

**MINUTES OF THE REGULAR BOARD MEETING
HOUSING AUTHORITY OF THE CITY OF DURHAM**
Durham Housing Authority
330 E. Main Street, Durham, NC 27701
November 28, 2018

AGENDA ITEM I

Call to Order

The regular meeting was called to order by the Chair, Daniel C. Hudgins

Present:

Daniel C. Hudgins
George K. Quick
Robert "Bo" Glenn
Gloria Nottingham

Absent:

Larry Yon, II
Patrice Y. Nelson (Excused)
Jillian Johnson, City Council Liaison

Conference:

None

Staff Present:

Anthony Scott, CEO
Barbara Newman
Sabrina Sinegal
Meredith Daye
Matthew Scaparro
Olive Joyner
Lorraine Erhunmwunsee
Ashanti Brown
Denita Johnson
Charles Lyon
Meredith Daye
Doris Jackson

Also Present:

Eric Pristell, Attorney, The Banks Law Firm
Former Mayor, Bill Bell
Councilman Charlie Reece
Thomas M. Niemann

The meeting was called to order by the Chair, Daniel C. Hudgins at 5:45 p.m.

A quorum was present, and the *Regular Meeting* was called into session.

AGENDA ITEM II -- GENERAL COMMENTS FROM THE PUBLIC

◆ **PUBLIC HEARING (s)**

- There was none

AGENDA ITEM III -- CHANGES TO THE AGENDA

- There were none

AGENDA ITEM IV – BOARD ACTION

- Approval of the Minutes of the Board of Commissioners' Regular Meeting held on October 24, 2018.

Motion: Commissioner Quick; Seconded: Commissioner Nottingham; Approved: Unanimously

AGENDA ITEM V -- PRESENTATIONS

- Recognition of Commissioner Thomas Niemann, former Chair and Board Member.
- ❖ The first presentation was provided by Councilman Charlie Reece. Councilman Reece read a Proclamation from Mayor Steve Schewel

Former Commissioner Niemann, responded that he was proud to have been a part of the Durham Housing Authority. He said, *"The Agency was so important to him that he still catch himself in meetings saying, "We." His heart is still with this organization and he wants to be able to contribute as he can. He thanked everyone who had been a part of the organization during his tenure.*

Commissioner Hudgins said, *"We are very close to having our two (2) RAD conversions. It was your leadership that bought us where we are today as Chair of the Development Committee."*

- ❖ The second presentation was provided by Chairman Daniel Hudgins. The Board of Commissioners presented Mr. Niemann with an engraved gavel and a plaque which read as follows:

Durham Housing Authority

Presented to

Thomas M. Niemann

For

Exemplary Service and Commitment

While serving the City of Durham as a member of the Board of Commissioners of the Durham Housing Authority from November 17, 2003 to September 30, 2018; and serving as Board Chair from April-December 2006-2015.

The Durham Housing Authority's Board of Commissioners appreciate your demonstration of sincere caring and commitment;

It is a privilege to officially recognize the outstanding service rendered by

Thomas M. Niemann to the citizens of this community. We express the profound gratitude of this organization for your service.

On This Day, November 28, 2018

RESOLUTION NO. 3556

RESOLUTION COMMENDING THOMAS M. NIEMANN FOR EXEMPLARY SERVICE RENDERED AS A COMMISSIONER AND BOARD CHAIR OF THE HOUSING AUTHORITY OF THE CITY OF DURHAM

WHEREAS, Thomas M. Niemann appointed by Mayor William V. Bell, served the City of Durham as a member of the Board of Commissioners of the Durham Housing Authority from November 17, 2003 to September 30, 2018; and served as Board Chair from April-December 2006-2015; and

WHEREAS, the Commissioners, staff and residents of the Housing Authority of the City of Durham, North Carolina, recall with appreciativeness the commendable service rendered by this dedicated individual during his tenure as Commissioner; and

WHEREAS, Thomas M. Niemann especially showed sincere concern about the well-being of “*Durham’s most vulnerable citizens*” and participants of the Housing Authority’s community redevelopment programs; and

WHEREAS, it is a privilege to officially recognize the outstanding service rendered by Thomas M. Niemann to the citizens of this community and express the profound gratitude of this organization for this service.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Housing Authority of the City of Durham, North Carolina, recognizes with appreciation, the outstanding service rendered by Thomas M. Niemann as a Commissioner of the Housing Authority of the City of Durham.
2. He has given freely of his time and abilities in the pursuit of the purposes of this organization, and his efforts were instrumental in bringing to fruition the mission of the Housing Authority to provide decent, safe and affordable housing for low-income families in this community.
3. The Housing Authority of the City of Durham, North Carolina, commends Thomas M. Niemann for a job well done; and further, that his interests and desires, directed to the betterment of his fellowman, are recognized and applauded by Commissioners, staff and residents.

Done this 28th day of November 2018.

**Motion: Commissioner Nottingham; Seconded: Commissioner Quick;
Approved: Unanimously**

AGENDA ITEM VI -- CHIEF EXECUTIVE OFFICER’S BUSINESS REPORTS

CEO, Anthony Scott, made the following comments:

- DHA received a letter from HUD indicating that they had accepted DHA’s 2019 Annual Plan;
- DHA has been invited by Mayor Steve Schewel to host a meeting for individuals involved with Purpose Built Communities on December 5th; they are coming to Durham. On the 9th and 11th, we will be visiting Louisville at the invitation of the Mayor there who also has a Purpose Built Community. If you are not familiar with it, the model is like the Atlanta Housing Authority used in the mid-90s around the

redevelopment of public housing that include the schools and lots of community related activities with the redevelopment of public housing communities. There is interests by local funders who have Durham Housing Authority participating in the program.

- On December 19th, we are having a full day board retreat which we will review our 2018 year and projections for our 2019 year. There will not be any committee meetings this month – only this one retreat meeting.
- 2019 is DHA's 70th year for being in existence. Activities will be planned and review of previous accomplishments during the previous years will be done.
- DHA will have a float in the parade on December 8 for the first time.
- Charles Lyon, will be honored at the Durham Rotary Club for the Community Service Award.

There were no additional questions or comments regarding the CEO's Business Report.

VII. GENERAL BUSINESS ACTION ITEMS (COMMITTEE REPORTS)

Chairman Hudgins stated that this is for the purpose of accepting reports from the three (3) standing committees. The information from these committees were also included in the previously distributed board package. The reports were as follows:

Development Committee Report

Chairman Hudgins recommended acceptance of the October 11, 2018 minutes.

**Motion: Commissioner Glenn; Seconded: Commissioner Quick;
Approved: Unanimously**

Also, Commissioner Hudgins mentioned the DRAFT November 8, 2018 minutes that are still being reviewed by the committee.

Comments:

Meredith Daye, Director of Development, provided a presentation regarding Damar Court Apartments and Morreene Road Apartments building delivery schedule and the RAD Conversion Plan.

Damar Court Apartments Phase I – Building Delivery for Re-Occupancy at 1125 Morreene Road included buildings 1002, 1008, 1012 and 1014 (totaling 24 units) that will be complete on December 5, 2018. Residents have been notified. Expectations are that these units will be totally occupied by the end of the year. Also, buildings 1003, 1011, 1015, 1019, and 1021 (totaling 30 units) will be complete on December 21, 2018. Expect by first of January 2019 to have all 54 units occupied.

Commissioner Glenn asked if there would be any residual cost that DHA will incur. Ms. Daye responded that DHA will share the developer fee. Two fold -- part of the cost involves low income tax credits along with RAD. There are some delays contributed to delivery of on time units to the equity investor. If DHA is later than what we had projected on our operating agreement, there could be a possible financial adjustment that would affect our developer fee. DHA plans to monitor closely.

Commissioner Glenn stated, “*Assuming you learned a lot of lessons from Phase I -- lot of un-expectancies ref. labor and material, is there any way we can prepare for surprises with additional staffing, etc. in Phase II?*”

Ms. Daye responded, “*For most of the work uncovered with construction, change orders were received and reviewed.*”

Anthony Scott, stated that “*From a financial standpoint, when we look at issues with certain properties when change orders were produced, they were done, with the anticipation of the entire site – as much as you would know at that time.*” The change orders that have been done to date were done with the anticipation of seeing issues and problems of what you could see without tearing out the walls. We anticipated as best we could, based on the experience DHA had with the first half. Some of the buildings had extensive termite damage and others did not have any or not as much. These are two bedroom townhomes.

Morreene Road Apartments Phase I – Building Delivery for Re-Occupancy at 3412 Glasson Street included building 3308/3310 (16 units) available on December 14, 2018; buildings 3206 and 3322/3324 (totaling 24 units) available on December 28, 2018; buildings 1208/1210, 1220 & 3311 (32 units) available February 2019; buildings 3424 and 3434 (totaling 16 units) available March 2019; and building 3307/3309/3311 (totaling 24 units) available April 2019.

RAD Conversion Plan -- Tranche #1 projects are associated with the Downtown Development and Neighborhood Planning project that includes a variety of RAD conversion methods, *i.e. transfer of assistance, new construction, renovation, demolish and rebuild that are proposed to be undertaken by DHA's developer partners – Laurel Street Residential and California Commercial Investment/The Florian Company.* For tranches #2 & #3 projects, the schedule contemplates converting next year (4th quarter 2019) by doing only critical repairs, and redeveloping the sites at a later time.

The Phase II buildings will start being released to the general contractor once we complete Phase I renovated buildings.

Laurel Oaks -- Ms. Daye mentioned that Laurel Oaks is our next project to close. HUD has identified a March 2019 closing date to close on Laurel Oaks RAD Conversion.

Ms. Daye stated those first three developments that closed in 2017, closed as PBRA. Moving forward DHA will switch with the RAD Conversion to project based vouchers. The difference between those two – PBRA vouchers are not administered by our housing authority; when we switch to RAD Conversion those vouchers will be administered by DHA’s Housing Choice Voucher Program.

There were no additional questions or comments.

Finance Committee Report (Chaired by Commissioner George Quick)

Commissioner Quick recommended acceptance of the minutes of the **October 17th minutes**

**Motion: Commissioner Quick; Seconded: Commissioner Glenn;
Approved: Unanimously**

Comments:

Commissioner Quick reiterated the quality of the 2017 Audit. He stated that “*the fact that it was the first audit received with no management comments made this worth mentioning.*”

Operations Committee Report (Chaired by Commissioner Bo Glenn)

Commissioner Glenn recommended acceptance of the October 17, 2018 meeting.

**Motion: Commissioner Glenn; Seconded: Commissioner Nottingham;
Approved: Unanimously**

Chairman Glenn requested that the following topics be discussed at the Board/Staff retreat:

- *Status of Resident Patrol:* DHA has lost participants due to not having proper equipment. There is a need to review the role of resident patrol – expand from JJ Henderson to Forest Hills, etc.
- *Gangs:* Could be a public relations problem for DHA. Determine who receives preferences and who is not – how to develop a Memorandum of Understanding.
- *Collections and Vacancy:* Continue to be issues. We can’t continue year-to-year. Recommend that public housing adopt similar processes as the Housing Choice Voucher Program.

AGENDA ITEM VIII -- RESOLUTIONS FOR APPROVAL

The Chair, Daniel Hudgins, introduced the following resolution:

RESOLUTION NO. 3557

RESOLUTION AUTHORIZING THE WRITE-OFF OF CONVENTIONAL HOUSING COLLECTION LOSSES FOR THE PERIOD BEGINNING September 1, 2018 AND ENDING September 30, 2018

WHEREAS, the Housing Authority of the City of Durham has determined that it has exerted all efforts to collect monies owed from former residents; and

WHEREAS, the property management staff has notified each former resident of the amount owed; and

WHEREAS, the regulations of the U.S. Department of Housing and Urban Development require a housing authority to write off any and all monies owed that cannot be collected.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Durham approves the write-off of rents, utilities, repair charges, court costs and late fees owed as per the listing of delinquent accounts shown in the amount of **\$8,897.13** for the period beginning September 1, 2018 and Ending September 30, 2018.

This resolution shall take effect immediately.

Motion: Commissioner Glenn; Seconded: Commissioner Nottingham; Approved: Unanimously

ENTITIES BUSINESS:

MOTION TO SUSPEND DHA MEETING:

Chairman Hudgins recommended a motion to suspend DHA's meeting at 6:55 P.M.

Motion: Commissioner Quick; Seconded: Commissioner Nottingham; Approved: Unanimously

MOTION TO REOPEN DHA MEETING:

Chairman Hudgins recommended a motion to reopen DHA's meeting at 6:57 P.M.

Motion: Commissioner Quick; Seconded: Commissioner Nottingham; Approved: Unanimously

AGENDA ITEM IX – INFORMATION ITEMS

There was none.

AGENDA ITEM X – CLOSED SESSION

Commissioner Hudgins recommended a motion to go into closed session at 6:58 P.M. to discuss a proposed contract and policy matter.

Motion: Commissioner Quick; Seconded: Commissioner Nottingham; Approved: Unanimously

Commissioner Hudgins recommended a motion to **come out of closed session** at 7:53 P.M.

Motion: Commissioner Glenn; Seconded: Commissioner Nottingham;
Approved: Unanimously

AGENDA ITEM XI -- ADJOURNMENT

The meeting was adjourned at 7:54 P.M.

Motion: Commissioner Nottingham; Seconded: Commissioner Glenn;
Approved: Unanimously



Chair

(SEAL)


Secretary