

Minutes of January 24, 2024

Commissioner Henry called the meeting to order at 5:30 p.m. Mr. Fleming called the roll.

PRESENT AT ROLL CALL: Commissioners Emma Henry, Loria Hall, Ashlee Barker, Heather Taylor, and Don Sober left 7:00pm.

STAFF:

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| Jennifer Burnette | Steve Raiche |
| Douglas Fleming | Kim Shirey |

Guests: None

Commissioner Barker motioned and Commissioner Hall seconded a motion to approve the minutes of the November 20, 2023, commission meeting. **The Motion was approved by all members present.**

Public Comment: limit 3 minutes per person

- Oliver Garden Resident would like to know when Oliver Garden will be remolded.
- The Executive Director explained they are applying for tax credit round in October. The soonest it could happen in 2026.

Action Items:

- Executive Director/CEO Contract Renewal – Tabled until next meeting for more information.

Commissioner Henry motioned to table seconded by Commissioner Barker.

Motion was approved by all members present.

- Executive Director/CEO Bonus –

Commissioner Henry motioned Commissioner Barker Seconded to approve to pay bonus as in years past as stated in contract due to continued development, PHA standing with HUD etc.

Motion was approved by all members present.

- **Resolution 1361** – Lansing State Journal Land Purchase. Executive Director/CEO explained this is purchase of lot only. Due to move the 4% deal if city does not come through with sale of the parking lot where the 4% deal has already been approved. At the end of February, we should know if the city will sell the lot. Hopefully before.

Commissioner Barker motioned Commissioner Hall seconded to approve the purchase of the Lansing State Journal.

Motion was approved by all members present.

- **Resolution 1362** – Baryames Land Purchase. The Executive Director/CEO has the authority to negotiate for the property. The property is located on the corner of Kalamazoo and Grand River. The development would be 9% deal 63 units and 4% deal 55 units. MSHDA requires a specific number of parking spots. If the city does not sell LHC the parking lot, we are short parking spaces per MSHDA requirements. Purchasing this lot will give us the necessary spaces. This would be done in conjunction with CATA. CATA is working with the legislature to obtain the required funding. CCA is helping with this deal.

Commissioner Hall motioned Commissioner Barker seconded to approve the purchase of the Baryames Land Purchase.

Motion was approved by all members present.

- **Resolution 1363** – Significant Amendment to Annual Plan. Phase 1 of the project would allow residents of Forest at the time of the close to be the first residents to get the opportunity to move in. Hoyt was included for the future. It requires HUD approval and must be indicated in our 5-year plan.

Commissioner Barker motioned Commissioner Hall seconded to approve the significant amendment.

Motion was approved by all members present.

- **LHC Board Policy on Conference Attendance** – Proposed. This policy comes from the change in by-laws about attendance at the board meetings. The discussion was also about having a policy for attendance at conferences. Commissioner Taylor stated she was told commissioners were put on hold for attending conferences and asked if it

was voted on. Commissioner Henry stated no vote was held for the change in the by-laws with a discussion at the next board meeting on commissioners' attendance at conferences. Commissioner Taylor reiterated that she feels she was slighted when it comes to the attendance of the conference. Commissioner Taylor thought the situation was handled incorrectly. The discussion went back and forth until this was tabled until the next board meeting. Commissioner Taylor would like more time to go over the policy before it is voted on.

Commissioner Henry motioned Commissioner Taylor seconded to table this discussion until next board meeting.

Motion was approved by all members present.

Informational Items:

Finance Report December 2023

- The financial reports are now at the mid-way point of our year and are beginning to see what we expect to see.
- In December we did receive some development fee income. We also brought down the capital funds for our operating subsidy which will appear in the LIPH totals.
- We contributed \$800,000 to our pension fund in an effort to keep that funded liability at around 90% and honor our commitment to both our current employees that are eligible and our legacy employees. We can be proud of the fact that our pension is funding is secure.

Housing Choice Voucher December 2023

Jennifer Burnette provided a brief overview of the December 2023 HCV Reports

- In the month of December, we issued 9 regular HCV vouchers, 4 VASH orientations and 4 vouchers were issued.
- We have 15 that are issued out searching or pending inspection with the VASH. We have 1 that is pending inspection and 1 in the application process.
- We have 53 regular HCV that are currently out searching for units. We have 29 applicants that are pending documentation or final approval. They are working through to get them approved and a voucher to them soon. Then we have 10 units that are approved and pending inspection or pending lease up.



- We did begin pulling off our new waiting list. We tried to employ a couple of new tactics by sending out emails in advance hoping that maybe we will grab some people's attention telling them to watch for them coming in the mail. These are some things that you should get ready to prepare for in hope that will increase the responds time.
- A question was asked about specific vouchers for families who are involved in child welfare system and have we looked into utilizing those vouchers.
- Kim explained that there are specific vouchers called family unification vouchers. They are specifically designated for families that are struggling with maintaining permanent housing. After talking to Child and Family services, we made preference that any referrals provided by Child and Family services as it relates to foster care. At the time we contacted them the need was for children aging out of foster care. That is what they asked us to make a preference on. So currently our preference is for those that are aging out of foster care.

Asset Management Report December 2023

Public Housing (PH) Scattered Sites – Kim Shirey

- **Public Housing Scattered Sites** we currently have 100 units left in public housing. 95 of them are occupied, which is an occupancy rate of 95% at the end of December. There were zero (0) move-in, zero (0) move-outs, and zero (0) transfers.
- Out of the 5 units that are vacant, we hope to have 3 of those units filled by February 1.
- There was a total of 27 open work orders.
- As of January 1, we removed 28 more scattered sites out of the public housing due to the SK Lansing sale and they went to project base vouchers.

LIHTC Update - we are waiting for the city for the sale of the land across the street from our office. Once we hear from the council after they vote on the sale we will move forward.

Discussion Items:

- Long Range Planning – Doug has contacted an entity that does long range planning. They can help with what are some other things that we can do for investment. We are looking for ways in which we can leverage the investment money into more affordable housing here in the city. This group works specifically with bonds. They have done a lot of bonding and helped other public housing planning and other groups like us. There



are two public housing entities that are left in this country. There are some like us that are going through RAD and then there are the old public housing that are just hanging on.

- So, part of this strategic plan is to work with both staff and the board to see what we might look like in 3 to 5 years and what are some of the needs we might have. This is a rough schedule of what that might look like.
- We will need to get together to discuss what is going to happen. I need the boards input to see how that will happen.
- I have not engaged yet. He wants to get input from the board to see if the board wants to continue.
- Commissioner Henry thinks it is a great idea to engage in this process. I think it is critical that both staff and board members have input. As far as structing, I am open to whatever works for everyone and think the key is to everybody being there. Commissioner Taylor stated this is information we could have gotten at that training considering it was training for the commissioners. It indicated how to evaluate the executive director, how to get better commissioner things we want to put on in the meeting for discussion. Let's research that information.
- Doug will engage them and next month I will be looking for from you is how do you want the input to look like. Do you want it to be over several months, do we want to do it in one night, do we in a retreat. Whatever the board indicates they want to do.
- The group's name is CSG advisors. They are not local. There is not anyone local because they are specific to public housing.

Other Items: None

Deputy Director Comments:

- In the month of December, we assisted 23 families and provided Christmas for 68 children who participate in our various programs. That includes fulfilling their wish lists wrapping their gifts and we also included stocking this year which is something we have not done in the past. We gave staff the opportunity to go out and shop for these families. They realized that it takes a lot of energy and effort than they thought. To see the faces on some of the families when they come to pick up their gifts, we received a couple of emails stating they received more for their family and children than they ever dreamt they could have. It was just shocking. When they were loading the cars, they would say wow I didn't know it would be this much. Pretty cool to experience.



- Question what type of gift did we give? The families each provided a wish list for their children, and we tried to fulfill that wish list as long as it was reasonable and not iPads or laptops or gaming systems or stuff like that.
- I also attended the conference in San Deigo. I attended sessions that were related to the new HOTMA changes coming out regarding the programs. The HOTMA stands for the Housing Opportunity through Modernization Act. It started in 2016 and is now being implemented in 2024. A lot of the sessions revolved around the policies regarding these changes and the fact that the technology is not ready for these changes. HUD is behind in implementing the codes and the guidelines for people like our Elite software, people that manage the HUD database where we are supposed to pull this information from. Housing authorities are supposed to implement these changes by October 2024. One of the sessions I sat in was with various vendors. HUD has promised them to receive all the necessary information by May. They still have to do all the testing and go through debugging. They are assuming that there will be an extension for that compliance.
- They are also rolling out a new income verification system. They are going from the enterprise income verification system to what they are calling the HUD information program (HIP) which was supposed to be rolled out the beginning of this year but is not close to being ready to implement due to it is still in the guidance and programing stages.
- One of the sessions I sat in was more regarding the actual changes that are coming through. Which one of the biggest changes is the way we calculate the assets. That is a big change that will affect the senior population in subsidized housing. Right now, HUD has no limits on assets.
- The final session that I sat through was the new inspection changes. They are going from what was called REAC inspection base to an INSPIRE inspection base and one of the biggest changes is that there used to be only 9 24-hour violations and now there are over 80. Another big change is we must have documentation regarding our water source that comes into our properties. And that is because of the Flint issue that they had.

Executive Directors Comments:

- Kim covered HOTMA. I think to say at the conference that is the biggest topic in all public housing across the country right now. Because it has a far-reaching impact on everything from like Kim said they way we calculated income to how we inspect units. But our frustration with HUD as it always is that we have systems in which we have to

upload stuff in which they may measure us on, and they don't have it. As Kim said the vendor who are going to write the software still don't have the information that they need to write the software for stuff that is supposed to be implemented in October. The vendors still will need time for testing and debugging.

- Another topic at the PAHDA conference was BABA (Buy America Build America) it is part of the infrastructure act that they passed. The vision is that at some point in the future that all the manufactures in America will get onboard with BABA they are going to now produce BABA certified products. The problem with this, more so for public housing, it that it sounds good in theory but here is the problem we have partially if you are public housing agency you get funded through a budgetary process. We get 85 to 90 cents on the dollar. We say we need 100,000 and they give you 90,000 and say figure it out that is how they have been doing public housing for years. Now they turn it around on the other side. That is revenue side and now the expense side they say we have cabinets that we can put in for \$100 well they are not made in America not BABA certified. Now you must go buy cabinets that are \$120 or \$130 so they don't give you enough money to fix stuff to start with now they are going to force us pay more on the back side. And there is no definition of what BABA means. This is already in effect. If you can't find BABA certified product you can ask for a waiver. The waiver is a 30-day process best case scenario.
- I also attended a LIHTC conference by Novagradac. The big two take aways there is some money out there for missing middle and there are some credits for missing middle. The difference between affordable and missing middle affordable is 30 to 80 percent, missing middle can go up to 120 percent. There are some dollars out there. I made contact with a couple of people about looking into missing middle credits and how we will be able to get them. Again, to layer them with our current credits. Hopefully we can do that and build a missing middle project.
- The last thing – I passed out a document that is produced locally in Lansing. I found it interesting as an FYI. It has statices that are put together locally about people that end up in court as a result of non-pay. HUD made a new 30-day rule. You can't do anything in the courts until 30 days after that. That already makes their balance two months late. Then you have the whole court process that can take another 30 to 60 days. The it was intended to help people give them time to figure out a way before they got evicted but has the opposite effect. The intent of the policy was a good idea, but the implantation is going to be horrific.



Development Activities:

Other Activities:

President's Comments:

Other Business:

Adjournment: The meeting was adjourned at 7:27 p.m.

_____ Date _____
Emma Henry Board Chair

_____ Date _____
Doug Fleming, Acting Secretary