



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, Hon. M. Joseph Donald, Michael Van
Alstine, Brooke VandeBerg and Gloria Lott**

Wednesday, February 6, 2019

1:30 PM

City Hall, Room 301-B, 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 1:30p.m.

Roll Call

Present: 6 - Diaz, Van Alstine, Wagner, VandeBerg, Donald, Lott

Excused: 1 - Reed Daniels

A. APPROVAL OF THE CONSENT AGENDA

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. [R13026](#) Approval of the minutes of the regular meeting held on January 16, 2019

Sponsors: THE CHAIR

Attachments: [HACM Minutes 1-16-2019.pdf](#)

A motion was made by Ricardo Diaz, seconded by Michael T. Van Alstine, that this Motion be APPROVED. This motion PREVAILED by the following vote:

Aye: 6 - Van Alstine, Wagner, Diaz, VandeBerg, Donald, and Lott

No: 0

Excused: 1 - Reed Daniels

2. [R13027](#) Resolution approving the appointment of Eugene Manzanet to the Travaux Board of Directors
- Sponsors:** THE CHAIR
- Attachments:** [Eugene Manzanet Bio_Appt to Travaux Brd.pdf](#)
- A motion was made by Ricardo Diaz, seconded by Michael T. Van Alstine, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:
- Aye:** 6 - Van Alstine, Wagner, Diaz, VandeBerg, Donald, and Lott
- No:** 0
- Excused:** 1 - Reed Daniels
3. [R13028](#) Resolution approving Amendment No. 2 to Contract 17-002 with KPH Environmental Corporation,(Milwaukee, WI) for hazardous materials abatement services at various NON-SUBSIDIZED HOUSING sites not-to-exceed \$150,000.00, expiring March 27, 2020
- Sponsors:** THE CHAIR
- Attachments:** [Contract 17-002 Amend 2 KPH Environmental Corp..pdf](#)
[Contract 17-002 EBE-Sec3 Review Amend 2 KPH Envirn abatement serv.pdf](#)
- A motion was made by Ricardo Diaz, seconded by Michael T. Van Alstine, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:
- Aye:** 6 - Van Alstine, Wagner, Diaz, VandeBerg, Donald, and Lott
- No:** 0
- Excused:** 1 - Reed Daniels
4. [R13029](#) Resolution approving Amendment No. 2 to Contract No. 17-003 with KPH Environmental Corporation (Milwaukee, WI) for hazardous materials abatement services at various SUBSIDIZED PUBLIC HOUSING sites. Not-to-exceed \$100,000.00, expiring March 27, 2020
- Sponsors:** THE CHAIR
- Attachments:** [Contract 17-003 Amend 2 KPH Environmental.pdf](#)
[Contract 17-003 EBE-Sec3 Review Amend 2 KPH Envirn.pdf](#)
- A motion was made by Ricardo Diaz, seconded by Michael T. Van Alstine, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:
- Aye:** 6 - Van Alstine, Wagner, Diaz, VandeBerg, Donald, and Lott
- No:** 0

Excused: 1 - Reed Daniels

5. [R13030](#) Resolution approving Amendment No. 1 to Contract 16-031 with Torti Gallas and Partners Incorporated for planning and architectural/engineering services for Westlawn Garden Phase 2 in an amount not-to-exceed, \$1,000,000.00, that would increase the total contract amount to \$11,000,000.00 and extend the contract to December 31, 2022.

Sponsors: THE CHAIR

Attachments: [Contract 16-031 AM1 Torti Gallas for WLG PH2.pdf](#)
[Contract 16-001 EBE-Sec3 Review Torti Gallas Professional Serv Indus Inc Hazardous mat various sites.pdf](#)

A motion was made by Ricardo Diaz, seconded by Michael T. Van Alstine, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 6 - Van Alstine, Wagner, Diaz, VandeBerg, Donald, and Lott

No: 0

Excused: 1 - Reed Daniels

6. [R13031](#) Resolution approving the financing, use of low income housing tax credits with tax exempt bonds, and development of 94 units of Housing in Westlawn Gardens (Westlawn Renaissance III project)

Sponsors: THE CHAIR

Attachments: [Westlawn Renaissance III-Tax Credit Funds for 94 Units - Certified.pdf](#)

A motion was made by Ricardo Diaz, seconded by Michael T. Van Alstine, that this Housing Authority Resolution be ADOPTED. This motion PREVAILED by the following vote:

Aye: 6 - Van Alstine, Wagner, Diaz, VandeBerg, Donald, and Lott

No: 0

Excused: 1 - Reed Daniels

B. REPORTS AND DISCUSSION ITEMS

1. [R13032](#) Presentation of the Fourth Quarter Financial Reports for the period ending December 31, 2018

Sponsors: THE CHAIR

Attachments: [Financial Reports 2018 Q4 12-31-18 Discussion Points.pdf](#)
[Financial Report 2018 Q4 12-31-18.pdf](#)

Rick Koffarnus, HACM's Finance Director and Pam Watson, Sr. Finance Analyst, pre-sented HACM's Fourth Quarter Financial Reports for the period ending December 31, 2018, summarizing documents included with the agenda.

In response to a question regarding calculations for the operating subsidy proration rate for 2018 budget, Mr. Koffarnus explained that Housing and Urban Development (HUD) provides a worksheet with the formula that allows HACM to assess what the operating subsidy would be for a particular development. Using the HUD formula, HACM calculates and determines a certain amount of eligibility for subsidies. For 2018, HUD's final adjusted proration was 92.3% versus the budgeted rate of 86%.

In response to a question regarding HACM's vacancy rate decline from 10% to 8% since the last report, staff believes this is a result of the HACM's team consistent efforts in addressing the factors affecting vacancies.

Mr. Pérez asked Kaylin Nuss, Director of Strategic Initiatives, and Warren Jones, Travaux VP of Construction to explain the Section 8(Y) Program and Challenge Fund as it relates to the Homeownership program. Ms. Nuss explained that Section 8(Y) program allows a Housing Choice Voucher recipient to use the subsidy that they would receive from the voucher to offset their mortgage on the purchase of a home. Mr. Jones stated that Challenge Fund currently has five homes under construction: three of those homes are 95% complete and the other two are 90% completed. Mr. Jones affirmed that all five homes will be ready for sale by the end of February, no later than the beginning of March 2019.

2. [R13033](#) Report from the Secretary-Executive Director

Sponsors: THE CHAIR

Attachments: [Ltr from HUD-No Findings-Audit Yr 12-31-17.pdf](#)
[Ltr from HUD Sec 3 Compliance Closeout.pdf](#)
[Housing Affairs Letter-Senate Quagmire Cripples HUD 11-30-18.pdf](#)
[Housing Affairs Letter-HUD Shutdown Complicates Programs 1-4-19.pdf](#)
[Housing Affairs Letter-HUD Eviction Protection 01-11-2019.pdf](#)
[Housing Affairs Letter-HUD Studies Reports Confirms Hsg Lack for Voucher Fy.pdf](#)
[Housing Affairs Letter-HUD Dallas Opts For HUD RAD Prg Concept-1-11-19.pdf](#)
[Housing Affairs Letter-Heard at HUD-Settles On Fair Housing Gambit.pdf](#)
[National Hsg Conf membership letter.pdf](#)

Mr. Pérez directed the Board to a letter from U.S. Department of Housing and Urban Development (HUD) stating that the Section 3 Voluntary Compliance Agreement (VCA) with HACM is complete. Mr. Pérez mentioned that Gabriel DeVougas, along with other staff members, worked diligently to accomplish this goal with the Section 3 program.

Mr. Pérez mentioned an additional letter from HUD regarding an audit prepared by Baker Tilly Virchow Krause, LLP. Mr. Perez noted that Baker Tilly reported no audit findings or questioned costs in their report for the year ending 12/31/17 for the Housing Authority of the City of Milwaukee.

Mr. Pérez let the Commissioners know that HACM will be engaging in the implementation of a new software program called Yardi Voyager, which is a cloud-based property management and accounting platform that affects all functions of the organization. Mr. Pérez informed the Commissioners that they will receive an overview of the software in the near future.

Mr. Pérez asked Ms. Nuss to speak about Dominion Due Diligence (DG3) Group. Ms. Nuss stated that DG3 is the company that HACM has partnered with to conduct RAD Physical Assessments. These are physical reviews of the properties required before HACM can convert them to Rental Assistance Demonstration (RAD). Ms. Nuss further stated that DG3 sent Mr. Pérez a memento to celebrate 100,000 units converted nationally to RAD thus far.

Chair Wagner thanked Mr. Pérez for his report and comments.

Adjournment

There being no further business, Commissioner Diaz made a motion to adjourn the meeting at 1:50p.m. Commissioner Van Alstine seconded the motion. There being no objections, the motion carried.

Upon reasonable notice, efforts will be made to accommodate the needs of persons with disabilities through sign language interpreters or auxiliary aids. For additional information or to request this service, contact the Housing Authority ADA Coordinator, Patricia Schmidtknecht at 286-5100, (FAX) 286-3456, (TDD) 286-3504 or by writing to the Coordinator at 650 West Reservoir, Milwaukee, WI 53212.

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