

MINUTES OF A REGULAR MEETING
- OPEN SESSION -
OF THE SPRINGFIELD HOUSING AUTHORITY
HELD ON OCTOBER 20, 2015

The members of the Springfield Housing Authority met in Open Session at the Conference Room of the Springfield Housing Authority at 60 Congress St., Springfield, Massachusetts at 4:30 PM on October 20, 2015.

A copy of the Notice of Meeting, pursuant to Section 23B of Chapter 39 of the Massachusetts General Laws, as amended, with the Certificate as to Service of the Notice, was ordered spread upon the minutes of the meeting and filed for records.

NOTICE OF MEETING

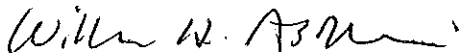
Notice is hereby given in accordance with Section 23B of Chapter 39 of the Massachusetts Laws, as amended, that a regular Meeting of the Board of Commissioners of the Springfield Housing Authority will be held at 4:30 PM on Tuesday, October 20, 2015 in the Conference Room of the Springfield Housing Authority at 60 Congress Street, Springfield, MA 01104.

SPRINGFIELD HOUSING AUTHORITY
/s/William H. Abrashkin, Executive Director
October 15, 2015

CERTIFICATE AS TO SERVICE OF THE NOTICE OF MEETING

I, William H. Abrashkin, the duly appointed and qualified Secretary of the Springfield Housing Authority, do hereby certify that on October 15, 2015 I filed in the manner provided by Section 23B, Chapter 39 of the Massachusetts General Laws, as amended, with the Clerk of the City of Springfield, Massachusetts, a Notice of Meeting of which the foregoing is a true and correct copy.

Attest:



William H. Abrashkin/Executive Director/
Secretary to the Board

Chairman Thomas called the meeting to order at 4:34 PM, and those present upon roll call were as follows:

PRESENT

Willie Thomas
Raymond Warren
Thomas Labonte
Angela Robles
Jessica Quinonez

ABSENT

ALSO PRESENT

William Abrashkin
Michelle Booth
Nicole Contois

Fidan Gousseynoff
John Healy (entered the Conference Room at 4:36 pm)
Wallace Kisiel
Mary Ellen Lowney
Susan Staples

The Board reviewed the Minutes of September 15, 2015. Upon a motion made by Commissioner Labonte, seconded by Commissioner Warren it was unanimously

VOTED: to approve the Minutes of September 15, 2015.

By Wallace Kisiel's request it was decided to table the matter of awarding a Contract for windows and roof replacement at 689-1 Scattered sites properties until next month.

The Board reviewed the materials and a recommendation to authorize the Executive Director William Abrashkin to enter into a purchase and sale agreement with the city of Springfield regarding disposition of Marble Street Apartments. Judge Abrashkin provided a brief report on the City's plans to build a Community Center in the South End, connect Marble St and Ashmund Street and demolish the Marble Street development. He explained that appraisal conducted by the City estimates the value of the property at \$810,000. Crowney Associates, hired by the SHA, reviewed the appraisal done by DeMicelli Appraisal Services for the City and found their value estimate to be reasonable. Judge Abrashkin stressed that no steps will be undertaken without the residents' approval and HUD's approval and without getting tenancy preservation vouchers. He reported about two rounds of meetings conducted earlier that month with the Marble Street tenants and the Resident Advisory Board and all the meetings showed tenants' support of the plan.

Judge Abrashkin asked the Board to approve the recommendation as suggested in the Memo but to table the portion about covering resident relocation costs, estimated to be approximately \$145,000.

In response to Chairman Thomas's question about loss of revenue after the development is demolished the Executive Director explained that there many factors that affect the level of subsidy allocated by HUD to each AMP, including the number of units, their characteristics and whether the development is for families or for elderly/ disabled residents. If Marble Street development is removed from the inventory, the subsidy will decrease not only because the number of units will decrease but also because the AMP will become mostly for the elderly/ disabled and level of HUD's subsidy for elderly/disabled projects is lower than for family ones. The net reduction in income (potential loss of subsidy and income from rent minus the expenses to maintain the units) is estimated to be around \$300,000. Nicole Contois clarified that this figure includes loss of about \$70,000 in capital funds but these funds are fungible and can be moved within that AMP.

Judge Abrashkin informed the Board that the SHA staff had negotiated with the City on how such loss of revenue can be compensated and the

City's officials agreed to cover the agency's expenses on the \$150,000 Contract for Police services as well as to cut in half the PILOT's payments that would bring about \$80,000 savings.

In response to Commissioner Labonte's question on why relocation costs were not included into the appraisal Judge Abrashkin explained that the City does not have an obligation to relocate the residents and to cover all the expenses associated with it. Mr. Abrashkin also explained that the demolition costs in the amount of approximately \$300,000 will be covered by the City.

Responding to Commissioner Robles's request Executive Director Abrashkin clarified the text of the recommendation the Board had to vote. Upon a motion made by Commissioner Warren, seconded by Commissioner Robles it was unanimously

VOTED: to authorize the Executive Director William Abrashkin to enter into a purchase and sale agreement with the City for the disposition of the Marble Street development at the appraised value of \$810,000, subject to all required HUD approvals and issue of vouchers.

The Board reviewed a recommendation to approve the Internal Controls Policy presented by Nicole Contois who explained that formal adopting of this document was advised by the auditors in order to comply with HUD requirements. She stressed that the audit did not reveal any discrepancies or problems. In response to Commissioner Warren's question if the latest audit report is available for review Ms. Contois stated that the report is being finalized and will be provided to the Board members once ready. Upon a motion made by Commissioner Warren, seconded by Commissioner Labonte it was unanimously

VOTED: to Adopt Resolution # 9644 to adopt Internal Controls Policy.

Judge Abrashkin provided to the Board some information about Disposition of 705 units lost in tornadoes and use of funds for remainder of 705 portfolio. He explained that DHCD started developing a protocol for disposing some 705 aging units around the state. The SHA staff contacted Paul McPartland at DHCD to discuss the possibility of getting a permission not to replace the 6 units at Eastern and Melrose street which were lost in tornado. Estimated cost for rebuilding those units is around \$2.5 million while proceeds from the insurance and a DHCD contractor make only \$780,000 so the SHA is seeking the DHCD's permission to use this money to invest into other 705 units which have been underfunded for many years. Judge Abrashkin said that every year about 10,000 public housing units are being lost in the country due to lack of funds to manage and maintain them.

Mary Ellen Lowney left the Conference Room at 5:00 pm.

Judge Abrashkin clarified that no vote is required and the Board will be kept updated on this matter.

Susan Staples left the Conference Room at 5:01 pm.

The Board reviewed the materials and a recommendation to approve administering vouchers for St. James manor. Judge Abrashkin explained that the owner of the St. James Manor development in Springfield has elected to prepay the mortgage so HUD provides enhanced tenant based vouchers which the Springfield Housing Authority is ready to administer. Judge Abrashkin and Michelle Booth stated that administration fees that will be received from HUD for managing these vouchers might allow opening an extra position at the Section 8 office. Michelle Booth informed that the SHA is also expecting the DHCD to allocate 20 extra alternative vouchers for persons with disabilities. Answering Commissioner Warren's question Judge Abrashkin indicated that the SHA is not taking any other responsibilities rather than administering the vouchers which means conducting recertification and inspections.

Upon a motion made by Commissioner Warren, seconded by Commissioner Robles it was unanimously

VOTED: To accept responsibility to accept and administer the forty four vouchers for St. James Manor.

Susan Staples returned to the Conference Room at 5:07 pm.

The Board reviewed the materials about renewing SHA's support to DevelopSpringfield. Upon a motion made by Commissioner Warren, seconded by Commissioner Quinonez it was unanimously

VOTED: To approve spending \$500 from the COCC to become a DevelopSpringfield's business partner.

The Board reviewed the materials and a recommendation to approve a seven part Change Order # 2 from RAC Builders in conjunction with the work to create ten handicap accessible units at Riverview Apartments. Wallace Kisiel showed some pictures and described in details each proposed change including carpentry repairs of the rotted and defective floor framing and sub floor in some buildings; repairing a masonry exterior wall on Building 6; installation of a new radio box; masonry work to recess the exterior electric outlet boxes; installation of new power panels. Upon a motion made by Commissioner Quinonez, seconded by Commissioner Robles it was unanimously

VOTED: To approve Change Order #2 to Contract # 35-C-2015-3-2, in the amount of \$24,211.00 making the new Contract amount \$2,953,731.00 while maintaining the substantial completion date 27 November 2015, subject to the review and approval of the Department Of Housing And Urban Development.

John Healy presented to the Board the materials and a recommendation to approve 1st contract extension for trash removal services. Answering Commissioner Warren's question Mr. Healy stated that the agency is satisfied with the quality of services provided by Waste Management even though there are have been some minor problems mostly during winter season. Upon a motion made by Commissioner Labonte, seconded by Commissioner Robles, it was unanimously

VOTED: To approve contract extension to Contract No. G-2012-26-20 with Waste Management of Massachusetts LLC for trash removal services. Appoint Executive Director, William H. Abrashkin as the contracting officer to execute the contract extension. The contract extension shall be for the period November 1, 2015 through October 31, 2016 for the amount of \$55,769.28

John Healy left the Conference Room at 5:13 pm.

Mary Ellen Lowney returned to the Conference Room at 5:14 pm.

William Abrashkin started his Executive Director's report by informing the Board that a controversy about \$1.4 restitution funds and purchasing the building at 60 Congress Street has been resolved. He stated that HUD has accepted the SHA's position on the matter and it was admitted that a written authorization that the agency had received from HUD to spend funds on purchasing the building has never been communicated to the HUD's Field Director and to the HUD's Departmental Enforcement Center. Judge Abrashkin quoted the letter he received from HUD that states that the matter has been closed. He said a copy of the letter will be distributed to the Board members. Commissioner Warren expressed his compliments to the staff who had to deal with this complicated issue.

John Healy returned to the Conference Room at 5:18 pm.

The Executive Director continued his report by stating that the Springfield Housing Authority is still waiting for an update from HUD regarding the grant application for the TRS Program. He reported that even though HUD approves the program and would like it to be duplicated at other sites, decision on funding the program is still pending.

Susan Staples informed the Board about an event that is being planned for November 20 in order to increase awareness about the Springfield Housing Authority. She indicated that when she started her job at the SHA she found out that not too many local businesses are ready to support the TRS program, mostly because most of them are not aware about all the positive changes in the last 12 years as well as about the role the agency is playing in the community. She indicated that the Casual Breakfast, sponsored by TD Bank, is considered as one of the tools to increase that awareness and establish good connections to local businesses and legislators. She asked the Board members to support this event by inviting some people who would be interested in learning more about the agency and potentially would be supporting its programs. Ms. Staples indicated that the District Attorney Gulluni will be the Master of Ceremony and the event will feature a presentation about Resident Services programs by Pam Wells and a speech from the Executive Director Abrashkin about the economic impact of the agency. Susan Staples informed the Board that a special brochure will be published and distributed that would describe all the programs of the SHA.

Chairman Thomas suggested including to the list of invitees representatives of Tenant Associations.

Mary Ellen Lowney and Susan Staples left the Conference Room at 5:25 pm.

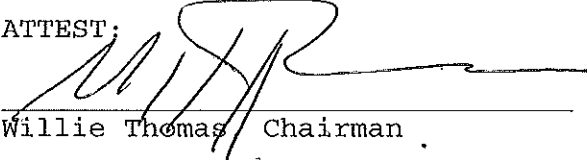
Judge Abrashkin provided to the Board members information about an event organized by Springfield Collaboration for Change. He described briefly the important work of this organization and invited the members to attend their Luncheon on October 28th and learn more about its achievements.

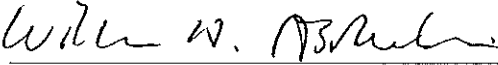
The Board accepted the Accounts Payable report and Financial Report for the month of August 2015. Commissioner Warren expressed his concern that no information on the reserves is included into the reports and that such a gap does not allow to get a clear picture about financial situation in each project. Nicole Contois stated that starting from next month information about reserves will be included into the statements. Answering Commissioner Warren's question she also provided explanation on some state program's budgets. In response to his inquiry about a big amount of money received by program 705 she stated that it was the insurance money from Wall Construction and the \$180,000 received by the COCC was most likely from the DHCD for the TRS line item.

There being no further business to come before the members of the Springfield Housing Authority Board, upon a motion made by Commissioner Robles, seconded by Commissioner Warren, it was unanimously

VOTED: To adjourn the Open Session of a Regular Meeting of the Springfield Housing Authority at 5:38 PM.

ATTEST:


Willie Thomas, Chairman


William H. Abrashkin, Executive Director