

THE MINUTES OF THE REGULAR MONTHLY MEETING  
OF THE COMMISSIONERS OF THE HOUSING AUTHORITY  
OF THE CITY OF NEWPORT, RHODE ISLAND  
HELD ON THE TWELTH DAY OF NOVEMBER 2013

The Commissioners of the Housing Authority of the City of Newport, Rhode Island met in regular session in the Donovan Manor Community Room, Newport, Rhode Island at 5:00 p.m. on November 12, 2013.

Roll call followed the Pledge of Allegiance and Silent Prayer:

PRESENT:

Chair	Frank Landry
Vice Chair	Frank Coleman
“	Cheryl Abney
“	Frank McCauley
“	Charles Laranjo
“	Nikki Vazquez

ABSENT: None.

ALSO PRESENT: Attorney Joseph J. Nicholson, Jr.

Upon a motion by Commissioner Coleman, seconded by Commissioner Laranjo, and unanimously carried, the minutes of the regular monthly meeting held on October 8, 2013 were approved.

Under communication to this month's Board meeting, the Secretary presented the following progress updates: 1) Source One Natural Gas/Electricity Contracts. 2) A progress update was given to the Board regarding the upcoming Resident Commissioner Election including the list of nominees. 3) A revised Timeline for the 2014 Annual Plan was also distributed to the Board including changes to the public hearing date.

Upon a motion by Commissioner Abney, seconded by Commissioner Laranjo, and unanimously carried, communications were received as presented.

The Secretary requested authorization and approval of the monthly bills.

Upon a motion by Commissioner McCauley, seconded by Commissioner Coleman, and unanimously carried, payment of the bills was approved.

The Secretary requested authorization and approval of the following payment (s):

a). Authorization and approval for requisition for payment #6 to Stand Corporation for the Hillside Homes Project in the amount of \$66,064.70.

Upon a motion by Commissioner Laranjo, seconded by Commissioner McCauley, and unanimously carried, authorization to pay requisition #6 to Stand Corporation in the amount of \$66,064.70.

b). Authorization and approval for requisition for payment to FJS Associates for the Hillside Homes Project in the amount of \$13,739.41.

Upon a motion by Commissioner Vazquez, seconded by Commissioner Laranjo, and unanimously carried, authorization to pay FJS Associates in the amount of \$13,739.41.

c). Authorization and approval for requisition for payment #8 to Honeywell International, Inc. for the EPC Project in the amount of \$131,483.70.

d). Authorization and approval for requisition for payment #9 to Honeywell International, Inc. for the EPC Project in the amount of \$1,995.30.

e). Authorization and approval for requisition for payment #10 to Honeywell International, Inc. for the EPC Project in the amount of \$169,670.50.

f). Authorization and approval for requisition for change order #3 to Honeywell International, Inc. for the EPC Project in the amount of \$2,700.00.

g). Authorization and approval for requisition for change order #4 to Honeywell International, Inc. for the EPC Project in the amount of \$19,953.00.

Upon a motion by Commissioner Laranjo, seconded by Commissioner McCauley, and unanimously carried, authorization the release of funds to pay Honeywell International, Inc. for the above listed requisitions and change orders.

Park Holm Redevelopment:

a). Authorization and approval for requisition for payment #15 to TAG Associates, Inc. for consulting work for the Park Holm Redevelopment Project in the amount of \$49,062.63

Upon a motion by Commissioner Abney, seconded by Commissioner McCauley, and unanimously carried, authorization to pay TAG Associates in the amount of \$49,062.63.

The following Resolution was introduced by Commissioner McCauley, it being Resolution No. 1080. Same was read aloud and in full by Commissioner Laranjo, and considered by the Commissioners regarding Park Holm Phase 1 and 2.

**Resolution No. 1080**  
**November, 2013**

WHEREAS, on July 16, 2013, the Commissioners of the Housing Authority of the City of Newport (the "Commissioners") adopted Housing Authority of the City of Newport ("HACN") Resolution No. 1076 ("Resolution 1076") and HACN Resolution No. 1077 ("Resolution 1077" and, collectively with Resolution 1076, the "Resolutions"), which Resolutions authorized and instructed the Executive Director of HACN, the Board Chair of the HACN, and certain other persons to take certain actions on behalf of the HACN in connection with the redevelopment of a portion of its property known as Park Holm, consisting of the demolition of certain buildings containing in the aggregate 41 units of housing (subject to approval by the United States Department of Housing and Urban Development ("HUD") pursuant to the demolition/disposition application previously submitted), the construction of 60 new rental housing units (the "New Units"), and the further rehabilitation of fifty-one (51) rental housing units previously renovated by HACN. Of these 111 new and rehabilitated rental housing units, all of which shall be subject to restrictions under the Low Income Housing Tax Credit program, approximately 66 shall be public housing units, and approximately 27 shall receive rental assistance under the Development-based voucher program (collectively, the "Development"); and

WHEREAS, HACN intends to carry out the Development through a limited partnership (the "Partnership") having as its general partner a business corporation (the "General Partner") in which HACN holds a controlling interest, having HACN as its initial limited partner, and ultimately having as its limited partner an equity investor (the "Investor") that will make capital investments in the Partnership; and

WHEREAS, pursuant to Resolution 1076, HACN has pledged a commitment of funds for the Development in the aggregate amount of \$2,252,121 (the "HACN Committed Funds"), consisting of Capital Funds in the amount of \$2,100,000 and replacement Housing Factor Funds in the amount of \$152,121; and

WHEREAS, pursuant to Resolution 1077, HACN further resolved (i) to convey the buildings and improvements (the "Improvements") located on the land on which the Development is to be redeveloped (the "Site") to the Partnership for consideration of \$4,525,000, all or a portion of which is to be funded through a seller loan from HACN, and (2) to enter into loan arrangements with the Partnership for a loan of up to \$5,000,000 of HACN Capital Funds and Replacement Housing Factor Funds as a construction and permanent loan to the Development (the "HACN Loan Funds"); and

WHEREAS, the sources of the HACN Committed Funds and the HACN Loan Funds, and the amount of consideration for conveyance of the Improvements to the Partnership by HACN have changed since the date of the Resolutions;

NOW, THEREFORE, BE IT RESOLVED, by the Housing Authority of the City of Newport, that, with respect to the Development:

- (i) HACN shall convey the Improvements to the Partnership for consideration in an amount equal to the appraised value of the Improvements; and
- (ii) The HACN Loan Funds in an amount of up to \$5,000,000 will consist of a combination of HACN Capital Funds, and/or Replacement Housing Factor Funds, and/or Central Office Cost Center Funds, the source of such funding to be approved by HUD.

NOW, THEREFORE, BE IT RESOLVED, that the Park Holm Phase 1 and 2 Appraisal Resolution 1080 be approved and signed by the Chairman and attested to by the Executive Director.

AYES Chair Landry Vice Chair Coleman Commissioner Abney “            McCauley “            Vazquez “            Laranjo	NAYS None.
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The Chairman thereupon declared said motion carried and said Resolution adopted with attached documents.

The following Resolution was introduced by Commissioner Laranjo, it being Resolution No. 1081. Same was read aloud and in full by Commissioner Coleman, and considered by the Commissioners the 2013-2014 Fair Market Rents.

**RESOLUTION NO. 1081**  
**SECTION 8 PAYMENT STANDARDS**

**WHEREAS**, the Housing Authority of the City of Newport updates the Section 8 Payment Standards annually as required by 24CFR 982.505; and

**WHEREAS**, the FY 2013 Fair Market Rents and the Housing Authority Payment Standard of 100% of the Fair Market Rent were as follows:

<u>0 BR</u>	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4 BR</u>	<u>5 BR</u>	<u>6 BR</u>
\$908	\$914	\$1135	\$1672	\$2010	\$2312	\$2613

**WHEREAS**, the FINAL HUD published FY 2014 Fair Market Rents have decreased and are as follows:

<u>0 BR</u>	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4 BR</u>	<u>5 BR</u>	<u>6 BR</u>
\$895	\$901	\$1119	\$1649	\$1982	\$2279	\$2577

**WHEREAS**, the Housing Authority is permitted to adopt a Payment Standard between 90% to 110% of the HUD published Fair Market Rents.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Authority of the City of Newport recommends the adoption of a new Section 8 Payment Standard, based on 101.4% of the final FY 2014 Fair Market Rents, to remain consistent with the dollar amount of our current Payment Standard, listed as follows:

<u>0 BR</u>	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4 BR</u>	<u>5 BR</u>	<u>6 BR</u>
\$908	\$914	\$1135	\$1672	\$2010	\$2312	\$2613

AYES Chair Landry Vice Chair Coleman Commissioner Abney “            McCauley “            Vazquez “            Laranjo	NAYS None.
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The Chairman thereupon declared said motion carried and said Resolution adopted with attached documents.

The following Resolution was introduced by Commissioner Vazquez, it being Resolution No. 1082. Same was read aloud and in full by Commissioner Coleman, and considered by the Commissioners the Unrestricted Net Assets.

**RESOLUTION NO. 1082**  
**UNRESTRICTED NET ASSETS**

WHEREAS, the Housing Authority of the City of Newport, Rhode Island (HACN) operates a Section 8 Housing Choice Voucher (HCV) Program in accordance with HUD regulation; and

WHEREAS, the Housing Authority receives funds from the US Department of Housing and Urban Development (HUD) in order to operate the HCV Program, including making housing assistance payments to landlords on behalf of eligible HCV participant households; and

WHEREAS, HACN is not presently receiving adequate budget authority (funding) from the US Department of Housing and Urban Development (HUD) to cover its HCV program expenses (i.e. housing assistance payments); and

WHEREAS, HACN has Unrestricted Net Assets (UNA), also known as administrative fee reserves, for its HCV program, whereby HACN is permitted to use these reserves to cover funding shortfalls pertaining to eligible HCV program and administrative expenses; and

WHEREAS, HACN wishes to use its Unrestricted Net Assets in order to cover funding shortfalls pertaining to eligible HCV program and administrative expenses.

NOW THEREFORE BE IT RESOLVED, that the Housing Authority of the City of Newport is authorized to use its Unrestricted Net Assets to cover funding shortfalls for eligible program and administrative expenses in its Section 8 Housing Choice Voucher Program.

AYES	NAYS
Chair Landry	None.
Vice Chair Coleman	
Commissioner Abney	
“                  McCauley	
“                  Vazquez	
“                  Laranjo	

The Chairman thereupon declared said motion carried and said Resolution adopted with attached documents.

The Secretary requested authorization of the award contract not to exceed \$59,724.00 for sidewalk replacement at Edgar Court. This work will be paid for by the City of Newport CDBG funds; an RFP has been submitted for the lowest priced qualified bidder and are due to HACN by 11/13/13.

Upon a motion by Commissioner Coleman, seconded by Commissioner Laranjo, and unanimously carried for the Secretary to award the bid and report to the Board in December the award recipient.

The Secretary requested authorization of the award of the elderly security contract to the lowest bidder Madison Security Group, Inc. for a term of 2 years with a one year extension in the amount of \$101,649.60 per year. The contract is effective January 2014.

Upon a motion by Commissioner Abney, seconded by Commissioner McCauley, and unanimously carried for the Secretary to award the bid to Madison Security Group, Inc.

The Secretary presented to the Commissioners the collection loss report requesting a write off in the amount of \$2,335.56 as uncollectible and classified as bad debt.

Upon a motion by Commissioner McCauley, and seconded by Commissioner Coleman, and unanimously carried, the write off in the amount of \$2,335.56 was approved.

The Secretary submitted to the Board the Consent Calendar items which included the C.O.P. Report, Occupancy, Applications, & Section 8 Report, Resident Services Report, Actual YTD Expenses, Operating Reserve Analysis and Collection & Loss payment in the amount of \$221.00.

Upon a motion by Commissioner Laranjo, seconded by Commissioner McCauley, and unanimously carried, the above Consent Calendar items were received as presented.

The Secretary presented to the Board an updated Capital/ARRA Projects report regarding the Hillside Homes, Energy Performance Contract, Winter Storm "Nemo", Park Holm, Florence Gray Center, Chapel Street, Pond Avenue/Earl Avenue.

Upon a motion by Commissioner Vazquez, seconded by Commissioner Abney, and unanimously carried, the report regarding the Capital/ARRA Project (s) updates were received as presented.

The Secretary presented to the Board the Newport Resident Council monthly report to be received.

Upon a motion by Commissioner Coleman, seconded by Commissioner Laranjo, and unanimously carried, that the monthly report regarding the Newport Resident Council was received as written.

Upon a motion by Commissioner Coleman, seconded by Commissioner Abney, and unanimously carried, the meeting adjourned at 5:30 p.m.