Missoula Housing Authority Board  
Regular Board Meeting  
Wednesday, April 15, 2020

-MINUTES-

Members Present:  Collin Bangs, Kaia Peterson, Jack Richards, Kila Shields, Monique Casbeer, Mary Jane Nealon, Mike Nugent

Members Absent:  None

Staff Present:  Lori Davidson, Jim McGrath, Mary Melton, Debbie Hibbitts, Adam Ragsdale, Sam Oliver

Guests Present:  Ryan Sudbury

I.  Call to Order:  The meeting was called to order at 2:07 pm.

II.  Attendance:  See above

III.  Approval of Minutes:

   a.  Regular Board Meeting – February 26, 2020

      1st: Casbeer
      2nd: Richards
      None opposed, motion passes.

   b.  March Board Meeting cancelled due to COVID-19 emergency

IV.  Commissioner Comments/Conflict of Interest Disclosure:

    None

V.  Public Comments on items not on the Agenda:

    None

VI.  Action Items:
   
   a.  Resolution #1107: Revising Capitalization Policy

      Davidson: At the suggestion of our auditors, and to stay in better sync with some of our investors, we’d like to change the capitalization policy from $1000 to $5000. It makes our record keeping a little bit easier and brings us into line with other standard practices. It would be retroactive to January 1, 2020 to start with a new calendar year.
1st: Casbeer  
2nd: Peterson  
None opposed, motion passes.

VII. **Staff Reports:**  
a. **COVID-19 updates**

Davidson: Both Jim and Mary wrote summaries regarding what’s happening in their departments. We are continuing to get almost daily new instructions from HUD and from federal and state government on how we operate. HUD issued a notice which I’ll let Jim go over.

McGrath: This is a fairly comprehensive notice. It had 44 waivers, only about 15 that we’ll do. Most of them are basically ways in which we can extend deadlines, grant voucher extensions, let people stay in their units longer, operate remotely, etc. They are basically going to throw out the SEMAP this year. A number of things we’re doing would normally require the board to change our written policies. This waiver allows us to make those changes without prior board approval. Most of these expire in July and we’d have to catch up by October 31. We’re not going to be proposing a policy change for you guys now. What I hope to do, is at the end, put together the waivers we chose to do which were temporarily policy changes, and have the board approve that.

Peterson: Making the decision to allow tenants to self-certify is great. Would you be willing to share your communications with us? Other organizations and property management companies are struggling with what’s appropriate verification of a hardship.

McGrath: Remember we’re working within a particular framework. HUD says you can do it a certain way, and we’re doing it. We’re allowed to take reports by phone, but we do have to go back and verify the change later. Our goal is to make changes quickly. We’re trying to make it as easy as possible for us to assist tenants because we’re able to do that. An unsubsidized tenant is a whole different thing.

Davidson: Mary, can you speak to what we’re doing in LIHTC?

Melton: We are telling them to stay in close communication with their property manager. If they tell us it’s COVID-19 related, we’re probably going to believe it because we know who’s working and who isn’t. We’re asking them to let us know when they can pay us. We haven’t seen a lot of hardships yet. We aren’t sending 3-day termination notices for unpaid rent. We’re sending out more of an invoice letter which tells them we aren’t charging late fees and encouraging them to talk to their property manager. There were some tenants who were behind before this started, so maybe Ryan can update us on how the courts are handling it.
Sudbury: The courts have demanded that any new filings for eviction include an affidavit regarding why this eviction isn’t covered by the Governor’s directive. If you cannot prove it’s not covered, the court won’t act on it. We had a case of unpaid rent going back to 2019, which we filed before the Governor’s order came out, but the court didn’t act on time, so now the court won’t act on it because it involves unpaid rent. We’re kind of in a holding pattern for terminations unless it’s a clear safety issue.

Melton: The HUD regulations apply to LIHTC as well. So, we won’t be charging late fees or evicting for nonpayment until end of July.

Peterson: What are your biggest concerns right now?

Melton: I’m a bit concerned about what rent collection will look like over the next couple of months.

Davidson: My concern has to do with maintenance because we’re only doing emergency work orders and working in vacant units, so we may have a pretty big backlog of work orders when the Governor’s order is lifted. Housing construction was considered an essential business, so Cornerstone and work on our Public Housing properties has continued. It looks like we’re going to get more operating subsidy, but we don’t know what that looks like yet. We’re hoping that people will continue to be able to pay rent with the unemployment and stimulus payments. We do have a skeleton staff which is still in the office, practicing social distancing. There is never more than 10 people in the office at once. We’re disinfecting, washing hands, having people work from home as much as possible, and doing things to keep everyone safe.

b. Villagio update

Davidson: The new design is still underway. We had 50% plans come out about a week ago. The civil engineers should have their work to Dick Anderson hopefully this week, which will allow them to price those. Initial estimates show we’re still in budget. We heard from our Boston investors that the fund pulled out as a result of COVID-19. They are looking for a new investment fund. They really want to do it, so we think it’s going to be okay. Nothing has been halted or set back at this point.

c. Voluntary Conversion update

Davidson: Every time Jim and I talk to HUD, the timeline extends. It looks like we’ll be lucky if we’re able to convert by October 1. We’re still waiting for the environmental review from the city. That is the last thing we need before we can send it to HUD Denver.
McGrath: It’s a little frustrating because it’s all there, but they aren’t very transparent. In our favor, there are people on the team who are really helping us. We’ll get it done, it’s just the timing of all the different pieces is hard to coordinate. But we’re plugging away at it.

Oliver: We’ve been rather lucky to have not been greatly affected by COVID-19. We were lucky that we were able to complete about half-dozen public housing northside units’ siding, windows, and doors before the Governor’s order. I’ll be receiving a proposed plan from Contractors to access units to change windows and doors. We have $1.4 million in CAP fund contracts that we’re running right now.

d. Cornerstone update

Oliver: Cornerstone has been “dried-in”. This means that the building has been framed, the roof deck installed, and covered with roof membrane. This keeps rain and snow out of the building and allows trades to start “roughing-in” mechanical, electrical and plumbing systems. The development team is now choosing exterior colors, security system options, and the last of the finishes.

e. Trinity update

Davidson: We’re trying to figure out how to get the Mullan property subdivided. Ryan is helping us look at what our options are and what we can get the city and county to agree on. We’re making no progress in figuring out service providers for the navigation center. We’re reaching a point of frustration amongst the development team. We’re not really sure what our next steps will be. We will need to have a conversation with at least one county commissioner and we’ll probably also bring the Mayor into the conversation. We need to see it move forward and that’s not happening. The architects need to know things like how much parking, road access, etc, and the navigation center is a big part of that.

Sudbury: You have to deal with both city and county planning. The initial issue is to split the parcel off from the county parcel which will either require a subdivision or a subdivision exception. Every time we think we have a solution, we run into a hurdle. The city and county believe it should go through a minor subdivision process. I’ve never taken an application through a minor subdivision process. I suggested to Lori to interface with the city department to get their commitment to expedite the process. We’ve also tried exploring using subdivision exemptions.

Davidson: WGM is trying to be creative as they can to come up with some possible scenarios they have experience in. Homeword is trying to set up another meeting with the city and county to run these scenarios by them.
Nealon: I know for years it made sense for Partnership Health Center to have a clinical provider there. It’s not clear to me that anyone is clear on what they want there. In terms of commitments, I’ve heard a lot of different possibilities, and it clouds what may be there, so they may not want to commit. I wonder if there might be some value to a more specific ask, such as the city housing navigator has to be housed there. Maybe we could at least get requirements for one or two telehealth rooms, because that would be relatively inexpensive for staffing.

Davidson: It’s incredibly fuzzy and that’s part of the problem. We’ve had two facilitated meetings in the past two weeks to try and make it less fuzzy and try to get funding commitments. We can’t get anyone to give us that information. It seems like we’ve been having the same conversation for a year now and the facilitated meetings didn’t get us anywhere. In my last conversation with the development team, I told them that I think we say what we want there, and the city says yea or nay. They still expect us to do the overflow winter shelter, but who’s going to staff it? These are the type of conversations that go nowhere. We need to make clear to the Mayor that this isn’t going to happen if we don’t get funding and staffing commitments. I’m really tired of going to the same meeting every time. Part of the county land donation was preceded on the fact that some of these services were going to be provided, and we’ve made zero progress over the past year. I don’t think these organizations have even gone to their boards with this after a year.

Peterson: I think coming to the table with a proposal will move the conversation faster. I know that’s a lot of pressure on you guys, but if you want the project to move forward under the current reality, I think that’s what our elected officials will be looking for. Give these partners clear deadlines and asks.

Davidson: In terms of design, the architects that we’re working with are awesome. We put out the RFP for the general contractor and responses are due today. Sam and I will be on the team that will interview the selected contractors.

VIII. Old Business:

None

IX. New Business:

None

I. Adjournment: The regular meeting was adjourned at 2:59pm.

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Collin Bangs       Lori Davidson
Collin Bangs, Board Chair  Lori Davidson, Executive Director

*** Minutes approved via Zoom Board Meeting on May 20, 2020 ***