

**MINUTES OF THE REGULAR BOARD MEETING
HOUSING AUTHORITY OF THE CITY OF DURHAM
Durham Housing Authority
330 E. Main Street Durham, North Carolina 27701
July 25, 2018**

AGENDA ITEM I

Call to Order

The regular meeting was called to order by the Chair, Daniel C. Hudgins at 5:33 p.m.

Present:

Daniel C. Hudgins
George K. Quick
Gloria Nottingham
Larry Yon, II
Patrice Y. Nelson
Jillian Johnson, City Council Liaison

Absent:

Robert "Bo" Glenn

Conference:

Thomas M. Niemann

Staff Present:

Anthony Scott, CEO
Barbara Newman
Sabrina Sinegal
Meredith Daye
Matthew Scaparro
Olive Joyner
Lorraine Erhunmwunsee
Charles Lyon
Doris Jackson
Keishma James

Also Present:

Eric Pristell, Attorney, The Banks Law Firm

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

AGENDA ITEM II – GENERAL COMMENTS FROM THE PUBLIC

◆ **PUBLIC HEARING**

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 June 27, 2018.

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

AGENDA ITEM V -- PRESENTATIONS

There were none.

AGENDA ITEM VI -- CHIEF EXECUIVE OFFICER'S BUSINESS REPORTS

- *Community Meetings:* Fayette Place and Southside Phase III -- held on July 23 at 5:30 p.m. at North Carolina Central University, Miller-Morgan Auditorium. There were approximately 100 in attendance. On July 24, we held another community meeting regarding JJ Henderson and Forest Hill Heights at JJ Henderson Housing Center Community Center. There were approximately 50 in attendance. This conclude our first round of community meetings. The feedback and information from these meetings will be consolidated. We will come back to the community to vet plans developed towards the end of the year.
- *Grant:* Received for the 2018-19 year a \$115,000 grant from the Home Again, Shelter Plus Care Program, administered by DHA Housing Choice Voucher Department under the Continuum of Care Homeless Grants Competition
- *HUD Fair Housing Compliance Review:* This review conducted the week of June 25th, went very well with no findings but areas of concerns. Commissioner Hudgins said he met with Pat Green, the HUD Fair Housing Equal Opportunity Director. Their major concern was Durham Housing Authority lack of outreach to the Latino Communities.

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 accepting reports from the four (4) standing committees. The information from these committees were also included in the previously distributed board package. The reports were as follows:

Development Committee Report (Chaired by Commissioner Thomas Niemann)

Chairman Niemann recommended acceptance of the June 19, 2018 minutes.

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

In addition, the Board mentioned the DRAFT July 11, 2018, minutes that were not approved by the committee.

Finance Committee Report (Chaired by Commissioner George Quick)

Commissioner Quick recommended acceptance of the minutes of the June 18, 2018 meeting.

Motion: Commissioner Quick; Seconded: Commissioner Nottingham;

Operations Committee Report (Chaired by Commissioner Bo Glenn – reported by Commissioner Nottingham)

Commissioner Nottingham mentioned a grant that the Durham Police Department received for McDougald Terrace and Cornwallis that would provide for eight (8) additional officers.

Commissioner Nottingham recommended acceptance of the June 18, 2018 meeting.

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

Resident Services Committee Report (Chaired by Commissioner Nottingham):

Commissioner Nottingham mentioned during the discussion regarding the April 12, 2018 minutes that the funds released from 2017 ROSS Program should be \$22,500 vs. \$18,000 that were recorded.

Commissioner Nottingham recommended acceptance of the minutes of April 12, 2018 with the correction mentioned.

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

AGENDA ITEM VIII -- RESOLUTIONS FOR APPROVAL

The Chair, Daniel Hudgins, introduced the following resolutions:

RESOLUTION NO. 3540

RESOLUTION AUTHORIZING THE WRITE-OFF OF CONVENTIONAL HOUSING COLLECTION LOSSES FOR THE PERIOD BEGINNING May 1, 2018 AND ENDING May 31, 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 **\$168.52** for the period beginning May 1, 2018 and Ending May 31, 2018.

This resolution shall take effect immediately.

Done this 25th Day of July 2018.

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

RESOLUTION NO. 3541

**RESOLUTION AMENDING RESOLUTION NO. 3506, VACANT UNIT
PREPARATION SERVICES CONTRACT**

Discussion: CEO Anthony Scott said that originally for vacant unit preparation, there was an amount approved up to \$486,531. This resolution is asking for an additional \$395,000 to increase the number of units that need work.

Commissioner George Quick asked what was the source of the \$395,000. Chief Finance Officer, Barbara Newman, stated that for the AMPs that could afford an increase in the budget, it was put in as a budget amendment. The remainder came from operating reserves. In addition, Ms. Newman advised that the Vacancy Prep Contract “not to exceed an amount” is not for the entire year. The contract is ongoing and should be a budget line item. However, when the contract was rebid, it was based on the amount that was thought to be enough for prep; but did not include these new units. Not one contractor is being paid the \$400,000 because there is a pool of contractors. She clarified that no vendor has a dollar amount attached to its contract or a “not to exceed amount.” It is a Qualification Contract. The units are assigned based on availability or need.

Anthony Scott said that DHA had an unusual number of vacancies since the units were held off line as part of the RAD program. There were over 100 units that were vacant. We are doing a lot to get those vacant units filled. As a result, we are spending more money to turn those units.

There was additional discussion regarding the budget. It was determined that these funds would not affect the overall budget by year-end.

WHEREAS, the Housing Authority of the City of Durham retained independent contractors to provide vacant unit preparation services; and

WHEREAS, the Housing Authority of the City of Durham issued a Request for Proposal for interested vendors to provide these services consistent with the internal procurement policies, State Laws, and Federal rules and regulations.

WHEREAS, the Housing Authority of the City of Durham received and procured under contract on January 16, 2018 thirteen(13) separate contractors to complete vacant unit preparation.

WHEREAS, The Housing Authority of the City of Durham has fully expended the not to exceed amount of \$486,531; and

WHEREAS, the Housing Authority of the City of Durham is requesting \$395,000 to continue the vacancy preparation services through the end of 2018; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Housing Authority of the City of Durham., as follows:

1. Approve the request for additional funding to continue vacancy preparation services.
2. This resolution shall take effect immediately.

Done this 25th day of July 2018.

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

RESOLUTION NO. 3542

RESOLUTION APPROVING THE REVISION TO THE HOUSING CHOICE VOUCHER PROGRAM UTILITY ALLOWANCES

Discussion: Keishma James explained the reason for this resolution. There were no additional inquiries.

WHEREAS, the Housing Authority of the City of Durham is required to maintain a utility allowance schedule for all tenant-paid utilities, for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services; and

WHEREAS, in accordance with the U. S. Department of Housing and Urban Development regulations governing the Housing Choice Voucher Program (Section 8) which state “a PHA must review its schedule of utility allowances each year, and must revise its allowance for a utility category if there has been a change of 10 percent or more in the utility rates since the last time the utility allowance schedule was revised.”

WHEREAS, the Housing Authority of the City of Durham procured the services of 2RW Consultants, Inc. to perform a utility allowance analysis comparing the utility rates that were used in 2017 allowance study, with the rates used in 2018 allowance study and determined that a revision is necessary.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the City of Durham, as follows:

1. That the proposed utility allowances, as attached, be approved; and
2. That the proposed utility allowances become effective January 1, 2019.

Done this 25th day of July 2018

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

RESOLUTION NO. 3543

RESOLUTION TO CONSIDER AND APPROVE THE ESTABLISHMENT OF A HOMELESS AD HOC BOARD COMMITTEE TO ADDRESS MATTERS OF HOMELESSNESS, AS A REQUIREMENT OF THE CONTINUUM OF CARE INTERIM RULE

Discussion: There was a brief discussion regarding this resolution. It was clarified that another Board Committee was not needed. This resolution was developed so that DHA would meet the requirements of the Durham Continuum of Care grant.

Two of the key individuals who would address input regarding homelessness matters were *Ms. Patrice Nelson*, former Executive Director of Urban Ministries – Durham (a homeless services agency) and *Ms. Olive Joyner*, former Executive Director of New Hope (a homeless services agency).

WHEREAS, The Housing Authority of the City of Durham, herein called the Durham Housing Authority, and the Durham Continuum of Care, herein called the Durham CoC, have partnered to apply for the HUD-funded Home Again, Shelter plus Care grant, in addition to several other grant opportunities since FY 2010; and

WHEREAS, the Durham Housing Authority has partnered with Alliance Behavioral Healthcare since FY 2010, to administer the Home Again program, serving the chronically homeless population with a severe/persistent mental health diagnosis. Durham Housing Authority currently provides rental assistance to 8 families through the administration of the Home Again program; and

WHEREAS, the Durham Housing Authority has applied for and been awarded renewal grant funding from HUD for this program since its implementation, and the Authority is currently in the processing of applying for this renewal grant funding for the 2019-2020 grant year; and

WHEREAS, during the 2017 grant renewal process for the Shelter plus Care, Home Again Program, DHA received notification from the City of Durham, Department of Community Development, prompting the Agency to request a waiver from HUD; and

WHEREAS, 24 CFR 578.75(g) requires that each grant recipient/sub-recipient “provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policymaking entity of the recipient or sub-recipient, to the extent that such entity considers and makes policies and decisions regarding any project, supportive services, or assistance provided;” and

WHEREAS, the Durham CoC has informed the Durham Housing Authority that the Homeless Services Advisory Committee’s, Executive Committee approved the Durham Housing Authority to submit a full project application for Home Again in the upcoming 2018 CoC Homeless Grants Competition, with the following contingency: Durham Housing Authority appoint a “homeless advocate” to “represent the homeless population, to the Durham Housing Authority’s Board of Commissioners by the end of August 2018.

WHEREAS, the Durham Housing Authority currently has a member appointed to the Board of Commissioners, who served for eight (8) years as the Executive Director for the Urban Ministries Shelter in Durham. This organization is one of the leading homeless providers in Durham.

WHEREAS, the Durham Housing Authority has a newly hired Director of Resident Services, who has been providing homeless services to the homeless population since 2005.

In her last role, she served as the Executive Director of Housing for New Hope. This organization works toward preventing and ending homelessness through the provision of housing, healthcare and integrated services.

WHEREAS, the Board of Commissioner, the Director of Resident Services and an homeless or formerly homeless appointed individual expertise are essential in representing the homelessness population in the City of Durham.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the City of Durham, as follows:

A Homeless Ad Hoc Board Committee consisting of the following three key individuals will be formed, in order to address and provide input regarding matters of homelessness:

- Patrice Nelson - recently appointed to the Board of Commissioners on November 6, 2017, and former Executive Director of Urban Ministries – Durham.
- Olive Joyner – recently hired as the Director of Resident Services for DHA, and former Executive Director of Housing for New Hope.
- A homeless or formerly homeless individual that will attend board meetings when matters regarding homelessness are on the agenda.

Done this 25th day of July 2018.

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

RESOLUTION NO. 3544

RESOLUTION APPROVING THE RENEWAL OF THE HEALTH INSURANCE CONTRACT WITH BLUE CROSS AND BLUE SHIELD OF NORTH CAROLINA, THE RENEWAL OF THE DENTAL INSURANCE CONTRACT WITH GUARDIAN LIFE INSURANCE COMPANY OF AMERICA, AND THE RENEWAL OF THE DISABILITY AND LIFE INSURANCE CONTRACTS WITH USABLE LIFE

WHEREAS, the Housing Authority of the City of Durham offers employees a variety of benefits, including health, dental, disability and life insurance; and

WHEREAS, the current contract with Blue Cross and Blue Shield of North Carolina, Guardian Life Insurance Company of America and US Able Life are scheduled to expire on August 31, 2018; and

WHEREAS, the Housing Authority of the City of Durham intends to continue offering health, dental, disability and life benefits as currently designed for an additional year; and

WHEREAS, the Housing Authority of the City of Durham received a 15% increase in premiums with Blue Cross Blue Shield of North Carolina that was negotiated to an employee increase of 5% and no increase in premiums for dental coverage with Guardian Life Insurance Company of America and US Able Life for life, LTD and accidental death and dismemberment;

WHEREAS, the Housing Authority of the City of Durham intends to implement an employee wellness program; and

WHEREAS, the Housing Authority of the City of Durham will offer a voluntary vision insurance program.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Durham finds as follows:

1. That the Blue Cross Blue Shield of North Carolina, the Guardian Life Insurance Company of America and the USAble Life contracts be renewed for an additional year;
2. That the Chief Executive Officer is hereby directed to execute all contracts or other *documents necessary to effectively award these contracts*;
3. That the existing medical, dental and disability benefit plans remain at the current levels and employee payroll deductions for health coverage be increased as indicated;
4. That this Resolution shall take effect immediately.

Done this 25th day of July 2018.

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

RESOLUTION NO. 3545

RESOLUTION TO AMEND THE 2018 BUDGET

Discussion: Chief Financial Officer, Barbara Newman, stated this resolution was being presented to amend the 2018 budget based on a few changes that has happened in 2018.

The impact of the budget changes were discussed as follows:

- Property Management Fees –Calendar was issued for housing authorities to follow fee change from \$53.20 to \$56.89 per unit;
- Occupancy levels were budgeted based on 98% for all of the AMPs; however, based on the current occupancy level through June an adjustment had to be made to reflect the actuals;
- Collection Loss – the budget was based on previous years activities; the standards are being set at 3% of rental revenue that we are expecting to receive from all of the AMPs;

- Low Income Public Housing
Revenues decreased by 15%, Expenses decreased by 10%, Expected net loss of (33,565)
- Central Office
Revenues decreased by 7%, No change in expenses, Expected net loss of (172,209)
- HCVP Admin and HAP

No Changes

- DVI
Revenues decreased by 100%, No change in expenses, Expected net loss (289,181)
- Edgemont Elms
Revenues Increase by 2%, Expenses decrease by 8%, Expected net Income 38,206
- Goley Pointe
Revenues decrease by 7%, expenses increase by 7%, Expected net loss (13,819)
- Learning Assistance
- No Changes
- Preiss Steele Place
- No Changes
- Damar Court
Revenues Increase by 23%, Expenses decrease by 4%, Expected Net Income 123,253
- Morreene Road
Revenues decrease BY 34%, Expenses decrease by 20%, Expected Net Loss (134,997)

Overall change for Public Housing, Central Office and Housing Choice Voucher Program represented a total revenue decrease of 2% and total increase of 2%.

Development Ventures Inc. represented a 100% decrease in revenue (not expecting any revenue in 2018).

WHEREAS, the Housing Authority of the City of Durham's Board of Commissioners approved the FY 2018 Budget on December 20, 2017 and

WHEREAS, based on Management's review, amendments to the budget is necessary based on changes to published management fee rates, amended management agreements and personnel changes; and

WHEREAS, the amendments will be effective retroactively to January 2018

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of The Housing Authority of the City of Durham., as follows:

3. The amendments to the FY 2018 Annual Budget be approved and applied retroactively to January 1, 2018
4. This resolution shall take effect immediately.

Done this 25th day of July 2018.

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

RESOLUTION NO. 3546

RESOLUTION TO RECLASSIFY THE INTERFUND BALANCE DUE TO THE CENTRAL OFFICE COST CENTER FROM EDMONTON ELMS APARTMENTS AS A CASH FLOW NOTE

WHEREAS, the balance due to the Central Office Cost Center from Edgemont Elms Apartments at December 31, 2013 was \$374,378 and

WHEREAS, the balance has been reduced to \$273,154 as of December, 2017, and

WHEREAS, based on management's review, the reclassification to a cash flow note will allow the property to properly fund required reserve accounts

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of The Housing Authority of the City of Durham., as follows:

5. Interfund balance from Edgemont Elms to the Central Office Cost Center as of December 2017 is now reclassified as a cash flow note as of January 1, 2018
6. This resolution shall take effect immediately.

Done this 25th day of July 2018.

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

MOTION TO SUSPEND DHA MEETING:

Chairman Hudgins recommended a motion to suspend DHA's meeting at 6:33 p. m.

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

MOTION TO REOPEN DHA MEETING:

Chairman Hudgins recommended a motion to reopen DHA's meeting at 6:38 p.m.

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

Legal Counsel, Eric Pristell, advised the board that board action was necessary regarding the Michael Morris case. He introduced the following board action to the Board:

"In 2016, Michael Morris, Carolisha Morris and Zaria Cole filed a lawsuit against DHA in connection with a shooting at Oxford Manor. Defense of the lawsuit was handled by DHA's insurer, NCHARRP. The parties formally settled the lawsuit on June 25, 2018 pursuant to a release provided by all Plaintiffs. In exchange for payment provided by NCHARRP, the Plaintiffs voluntarily dismissed the lawsuit with prejudice on July 19, 2018. I recommend that the Board approve the settlement, including previous actions taken by the CEO to finalize the settlement."

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

AGENDA ITEM IX – INFORMATION ITEMS

Anthony Scott shared with the Board additional information on the DHA Downtown and Neighborhood Planning. He displayed PowerPoint maps of Option 1 and Option 2– Conceptual Site plans of Fayette Place.

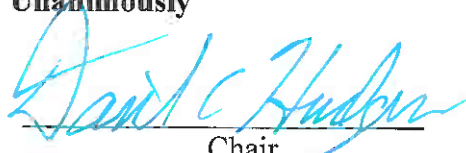
AGENDA ITEM X – CLOSED SESSION

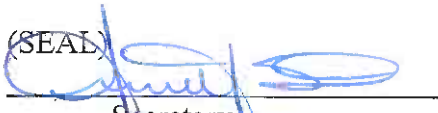
There was none

AGENDA ITEM XI -- ADJOURNMENT

The meeting was adjourned at 7:05 p.m.

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


Chair

(SEAL) 
Secretary

