



Providence Housing Authority
Board of Commissioners
Regular Meeting: February 23, 2012

PHA Conference Room

100 Broad Street

Providence, RI 02903

CALL TO ORDER

Chairman Waldman called the meeting to order at 5:07 P.M.

ROLL CALL:

The Executive Director called the roll:

PRESENT:

Paul F. Waldman
Roger Giraud
Delores Cascella
Dorothy Waters
JT Taylor
Thomas Ryan
Hilary Silver
Venuz Madrid
Kevin Jackson

ABSENT:

Nicholas Narducci
John Iglizzi

Nine members of the board were present constituting a quorum to conduct business.

APPROVAL OF MINUTES

The Chairman called for a vote on approving, amending or modifying the minutes from January 26, 2012. Commissioner Cascella moved and Dorothy Waters seconded. The minutes were approved unanimously.

RESIDENT COMMENTS

The Chairman asked if any residents of the PHA were present and wanted to address the board. There were no resident comments.

CHAIRMAN'S REPORT

Chairman Waldman remarked that everyone was aware of the article today in the Providence Journal in which an employee of the PHA alleged there was mismanagement, waste and fraud at the PHA. The Chairman stated that it would be discussed later when the board went into executive session.

COMMITTEE REPORTS

Budget, Finance and Audit Committee

Commissioner Giraud delivered the committee report. He indicated that all key budget items are doing well. Our income is exceeding expenses by a substantial amount-approximately \$3.0 million as of January 31st, seven months through the fiscal year. This is primarily due to receiving more operating subsidy than we budgeted. Because HUD has been unable to provide exact figures for operating subsidy, the PHA has budgeted based on receiving 90% of eligible operating subsidy. In reality, we have received more. The average proration is indeterminate at

this time, but it appears the proration will be in the 93%-95% range. Commissioner Giraud also stated that the FY2011 audit has been completed by Fiore and Asmussen. There were no findings. The Section 8 Housing Assistance Program budget is currently enjoying a surplus, while the Section 8 Administrative budget is experiencing a deficit year-to-date. There are, however, surplus funds from previous years. [See attached committee report.]

Resident Services Committee

Commissioner Hilary Silver presented the committee report and status of numerous grants and resident activities. Highlights include: the PHA has contracted for a new software that will allow staff to track results of our programs; Amos House has partnered with the PHA to operate their Adult Education Program at our new Education & Training Center at Codding Court; the PHA will submit two applications for city Community Development Block Grant funds; Senator Whitehouse has been visiting PHA high-rises and holding ice cream socials. [See attached committee report.]

Asset Management Committee

Commissioner Madrid presented the Asset Management Committee report. She informed the board that several energy conservation projects are underway. The PHA has been approved for an additional \$400,000 for energy conservation work at Admiral Terrace. Also, a solar panel project at Sunset Village will provide domestic hot water. The PHA received funds from the city's energy fund to retro-fit several boilers and hot water heaters at several sites. [See attached committee report.]

Executive Director's Report

Monthly Management Report

The Executive Director presented an overview of the Monthly Management Report that is in the commissioner's board packets. He informed them that all performance indicators are according to plans, except for rent collections, which are being addressed. He asked the board to pay special attention to his remarks in the report concerning the Choice Neighborhood Initiative.

Items in Board Package/ Readings

The Executive Director stated that he had two newspaper articles in this month's board package: An article in the Examiner.com, which is about a new program the President is creating to prevent housing foreclosures. The other article is about a short movie about the now demolished Pruitt-Igoe Housing Development in St. Louis. He informed the board that he is considering showing this film at the board retreat and have a public policy discussion concerning its ramifications. He asked Commissioner Silver to assist in this presentation, since she is familiar with the topic and will be conducting a viewing of the movie prior to the event.

Capital Fund Program Status Report

Mr. O'Rourke informed the board that all outstanding CFP projects are meeting their obligation schedules, and all projects are proceeding according to our plan. He referred the board to the MMR for specifics. He further stated that FY2012 CFP funds have been posted and we will receive \$3.4 million in CFP funds and \$43,475 in RHF funds.

CHOICE Neighborhood Initiative Status

We continue to work with our partners on the Transformation Plan required as part of the grant agreement with the Department of Housing and Urban Development. Mr. O'Rourke is concerned that our partners believe that we will only have a competitive proposal if we demolish Manton Heights and partner with a private developer to construct a new mixed-income, mixed-finance HOPE-VI type development. The director's concerns are whether we will

be able to do this considering the multi-million dollar investments, including ARRA (Stimulus Funds) spent in recent years. The PHA has just completed five new roofs at the site as well. He believes there may be restrictions on demolition. He told the board that he will be conferring with HUD about the issue. [Refer to MMR Executive Director's Report.]

Presentation: FY2013 Federal Budget Affecting Housing Authority

The Executive Director distributed several tables indicating the amount of funds the Administration is seeking for Public Housing, Section 8 and Community Development for the upcoming fiscal year. Mr. O'Rourke explained to the board that HUD is seeking a higher amount of funds for Operating Funds and will not offset any "excessive" reserves. He calculates that the annual proration will be in the range of 92%-94%. Capital Funds are budgeted at 14.2% less than the current year. Section 8 renewals will receive level funds with a slight increase in Administrative Fees. He advised the board not to take the current allocations too seriously because (a) the Senate and House redo the budget, and (b) it is an election year and he doesn't expect a budget to be passed. We will probably work under a Continuing Resolution based on this year's budget. [See attachment.]

Board Retreat Agenda

The director stated that he is still putting together the board retreat agenda. In addition to the regular annual presentations, he will feature the Asset Management Department's Facilities Division, a few Resident Services programs, and a public policy exercise.

Resolutions

Mr. O'Rourke stated that there are three resolutions for board consideration this evening. Each of them involves grant funds. Two are resolutions authorizing the director to submit an application for funding to the city's Planning Department for CDBG funds. The other is an authorization to submit an annual Capital Fund Program budget to HUD. Bernice Morris of the Resident Services staff gave a short presentation on how the funds for these grants would be used, if awarded. [See below and attached.]

Resolutions:

#4207: Authorizing the Executive Director to submit an application for funding to the city's Planning Department for \$350,000 for various resident services programs with various partners.

#4208: Authorizing the Executive Director to submit an application for funding to the city's Planning Department for \$54,983 to assist in carrying out education and job training activities at Hartford Park.

#4209: Authorizing the Executive Director to submit documents to the Department of Housing and Urban Development to receive FY2013 Capital Funds (\$3.4 million) and RHF funds (\$43,475).

A voice vote was taken for each of the three resolutions. The vote was unanimous (9-0) for each resolution.

Old Business

There was no old business to discuss

New Business

There was no new business to discuss

Executive Session

At this time, the board moved into executive session according to RIGL Open Meeting Law to discuss a personnel issue. The chairman, as required by the Act, polled the board members present. It was agreed to go into executive session by a 9-0 vote at 5:37.

The board met in executive session until 7:30 at which time the regular board meeting resumed.

Board Resolution #4210

Commissioner Giraud offered a resolution (seconded by Commissioner Jackson) to hire outside legal counsel to conduct an internal review based on the charges made by PHA employee Elizabeth Herosy. [See attached resolution.] The resolution was passed unanimously: 8-0]

Adjournment

There being no further business, a motion was made by Commissioner Taylor and seconded by Commissioner Cascella to adjourn at 7:37.

Minutes Submitted and Approved by:

Stephen J. O'Rourke, Executive Director

Witnessed by:

Lisa Cancelliere