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HOUSING AUTHORITY OF THE CITY OF MARION MONTHLY MEETING OF THE BOARD OF COMMISSIONERS

August 18, 2021
Central Office – 601 South Adams

CALL TO ORDER: The meeting was called to order at 11:33 a.m.

ROLL CALL: Executive Assistant Trixi Morin gave the roll call. The following Commissioners were present: Chair Chris Oliver, Vice Chair Jose Perez, Commissioner Jose Flores, Commissioner Lisa Dominisse, Executive Director Steve Sapp, and CFO Leah Poland attended in person. Commissioner Michael Henson was present via Gotomeeting. Commissioner Michael Belcher was in attendance at 12:03.

MINUTES: Chair Chris Oliver entertained the motion to accept the minutes from the June 16, 2021 meeting of the Board of Commissioners. Commissioner Lisa Dominisse made the motion and Commissioner Jose Flores seconded the motion. The motion carried.

FINANCIALS:

Statement of Income and Expense: June 30, 2021

Statement of Income and Expense: July 31, 2021

Commissioner Lisa Dominisse asked if we are receiving any of the emergency relief fund monies the government is issuing. CEO Steve Sapp stated that the last relief money that was out was specific to certain agencies and larger cities and don't pertain to us. What we have received since covid was through section 8 and we received some operating money for Amp 1 and Amp 2.

Chair Chris Oliver inquired as to why our expenses were lower than projected for the year. CFO Poland stated that the yearend numbers might look a little strange because we would have to account for depreciation, the sale of Maidenbergl, and Capital funds money that we are now able to draw down on for operations; since we are a smaller agency of less than 250 units. Bringing that money in reduced the expenses. An item re-classification of an expense against revenue just to help with funding application for Amp 1 and Amp 2; and all allowed within the HUD guidelines.

Commissioner Lisa Dominisse asked if fund depreciation as it could be a way of building up reserves for capital expenditure. CFO Leah Poland stated that we do not because we do not have the extra cash flow and because we are taxed exempt.

Chair Chris Oliver entertained the motion to accept June and July's income and expense reports as presented. Vice Chair Jose Perez made the motion and Commissioner Michael Henson seconded the motion, the motion carried.

NEW BUSINESS

Additional Tenant A/R Write-Offs for FYE 2020: Resolution 701-2021

MHA requests the board approval to write off retroactive. CFO found that there were some charges were not turned in so that they could be written off. We need to remove this from our balance sheet that it doesn't hurt our HUD score. We will still attempt to collect but, it is unlikely we will receive payments. We do try to get repay agreements but a lot of our clients are on fixed incomes and we cannot garnish their income. Chair Chris Oliver entertained the motion to accept resolution 701-2021. Vice Chair Jose Perez made the motion and Commissioner Jose Flores seconded the motion, the motion carried.

Section 8 Management Assessment Program (SEMAP): Resolution 702-2021

This is the annual certification for our Section 8 program. This must be passed by the board, requires the Chair's signature and be electronically submitted by August 29th, 2021. Vice Chair Jose Perez is concerned about the under performer rating we have received for 2018 PHAS score from HUD. This hasn't been resolved and he would like to see anything that contradicts what these letters are stating. CEO, Steve Sapp said he has not heard anything from HUD after his initial letter and follow up letter to the field office; however this is not uncharacteristic not to hear from them. In 2019 we became a small PHA and our most recent PHAS score is a separate designation for small agencies so we are no longer in that larger public housing designation. Vice Chair, Jose Perez stated letter sent from HUD says that on June 30th 2018 the Marion Housing Authority was designated substandard management by HUD, and this was based on a family public housing assessment management score of 13 out of 25; year ending December 31st of 2018. On June 30th 2019 the MHA remained it's substandard management designation by HUD based on failing public housing assessed system managed score of 13 out of 25. Understanding it was 18 months before we had even received this letter from HUD. CEO, Steve Sapp stated under a different director of HUD they sent the same response without any acknowledgement of our first response to their first letter. Steve said he then in turn sent out the same response to their second letter and included a copy of the first correspondence. Since then we have received another PHAS score and it is a separate score based on the size of our agency. MHA is not designated as substandard any more. When Riverside converted, we became a small PHA. As a smaller agency they only look at every other year. Vice Chair Jose Perez would like a copy of the document that contradicts what we are looking at. CEO, Steve Sapp stated he will provide the PHAS score that correlates to MHA as a small agency.

Chris Oliver entertained the motion to accept the Section 8 Management Assessment Program (SEMAP) Resolution 702-2021 Commissioner Jose Flores made the motion and Commissioner Lisa Dominisse seconded the motion. Michael Henson voted yes and Commissioner Jose Perez voted no. The motion carried.

Norman Manor Resident Complaint Update:

At the June 2021 Board meeting we had several tenants from N.M.. There was a meeting held in July at the building including and we addressed the complaints. The property manager is also on site to address some of the concerns of the residents. We have ordered a replacement grill for the outdoor patio.

Boston Hill Center (BHC) Sold:

We closed on BHC on July 14, 2021 and paid \$200K on the Line of Credit which as of Aug. 6th, our LOC balance is \$755,440.48.

Building for Change (BFC) tax Credit Submission:

On July 26th MHA submitted a tax credit application for the hotel property and 18 vacant city tax sale lots. The award announcement will be the first week of November.

Section 8 Landlord Lawsuit:

The judge denied the landlords suit for the 13 back months of Housing Assistance Payments (HAP). He refused to bring the unit up to Housing Quality Standards. The unit didn't pass and therefore didn't receive the HAP portion of the rent.

2021 Fiscal Year End Audit:

Our onsite Audit for FYE 2021 will be the week of October 4th through the 8th.

OLD BUSINESS:

MOTION TO ADJOURN:

Chair Chris Oliver entertained a motion to adjourn at 1:21 p.m. Commissioner Lisa Dominisse made the motion. Vice Chair Jose Perez seconded the motion. The motion carried.

Respectfully Submitted,

Trixi Morin

Executive Assistant