

Commissioner Achola requested the removal of Item 7 from the Consent Agenda: Resolution 2016-67 Agency Budget

MOTION by Commissioner Watson, seconded by Commissioner Achola to approve Consent Agenda Items 1 through 6. Motion passed Aye-5, Nay-0.

Chair Taylor – Aye

Vice Chair Watson – Aye

Commissioner Achola – Aye

Commissioner Levy - Aye

Commissioner Engle-Aye

Resolution 2016 - 67 2017 Agency Budget

Commissioner Achola requested that Mr. Knudtson present highlights of the 2017 budget and key items from Finance Committee discussions to the Board of Commissioners. Mr. Knudtson noted that in preparing the 2017 budget the executive staff met numerous times with managers and foremen. Staff was provided information on the items under their control such as maintenance and contract costs. Set costs such as salaries and benefit costs were determined based upon renewing contracts, union negotiations and staff allocation. Mr. Knudtson noted that this was a true asset management budget.

Judith Carlin stated that several properties have negative final numbers. Some properties could not be balanced even with deep cuts. Ms. Carlin continued that OHA public housing program has sufficient funds to cover costs. As is permitted by regulations, OHA can transfer funds from properties with excess cash to those with negative balances.

At the request of the Finance Committee, negative budget issues were addressed and reviewed line by line to provide an explanation on why costs exceeded revenue.

Florence Tower: their budget line items are generally the same as other properties, however, they have a high number of \$50 minimum pay renters. When a tenant only pays \$50 the subsidy does not equal what would be collected with a higher paying tenant. Their utilities, including electric, were higher.

Kay Jay Tower: there are substantial number of minimum pay renters and staff allocated there have higher salaries, benefits and allocated healthcare costs.

Spencer Homes: utilities are high, including water, sewer and gas.

Park Tower North: salaries and allocated benefits costs are higher; utilities are high, high plumbing, repair and cleaning costs due to plumbing issues. Commissioner Levy questioned funds previously spent on maintenance and what we can look at in the upcoming year to address. Ms. Carlin responded that there may be an issue with leaking showers which would fall under capital repair. Terence Jackson stated that Park Tower North would benefit from stack repair similar to what was done at Benson. Commissioner Achola noted that Park North Tower also historically has accounts receivable issues.

These properties will continue to be evaluated. Ms. Carlin did note that the number of properties with negative budgets, and the amount of the deficits, are substantially reduced compared to previous years.

Commissioner Levy questioned if OHA is given special accommodations with OPPD or MUD. Ms. Carlin noted that OHA is not eligible for reduced utility rates but individual residents or participants may be eligible. Commissioner Achola added that in previous discussions with the utility companies, a PHA is not eligible for discounted rates. Chair Taylor noted that OHA towers are treated as residential rather than commercial. There was a consensus to resurrect discussions with MUD and OPPD to explore the possibility of discounted utility rates.

Commissioner Watson compared previous budgets and noted that property management now has a working budget they can utilize in operations and day to day management. Staff noted that the organizational chart provided identifies all key vacant positions; vacant positions are included in the budget. Commissioner Watson mentioned that Finance Committee Member Carol Edbon questioned where depreciation is in the budget. Mr. Knudtson remarked that at the time of the question, capital funds were not included in the earlier budget, but they are included in this final iteration of the budget. Commissioner Watson stated that the perspective of depreciation is the focus on reinvesting in the properties. Mr. Knudtson stated that we don't want to start building capital funds reserves, we want to spend what we have so it's not taken away.

Commissioner Achola indicated that as we go into Southside Terrace planning and redevelopment we want to have funds available for that endeavor through two possible sources of replacement housing factor funds and capital funds for expenses incurred. Strategic planning has funds set aside in capital funds. Mr. Achola also noted that new vehicles for some AMPS is listed as a line item and, to save money, vehicles will be moved among AMPs with the greatest need.

Commissioner Levy commended the efforts taken to keep the health care cost increase low. Ms. Carlin noted that the 5% increase was possible due to the basis of our relationship with United Healthcare and strong advocacy by our insurance broker.

Chair Taylor shared her appreciation for the methodology and great attention to detail that went into preparing this budget. She also thanked Commissioner Engle for taking her position on the Finance Committee and the Finance Committee for their work through the different iterations of the budget.

MOTION by Commissioner Watson, seconded by Commissioner Achola to approve Consent Agenda Item 7 Resolution 2016-67 2017 Agency Budget. Motion passed Aye-6, Nay-0.

Chair Taylor – Aye

Vice Chair Watson – Aye

Commissioner Berglund – Aye

Commissioner Achola – Nay

Commissioner Levy – Aye

Commissioner Engle-Aye

C. BUDGET AND FINANCES:

1. Program Financials:

Greg Knudtson stated that there is no report for program financials due to the early meeting again this month. No questions or comments from the Board.

2. AMP Financials

Due to the early meeting this month, AMP Financial Reports are not available. No questions or comments from the Board.

3. Agency Wide Balance Sheet

Due to the early meeting this month, the Agency Wide Balance sheet is not available. No questions or comments from the Board.

4. Vendor Payables

Mr. Knudtson presented the Vendor Payables report. No questions or comments from the Board.

D. ASSET MANAGEMENT (Terence Jackson)

1. Omaha Housing Authority

Terence Jackson stated that Property Management ended the month at 97% occupancy. There were 52 units rented for the month which is a positive seven for the month and that OHA is on course to maintain a 97% occupancy for the year.

There have been meetings with zone managers and as a result of those meetings, a memorandum (top cover report) is included to provide additional information on each property. The new memorandum report shows what it takes to reach 98% occupancy. For example, Underwood ended the month at 98% and had a 45 day hold. A 45 day hold is a legal eviction and the unit can't be turned over until it is out of legal. Accounts receivable monies that are in legal action such as an eviction for nonpayment and interims is also a big hit for accounts receivable until that file is approved.

Commissioner Levy verified who is held responsible and who is included in the meeting with the Directors to discuss the reports. It would be beneficial to have the asset manager as part of the discussion in addition to the zone manager.

Commissioner Achola questioned what steps are being taken to have interactions with each tenant and to address the accounts receivable and retain the accountability going into 2017. Mr. Jackson remarked that each zone manger prints their accounts receivable report at the beginning of the month which is their operating report. The contact (operating report) with tenants is submitted to the Director weekly which is more extensive than done in the past. The report includes dates of contact and rent collection efforts with each resident and if it is an interim decrease that is affecting the accounts receivable they include an estimated date to interview the resident and an estimated date to have the file to quality control.

Commissioner Berglund noted that the changes in asset management reporting occurred in May/June of 2016. Ms. Carlin stated that a good benchmark would to begin in June with visuals and a dashboard to be provided.

Commissioner Achola questioned what is being done to ensure the upkeep of HIO properties. Ms. Carlin stated there have been strides made in HIO with increased training. This will be brought to the Operations Committee in January for further discussion.

2. Housing In Omaha

Mr. Hansen noted that he and Commissioner Levy met with State Senator Crawford to discuss working together on language that her office is willing to sponsor regarding HIO property tax. Ms. Carlin added that John Bohm, Interim CEO of National Association of Housing & Redevelopment Officials (NAHRO), will provide a letter of support.

E. HOUSING CHOICE VOUCHER (HCV) PROGRAM (Philisa Smith)

Philisa Smith presented the Housing Choice Voucher Report and noted that with the year ending work is being done to finish the waiting list from July. There are 254 families still looking for housing. Ms. Smith noted that housing is starting to lease better but it is still not as strong and it is taking up to 60 days to lease rather than 30 days. Ms. Smith stated that the Douglas County Housing Authority is also having issues leasing. They currently have 100 Section 8 vouchers out and with OHA's 254 vouchers, the challenge is having enough units available. After the first of the year, there will be focus put on attracting new landlords and renewing relationships with former Section 8 landlords through a landlord outreach. We will be looking at our faith communities, a general landlord list and other opportunities to expand the number of units available. As a part of the discussion, it was noted that landlords in buildings with more than one unit such as an apartment building are able to dedicate some units as Section 8 and they do not need to have them all as Section 8 rentals. However, to have some units as HCV, the entire property must pass Housing Quality Standards (HQS) in addition to the Section 8 unit. In a recent meeting with local HUD, Ms. Carlin noted that with an increase in payment standards Section 8 is improving but they warned that there may be a reduction in Housing Assistance Payments (HAP) funding.

F. HOUSING IN OMAHA, INC (HIO)

HIO meeting minutes are included in the Board packet. No question or comments from the Board.

G. SUPPORT DEPARTMENT REPORTS

1. Development (Judith Carlin)

Judith Carlin presented the Development Report for questions and noted the impact the new administration will have on housing authorities and development plans. It is anticipated that a drop in the corporate tax rate will impact the value of Low Income Housing Tax Credits (LIHTC). It is also anticipated that large scale HUD funded grants may not be available. Based upon the change in administration and input from the Development Committee, the Brinshore MOU has been revised to create a specific phase one for planning and a separate phase two for implementation. This affords OHA the opportunity to take advantage of the funding that is available to use to do the best planning and then to be in a position for the development phase when that funding becomes available. Ms. Carlin, Ms. Taylor and Ms. Sayers –Proby met with Mayor Stothert this month and discussed including the housing authority in future City Capital Improvement Plans (CIP) and state infrastructure funding.

Ms. Carlin noted that work on the Southside Terrace demo/dispo application has stopped, however, OHA will continue to plan during this period.

Ms. Carlin added OHA continues to work to finalize the Habitat for Humanity MOU. OHA will move forward with the RFP for Project Based Vouchers and is evaluating the number of project based vouchers to offer. In closing the Development Report, Ms. Carlin noted that

we continue to work with the search firm for Director of Planning, Redevelopment and Modernization position.

2. Procurement/Contracting/Capital Budgets (Steve Schrader)

Steve Schrader presented the Procurement/Contracting/Capital Budgets report for questions and noted that droning will start the week of December 19 on the tower water proofing project. Leo A Daly is the engineer on this project.

Mr. Schrader also noted that HUD is moving towards fewer restrictions on how capital funding is spent. There have been numerous notices posted by HUD lifting non-statutory and non-regulation requirements on capital funds. Rather than having ten different categories in where we could spend money and those had to be defined years in advance, there is now three categories of admin which is regulated by statue, operations and everything else in one budget line item and can be used as needed for items such as engineering, development or fixing sewer lines. The emphasis is taken off the annual plan and placed on the five year plan. Mr. Schrader continued to say that although we may have less money, we have more flexibility in how it is used.

3. Human Resources (Gale Sayers-Proby)

In Gale Sayers-Proby absence, Ms. Carlin presented the Human Resource report. Commissioner Achola requested a report showing the disbursement of training provided throughout the agency. Commissioner Watson asked staff what training they have attended and the benefits gained. Brian Hansen noted that when attending NAHRO it is beneficial to network with others in the field. Steve Schrader agreed that the networking and sharing ideas of what works for other housing authorities is beneficial in addition to hearing from HUD. Philisa Smith attended executive management training and gained information regarding working with the different cultures of employees and financing. Ms. Smith would recommend the training for all management staff. Greg Knudtson commented that his several trainings tie together everything we are doing.

Commissioner Watson verified the status of the Director of Planning, Redevelopment and Modernization position. Ms. Carlin noted the position is posted and that applications are being accepted and reviewed.

4. Family and Community Services (Sal Issaka)

Sal Issaka presented the Family and Community Services report and noted OHA's long standing partnership with Police Athletics for Community Engagement (PACE) for community engagement with the Latino police officers. This partnership provides many valuable services in additional to patrols. The officers sponsor seven sports teams and even helped a Southside resident become a police officer. Mr. Issaka also noted that we have signed an agreement for a third year with Creighton University's Racial and Ethnic Approaches to Community Health (REACH) program. Mr. Issaka requested Commissioner Achola's assistance in helping two Southside Terrace residents who have been awarded scholarships to Creighton Prep make the cultural transition into a different environment as they enroll.

Ms. Carlin discussed a staff conversation about changing the lives of our residents. We can fix the buildings, the bricks and mortar but we are all aware of the underlying reality. It is this awareness that fuels our passion for our work. We are not starry eyed; we are

pragmatic idealists. As we move forward and build relationships with our residents we need to support the transition out of poverty.

Mr. Issaka mentioned that there are more scholarships available through Avenue Scholars and he and Ms. Carlin will meet with Avenue Scholars after the first of the year. He also noted job fairs with Ameristar and other job fairs are an opportunity to engage with community activists and build partnerships. Mr. Issaka explained that many residents want to work but they don't know how. Sal Issaka and Terence Jackson spent some time with residents at Park North and Park South to understand the needs they have. OHA has a contract with National Able Workforce who took over the Heartland Workforce contract for job readiness skills and work experience.

Commissioner Watson questioned the smoke free policy. The towers are smoke free and within 18 months, Southside and Spencer Homes will become smoke free.

Commissioner Watson added that she would like to see a plan for Foundation funding and growing the Foundation to replenish the funds. Ms. Carlin noted that the Foundation is important and fundraising will be a priority during 2017.

Commissioner Berglund mentioned that the Chamber is launching a program the first week of April called Career Rocket. It will be a week long work experience for students from third grade through college to provide 10,000 work experiences to students. Commissioner Berglund challenged OHA and the Board to provide a work experience opportunity for OHA residents. Commissioner Berglund will bring additional information to the January Board meeting. Mr. Issaka also noted that, at the request of a staff member, the shadow program will be brought back to OHA.

5. Public Safety (Chris Peters)

Chris Peters presented the Public Safety report for questions and noted that there was a spike in reports the first part of the month possibly due to the nicer weather. Commissioner Achola confirmed that everyone had followed-up.

6. Legal (Brian Hansen)

Brian Hansen presented the Legal reports and stated that #11 showing not assigned is now assigned. Mr. Hansen also noted that the position for an in-house paralegal is posted and a couple applications have been received.

H. NEW BUSINESS:

1. Ms. Carlin asked the Board if the monthly Board of Commissioner meetings should remain on the 4th Thursday of the month at 8:30. The Board agreed.

ACTION ITEMS (for follow-up from this Board of Commissioners meeting)

1. Facilitate projection of future Board Meetings on screen.
2. Resurrect discussions with MUD and OPPD to explore the possibility of discounted utility rates.
3. Post 2017 Budget

EXECUTIVE SESSION

MOTION by Commissioner Watson seconded by Commissioner Berglund to move into Executive session at 10:04 a.m. for personnel matters. Motion passed Aye-6, Nay-0.

Chair Taylor-Aye
Vice Chair Watson-Aye
Commissioner Berglund-Aye
Commissioner Achola-Aye
Commissioner Levy-Aye
Commissioner Engle-Aye

MOTION by Commissioner Berglund, seconded by Commissioner Levy to come out of Executive Session at 11:01 a.m. Motion passed Aye-6, Nay-0.

Chair Taylor-Aye
Vice Chair Watson-Aye
Commissioner Berglund-Aye
Commissioner Achola-Aye
Commissioner Levy-Aye
Commissioner Engle-Aye

ADJOURNMENT

MOTION by Commissioner Berglund, seconded by Commissioner Levy to adjourn the meeting at 11:01 a.m. Motion passed Aye-6, Nay-0.

Chair Taylor-Aye
Vice Chair Watson-Aye
Commissioner Berglund-Aye
Commissioner Achola-Aye
Commissioner Levy-Aye
Commissioner Engle-Aye

Meeting adjourned at 11:01 a.m.