

Minutes of the Ypsilanti Housing Commission

Thursday, June 25, 2015 – 6:00 p.m.

601 Armstrong Dr., Ypsilanti, MI 48197

Meeting called to order at 6:10 P.M. by Commissioner Smith.

ROLL CALL:

- | | |
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| • Chairperson R. Smith | Present |
| • Vice Chairperson A. Moore | Absent |
| • Commissioner T. Boone | Present |
| • Commissioner V. Brannon | Present |
| • Commissioner C. Hollifield | Present |
| • Executive Director Z. Fosler | Present |

APPROVAL OF AGENDA: R. Smith asked if there were any changes to be made to the agenda. T. Boone made a motion to add “Blight Elimination Grant” under Old Business and approve the agenda, supported by V. Brannon.

Motion passed 4-0.

APPROVAL OF MINUTES: R. Smith asked if there were any changes to be made to the minutes of the May 28, 2015 regular meeting. V. Brannon identified a mistake in the minutes on page 2, bullet 2, of “Regulatory, Oversight, and Legal Actions”, stating that the word “liability” should have been “immunity”. Z. Fosler agreed. Hearing no further discussion, R. Smith asked for a motion to approve the minutes as amended. T. Boone moved to approve the minutes as presented, supported by C. Hollifield.

Motion passed 4-0.

AUDIENCE PARTICIPATION: None present.

CITY COUNCIL MEMBERS’ COMMENTS AND QUESTIONS: None present.

RESIDENT COUNCIL REPORT: Z. Fosler provided an update on the resident council election process, resident meetings schedule, and the job fair held at the Parkridge Community Center.

OLD BUSINESS:

- **Fee accountant:** Z. Fosler presented a proposal from Casterline Associates. They will visit the Ypsilanti Housing Commission and assess the current condition of the books of account. This visit will include a review of the existing RAD agreements, review of the current status of the general ledger, a determination of the work requirements to submit a timely FDS to REAC and the identification of a long-term accounting assistance program for the Commission. This review will be for two days with an exit conference scheduled with the Executive Director to review the findings of the visit. A follow-up memo will document the exit conference discussions as well as identify the long-term needs of the Ypsilanti Housing Commission.

Z. Fosler reminded the board that the contract would be paid for with non-federal funds. Discussion ensued regarding the proposal. C. Hollifield moved to accept the proposal from Casterline Associates, supported by T. Boone.

Motion passed 4-0.

- **Blight Elimination Grant:** T. Boone asked Z. Fosler to give an overview of the grant. Z. Fosler explained that the YHC applied for a \$250,000 Blight Elimination Grant from MSHDA to help support the cost of demolition in the New Parkridge redevelopment project. He stated that the City had also applied for the grant. T. Boone asked about whether this grant was at all related to eliminating blighted properties in the City, an activity that the board had discussed during its last retreat. Z. Fosler responded while the City did have that activity in their proposal, the YHC’s proposal was limited only to the New Parkridge project.

NEW BUSINESS:

- **Resolution 15-04 – FY2016 Public Housing Operating Budget:** T. Boone offered Resolution 15-04, with support from C. Hollifield. Z. Fosler presented the proposed FY2016 Public Housing Operating Budget. He

explained that it was likely that the budget will need to be amended part way into the year. It was very challenging for him and KMG to come up with a budget because so much has changed between fiscal year 2015 and 2016, primarily the conversion of the Strong Future portfolio out of public housing and the transition to 3rd-party property management.

Further discussion of the proposed budget ensued. R. Smith called for a vote.

Resolution 15-04 passed 4-0.

- **Proposed Revision to By-Laws:** Z. Fosler presented a memo from KMG Prestige and proposed revision to the by-laws of the Ypsilanti Housing Commission for board review and consideration at the next meeting. Z. Fosler explained that KMG is now the managing agent of Parkridge and Strong Future and now handles the accounts payable function. In order to facilitate timely payments and general efficiency in the accounts payable process, the by-laws can be amended to permit a managing agent to sign checks and to permit a single signature.

The second amendment proposed to the by-laws would permit the Executive Director of the YHC to sign contracts, deeds, and other instruments. Currently, the by-laws only allow the Executive Director to sign contracts of \$5,000 or less, which Z. Fosler stated is problematic for conducting timely business. Z. Fosler stated that he is signing draw requests for the Strong Future project and wants to ensure that he has the authority to do so.

T. Boone asked whether the by-law amendment can be applied retroactively to cover any contracts that may have been signed by Z. Fosler already. Z. Fosler stated that he would check with general counsel. V. Brannon requested that general counsel also weigh in on giving authority to the ED to sign deeds.

MONTHLY REPORTS:

- **Regulatory, Oversight, and Legal Actions:**
 - Z. Fosler reported that general counsel is communicating with Solé Construction on a possible settlement outside of court.
 - Z. Fosler reported on an exit conference he (in-person) and R. Smith (by conference call) attended at the HUD Detroit Field Office. He stated that the only new item discussed that had not yet been discussed with the board was HUD concerns regarding resident housekeeping. Discussion ensued between Z. Fosler, the board, and KMG Property Manager, Sylvonna Reed, regarding how best to address the issue of resident housekeeping.
- **RAD:** Z. Fosler announced that the New Parkridge redevelopment project is receiving an allocation of tax credits to demolish and rebuild the site. The timeline is to close on the project in the Spring of 2016, at which point relocation then demolition and construction would begin. The construction period is expected to last 12 months, with full occupancy being achieved by the end of 2017.

Z. Fosler and the board discussed possible resident relocation strategies for the New Parkridge project. Z. Fosler informed the board that a press release will be issued soon.

Relocation is complete for the first of four phases on the Strong Future project. Overall, the relocation process went well. Gift cards for residents to get dinner on moving day were very well-received and appreciated. The one family that was having difficulty utilizing a Housing Choice Voucher for relocation has since been relocated to another unit in the Strong Future development.

Several duplexes in the Strong Future project have been gutted. The five duplexes on Maus Ave. are ready to be demolished and are just waiting on final approvals from YCUA. T. Boone thanked the board and staff for the consideration that showed her mother, an elderly public housing resident who was very concerned about her flower gardens being disturbed by the construction process. Her mother felt like she had truly been listened to and feels like people care.

Z. Fosler stated that the lot acquired adjacent to the Hollow Creek development will be used by Rohde as a staging area for materials. V. Brannon asked about the result of the recent business at the City of Ypsilanti

Planning Commission. Z. Fosler stated that the parcels in the Strong Future project designated non-conforming are now Class A Non-Conforming Use, meaning they can be rebuilt with the same number of units if they are catastrophically destroyed. This will satisfy the project's investors and will allow the YHC to draw its developer fee on schedule.

- **Finance Report:** Z. Fosler presented financials for the Strong Future project, stating that a representative from KMG would attend a future meeting to discuss the reports and take feedback on the format and level of detail desired. Z. Fosler stated that he did not do a budget variance analysis on the YHC financials this month because Casterline Associates will be assisting with a review of the financials and performing the year-end closing. He decided that it was not a good use of his time to identify miscoded entries and other issues, knowing that an expert would be assisting him with it soon.
- **Hamilton Crossing:** Z. Fosler stated that the monthly financials are included in the board packet. Z. Fosler reported that the Hamilton Crossing van had been stolen while in the care of Henderson Glass for repair. Someone burgled Henderson Glass and allegedly used the van to haul away the stolen goods. The theft has been reported to the auto insurance provider and to the business-owner's insurance.

Z. Fosler reported that a person was shot in the parking lot at Hamilton Crossing. The gunshot was nonfatal. Neither the shooter nor the victim were residents of the property, but were guests of a resident. The crime was reported to be drug-related. A 24-hour notice to vacate the property was given to the resident and she moved out.

DIRECTOR'S REPORT: Z. Fosler reported that he met with the Ypsilanti African-American Contractor Association at the invitation of Mayor Pro-Tem Lois Richardson because some of the contractors were concerned that demo work had begun in some of the units in the Strong Future project, but they had not received contracts. Prior to the meeting, Geoff Eldred, Project Manager for Rohde, met with some contractors and explained that only a limited number of sub-contracts had been let so far. Z. Fosler stated that by the time he met with the Association, most of its members were satisfied with the response from Rohde. At the meeting, Z. Fosler distributed a list of local and minority contractors hired on the project so far and agreed to provide status updates on contracts and hiring when requested by the Association.

Z. Fosler provided an update on progress with the Strong Families Fund project that will be providing funding for supportive services at the Strong Future project. They are currently working with the Corporation for Supportive Housing to finalize a work plan and measures. The plan is to conduct resident surveys at the same time resident come in to income recertify in the coming months.

Discussion ensued regarding fencing at Parkridge Homes.

Summer camp is starting soon at the Parkridge Community Center. The YHC is putting up \$3,000 for scholarships for public housing children to enroll, match by EMU's Center for the Study of Children, Families, and Communities.

COMMISSIONER COMMENTS:

- Commissioner Brannon: Very exciting that we got these tax credits and are moving forward on everything. I'm very excited. I think we should, moving forward, put an asterisk next to those line items like resident council training, and think about how we elevate them.
- Commissioner Hollifield: I'm very excited about the tax credits. Good job, Zac.
- Commissioner Boone: I think some of this stuff should have been said earlier, so I apologize, but I'll make it quick. I wanted to find out first, Sylvonna, will you be attending all of the meetings for KMG. (Z. Fosler stated that he will give that some thought, because our meetings entail a lot more than just the property management component.) The graduation celebration... I know that next year, it's probably going to be a little bit bigger. There will probably be a little bit more people involved. But I am hoping, I am asking the board, if that can still be my baby. I don't want it to turn commercial. I want it to still be built from love. (Everyone agreed that they are happy to have Commissioner Boone handle the event.) The [summer] lunch program has started. It's started off a little rough, but it's coming along. Other than that, I want to thank you Zac for your hard work. You have done an awesome, awesome, awesome job. I am so proud of you. I mean it's like you just came in, like that, and look at all you've done so far. I wanted to congratulate Sylvonna on where you're going with this. I think you're doing a great job. I think your assistant manager is going to work out great.

- Commissioner Smith: I would like to say thank you, Zac, and thank you, board. We are really doing some great things here in little Ypsilanti. I am very proud to be associated with this organization and with this board. I would like to just remind the board that we need to do Zac's evaluation soon. And I also would like to state that Ariel had a lead on good assistants, [Zac] you need some help. You're doing an awesome job and you've been running it, but your staff have been retiring. If you could just take a peek at getting an assistant, I think you deserve it and I think you need it. You're doing an awesome job, but I think you'd do an even better job with an assistant.

ADJOURN: V. Brannon moved to adjourn, supported by C. Hollifield. **Passed 4-0. Meeting adjourned at 7:49 pm.**

THEREFORE, BE IT RESOLVED:

The Ypsilanti Housing Commission and its Board of Commissioners, of the City of Ypsilanti, Michigan, hereby authorize the Executive Director to sign the approved Board of Commissioners minutes of June 25, 2015.

	YEAS	NAYS	ABSENT
Commissioner Smith	_____	_____	_____
Commissioner Moore	_____	_____	_____
Commissioner Boone	_____	_____	_____
Commissioner Brannon	_____	_____	_____
Commissioner Hollifield	_____	_____	_____

Zachary D. Fosler, Executive Director

Date