

VERMONT STATE HOUSING AUTHORITY
REGULAR MEETING MINUTES
May 23, 2018

1. ROLL CALL

The Regular Meeting of the Board of Commissioners of the Vermont State Housing Authority was called to order at 11:05 a.m. by Vice Chair Mary Miller. Upon roll call, the following Commissioners were present: Jo Ann Troiano; Caryn Feinberg; and Linda Ryan participated via phone. Chair Caprice Hover, Cory Richardson and Robert Lees were absent.

Staff personnel present: Richard Williams, Secretary/Executive Director; Kathleen Berk, Director of Housing Program Administration; Kelly Pembroke, Director of Finance and Information Systems; Arlene Shorten-Goodrich, Director of Human Resources and Administration; Susan Kugel, Director of Property and Asset Management; Krister Adams, Housing Development Specialist and Laura Macieira, Office Services Coordinator.

2. MEETING AGENDA

Williams added that there will be some additional discussion on the recreational marijuana law that will become effective July 1st, 2018.

3. PUBLIC PARTICIPATION

There was one public participant, Vice President of the Vermont State Housing Authority Staff Federation of the Vermont State Employees Association, Mary Wilson.

4. MINUTES – REGULAR MEETING – MARCH 28, 2018

Troiano moved to approve the Minutes of the Regular Meeting of March 28, 2018 and Feinberg seconded. Miller inquired as to further discussion, there being none a vote was taken. All voted in favor and the motion passed.

5. SECRETARY’S REPORT – APRIL 2018 / MAY 2018

Williams presented updates to his Secretary’s Report.

Yesterday, we received a notice from HUD for what the organization’s funding will be for FY 2018. This will be discussed later in this meeting.

The House Appropriations Transportation, Housing and Urban Development (THUD) Subcommittees in Washington D.C. have been busy with the FY 2019 spending bill. The Housing Choice Voucher Program saw a 2.1 % increase over FY 2018. This is less than what the Administration proposed for vouchers; however, they also proposed cutting other programs like the Capital Fund, the Community Development Block Grant and the Home Program. The House is proposing an additional \$49 million for a HUD Veterans Administration Supportive Housing (VASH) Program. The McKinney-Vento Homeless Assistance grants saw an increase of 1.3% over last fiscal year.

The Full House is expected to consider the proposals before the August recess. Williams is expecting another Continuum Resolution for FY 2019.

Miller asked for a motion to approve the Secretary's Report. The motion was made by Feinberg and seconded by Troiano. Miller inquired as to further discussion, there being none a vote was taken. All others voted in favor and the motion passed.

6. FINANCIAL REPORT THROUGH APRIL 30TH, 2018

Pembroke presented the Financial Report.

We received the funding allocation for the Housing Assistance Payments (HAP's) Programs however, we did not receive one for Administrative Fees. Pembroke expects to receive it within the next few weeks so she can start working on the budget for FY 2019.

Pembroke budgeted for 74% proration rate and currently VSHA is receiving 76.7 % proration rate. Comparing to last year's rate, VSHA was receiving 84% proration rate.

The items that were discussed were the following:

- We are coming over on the Other Income line item due to the tax set off collections.
- The Salaries line item is under because of the mid-level management position that has been open since August 2017. This position was changed to two positions and those have been filled.
- The Benefits line item is over due to the front loading of the HRA payments until everyone meets their deductibles. This should level off in the coming months, or certainly towards the end of the year.
- Currently, we are on projection comparing to how we were doing last year and within one percent of our budget.

Troiano moved to approve the Financial Report as presented; Feinberg seconded. Miller inquired as to further discussion; there being none a vote was taken. All voted in favor and the motion passed.

7. COLLECTIVE BARGAINING NEGOTIATIONS

Williams mentioned that the contract expires on September 30th, 2018.

Shorten-Goodrich added that we received a letter from VSEA, the bargaining team, letting us know that they would like to negotiate a successor collective bargaining agreement. A meeting is scheduled for June 11, 2018 to go over ground rules and establish meeting days.

The following Resolution was presented to the Board for consideration:

RESOLUTION AUTHORIZING COLLECTIVE BARGAINING NEGOTIATIONS

WHEREAS, the Collective Bargaining Agreement ("Agreement") between the Vermont State Housing Authority ("VSHA") and the Vermont State Housing Authority Staff Federation of the Vermont State Employees Association ("Federation") terminates on September 30, 2018, and

WHEREAS, Article 35 of the Agreement provides that “This Agreement shall be automatically renewed from year to year thereafter until either party notifies the other at least one hundred twenty (120) days prior to the termination date of this Agreement of its intent to terminate or amend this Agreement.”, and

WHEREAS, the Vermont State Housing Authority Staff Federation of the Vermont State Employees’ Association has notified us of its intent to negotiate amendments to the Agreement and that it would like to begin contract negotiations;

NOW, THEREFORE, BE IT RESOLVED by the VSHA Board of Commissioners that the Executive Director and/or his designee(s) are authorized to bargain on behalf of the Board of Commissioners with the Federation, to reach tentative agreement on the terms and conditions for an agreement between the parties, and to submit the same to the Board of Commissioners for final acceptance and approval.

Feinberg moved to approve the above Resolution as presented; Troiano seconded. Miller inquired as to further discussion; there being none a vote was taken. All others voted in favor and the motion passed.

Williams indicated that he, Pembroke, Shorten-Goodrich, and Scott Cameron will represent VSHA on the negotiating team.

8. ADMINISTRATIVE POLICY – DRUG FREE WORKPLACE

Shorten-Goodrich mentioned this policy was first adopted in 1994 and with the legalization of recreational marijuana in Vermont, we want to revise the policy to clarify it is still illegal under federal law.

VSHA receives Federal funding and because of that, it is required to have a drug-free workplace policy. The Vermont Legislature legalized recreational marijuana effective July 1st 2018 and our renewed policy would be effective that date.

Troiano moved to adopt the revised policy as presented and Feinberg seconded. Miller inquired as to further discussion; there being none a vote was taken. All others voted in favor and the motion passed.

At 11:20 a.m. Daniel Blankenship joined the meeting.

9. POINT IN TIME – DANIEL BLANKENSHIP

The Point in Time count is the only time there is a collaborative effort to do a sheltered count and street outreach. Once a year, on a day determined, everyone coordinates together for this report.

From this year’s statewide report, 1291 Vermonters experienced literal homelessness, which means sheltered or in a transitional housing. This is an increase of 66 people or 5% from last year’s report. There were 917 households where those people were coming from, which represents an increase of 65 households or 8%.

Unsheltered persons count decreased 38 % maybe because there were more seasonal shelters operating this year, including Montpelier and Barre areas. This past winter, there was a cold weather exception for

the General Assistance-Emergency Housing Motel Program and a lot of people were being sheltered in motels, which was being paid by the Vermont Agency of Human Services.

There were 292 children under 18 that were homeless, which is about 23% of the entire population. There was a nine person decrease of chronically homeless in Chittenden County with a 21 % increase in the balance of state. Chronically homelessness has been increasing in the past few years. The Shelter-Plus-Care Program and the VASH Programs are geared to address these cases; however, both are short of services.

HUD asked for a new type of definition for domestic violence. In the previous years, the counts were conducted based on the question “Do you have a history and are you fleeing from domestic violence?” This year’s the question is “Are you currently fleeing domestic violence”. On the graphics of the report, we can see the increase because of the new question that is being formulated and in a couple of years, we should be able to compare.

Miller expressed her surprise on observing that the mental health issue is coming in higher than the drug and opioids uses. Blankenship mentioned that the State has a lot of initiatives for drug and opioids use; however, there is not a lot of attention to improve our mental health system, which has been under capacity for decades. Providers feel that it is getting worse and non-mental health agencies are mentioning more and more the challenges that they are facing to help individuals whom the mental health system cannot serve.

Blankenship gave an update on the coordinated entry process for homelessness. All the local continuums use the same policies, apart from Chittenden County that has its own. Each community has a different level of functionality or implementation, for example the Northeast Kingdom, Springfield and Bennington are more new at implementing it. Whereas other areas are more advanced in the process and therefore, more thorough. We are required to get referrals for rapid re-housing and shelter-plus-care from the coordinated entry process but it is still clunky and we are doing the best we can. This is showing the need we have because of the lack of services since there are people on a master list that are prioritized but cannot get a referral because there is no agency connected to them offering those services.

Blankenship left the meeting at 11:20 a.m.

10. HOUSING PROGRAM ADMINISTRATION UPDATES

Berk provided some updates.

Berk mentioned that at the July, 2018 VSHA Board Meeting there will be a Public Hearing to discuss the adoption for the Annual Plan for FY 2019. There are a few changes planned for this year and some policy considerations will need to be made.

One policy consideration is amending the inspection policy, going from annual to biennial unit inspections, which is the standard requirement that HUD sets. The advantages to move to biennial inspection is to free up the field staff time to focus on the leasing, housing retention, housing search and landlord/tenant mediation.

The other policy that will need to be revised relates to the use of medicinal marijuana. HUD has been very clear that it is prohibited for admissions if we determine that a new applicant is using medical marijuana. This policy needs to be put in force because HUD has directed the need for one that addresses this issue.

The Self-Sufficiency administrative action plan has been going through a redevelopment with Wilson's help. VSHA started this program in 1991 and since then the program nor its policies have been updated to what we are doing today and the case management work we are performing.

These policy changes will be made public and it will go out for comment by being posted on the VSHA website and on statewide newspapers.

The voucher leasing and spending document included in the board packets is updated because yesterday we received the allocation for the voucher program. Berk provided to the Board a more detailed explanation about the numbers reflected in the update distributed. The goal for FY 2018 is to spend most of all the Housing Assistance Payment (HAP) money and we will continue to put some vouchers on the street through the calendar year.

Troiano asked if VSHA's success rate is less than in the past, Berk answered affirmative and it is about at 50 %. The turnover rate is about 10% and Berk believes that the target to homeless households could bring the number down.

11. DEVELOPMENT UPDATES

Adams gave a brief update.

Lauredon Apartments, Greensboro

An application has been submitted for a USDA Rural Development, Multifamily Preservation & Revitalization Demonstration Program (RD MPR) loan for the rehabilitation of this project. The review of the application is planned to happen in July of 2018, therefore construction should start in the spring of 2019.

Hollister Hill Apartments, Marshfield

This project is substantially completed. There is ongoing landscaping work on the site and some finishing touches in the units will happen for the next two weeks.

Kuegel added that there are two units still available to be filled with handicapped applicants. In case we cannot find the tenants that would qualify for these units, we will have to fill them with other tenants that don't have the need for a reasonable accommodation.

Dogwood 1 Apartments, Northfield

The rehabilitation of this project is underway. A brand new pellet boiler system will be installed and it will serve all the units.

Depot I Apartments, Northfield

This property experienced serious water damage over the winter in the front part of the historical building. The community room was rebuilt, new windows and a new efficient heating system were installed.

Bridge and Main, White River Junction

Kuegel gave an update on this property with a total of 17 units of which 16 of them receive assistance either through the HCVP or through the Tax Credit Program. Currently, half of the units are leased and within the next few weeks more units will be leased up. The challenge we are facing now is that the apartments that remain free are Tax Credit units and we cannot find the right tenants that would qualify for this program.

12. PROPERTY AND ASSET MANAGEMENT UPDATES

Kuegel requested the Board's permission to submit the FY 2019 budget for Brightwood House in South Royalton to USDA. Kuegel is planning on a rent increase which won't affect the residents since the increase will be for the rental assistance funds we receive from the Government.

Feinberg moved to authorize Kuegel to submit the FY 2019 budget for Brightwood House as discussed and Troiano seconded. Miller inquired as to further discussion; there being none a vote was taken. All others voted in favor and the motion passed.

Miller inquired about the reason of why the properties delinquencies are down. Kuegel mentioned that this time of the year is tax time and folks have little extra money. We always see collections increase around this time of the year and afterwards they come back and level off.

13. OTHER BUSINESS

Williams mentioned that VSHA needs a policy that relates to the legalization of medical marijuana effective July 1st, 2018, and how that relates to the programs that VSHA administers. Specifically talking about the Housing Choice Voucher Program (HCVP) and the Multi-Family Program. HUD treats marijuana as a controlled substance and under the HCVP through the admission process, there is no distinction between recreational and medical marijuana. Under the Vermont law, the landlords need to approve the growth of marijuana in their units however, under the Federal law, HUD guidelines for the HCVP the growth of marijuana is prohibited.

The Board held a further discussion on this topic

There being no other business, Troiano made a motion at 12:15 p.m. to adjourn the meeting, seconded by Feinberg and all voted in favor.

Respectfully Submitted,

Richard M. Williams
Executive Director/Secretary