

ACCOMACK-NORTHAMPTON REGIONAL HOUSING AUTHORITY
MINUTES OF THE
July 22, 2020
4:00 p.m.
The Enterprise Building
Accomac, Virginia

DIRECTORS PRESENT:

| | |
|-----------------------|--------------------------|
| Mike Mason ** | Accomack County |
| Charles Kolakowski ** | Northampton County |
| Ernest H. Washington | Northampton County |
| Vincent Holt | Section 8 Representative |

DIRECTORS ABSENT:

| | |
|-----------------|-----------------|
| Richard Jenkins | Accomack County |
|-----------------|-----------------|

OTHERS PRESENT:

| | |
|-------------------|------------------|
| Elaine Meil | Sandy Taylor |
| Russ Williams ** | Melissa Matthews |
| Bobbie Jo Wert ** | |

**Attendance thru Zoom

1. Call to Order

Vice Chairman Holt called the meeting to order at 4:02 p.m.

2. Minutes of the Special March 19, 2020 Meeting

Presented were the minutes of the Special March 19, 2020 meeting.

Adoption of the presented minutes was requested.

Director Mason moved to approve the minutes of the Special March 19, 2020 meeting as presented. Seconded by Director Washington, the motion carried by unanimous vote.

3. Bills Payable and Financial Statement

Commission approval was requested for the following Bills Payable and attached Financial Statements:

| General Operating Account | | |
|----------------------------|----------------------------------------|-------------------|
| A-NPDC | A-NRHA Management Services, May/June | \$ 2,323.43 |
| A-NPDC | Crispus Attucks Management, May/June | (15.03) |
| A-NPDC | Sunnyside Village Management, May/June | 903.91 |
| A-NPDC | William Hughes Management, May/June | 81.73 |
| A-NPDC | Virginia Street Management, May/June | 1,204.92 |
| A-NPDC | Mill Run Management, May/June | 186.25 |
| A-NPDC | Onancock Square Apts, May/June | 177.46 |
| A-NPDC | Tax Credit Compliance, May/June | (194.00) |
| A-NPDC | DHCD-Homeowner Rehab Proj, May/June | <u>(89.49)</u> |
| | Total Due A-NPDC | \$ 4,579.18* |
| Section 8 Checking Account | | |
| A-NPDC | Administration May/June | \$ 466.15* |
| A-NPDC | Fraud Recovery, May/June | + 8,123.37 |
| A-NPDC | HUD Cares Act, May/June | <u>+25,803.76</u> |
| | Total Due A-NPDC | \$34,393.28 |

*Detail was included with agenda item "Current A-NPDC Financial Report"

Director Washington moved to approve all the Bills Payable as presented. Seconded by Director Mason, the motion carried by unanimous vote.

William Hughes Apartments

Virginia Community Development Corporation (VCDC) is requesting to set up and fund an operating reserves account for Williams Hughes Apartments with BB&T/Truist Financial in the amount of \$130,000. These funds are held back tax credit equity to fund the operating reserves as outlined in the operating agreement. The A-NRHA would control the operating reserves withdrawals.

Attached is an email from Project Development Manager Steven E. Bleile requesting transfer of funds.

Board approval of Virginia Community Development Corporation account request was requested.

Director Kolakowski moved to approve opening a Virginia Community Development Corporation account. Seconded by Director Mason, the motion carried by unanimous vote.

4. FY 2020 Budget Amendments

Adoption of the following budget amendments was requested:

| | | | |
|----|--------|-------------------------------------|-------------------|
| 1. | 315710 | Section 8 (HCV) Management Services | \$30,000.00 |
| | | | <u>+ 3,325.00</u> |
| | | | \$33,325.00 |

ITEM 1 represents the amendment to adjust the Fraud Recovery to include additional administrative funds for the fiscal year.

| | | | |
|----|--------|---------------------------------------------------|-------------------|
| 2. | 366260 | HUD CARES Act: HCV Program Administrative Fees | \$ 0.00 |
| | | | <u>+37,000.00</u> |
| | | | \$37,000.00 |

ITEM 2 represents the amendment to include administrative funding to prevent, prepare for, and respond to COVID-19 through the Housing Choice Voucher (HCV).

| | | | |
|----|------|-------------------------------|-------------------|
| 3. | 3157 | Section 8 Management Services | \$272,000.00 |
| | | | <u>+ 4,729.00</u> |
| | | | \$276,729.00 |

ITEM 3 represents the amendment to include additional administrative fees for the fiscal year.

The net change to the FY 2020 budget is \$45,054.00.

The requested amendments are reflected on May and June Projects Financial Report.

Director Mason moved to adopt the budget amendments as presented. Seconded by Director Washington, the motion carried by unanimous vote.

5. Current A-NPDC Projects Financial Report

The attached report indicated that 96.47 percent of the budget had been expended while 100 percent of the fiscal year had passed.

Board acceptance of the attached report was requested.

Director Kolakowski moved to accept the Current A-NPDC Financial Report as presented. Seconded by Director Washington, the motion carried by unanimous vote.

6. FY 2021 Budget

Board adoption of the following attached FY 2021 Budget was requested:

- A-NRHA Administrative and Client Services Budget

Director Washington moved to adopt the A-NRHA Administrative and Client Services Budget as requested. Seconded by Director Holt, the motion carried by unanimous vote.

The following FY 2021 Budgets were presented for review. Staff received budgets today and recommends the A-NRHA consider adopting a continuing resolution based on FY20's Budget. This will allow staff to address questions and concerns regarding FY 2021 Budget.

- Virginia Street Properties
- Sunnyside Village Subdivision

Board adoption of a continuing resolution on Virginia Street Properties and Sunnyside Village Subdivision based on FY20's Budget was requested.

Director Washington moved to adopt the Virginia Street Properties and Sunnyside Village Subdivision FY 2021 Budgets as presented. Seconded by Director Holt, the motion carried by unanimous vote.

William Hughes Apartments, Mill Run Apartments, Crispus Attucks and Onancock Square are calendar year budgets and were previously adopted.

7. Election of FY 2021 Officers

The Authority By-Laws state that officers of Chairman and Vice Chairman should be elected at least two months in advance of the end of the fiscal year, normally our March regular meeting. However, due to COVID-19 the March 19, 2020 was a "Special Meeting" and elections could not be held.

The Authority By-Laws further state that the Chairman and Vice Chairman serve for one-year terms and may serve up to three consecutive terms. Having served three terms, Chairman Jenkins and Vice Chairman Holt are not eligible for re-election.

For your information, the Executive Director serves as Secretary-Treasurer and serves at the pleasure of the Board.

Board election of FY 2021 Chairman and Vice Chairman was requested.

Director Washington nominated Director Mason as Chairman and current Chairman Jenkins as Vice-Chairman. Seconded by Director Holt, the motion carried by unanimous vote. Director Mason abstained.

Newly elected Chairman Mason requested that he take over presiding the meetings in September. All Board members agreed.

8. Property Management

Mill Run Apartments – 26 Duplex Apartments (Managed by East Coast Property Mgmt)

- Vacancies: Mill Run has one vacancy. Working with Section 8 staff to fill from Project-Based Waiting List. Scheduled to be occupied by the end of July.
- Rent: Implemented the COVID-19 Collection Policy, no late fees to be charges, continuing to working with families. Four families are behind in their rent. Staff anticipates they will catch up by the end of the month.
- Maintenance Issues: No annual inspections have been conducted. Only working on day-to-day indoor maintenance only when heavy social distancing measures are observed.
- Other:
 - Working with contractor to schedule the replacement of the culverts. Should be completed by the end of July.
 - Working to replace a washer. Repairs and labor cost as much, if not more, than a brand new machine.

Sunnyside Village – 23 Single Family Houses (Managed by East Coast Property Management)

- Vacancies: Sunnyside is fully leased.
- Rent: Implemented the COVID-19 Collection Policy, no late fees to be charges, continuing to working with families. Six families are behind in their rent.
- Maintenance Issues: No annual inspections have been conducted. Only working on day-to-day indoor maintenance only when heavy social distancing measures are observed.
- Other:
 - All repairs were completed the 4708 unit. Reserve funds were requested, and approved to complete the necessary repairs. The unit is back online.

Virginia Street – 10 Single Family Houses (Managed by East Coast Property Management)

- Vacancies: Virginia Street is fully leased.
- Rent: Implemented the COVID-19 Collection Policy, no late fees to be charges, continuing to working with families. Two families are currently behind, but should be caught up in a few weeks.
- Maintenance issues: No annual inspections have been conducted. Only working on day-to-day indoor maintenance only when heavy social distancing measures are observed.
- Other:
 - Tree removal and trimming is in process, approximately half completed.
 - The Town of Exmore is looking to change over their sewage systems, doing away with septic tanks and switching to a grinder pump system. The new system would require electricity to operate, which may in turn requires another electric meter for each pump. The Town is still working out the details, whether they will install the electrical services themselves, rolling the cost into the water/sewer bills, or passing the expense onto the

properties. Each unit has its own septic tank. Ten grinders would need to be installed.

Crispus Attucks Apartments – 22 Duplex Apartments (Managed by East Coast PropertyMgmt)

- Vacancies: Crispus Attucks is fully leased.
- Rent: Implemented the COVID-19 Collection Policy, no late fees to be charges, continuing to working with families. Three families are currently behind.
- Maintenance: No annual inspections have been conducted. Only working on day-to-day indoor maintenance only when heavy social distancing measures are observed.
- Other:
 - Driveways will need more stone/crush & run. Quotes are under review and a determination will be made shortly. These funds should be able to be pulled from the VHDA held Reserve Funds, if necessary. Unfortunately, this process has been delayed due to other more pressing matters; however, this will move forward in the next few weeks.
 - Three of the units have major porch concerns. The posts supporting the porches have rotted underneath the overlay covering. Maintenance staff has properly secured the structure, and tenants have been instructed to not use their porches. Management is seeking quotes to repair/replace the deteriorated posts. These funds should be able to be pulled from the VHDA held Reserve Funds, if necessary.
 - The Town of Exmore is looking to change over their sewage systems, doing away with septic tanks and switching to a grinder pump system. The new system would require electricity to operate, which may in turn requires another electric meter for each pump. The Town is still working out the details, whether they will install the electrical services themselves, rolling the cost into the water/sewer bills, or passing the expense onto the properties. Each duplex shares a septic tank. They would need to install 11 grinders. One needs to be fixed right away due to a cracked tank from tree roots.
 - Maintenance has address some appliance concerns over the past few months. Replacement of a side-by-side refrigerator was necessary due to high repair costs.
 -

William Hughes Apartments – 34 Apartments in 6 Buildings (Managed by East Coast Property Management)

- Vacancies: William Hughes has two vacancy as of July 1st. Both units are expected to be filled by the end of the month.
- Rent: Implemented the COVID-19 Collection Policy, no late fees to be charges, continuing to working with families. Seven families are currently behind.
- Maintenance issues: New maintenance staff on location, and working to turn units. No annual inspections have been conducted. Only working on day-to-day indoor maintenance only when heavy social distancing measures are observed.

- Other issues:
 - Parking lot will need attention in the near future. This was addressed during the property rehab a few years ago.
- Moisture Issue: No reports of moisture problems at this time.

Onancock Square – 40 Apartments in 4 Buildings (Managed by TM Associates)

- Vacancies: One vacancy, to be filled on July 17th.
- Rent: One tenant is delinquent; however, the tenant should resolve by the end of the week.
- Maintenance: Annual inspections began the week of July 13th. Housing keeping is a concern in Building 164. A leak was discovered, and is being addressed.
- Other:
 - Experiencing more air conditioning concerns. An outside contractor has replaced the unit in 173H, and is scheduled to look at two other units.

Current financial reports for each property were attached for review.

9. Housing Development Projects

Accomack County Project

Staff continues to meet monthly with HD Advisors and Virginia Community Development Corporation (VCDC) to identify locations in northern Accomack that will meet Accomack County's Future Land Use requirements for Village Development Areas.

Northampton County Project

Staff has met with the County Administrator and the Town of Cheriton to identify a new housing development project in Northampton County. Staff continue to network with realtors to identify other locations in close proximity to incorporated towns.

10. Housing Choice Voucher Section 8 Program

1) We are currently serving 518 families. 45 families are pending action that are either new families just receiving a voucher or families with assistance moving to new units. The Waiting List currently stands at 211 families.

2) On July 2nd HUD updated and expanded the waivers issued on April 10th. The majority of the updates involve moving the deadline for expiration from July 31st to December 31st. A list of the accepted waivers including the new deadlines is attached.

3) Nan McKay released revision recommendations for the Administrative Plan earlier this month. Staff is currently reviewing the recommendations and working on several other changes that are within HUD guidelines, including a homeownership voucher program. Applicable recommendations will be presented to the RHA for approval at the September meeting.

4) Local utilities have been reviewed by Management Resource Group, Inc. and new utility allowances have been calculated (Attached). The trend is that on average LP gas prices and electric prices increased slightly, while heating fuel oil prices have gone down. An additional heating type was added, distinguishing heat pumps from electric baseboard and forced air heating systems. If adopted, these utility allowances will be applied to Annual Reexaminations beginning with those effective December 1, 2020. A copy of the methodology will be available for review at the meeting.

Staff requested adoption of the FY20 utility allowances.

Director Kolakowski moved to adopt the FY20 utility allowances. Seconded by Director Washington, the motion carried by unanimous vote.

5) A-NRHA took action during the March 19th meeting to allow all inspections to be designated as biennial. This action, along with implementation of the accepted waivers, has drastically reduced staff and client exposure, allowing the program to run smoothly and without disruption of service to the clients and landlords. The approval was conditional that the policy be reviewed during the September meeting. With that review pending at the next meeting and in view of HUD's extension of related waivers, staff requests delay of review of the referenced policy adopted in March be rescheduled for January 2021.

Staff requested rescheduling review of the policy on biennial inspection from September to January.

Director Kolakowski moved to reschedule review of the policy on biennial inspection from September to January. Seconded by Director Washington, the motion carried by unanimous vote.

6) Please note that A-NPDC has received funding for a new program aimed at assisting families facing imminent foreclosure or eviction due to the COVID-19 crisis. As part of our community outreach, a flyer is attached for the Rent and Mortgage Relief Program.

11. HUD/VHDA Housing Counseling

The number of clients with mortgage loan defaults have increased during the second quarter. We also have several new first time homebuyer clients contacting the agency for the first time. We continue to counsel existing clients who are working to improve their credit rating and financial condition in order to qualify for a mortgage. We are in the planning stage of organizing a Homebuyer Education Class to be held at the end of September.

12. Executive Director's Report

Asset Management Activities

37 individuals are also being managed for debt owed to the Housing Choice Voucher Program.

Development Priorities Discussion – Hypothetical Workforce Apartments

The A-NPDC submitted two applications for development of a new regional housing plan. The VHDA application for \$40,000 has been funded. This award will assist in examining the housing market of the Eastern Shore.

Novel Coronavirus

Staff has been able to continuously operate the Section 8 Housing Choice Voucher Program. One area of disruption has been a reduced response of lease up to households with vouchers. Some of this may be due to the disruption caused by social distancing between potential tenants and potential landlords. At the end of April, several of the tenants informed us they had tested positive for the virus. Staff took precautions to eliminate any exposure to the staff and still complete necessary work. On April 30, both Pine Street Apartments and Bailey Road Apartments were notified by tenants that they had tested positive. By May 11th, Crispus Attucks Apartments and Mill Run Apartments had also had notification from tenants. Bailey Road Apartments also had another tenant.

VHDA Emergency Contract

Staff completed a VHDA emergency grant application to request funds to assist in defraying the costs of the COVID19 response of the A-NRHA. VHDA awarded A-NRHA \$50,000 toward the staff costs, cleaning costs and software costs.

Retroactive authorization to execute the contract was requested.

Director Washington moved to grant retroactive authority to execute the VHDA Emergency Contract. Seconded by Director Kolakowski, the motion carried by unanimous vote.

13. Other Matters

Director of Housing Development Wert mentioned that the two septic pump-out programs offered by the A-NPDC still has funds available. Application deadline has been extended thru the end of the calendar year.

14. Public Participation

No public participation took place at this time.

15. Adjournment

There being no further business, the meeting was adjourned.

Copy teste:

Vincent Holt, Vice-Chairman

Elaine K. N. Meil, Secretary/Treasurer