

MINUTES OF A REGULAR MEETING OF
LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY
BOARD OF COMMISSIONERS MEETING

January 22, 2018
5:30 p.m.

Edgewood Homes
Conference Room

1. Call of Roll

Chair Powers called the meeting to order at 5:34 pm. Upon call of roll, the following Commissioners responded present:

Jamie Davison
Maria Duran
Ellen Paulsen
Josh Powers
Bronson Star

Also present were Lauren Davis, William Fleming and Mike Treanor from Treanor Architects, member of the public Pat Benabe, and LDCHA staff members Nickie Daneke, Beverly Hyatt, Ruth Lichtwardt, and Shannon Oury.

2. Approve Minutes of the December 18, 2017 Board of Commissioners Meeting

Vice Chair Duran moved to approve the minutes as presented. Commissioner Paulsen seconded. The motion passed unanimously.

3. Receive Comments from Tenants and Public

There were no comments.

4. Presentation of a Potential Development Opportunity

Executive Director Oury introduced Mike Treanor, William Fleming, and Lauren Davis of Treanor Architects. Mr. Fleming explained that he used to be a member of the LDCHA Board and that he had not spoken with any board members since he resigned in November 2016. He said that Treanor Architects, with Ms. Davis as lead architect, has been working on the downtown grocery store project for some time and spoke about the covenants which exist for any developments on the Winner Block, where the grocery store will be located. One of the restrictions was that the Borders building could not be expanded beyond its current existing footprint, but a grocery store needs to be larger than that. The Hobbs-Taylor building on the south side of the Winner Block had agreed to remove that restriction. He outlined other adaptations made to provide enough parking and to help preserve the character of the historic New York Street neighborhood on the east side in cooperation with the homeowners, and briefly described the approval process required by the City, which Ms. Davis is managing. This area meets the federal criteria for New Markets tax credits, which if approved would help lower the cost of operating the grocery store. The City requires that 15% of the living units in the development be set aside for 20 years as affordable housing. If something can be worked out with the LDCHA, the units could be made affordable permanently.

Ms. Davis showed a PowerPoint presentation which gave an overview of the surrounding blocks and included multiples views and plans of the proposed development. She explained the changes the concept had gone through and detailed the likely final configuration and features, including parking. She pointed out design elements which had been developed to help preserve the historic aspect of the neighborhood and reflect adjacent buildings.

There were several questions about parking and timelines and considerable discussion on the affordable housing aspects of the development. The current concept is that LDCHA might purchase 11 of the units, scattered throughout, and would manage just those units, with the agency performing interior maintenance and the developer group responsible for exterior maintenance. The rest of the units would be owned by the developer group and rented at full market rates.

Chair Powers commented that the proposal was interesting and the Board would want to discuss it in more depth. He would like Ms. Oury and LDCHA staff to participate in more discussion with Treanor Architects and keep the Board informed. Mr. Treanor commented that he was excited at the prospect of LDCHA being part of the project if possible.

Ms. Oury said staff would begin working on the development matrix and would consult with the City on what would be needed to meet their criteria. She also commented on how the ultimate income affordability of the units would be determined by the funding available from different sources including the City's new affordable housing fund.

5. CONSENT AGENDA

- A. Receive LDCHA Quarterly Demographics Report
- B. Approve New LDCHA Lease
- C. Resolution 2018-01: Approve 2018 Building Independence Inc. (BIND) Budget

Commissioner Star moved to accept the Consent Agenda as presented. Commissioner Davison seconded. The motion passed unanimously.

6. REGULAR AGENDA

- A. Executive Director's Report

Executive Director Oury commented on how much has changed just since the Executive Director's report was sent out with the Board packet on Thursday, including a government shutdown and government re-open. There has not been much progress made on a full appropriations act for 2018, the current funding is on yet another Continuing Resolution. The proposed operating budgets will be presented to the Board on schedule in February, but with frozen salaries and COLAs as usual since no one knows what the actual final funding is likely to be.

Babcock Place and Peterson Acres underwent a REAC inspection and received an excellent score of 95a. There was one inoperable smoke detector, which was replaced the same day. Due to the high score, the next inspection will not take place for another 3 years.

The Director of the ECKAN's Weatherization Program, Jeremy Graham, approached the LDCHA about a weatherization project for Edgewood Homes to make the units more energy efficient. ECKAN administers a federal grant to assist tenants with weatherization measures. RSO is working with tenants to complete the applications for eligibility with the goal being to involve all of Edgewood and perhaps to expand this to the scattered site Public Housing. Section 8 tenants are also eligible for the program, assuming their landlord is willing to participant, and Resident Services is advertising the program. Ms. Oury said it is an exciting opportunity to help residents save money on their utility bills.

The 2017 Audit is scheduled for on March 26 through the 28. There will be documents required from the Board Chair and the auditors will likely communicate with Chair Powers directly but staff will be happy to pick up or deliver documents if necessary.

The Corrective Action Plan submitted for the one finding from the HUD review of LDCHA's Section 8 reserves has been deemed acceptable by the Quality Assurance Division, and it is now being reviewed by HUD attorneys.

Ms. Oury said that she realized she should have included the results of an employee survey in the December Board packet and so has included it here. The survey was conducted by the consultants prior to the Lean Management staff training in December. The highest scores showed how connected staff is about LDCHA's mission and the belief that their work is meaningful. While it is the goal of the agency to be good stewards of the programs it administers, it also wants to be a good place to work. The survey will likely be administered annually to help see how the agency is doing toward that goal. Ms. Oury discussed how there has been more staff training in the past year and a half as new staff has come on to replace long-time staff. One training which most of the staff has or will be participating in is mental health first aid, and of course specialized training related to specific jobs.

One last thing in the Board packet was a newsletter message from the new Bert Nash CEO in which LDCHA is mentioned. Ms. Oury included it because she likes the Board to be aware when the agency is recognized in the community.

Commissioner Star mentioned that all Lawrence police officers receive the mental health first aid course and that it is very good.

Vice Chair Duran spoke about the tenant participation at Babcock Place in getting ready for the REAC inspection, including some tenants who assisted others in cleaning up their units. Ms. Oury said it was a real team effort. Ms. Duran also commended the LDCHA staff, especially Lori Dalrymple and Doug Mole, for their support and work in preparing for the inspection. Ms. Oury spoke about the new carpet squares and door kickplates which have been added at Babcock Place, which have improved the appearance. She suggested that the Board might do a brief tour of a resident floor during the next meeting, which is to be held at Babcock Place.

B. Resolution 2018-02: Approve Energy Performance Contract Loan Payment

Ms. Oury gave a synopsis of the loan repayment, which is money the agency loaned itself for the project, and the annual energy savings which are guaranteed by Siemens as part of the contract. In most years there have been considerably more savings than the guarantee,

but this year there was a difference of only about \$33. There has been a large uptick in the amount of electricity used at Babcock Place, which accounts for most of the difference. Now that the new water heaters and boiler systems are coming online, which are high efficiency, Ms. Oury believes that the electricity usage will lower again and the savings will widen. Ms. Oury explained the benefit of the add-on subsidy which HUD agrees to as its incentive for public housing authorities to participate in energy savings contracts.

Vice Chair Duran moved to accept the Resolution 2018-02 as presented. Commissioner Paulsen seconded. The motion passed unanimously.

C. Approve Re-Organization and the Creation or Re-Classification of Certain Positions

Ms. Oury explained that the handouts given the Board were a larger version of one of the charts included in the electronic Board packet to make it easier to see. She outlined the Lean Management measures which are being implemented throughout the agency, and explained the tracking of projects which is taking place, and the reorganization of the management meetings along those lines. Another part of the lean process is reorganizing some of the positions for better workflow.

As one example Ms. Oury outlined the former Initial Occupancy position in the General Housing department, which has had frequent turnover since the untimely death of the person who had originally held the position since it was created. Several people have been temporarily covering the duties of the job as the agency has been considering what steps to take permanently. The reorganization would create a Lead Occupancy Specialist, which would be filled by the longest-term employee in that department, who has already largely taken over the training of her colleagues. If approved by the Board, she will become responsible for tracking many critical aspects of what that department does as well as training, and the new position will receive a higher wage level commensurate with her greater responsibilities.

Another position proposed to be created is MTW Coordinator. The consultant group hired when the LDCHA first became an MTW agency recommended an IT / Data Analyst position. The position was never implemented, but as the tracking and reporting required by HUD has grown, it became obvious that the agency needed someone to take on that responsibility. Several years ago Ms. Oury received permission from the Board to create a Data Analyst position. Ms. Oury explained the HUD PIC system, which is a means of tracking all data and reporting electronically. The agency needs an expert in negotiating this system and submitting accurate data. The current Data Analyst, Gallal Obeid, has proven he fills that requirement. Since his responsibilities would expand in becoming the MTW Coordinator as well, Ms. Oury proposes that the new position be reclassified to a higher wage level. Ms. Oury anticipates that she will be spending more time on creating more affordable housing options since the City now has permanent funds earmarked for affordable housing, and she is very comfortable shifting many of her current MTW-related duties to Mr. Obeid..

Ms. Oury explained that the long-time Capital Fund Coordinator had recently taken a position at KU. The position's duties had been shifting for several years due to lower Capital

Fund grants from HUD, which no longer covered the full salary. The Capital Fun Coordinator had been performing some other duties so the gap in salary could be made up by the public housing budget. Ms. Oury proposed that with Board approval, that position be eliminated and several Capital Fund functions be added to the duties of the Director of Program and Property Management, whose job history has made him well suited to the technical aspects of the job. A Capital Fund specialist position would also be created in his department to handle some of the other responsibilities, reporting and data entry.

Another change if approved would be to raise the Senior Housing Director's salary classification to be commensurate with the other directors, since her duties have been expanded to include supervision of the Clinton Place operations.

Including all the reclassifications and elimination of positions, and including benefits, there would actually be some savings from the original 2017 budgets. The changes would be out of the Capital Fund, public housing, and Section 8 budgets. If approved by the Board, Ms. Oury would prefer to make these changes now, even before knowing what the 2018 budgets will be. She discussed the budget calculations in some detail.

Chair Powers commented that he believes the Executive Director has a better grasp of the agency workflow and personnel needs than the Board does and has no argument against any of the proposed changes. He asked about the annual COLA, and Ms. Oury explained the proposed salaries which will be presented to the Board at the February meeting as part of the operating budgets, including the COLA and average merit increase. The Board will see the salary items line by line with proposed COLA increases separated. Depending on the funding levels of any particular year the COLA or merit increases can change or be frozen, and each year these are awarded only when actual funding is confirmed and increases are approved by the Board.

Commissioner Paulsen moved to approve the re-organization and creation or re-classification of positions as described in Agenda Item 6C. Vice Chair Duran seconded. The motion passed unanimously.

Ms. Oury expressed appreciation to the Board and said that the process of analyzing the positions and the work done with other staff had been highly beneficial.

D. Resolution 2018-03: Approve Updated HOPE House Eligibility Criteria

Executive Director Oury introduced General Housing Director Nickie Daneke and said that one of the great things about when she joined the staff was that she had come with experience in dealing with HUD funding and in particular Continuum of Care (CoC) funding. Ms. Daneke gave a synopsis of the HOPE House program and the funding involved. She explained the scoring system for eligibility to be admitted to the program and asked the Board's permission to begin using the updated priority point system which is highly recommended for use by CoC and might be required in the near future. Ms. Oury briefly explained the preference points used in the other LDCHA programs and that changing this criteria would be different because it would allow entry to HOPE House based on need rather than order of application. The CoC grant is a competitive grant which is applied for annually, and complying with the recommended eligibility system would likely add points for the agency

when competing for the CoC grant. Ms. Daneke answered several questions from the Board about the grant and the eligibility criteria.

Vice Chair Duran moved to approve Resolution 2018-03 as presented. Commissioner Davison seconded. The motion passed unanimously.

7. CALENDAR AND ANNOUNCEMENTS

Executive Director Oury will be out of the office February 7-9.

8. Adjournment

There being no further items of business, Commissioner Davison moved to adjourn. Commissioner Star seconded. The meeting adjourned at 7:10 pm.

Chair

Secretary

Attest