

MINUTES OF THE MEETING
of the
PORTLAND HOUSING AUTHORITY

Thursday, March 4, 2021

The meeting of the Portland Housing Authority was held at 14 Baxter Blvd, Portland, Maine, via Go-to-Meeting. Upon roll call, quorum is declared. Meeting called to order by Robyn Tucker, Chairperson at 5:32 PM

PRESENT	ABSENT
Robyn Tucker, Chairperson Kristin Blum, Vice-Chairperson Luisa Deprez, Commissioner Christian MilNeil, Commissioner Monique Mutumwinka, Commissioner Shirley Peterson, Commissioner Tom Valteau, Commissioner Cheryl A. Sessions, Executive Director Jay Waterman, Real Estate Director Tyler Plante, Development Officer Brian Frost, Asset Manager Lourdes Alvarez, Admin Support Specialist	N/A

The meeting opened with Public Comment from George Rheault, a Public Housing resident. He wanted to know if the PHA website was being updated. He commented on improving the availability of meeting materials to the public since meetings are being held virtually, not in person. What are the plans for making these more readily available to the public? Ms. Sessions commented the website being worked on; the work is slowly moving forward, there will become additional features in CivicPlus. It should be done soon. She thanked him for bringing his thoughts to the Board.

1. Resolution to approve the minutes of the Board meeting of February 4, 2021

Resolution #3072

Be it resolved by the Commissioners of the Portland Housing Authority that the minutes of the meeting of February 4, 2021, be and hereby are approved.

The above resolution was moved by Kristin Blum, Vice-Chair, and second by Luisa Deprez, Commissioner, and upon roll call, the ayes and nays were as follows:

AYES

Robyn Tucker, Chair
Kristin Blum, Vice-Chair
Luisa Deprez, Commissioner
Christian MilNeil, Commissioner
Shirley Peterson, Commissioner
Tom Valleau, Commissioner

NAYS

None

Chairperson declared said motion carried and said resolution adopted.
Monique Mutumwinka, Commissioner, was absent during the vote.

2. Finance Committee Report

Christian reported on the February 23rd meeting. The 2021 Capital Fund Program budget was discussed. Most of the detail places fund for projects planned in the next fiscal year, with the expectation that HUD allocations will come thru. The committee also discussed the notes AVESTA is trying to re-finance and/or extend loan agreement with PHA. Commissioners MilNeil and Blum endorsed the plan; Commissioner Valleau declined as he prefers the monies to be paid back to PHA as currently set forth in the note. Tom briefly commented that no payment on principal is being offered, but only a balloon payment at the end of 5 years; he would prefer to see monthly payments; and also he does not want PHA in the business of loaning money to projects now that PHA is a developer (unless it's for our own developments/properties).

Resolution #3073

Be it resolved by the Commissioners of the Portland Housing Authority that the Finance Committee minutes of February 23, 2021, be and hereby are approved.

The above resolution was moved by Christian MilNeil, Commissioner, and second by Tom Valleau, Commissioner, and upon roll call, the ayes and nays were as follows:

AYES

Robyn Tucker, Chair
Kristin Blum, Vice-Chair
Luisa Deprez, Commissioner
Christian MilNeil, Commissioner
Shirley Peterson, Commissioner
Tom Valleau, Commissioner

NAYS

None

Chairperson declared said motion carried and said resolution adopted.
Monique Mutumwinka, Commissioner, was absent during the vote.

Christian continued with an overview of the Income & Expense Report for January 31, 2021. The Cares Acts funding expenditures continue as forecasted, with salary number going down as funding is used to pay salaries, allowing operating funds to be better used for needs as they arise.

Resolution #3074

Be it resolved by the Commissioners of the Portland Housing Authority that the Income & Expense Report for the period ending January 31, 2021, be and hereby are approved.

The above resolution was moved by Christian MilNeil, Commissioner, and second by Kristin Blum, Vice-Chairperson, and upon roll call, the ayes and nays were as follows:

<u>AYES</u>	<u>NAYS</u>
Robyn Tucker, Chair	None
Kristin Blum, Vice-Chair	
Luisa Deprez, Commissioner	
Christian MilNeil, Commissioner	
Monique Mutumwinka, Commissioner	
Shirley Peterson, Commissioner	
Tom Valleau, Commissioner	

Chairperson declared said motion carried and said resolution adopted.

3. Executive Director’s Report

Ms. Sessions began her presentation with the AVESTA financing request. The Finance Committee recommended the note for extension and continue financing. Brian Frost suggested a slight modification on the agreement to pay on the construction loan prior to refinancing and make interest only payments on the principal (approximately \$4000/year during the extension period). A 5% interest was the original agreement to pay if not is not paid in 5 years. It’s a better deal with the interest payments. Payoff would be at the start of construction or at the end of the five years. Tom expressed concerns regarding the balloon payment. Kristin added that she endorsed it to allow them time to get the refinancing done and start the cash flow to make payment. Cheryl added that it would also allow these units to remain as affordable housing. Christian noted there was resistance from some of the Finance Committee members, which were noted in the meeting minutes.

Resolution #3075

Be it resolved by the Commissioners of the Portland Housing Authority that the Allonge of Promissory Note from Peninsula Community LP 3, as revised, be and hereby are approved.

The above resolution was moved by Christian MilNeil, Commissioner, and second by Kristin Blum, Vice-Chairperson, and upon roll call, the ayes and nays were as follows:

AYES

Kristin Blum, Vice-Chair
Luisa Deprez, Commissioner
Christian MilNeil, Commissioner
Monique Mutumwinka, Commissioner
Shirley Peterson, Commissioner

NAYS

Robyn Tucker, Chair
Tom Valleau, Commissioner

Chairperson declared said motion carried and said resolution adopted.

Cheryl proceeded to the Report on the Achievement on the Agency Internal Goals. These goals were originally discussed at the Feb 2020 retreat. Due to COVID-19, some of the goals need to be placed in the back burner, specifically the push to make PHA one of the best places to work. Tom commented that the list of goals was impressive, commending the staff on getting the report completed and the goals achieved. Luisa wants to help with getting USM to reinstate the internships that did not happen last year. Christian is impressed with the accomplishments that have been achieved considering the past year we have had with the pandemic and state of emergency.

Ms. Sessions continued with the Green Policy Report, which was very positive, and included the EPC reporting by FSG. The report will look different as properties are rehabbed and pulled out of Public Housing and EPC. Summary shows good performance in green technology, and the incorporation of Passive House elements and what is being done at Washington Gardens and 337 Cumberland redevelopment activity. Mr. Valleau takes pride in the strides PHA has done for energy improvements. Cheryl noted that its been considered in all the ongoing designing efforts as part of the project rehabs. Tom requested that contractors be asked for their green policy as part of any future contracts. Christian added that the Green Policy is about six years old and it may be time for an update as there have been changes in regulations as well as in City and State climate policies. He would like to see PHA to be a leader in this area.

Cheryl concluded her report with a quick review of the help provided to kids and mental health challenges from isolation during COVID-19 in PHA neighborhoods. She referenced an email from Luisa and her written report response to Luisa's inquiry.

4. Agency Plan Draft Discussion

Cheryl introduced the review of changes in the ACOP and Admin Plan to be presented by the dept heads. Changes have been presented to the Residents Advisory Board (RAB), which include the updates being done at Riverton Park which have to be updated in the SAC application. Changes are being presented for discussion, not approval. Public hearing will be held on March 29 for the public to provide feedback on the plan. The Board will vote to approve the plan at the April 1st Board Meeting,

A. Admission and Continued Occupancy (ACOP)

Mr. Nugent proceeded to review the changes in the ACOP. Changes were presented to the RAB two weeks ago. The plan follows the model ACOP provided by NanMcKay, an industry leader in the housing authority arena. They track the changes HUD issues throughout the year and allows housing authorities to be able to integrate them into their policies.

He started with the reasonable accommodations, where turnaround response time was changed from 10 to 30 business days. This allows to accommodate for any staffing issues without straining the process. He proceeded to discuss the housing denials and reasons to deny housing. Again, NanMcKay provided guidance on how to handle arrests records and dismissals. He noted that applications are now being accepted applications electronically. In the past, they had to be mailed or returned in person. Luisa asked if internet or computer access is made available by the agency sites. Trevor mentioned that PHA is looking into purchasing self-service kiosks to make it easier for clients to apply for housing. Cheryl noted that access is available at the various study centers and is planning on expanding technology access in the future. Leah and Cheryl have been working with GoSection8 to integrate housing applications for the waitlist. This will take the waitlist update off staff hands and will annually manage the list purge. Language has been updated in the policy in preparation for the waitlist to move to the new platform.

Trevor discussed the earned income disallowance update. It is hard to track so the grandfather clause has been removed. When a new rent is determined because of new employment, it will remain the same for the first 12 months, increase will only be half the amount in the second year, and full amount goes into effect on the 3rd year. The modification will allow staff to track changes more easily. Also, the need to notarize documents is being removed from the process. Tenants are allowed to self-certify the information provided. Board asked the question on how signatures are validated. With a current tenant, you can probably compare with signatures on file and if false information is reported, it would be handled accordingly. Changes on inspections were due to the COVID emergency so language on civil emergencies was added to the policy. Move-in inspections will be conducted without the resident present; with results discussed at lease-up, at which time the move-in inspection form will be signed by the tenant.

Non-emergency work orders are not being done at the time of civil emergency but are being tracked so they can be performed at the end of the civil emergency. Language was added to address fair housing in the case of assistance animals and to distinguish them from pets. Remote hearings were added as an option to the informal/formal hearing process when handling a grievance or lease termination. This is not at the discretion of PHA but as an available option.

B. Administrative Plan for Voucher Programs

Leah Bruns presented a review of the Admin Plan changes. She also mentioned the use of NanMcKay as guidance in the plan changes. Document includes 20 pages addressing the RAD program changes.

She started with important changes in the use of arrest records in the housing selection, which align with the ACOP, modifications on student aid, earned income disallowance, the move to new software platform on the waitlist, the elimination of the MOD Rehab program,

The pandemic brought along many changes. Addition of language on civil emergencies allows the offices to continue operating and provide services. Some CDBG and other funding was attained to help provide WIFI services and technology to residents. Luisa suggests including a racial impact statement in the policy processes.

Language was adjusted to define bedroom sizes for a family (also in line with the ACOP). This will be helpful as redevelopments are completed and units move into the HCV program. There was ample guidance on applying this policy retroactively but there has been pushback from the Housing Officers.

She reviewed the zero rent minimum rent policy. The issue is the hardship requests that would follow minimum rent allowances, which produced a huge amount of administrative work. Costs are more to complete administrative paperwork than simply allowing clients to pay zero rent. These will mostly benefits folks coming in from homelessness situations. By removing the minimum rent, the agency saves money and removes unnecessary processes, including the hardship exemption policies.

In the area of verifications, DocuSign is being used for electronic signatures and the notary requirement is being removed. DocuSign can be used effectively with client that provide emails. She also reviewed the EIV changes which now allows documents to be destroyed after 5 years. Clarification was added to the language that when EOP clients request to be ported, the HAP does not follow them to the new unit.

On background checks, the current drug use definition is now six months, not three months. The update on the landlord policies will promote more participation in the HCV program. Fair Market Rents will not be voluntarily adopted. Also added was information on cooperative housing and foreclosed buildings. Utility allowance is being calculated by an agency who also does it for South Portland and Westbrook Housing. The benefit is that it includes the use of A/C in the calculations. Standards added to the policy for the use of electronic signatures and the use of technology for informal meetings. Language added on the allocation of PBVs to units that are owned by PHA. Update on HQS requirements for inspections and the time allowed between them. HAP has a PBV addendum that covers any bad language in a unit's current lease contract. She reviewed the timeline for unit vacancy when a voucher is attached to the unit. There is an MOU in place with South Portland Housing in relation with units converted via RAD. USIG is under contract to allow for agency to be in compliance with the RAD conversions. The MOD REHAB units were not being utilized and/or rented so the contract was taken back and with the help of HUD the current tenants were moved to HCV vouchers.

To end, Leah encouraged the Board to please email comments or suggestions to Cheryl or her.

C. Capital Funds Program

Cheryl presented the CFP general overview. As properties are converted and SAC applications are completed, monies cannot be spent on those properties as these are no longer Public Housing. Monies can only be applied to life and safety issues. She noted that Washington Gardens is no

longer in there as that application was approved and soon the scattered sites will no longer be there as well. There is strategy behind the placeholders and where the monies are proposed to be spent. The monies were a set aside to address different property needs. Blends may be considered as rehabs progress as rents would be closer to market value. PHA is going ahead with the elevator work at the high rises (Franklin Towers/Harbor Terrace) as these are considered a health and safety issue. At Sagamore Village, there are issues with eight (8) foundations that are imminent for collapse and another seven (7) are close to collapse. Some monies will need to be moved there to repair those foundations. There is little to spend at Riverton Park since the SAC application is currently pending.

4. Project Based Vouchers (PBV) Proposals Resolutions

Leah presented the proposed RFP to award 30 PBVs. There is a PHDC project that may apply (Mercy Hospital/Senior Housing). This needs to be a competitive process in order to be able to award PBVs on this project (There is only a 25% ownership on the project). Ms. Bruns presented a chart showing the current allocation of PBVs and what is available. Cheryl reminded the board that the tenant protection vouchers awarded will convert to PBVs that will be part of the PHA stock. The RFP would benefit the partnership for this redevelopment and 30 is a good total number to award. Commissioner Valteau wants to make sure PHA does not regret giving away these 30 vouchers in the future. Leah reassures him that this helps in the utilization numbers for the vouchers and brings in admin fees, and increase in usage numbers would give PHA a chance to obtain more vouchers in the future, therefore providing leverage for affordable housing in the neighborhood. A lot of work goes into these contracts so this may be the last RFP PHA does for a while. Kristin suggests voucher data to be provided with future proposals. Board agrees on recommending proposal for approval.

Resolution: Approval to solicit proposals, through an RFP, for the allocation of up to 30 PBVs to facilitate the development of new affordable housing by non-PHA affiliated developers (non-PHA projects)

Resolution #3076

Be it resolved by the Commissioners of the Portland Housing Authority that the above resolution to award 30 Project Based Vouchers, be and hereby are approved.

The above resolution was moved by Luisa Deprez, Commissioner, and second by Monique Mutumwinka, Commissioner, and upon roll call, the ayes and nays were as follows:

AYES

Robyn Tucker, Chair
Kristin Blum, Vice-Chair
Luisa Deprez, Commissioner

NAYS

N/A

Monique Mutumwinka, Commissioner
Shirley Peterson, Commissioner
Tom Valleau, Commissioner

Chairperson declared said motion carried and said resolution adopted.
Christian MilNeil was absent from the vote.

Leah continued her presentation with the proposal for the allocation of five (5) VASH PBV vouchers. The goal is to increase usage of these vouchers as PBVs allocated to this program are not being fully utilized across the country. PHA has worked with the Veterans Administration to get more vets leased up. Shalom House is working on a project to develop one-bedroom units with support services, so they are may be applying and many vets like to live in the Peninsula area as there is a mini TOGUS facility there. Ms. Blum suggests researching and finding a housing partner to increase utilization of these vouchers. Leah is open to any and all suggestions to increase voucher usage.

Resolution: Approval to solicit proposals, through an RFP, for the allocation of up to 5 VASH PBVs to facilitate the development of new affordable housing by non-PHA affiliated developers (non-PHA projects)

Resolution #3077

Be it resolved by the Commissioners of the Portland Housing Authority that the above resolution to award five (5) VASH Project Based Vouchers, be and hereby are approved.

The above resolution was moved by Luisa Deprez, Commissioner, and second by Monique Mutumwinka, Commissioner, and upon roll call, the ayes and nays were as follows:

AYES

Robyn Tucker, Chair
Kristin Blum, Vice-Chair
Luisa Deprez, Commissioner
Monique Mutumwinka, Commissioner
Shirley Peterson, Commissioner
Tom Valleau, Commissioner

NAYS

N/A

Chairperson declared said motion carried and said resolution adopted.
Christian MilNeil was absent from the vote.

(Leah Bruns exited the meeting)

5. Development/Redevelopment Update

Jay Waterman and Tyler Plante presented the updates leading to the approval of Washington Garden redevelopment resolutions in preparation for the project closing.

A. Washington Gardens Project Summary Approval

Washington Gardens has 100 units and the goal is to reduce the carbon footprint, the amount of maintenance work, and save on utilities. The cash flow is expected to be \$110 thousand dollars per year. PHA/PHDC will be capturing more of the cash flow with this redevelopment. Closing is planned for March 26. Renovation will be in five phases – 20 units at a time. The SAC approval will become a template to the rest of the rehabs planned. Financing is in good shape. He reviewed the project summary, noting changes made to keep costs in line. Use of interim income has increased in the financing of the project. The timeline was adjusted for construction closing this month with construction ending in November 2022 and final loan closing in 2023. Capitalization gap is being filled by the interim income. There is \$600,000 in pre-development costs so far, which will be reimbursed at final closing. This is a summary of deal as it stands.

Resolution #3078

Be it resolved by the Commissioners of the Portland Housing Authority that the Washington Gardens Project Summary, as amended, be and hereby are approved.

The above resolution was moved by Luisa Deprez, Commissioner, and second by Shirley Peterson, Commissioner, and upon roll call, the ayes and nays were as follows:

AYES

Robyn Tucker, Chair
Kristin Blum, Vice-Chair
Luisa Deprez, Commissioner
Monique Mutumwinka, Commissioner
Shirley Peterson, Commissioner
Tom Valleau, Commissioner

NAYS

N/A

Commissioner Christian MilNeil abstained from the vote.
Chairperson declared said motion carried and said resolution adopted.

B. Washington Gardens Project Guarantor

PHA as the parent company participates as the guarantor. Ms. Blum inquired on the responsibility of PHA as guarantor (all standard guarantees) and if it burns off at the end of the project. Mr. Waterman clarified that not all of it burns off, with some financing and payback

guarantees remain. Its required by the funding source (Gorham Bank and Bank of Boston) and it includes the recourse debt.

Resolution #3079

Be it resolved by the Commissioners of the Portland Housing Authority that the resolution of guarantor naming PHA as guarantor, be and hereby are approved.

The above resolution was moved by Christian MilNeil, Commissioner, and second by Tom Valleau, Commissioner, and upon roll call, the ayes and nays were as follows:

AYES

Robyn Tucker, Chair
Kristin Blum, Vice-Chair
Luisa Deprez, Commissioner
Christian MilNeil, Commissioner
Monique Mutumwinka, Commissioner
Shirley Peterson, Commissioner
Tom Valleau, Commissioner

NAYS

N/A

Chairperson declared said motion carried and said resolution adopted.

C. Washington Gardens Project allocation of vouchers

Resolution committing to allocate to PHDC WG as described in SAC application to allocate 80 HCVs to be TPVs until HUD approves to be utilized by tenants in March 2021. Leah has been working with HUD to get them allocated soon. This is just a stop gap measure to allow to move tenants if need be.

Resolution committing to allocate to Portland Housing Development Corporation's (PHDC) Washington Gardens Development, as described in The SAC application DDA0010620, 80 Housing Choice Vouchers (HCVs) to be utilized on a temporary basis as Tenant Protection Vouchers (TPVs) as we await notice from HUD that our TPV funding is imminently forthcoming. These vouchers will begin to be utilized by tenants in March of 2021 at the Washington Gardens Development. These HCVs are only intended to be utilized temporarily until the TPVs allocation has been received.

Resolution #3080

Be it resolved by the Commissioners of the Portland Housing Authority that the above resolution committing the allocation of 80 HCV vouchers to be TPVs, be and hereby are approved.

The above resolution was moved by Christian MilNeil, Commissioner, and second by Luisa Deprez, Commissioner, and upon roll call, the ayes and nays were as follows:

AYES

Robyn Tucker, Chair
Kristin Blum, Vice-Chair
Luisa Deprez, Commissioner
Christian MilNeil, Commissioner
Monique Mutumwinka, Commissioner
Shirley Peterson, Commissioner
Tom Valleau, Commissioner

NAYS

N/A

Chairperson declared said motion carried and said resolution adopted.

D. Washington Gardens Project Ground Lease

The resolution ratifies entry of PHA into option as limited partner. Ground lease is for a term of 95 years for a payment of 10 dollars for the extent of the lease.

Resolution #3081

Be it resolved by the Commissioners of the Portland Housing Authority that the agreement for bill of sale and ground lease for Washington Gardens, as presented, be and hereby are approved.

The above resolution was moved as written by Christian MilNeil, Commissioner, and second by Luisa Deprez, Commissioner, and upon roll call, the ayes and nays were as follows:

AYES

Robyn Tucker, Chair
Kristin Blum, Vice-Chair
Luisa Deprez, Commissioner
Christian MilNeil, Commissioner
Monique Mutumwinka, Commissioner
Shirley Peterson, Commissioner
Tom Valleau, Commissioner

NAYS

N/A

Chairperson declared said motion carried and said resolution adopted.

E. Washington Gardens Project Land Sale

Resolution approving the sale of land at 577 Washington Avenue to PHDC and ratify entry into partnership and guarantee financing (proforma 8.8 million) with letter of credit (3-month operating funds reserves). RBC Washington Gardens LLC (limited partner) and Washington Gardens LC (partner). No federal funds can be used as guarantee. Allocation of vouchers and enter HAP for 80 units of housing (immediate) and AHAP for 20 units (agreement to enter HAP as they are renovated). PHDC as the single member of the LLC will be the sole owner.

Resolution #3082

Be it resolved by the Commissioners of the Portland Housing Authority that the sale of the land at 577 Washington Avenue to PHDC, as presented, be and hereby are approved.

The above resolution was moved as written by Christian MilNeil, Commissioner, and second by Kristin Blum, Vice-Chair, with edited correction, and upon roll call, the ayes and nays were as follows:

AYES

NAYS

- Robyn Tucker, Chair
- Kristin Blum, Vice-Chair
- Luisa Deprez, Commissioner
- Christian MilNeil, Commissioner
- Monique Mutumwinka, Commissioner
- Shirley Peterson, Commissioner
- Tom Valleau, Commissioner

N/A

Chairperson declared said motion carried and said resolution adopted.

6. Mercy Redevelopment Project

Jay presented the following resolution for approval:

RESOLVED: To authorize PHA, as part of the owner entities for the Mercy Redevelopment Senior Housing Project and for the Mercy Redevelopment Family Housing Project, to apply for the City of Portland Affordable Housing Development and Tax Increment Financing RFP for each project.

Resolution #3083

Be it resolved by the Commissioners of the Portland Housing Authority that the above resolution, as presented, be and hereby are approved.

The above resolution was moved as written by Kristin Blum, Vice-Chair, and second by Christian MilNeil, Commissioner, and upon roll call, the ayes and nays were as follows:

AYES

NAYS

- Robyn Tucker, Chair
- Kristin Blum, Vice-Chair
- Luisa Deprez, Commissioner
- Christian MilNeil, Commissioner
- Monique Mutumwinka, Commissioner
- Shirley Peterson, Commissioner
- Tom Valleau, Commissioner

N/A

Chairperson declared said motion carried and said resolution adopted.

7. Adjournment

With no other business on the agenda, Commissioner Luisa Deprez moved to adjourn the meeting and was second by Commissioner Monique Mutumwinka.

Meeting adjourned at 8:07 PM