

OMAHA HOUSING AUTHORITY
BOARD OF COMMISSIONERS MEEETING
1805 Harney Street, Omaha, NE 68102
8:30 a.m., April 27, 2017

Chair Jennifer Taylor called the meeting to order at 8:34 a.m. The meeting falls under the Open Meetings Act, and copies of the law are available near the entrance of the room.

Staff Present: Judith Carlin, Gale Sayers-Proby, Brian Hansen, Dawni Freeman, Susan Gilroy, Terence Jackson, Greg Knudtson, Chris Peters, Steve Schrader, Philisa Smith

ROLL CALL: Commissioners Present: Jenifer Taylor, Chair
 David Levy, Vice Chair
 Steven Abraham
 George Achola
 Jamie Berglund
 Todd Engle
 Commissioners Absent: Karen Watson (arrived at 8:51 a.m.)

PUBLIC COMMENTS: None

A. REPORT OF THE CHIEF EXECUTIVE OFFICER (Judith Carlin)

Ms. Carlin noted that OHA is participating in a local collaborative including the Omaha Healthy Kids Alliance. The group's focus is on more effective identification of lead hazards and prevention of lead poisoning; HUD has identified this initiative as a priority. It is funding to support these efforts. The collaboration will include data collection.

The Bronner Group conducted a full day strategic planning retreat on April 7th. They have scheduled May 24th for another meeting and full day retreat to work on OHA's strategic plan.

OHA staff engaged with the Creighton Legal Clinic, the Fair Housing Center and other local organizations to address Section 8 leasing issues and needs. Our partners are working to provide displaced Section 8 voucher holders with assistance in addressing terminated leases and other relocation problems and complaints. Ms. Carlin noted that staff will be working with Omaha-area organizations to develop a focus group and a landlord symposium to increase rental opportunities in our community.

Ms. Carlin stated she had attended Section 8 Executive Management training in Washington, D.C. The training included networking with other Section 8 programs with successful outreach programs.

OHA Property Management staff attended fair housing training yesterday in David City. Ms. Carlin also noted that she will be attending the NCRC NAHRO conference in Detroit May 3rd to May 5th.

HUD's Secretary Ben Carson may be in Omaha at the beginning of June to attend a symposium on homelessness. Ms. Carlin will provide the Board with more information as it is available.

Ms. Carlin introduced Johnna Lowe, a student of Skutt Catholic High School, and her father who are observing the Board meeting. Johnna will interview Ms. Carlin after the meeting.

B. APPROVAL OF CONSENT AGENDA

1. Minutes of Previous Regular Board Meeting
2. Resolution 2017 – 40 Monthly Tenant Account Write-Offs
3. Resolution 2017 – 41 Scattered Sites Roof Replacement Lot #3 Stonebrook Roofing
4. Resolution 2017 – 42 Section 8 Administrative Cost Allocation Plan
5. Resolution 2017 – 43 HOME Program Tenant Based Rental Assistance

MOTION by Commissioner Achola, seconded by Commissioner Levey, to approve the Consent Agenda. Motion passed Aye-6, Nay-0.

Chair Taylor—Aye
Vice Chair Levy—Aye
Commissioner Achola—Aye
Commissioner Engle—Aye
Commissioner Abraham—Aye
Commissioner Berglund—Aye

C. BUDGET AND FINANCIALS

1. Program Financials

Greg Knudtson reviewed the program financials for March 2017. Public Housing had a net loss of approximately \$63,000 for March, and year to date a net loss of approximately \$332,000, but much of that will be reduced by year end with the receipt of the operations portion of capital funds and lower utility usage.

As expected, utility costs are higher than budget due to higher usage in the colder early months of the year and will level out compared to budget by year's end. High utility expenses in cold weather months continue to be an issue. Section 8 Operating had a net loss of approximately \$106,000 for March, and year to date a net loss of approximately \$82,000. Section 8 Administration had a net loss of approximately \$7,600 for March, and year to date a net loss of approximately \$9,000. Central Office had net income of approximately \$9,000, and year to date net income of approximately \$77,000. HIO had a net loss of approximately \$59,000 for March, and year to date a net loss of approximately \$136,000. Through March, there was approximately \$34,000 year to date booked in property taxes.

2. Agency Wide Balance Sheet

Mr. Knudtson presented the Agency Wide Balance Sheet to the Board for questions and/or comments. Mr. Knudtson noted that March is the third month in a row that tenants' accounts receivable is declining.

3. Vendor Payables

Mr. Knudtson presented the Vendor Payables report to the Board for questions and/or comments. There were no questions or comments from the Board regarding this report.

Vice Chair Levy noted the continued net losses in program financial reports and stated that it may be helpful or necessary for the Board and staff to have a broader discussion about annualized projections. Commissioner Engle agreed. Mr. Knudtson agreed, and he noted that the Board's Finance Committee regularly has these discussions regarding annualized projections. Ms. Carlin noted that HUD has not yet determined OHA's final subsidy amount and that budget variances

may need to be addressed depending on the final number. OHA currently is funded at 84-85%. OHA is generally notified about this time of year on the final annual number. OHA staff do their best to forecast the subsidy expected, but it's uncertain and may change from projections. Vice Chair Levy reiterated his interest in having a broader, annualized discussion of OHA finances. Chair Taylor asked whether minutes were recorded for all Board committee meetings and requested that minutes of Board committee meetings be provided to all commissioners.

D. ASSET MANAGEMENT FINANCIALS & LEASING

1. Omaha Housing Authority

Terence Jackson presented the Asset Management Report for questions and/or comments. Mr. Jackson noted that public housing occupancy was at 96%. Mr. Jackson added that zone managers have been aggressive in pursuing rent collection, which results in evictions. These evictions affect occupancy levels because there are more units to turn over, and in addition we may have to hold units vacant for 45 days to maintain tenants' property that remains in the unit. Nonetheless, in March, there were 11 properties at 98% occupancy, including 4 properties at 100% occupancy.

Susan Gilroy noted OHA's marketing efforts targeted at properties with more vacancies. Ms. Gilroy stated that it has been effective, the intake staff have more applications for these properties.

2. Housing in Omaha

Ms. Gilroy stated that staff were working on resolving outstanding 8823 compliance issues. Commissioner Achola stated that it was critical to resolve these compliance issues. If an agency is doing housing development and has outstanding 8823s, that could be a deal-killer. Ms. Gilroy noted that 3 properties are scheduled for NIFA audits in July and August. Vice Chair Levy asked what happens next and how are we communicating with the regulators. Ms. Gilroy answered that OHA staff has ongoing and regular communications with NIFA and Midwest, and that they are responsive. Ms. Gilroy stated that staff is undergoing training for compliance, particularly regarding intake documentation.

Gale Sayers-Proby noted that, upon the Board's prior request, the AMP budget report with variances was provided with the Asset Management reports for the first time this month, and staff will continue to provide this reporting.

E. HOUSING CHOICE VOUCHER PROGRAM

Philisa Smith presented the Housing Choice Voucher program report for questions and/or comments. No questions or comments from the Board.

F. HOUSING IN OMAHA, INC. (HIO)

Chair Taylor noted that Commission Abraham and Commissioner Engle have both been approved to serve on the HIO Board of Commissioners.

G. SUPPORT DEPARTMENT REPORTS

1. Development

Dawni Freeman presented the Development Report for questions and comments.

Ms. Freeman stated that OHA has been working on an MOU with Habitat for Humanity, clarifying the scope of the agreement, particularly which party is responsible for repairs.

Regarding Southside redevelopment, OHA received 3 responses to its RFP, all 3 responses were great. Ms. Freeman stated that she has been meeting with Sal Issaka and Ms. Carlin to identify stakeholders critical to the redevelopment process.

Commissioner Achola asked how the RFP was advertised and questioned whether this RFP should have been advertised publicly. Ms. Freeman answered that she met with the Board's Development Committee and, together with the Development Committee, OHA staff came up with a list of names of about 7 firms to reach out to. Vice Chair Levy, as a member of the committee, confirmed that all members of the Development Committee contributed to developing a list of names of firms to solicit. Steve Schrader noted that procurement rules do allow OHA with flexibility in soliciting proposals for this project. Ms. Carlin stated that staff understand the concerns and will address them going forward. Ms. Freeman agreed and noted that this issue will come up again, since there will be continued redevelopment efforts. If there was a consensus, OHA staff can re-solicit its RFP.

Commissioner Engle asked whether the Development Committee was involved in discussions of identifying and recruiting Section 8 landlords. Ms. Carlin responded that Section 8 staff will be involved in these committee discussions. Ms. Carlin noted that new Section 8 families are finding it difficult to find suitable affordable housing. The demand for affordable housing exceeds the supply, and families with vouchers are struggling in their housing search. OHA's problems are not unique, the Douglas County Housing Authority reports the same issue.

Commissioner Achola raised the question of whether OHA could increase supply of affordable housing through administering project-based vouchers ourselves, without a bidding process, or through an affiliated organization such as HIO. Commissioner Achola also asked whether RAD was a viable option for OHA to develop additional affordable units. Ms. Carlin responded that RAD is not possible right now, because HUD has already reached its capacity authorized by Congress. However, OHA can signal its interest to HUD in the expectation that Congress may increase capacity of this demonstration program. Commissioner Achola and Ms. Freeman noted that the current project-based voucher regulations include greater flexibility. Prior rules restricted project-based vouchers to 25% of a development's units; under current rules, project-based vouchers may be used in 100% of units in certain conditions, for example, developments serving the elderly and disabled.

Ms. Carlin explained that OHA's Section 8 funding levels is another factor to consider in planning commitments to project-based vouchers, and in evaluating OHA's lease-up rates. OHA's Section 8 funding is a fixed finite amount. OHA can commit up to 20% of this annual budget to project-based vouchers. In prior years, OHA was funded at 100% of its Section 8 subsidy, and OHA leased up at 98%. This year is the first year OHA's Section 8 subsidy is reduced. OHA is receiving only 95% of Section 8 subsidy. Thus OHA is holding back on leasing, in order to remain within the 95% budget authority. Ms. Smith noted that families with vouchers are ultimately leasing up at a reasonable rate, but it may take 3-6 months for many families, which is a longer timeframe than previously. Ms. Smith stated that OHA has deferred opening the Section 8 waiting list because it is taking longer than expected for the remaining families on the waiting list to use their vouchers.

Commissioner Berglund asked OHA to describe its engagement with stakeholders in Southside redevelopment. Ms. Carlin stated that OHA has developed a list of key stakeholders. Staff has broken it down into groups, and has selected a group of the top 8 stakeholders for first priority. Commissioner Berglund emphasized the importance of collaboration and dialogue across groups and sectors of stakeholders. Ms. Carlin agreed. Chair Taylor noted this is another example demonstrating the benefits of documenting minutes of committee meetings and providing committee meeting minutes to all Board members.

2. Procurement/Contracting/Capital Budgets

Steve Shrader presented the Procurement/Contracting/Capital Budgets report. Mr. Shrader stated that OHA has met HUD's deadline for obligation of capital fund grants. The contracts on today's agenda committed the balance of the expiring grant funds.

3. Human Resources

Gale Sayers-Proby presented the Human Resources report for questions. Ms. Sayers-Proby noted that OHA has aggressively pursued staff training and development. OHA has spent \$32,000 on training year to date. During May, all supervisors and managers will participate in leadership training. Commissioner Berglund asked which levels of staff are benefiting from training. Ms. Sayers-Proby answered that OHA's commitment to training is targeted to all staff levels, ranging from technical training to "white collar" and management staff.

Chair Taylor strongly recommended the UNO leadership Omaha program. The deadline for applications is May 8. Both Chair Taylor and Vice Chair Levy are graduates. Chair Taylor and Commissioners urged OHA to participate. .

Commissioner Achola asked about the status of OHA's Foundation and OHA's agreement to repay the Foundation money loaned to purchase OHA's central office building. Ms. Carlin stated that there was not an agreement in writing, but it has there was an understanding that OHA was committed to repay the Foundation. The commissioners and Ms. Carlin agreed to schedule a Foundation board meeting for June.

4. Family and Community Services

Judith Carlin presented the Family and Community Services report. Ms. Carlin pointed out highlights from the report.

Sal Issaka and the Family and Community Services staff have been meeting regularly with Dawni Freeman to identify and engage stakeholders in Southside redevelopment. OHA's engagement with stakeholders has benefited greatly from Mr. Issaka's longstanding relationships within the community.

The public housing Family Self Sufficiency program has grown significantly this year. Staff continue to focus on engagement with public housing residents to participate in the program.

Staff are planning to establish a Section 8 Resident Advisory Board. OHA had a Section 8 Resident Advisory Board in the past, but that was several years ago.

5. Public Safety

Chris Peters presented the Public Safety report for questions and comments. Ms. Peters noted that there has been an increase in shots fired in Omaha. The city and police are working to address this issue before summer months.

6. Legal

Brian Hansen presented the Legal reports for review. Mr. Hansen noted increases in evictions and legal notices due to managers' aggressive focus on tenant accounts receivable.

Vice Chair Levy noted that the report on ongoing litigation does not appear to be getting shorter. Mr. Hansen agreed and stated that OHA is making progress over time.

Chair Taylor asked about the status of OHA's plans to bring evictions in-house. Mr. Hansen answered that that is his plan, and it will need to be done gradually. In addition, the Legal Department has been engaged with a number of higher-priority projects. One example is compliance with HUD's requirements for affirmatively furthering fair housing. OHA is collaborating with the cities of Omaha and Council Bluffs as well as other area housing authorities to develop a joint plan for affirmatively furthering fair housing. Development of the plan will involve community engagement, including meetings with the Board.

Commissioner Engle returned to Ms. Peters' Public Safety report and asked Ms. Peters to explain why 46 units failed inspections. Commissioner Engle asked whether the inspections and the violations focused on major or minor issues. Ms. Peters answered that inspections focus primarily on health and safety issues. Ms. Peters also noted that OHA is participating in a HUD demonstration program to develop a new set of standards focused on substantive health and safety issues. Commissioner Engle and Commissioner Achola noted that improvements in the inspection process would be welcomed by Section 8 landlords and would help OHA with landlord outreach.

H. NEW BUSINESS

No new business.

EXECUTIVE SESSION

MOTION by Commissioner ____, seconded by Commissioner ____, to move into Executive Session at 9:29 a.m. for discussion of legal, real estate, and personnel matters. Motion passed Aye-7, Nay 0.

Chair Taylor—Aye

Vice Chair Levy—Aye

Commissioner Achola—Aye

Commissioner Engle—Aye

Commissioner Abraham—Aye

Commissioner Watson—Aye

Commissioner Berglund—Aye

MOTION by Commissioner Berglund, seconded by Commissioner Achola, to come out of Executive Session at 11:09 a.m. Motion passed Aye-7, Nay-0.

Chair Taylor—Aye

Vice Chair Levy—Aye

Commissioner Achola—Aye

Commissioner Engle—Aye

Commissioner Abraham—Aye
Commissioner Watson—Aye
Commissioner Berglund—Aye

ADJOURNMENT

MOTION by Commissioner Watson, seconded by Commissioner Engle, to adjourn the meeting at 11:10 a.m. Motion passed Aye-7, Nay 0.

Chair Taylor—Aye
Vice Chair Levy—Aye
Commissioner Achola—Aye
Commissioner Engle—Aye
Commissioner Abraham—Aye
Commissioner Watson—Aye
Commissioner Berglund—Aye

Meeting adjourned at 11:10 a.m.