

**VERMONT STATE HOUSING AUTHORITY  
PUBLIC HEARING & REGULAR MEETING MINUTES  
JULY 14, 2021**

**Public Hearing**

**1. Roll Call**

The Public Hearing 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, and Cory Richardson.

Jo Ann Troiano was absent.

Staff personnel present: Kathleen Berk, Executive Director/Secretary; Kelly Pembroke, Director of Finance and Information Systems; Diane May, Director of Human Resources and Administration; Susan Kuegel, Director of Property and Asset Management; Daniel Blankenship, CoC Program Administrator; and Morgan Ledo, Chair of the Vermont State Housing Authority Staff Federation of the Vermont State Employees Association.

HFI Executive Director, Jonathan Bond, was also in attendance.

**Comments and Discussion: VSHA's Section 8 Annual Plan and Administrative Plan Amendments**

There was no public participation.

The Public Hearing is held to hear comments and discussion on the VSHA's Section 8 Annual Plan and Administrative Plan Amendments. The Public Hearing was left open through the discussion under agenda item number 6.

Berk states that the other business added to the agenda is that the Board will be asked to consider a Resolution that extends Richard Williams Authority to continue to sign on behalf of HFI. There will also be a discussion about the Commissioner search. Berk adds, she also wants to discuss changes to the Open Meeting Law and how Meetings will be hosted moving forward.

**Board Meeting**

**3. Minutes: May 26, 2021 – Regular Meeting**

Miller made a motion to approve the Meeting Minutes. Richardson seconded. Farrell mentioned the possibility of Hover's name being spelled wrong. All voted in favor approving minutes, with corrections made to Hover's name, as necessary. The minutes are approved.

**4. Secretary's Report – July 2021**

Berk went over the Secretary's Report and other updates in addition to those in the report.

The S79, the Rental Registry and Inspection Program bill that was passed by the House and the Senate, was vetoed by the Governor.

July 15, 2021, the eviction moratorium in the State of Vermont ends, unless extended. There has been a movement by Vermont Legal Aid to petition the Vermont Supreme Court to have the eviction moratorium extended. In response to the information given by Vermont Legal Aid to Vermont Supreme Court, VSHA issued to the Court a letter with factual information about the Vermont Emergency Rental Assistance Program. The VERAP program has paid out for rental assistance and rent arrearage, or is obligated to pay out, \$6 million within the next couple of months. Weekly payments are on-average \$1.2 million, with the projected amount by August 1<sup>st</sup> to be \$3 million.

Berk mentioned that she continues to participate in the National NAHRO (National Association of Housing and Redevelopment Organizations), as well as the Section 8 subcommittee of National

NAHRO. Berks adds they are currently working on proposing Legislation for Universal Housing Vouchers. Vouchers would be funded based on the need in the communities. The voucher budget is currently funded with discretionary money. The proposal is that the voucher budget be funded with mandatory spending. It would also fund administrative fees at 100% and would include providing funds for security deposits and other related expenses. This would also allow VSHA to lease families in units up to 130% of the fair market rent (current authority is to lease up to 110% of the fair market rent), so it provides housing authorities with more tools to lease families and housing markets that are tight. It would also extend the project basing authority from what is currently 30% of total allocations, to 50% allocation.

With no further questions or comments, Hover called for a motion to approve the Secretary's Report. Farrell moved. Feinberg seconded. All voted in favor. The motion carries.

## **5. Finance and Information Systems**

Pembroke went over the June 2021 financial report.

The Administrative fees are \$441 thousand over budget. That includes \$732 thousand that was received from the Rental Housing Stabilization Program (RHSP), which are one-time fees. HUD prorations were projected at 83.832%. It has since been reduced to 82%. Salaries are showing at \$104 thousand over budget. The RHSP and VERAP temporary staff have contributed to this overage. There have also been some long-term employees leave, with some accrued leave payouts.

The Administrative line is under budget. Travel, postage, and printing all continue to be under budget. General expenses are over budget, mostly due to the RHSP program, including recently prepared data reports. Monthly funds for VHFA have gone up based on the MOU.

Pembroke adds that the plan is to do some renovations at the One Prospect St. Montpelier office. The building is over 30 years old. VSHA is not able to find any contractors to do the work currently. The work is now being pushed to year 2022. It was projected to be at a \$370 thousand gain but is showing an \$802 gain - \$732 thousand is one-time RHSP money. There has not been much change since April.

With no further questions or discussions, Hover called for a motion to approve the financial report. Richardson made the motion. Miller seconded. All voted in favor. The motion passes.

Pembroke went over the proposed network and computer system security upgrades.

Some upgrades are needed for the current security system. Pembroke has proposed allocating roughly \$50 thousand for these upgrades, based on quotes received. The firewall that VSHA currently uses is 10 years old. The average life is 5-7 years old.

Richardson asked Pembroke what support VSHA get from experts in the field. Pembroke stated that VSHA works with a third-party vendor, Resilient Networks. The CEO of Resilient Networks, who formally worked in the IT department of Hickock and Boardman, has formed his own company. This company has hired specific people for specific roles. Resilient Networks has come to VSHA and given feedback on what needs to be done, prioritizing each change. There are five different high priority categories that need updating, including Network Firewalls; Network Switches; Email Scrubber; Endpoint Anti-virus and Malware Protection, DNS and URL filtering protection; and Endpoint Patching, Monitor and Remote Support Tool. Once those five high priority updates are done, the lower priority updates will be focused on.

Farrell asked Pembroke what the IT department at VSHA currently looks like. Pembroke gave details on what that currently looks like and what her plan is moving forward.

No motion needed.

## **6. Housing Program Administration**

Blankenship went over the plan for deploying 500 HCV's and use of the Authority's Emergency Housing Vouchers.

The Emergency Housing Choice Voucher program is designed to service people who are homeless, fleeing domestic/sexual violence, human trafficking or those who are at risk for homelessness. Both Vermont continuums of care, including VCEH and CCHA, needed to determine which population would be served with this funding. VSHA recommended that they choose fleeing domestic/sexual violence

and human trafficking because there is a lack of dedicated programs to serve that population and a high need among those populations of people. Focusing on these populations will help VSHA administer the programs, as they can focus on one entity, Vermont Network against Domestic and Sexual Violence, who can coordinate and facilitate with their local victim service providers. VSHA is required to develop an MOU (Memorandum of Understanding) with the continuums and send that to HUD by the July 31, 2021, deadline, which was met. That provides a generic overview of the plan moving forward. The next step is to develop a contract with the Vermont Network on administering the service fees which will be \$3,500 per voucher, equaling about \$325 thousand. That includes specific housing search activities which is only available for getting people housed but does not include case management. The victim service providers will provide other services if ongoing support is needed.

Another incentive HUD is providing is \$500 per voucher under contract by October 31, 2021, or \$250 per voucher if they are leased by December 31, 2021. Blankenship does not anticipate that happening because the program will not be implemented until October 1, 2021, as well as there is currently limited inventory of housing available to lease.

All applicants for this voucher must come through coordinated entry. Current households on the Housing Choice Vouchers waitlist must be made known of this availability. One emphasis of this program is ensuring racial equity in services. The next step is to determine with the Vermont Network whether the 99 Emergency Housing Vouchers will be accessed by geographic basis or by county level.

Blankenship states that as part of the plan it is being recommended that the Board approves a change from being called the Move-On Preference to the Move-Up Preference as well as provides more structure to the access.

Berk adds that the 500 vouchers that Blankenship referred to is budget authority that was provided to VSHA as part of the 2021 allocation for the voucher program. In order to maximize funding for next year it will be important to lease as many vouchers this year, as it sets the base for next year.

Berk finished the agenda item with going over the administrative plan amendments that the Board will be asked to consider and approve as part of the process and of the annual planning process. The second policy change is revisions to the Home Ownership Policy. With the number of Section 8 applicants applying for the Home Ownership Program takes a lot of administrative time and capacity to work with the applicants but do not have the income to become eligible to qualify for a mortgage. These policies are designed to require that the applicant first become eligible for a mortgage before coming to apply for the program.

Berk went over the 2020 Annual Plan.

VSHA is now open for business. Staff have been asked to return to working fulltime onsite, with telework available according to the agency's telework guidelines. In terms of housing needs, data on the waiting lists as well as program participants have been updated. Financial resources have also been updated.

### **The following Resolution was presented to the Board for consideration.**

**NOW THEREFORE**, be it resolved that the Vermont State Housing Authority Board of Commissioners accepts the PHA Annual Plan for Fiscal Year 2022 (October 1, 2021- September 30, 2022) including the Amendments to Chapters 4 & 15 of the Section 8 Administrative 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 2022.

Miller moved to approve the resolution presented above. Farrell seconded. All voted in favor. The motion passed.

There being no public participation, the Public Hearing was closed.

## **7. Property and Asset Management**

Kuegel updated the Board on the Brightwood budget. Brightwood House is a small property that VSHA owns in South Royalton. The budget was submitted to RD by the July 1, 2021, deadline. That budget included a rent increase of \$22. RD has already planned to approve that budget with the requested increase. RD has already issued a letter approving of the increase dated August 14, 2021.

Kuegel updated on the process of Green Mountain Apartments and the sale from HFI to VSHA. It has been a much longer process than what was anticipated. The CNA was completed in early 2021. The appraiser could not finish the appraisal until the CNA was completed, which was then completed in March 2021. When RD ran the application through the underwriting process, even as a solid property, money in the bank, and fully funded reserve account, it did not meet RD's debt to income ratio requirement. The underwriter asked for a waiver for the application, which was denied. One of the options VSHA was given was for it to not be a sale but a substitution of the limited partner. That is not something that the limited partner wants to do. The other option was for HFI to use \$35 thousand of their reserve account to pay down the debt of the property. HFI's Board of Director has agreed to do that. The \$35 thousand transaction does not have to take place before the closing but can be finalized at the closing. The Underwriter has some more questions about the property, in which Kuegel and Pembroke are researching those answers for him.

VSHA is awaiting further information from HUD to decide on the renewal and approval of the two new HUD Service Coordinator grants. There is no update currently.

The Property and Asset Management department is looking into updating their software programs. The current software has been used for 15+ years now. Kuegel states that they are looking into moving into a cloud-based software. They are currently comparing PHA Web, which is where the Section 8 programs were moved over to a few years prior, to Yardi, which is the parent company to the program that is currently being used in the department. If a decision has not been made by the end of August, the current contract will be renewed for another year.

## **8. Human Resources**

May states that the Director of Housing and Program Administration position continues to be open. VSHA is in discussions with and considering contracting with an outsourced recruitment firm that specializes in recruiting for Executive level positions. The goal is to have a new Director of Housing and Programs Administration, hired and transitioned into the position by the end of October.

May went over the updated COVID-19 Safety and Health Work Plan.

This revised plan utilizes four levels of safety measures. This plan will allow for more flexibility for implementing measures that are appropriate to the level of risk that is currently presented. At the current yellow level, staff are no longer required to work from home. Requests for telework is now approved based on eligibility to telework, department needs, specific staff needs, etc. Fully vaccinated staff are no longer required to wear masks in the building. Staff and visitors who are not fully vaccinated are still required to wear masks inside the building at all times in the presence of others in the building. VSHA is also opening to the public on a limited appointment only basis for business purposes. VSHA is not currently open for client services, but a plan is being put in place to provide client services onsite by September.

## **9. Other Business**

Berk presented a resolution asking the Board to consider which will extend Richard Williams' signatory authority on behalf of VSHA through September 30, 2021.

Hover asked for a motion to approve the resolution presented above. Miller moved to approve the resolution. Richardson seconded. With no further questions or discussion, a voted was taken. All voted in favor. The motion carries.

Berk initiated a discussion in regard to the Commissioner recruitment.

Farrell submitted a name to the Governor's team and has been approved. The gentleman's name is Chris Trombley. He is involved in South Burlington's affordable housing and is very interested.

Miller stated that she had a candidate by the name of Jim Lavinsky. Jim is the Executive Director of the Lamoille Housing Partnership, out of Morrisville, Vermont. In his time as Executive Director of the Lamoille Housing Partnership, Jim has been successful in developing nearly 100 new affordable housing units.

Hover has also been in contact with a gentleman from NeighborWorks of Western Vermont who is interested in joining the Board.

There are currently two open Board of Commissioner's positions. Berk will send the candidates forward to the Governor's Office and see what happens from there.

Berk wants the Board to be aware that the Open Meeting Law is now in force and affect. There have been some modifications to the law that do allow the Board Meetings to be held virtually, given that the Board has an in-person option that allows the public to attend the Meeting. Berk entertains the idea of having the Board Meetings held in a hybrid manor, moving forward, starting with the September Meeting. With some discussion, Berk confirms that moving forward the Board of Commissioners will be given to option to join the meetings either via Zoom or coming into the One Prospect St. main office.

Hover asked for a motion to adjourn the meeting. Miller moved. Feinberg seconded. The meeting was adjourned at 12:40 p.m.

Respectfully Submitted,

Kathleen Berk  
Executive Director/Secretary

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