



**PROVIDENCE HOUSING AUTHORITY  
BOARD OF COMMISSIONER  
REGULAR MEETING: February 24, 2005**

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**PHA Conference Room**

**100 Broad Street**

**Providence, RI 02903**

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**CALL TO ORDER**

Chairman Anton called the meeting to order at 5:05 p.m.

**ROLL CALL**

The Executive Director called the roll:

**Present**

Dr. Thomas J. Anton  
Theodore Low  
Raymond Murphy  
Jaime Castillo  
Dolores Cascella  
Dorothy Waters

**Absent**

Paul Waldman (Excused)  
Paul Lewis (Excused)  
Rita Williams (Excused)  
Balbina Young

Six members were present and a quorum was declared.

**RESIDENTS' COMMENTS**

There were no resident comments.

**APPROVAL OF MINUTES (January 27, 2005)**

Chairman Anton called for approval of the January 27<sup>th</sup> meeting minutes. Commissioner Low motioned for approval. Commissioner Waters seconded the motion. A vote was taken. There being no opposition, Chairman Anton declared the minutes approved.

**CHAIRMAN'S REPORT**

**General Remarks**

The Chairman thanked Commissioner Low for chairing last month's board meeting, further stating that he'd heard it was an excellent meeting and was sorry to have missed it.

**Executive Director's Performance Evaluation**

The Chairman stated he would like to hold an Executive Session of the Board immediately following the meeting to discuss the Executive Director's performance evaluation survey results.

**Board Development Retreat**

The Chairman urged Commissioners to contact the Executive Director with thoughts and ideas they would like to discuss at the upcoming Board Training & Development Retreat scheduled for April 22-24, 2005.

**COMMITTEE REPORTS**

▪ ***Budget & Finance Committee***

Commissioner Murphy stated the committee met and discussed upcoming changes in Section 8 Admin Fees and how they will affect the PHA. The committee was also briefed on the current status of income and expenses, most notably our current year-to-date deficit of \$310,329 due mainly to high utility costs. The committee then discussed the proposed sale of the PHA's rooftop antenna leases. A resolution for approval will be discussed later in the meeting. (See attached detailed meeting summary.)

▪ ***Asset Management/Capital Improvements Committee***

Commissioner Low stated the committee met and were briefed on several ongoing projects, contract awards and upcoming bid projects. The committee is planning to meet for one hour prior to the next board meeting to discuss in detail the Capital Fund and Annual & 5-Year Plans. Commissioner Low invited all commissioners to attend this session. (See attached detailed meeting summary.)

▪ **Resident Services Committee**

Commissioner Waters stated that the committee did not meet but were provided with a summary of Resident Association activities/elections. Information was also provided on grants both pending and received; the upcoming GED graduation; and the April school vacation job shadowing program. (See attached detailed meeting summary.)

**EXECUTIVE DIRECTOR'S REPORT:**

**Monthly Management Report Highlights**

The Executive Director reported the following highlights in December's Monthly Management Report:

- Occupancy is up
- Collections are up
- Receivables are down
- Grant funds are being expended within allowed time

He stated that more detailed information could be found in each Commissioner's copy of the Monthly Management Report.

**Public Housing Funding (FY05-FY06)**

The Executive Director stated that our budget deficit is \$900k. We are trying to keep expenses down and are currently under budget in most categories with the exception of utility expenses. We hope to reduce our budget deficit enough that we don't have to use our reserve funds. This will allow us to use reserves next year when we will be really short of funds. HUD advises that FY06 budgets must be prepared at 89% of eligible operating subsidy. HUD is also projecting a 10% cut in the capital fund in 2007.

**Section 8 Funding Status (FY05-FY06)**

Due to dramatic cutbacks in the Section 8 Voucher Program, Housing Assistance Payments (HAP) currently received (\$497) are lower than their actual cost (\$542-\$614). This limits the number of clients we are able to serve. The Housing Authority will do everything it can not to take vouchers away from those already holding them and we will not be issuing any new vouchers.

**Sale of Roof Leases**

For the past few years the PHA has entered into lease agreements with various entities to lease rooftop space for cell phone antennas in return for monthly lease payments. We have been approached by Wireless Capital Partners (WCP), an entity that purchases the leases of cell phone companies. WCP has offered to purchase our current leases for \$346,557 and continue to pay us an additional \$35,371 over the next 60 months (for a total of \$381,928). We currently have a 7-year contract and receive approximately \$55,000 per year in lease payments. However, this contract can be ended at any time – there is no guarantee it will continue nor be renewed at the end of the lease term. A resolution is before the board asking for approval to sell these leases.

**Changes in Mutual of America Pension Fund Provisions**

The Economic Growth and Tax Relief Reconciliation Act (EGTRRA) of 2001 stated a change to the requirement for certain retirement plans that cash-out a participant's benefit (without the participants consent ) if the account balance is \$5,000 or less when the participant terminates. EGTRRA provided that once the Department of Labor issued final regulations on cash-outs of more than \$1,000 they must be automatically rolled into an IRA designated by the plan unless the participant affirmatively elects cash or a different IRA or Plan. The Department of Labor has now issued final regulations which effect cash-out made after March 28, 2005. Based on these findings, Mutual of America is recommending that the PHA reduce the involuntary distribution limit to \$1,000. A resolution is before the board asking for approval the make these changes.

**Development Status**

- Williams Woods Place  
We have broken our deadlock with the Department of Environmental Management. Drawings for the 65 units are currently out to bid. If bids come in near the anticipated budget figures, we hope to break ground within 45 days of the bid closing.
- University Heights  
A modified RFP (request for proposal) for this project was released but after review and discussion with our partners, we didn't feel we could meet the costs of renovations and elected not to submit a revised bid.

**RESOLUTION(S)**

**Resolution #4129: Mutual of America Retirement Plan Amendments**

Resolution #4129 asks the Board of Commissioners to authorize the Executive Director to sign the required amendments to bring the Mutual of America Defined Contribution Plan into compliance. Commissioner Murphy motioned for approval with Commissioner Castillo seconding the motion. After some discussion, a vote was taken. There being no opposition, Chairman Anton declared the resolution passed. [See attached]

**Resolution #4130: Sales Agreement with Wireless Capital Partners, LLC**

Resolution #4130 asks the Board of Commissioners to authorize the Executive Director to execute a sales agreement with WCP to sell our existing rooftop leases located at 100 Broad Street and 243 Smith Street. After some discussion, a vote was taken. It was agreed that Commissioner Murphy would review the figures of this agreement and motioned for a conditional approval of the resolution. Commissioner Low seconded the motion. There being no opposition, Chairman Anton declared the resolution conditionally passed. [See attached]

**OLD BUSINESS**

There was no old business to discuss at this time.

**NEW BUSINESS**

There was no new business to discuss at this time.

**EXECUTIVE SESSION**

The Chairman accepted a motion from Commissioner Murphy, which was seconded by Commissioner Cascella to move into Executive Session to discuss a personnel matter at 5:37 p.m.

The Chairman accepted a motion from Commissioner Murphy, which was seconded by Commissioner Castillo to move out of Executive Session at 5:50 p.m.

**ADJOURNMENT**

There being no further business, Chairman Anton accepted a motion to adjourn from Commissioner Murphy which was seconded by Commissioner Low to adjourn the meeting at 5:51 p.m.

Submitted by:

Approved by:

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Kimberly Dawley  
Recording Secretary

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Stephen J. O'Rourke  
Executive Director