

**VERMONT STATE HOUSING AUTHORITY
REGULAR MEETING MINUTES
MAY 26, 2021**

1. Roll Call

The Regular Meeting of the Board of Commissioners of the Vermont State Housing Authority, held via ZOOM, was called to order at 11:00 a.m. by Chair Caprice Hover; and upon roll call, the following Commissioners answered present: Mary Miller, Vice Chair; Caryn Feinberg, Alex Farrell, Jo Ann Troiano and, Cory Richardson.

VSHA Staff present: Richard Williams, Executive Director/Secretary; Kathleen Berk, Director of Housing Program Administration; Kelly Pembroke, Director of Finance and Information Systems; Diane May, Director of Human Resources and Administration; and Susan Kuegel, Director of Property and Asset Management.

Morgan Gray, Chair, Vermont State Housing Authority Staff Federation, and Jonathan Bond, Executive Director, The Housing Foundation, were also in attendance.

2. Meeting Agenda

Williams added the Fiscal 2022 budget for the Brightwood House to Other Business.

3. Public Participation

There was no public participation.

4. Minutes – March 24, 2021- Regular Meeting

Hover called for a motion to approve the minutes. A motion was made by Miller and seconded by Richardson. All voted in favor.

5. Secretary's Report - May 2021

Williams presented updates to his Secretary's Report.

Williams states that the Vermont Legislature approved the Appropriations bill last week. That bill includes \$190 Million for housing in the State of Vermont. Most of the money is capital dollars that will go for the development of new affordable housing in Vermont.

Williams adds that S.79 includes a rental registry and inspection program, with amendments proposed by the House that include an amendment to the eviction moratorium. This bill passed the Senate, and went to the House; however, there were not enough votes to send the bill back to the Senate. This bill may be looked again when the Legislature is back in session and passed at a later date.

VSHA is currently implementing the Emergency Rental Assistance (ERA) Program funded by the Consolidated Appropriations Act signed into law in December 2020, of which VSHA received \$110 million.

Hover called for a motion to approve the Secretary's Report. Miller moved the motion. Troiano seconded and all voted in favor.

6. Financial Report - VSHA - May 2021

Pembroke went over the Financial Report.

Administrative fees are currently showing \$466 Thousand over budgeted figures. This includes over \$700 Thousand that was earned in administrative fees from the Rental Housing Stabilization Program. Those are one-time fees. HUD also increased their administrative fee proration this year. Salaries are currently over budget. Although they are trending close to breaking even, Pembroke expects that it will soon go back to the way it was, trending over budget on the salary line item. This is directly related to the addition of the Rental Housing Stabilization Program temporary staff, as well as overtime for permanent staff that worked on that program. Admin expenses, including the travel expense, are under budget at this time.

Health insurance benefits are over budget. For the months of March and April, an average payment of \$32 Thousand a month was made to the HRA. This is a significant increase from previous years. There was also a 10% increase in the BCBS premiums this year. General expenses were also over budget. This is offset by the administrative fee that was received for the RHSP program. There were some increased costs including some data reports to be shared with other state agencies. The insurance is also over budget. The monthly payment to VHFA for the contract administrative fees has increased by roughly \$3 Thousand a month. Overall, we are projected to be at a \$287 Thousand gain. We are now at a \$774 Thousand gain.

Richardson moved to approve the Financial Report. Feinberg seconded. With no further discussion, a vote was taken. All voted in favor. The motion carries.

7. Approval Requested: Resolution Authorizing Collective Bargaining Negotiations

May summarized the request regarding the upcoming Collective Bargaining Agreement negotiations.

The current Collective Bargaining Agreement contract will be expiring on September 30, 2021. VSHA has received notice from VSEA with their intent to bargain a successor agreement which was acknowledged by VSHA.

VSHA is asking The Board for authorization to enter into negotiations with the Federation for the successor agreement and the negotiation team to be the Executive Director and Executive Director's designee(s).

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, 2021; 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 the Executive Director's 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.

Miller made a motion to approve the Resolution presented above. Richardson seconded. All voted in favor. The motion passed.

8. Approval Requested: Records Management Policy

Troiano moved to approve the new Records Management Policy as presented. Miller seconded. With no further discussion, a vote was taken. All voted in favor. The motion carries.

9. Approval Requested: Revisions to By-Laws

Williams stated the reasons for the By-Laws Revisions were to use inclusive pronouns and to also incorporate changes that Pembroke requested regarding signatures. There were no questions in regard to these changes.

Farrell moved to approve the Revisions to the By-Laws. Feinberg seconded. All voted in favor. The motion carries.

10. Approval Requested: HFI Board Appointment Resolution

The following resolution was presented to the Board for consideration:

RESOLUTION DESIGNATING NON-VOTING, EX-OFFICIO DIRECTOR TO THE HOUSING FOUNDATION, INC. BOARD OF DIRECTORS

WHEREAS, pursuant to Article IV of The Housing Foundation, Inc. By-Laws ("HFI By-Laws"), the Vermont State Housing Authority ("VSHA") shall designate one (1) non-voting, ex-officio Director to The Housing Foundation, Inc. ("HFI") Board of Directors to serve successive terms of one (1) year, or until such time as their successor has been designated by VSHA; and

WHEREAS, the VSHA Board of Commissioners deems it appropriate and in the best interest of VSHA for Richard Williams, as Executive Advisor to VSHA, to continue to serve as the VSHA-designated non-voting, ex-officio Director on the HFI Board of Directors from June 1, 2021, through July 31, 2021; and

WHEREAS, the VSHA Board of Commissioners deems it appropriate and in the best interest of VSHA for Kathleen Berk, as VSHA Secretary and Executive Director, to serve as the VSHA-designated non-voting, ex-officio Director on the HFI Board of Directors, effective August 1, 2021;

NOW, THEREFORE, BE IT:

RESOLVED, that Richard Williams, as Executive Advisor to VSHA, is designated by the VSHA Board of Commissioners to serve as the VSHA-designated non-voting, ex-officio Director on the HFI Board of Directors, from June 1, 2021, through and until July 31, 2021; and

RESOLVED FURTHER, that Kathleen Berk, as Secretary and Executive Director of VSHA, is designated by the VSHA Board of Commissioners to serve as the VSHA-designated non-voting, ex-officio Director on the HFI Board of Directors, effective August 1, 2021, for successive terms of one (1) year, or until such time as a successor has been designated by VSHA.

Troiano moved to approve the HFI Board Appointment Resolution. Miller seconded. There being no further discussion, a vote was taken. All voted in favor. The motion carries.

11. Approval Requested: Resolution Authorizing Signatory Authority

The following resolution was presented to the Board for consideration:

RESOLUTION AUTHORIZING SIGNATORY AUTHORITY

WHEREAS, pursuant to Article II, Section 2 of the Vermont State Housing Authority By-Laws ("By-Laws"), the Chairperson of the Vermont State Housing Authority ("VSHA") Board of Commissioners shall sign all contracts, deeds, and other instruments made by VSHA, except as otherwise authorized by resolution adopted by the Board of Commissioners; and

WHEREAS, Article II, Section 4 of the By-Laws provides that designated individuals may sign orders and checks on behalf of VSHA; and

WHEREAS, the Board of Commissioners deems it appropriate and in the best interest of VSHA to continue such authorizations to Richard Williams for a limited period of time;

NOW, THEREFORE, BE IT:

RESOLVED, that in accordance with Article II, Sections 2 and 4 of the By-Laws, the Board of Commissioners hereby authorizes Richard Williams to sign in the name

of, and on behalf of, VSHA any and all contracts, deeds, and other instruments including orders and checks, made by VSHA, for the period from June 1, 2021, through July 31, 2021; and

RESOLVED FURTHER, that the Secretary and other Commissioners are hereby authorized to certify to third parties as to the authority of Richard Williams to execute such contracts and instruments on behalf of VSHA in accordance with the above.

Farrell moved to approve the Resolution Authorizing Signatory Authority, as presented above. Richardson seconded. With no further discussion, a vote was taken. All voted in favor. The motion carries.

12. Update: Tax Exempt Financing for Mobile Home Parks

Williams recapped on a previous discussion from the Board Meeting in March, at which time authorization was granted to move forward with the tax-exempt financing of mobile home parks. This is similar to the 2015 financing by VSHA of the Farrington Mobile Home Park located on North Avenue in Burlington. VSHA has again been approached by CDI, the entity that is helping the park residents form a cooperative to acquire the park. VSHA was entered into a contract with Darby Kolter & Nordle, LLP, a legal firm in Waterbury, Vermont, not to exceed \$35 Thousand. Legal fees will be paid by CDI. CDI has agreed to reimburse VSHA for any out-of-pocket legal expenses.

No motion needed.

13. Discussion: VSHA Board Chair and Membership

Williams does not see any conflict with Caprice Hover remaining on as the Board of Commissioners Chair and he does not see there being a residency issue. There was no further discussion on this item.

14. Discussion: VSHA Board Appointments

Williams pointed out that there are a few Commissioners whose terms have expired, as well as a vacant position. The appointments to the VSHA Board of Commissioners are made by the Governor. Williams thanked the Commissioners for their service and suggested that Commissioners consider reaching out to the Governor's office to recommend to the Governor's office an individual to fill a current or future vacancy, or to indicate their interest in being re-appointed. There is an application process for Board appointments. Berk expressed her concern with regard to the vacancy and two positions at the end of their terms, and states that as she assumes responsibility of the agency and moves the agency forward, she will need a full, committed board.

15. Other Business

Update from HFI: Bond went over how HFI is looking at what can be done to better support themselves as an organization, as well as a better role player for housing in Vermont. They are focusing on Mobile Home Parks and more affordable housing in Vermont. HFI will be pursuing the Rural Community Development Initiatives Grant in March of 2022 with the support through Rural Development. This grant could give them the technical assistance to fund a project manager who could work on internal projects, as well as to be able to create a limited service to provide other Mobile Home Park providers.

Brightwood House Budget: Kuegel went over the Fiscal Year 2022 budget for the Brightwood House.

Kuegel states that it was originally thought a rent increase for Brightwood Housing could be avoided this year. This was based on the fact that they were no longer going to be charging the Director of Maintenance positions to Brightwood House and other factors. It was also assumed that this would allow for handling the increases in capital improvements as well as increases in water and sewer. It was budgeted in FY 2021 to use roughly 5,000 gallons of fuel oil. VSHA is currently locked in with Gillespie at a price of \$1.70 per gallon. The price has since gone up to

\$2.70 per gallon. If the price goes up to \$3 per gallon, Kuegel anticipates the rent needing to be increased by \$20 dollars.

Kuegel asked for a motion from the Board allowing her to submit the budget to R.D. asking for a rent increase, which would be effective October 1, 2021.

Richardson moved to approve the FY22 Brightwood House budget. Farrell seconded. With no further questions a vote was taken. All voted in favor. The motion carries.

Update on Green Mountain Apartments transfer: Williams asked Hover for an Executive Privilege.

Williams asked Kuegel for an update on the Green Mountains Apartments transfer in Northfield.

Kuegel states that Vermont Housing & Conservation Board has given VSHA authorization to step back in as a sole owner of the property. The documents that needed to go to USDA are now in their hands. The deal has gone to their underwriting committee. The underwriting committee is asking for a special exemption to their regulations. Although this is a financially strong property, the debt-to-income ratio based on what was sent to them, does not meet what USDA needs. The underwriter needs to go to the National Office for the exemption or waiver of that regulation. The attorney who has done all of the work for VSHA, and whom would be used for the closing, is now on a 3-month sabbatical and would not be available to use for the closing until September 1, 2021. At this time, VSHA will wait for the waiver from USDA.

The meeting ended at 12:05 p.m.

Respectfully Submitted,



Richard M. Williams
Executive Director/Secretary

