

**CONCORD HOUSING & REDEVELOPMENT
Board of Commissioners Meeting Minutes
March 7th, 2012**

The Concord Housing & Redevelopment's Board of Commissioners met March 7th, 2012 at 23 Green Street Concord, NH 03301.

- I.** Chairperson Ari Pollack called the meeting to order at 9:07am and asked for roll call. The response:

PRESENT	ABSENT
Commissioner Pollack	
Commissioner Fowler	
Commissioner Madden	
Commissioner Burger	
Commissioner Rounds	

Also present at the meeting were Housing Authority Staff; John Hoyt Executive Director, Craig Dunning, Special Projects, and Heather Sargent, Director of Administration.

- II.** The Chair called for a motion on the February 1st, 2012 meeting minutes. Commissioner Rounds moved that the meeting minutes be approved. Commissioner Fowler seconded the motion. The motion passed unanimously.
- III.** The Chair then called for a review of General Correspondence. Mr. Hoyt presented the President's proposed 2013 HUD budget as published by NAHRO and a letter from HUD designating CH&R a High Performer for our administration of the Section 8 program. He also presented CH&R monthly newsletter authored by Sarah McDermott and a letter from the United Way thanking CH&R for our donation to the winter family homeless shelter.
- There was no other correspondence and the period was declared closed.
- IV.** The Chair than opened the floor for public comment. Chairman Pollack indicated that Kendra Marshall, tenant at the John F. Kennedy Building, had met with him and Commissioner Rounds prior to the meeting to discuss issues regarding CH&R staff. Specifically, the tenant stated that Heather Sargent was communicating to other tenants that they should not buy furniture from Chuck's Used Furniture due to bed bug issues which she took personal offense to. She furthermore believed that other tenants were afraid to communicate with office staff. Ms. Marshall invited the Commissioners to the JFK building on Wednesdays at 11am to attend the

resident lunch and discuss other tenant issues. Commissioner Pollack asked that Ms. Marshall be contacted and provided a policy on how staff will communicate about bed bug concerns with second-hand furniture which does not specify any local proprietors. He also asked to insure that staff communicates with tenants in a professional, respectful fashion at all times and encouraged the Commissioners to attend a Wednesday lunch.

There was no one from the public present and the period was declared closed.

V. The Chair then called attention to the Old Business portion of the agenda:

1. Section 8 Over-Leasing

Mr. Hoyt produced a letter from 2009 authored by HUD-Washington that gave CH&R permission to use \$150,000 of government stimulus money in our net restricted assets (NRA) account toward over-leasing. He has shared this document with HUD-Kansas who has adjusted their calculations of what CH&R will be required to repay. Although final documentation has yet to be sent, it appears that CH&R has a shortfall of only \$21,000-\$22,000 in the NRA. Mr. Hoyt pointed out that HUD had already begun recouping money by underfunding the HAP subsidy it gives to CH&R since January 2012. It is his belief that we have already made up the difference (and perhaps paid back more than necessary) in the recent underfunding of HAP subsidy. Mr. Hoyt will share more details as finalization of this issue occurs with HUD.

There was no other Old Business to be discussed and the period was declared closed.

VI. The Chair then called attention to the New Business portion of the agenda:

1. RESOLUTION 1283: *Resolution authorizing approving the 2012 Capital Fund Expenditures.*

Mr. Hoyt summarized the proposed projects to be covered by the Capital Fund. He stated that even with approval of this Resolution, the money cannot be spent until after the annual meeting and that line items can be changed as necessary with a Board vote. Commissioner Fowler asked how much money was received in 2011. Mr. Hoyt responded it was \$312,000 in comparison to the \$307,000 coming in 2012. Commissioner Fowler requested that a copy of the list of proposed projects be included with the filing of these minutes. Commissioner Fowler moved the motion be accepted. Commissioner Burger seconded it. The motion passed unanimously.

2. Year-End Financial Results

Mr. Hoyt clarified that these reports, sent via e-mail, were completed prior to the acquisition of the property at South Main Street. He stated that under the Development Corp., due to several factors including increases in cost for the afterschool program at Jennings Drive, not having the Parmenter Place developer's fee this year, and less interest income, revenue is down \$58,000 from last year. Commissioner Pollack indicated that we are sitting on cash however readying for our next project.

Commissioner Burger asked if there was positive cash flow at South Main Street/Lee Ave. Mr. Hoyt reported that although we are not fully leased, the mortgage is low enough that it remains in the black. He stated that building 63-65 is fully leased and we are working on executing leases with the commercial tenants. Building 65 ½ has 2 out of 6 units leased currently. We are waiting to perform renovations in the spring until we offer the units for rent. Commissioner Burger asked if money can be made from the property through rental income. Mr. Hoyt confirmed that we can however the mission of CH&R is to keep rents affordable. Commissioner Pollack added that getting the building in use is important with our goals of redevelopment.

Mr. Hoyt noted that because of the GAAP representation of the stimulus money on the income statement Parmenter year-end report reflects a net income, typically LIHTC show a loss.

Commissioner Fowler inquired about the utility costs spiking 13% in Public Housing. Mr. Hoyt answered that the Crutchfield Building is 100% electric heat and with the cold winter costs soar additionally the budgeted expense is straight lined and as we come into the warmer part of the year that variance will correct itself. He stated that he pre-purchases utilities through third-party vendors to try and lock in the best price.

Commissioner Fowler inquired about the rise in maintenance costs. Mr. Hoyt answered that the rise was due to the costs of pest control. Only \$30,000 had been budgeted in 2011 while \$55,000 has been budgeted for 2012 for this issue. Additionally the change in the capitalization policy placed more expenses in the income statement vs. being capitalized.

3. Leasing Information

Mr. Hoyt reported that we were one voucher over-leased for 2011 however we are 1 unit month off for 2012 which balance each other. So far this fiscal year in Public Housing, we are running at 99.2% occupancy in AMP 1 and 95.2% in AMP 2. Commissioner Burger asked why AMP 2 is lower. Ms. Sargent reported that due to treating persistent pest control

issues and updating units, it has taken longer to turn units over prolonging the leasing process. Mr. Hoyt informed the Board that Lee Ave leasing statistics will be added to these reports in the near future.

4. Other

Commissioner Fowler inquired about flooding issues in the basements at Jennings Drive. Mr. Dunning reported that sump pump installation and grading were done this summer so we will be testing things come spring.

Mr. Hoyt brought attention to the demonstration project being introduced by HUD called RAD. Its intent is to explore options with public housing funding and operations. More will come on this issue.

Commissioner Pollack asked Mr. Hoyt to speak about his involvement with recent Senate Bill 364. Mr. Hoyt stated that NH Legal Assistance had drafted a bill being supported by Senator Houde, Senator Carson and Senator Luther regarding restricting the ability of a landlord to place no trespassing orders on people that they do not want on their property. Mr. Hoyt organized the NH Executive Directors to attend the latest hearing in opposition and worked with Attorney Brian Shaughnessy to draft new language to be added to this bill. NH Legal Assistance seemed to agree with the proposed additions to the bill and the bill was being sent to the Judiciary Committee who should reach a decision on the bill after March 15th.

There was no other New Business to be discussed and the period was declared closed.

Commissioner Pollack asked for a motion to adjourn. Commissioner Madden moved the motion and Commissioner Fowler seconded the meeting be adjourned. The motion to adjourn was passed unanimously and the meeting was declared over at 9:55am.