



City of Milwaukee

P.O. Box 324
Milwaukee, WI 53201-0324

Meeting Minutes

HOUSING AUTHORITY

MARK WAGNER, CHAIR

Ricardo Diaz , Vice Chair

**Sherri L. Daniels, Brooke VandeBerg, Gloria Lott, and Susan
Lloyd**

Wednesday, November 13, 2019

1:30 PM

City Hall, Room 301-A, 200 East Wells Street

The mission of the Housing Authority of the City of Milwaukee (HACM) is to foster strong, resilient and inclusive communities by providing a continuum of high-quality housing options that support self-sufficiency, good quality of life, and the opportunity to thrive.

Call to Order

Meeting called to order at 1:38 p.m.

Roll Call

Present: 5 - Diaz, Wagner, VandeBerg, Lott, Lloyd

Excused: 1 - Reed Daniels

A. APPROVAL OF THE CONSENT AGENDA

Commissioner Diaz requested items A.6., R13106 and A.7, R13107, be moved out of Consent Agenda and into Reports and Discussion Items.

CONSENT AGENDA – ITEMS RECOMMENDED FOR APPROVAL

(All items listed under the Consent Agenda will be enacted by one motion unless a Commissioner requires otherwise, in which event, the item will be removed from the Consent Agenda and considered separately.)

1. [R13101](#) Approval of the minutes of the regular meeting held on October 16th, 2019

Sponsors: THE CHAIR

Attachments: [October 16, 2019 HACM Minutes](#)

A motion was made by Ricardo Diaz, seconded by Susan Lloyd, that this Motion be APPROVED. This motion PREVAILED by the following vote:

Aye: 5 - Diaz, Wagner, VandeBerg, Lott, and Lloyd

No: 0

Excused: 1 - Reed Daniels

2. [R13102](#) Resolution Approving the Submission of a Low-Income Housing Tax Credit Application for Westlawn Renaissance IV

Sponsors: THE CHAIR

Attachments: [Westlawn Renaissance IV & V Site Map](#)

A motion was made by Ricardo Diaz, seconded by Susan Lloyd, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 5 - Diaz, Wagner, VandeBerg, Lott, and Lloyd

No: 0

Excused: 1 - Reed Daniels

3. [R13103](#) Resolution Approving the Submission of a Low-Income Housing Tax Credit Application for Westlawn Renaissance V

Sponsors: THE CHAIR

Attachments: [Westlawn Renaissance IV & V Site Map](#)

A motion was made by Ricardo Diaz, seconded by Susan Lloyd, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 5 - Diaz, Wagner, VandeBerg, Lott, and Lloyd

No: 0

Excused: 1 - Reed Daniels

4. [R13104](#) Resolution Approving the Acquisition of Merrill Park by Merrill Park LLC and Adoption of the Merrill Park LLC Operating Agreement

Sponsors: THE CHAIR

Attachments: [Attachments re: Acquisition of Merrill Park by Merrill Park LLC & Adoption of Operating Agreement](#)

A motion was made by Ricardo Diaz, seconded by Susan Lloyd, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 5 - Diaz, Wagner, VandeBerg, Lott, and Lloyd

No: 0

Excused: 1 - Reed Daniels

5. [R13105](#) Approving the Adoption by Merrill Park Development LLC of the Merrill Park Development LLC Operating Agreement

Sponsors: THE CHAIR

Attachments: [Attachments re: Adoption by Merrill Park Development LLC of an Operating Agreement](#)

A motion was made by Ricardo Diaz, seconded by Susan Lloyd, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 5 - Diaz, Wagner, VandeBerg, Lott, and Lloyd

No: 0

Excused: 1 - Reed Daniels

B. REPORTS AND DISCUSSION ITEMS

- [R13106](#) Resolution approving Merrill Park Development LLC, as sole and managing member of Merrill Park LLC, to authorize the RAD Conversion of Merrill Park, the execution of all loan documents related to the RAD Conversion of Merrill Park and the admission of the Investor Member and Special Investor Member to Merrill Park LLC

Sponsors: THE CHAIR

Attachments: [Attachments re: Approving Merrill Park Development LLC to Authorize RAD Conversion](#)

A motion was made by Ricardo Diaz, seconded by Gloria Lott, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 4 - Diaz, Wagner, Lott, and Lloyd

No: 0

Excused: 1 - Reed Daniels

Abstain: 1 - VandeBerg

- [R13107](#) Resolution approving the Housing Authority of the City of Milwaukee to take all action necessary in connection with the Rehabilitation RAD Conversion of Merrill Park, including serving as Guarantor for all loans related thereto and as developer for Merrill Park

Sponsors: THE CHAIR

Attachments: [Attachments re: Merrill Park RAD Conversion - HACM as Guarantor & Developer](#)

A motion was made by Ricardo Diaz, seconded by Gloria Lott, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 4 - Diaz, Wagner, Lott, and Lloyd

No: 0

Excused: 1 - Reed Daniels

Abstain: 1 - VandeBerg

1. [R13108](#) Resolution appointing Board Members and approving Bylaws for Endeavor, Inc.

Sponsors: THE CHAIR

Attachments: [Endeavor Inc Bylaws](#)
[Endeavor Inc Articles of Incorporation](#)
[Endeavor Inc Company Profile](#)

Tom Gartner of Michael Best and Fernando Aniban, HACM's Chief Financial Officer, spoke regarding the community and supportive services entity. The Bylaws were initially modelled after Travaux's, as Endeavor will also be an instrumentality of HACM, with HACM as the sole member with complete control. One reason for the creation of the entity is that some funding sources require applicants to be non-governmental agencies. Commissioners provided suggestions for funders, mentors and future organizational documents.

A motion was made by Ricardo Diaz, seconded by Brooke VandeBerg, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 3 - Diaz, Wagner, and Lott

No: 0

Excused: 1 - Reed Daniels

Abstain: 2 - VandeBerg, and Lloyd

2. [R13109](#) Resolution approving a Cooperative Agreement-Contract for receipt and furnishing of services, materials and equipment between the Housing Authority of the City of Milwaukee and Endeavor, Inc.

Sponsors: THE CHAIR

Attachments: [Endeavor Inc & HACM Cooperation Agreement](#)

A motion was made by Ricardo Diaz, seconded by Gloria Lott, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 3 - Diaz, Wagner, and Lott

No: 0

Excused: 1 - Reed Daniels

Abstain: 2 - VandeBerg, and Lloyd

3. [R13110](#) Resolution approving an award of contract to Travaux, Incorporated (Milwaukee, WI) to be the Construction Manager at Risk / Contractor for the Westlawn Renaissance VI Project in an amount not to exceed \$33.6 million

Sponsors: THE CHAIR

Attachments: [Westlawn Renaissance VI Project Brief](#)
[Westlawn Renaissance VI Site Plan](#)

Warren Jones, Travaux Vice President of Construction, and Fernando Aniban, HACM's Chief Financial Officer, spoke on the item. Mr. Jones explained the current status of the project of 138 townhomes. Mr. Aniban explained the funding components of this portion of the Westlawn redevelopment. Closing is anticipated for February of 2020, then infrastructure construction will begin with an estimate of all construction being completed in December of 2021. Commissioners asked about vendors, residents and the current income levels found in the neighborhood. Mr. Pérez provided updates on recent retail & school changes in the neighborhood.

A motion was made by Ricardo Diaz, seconded by Gloria Lott, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 5 - Diaz, Wagner, VandeBerg, Lott, and Lloyd

No: 0

Excused: 1 - Reed Daniels

4. [R13111](#) Presentation of the Third Quarter Financial Reports for the period ending September 30, 2019

Sponsors: THE CHAIR

Attachments: [Financial Reports 2019 Q3 - 09-30-19 - Discussion Points 11-01-19](#)
[Financial Reports 2019 Q3 - 09-30-19](#)

Rick Koffarnus, HACM's Finance Director, and Pam Watson, HACM's Senior Finance Analyst, presented the financial reports for the Third Quarter of 2019, summarizing the documents included with the agenda.

5. [R13112](#)

Report from the Secretary-Executive Director

Sponsors: THE CHAIR

Attachments: [Nat'l Low Income Hsg Coalition - Senate Passes FY20 Spending Package w- Increases for Affordable Hsg](#)
[HUD RAD Resource - WI State Fact Sheet 11-05-19](#)
[WWBIC Make Your Money Talk Q3 2019 Dashboard 11-01-19](#)

Mr. Pérez discussed the following items and made note of particular areas of interest for the Board:

- *A press release from the National Low Income Housing Coalition entitled "Senate Passes FY20 Spending Package with Increases for Affordable Housing"*
- *A Fact Sheet from HUD entitled "Rental Assistance Demonstration (RAD) in Wisconsin"*
- *The latest report and dashboard from the Make Your Money Talk Program, a partnership of the Wisconsin Women's Business Initiative Corporation (WWBIC) and HACM, for the third quarter of 2019.*

Mr. Pérez spoke about a recent visit from a Wisconsin State Legislator who was interested in learning more about HACM's services and programs. He said the legislator was surprised at the breadth of programs that HACM folds into its housing and how they impact residents.

Mr. Pérez mentioned that HACM participated in a presentation made to national representatives of Fannie Mae and Freddie Mac who were in town to learn about the Milwaukee market.

Mr. Pérez said that HACM was recently randomly selected by HUD's Labor Division for an audit this week, but they had to cancel due to the weather. They will reschedule at a later date. Staff has pulled the records that were requested.

Mr. Pérez noted that HACM and six other CNI Grant recipients were invited to apply for a special \$5 million CNI Supplemental Grant, acknowledging the atypically high costs of construction at this time which may be impacting the deployment of those grants.

Mr. Pérez invited Mr. Aniban to speak about the State Housing Trust Fund. WHEDA was recently awarded \$6 million, with \$2 million designated for supportive housing. HACM submitted an application about two weeks ago for Westlawn Phase 3, 60 units designated for homeless youth aging out of foster care. Phase 3 also has a 9% tax credit application being submitted in December. HACM understands that eight youth per month in Milwaukee County age out of foster care.

Mr. Pérez thanked Commissioner Daniels and Alderwoman Coggs for agreeing to meetings at Hillside to discuss the creation of a plan to preserve the affordable housing at Hillside.

Mr. Pérez asked Willie Hines, Jr., Associate Director, and Kaylin Nuss, Director of Strategic Initiatives, to discuss the most recent draft of HACM's Recovery Plan, which is a response to HUD's most recent Public Housing Assessment System (PHAS) scoring. Mr. Hines noted that one area of focus is increasing the occupancy rates and discussed how staff are working to turn around units more quickly, bring in more applicants more quickly, and begin new processes and software to improve even

further. There was also discussion about various external and internal factors that have affected the occupancy rates. It was noted that the occupancy rate has already increased, currently sitting at 90.87%. There are efforts focused on improving physical inspection (REAC) scores as well. Ms. Nuss pointed out that the strongest developments are undergoing RAD conversion first, and coming off the PHAS scores, but staff is looking at Section 18 disposition and other options for those properties that may be more challenging in their REAC scores. Commissioners asked questions and made suggestions about data and strategies to consider.

Mr. Pérez thanked Commissioners Lloyd and VandeBerg for taking up the gauntlet as the initial board members of Endeavor, Inc. In the past, other Commissioners did the same for Travaux. He also mentioned that, as with Travaux, Commissioners can share any potential board members that might be a good fit for the organization, and as new members come on, the Commissioners may let us know if and when they feel the organization can be left in the hands of newer members, as HACM is mindful of the Commissioners' time, effort and talent.

Mr. Pérez noted a resident in the audience and thanked him for his interest, and mentioned his hope that residents can also play a part in improving the physical assessment scores.

Adjournment

There being no further business, Commissioner VandeBerg made a motion to adjourn the meeting at 3:15 p.m. Vice Chair Diaz seconded the motion. There being no objections, the motion carried.

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