

MINUTES

Low Rent Housing Agency of Knoxville
Location: Conference Room of the Housing Agency
July 18, 2016

Present: Board Chairman Don Croghan and Board Member(s) Jody Mansueto, Jerrold Jordan, and Teresa Higginbotham (Joins the meeting late and her entrance is noted in the minutes.) Also present was Executive Director Janice Kerner, Secretary for the Board.

Absent: Board Member Brent Hanna.

Motion by Jerrold Jordan with second by Jody Mansueto to accept the consent agenda. The consent agenda included the minutes of the Annual Board Meeting of June 20, 2016, minutes of the regular Housing Board Meeting of June 20, 2016, the occupancy report, and the stop loss monitoring report. (The agenda incorrectly also listed the financial statements twice and this was handled as an item agenda.) All voted aye.

Motion by Jerrold Jordan with second by Jody Mansueto to approve the payment of claims. All voted aye.

Teresa Higginbotham joins the meeting at this point.

Motion by Jody Mansueto with second by Jerry Jordan to accept the PHAS rating for the March 31, 2016. This score rates the Public Housing program. The Housing Agency received a 91 out of a 100 possible points and is considered a high performer. The Director briefly reviewed to prepare for the Housing and Urban Development's April 28, 2016 REAC inspection (a random sample physical inspection of units owned by the Housing Agency and is a component of the score), the Housing Agency had more maintenance staff than typical and a budget revision would be needed later in the year. All voted aye.

Teresa Higginbotham joins the July 2016 regular board meeting.

There was an error on the agenda which stated the Board would be approving the Declaration of Trust for the 2014 Operating Funds. This should have been the 2015 Operating Funds. This will be placed with correct year on the agenda for the August 2016 regular board meeting.

Discussed Section 8 Voucher Rental Assistance Housing Assistance Payments (HAP) funding. The Housing Agency doesn't have enough funding to make it to the end of the December 31, 2016 funding cycle. The Housing Agency has been approved for shortfall funding from Housing and Urban Development. As a condition of the additional funding, the Housing Agency may not pull any new participants from the waitlist and may not permit any current participants to transfer to a higher cost area in the scenario where the Housing Agency would be paying for the transfer. The Board reviewed recommendations of the HUD staff for reducing costs. One of the recommendations would require a change to the Section 8 Voucher Rental Assistance Administrative Plan. This recommendation would charge a minimum rent. Minimum rent requires families to

pay a certain amount toward their housing costs no matter how low their income. Due to the exceptions allowed by HUD procedure, it is cumbersome to operate and takes more staff time, so the Director did not recommend adopting at this time. While no terminations for lack of funding from the Section 8 Voucher Rental Assistance should occur this calendar year, it could be possible in the future and Housing Agency is required to have a plan for such a contingency. The new proposed Section 8 Voucher Rental Assistance Administrative Plan calls for terminating families who have been on the program the longest with elderly and handicapped exempt unless needed.

Motion by Jerrold Jordan and second by Jody Mansueto to post the proposed Section 8 Voucher Rental Assistance Administrative Plan, the proposed Public Housing Occupancy Plan, the proposed Public Housing lease and related documents, and the 4 factor analysis of Limited English Proficiency for public comment. These documents have been approved by the Resident Advisory Board for release for public comment. The documents will appear on the City of Knoxville's website. Briefly discussed plans for outreach to answer questions on the plans. All voted aye.

Resolution 04-07-18-2016 to approve a Public housing budget revision for the fiscal year ending March 31, 2016 was moved for approval by Jerrold Jordan and second by Teresa Higginbotham. This is a Housing and Urban Development requirement per HUD notice 95-96. All voted aye.

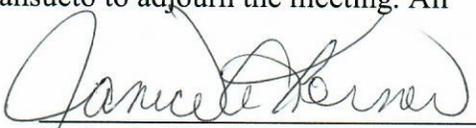
Motion by Jody Mansueto with second by Teresa Higginbotham to approve financial statements for the March 31, 2016 fiscal year end financial statements for the Section 8 Voucher Rental Assistance program and the Public Housing program. The Section 8 Voucher Rental Assistance program had a small increase of \$3389.13 in its administrative reserve and the Public Housing program lost \$4370.24 for the same period. All voted aye.

Motion by Teresa Higginbotham with second by Jody Mansueto accept the April 30, 2016 and May 31, 2016 fee accountant financial statements. All voted aye.

Motion by Jerrold Jordan with second by Jody Mansueto to adjourn the meeting. All voted aye.



Don Croghan, Board Chairman



Janice A. Kerner, secretary