

VERMONT STATE HOUSING AUTHORITY
REGULAR MEETING MINUTES
July 11, 2018

PUBLIC HEARING

- **ROLL CALL**

The Board of Commissioners commenced a Public Hearing at 11:05 a.m. and the following Commissioners were present: Vice Chair Mary Miller; Jo Ann Troiano; Caryn Feinberg; Cory Richardson. Linda Ryan was present via teleconference and Caprice Hover was expected. Robert Lees was absent.

Staff personnel present: Richard Williams, Executive Director/Secretary ; 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 Kuegel, Director of Property and Asset Management; Krister Adams, Housing Development Specialist; and Laura Macieira, Office Services Coordinator. The Chair of the Vermont State Housing Authority Staff Federation of the Vermont State Employees Association, Nathan Schmechel was also present.

- **COMMENTS AND DISCUSSION: VSHA'S SECTION 8 ANNUAL PLAN / ADMINISTRATIVE PLAN**

There was no public participation and the Board kept the Public Hearing open in the event someone would want to join the meeting.

4. MINUTES – REGULAR MEETING – MAY 23, 2018

Miller moved to approve the Minutes of the Regular Meeting of May 23, 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 – JUNE 2018 / JULY 2018

Williams presented updates to his Secretary's Report.

The Vermont Legislature passed a bill in order to set up a rental housing board to deal with the public health complaints related to housing. This bill will help the small towns, which don't have the public officials or other folks that can deal with those issues.

The Governor chose not to sign the state budget and it has gone into effect July 1, 2018. Williams hasn't seen the summary of the appropriations yet; funding through the Department of Mental Health will continue and it shouldn't have any impact on VSHA.

Miller asked for a motion to approve the Secretary's Report. The motion was made by Richardson and seconded by Feinberg. 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 MAY 31ST , 2018

Pembroke presented the following highlights on the Financial Report:

- For the Administrative fees, we are coming in with what was projected; we budgeted at 74% proration and did receive 74% for the first part of the year but now we are at 76%.
- VSHA received some additional funding on a Section 8 grant that is covering some staff positions so the offset to that increases in the Salary line item.
- The Other Income line item was affected by a couple of things: we received a pre-development fee for the Bridge & Main project VSHA is managing in White River Junction and we received \$43,000 from fraud repayments. This surpasses what we have received in the past years and puts us in a good position.
- On the Salaries line item, we are a little under at this time but the three payrolls in July 2018 will take care of this. The offset to that is that we made one management position into two management positions. Pembroke expects that the numbers will even out on this line item.

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

At 11:15 a.m. Caprice Hover joined the meeting.

8. HOUSING PROGRAM ADMINISTRATION UPDATES

- PHA Plan Amendments
- Acceptance of VSHA's Section 8 Annual Plan for Fiscal Year 2019 and Authorization to Sign Certification

The following Resolution was presented to the Board for consideration.

RESOLUTION

Section 8 Annual Plan for Fiscal Year 2019

NOW THEREFORE, be it resolved that the Vermont State Housing Authority Board of Commissioners accepts the PHA Annual Plan for Fiscal Year 2019 (October 1, 2018 - September 30, 2019), including the Amendments to Chapters 3, 8, 12 of the Section 8 Administrative Plan and Family Self-Sufficiency Action Plan, the PHA Certifications of compliance with the PHA Plan and related regulations, as presented, and authorizes the Chairman to sign the certifications and approve the submission of the PHA Annual Plan for PHA Fiscal Year 2019.

Berk presented the updates.

The PHA Plan as proposed has been published on the VSHA website for the last 45 days plus seeking comments. The plan was presented to the Affordable Housing Coalition last month, at their meeting. As of today, we have not received adverse comments nor any comments at all.

Berk reviewed the highlights of the proposed plan amendments:

- Chapter three and twelve relate to a clarification on the criminal activity policy and it includes the use, cultivation and sale of marijuana in any form; and clarifying that marijuana is an illegal drug under federal law.
- A policy change to move to biennial inspections in the Housing Choice Voucher and Project-Based Voucher Program with some exceptions. In case we determine that there is a life threatening situation, the owner would be subject to an inspection. Also, if we receive complaints from an owner, an annual inspection could also be scheduled.
- In terms of proposed activities for FY 2019, we will continue to expand our Project-Based Voucher Program although the emphasis will be the homeless, veterans, or to provide services to the elderly and disabled, and/or located in a census tract with a poverty rate of 20 percent. Troiano inquired how the preference is verified and Berk answered that it gets identified in the front end and that is part of the eligibility admission.
- For the Family Unification Program, we are in the process of writing an application to HUD for funding and expect to submit an application for 100 vouchers in the next couple of weeks.
- About a month ago, Berk submitted an application for 50 Main Stream Vouchers, which will mainly serve disabled and elderly households.
- The Family Self-Sufficiency Program policy was updated and the most significant change is how the waiting list will be managed for that program.
- We have a Memorandum Of Understanding with the Agency of Human Services for households that are on the Family Unification Program and these will be provided the opportunity to participate in the Family Self-Sufficiency Program.

At 11:30 a.m. Frank Kochman, Esq. joined the meeting via phone.

7. SECTION 8 HOUSING CHOICE VOUCHER PROGRAM – MEDICAL AND RECREATIONAL MARIJUANA POLICIES

- 11:30 a.m. Teleconference Discussion with Frank Kochman, Esq.
- Resolution on Medical Marijuana Policy
- Resolution on Recreational Marijuana Policy

Williams gave an introduction to the discussion that was about to be held.

For new admissions on Public Housing and on the Housing Choice Voucher Program, medical marijuana is still prohibited. If someone tells us right up front that they use medical marijuana, we have to reject the applicant. It is different once they are current residents; Public Housing Authorities have the discretion on continuing their leases on a “case by case” basis.

Kochman added that the two draft policies differ significantly with respect of growing marijuana. The policy that is drafted and brought to the Board, prohibits the growth of marijuana for medical use. On the recreational marijuana policy, we are silent on the issue of growing however, we say that for first time offenders we will let it slide with a warning and second time offenders will be terminated on the program.

Hover inquired how is it determined that someone is violating the policies. Kochman replied that there are two legitimate ways to determine that; if obvious existence of marijuana is found during an inspection and / or, if someone makes a complaint with a credible report.

Williams mentioned that under Vermont Law, landlords or property owners have the right to say no to tenants that want to grow marijuana. VSHA is not proposing to take these rights away for current tenants that are growing medical marijuana.

Kochman gave a clarification between the medical and recreational marijuana policies. Kochman expressed his support on the medical marijuana policy that was presented to the Board. Regarding the recreational marijuana policy, the administrative policies are explicit on the prohibition of its use; therefore, he does not recommend the adoption of this policy.

Hover moved to approve the medical marijuana policy as presented; Feinberg seconded it. Miller inquired as to further discussion; there being none a vote was taken. All voted in favor and the motion passed.

The Board discussed the recreational marijuana policy and decided to take no action because the matter is already covered by the administrative policies, which reflects HUD requirements.

At 12:16 p.m. the Board recessed for lunch and Kochman left the meeting. The Board returned to session at 12:35 p.m.

- **CLOSE PUBLIC HEARING**

At 12:37 p.m. Troiano moved to close the Public Hearing; Miller seconded. All voted in favor and Hover closed the public hearing.

Hover asked for a motion to accept the Section 8 Annual Plan for Fiscal Year 2019 Resolution as presented. The motion was made by Troiano and seconded by Miller. Hover inquired as to further discussion; there being none a vote was taken. All others voted in favor and the motion passed.

9. EXECUTIVE SESSION – COLLECTIVE BARGAINING NEGOTIATIONS

At 12:40 p.m. Troiano moved that the Board enter Executive Session to receive information and deliberate regarding the proposed changes to the collective bargaining agreement between the VSHA and the Vermont State Housing Staff Federation of the Vermont State Employees Association under the provisions of Title 1, Section 313(a)(1) of the Vermont Statutes in that premature public knowledge of the content of such discussions would clearly put VSHA at a substantial disadvantage. Richardson seconded the motion.

At 12:55 p.m. Miller motioned to leave Executive Session, seconded by Troiano, and upon call for a vote, all voted in favor.

There was no action taken during Executive Session.

8. PROPERTY AND ASSET MANAGEMENT UPDATES

Kuegel presented the updates.

The Property and Asset Management staff has been working on budget preparation. All the mobile home parks (MHP) capital budgets are completed; all the Rural Development (RD) October 1st, 2018 are down, including the budget for Brightwood House. Kuegel will have a face to face meeting with RD, later this week, to wrap up some outstanding pending issues that seem to be dragging on for several months.

Kuegel will still be working on finishing budgets for some of the HUD properties, as well as working with HFI on how they want to approach the issue of recreational marijuana in their properties. Based on the direction they will give her, Kuegel will write the policy that will address this issue.

Richard added that this is the time of annual adjustment to MHP's lot rents. In the past, we've suggested to HFI to apply the Consumer Price Index factor and this is the first year they've choose to not do that on all the parks. The parks that have lot rents above \$400 per month were subject to an increase of 2%; and anything under that amount saw an increase of 3.9%.

9. OTHER BUSINESS

Williams mentioned that he has been working with Katie Buckley for the Board reappointments.

There being no other business, Troiano made a motion at 01:05 p.m. to adjourn the meeting, seconded by Miller and all voted in favor.

Respectfully Submitted,

Richard M. Williams
Executive Director/Secretary