

CHARLES CITY HOUSING AND REDEVELOPMENT AUTHORITY
September 15, 2016 7:00 a.m.

Members Present: Carol Tyler, Eric Miller, Stewart Coulson, and Jeremy Heyer. Absent: Jenna Haglund. Others present: Heidi Nielsen, staff

Call to Order. Chairperson Heyer called the meeting to order at 7:00 a.m.

Public Comments. None

Amend-Approve Minutes of August 18, 2016. Miller moved, Tyler seconded the motion to approve the minutes of August 18, 2016 as presented. Ayes: 4, Nays: 0. Motion carried.

Approval of Bills for September 2016. Miller moved, Coulson seconded the motion to approve payment of the revised bill listing totaling \$72,259.58. Ayes: 4, Nays: 0. Motion carried.

Communications. Items under Communications were reviewed including Section 8 utilization/funding and public housing unit vacancies. No action taken.

Old Business.

New Business.

Review Financial Reports. Nielsen reported that we were on track with the budget and that there will be a few budget revisions required for unforeseen circumstances such as the storm damage and insurance deductible. No motion was necessary.

Approve Resolution 11-16 to Update Payment Standards. Nielsen reviewed HUD's requirements for payment standards based on the new Fair Market Rents (FMRs). The changes to HUD's requirement for publishing the new FMRs under the HOTMA Act were also discussed. Nielsen reviewed the current payment standards in relation to the increased FMRs and explained that the with all other factors being considered it was necessary to increase the payment standards for all unit sizes. Even though the payment standards are increasing, the board was informed that the rents charged by the landlords will still be reviewed for rent reasonableness. The rent reasonable surveys were also discussed as were the difficulties encountered with a few of the landlord's reluctance to return the surveys. Nielsen requested that the new updated payment standards be implemented retroactively to October 1st, as required. Coulson made a motion to approve Resolution 11-16 to update payment standards. Tyler seconded the motion. Roll Call: Ayes: Heyer, Miller, Coulson, and Tyler. Nays: None. Motion carried on roll call vote.

Approve Resolution 10-16 to Update Flat Rents. Nielsen informed the board that due to the increase in the FMR's the flat rents would also be adjusted to meet the 80% requirement. The new flat rents were reviewed. Nielsen also pointed out that for the units which pay their own utilities, HUD requires the flat rents to be reduced by the amount of the utility allowance. Miller made a motion to approve Resolution 10-16 to update flat rents. Tyler seconded the motion. Ayes: Tyler, Coulson, Miller, and Heyer. Nays: None. Motion carried on roll call vote.

Approve Resolution 12-16 to Discontinue Charges for Excess Utilities. Nielsen discussed the recent increases in the flat rent and suggested a way to keep some of the tenant's expenses down would be to eliminate the excess utility fees. The CFR relating to the excess fees was cited along with HUD's response to the elimination of the fees. Also discussed with the board were the administrative problems created by the charging the excess fees and allowing the residents to have washers and dryers in the units. Nielsen also reviewed the rental revenues relative to the revenues received from the excess fees and pointed out that the increased rental revenues more than make up for the loss in revenue from the excess fees, and if that were to become an issue the operating subsidy is there to

cover the loss in revenue or the fees could be reinstated. Nielsen stated that it was the housing authority's job to provide affordable housing and if the tenants paying flat rent can rent a larger unit on the open market, there is a potential for loss of tenants. Nielsen requested the elimination of the fees as an incentive for tenant retention. Coulson made a motion to approve Resolution 12-16 to discontinue the charges. Tyler seconded the motion. Ayes: Heyer, Miller, Tyler, and Coulson. Nays: None. Motion carried on roll call vote.

Set Date for Special Meeting. Nielsen reported that due to the timing of the council meetings in October in relation to the board meeting, it would be necessary to hold a special meeting to review the proposals received for fee accounting. Miller stated that he would be out of town during the first week of October, but would review the proposals and submit any comments by email. The special meeting was set for October 5, 2016 at 7:30 a.m. No motion was required.

Executive Director's Report. Nielsen informed the board that it was becoming necessary to contract with a cleaning company to assist in apartment turnover.

Being no further business, Tyler moved, Coulson seconded the motion to adjourn. Ayes: 4. Nays: 0. Motion carried and the meeting adjourned at 7:41 a.m.

Charles City Housing and Redevelopment Authority

Jeremy Heyer, Chairperson

ATTEST:

Heidi Nielsen, Director