

Gainesville Housing Authority Finance Committee Meeting

July 29, 2009

Notes

Members present: Commissioner Gordon and Executive Director John Cherry

Absent: Commissioner Mickle, Commissioner Tremaine, Commissioner Morris, and Commissioner Fitzsimmons.

1. Call to Order:

Commissioner Gordon called the meeting to order at 5:05pm.

2. Approval of Minutes:

Due to lack of quorum, minutes were not approved.

3. Financial Status of COCC, AMP 1, AMP 2 and AMP 3

No significant changes at this time. Executive Director Cherry stated on the behalf of Bill Cocharan who was absent.

4. Stimulus Time Line:

Request for proposal received response for Oak Park Building, received 9 responses. Received 15 responses today from roofers for Sunshine Park. On the 21st sent in for Green Money (Stimulus) for AMP 1 for water and energy savings in the amount of \$551,000 and \$520,000 for AMP 3.

5. Section 3:

New contracts coming out. Commissioner Gordon stated that he had contact with low level employees at the White House who stated that if the Housing Authority can prove that with Stimulus money they used people from the Gainesville Housing Authority will get some brownie points. Commissioner Gordon stated that he had previously spoke with the auditor if roofer or engineers don't use resident, they will take 10% of contract and place in fund to use to hire and train to use residents in other jobs. Commissioner Gordon asked for a update on the lawn care contract. Executive Director Cherry stated that 9 bids came in, were suppose to start next month however, unable to contact the lowest bidder. 11 bidders have responded all together, had to throw out 2 due to incomplete paperwork. There is currently nothing in contract about using Gainesville Housing Authority residents as employees. Executive Director Cherry stated that contract could be modified. Commissioner Gordon stated that contract must state Gainesville Housing Authority resident's not low income people. Executive Director Cherry stated that he would look into the next day. Commissioner Gordon stated that they had canceled the section 3 seminar that he had attended. The agency will be refunded \$599.00 and one hotel night.

6. Section 8 Voucher Program:

Executive Director Cherry stated that they are trying to reduce HAP costs, the HAP costs appear to be coming down. Passed out a statement that reads:

“The Section 8 Program is making every effort to continue to reduce the amount of money that is being spent on HAP contracts. We are reviewing EIV data closer than ever before; we have made contact with GRU to ensure that utilities are on in the units we have listed on our program to ensure that we are not paying for units that are substandard.

So far we have seen a decrease in HAP payments and we hope to balance out at the end of this year. “

Executive Director Cherry passed out a Section 8 Cost Analysis handout.

Commissioner Gordon asked if the agency was going to naturally attrite down. Executive Director Cherry stated that is what they are hoping they still have 5 months remaining and not sure if it will happen. Since people loose job then have to adjust contract and Gainesville Housing Authority will pay more HAP. The trend shows reduction in HAP. The reduction didn't start until June but doesn't match HAP funding. Commissioner Gordon commented that at last meeting this sounded like an urgent matter. Executive Director Cherry stated that it is something we need to keep an eye on and make sure we are attriting down and not having any unnecessary expenses. Possibly transfer folks off this program and to Seminary Lane Program. The agency received 50 vouchers for Seminary Lane and only issued 40, since there are 10 extra will transfer funding for one year.

7. Seminary Lane Update:

Commissioner Gordon asked if they put the fence up. Executive Director Cherry stated that they had a few weeks ago. Haven't received bids to do the raising of the building to his knowledge. Commissioner Gordon stated that Rosa had said it would only take 2 weeks. Commissioner Gordon asked if they had posted bids. Executive Director Cherry stated that they sent out request for proposal a few weeks ago. They were advertised in the Gainesville Sun and sent to local construction companies. At this time they haven't open bids up. The fence cost roughly \$9,000 and came out of Seminary Lane and 400 Building.

8. Expiration date of employment contracts:

Rob Groeb, Bill Cocharan, and Keith Bennett do not have expiration dates and Executive Director Cherry's contract expired June 2009. Commissioner Gordon stated this issue needed to be revisited. Commissioner Gordon asked where they want to place Keith Bennett and how can we figure out how Keith can bring money to COCC or have him work for one of the AMP's and have COCC be reimbursed. The agency needs to justify Keith Bennett under COCC and not AMP. Commissioner Gordon asked, **are we being reimbursed now from AMP's?** Executive Director Cherry was unable to answer at this time. Commissioner Gordon stated that if we can show being reimbursed then that solves the problem.

9. Number of vacant units:

Executive Director Cherry passed out handout. Currently 21 vacant in maintenance and 8 ready to go. Stated that the problem is when they rent the unit and the resident doesn't have money for 1st month rent and security deposit which is 50 percent of the time, then the agency has to give the resident a chance to come up with money, usually 10 days, and then move onto the next person. Executive Director Cherry stated the average amount needed is \$150.00 to move in. Most resident s are able to make the minimum of \$50.00 for security deposit.

Commissioner Gordon suggested having a 501c3 to refer people from Gainesville Housing Authority to help come up with money to move in. Executive Director Cherry stated that the City used to lend resident's money, but then stopped after too many defaulted. Residents can apply for money through State and receive commitment letter. The Gainesville Housing Authority can go with the commitment letter. Commissioner Gordon stated that a 501c3 that would loan tenet half the money needed to have agreement with Gainesville Housing Authority if the resident doesn't pay back loan what would the recourse be. Executive Director Cherry stated that years ago the Gainesville Housing Authority allowed residents to pay \$25.00 down and \$25.00 additional a month would be added to rent until they were able to pay full amount. Since funds belong to HUD were no longer allowed to do it. Also unsure if Gainesville Housing Authority can evict if resident doesn't pay back move in money. Executive Director Cherry stated that he would talk to Rob about issues and Commissioner Gordon stated that he would look into a nonprofit agency.

10. Income Producing Ideas:

Executive Director Cherry stated that there were none at this time.

11. Written Statement from Director about financial concerns:

Executive Director Cherry just noted about concern of Section 8 Voucher Program and passed out gas card handout. Commissioner Gordon stated that he wants to see lawn contract to see how Section 3 can be incorporated and wants to get as many residents employed.

Meeting adjourned at 5:45PM