

MINUTES OF A REGULAR MEETING OF
THE HOUSING AUTHORITY OF THE CITY OF RALEIGH
BOARD OF COMMISSIONERS
JANUARY 27, 2022

The members of the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina met in a Zoom meeting on Thursday, January 27, 2022 at 5:00 p.m.

The Board Chair called the meeting to order and upon roll call the following were present and absent:

Present: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead, Doris Wrench

Absent: None

Visitors: Charles Francis, Francis Law Firm;

RHA Staff: Sonia Anderson, Priscilla Batts, Suzy Bryan, Liz Edgerton, Wayne Felton, Laura McCann, Donna Perez, Gwen Wall.

The Board Chair declared a quorum present and welcomed everyone to the meeting.

RECOGNITION OF VISITORS

The Board Chair welcomed the visitors to the meeting.

PUBLIC COMMENTS

Paula Coppola

Paula Coppola wanted to know RHA's current COVID policy. She was due for an inspection and nobody showed up. A week later she got a notice that it was cancelled (written on the day of inspection). She said the RHA website states that RHA is following the COVID guidelines, but nobody knows what those are.

Mr. Felton said the inspections were postponed for the staff and resident's safety due to the Omicron variant that was so prevalent at that time.

Ms. Coppola said nobody got notice about it until after the fact.

Mr. Felton thanked her and said that staff will work on that.

Ms. Coppola said she never got a response about the December meeting (regarding her comments).

She also wanted to address the parking violation stickers. She said it would be good to note what kind of violation it is because just having the sticker on the vehicle doesn't explain why it will be towed. The residents have no idea why, and don't understand that they are in violation of anything. There are vehicles that have been unregistered with no tags at all that should not be parking on the premises. Some of the vehicles belong to the men's shelter.

Ms. Coppola also said residents are not made aware of the policies that have changed until they are doing their recertifying forms.

Commissioner Warren asked what community Ms. Coppola lives in. Ms. Coppola said Walnut Terrace.

Analyze Jarman

Ms. Jarman said she lives at 504 Dorothea Drive in Heritage Park. She announced that there is unfinished business with her from 2021 and wanted to know if Ms. Jarmon is going to rectify those issues (the tag out on her gas water heater, the closure for her grievance, and her recertification).

Mr. Felton said he will have the property manager follow up with her.

Iesha Cobb

Ms. Cobb asked about recertification. She said they do not currently have a property manager at Heritage Park and have not been notified as to who is doing the recertifications. She helps people in the community with doing their recertification. She said one resident stated that she was about to get a termination letter, because her recertification was not done in a timely manner and they have not had a property manager for quite some time. She wondered why they are still not getting communication from Raleigh Housing Authority about who is in the office. Their (personal) information is with these people and the staff changes so suddenly.

Mr. Felton said staff would check into that.

Wanda Gilbert-Coker

Ms. Gilbert-Coker said it is difficult to have the public comments before the meeting begins. She would rather speak on things that are discussed during the meeting. She wanted to go on record that to have the public comments before the meeting is unusual.

Commissioner Morris said the Board appreciates that feedback. There have been several discussions as to whether the public comments should be on the front end of the meeting or at the end. Both ways have been tried and the Board will take your comments into consideration with future discussions as to the placement of those public comments.

CONSENT AGENDA

All items on the Consent Agenda are considered to be routine and may be enacted by one motion and second. If a Commissioner requests that an item be removed from the Consent Agenda it will be done and considered as a separate item. The vote will be a roll call vote.

Item 1

Charge-off of delinquent resident accounts for November 2021
Charge-off of delinquent resident accounts for December 2021

Item 2

Financial Statements for December 2021

Item 3

Vacancy and Turnover Summary for November 2021

Vacancy and Turnover Summary for December 2021

Item 4

Minutes of December 2, 2021 RHA Board Meeting.

Minutes of December 16, 2021 RHA Board Meeting.

RECOMMENDATION: Approval as submitted by staff.

Commissioner Braun moved and Commissioner Ellinger seconded approval of the Consent Agenda.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead, Doris Wrench

Nay: None

The Consent Agenda has been adopted.

BFI PRESENTATION

Mr. Felton introduced Tonya O'Connor and Jennifer Alpha with the Building Futures Initiative.

Ms. O'Connor said she is a Program Director with Enterprise Advisors, which is the mission-based consulting arm of Enterprise Community Partners. The Building Futures Initiative is a partnership between HUD, the Raleigh Housing Authority, and Enterprise Community Partners, as well as TDA consulting. Enterprise Community Partners is a national affordable housing non-profit. Their mission is to make home and community places have pride, power and belonging, and platforms of resilience and upward mobility. Their strategic plan is oriented around three goals and those are:

- Increase the housing supply.
- Advance racial equity.
- Build resilience and upward mobility.

We approach the affordable housing challenge in our country from a variety of different perspectives. We support community organizations on the ground with technical assistance, we aggregate and invest capital, we advocate for affordable housing policy at all levels of government, and we also develop and manage properties. Since 1982, Enterprise has invested \$44 billion in communities, built or preserved nearly 800,000 homes, and owns and operates 13,000 homes across the country.

Jennifer Alpha said she is a Senior Consultant with TDA Consulting. TDA is in its 24th year of providing technical assistance to communities across the country. Their focus is on helping communities reach their full potential by doing everything from economic development, affordable housing, public services, planning and strategy, development, and everything that goes into building a community.

One of the more important things that we do is work directly with HUD. We have received over \$70 million in federal and local funding to provide technical assistance. We've worked in over 500 communities across the country. TDA also has a large part in training professionals and has its roots in the

training field. We've been delivering training on all facets of federal programs that provide funding to communities for the last two decades. We're really excited to be able to be a part of this initiative as well.

Ms. O'Connor said the Building Futures Initiative (BFI) is a pilot program that was developed by HUD that aims to leverage Section 3 employment requirements to promote self-sufficiency among PHA residents by connecting residents to sustainable careers in construction-related occupations, including green trades. RHA was chosen as one of the pilot sites for this initiative, and is working with the Enterprise team as well as TDA to implement the BFI program in partnership with community stakeholders.

The goal for the construction trades area is to leverage Section 3 requirements. Section 3 spending primarily goes toward capital investments – that includes construction, rehab, and retrofit – and it targets PHA residents. Recipients of HUD financial assistance are incentivized to hire PHA residents. The goal of this program is to create a ready pipeline of residents to fill those jobs. Also, the construction and building trade provides opportunities for flexible middle skills jobs. These jobs provide opportunities for long-term career development and wage growth over time, through the accumulation of additional training and certification programs.

These types of jobs are also in high demand in Wake County. Wake County's Capital Area Workforce Development Board identified construction and civil skilled trade as one of their five target industries for the county, based on projected growth and demand for workers. This industry ranks two-year degrees and other certifications as the most desirable requirement needed for the future workforce.

Phase One in the scope of work involved recruitment. The Enterprise / RHA team developed a multi-pronged recruitment strategy. This included BFI recruitment events, where we brought together partners from across the county – including NC Works, Wake Tech, the Child Care Services Association, and other partners – to spread the word about the Building Futures Initiative.

There was also a panel discussion that featured women in construction. Residents have the perception that the construction industry is very male-dominated – which it is – and there aren't opportunities for women. We wanted to be able to dispel that myth because there is a lot of opportunity for women in the construction field. We brought together a panel of strong female industry leaders to speak about their experiences and pathways into the construction sector. The recording of that event was sent out to all residents, in case they were unable to attend the event.

In order to understand the residents' job experiences, skill levels, and interest in construction, the Enterprise team developed a skills assessment, which RHA staff used when evaluating residents for the program. Based on the assessment results, the team then developed a case management process to connect individuals to either direct jobs and/or training opportunities. Residents with relevant construction work experience will be connected to employers, RHA on-site job opportunities, certification programs if they needed extra certification, and other support services to help address barriers. Residents with other job experiences will be pointed to training and education.

We have established a close partnership with Wake Tech – which is offering full scholarships to specific courses (short-term courses in carpentry, building maintenance, and forklift operations). They also offer apprenticeship programs.

Phase One has been completed. Our initial findings at this point is that we have found promising opportunities to connect RHA residents with future building and construction projects. The number of partners in the county is impressive, and there are a lot of resources out there. However, we have identified significant recruitment challenges across the sector, including overlapping programs, unfavorable eligibility requirements, inconvenient program schedules, gendered stereotypes about the construction industry, and a lack of training stipends. We believe that through BFI, there is the opportunity to address these barriers and build a system of engagement between RHA residents and current training providers and employers in the construction sector. We believe that through Phase Two we can have very meaningful conversations with other service providers on how to address some of these barriers.

Jennifer Alpha said Phase Two is designed to build on the work that Enterprise has already done in identifying who the important players are in this effort to connect residents with jobs and opportunities. We are targeting late February as a proposed date for the convening. It will be a day-long convening and is designed to share information with residents. The morning session will include a listening session where residents can talk about the challenges that keep them from taking advantage of these opportunities. There are so many opportunities for residents to get training and get connected with jobs. However, we're hearing that recruitment is really challenging and there are real reasons for that. We want the residents to be able to explain that from their own perspective.

In the afternoon session, the idea is to take the time with the partners to dive into what opportunities are out there for addressing the challenges that we've heard. We know what the opportunities are in terms of training programs, apprenticeships, and career counseling. Now we want to figure out how to connect them to expand the resources for the residents, and bring together people to help bridge these gaps that we're seeing (help with childcare, the lack of training stipends, transportation, and the things that keep people from accessing opportunities).

After the convening, the real work starts. The participating organizations will be creating partnership agreements and those agreements will help hold responsible the organizations to their commitment of this initiative.

Enterprise will be along for the ride for a short time (approximately six months), helping to provide guidance and implementation of these programs, making sure that folks are staying true to their partnership agreements. At the end of this there will be a summary of the convening and the outcomes from the partnerships that we've made.

Commissioner Warren said he appreciates their hard work on this and asked when their contract ends. He also asked what their key performance indicators are to determine if this has been a successful effort.

Ms. Alpha said that once we hold the convening, we'll have about six months to help guide implementation. That will bring us into the July timeframe for the wrap-up.

Ms. O'Connor said some of the outcomes that we're looking to achieve is connecting residents to either sustainable employment in the construction and building performance industries or to training opportunities that position them to achieve those employment outcomes. We're also looking at successfully designing a program in partnership with RHA that attracts and retains residents in the BFI program.

Commissioner Warren asked if they are hoping to have some residents find employment.

Ms. O'Connor said that is the ultimate goal. However, through our recruitment effort, we have found that the training is extremely relevant and is a priority at this point.

Commissioner Winstead asked if part of the goal is to have staffing capacity to manage the program after your consultant ends.

Ms. O'Connor said one of the goals of the program is that they would leave RHA staff with the tools and support from partners necessary to continue the program.

Mr. Felton asked if the convening meeting will be virtual.

Ms. O'Connor said they are planning for that to be a virtual meeting.

Mr. Felton said it is a very impressive list of vendors and services that Enterprise and TDA have pulled together for the RHA residents. It has been eye opening to see the different services that are out there for everyone.

Ms. O'Connor said that is what the convening is about. There is so much out there and it gets residents connected in a way that helps leverage those resources because no one group can do all the things. Together we can make a greater impact.

Mr. Felton said it is a great opportunity for the residents, given the timing with the all the construction jobs that are now available. With funding for training, everything seems to be coming together perfectly.

Mr. Felton thanked Ms. O'Connor and Ms. Alpha for presenting this evening.

REPORT OF THE BOARD SECRETARY

Mr. Felton thanked the staff for getting the Board Book out last Friday. The offices were closed, due to the weather, so staff worked remotely to assemble the Board Book for this meeting.

COVID Update

- 22 incidents with staff over the last two months.
- Total number of unvaccinated employees is 15. Unvaccinated employees are still required to test weekly.
- Since the last Board meeting December 2nd, 63 cases of COVID have been reported from residents.

News Article on WTVD 11

A news article came out yesterday evening on WTVD 11. It was a positive article and talked about how RHA is working to attract new employees with different methods. It also mentioned the Building Futures Initiative. Staff has already had one person reach out to find out more information about the training that is being offered. We are hopeful RHA will get more applicants for employment as well as for the Building Futures Initiative.

RAD Update

- RHA received the revised CNAs in late December. The numbers were higher than originally anticipated because they added the HVAC replacements to the CNA.
- Staff is revising the amounts we will put in initial reserves. Once that is finalized, it will be submitted to HUD for approval.
- We are on schedule to close by April 1st.

Toys for Tots

The staff and ICC President, Lottie Moore, did Toys for Tots again this year (RHA has been doing Toys for Tots for the past several years). They gather the toys at 971 Harp Street (RHA's Community Room). We had about 90 to 95 residents who received toys. Staff will work with the ICC next year to give them a bigger role in the process.

Communications Update

RHA is now on social media. Staff has created a Facebook and Instagram page. We have not officially rolled it out – the Board is welcome to follow us. Staff utilized it last Friday and posted that RHA was closed. We've also posted a picture of the landscaping staff who were out Saturday clearing snow for the properties.

We're going to be using social media more. We're really excited to have these – they're going to be a big help for us with communications. That social media presence came from staff's conversations with RHA's Communications Consultant, P3. Staff has talked with them about social media and we've also spoken with them about the RHA website. One of the concerns we had heard is that our website is not very user-friendly, so they've gone through the website and given four pages of recommendations that we can change on the website to make it more user-friendly. The list was given to our IT Department to see what they can do, and see where we may need a consultant to revise the website.

Staff has a meeting with P3 and EJP on February 9th to coordinate communications with the master planning of Heritage Park and the communications that P3 will be working on during that process.

Strategic Plan

With RHA's Strategic Plan, we have contracted with EJP. We've had a few preliminary meetings with them, and the official kickoff meeting with them is on Tuesday of next week. Staff has begun pulling documents together that EJP requested and those will be sent tomorrow.

They will be reviewing documents starting in February. In April we will begin the stakeholder and community engagement process. We want to coordinate the Strategic Planning along with the Heritage Master Planning because a lot of those discussions will be with the same people and we don't want to burn them out on surveys and meetings with RHA staff.

We've also planned our retreat, which will happen sometime in August or September. We will have a draft copy of the Strategic Plan in October with the final to be delivered in December.

NSPIRE Inspection at Terrace Park

On Tuesday RHA had its first NSPIRE inspection. NSPIRE is a new protocol for inspecting units through REAC. RHA signed up for the demonstration three years ago. The rollout for the program was delayed

due to COVID. RHA's first property was inspected on Tuesday at Terrace Park and it went well. There are a few bugs to work out with the software and hardware. However, once those are fixed, it will be a good program. The new protocols for inspection will focus more inside the units, to be a fairer and more accurate picture of the maintenance program that housing authorities are performing.

Refurbished Computers

Kramden Institute, the City of Raleigh, AT&T, and Citrix are giving refurbished computers to families in need. They have a few thousand computers to give out starting February 9th. They will start with Heritage Park and cover one community at a time. The criteria to qualify includes low income families with no current computer in the home. They will get a refurbished desktop computer and Kramden will have someone set it up for them. Recipients will receive six months of free IT support.

Free Internet Service

Google provides free internet service at The Oaks and Mayview with AT&T at Walnut Terrace. All of those contracts are auto-renewing. Google is evaluating bringing their service to Carriage House and Chavis Heights.

REPORT OF THE REPOSITIONING COMMITTEE CHAIR

Commissioner Warren said the last Repositioning Committee meeting was October 12th. The meetings were paused through the end of the year because we were engaged in the new process for bringing Co-Developers – and also we knew that the RAD consultants were coming in December.

In December we had a 2-day RAD Collaborative meeting with four experienced consultants. The meetings were December 14th and 15th and the consultants of the group were:

- Len Williams, CEO of the Columbus (Georgia) Housing Authority;
- Greg Byrne, former HUD employee;
- James Cox, CEO of the Greensboro Housing Authority; and
- Pat Costigan, leader of the RAD Collaborative.

We toured the RHA properties on the first day. Commissioner Whitehouse and I were in attendance, along with the RAD Collaborative consultants and Mr. Felton. It was very enlightening because it showed where the properties were located and pointed out potential problems of the properties due to its location or age.

On the second day, a work session was held at the RHA offices, with Commissioner Whitehouse, Commissioner Braun, Commissioner Winstead, and myself. Some of the things discussed included:

- The Heritage Park redevelopment approach.
- Strategies for other downtown properties such as Eastwood and Birchwood, which are in high-value neighborhoods.
- The City of Raleigh's commitment to affordable housing.
- The vibrancy of the housing market in Raleigh.

It was helpful to hear all of the consultants say that the portfolio for the Raleigh Housing Authority is in great shape. They all noted the strength of RHA's capital base of unrestricted funds, and they think that RHA is poised to do great things both in terms of paying attention to redeveloping the existing portfolio

and repositioning it away from the old public housing financing model. RHA is also positioned to assist the City of Raleigh and Wake County in producing more affordable housing.

The consultants were saying “go for it” – we've got a lot of work to do and we need to get there. At the completion of this event they listed issues that RHA needs to focus on:

- Critical term sheet negotiation points with the Co-Developer selected for Heritage Park.
- Next level redevelopment properties to begin while executing the Heritage Park redevelopment.
- Pursuing the RAD/RAD Section 18 blend applications for properties not needing immediate redevelopment.
- Building needed development capacity internally at RHA, relative to our development priorities.
- Strategic Plan goals.
- Adapting CAD versus structuring other affiliates to manage and guide our RHA’s development work.

Mr. Felton and I discussed bringing a couple of these topics before the Repositioning Committee. The Repositioning Committee meetings are open to all Board Commissioners as well as the public. We considered a few options for topics to be discussed in the next couple of months: negotiating points with Co-Developer, building development capacity, look at CAD and that structure versus other affiliates, other redevelopment opportunities, and then try and feed into redevelopment plans in April.

We welcome more ideas and more thoughts and participation from the Board Commissioners.

Commissioner Warren requested additional dates/times that the committee and Board would want to schedule the Repositioning Committee Meetings going forward in 2022.

Mr. Felton said the consultants were also very complimentary of the financial strength of the agency. They were complimentary of the staff and the overall management of RHA. They looked at all of RHA’s finances, audits, SEMAP and PHAS scores and they were very impressed with everything that all of the staff has accomplished.

COMMISSIONERS COMMENTS

Commissioner Braun said he was surprised at Mr. Felton’s comment that there have already been meetings with the Communications Consultant and the Strategic Planning Consultant, and that staff is starting a social media rollout. The Board haven't been at any meetings and haven't met the consultants. The Board also haven’t been involved in any of the timeframes, the planning, the discussions, and didn’t know that a contract had been signed yet. That’s not the way he understood those processes would work. These are some of the biggest policy discussions and planning efforts that RHA has ever done and he feels like the Board hasn’t been consulted about the approach or the timing.

Commissioner Ellinger said she agrees. She said the Board had talked about, but not concluded, what would be the best forward steps for what RHA is going to do with social media. So many of RHA’s residents may not have social media.

Commissioner Morris said that is something that we can go back and review and look at what's been done and what direction we're going to go with it.

Commissioner Whitehouse said he agrees. The Board had talked about creating a Communication Committee of the Board to be involved and work on some of this with the Communication Consultant. Both of these are big initiatives that the Board brought forward for RHA to pursue. He was looking forward to hearing what the schedule for this is going to be and what the anticipated progress would be for the year. He is disappointed that the Board wasn't consulted or given any information or heads-up about it.

Commissioner Morris asked what information they would like to receive from the staff.

Commissioner Braun said this is a planning process that the Board should be driving. We haven't established goals for the Strategic Communications Plan and we haven't discussed timing. My sense of how these things work, and things I've been involved with in the past, was that we had meetings with consultants. The consultant comes in with the Board, since the Board is the policymaking body, and explains how everything works (the roles everybody plays and what you're seeking to accomplish from these efforts). A lot of those are determined by the Board. That lays out the timeline and what's feasible and what's realistic. Then we talk about who the key stakeholders are, and the Board has some say in who those stakeholders are and how we think those should be handled. He feels that the Board has been cut out of this process – and it's the Board's process. It's not the staff's process. It's the Strategic Planning process of the Board to drive where the agency is going in the future.

Commissioner Fonville asked if Mr. Felton has an idea of who is a part of this Strategic Planning team. While I do think that the Board should be a part of this, I'm not looking to micromanage every aspect of this process. I am curious as to who you envisioned. I've worked on Strategic Planning committees before, where there are members from the Board who might also identify key stakeholders that work with the organization quite often. And I have worked where there's typically some type of staff representation as well. I would like to hear from you about how you envision this a little bit, before assuming that decisions have been made without the Board's knowledge.

Mr. Felton said in regards to the Strategic Plan, staff hasn't made any decisions. We've contracted and we have our first kickoff meeting on Tuesday of next week. In that meeting we'll talk about the stakeholders we want to talk to. We received an extensive list from EJP of documents that they want – bylaws for our affiliates, our audits for the last two or three years, several documents that pertain to the agency – so they can get a better idea of what we do and how we do it. No decisions have been made, we are compiling a list of who we think stakeholders are. And we're certainly going to include the Board. We talked about that with the community engagement. We talked about that when I mentioned the retreat as well. You will certainly be involved and we haven't made any decisions. We've only executed a contract and are having a kickoff meeting next week.

Mr. Felton said, with the communications, staff wanted to get social media set up. We understand that not all of our residents have access to social media. However, we wanted to get it out, so that if there are some residents and staff who can utilize it, it will be beneficial and help us push information out to them. It wasn't meant to slight anyone. We wanted to start using it. We haven't rolled it out – we've not announced anything. Staff wanted to talk with P3 about how we roll this out to everyone and make our residents aware of it and make sure that it's utilized properly.

Commissioner Fonville asked who is invited to the launch meeting on Tuesday.

Rhae and Naomi from EJP will be there. Also, Liz, Jennifer, Laura, and myself.

Commissioner Ellinger asked if anyone from the Board was invited. She is concerned because it seems like consultants know more than we do about what's going on. This is more significant than just daily life. Is there a way that we can find out or perhaps have a representative so we can kind of know what's going on anticipatorily rather than after the fact?

Mr. Felton said staff will send an invitation and talk with EJP to work that out.

Commissioner Fonville said she understands her fellow Commissioners feelings and thoughts. She is hopeful that we can be a bit more intentional in the future about at least putting out the invitation for the Commissioners. This is an easy fix – send out an invitation and then we can move forward.

Commissioner Mutisya added that she understands the Board wants to be aware and up-to-date and give input on everything as much as we can. I understand the reaction of feeling like we weren't really aware that all this was happening. I do think that we probably need to get clarification on the Board's role. I was a little bit confused when Commissioner Braun said that this is the Board's process. I know we are the Board of Commissioners for the Raleigh Housing Authority. However, I would imagine it's the authority's process. I guess I would like to get clarification on that. It doesn't have to be now, maybe in an Executive Session going forward. This is also an easy fix. I don't think it was an intentional oversight to keep us out of something. We're all supposed to be on the same team here so I don't think that there's a need for things to get hostile.

Commissioner Warren said most of us are very new Commissioners and it's a difficult situation for the rest of us to find common ground when we've never had a chance to step back and get clarification on what our roles are. I'm wondering if we should move the retreat earlier than August or September.

Commissioner Morris said that on Tuesday he was going to ask that the Board have a couple of closed sessions. We do need to have some discussions on goals, roles, clarification on some things. This is not in lieu of the Board retreat. I think we need to talk about the visions of the Board, where we're going, get on the same page, and start rowing in the same direction.

Commissioner Braun said we can't talk about Board goals in a closed session.

Commissioner Morris said we can discuss it on Tuesday. If it needs to be an open session, that's fine. I'd like to have that discussion in our Executive Session, if that's okay. I do think we need to have some meetings because we, as a Board of Commissioners, need to make sure we're on the same page so that we can give clear direction.

Commissioner Braun said there seems to be a lack of communication and keep the Board informed. Maybe we need more communication in between the monthly meetings. Typically, Boards shape Strategic Planning initiatives, because they are Board driven, because they're the vehicle by which policy is made. That's the Board's role. If there is a difference of opinion about the Board's role that means we need to have a retreat sooner and not in August, because there are too many things going on. Apparently, the Board is not on the same page on a lot of things. So the only way around that is to have a retreat sooner rather than later. We can't work them out in closed session, because they're not appropriate to be dealt with in closed sessions.

Mr. Felton said he can clarify some of this. Staff has a very broad schedule for the Strategic Plan. When we have our kickoff meeting on Tuesday, we'll talk about these things and start putting a finer point on things. Our first meeting with the Board isn't going to be in August. We'll bring you in earlier and you can come on Tuesday. We're not trying to cut anyone out of this. This is a very broad schedule, and I was trying to hit the highlights there. We can certainly meet earlier because we do need to make sure we're on the right page. With the retreat, it is important for the Board to have a meeting after we've met with all the community stakeholders and the public, so then we can talk about what they would like because that's why they're part of this. This is just a very broad schedule and as we continue to move through the process we'll start putting finer points and getting more details on how this whole Strategic Plan will be structured.

Commissioner Braun asked what time the meeting is on Tuesday,

Mr. Felton said it's a virtual meeting at 3:00 pm. He said he would talk to EJP and see what they can do about Board participation.

Commissioner Ellinger said she is happy to sit in on the meeting and just listen quietly. Then she can join everyone for the Executive Session at 4:00 pm to discuss.

NEW BUSINESS

(Since the meeting was running late, the Board requested to table the next two resolutions so that they could have additional time to review the budget information and have more time to discuss it. The budget discussion was rescheduled to February 15th at 4:00pm)

HOUSING AUTHORITY OF THE CITY OF RALEIGH RESOLUTION NO. 3 (2022)

WHEREAS, the proposed Operating Budget for Asset Management Projects ("AMPs") NC002000006 through NC002000040, the Central Cost Center ("CCC"), and the Housing Choice Voucher ("HCV") program for the fiscal year ending March 31, 2023, requires approval by the Board of Commissioners; and

WHEREAS, a public notice was published in the News and Observer newspaper on January 11 and 18, 2022 to announce the availability of the proposed budget for public review; and

WHEREAS, a public hearing has been held as required by North Carolina General Statute 159-12; and

WHEREAS, the budget for the HCV program is included on the Master Operating Budget to show program expenses which are funded by Administrative Fees from the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, HUD has not issued funding provisions for the Administrative Fees for Calendar Year ("CY") 2022 and the Public Housing Authorities Directors Association ("PHADA") has advised the proration factor is expected to be 79%; and

WHEREAS, the budgets for Capitol Area Developments, Inc. (“CAD”) and Oak City Affordable Housing, Inc. (“OCAC”) are approved separately and are shown on the Master Operating Budget for informational purposes only; and

WHEREAS, the Fees for Services reflected in the proposed Master Operating Budget are determined to be in the best interest of the individual AMPs and the agency as a whole; and

WHEREAS, RHA has sufficient operating reserves to meet the working capital needs of its AMPs and the CCC; and

WHEREAS, the proposed budget expenditures are necessary in the efficient and economical operations of providing housing for the purpose of serving low-income families; and

WHEREAS, the various programs administered by RHA are on different funding years and have different budgetary restrictions; and

WHEREAS, several of RHA’s proposed budgets are calculated based on current data since information specific to the subject fiscal year is not available at this time; and

WHEREAS, the proposed budget includes the Housing Opportunities through Modernization Act of 2016 (“HOTMA”) which allows housing authorities to use up to 20% of Operating Subsidy for Capital Fund Program (“CFP”) activities; and

WHEREAS, the use of the HOTMA provision has caused the total budgeted Public Housing expense to exceed operating income for FYE 2023 therefore potentially requiring the use of operating reserves; and

WHEREAS, the budget includes management fee income and offsetting salary and benefit expenses for the Local Fund that are contingent upon the closing of four public housing properties converting to the Rental Assistance Demonstration program (“RAD”) in FYE 2023; and

WHEREAS, if the RAD conversion process is delayed then the salary allocations approved in the FYE 2022 budget will continue to be allocated to the CCC until the four public housing properties have been sold to OCAC; and

WHEREAS, in September Congress passed a Continuing Resolution (CR) that funded the Federal Government through December 3, 2021; and

WHEREAS, a second Continuing Resolution funding the federal government through February 18, 2022 was passed on December 3, 2021; and

WHEREAS, HUD currently funds the Operating Fund for the AMPs on a calendar year basis; and

WHEREAS, HUD has yet to release full guidance for calculating CY 2022 Operating Subsidy as of January 18, 2022 but is scheduled to release functional Excel Tools to calculate 2022 Operating Fund on February 1, 2022; and

WHEREAS, the Operating Subsidy to be provided by HUD for Calendar Year 2022 is estimated in the proposed budget at 92% of funding eligibility; and

WHEREAS, the calculation of eligibility for federal funding reflected in the proposed budget was prepared on a fiscal year basis for internal use only to estimate the funding for the subject fiscal year using nine months of calendar year 2022 and three months of calendar year 2023; and

WHEREAS, all regulatory and statutory requirements have been met including all proposed rental charges and expenditures; and

WHEREAS, pursuant to Section 307, Part II of the Consolidated Annual Contributions Contract, the Authority hereby certifies that all administrative salaries are comparable to local public practice, based upon studies approved by the Board, which are on file for HUD review; and

WHEREAS, the Authority hereby certifies that all positions, as identified, do not exceed 100% of any individual employee's time; and

WHEREAS, the Cost Allocation Plan as required by Title 2 U.S. Code of Federal Regulations Part 225 has been prepared by staff and provided to the Board; and

WHEREAS, there are times when it may be in the best interest of the agency for the Executive Director to authorize the expenditure of funds in excess of the amount budgeted for an account category in order to address the needs of the agency without exceeding the total amount budgeted for that program;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the attached Master Operating Budget for the Asset Management Projects, the Central Cost Center, and the Housing Choice Voucher program for the fiscal year ending March 31, 2023 be approved.

BE IT FURTHER RESOLVED that staff is authorized to use the approved Master Operating Budget as a guide and to update and submit portions thereof to the various funding agencies as they are due in the format required by those agencies.

BE IT FURTHER RESOLVED that the Executive Director is authorized to approve the expenditure of funds in excess of the amount budgeted for an account category if deemed necessary in order to address the needs of the agency providing the expenditure does not exceed the total amount budgeted for that program and that this information will be reported to the Board of Commissioners at its next regularly scheduled meeting.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 4 (2022)

TABLED

WHEREAS, the Housing Authority of the City of Raleigh ("RHA") established the Local Housing Fund for entrepreneurial activities, which include issuing non-recourse housing revenue bonds and earning non-federal property management fees from properties that support RHA's mission; and

WHEREAS, PIH Notice 2007-15 issued June 20, 2007 defines an Instrumentality as the PHA's related entity whose assets, operations, and management are legally and effectively controlled by the PHA, which

assumes the role of the PHA for purposes of implementing public housing development activities and programs, and which must abide by the public housing requirements that would be applicable to the PHA; and

WHEREAS, PIH Notice 2007-15 has been extended by PIH Notice 2008-27 issued on July 2, 2008, PIH Notice 2009-24 issued on July 23, 2009, PIH Notice 2010-30 issued on August 2, 2010, and PIH Notice 2011-47 issued on August 17, 2011 is effective until amended, superseded, or rescinded; and

WHEREAS, the Local Housing Fund is under the oversight and control of the Board of Commissioners; and

WHEREAS; with Board approval, the reserves in Local Fund may be used to:

- Loan funds to the Housing Choice Voucher (“HCV”) program to timely pay landlords when HUD funding is delayed;
- Loan funds to RHA and RHA’s affiliates to build affordable housing; and

WHEREAS, the U. S. Department of Housing and Urban Development (“HUD”) mandated housing authorities with 250 or more units of public housing convert to Asset Management and encouraged housing authorities to generate income from entrepreneurial activities and sources other than traditional subsidies and revenues; and

WHEREAS, the Supplement to HUD Handbook 7475.1 (Revised April 2007) which was issued with PIH Notice 2007-9 on April 10, 2007 states, “...*any internal fee-for-service charges to Asset Management Projects or programs (property management fees, asset management fees, etc.) are considered non-program income for purposes of A-87 and 24 CFR part 85. Consequently any reasonable fees earned by PHA/Central Cost Center will be treated as local revenue subject only to the controls and limitations imposed by the PHA’s management, Board or other authorized governing body.*”; and

WHEREAS, HUD instructed RHA in February 2012 that all fees related to Asset Management, including the HCV Management Fee, must be earned by the Central Cost Center (“CCC”) and could be subsequently transferred to other funds; and

WHEREAS, the Master Operating Budget for the fiscal year ending March 31, 2023, includes the Local Housing Fund; and

WHEREAS, the Master Operating Budget provides that the gross amount of the HCV Management Fee be transferred from the CCC to Local Housing Fund; and

WHEREAS, the HCV Management Fee projected earnings of \$614,255 for the fiscal year ending March 31, 2023 in the CCC will result in an estimated equity transfer from the CCC to Local Fund, as reflected on line 176 of the proposed budget; and

WHEREAS, the budget includes management fee income and offsetting salary and benefit expenses that are contingent upon the closing of four public housing properties converting to the Rental Assistance Demonstration program (“RAD”) in FYE 2023; and

WHEREAS, if the RAD conversion process is delayed then the current salary allocations approved in the FYE 2022 budget will continue to be allocated to the CCC until the four public housing properties have been sold to Oak City Affordable Communities, Inc. (“OCAC”); and

WHEREAS, the budget projections reflect a cost-efficient operation and a positive net cash flow;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the attached Operating Budget for the Local Housing Fund included in the Master Operating Budget for the fiscal year ending March 31, 2023 be approved.

BE IT FURTHER RESOLVED that staff is authorized to use the approved Master Operating Budget as a guide and to update and submit portions thereof to the various funding agencies as they are due in the format required by those agencies.

BE IT FURTHER RESOLVED that the Executive Director is authorized to approve the expenditure of funds in excess of the amount budgeted for an account category if deemed necessary in order to address the needs of the agency providing the expenditure does not exceed the total amount budgeted for that program and that this information will be reported to the Board of Commissioners at its next regularly scheduled meeting.

Mr. Felton said several years ago the Affordable Housing Task Force recommended improvements to the communication between RHA and the City Council. As a result, staff prepares a large portion of the city’s section on affordable housing for their comprehensive plan. Staff also invites the City Council to join them on their bus tours of the properties.

On years when there is no bus tour, staff sends a letter to the City Council giving them an update on the agency. The last bus tour was October 2018. Staff might schedule one later this year, depending on the pandemic.

Attached to the resolution is a letter reviewing RHA’s year. The letter covers:

- 34th consecutive year with no financial audit findings.
- RHA’s occupancy rate is at 98.8%, even with the pandemic and other related issues.
- RHA averaged a 97% utilization in its voucher program.
- The Heritage Park redevelopment.
- Contracted for the Strategic plan to be completed in 2022.

If the letter is approved by the Board, staff will send it to the City Council and City Manager. The County Board of Commissioners will also be copied on the letter because RHA has jurisdiction in the County.

Commissioner Whitehouse said he appreciates the letter going to the City Council every year. He asked if there has been any thought to making a presentation to the city council on an annual basis.

Mr. Felton said staff can talk with them and see if they'd rather have that.

Commissioner Whitehouse suggested doing both – to give RHA some face time with the City Council and also raise awareness about RHA and the community.

Mr. Felton said the issue we've seen is finding the time to do it. Staff has had trouble setting up meetings. We've been talking about having a work session and it's very hard to coordinate their time and get on the agenda. However, we can talk with them about that.

Commissioner Ellinger thinks staff needs to have a daily life working relationship with the city and the county. RHA should be the mover and shaker for affordable housing in Raleigh. RHA has a lot of tools that can help the city and the county that they may not be aware of. Rather than just submitting this report, which is very similar to what we did last year and what we've done in the past, this could be more of a personal relationship with the city and the county.

Mr. Felton said one of the questions asked tonight is how often the staff talks with the mayor. He has a standing quarterly meeting with her. He also attends the Justice Served meetings, where a lot of the officials with Wake County and with the City of Raleigh attend. He said he would also look into doing a presentation for the city and county.

Commissioner Warren said he would like more points in the letter regarding what RHA is looking at in terms of getting residents internet access, and RHA's work with strategic planning. He is not requesting that edits be made to this letter. However, he requested that the letter also be copied to the Wake County staff (David Ellis and the Housing Community Relations Director). RHA needs to be in front of all of those people equally, even though RHA doesn't cover all of Wake County. He thinks that Wake County is looking for RHA to be a better partner to enhance housing opportunities.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 5 (2022)

WHEREAS, the City of Raleigh and the Raleigh Housing Authority (“RHA”) share a close relationship and make the effort to communicate regularly following up on a recommendation of the City’s Affordable Housing Task Force and the Analysis of Impediments; and

WHEREAS, RHA encourages both the council and city staff to contact RHA with any questions or concerns as they arise; and

WHEREAS, RHA participates and provides the use of its multi-purpose building at 971 Harp Street at no charge to the City for programming including its semi-annual Landlord Training Program; and

WHEREAS, RHA staff works closely with the Housing and Neighborhoods Department staff and frequently shares updates and data; and

WHEREAS, RHA participates in public meetings with the Housing and Neighborhoods Department staff as needed to share updates and hear the concerns of the greater community as they relate to affordable housing; and

WHEREAS, RHA makes staff available for the City’s public meetings on issues of interest to RHA’s low-income families and city policies; and

WHEREAS, RHA includes the City Council members on tours of the public housing properties; and

WHEREAS, the COVID-19 pandemic has significantly changed business practices over the last two years and is expected to continue to do so in the near future; and

WHEREAS, gathering for a bus tour is unsafe at the present time based on the CDC's recommendations that discourage in-person gatherings; and

WHEREAS, RHA has prepared a brief written update on its activities during 2021 in lieu of a bus tour;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the attached "2021 Year in Review" is approved and the Board Chair and Executive Director are authorized to send it to the Mayor and City Council and other interested parties on behalf of the Board of Commissioners.

Commissioner Whitehouse moved and Commissioner Fonville seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead, Doris Wrench

Nay: None

Resolution No. 5 (2022) has been adopted.

Mr. Felton said PHAs received a recommendation from HUD to have a separate Reasonable Accommodation policy. By having a stand-alone policy, it will be more visible and easier for residents to find.

This plan will be reviewed and updated annually as staff does with all other RHA policies.

Commissioner Fonville agreed that it is good to have this as a stand-alone policy.

Commissioner Whitehouse asked if there could be a simpler version for residents to be able to read and understand it.

Mr. Felton said there is a lot of legalese that must go into it, per HUD.

Commissioner Whitehouse asked if it is possible to have a separate brief on top of it that makes reference to what's behind it.

Commissioner Fonville agreed with this. She suggested considering having a short blurb or bullets to show who it applies to and what this is about. The longer version can be behind that.

Commissioner Winstead the policy points out that there is a reasonable request form. She wondered if the form has a summary on it that is more user-friendly.

Mr. Felton said the form is fairly simple.

Laura McCann said there isn't a summary on the forms that we have. However, there is information on the bulletin boards in an easy-reader version with examples. We also have that on our application and other documents.

Commissioner Braun said if this is a stand-alone policy, maybe all of the documents that you referenced can be attached to the policy. All of this information can be in one place.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 6 (2022)

WHEREAS, the Raleigh Housing Authority (RHA) reviewed, revised and implemented updates to several policies at the end of 2021; and

WHEREAS, residents and the public were provided ample time for review, comment, and participation in staff held public meetings to discuss these policies; and

WHEREAS, the Department of Housing and Urban Development (HUD) staff reviewed the reasonable accommodation updates and provided input along the way; and

WHEREAS, RHA's Board of Commissioners approved policy updates in December 2021; and

WHEREAS, the approved revisions included updates to reasonable accommodations, requests and procedures for all RHA programs; and

WHEREAS, reasonable accommodation verbiage is incorporated into the body of RHA policies and may be difficult for residents to easily find and review; and

WHEREAS, a stand-alone reasonable accommodation policy is not required of housing authorities but HUD and the Department of Justice (DOJ) encourage housing authorities to adopt them; and

WHEREAS, RHA's staff feel that having a separate reasonable accommodation policy will help ensure greater visibility and ease of access to this important information;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the verbiage RHA's Board of Commissioners approved in December's policy updates which is attached hereto and incorporated herein by reference, be implemented as a stand-alone Reasonable Accommodation policy for the Agency.

BE IT FURTHER RESOLVED that this policy be reviewed and revised on an annual basis going forward.

Commissioner Ellinger moved and Commissioner Winstead seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead, Doris Wrench

Nay: None

Resolution No. 6 (2022) has been adopted.

Mr. Felton said this resolution is the final performance and evaluation report for Capital Fund Program Grant NC19P002501-19. All of this has been expended and we have obligated all of it. We have expended all of it by the end of December. The expenditure date was in October of 2024 so we are nearly three years ahead of schedule. RHA received an extra year due to COVID. Typically with a Capital Fund Grant, PHAs have two years to obligate and then two years to expend the funds. We've exceeded our requirements and with this change we're looking to close this grant out.

**HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 7 (2022)**

WHEREAS, the Housing Authority of the City of Raleigh (“RHA”) receives annual funding for the Capital Fund Program from the Department of Housing and Urban Development (“HUD”); and

WHEREAS, the Capital Fund Program allocations are used for capital improvements to the public housing inventory; and

WHEREAS, RHA was awarded Capital Fund Program grant NC19P002501-19 in April 2019 with funding in the amount of \$3,915,905.00; and

WHEREAS, subsequent to the inception of grant eligibility, the funding allocations increased by \$21,581.00, with final funding allocations totaling \$3,937,486.00; and

WHEREAS, the designated work items approved for implementation have been completed with corresponding funding fully expended and therefore the grant is eligible for close out; and

WHEREAS, the final performance and evaluation report for Capital Fund Program grant is attached hereto and by reference made part of this resolution; and

WHEREAS, staff recommends that the final performance and evaluation report for Capital Fund Program grant NC19P002501-19 be approved;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the final performance and evaluation report for Capital Fund Program grant NC19P002501-19 in the amount of \$3,937,486.00 is approved for submittal to the Department of Housing and Urban Development.

Commissioner Whitehouse moved and Commissioner Fonville seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead, Doris Wrench

Nay: None

Resolution No. 7 (2022) has been adopted.

Mr. Felton said this resolution revises the 2021-2025 Five-year action plan. Changes include:

- Added money for RAD conversion – increased the total to \$1.3 million for HVAC units.
- Money added for vehicles.
- Money was reallocated from “fees and costs”, “site improvements”, and “dwelling structures”. The majority of the money comes from “development activities”.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 8 (2022)

WHEREAS, the Housing Authority of the City of Raleigh (“RHA”) receives annual funding for the Capital Fund Program from the Department of Housing and Urban Development (“HUD”); and

WHEREAS, the Capital Fund Program funding allocations are used for capital improvements to the public housing inventory; and

WHEREAS, The Capital Fund Program’s final rule, effective November 25, 2013, stipulates the submission requirements for the program were decoupled from the Agency Plan which includes the five year action plan; and

WHEREAS, the capital improvements at each public housing development were identified through the input of staff and discussion with public housing residents, finalized and submitted to HUD as part of the agency’s annual plan; and

WHEREAS, staff prepared a 2021-2025 five year action plan in compliance with the Capital Fund Program’s final rule; and

WHEREAS, by Resolution 25, dated March 2, 2021, the 2021-2025 Capital Fund Five Year action plan was approved; and

WHEREAS, by Resolution 50, dated August 26, 2021, the revised 2021-2025 Capital Fund Five Year action plan was approved; and

WHEREAS, since the inception of grant eligibility, revisions to the grant are being proposed to better serve the needs of the public housing inventory; and

WHEREAS, staff is recommending that the revised 2021-2025 Five Year Action Plan for Capital Fund Program be approved as presented by the report attached hereto and by reference is made part of this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the 2021-2025 Five Year Action Plan for Capital Fund be approved for submission to the Department of Housing and Urban Development.

Commissioner Warren moved and Commissioner Winstead seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead, Doris Wrench

Nay: None

Resolution No. 8 (2022) has been adopted.

ADJOURNMENT

There being no further business to come before the Board, the Chair declared the meeting adjourned at 7:10 p.m.

The Board went into Executive Session to discuss a personnel matter.