

**MINUTES OF THE MEETING  
of the  
PORTLAND HOUSING AUTHORITY**

Thursday, June 3, 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 Kristin Blum, Vice-Chairperson at 5:35 pm.

PRESENT	ABSENT
Robyn Tucker, Chairperson (later arrival) Kristin Blum, Vice-Chairperson Luisa Deprez, Commissioner Christian MilNeil, Commissioner Monique Mutumwinka, Commissioner Shirley Peterson, Commissioner Tom Valleau, Commissioner Cheryl A. Sessions, Executive Director Brian Frost, Deputy Executive Director Lawrence Giddinge, Director of Finance & Administration Jay Waterman, Real Estate Development Director Elaine Charette, Executive Assistant Jennifer Dick and Sam Lowry, Union Stewards Michelle Durham, Site Manager Latoya Hunder, Director of Resident Services Emily Mancini-Fitch, Resident Services Manager	

Ms. Sessions asked for any public comments. There were none.

1. Resolution to approve the minutes of the Board meeting of May 6, 2021

Dr. Deprez pointed out that on page 2 of the draft minutes, the last sentence of the first paragraph was unfinished. Ms. Sessions suggested adding to the end of the sentence “were put on hold.”

**Resolution #3100**

Be it resolved by the Commissioners of the Portland Housing Authority that the minutes of the meeting of May 6, 2021 be and hereby are approved, with the addition of the words “were put on hold” added to the last sentence of the first paragraph at the top of page 2, so that the sentence reads as follows: “Because of Covid-19 and all the efforts put into compliance and leases up at transfer of management, some of the things we had planned were put on hold.”

The above resolution was moved Tom Valleau, Commissioner, and seconded by Monique Mutumwinka, Commissioner. 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  
Tom Valleau, Commissioner

**NAYS**

None

Vice-Chairperson declared said motion carried and said resolution adopted.

## 2. Finance Committee Report

Christian summarized the meeting. Items discussed were:

- The proposed budget will be discussed later in tonight’s meeting, with a caveat that the finance committee gave the budget only a first look and encourages the Board members to take a closer look as well.
- The Finance Committee discussed performance bonuses for the development staff and approved proposed edits to the non-union employee handbook Future years’ bonuses will want to be discussed, but the committee agrees that for the short fiscal year the suggested amounts are reasonable as the development staff is valuable and they deserve to be compensated accordingly.

### **Resolution #3101**

Be it resolved by the Commissioners of the Portland Housing Authority that the Finance Committee report of May 18, 2021 be and hereby is approved.

The above resolution was moved by Tom Valleau, Commissioner, and seconded by Luisa Deprez, Commissioner, 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  
Tom Valleau, Commissioner

**NAYS**

None

Vice-Chairperson declared said motion carried and said resolution adopted.

## 3. Income and Expense Report

Vice-Chair Blum opened the floor to Larry Giddinge, Director of Finance and Administration, to summarize the Income and Expense Report as of April 30, 2021.

Mr. Giddinge's summary of the report included the following:

- As of April 30, 2021, all properties and programs are on track to meet the budget thresholds.
- Operating income exceeded budget - partly due to higher proration level from HUD.
- On the expense side, CARES Act funds were utilized to pay for administrative salaries and benefits, resulting in savings in administration, tenant services, maintenance and Section 8 salaries.
- The \$90,000 savings in Tenant Services is the direct result of the CARES Act. HUD.
- Management Services is over due to the need for expanded security.
- Utility expenses were under due to the reduced heating days.
- Repair and maintenance: Maintenance labor is down. There are currently 5 or 6 job vacancies, which we are trying to fill. Temporary labor costs are up because of the permanent position vacancies.
- Significant savings in general expenses. Employee benefits are below budget because of the CARES Act funds. PILOT is paid at end of the fiscal year.

**Resolution #3102**

Be it resolved by the Commissioners of the Portland Housing Authority that the Income and Expense Report as of April 30, 2021 be and hereby is approved.

The above resolution was moved by Christian MilNeil, Commissioner, and seconded by Robyn Tucker, Chairperson, who joined the meeting during Mr. Giddinge's presentation. 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**

None

Chairperson declared said motion carried and said resolution adopted.

**4. Executive Director's Report**

Ms. Sessions started with an update regarding COVID. There is a high percentage of employees who are vaccinated. A no-mask policy for those who provide evidence of full vaccination has been instituted. The transitioning of staff back into the office from remote workdays has begun. An outing is planned, and Ms. Sessions invited the members of the Board to attend.

The rebuilding of the front reception area at 14 Baxter Blvd is nearly done, including the service kiosk and a pass thru window. Limited open-to-the-public hours will soon begin, including hours by appointment.

The solar energy contract is nearly final, as is the new contract for gas.

Ms. Sessions provided an update on union negotiations. The same night as the Board's last meeting, when the Board approved the ASFME contracts, ASFME members met and also approved the contracts. Negotiations with Teamsters are wrapping up, with the hope of a 3-year contract.

Technology: The phone systems are being upgraded, which will improve voice over internet service.

Vouchers: PHA was awarded 21 new emergency housing vouchers, to be used for the homeless, those fleeing domestic violence situations, and other emergency scenarios. Leah Bruns, Director of Voucher Programs, is involved in getting the PHA up to speed on requirements.

Kristin asked if the vouchers "go away." When the individual no longer has a need for an emergency voucher, what happens? Does the voucher stay with PHA and is able to be passed along to another individual?

Cheryl says though the program will end, the awarded voucher stays. Cheryl will find out about whether it can be used for subsequent individuals in emergency situations and will report back to the Board.

Cheryl moved on to the scholarship awards, which she said will be presented by Emily later in the meeting, but Cheryl wanted to note that there are some amazing kids involved with the PHA.

Cheryl gave the floor to Larry to discuss the PHA Operating Budget.

## 5. PHA Operating Budget

Larry started with the changes implemented as a result of feedback from the Finance Committee:

- Though Washington Gardens was removed from the portfolio in March, a line was added including the developer fees for Washington Gardens.
- Section 8 programs – increase in staff training and temporary labor during the transition.
- Create two additional memo lines regarding the debt service ratios: one line showing the required amount, and one line showing the actual number.

Larry noted 3 important events in 2021 that will ripple to 2022: the conversion of Washington Gardens; demolition of Front Street; and the CARES Act.

Larry gave a summary of each section, reading the amounts of the differences between the 2021 projections and the 2022 budget amounts. Highlights include the following:

- Operating Income: Higher capital fund grant than in past years.
- Operating Expenses: Increase in salaries to prepare for conversions.
- Tenant Services: Hiring of resident services director.

- Utilities: Provided for 3% rise in costs due to completion of projects
- Repair and maintenance: During COVID, regular maintenance and repairs were on hold due to social distancing requirements. Post-COVID, we will be able to get back into unit, resulting in an increase in material costs.

Christian said he is very grateful for the work that is being done, that it was a difficult year and to be ahead of budget is not how he expected the year to go. Christian asked if there were questions. No questions posed.

**Resolution #3103**

Be it resolved by the Commissioners of the Portland Housing Authority that the PHA FY’22 Budget be and hereby is approved.

The above resolution was moved by Christian MilNeil, Commissioner, and seconded by Kristin Blum, Vice-Chair. 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**

None

Chairperson declared said motion carried and said resolution adopted.

**6. PHA Tenant Accounts Receivable (TAR) Write-Off for FY2021**

Christian began by reporting that the Finance Committee voted to endorse approval of the write-offs.

Luisa asked about the moratorium on evictions. Cheryl explained the hold is on evictions due to non-payment, but that evictions are allowed for behavior and non-compliance violations. Luisa asked, “how much debt is too much?” How much does a tenant need to owe before they are evicted? Cheryl replied that notices are sent to the tenants when they are 14 days past due. At times, when the matter gets to court, a payment arrangement is arranged. However, the courts have been closed for the past year. By the time a behavioral issue advances to the point of eviction, the arrears can be significant. Fortunately, during the past year, the arrears amounts have been less than in past years.

**Resolution #3104**

Be it resolved by the Commissioners of the Portland Housing Authority that the PHA Tenants Accounts Receivable (TAR) Write-Off for FY2021 be and hereby is approved.

The above resolution was moved by Tom Valleau, Commissioner, and seconded by Christian MilNeil, Commissioner. 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.

### 7. Appointment of Nominating Committee for Board Officers

Cheryl announced that the election of Board officers is slated for next month’s annual meeting.

Tom said that in the past the Chair invited members to the nominating committee. Tom suggested the Board table this matter for half an hour to give the Chairperson time to give thought to who she would like to invite to be on the nominating committee. Robyn asked how many members are in the nominating committee. Tom answered “2 to 3” but that it is at the Chair’s discretion.

Christian said he served before and said it is a very light job.

### 8. Resolution to Amend the Non-Union Employee Handbook

Cheryl presented the minutes of the HR Committee meeting held on June 2, 2021.

Two options were provided.

Option 1 would add a paragraph to section 3 allowing the ED to award bonuses from non-program funds, not to exceed more than 3% of the fees earned and received with regard to the services, or \$50,000 in any one fiscal year, whichever is greater. The bonus would not be payable to any individual no longer employed by PHA.

Option 2 would amend the grade and compensation schedule to categorize the Director of Real Estate Development to level 10 and raise the cap for that grade to match the cap of a Level IV Executive on the Federal Employee pay scale and the cap imposed by HUD for Program Funded Executives.

Tom asked if the HUD cap is based on program size. Cheryl answered that it is not – it is the same across the board regardless of program size.

Shirley said the HR Committee endorsed Option 2 at their meeting.

Cheryl emphasized that the cap amount does not mean that is how much the person in the position would be paid. It's just a leeway that there is the potential to be paid up to that amount.

Cheryl confirmed to Christian that the bonus would not be paid by program funds.

Cheryl confirmed to Kristin that PHA is working with Westbrook and South Portland on a joint compensation study.

**Resolution #3105**

Be it resolved by the Commissioners of the Portland Housing Authority the adoption of the Human Resources Committee's recommendation in accordance with Option 2-to amend the Non-Union Employee Handbook to recategorize the Director of Real Estate Development to a Grade 10 employee and raise the cap for that grade to a maximum tied to Level IV Executive on the Federal Employee pay scale, the same as the cap imposed by HUD for Program Funded Executives.

The above resolution was moved by Christian MilNeil, Commissioner, and seconded by Tom Valleau, Commissioners, 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

None

Chairperson declared said motion carried and said resolution adopted.

**7. Revisitation of Appointment of Nominating Committee for Board Officers**

Robyn announced an invitation to Christian and Tom to serve on the committee. Tom said he would be proud to serve. Christian agreed to serve as well.

**8. HR Committee Minutes**

Luisa asked to revisit the HR Committee Minutes, specifically the Diversity Consulting and Training. She asked if there has been an analysis within the PHA regarding race and gender. Cheryl said that's what the consultant would review and meet with the HR Committee to discuss their findings.

Luisa asked if there has been discussion about what they would like the PHA to look like, staff wise, with regard to diversity. Cheryl said they haven't had a meeting about that topic, but it will be included in the next agenda. It hasn't been spoken about as a group beforehand.

## 9. Resolution regarding \$400,000 Line of Credit

Jay Waterman, Director of Real Estate Development, spoke of the Front Street closing attended by him and Cheryl today. The loan closed with the caveat that the City of Portland has yet to issue the building permit. Jay expressed frustration with the City's delay.

Avesta originally agreed to manage at the negotiated fee, but at the last minute balked at the investor's insistence that the fee be limited to the MSHA Maximum (as stated in the RFP). PHA stepped up to manage the Front Street project. RBC and Maine State Housing agreed, RBC now comfortable with PHA management experience, having worked closely with PHA at Washington Gardens. PHA will therefore Manage FS Phase II and II

Tom asked how the change in management will affect the grant scoring points. Jay answered that the next best is 5 points behind, so even losing 2 points we gained from "experienced management" still puts PHA in a position not to be re-scored.

Jay will let the Board know when the permit is issued. Kristin asked if there is a timeline. Jay said the City has no timeline, which is frustrating, but that he expects the permit to be issued tomorrow or early next week, though it is hard to tell if the City will ask for anything new.

The Resolution before the Board includes items the attorneys wanted for the purpose of cleaning up the details at the \$400,000 letter of credit closing at Bath Savings, which LOC was required by RBC. PHA also had to deposit \$400,000 at Bath Savings and the proposed resolution cleans up the authorization to do so.

### **Resolution #3106**

Be it resolved by the Commissioners of the Portland Housing Authority the approval of the following resolutions:

Resolved: That PHA be authorized to guaranty the obligations of Front Street Redevelopment Company, LLC (the "GP") to Bath Savings Institution (the "Bank"), for repayment of any draws upon a certain Letter of Credit from the GP to either Front Street Housing Redevelopment, LP (the "Partnership") or to RBC Community Investments Manager II, Inc. (the "Special Limited Partner") in the amount of \$400,000, to secure the obligation of the General Partner to the Partnership to complete the construction of the Project, and to join in a certain Letter of Credit Reimbursement Agreement related thereto, all as set forth in the commitment letter to the Partnership dated February 17, 2021, as the same may be amended or replaced or superseded (the "Bank Commitment").

Resolved: That the authority to enter into the guaranty described in the foregoing resolution is made under the condition that neither the Bank, the Partnership or its limited partner, nor any subsequent holder of any guaranty shall have any recourse with respect to assets of PHA that may not be pledged, encumbered, used to satisfy any judgment in favor of another party, or are subject to similar regulatory restrictions pursuant to any agreement, indenture or declaration of trust between PHA and HUD (collectively, the "HUD Assets") or in any such document

benefitting HUD, and that in any enforcement action under any guaranty, neither the Bank, the Partnership, its limited partner, nor any other beneficiary of any guaranty shall have the right to attach, effect trustee process on, or otherwise encumber the HUD Assets.

Resolved: That Cheryl A. Sessions, in her capacity as Executive Director of PHA, and Jay Waterman in his capacity as authorized agent of PHA are each authorized, acting singly, to execute the deed to the Property, a Declaration of Restrictive Use Covenants, the guaranties and other documents referenced in the foregoing resolutions, and any and all such further documents and agreements and to take such further actions on behalf of PHA as may be required or convenient to facilitate the matters described in the foregoing resolutions and to facilitate the conveyance of the Property and the development of the Project.

The above resolutions were moved by Christian MilNeil, Commissioner, and seconded 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  
Christian MilNeil, Commissioner  
Monique Mutumwinka, Commissioner  
Shirley Peterson, Commissioner  
Tom Valteau, Commissioner

**NAYS**

None

Chairperson declared said motion carried and said resolution adopted.

## 10. Adjournment

The next Board meeting is scheduled for July 1, 2021. With no other business on the agenda, Chair Robyn Tucker moved to adjourn the meeting and was seconded by Luisa Deprez, Commissioner.

Meeting adjourned at 6:41 pm.