air quality for what process we will follow. A cleared site will give us more potential on a future sale.

Committee Reports

The following committees met since the last board meeting.

Finance

Mr. Scott noted that he sat in on part of the conversation with Commissioner McDonald, Ms. Rogers and Mr. Tilahun to go over the financials for this year. It was a comprehensive process. He concluded that it was a meeting, but only one commissioner was in attendance. Commissioner Rhodes was conducting bank business and could not attend.

Personnel

Vice-Chairman Banks indicated they met on Tuesday to look at revising the performance appraisal form and had taken a sabbatical since the coronavirus.

He related that Mr. Scott gave an update on the staff's response to COVID-19. He noted that Mr. Scott also gave an update on the recruitment for an Executive Director. Mr. Scott added that he would be out of the office beginning the end of next week. He is reviewing resumes and will be providing those to the Personnel Committee before he leaves the office on Friday. He will do the first round of interviews on the 7th. The plan is mid-July to do the second interviews and then following up final interviews.

Community Housing Investment Group (CHIG)

The CHIG board has met monthly for the last three months. DHAL continues to be a leader in the assisted living front of the coronavirus age. He suggested the Board check out DHAL's Facebook page for continuous updates. They are continuing to do testing and going to begin admissions this month. The census is down to 110, so there are some vacancies that need to be filled. They will continue to meet monthly for the next month or so and will then go back to quarterly meetings.

New Business Consent Items

Vice-Chairman Banks made a motion to approve New Business Consent Items, Resolution Nos. 2020-09 and 2020-10. Commissioner Warner seconded the motion and the following vote was recorded:

AYES: Banks, Barber, Tomasic, Walker, Warner, Watkins, Wilson

NAYS: None

ABSENT: Crawford, Jefferson, McDonald, Rhodes

ABSTAIN: None

Motion carried.

Resolution No. 2020-09, approval of 2020 HUD income guidelines.

This resolution requests the approval of the 2020 HUD income guidelines. HUD issued new guidelines in April, 2020 and was effective upon release. The guidelines are for very low; low and extremely low income families identified by 50 percent, 80 percent and 30 percent of the median income for the area. The new guidelines for income limits go into effect for this agency June, 2020 upon board approval.

RESOLUTION NO. 2020-09—APPROVE 2020 HUD INCOME GUIDELINES

Resolution No. 2020-10, approving 2020 Annual Utility Allowance Schedule rate changes effective July 2020.

This resolution approves the 2020 Annual Utility Allowance Schedule rate changes which go into effect July 2020. Each year, HUD requires that Public Housing Agencies review its utility allowances and determine if adjustments are needed. PHAs provide a utility allowance for residents who pay their own utility cost to help pay for conservative utility usage. Rent is then reduced by the amount of the utility allowance. Allowances are determined by bedroom size. The agency allows for a higher utility allowance for extensive medical equipment. Utility allowances are being proposed for the Section 8 Housing Choice Voucher Program participants.

RESOLUTION No. 2020-10—APPROVE 2020 ANNUAL UTILITY ALLOWANCE SCHEDULE RATE CHANGES EFFECTIVE JULY 2020

New Business Discussion Items

Resolution No. 2020-11, recognizing Don Jolley for his valuable service to the Housing Authority of the City of Kansas City, Kansas; was introduced.

Chairman Watkins acknowledged and thanked Don Jolley for his service, noting that Commissioner Jolley has some health challenges. Chairman Watkins expressed appreciation for Commissioner Jolley's perspective and the time and talent that he provided during his time on the board.

Commissioner Tomasic made a motion to approve Resolution No. 2020-11. Vice-Chairman Banks seconded the motion and the following vote was recorded:

AYES: Banks, Barber, Tomasic, Walker, Warner, Watkins, Wilson

NAYS: None

ABSENT: Crawford, Jefferson, McDonald, Rhodes

ABSTAIN: None

RESOLUTION NO. 2020-11—RECOGNIZING DON JOLLEY FOR HIS VALUABLE SERVICE TO THE HOUSING AUTHORITY OF THE CITY OF KANSAS CITY, KANSAS

Motion carried.

Resolution No. 2020-12, adopting the 62nd Annual Report, was introduced.

A handout was distributed to the Board via email prior to today's board meeting. Ms. Rogers asked the Board to follow along with the handouts from the PowerPoint. She then presented the unaudited financials for 2019—2020.

Commissioner Warner made a motion to approve Resolution No. 2020-12. Commissioner Walker seconded the motion and the following vote was recorded:

AYES: Banks, Barber, Tomasic, Walker, Warner, Watkins, Wilson

NAYS: None

ABSENT: Crawford, Jefferson, McDonald, Rhodes

ABSTAIN: None


RESOLUTION NO. 2020-12—ADOPTING 62ND ANNUAL REPORT.

Motion carried.

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



Matthew T. Watkins, Chairman


Thomas M. Scott, Executive Director/CEO