

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

Thursday, January 21, 2021
12:30 p.m.

Held Electronically
Via Zoom

On the 21st day of January 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
Jacques Barber, Commissioner
Broderick Crawford, Commissioner
Rachel Jefferson, Commissioner
P. Anne McDonald, Commissioner
*John D. Rios, Commissioner
Denise Tomasic, Commissioner
Linda Warner, Commissioner

ABSENT:

Rev. Jimmie L. Banks, Vice-Chairman
Timothy J. Rhodes, Commissioner
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 Housing 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 Housing 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.

Chairman Watkins called for approval of the minutes. Commissioner Warner made the motion to approve the minutes of December 17, 2020. Commissioner Barber seconded the motion and the following vote was recorded:

AYES: Barber, Crawford, Jefferson, McDonald, Tomasic, Warner, Watkins

NAYS: None

ABSENT: Banks, Rhodes, Rios, Walker, Wilson

ABSTAIN: None

Motion carried.

Executive Director's Report

- Mr. Scott asked the Board to turn to page 11 in the board packet where we are showing a 45.83 percent delinquency ratio. This is due to the \$53,907.47 which was written off being included in the delinquency ratio. The actual delinquency ratio is 39 percent. We refunded \$11,592 based on the retro rent re-calculation and will continue to work on this.
- Bonner Springs Housing Authority is presenting on Monday evening to its City Council meeting to have the Kansas City, Kansas Housing absorb them. Next month there will be a resolution authorizing our Board to accept them as the first step in this process. There will still need to be a legal opinion on the transfer of ownership since KCKHA was created by the government at that time. We may need a signature from the Unified Government on this process.
- There is no staff out due to COVID-19 and no residents have reported having COVID-19 at this time.
- The Department of Enforcement Center at HUD has picked back up its audit for the period June 1, 2016—May 31, 2019. This was the time the previous Executive Director was at the Housing Authority. Mr. Scott noted the time frame represents the day he left and the day he returned to the agency. Board members may get a phone call asking for information. We have been working with them for nine months or better. HUD will be asking for information so they can complete the review and close this out.
- The Kansas City Star article last week was considerably inaccurate regarding Juniper Gardens. The brother and sister in the article, specifically the sister, is not an active leaseholder with the Housing Authority. The information she provided was not correct. That household did not go to any of the four meetings provided by CVR, the relocation company.
- Next up was Jerry Glavin who provided pictures of the new maintenance facility for the Board to review and he provided commentary on the slides as they appeared on the screen.

Chairman Watkins asked when the maintenance staff would be relocated. Mr. Glavin noted they are moving things in slowly, with March 1st being the target date to be moved in. Commissioner Warner asked about security at the maintenance facility. Mr. Glavin explained there are cameras all around the building and a gate

that locks. There are also cameras adjacent to the Schlage football field. The gate will be locked each night. Mr. Scott added there is also a security system.

Mr. Scott added that Housing Authority staff met with CVR (the relocation company for Juniper Gardens) and had a candid meeting with them about having local people meet with the community which we want to happen immediately. CVR has a list and we have provided recommendations. Commissioner Jefferson asked would these people be paid and would they be working with other local groups. Mr. Shomin noted he understands from CVR is that this is a paid position which was posted on Indeed and a couple of other websites. Commissioner Jefferson asked would they provide reporting. Mr. Shomin indicated we meet every two weeks and are updated at that time. Mr. Scott noted that we expect this process to include all the local neighborhood groups. Commissioner Jefferson noted she would hope so, as we have paid CVR a lot of money, which she would like to see come back to the community.

Commissioner Crawford asked had a decision been made regarding YouthBuild. Mr. Scott indicated that a decision has not been made at this time. He noted that YouthBuild has been very successful and KCKHA has been a part of them from the beginning. The maintenance facility may have room to work them into the building. He added that we are dealing with the Energy Performance Contract and how it will affect the agency. Mr. Scott said he believes there is opportunity here for YouthBuild. They both agreed that YouthBuild is a good program for the youth. Commissioner Rios asked about YouthBuild's relationship with United Way. Mr. Scott advised that it is different than originally established when United Way was the flow through on the grant. YouthBuild has since been transferred to the Department of Labor. YouthBuild's grant was not approved IN 2019 and we have not had a conversation with United Way, we have had a conversation with YouthBuild.

Commissioner Jefferson asked if we would want to schedule a meeting in February or March to have the conversation. Mr. Scott suggested holding off on this conversation as this is a real estate matter. He asked that we discuss this further in Executive Session.

Chairman Watkins asked if there were any further questions. Commissioner Barber questioned if HUD was giving us consideration due to the moratorium on rent payments. Mr. Scott noted that was correct. He expects the moratorium to be extended. We will begin doing repayment agreements to reduce the delinquency rate. Ms. Stroud is working on this. Commissioner Barber asked to keep the Board informed and we do not want to throw people out. He just wants to make sure HUD is making allowances for this. Mr. Scott advised that we would provide information to the residents for rental assistance programs.

Committee Reports

Finance

Commissioner McDonald provided a written report. The Finance Committee met on January 6, 2021. Those in attendance were Commissioners Rhodes and Watkins, and staff members Scott, Tilahun and Rogers. An update of Juniper Gardens was provided and there was discussion about Bonner Springs. A disposition plan has been prepared for Juniper Gardens and HUD is expected to approve it by the end of February. A timeline was created to show the first move out occurring around May 1, 2021. This will affect our federal subsidy. The PHA will receive subsidy for another six months and then the repositioning fee will begin at a 75 percent proration rate for one year and a 50 percent proration rate for the second year. The housing authority could receive the subsidy for two years if operating costs stop prior to the subsidy ending. There are still some unresolved issues with the energy audit and Johnson Controls and how it will affect Juniper Gardens. Staff will investigate this in greater detail. Ms. Rogers provided a PowerPoint presentation to supplement the review of the financials for the Juniper Gardens closure. The removal of Juniper Gardens will affect both the federal subsidy and Capital Funds. The COCC could lose \$190,000 which would partially be offset by the addition of Bonner Springs PHA. That amount is expected to be \$47,000. The Capital Fund loss could be as much as \$681,000 although that would not occur until 2022 or 2023. Bonner Springs is ready to transfer their units to Kansas City, but may be pushed back to the second quarter of 2021. Bonner Springs has 50 units which are 99 per cent occupied. The complete report will be submitted to the Board via email.

Personnel

Chairman Watkins noted the Personnel Committee met and he was in attendance with Commissioners Banks, Warner, Barber and Walker, along with Mr. Scott. Commissioner Warner noted that they talked about the Executive Director position. The most recent candidate did not work out; and they are back to their search. She indicated they are looking at a more targeted approach. They are looking for someone in the Midwest with strong leadership skills.

CHIG

Chairman Watkins noted that the CHIG board met earlier this week. There are 105 occupied units out of 126 units at Delaware Highland Assisted Living facility. Occupancy should increase with the vaccine rollout. He expressed that staff at DHAL has done an incredible job to keep COVID-19 out of the building. The 15-year tax credit compliance period is ending sometime between September and November and it will roll into private ownership under the CHIG umbrella. Commissioner Warner asked if there was a plan on the vaccine. Mr. Scott offered

that the vaccinations will be take place on January 26, 2021 and February 15, 2021. Walgreen's will come to the DHAL site to provide the shots. Staff has already been vaccinated, but some have decided not to take the vaccine. He expects some residents to not take the shot as well. We have provided educational programming onsite. Commissioner Barber asked for more information on the ending of the tax credit compliance and how it will affect us. Mr. Scott noted the tax credits expires in September 2021. After that time CHIG will exercise a one-year right of refusal, between now and that time we will issue a letter of our intent to acquire the property because CHIG is a 501(c)3. This negotiation has been taking place for about two years and are streamlined for the ownership transfer to take place. We are one of the highest performing tax credit properties anywhere. There are several operational agreements that must be reviewed. There are five different LLCs that will have to be resolved. An attorney is looking at this right now and it should be a smooth transition. Another development group out of MHEG is willing to take over the debt which in minimal compared to the value of the property.

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

Director Presentations

Director presentations were provided in the following order: Anthony Shomin, Elaine Stroud, Cherrie Escobar, and Caroline Rogers.

Anthony Shomin—Director of Contract Administration

- Modernization Department has administered 17 improvement contracts from five Capital Fund Programs. Included were HVAC improvements, furnaces, and air conditioner replacement at three family sites; HVAC improvement air handler replacement at Glanville and Rosedale Towers and elevator modernization contracts that ended at Wyandotte, Plaza and Westgate Towers.
- Currently there are two elevator modernizations contracts ongoing at Douglas Heights and the modernization contract for Rosedale Towers will begin as soon the equipment is delivered.
- The first phase of interior modernization at Scattered Sites K1-15, consisted of five houses and was completed in 2020. The second phase that will bid in February 2021 and will be for nine additional houses.
- The interior modernization at Plaza Towers, Phase I for floors 7 and 8 was completed this week. Phase II for floors 4, 5 and 6 has been bid and awarded. The work will start in February 2021.
- Fire alarm panel replacement was completed at Bethany, Douglas Heights, Glanville, and Westgate Towers.

- Security camera improvements were completed at Glanville, Rosedale, and Plaza Towers.
- The OIG environmental review audit was completed in 2020 on all housing authority properties except Wyandotte and Bethany Towers which have active remediation concerns and issues.
- The Thomas M. Scott maintenance facility received its Certificate of Occupancy.
- In 2021 the disposition application should be approved and the start of the relocation of residents at Juniper Gardens.
- The physical needs assessment will be completed for the agency in 2021. This will show where improvements are needed and will help with repositioning housing authority properties.

Elaine Stroud—Director of Housing Operations

- The focus today is on Housing Management and payment issues.
- There is no clear indication of additional funding from Congress and what state agencies will administer the funding. We are prepared to get this information to the residents when it is received.
- We have been contactless for months and will need to begin knocking on doors again to talk about payment options. We are working with residents to get them caught up on their rent.
- The focus is on getting rent repayment agreements in place and getting a better understanding of funding, so COVID money will be used to help people pay rent.

Cherrie Escobar—Director of Section 8

- The Section 8 team is actively working on the Wait List. There are approximately 780 applicants remaining on the Wait List.
- COVID-19 has slowed many of the processes in the Section 8 department such as the Wait List, but Section 8 staff and its participants are finding ways to work past this.
- Inspections are picking back up and the Inspector is back in the field every day.
- Back in November HUD began allowing video inspections. In February we will begin using this process, especially at the Delaware Highlands Assisted Living facility.
- There is an emphasis on increasing our landlord participation. There are currently about 300 active landlords in our program. With Juniper Gardens relocation and pulling from the existing Wait List, there is a demand in our area for Section 8 housing. We plan to do more outreach to expand the number of landlords in our program.
- They will continue to work diligently on tenant and landlord retention.

Commissioner Barber asked what the Inspector looks for. Ms. Escobar noted the Inspector will look to make sure the electrical outlets are working, and there are no missing cover plates. Whatever is in the unit needs to be in good working conditions which is safe and sanitary. No broken windows, tripping hazards, the water must be running, and the toilet must be working, etc. Mr. Scott added there is an HQS protocol that we must followed for Section 8 properties which differs from the UPCS for public housing. He indicated there is a checklist like Ms. Escobar is stating.

Caroline Rogers—Director of Finance

- Finance staff is working on the operating subsidy that will be submitted in March.
- They are working on the operating budget for submission in March as well.
- HUD is offering free finance training offered through Nan McKay which will help us maximize our PHAS scores and operating procedures. There are four days scheduled next week for this training. The training will consist of four hours each day.

Commissioner McDonald asked what type of progress had been made with automating processes. Mr. Scott explained that a lot has to do with the software, and it is extremely expensive to get what we would like to have. Our current software provider was purchased last year by MRI and they have planned to upgrade a lot of these processes by the first of this year. Finance has done a tremendous job with what we have. We are in the process of evaluating the new MRI software because it is already in place. He noted it would take about six months to train staff for efficiency if we change. We cannot afford the software we want but are looking at the next best thing and will have a decision by mid-year.

Mr. Scott mentioned that Cherrie (Escobar), Nebyu (Tilahun) and other staff are working on the agency website along with a website developer and we will have the initial website put together soon and we should be able to preview this for the February board meeting. We hope to get this out before then so the Board can provide written comments. If not, we will get it out in time for the March meeting. It is a completely new website that is easy to access for staff and residents.

Commissioner Barber asked Ms. Mays what response she is receiving from the residents regarding the Zoom meetings. He asked if residents are utilizing the technology. Ms. Mays indicated we had a Zoom meeting last month that was not well attended due to the holidays. However, the meeting held in September with the PHRC had 75 percent in attendance. Some were on the telephone and teleconferenced in. Some residents work with their phones, some use computers and some call in on their phones. She noted that meetings generally are well received. Chairman Watkins noted that he missed the Christmas dinner. Ms. Davis stated there was no dinner due to COVID-19.

Executive Session

At the Chairman's request, Commissioner Crawford made the motion to go into Executive Session for 15 minutes to discuss a real estate issue. Commissioner Rios seconded the motion and the following vote was recorded:

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

NAYS: None

ABSENT: Banks, Rhodes, Walker, Wilson

ABSTAIN: None

Motion carried.

Executive session began at 1:31 p.m. Mr. Scott was present during Executive Session.

Chairman Crawford made a motion to return to Special Session. Commissioner Rios seconded the motion and the following vote was recorded:

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

NAYS: None

ABSENT: Banks, Rhodes, Walker, Wilson

ABSTAIN: None

Motion carried.

Executive session ended at 1:46 p.m.

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.