

**MINUTES OF THE REGULAR MEETING OF THE COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF
SPARTANBURG, SOUTH CAROLINA**

October 15, 2013

PRESENT: Charles Love, Chris Steed, Thomas Lounds, Irene Sims, Kittie Collins Tullis and Mac Hogan.

ABSENT: Suzanne Cole

STAFF: Harry A. Byrd, Jr., John Kinsey, Daryl Dalton, Lou Zammett, Tiffany Askew, Joann Harris, James Whitcomb, Jill O'Connell, Jessica Holcomb, Joe Calicdan, Brenda Oglesby, Miguel Pastrana and Lois Menken (recorder).

The meeting was held at Cammie Clagett Courts, Spartanburg, SC 29303.

Chairman Love called the meeting to order at 5:30 PM. He then announced that public notice of this meeting was posted at least twenty-four (24) hours prior to the commencement of the meeting as required by the South Carolina Freedom of Information Act.

INVOCATION: Daryl Dalton

QUESTIONS FROM THE FLOOR: None

APPROVAL OF THE MINUTES:

A motion to approve the minutes of the September 24, 2013 Board meeting was made by Commissioner Lounds, seconded by Commissioner Tullis and unanimously carried.

REPORTS:

A. President Resident Council: None

B. Board Chairman: No written report.

C. Executive Director: Mr. Byrd submitted the Executive Director's written report to the Board and briefly discussed the following highlights during the meeting:

1) Community Activities and Programs:

- a) SHA Homeownership Program:** We have two more unrestricted homes to sell at this time. We still have approximately 25 homes to sell that are restricted, meaning that the funds generated from these sales have to go back into the program. We do have an aggressive plan

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to address the sale of these restricted homes. We are looking at the homes with the greatest need for repairs and assessing these properties.

- i) Commissioner Steed questioned as to how many of these 25 homes are currently vacant. There are 11 vacant units. We acquired these homes; we did not build them and they were built approximately 15 years ago. We were trying to sell the new homes first because we did not want them to deteriorate and then be susceptible to vandalism.
- b) **Cammie Claggett:** We currently have 89 units off-line at Cammie because of plumbing problems within these units. We are still receiving subsidy for these off-line units. In a year or two we may have all the units off-line. Our plan is to submit a RAD application in the next 30 days for demolition in phases which would be a good alternate way of financing and building back units. This property is 60 years old and in need of major repair.
 - i) Commissioner Lounds had concerns about the number of units being taken off-line affecting our overall occupancy rating. Daryl Dalton stated there is a process by which we take these units off-line and the Columbia Field Office approves these units to be in an off-line status for modernization. Right now with the government shut down, the Columbia office is shut down right now. If we do have units that are waiting to be taken off-line they will be approved when the government ends the shut down. Mr. Byrd stated that these off-line units do not affect our overall occupancy rating as a result of the HUD approvals which allow us to take them off-line.
- c) **SC Housing:** On Thursday, September 26, 2013, members of staff attended the Tax Credit Developer Roundtable Workshop in Columbia, SC to prepare for the submission of RAD 9% tax credit applications for the first of next year.

2) Development Projects:

- a) **Senior Units at Page Lake:** We have been working with the County on the eight senior housing units at Page Lake. The County is providing most of the money. We now have a builder selected for constructing these units. We will develop a project schedule that will be shared with the Board.
- 3) Choice Neighborhoods Planning Grant:** We continue to have meetings with our partners. The development partner was in town last week and we took a tour of Archibald and Oakview. We talked about our next phase of planning. We are meeting tomorrow to talk about an aggressive schedule to meet the guidelines set by HUD.
- 4) Brawley Street:** The grading is now complete on Brawley Street. We are currently negotiating with the builder to make sure we stay within the budget. The contract should be signed next week and construction will begin soon after. We have begun developing selection criteria based on HUD guidelines for new tenants who will be living in these units. We have the ability to have certain preferences in place for the selection of these tenants. A groundbreaking event is planned for the month of November and the Board of Commissioners are encouraged to participate in this event that is being coordinated by The Palladian Group. The name of the units on Brawley Street is actually called Cambridge Place and we have developed a Cambridge Place Institute for the pool of potential tenants. These meetings will take place at least once a month if not twice a month.

Classes will be held during these meetings and we encourage members of our Board to come and talk to these tenants from a business prospective about homeownership.

- 5) **Annual Operating Plan:** We have a draft of our Annual Operating Plan reporting for the September 30, 2013 year-end close. We will be getting this report out to the Board of Commissioners in the next few weeks. There are some carry over items but we have completed approximately 80% of our operating plan. We would like to revisit our Strategic Plan and facilitate it again in January 2014 to see what we have accomplished, where we are and review the last year of our Strategic Plan and see where we want to be in the next five years. We would again like to hold an off-site retreat in January
- 6) **Mary Wright Center:** We are meeting our requirements and paying all our debt service. We feel strongly that we can get to a point where we can refinance, get tenants in Caulder Avenue and ultimately sell 325 S. Church Street. We will be getting a report from our realtor this week. We do have a party interested in leasing the Church Street property but ideally we would like to sell this property. If we can get this problem resolved, we could have roughly \$300,000 more per year.
- 7) **Year-End Close:** We are trying to get in front of any potential audit and management findings early. We have had preliminary conversations with our consultant. We met and discussed a general plan on how we were going to approach the audit. We will get a more detailed schedule around October 28, 2013. Our goal is to be a high performing agency once again.

D. **Departmental Reports:** Written reports provided for informational purposes.

1. **Housing Operations** – *Highlights to written report by Daryl Dalton*

- Our occupancy rate at the end of September, 2013, was 97% occupancy. This is our third month at this occupancy rate. Staff is concentrating and working on this rate. Two of the issues we are working with right now are Cammie Clagett and Prince Hall. Jill O'Connell is new to Prince Hall and is cleaning up some issues that are having an impact on our current rating.
- In our Section 8 Program, staff is working very closely to monitor and utilize the vouchers and resources we have to the best of their ability. We did open up our Section 8 waiting list and received 593 applications today alone and we will have five more days on Tuesdays and Thursdays to receive more applications.
- The YouthBuild Program is going very well. We anticipate beginning another cohort on October 24, 2013. October 21, 2013 we will begin with Mental Toughness. We currently have 26 applications for this cohort. Currently we have 28 participants in the YouthBuild program. We have three YouthBuild grants; one is the original YouthBuild grant,

another is an Americorp YouthBuild grant which is an add-on to the YouthBuild grant and the Face Forward grant.

2. Planning and Development – *Highlights to written report were given by John Kinsey.*

- The avenue that we use in providing services to our residents through our case managers is through grants. We continually have to make sure we are doing a good job at making sure we can get grants to support our staff and the level of our programs and services that we provide. Last month, we reported that we received a grant from the Duke Energy Foundation. We submitted applications this month for our ROSS grants which supports our salaries for our case managers.
- Today, Mr. Byrd signed off on a grant with the U.S. Department of Agriculture for our After School program that we just instituted at three of our sites that will help our youth. The sites are Camp Croft, Victoria Gardens and Prince Hall. These sites are able to facilitate this program. We have a very nice facility at Tobias and this site will be added at a later date. We are looking for volunteers to assist us with this program at these three sites.
 - Chairman Love stated that Mr. Isaac McKissick is doing a project that he worked with him on before he retired from USC Upstate and he may be able to get us volunteers at two of the sites, Victoria Gardens and Prince Hall. Chairman Love suggested John Kinsey to get in touch with him.
- During the month of September, we held a Health Fair at Archibald Rutledge. There were a total of 23 vendors and approximately 100 people who took advantage of the free screenings and information.
- We assisted four of our residents in our Family Self Sufficiency program in gaining employment.

3. Finance Report – *Lou Zammett gave a brief overview of the submitted finance reports. (Please see written report for more detailed figures.)*

- Commissioner Steed questioned the legal expenses being approximately \$60,000 over budget as to whether it was related to the Mary Wright Center. These expenses are due to the Mary Wright Center along with the CNI grant and the RAD Program.

OLD BUSINESS: None

NEW BUSINESS:

1. Housing Choice Voucher (HCV) Payment Standards

- HUD requires housing authorities to review and update their payment standards annually. This change is very small. For an efficiency unit, it is decreasing by \$4.00 a month; a one-bedroom unit is decreasing by \$6.00 a month; a two-bedroom unit by \$7.00 a month; a three-bedroom unit by \$11.00 a month; a four-bedroom unit by \$12.00 a month.

2. Rental Assistance Demonstration (RAD) Applications

- Previously we had prepared and submitted RAD applications that were approved. There were five applications submitted for JC Anderson, Tobias, Gooch, Watson, Barksdale, Leland, and Spruce and we received a CHAP award for these properties. We would like to submit four additional applications for Cammie Clagett, and three tax credit properties; for example, Collins Park has 108 units of which 60 units are public housing units. There is an advantage to converting these units to project based vouchers because these units will receive more in subsidy in Section 8 versus Public Housing. This is a simpler process because we are not borrowing any money, refinancing or changing the ownership structure on these units. If we get these applications in, we will then have 69% of our Public Housing units converted to project-based vouchers and we will meet the criteria with HUD on having over 50% of our units in the RAD program in order to qualify for submitting future RAD applications.

3. Approval of Bond, 4% Tax Credits and Appropriate Loans for JC Anderson, Tobias, Gooch, Watson, Barksdale, Leland, and Spruce for RAD

- At a previous Board meeting, the Board authorized us to proceed with simple FHA mortgages for JC Anderson and Tobias. Since that time, we have done more work and we have decided that it would be in our best interest to combine JC Anderson and Tobias along with five other properties (Gooch, Watson, Barksdale, Leland and Spruce) and finance with bonds, 4% tax credits and appropriate loans. This would generate more funds. It would generate developer fees for us that would come to us quicker. It makes all of these properties perform better and when they perform better, it means that they move quicker to a point that they can make financial disbursements to those entities that they owe money to.

4. Fourth Quarter FY 2013 Bad Debt Write-Off for Public Housing

- Last year in the fourth quarter, we wrote off approximately \$47,000. This year, we are asking to write-off approximately \$29,000. We send to the State items that need to be collected. Tammy Murray, Accounts Receivable, works with the

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Property Asset Managers to ensure they are aggressively pursuing these accounts that are behind.

- a. Commissioner Lounds stated that he would like to see the money that we collect be used in a different way than just going into the general fund. He suggested maybe putting these funds into a scholarship fund.

RESOLUTIONS:

1. **2013-30:** A motion to approve the Housing Choice Voucher Payment Standards revision was made by Commissioner Lounds, seconded by Commissioner Steed, and unanimously carried.
2. **2013-31:** A motion to approve the Rental Assistance Demonstration (RAD) Applications was made by Commissioner Steed, seconded by Commissioner Lounds, and unanimously carried.
3. **2013-32:** A motion to approve the Bond, 4% Tax Credits and Appropriate Loans was made by Commissioner Lounds, seconded by Commissioner Steed, and unanimously carried.
4. **2013-33:** A motion to approve the Fourth Quarter FY 2013 Bad Debt Write-Off for Public Housing was made by Commissioner Steed, seconded by Commissioner Hogan, and unanimously carried.

COMMUNICATIONS: None

EXECUTIVE SESSION: (Legal Matter – Closed Session)

A Motion to enter into the Executive Session was made by Commissioner Steed, seconded by Commissioner Lounds, and unanimously carried.

EXECUTIVE SESSION OUTCOME:

At 6:53 p.m., a motion to come out of the Executive Session was made by Chairman Steed, seconded by Chairman Lounds and unanimously carried.

ADJOURN:

A Motion to adjourn was made by Commissioner Steed, seconded by Commissioner Hogan, and unanimously carried.

Meeting Adjourned.

Respectfully submitted,



Harry A. Byrd, Jr.
Executive Director