

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
BOARD MEETING MINUTES
NOVEMBER 19, 2018**

Present: Peter J. Ponne, Chair
Robert Bradshaw, Vice Chair
William Utz, Commissioner
Sandra Ervin, Commissioner
Danny Boyd, Commissioner
Carrie Blackburn Riley, Legal Counsel
Diane Haislip, Deputy Chief Executive Officer
Dean Hadjis, Chief Financial Officer
Michael Hale, Director of Modernization
Lanita Hillen, Director of Housing Services
Christopher Ostovitz, Director of Information Technology
Alicia Seelagan, Accountant
Carole Ann Brazeal, Executive Administrative Assistant

Teleconference: None

Absent: Beryle Downs, Commissioner
Tanya Hill-Brown, Commissioner
Clifton C. Martin, Chief Executive Officer
Gina Gibson, Director of Property Management

Guest: Kathleen Hughes, Legal Aid

Location: HCAAC, 7477 Baltimore-Annapolis Blvd, Third Floor, Glen Burnie, MD 21061

Meeting called to order at 11:00 a.m. by Chair Ponne.

RESIDENTS & GUESTS

Chairman Ponne noted no residents or guests in attendance. No topics were presented for discussion. Ms. Haislip introduced our new Chief Financial Officer, Dean Hadjis, formerly with Peter Angelos Law Firm.

MINUTES

Chair Ponne opened the discussion of the September 2018 minutes. Chair Ponne asked if there were any questions. Legal Counsel Riley noted a correction needed to be made to resolution #658 to #656 - RAD SECTION 18 BLEND MEADE VILLAGE. Chair Ponne asked for a motion to approve the minutes with the correction. Motion made by Vice Chair Bradshaw, seconded by Commissioner Boyd and all in favor.

BUSINESS AGENDA

Chair Ponne moved on to the first item on the business agenda, Public Hearing RAD/Section 18 – Agency Plan Significant Amendment

- Ms. Haislip defined A “Significant Amendment or Modification” to the Annual Plan as a change in a policy or policies pertaining to the operation of the Authority. This includes the following: Changes to rent or admissions policies or organization of the waiting list.; Additions of non-emergency work items in excess of 10% of total Capital Fund Program budget (items not included in the current Annual Statement or 5-Year Action Plan) or change in use of replacement reserve funds under the Capital Fund; Any change with regard to demolition or disposition, designation, homeownership programs or conversion activities.
- Ms. Haislip presented a PowerPoint for the Hearing to explain:
 - In 2015, HUD approved a portfolio conversion of HCAAC’s Public Housing properties under the Rental Assistance Demonstration (RAD) Program. As part of this process, HCAAC has completed the required Physical Condition Assessments of each property. In addition, HUD has issued CHAPs for all properties. HCAAC will be converting to Project-Based Voucher Assistance under the guidelines of PIH Notice 2012-32, REV-1 and any successor Notices by submitting applications to HUD for disposition of the properties and any other activities necessary to carry out these objectives.
 - Upon conversion to Project Based Voucher Assistance, the Commission will adopt the resident rights, participation, waiting list and grievance procedures listed in Section 1.7.B & 1.7.C of PIH Notice 2012-32, REV-1. These resident rights, participation, waiting list and grievance procedures are included with this Plan. Additionally, HCAAC is currently compliant with all fair housing and civil rights requirements and is not under a Voluntary Compliance Agreement. Currently, HCAAC has converted Freetown Village to Project Based Voucher Assistance and plans to convert Meade Village in 2019 while the remaining properties are scheduled to be converted in 2019 or 2020 dependent upon feasible conversion and financing options that are considered the best for each community. All renovations are expected to be completed by 2020. During 2018, HUD has announced new conversion options that allow for the use of the Section 18

Demolition/Disposition in conjunction with RAD for conversion. The Housing Commission is in consideration of using any and all of these options for conversion of all or part of the communities. Therefore, this section is amended to include the possible utilization of any and all combinations of RAD and Section 18 Demolition/Disposition for all of the remaining unconverted properties, including the subsequent placement of project-based vouchers in said properties.

- HCAAC provided information concerning the RAD conversion to residents through tenant meetings. To date, there have been more than fifteen meetings held. While most of the meetings were held at Meade Village and Freetown Village, at least one meeting has been held at each property. For any residents who have further questions, the Agency's website, www.hcaac.org, includes detailed information on the conversion.

Ms. Haislip stated the Plan must be re-submitted to HUD for final approval.

Chair Ponne moved on to the second item on the business agenda, approval of Resolution #658 – Agency Plan Update.

- Ms. Haislip stated the Agency Plan was approved in March and we are required to do an amendment with language changes.
- Ms. Haislip offered we did PBV, not PBRA so it was a significant amendment. It was a change to a RAD conversion so it requires an amendment to the agency plan. In looking at the Meade Village deal and remaining elderly/disabled properties we are not sure if we are going to do straight PBV or a Section 18 so we are amending the plan to give us the option. We will re-submit the plan to HUD with the language changes.
- Chair Ponne asked for a motion to approve Resolution #658. Motion made by Commissioner Ervin, seconded by Commissioner Boyd and all in favor.

Chairman Ponne introduced a guest in attendance Kathleen Hughes from Legal Aid.

Chair Ponne moved on to the third item on the business agenda, Resolution #657 – Collection Losses.

- Commissioner Ervin said the write offs appear to be very high. Mr. Ponne referenced the amounts a year ago and a quarter ago. Ms. Haislip said the amounts include higher rents unpaid at move out and a death that became an eviction when keys were not returned.
- Chair Ponne asked for a motion to approve Resolution #657. Motion made by Commissioner Boyd, seconded by Commissioner Utz and all in favor.

Chair Ponne moved on to the fourth item on the business agenda, Update on Rad Processes.

- Ms. Haislip stated Freetown Village is progressing, however we did halt the forward progress temporarily so that some change orders can catch up to the current scope of work. We are trying to minimize returns to the homes for new scope of work as we received numerous complaints. The largest change is to check units for water penetration and adding new wood baseboards to the units. 40% is complete with environmental teams still on site. We are relocating residents for 1 to 3 days to local hotels while doing major wall repairs. We offered vacant units but all chose hotels. Legal Counsel Riley asked if the hotel expense will affect the budget. Ms. Haislip stated relocation expenses were built in the budget but we are evaluating.
- Commissioner Ervin asked about a completion date. Ms. Haislip said we are looking at April. Ms. Haislip added we have a Relocation Specialist meeting one on one with each resident. Legal Counsel Riley said we are over budget \$600,000. Ms. Seelagan stated drawdowns will come back to us from CDA. Ms. Haislip stated there is about a two-week delay. We are also delayed in getting reimbursed for HAP payments due to the new software system.
- Ms. Haislip said Meade Village is moving forward but we will eliminate the reconfiguration of the 5 and 6 bedroom townhouses. FHEO has caused detrimental delays and we must proceed or the entire deal will be in jeopardy. We are working now on new plans/drawings and financials. HUD said we are the only PHA with 5 bedroom units and we cannot eliminate them; we will move forward with 12 – 5 bedroom units and 4 – 6 bedroom units.
- Legal Counsel Riley asked if we could get a subsidy for offering large units that are leased by smaller family sizes. Ms. Haislip stated we are requesting that exception from HUD and waiting on further guidance. We have notified CDA that the 9% credits will be returned and we will then submit a 4 % application due to delays and financing.
- Ms. Haislip shared preliminary work continues on the remaining 4 communities with environmental reviews and title work being reviewed at this time. We have notified HUD that these communities will also use the Section 18/RAD Blend concept with Project Based Vouchers. We will NOT convert to PBRA on January 1, 2019. HUD has asked us to re-submit new RAD applications as we are changing the scope on these deals and our "CHAPS" are obsolete. They have requested that we meet again with the residents and resubmit new applications for 2020 closings. We anticipate a new resolution authorizing resubmission in December or January.

Chair Ponne moved on to the Dashboard.

- Legal Counsel Riley noted we have already used almost 50% of expenditures and we are only 4 months in. Commissioner Ervin added we are always over budget. Mr. Hadjis said the fire at Mali Thai is causing this. Ms. Haislip added we will be reimbursed by the insurance company for most of the expenses.
- Ms. Haislip stated we are talking about opening the HCV waitlist in the 2019. Ms. Hillen is calling in 400 to 500 clients for orientation.
- Ms. Haislip added the auditors were on site for 2 weeks and we are waiting for their report.

- Legal Counsel Riley questioned the Choices monthly report noting a big jump in services. Ms. Haislip indicated the YTD totals vs the Monthly totals. Legal Counsel Riley asked what the type of services were and Ms. Haislip said the program provides tuition for technical training and education and is part of a county project to promote self-sufficiency.

Chair Ponne moved on to the New Business. Chair Ponne stated he will be retiring his position as Chair and he will continue as Chair while still in the area. Ms. Haislip said the Board will continue as is until the new County Executive makes decisions on Commissioners terms.

Chair Ponne thanked the Board, Legal Counsel and Staff for everything.

Ms. Haislip stated Commissioners could visit the County website to let the new County Executive know if they would like to remain on the Board.

Chair Ponne said if there is no other business we will adjourn the regular meeting, Chair Ponne asked for a motion. Commissioner Boyd made the motion, seconded by Commissioner Ervin and the regular meeting was adjourned at 11:51 am and a closed meeting followed.