

**Housing Authority of the Town of Somers
Regular meeting May 26, 2011
Woodcrest Community Room – 71 Battle Street**

1. Call to Order

The meeting was called to order at 6:30

2. Attendance

Marylou Hastings, Bob Landry, David Pinney, Nancy Waniewski, Harvey Edelstein (REDI), Brooke Hawkins, Brian Lemire (WINN)

3. Old Business

3.1. Construction Report

3.1.1. Update on warranty issues

Brooke indicated Cecil had carefully inspected units 1 – 23, as they are coming to the end of their 12-month warranty period. A list of minor items is being prepared and ALCA will address them.

Residents have been inquiring about replacing weather-stripping on exterior doors. Discussion confirmed that alternative weather-stripping (or any other action necessary to rectify the problem) will be taken up on a case-by-case basis for only those doors that continue to be a problem. It may be the return of cold weather that will confirm the doors that need further attention.

3.1.2. Plans for \$100,000 in state tax credit funds

Installation of storm doors consumed approximately \$25,000. Discussions and pricing of a generator for #71 Battle St. continue. Once confirmed, discussion will focus on the planned permanent sign for Woodcrest at the Battle Street entrance. Phase II funds will be available to help with this, now that Phase II funding is essentially in place.

3.2. Management of Property (WINN)

3.2.1. Apartment Rental – Update

One unit is turning over in June. It won't be occupied until mid-month leaving just two weeks of vacancy. The rent will increase, as this was a grandfathered unit at a reduced rent and will now be at regular rent for a 50% unit.

3.2.2. Review work orders

Brooke distributed a list of work orders from the previous month and reviewed them with the commissioners. All were minor and none represented a reoccurring problem to raise concern about a systemic issue. No additional toilet problems similar to last month's arose so concern that this needed more attention diminished.

3.2.3. Review of activities and issues of concern

3.2.3.1. Review of ice and water damage from heavy snow cover

Brooke shared with commissioners a list of work to be performed to repair water damage due to ice-damming during the winter, including projected costs. Our insurer has approved this and will cover those costs. Since this coverage comes through a WINN master policy and several WINN facilities submitted similar claims, the carrier has agreed to require the deductible be met only once for all facilities involved. Woodcrest will share only a pro-rated portion of that deductible as an unreimbursed expense.

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Commissioners raised again questions about adequate testing for any potential of undetected moisture damage that might present itself as mold or mildew issues at a later time. The company that performed the emergency cleanup tested inside walls and under carpeting. In addition to generating a list of repair work required and a bid to perform that work, they provided a certificate regarding their findings which provides a warranty against further problems and transfers liability for such problems connected to this event to them. Brooke will share that certificate with Harvey and Brian. Brian will have it reviewed by WINN's chief maintenance person to confirm it is adequate to protect Woodcrest's owners should additional issues arise in the future.

3.2.3.2. Gardens and clotheslines

Brooke confirmed that the present garden plots are attracting activity from the residents and that there appear to be sufficient space to meet demand.

David indicated a clothesline would be going up within the next week or two in the back corner between units 23 and 24. Brooke will poll residents at #71 to see if there is interest for a clothesline behind that building.

3.2.4. Review of proposed Recertification waiver

Brian reviewed the time-consuming process involved in annually recertifying each resident's income and receiving third-party certification regarding all sources of income for each resident, as is required to be fully compliant with I.R.S. code regarding low-income tax-credit financed housing. Maintaining full compliance is a chief priority for the limited partnership and therefore for WINN. It represents a high percentage of Brooke's workday.

Brian distributed a memorandum from CHFA indicating that one component of recent federal legislation (The Housing and Recovery Act of 2008) created the option of substituting self-certification on an annual basis for projects that are 100% low-income, as is the case at Woodcrest. Newly applying residents would have to be fully certified at time of application and on the first anniversary of their residency, but then the owners could select the option to have residents fill out a simple self-certification form. Brooke would assist in this as needed and appropriate, but would overall represent a dramatic reduction in the time Brooke has to spend on the recertification process. The commissioners were ready to endorse the option as soon as Brian and Harvey review a couple of questions about how this process proceeds at other WINN-managed facilities.

3.2.5. Review 2011 operating budget

Brian distributed and reviewed the financial report from April. Income is slightly below budget. The unit referred to above that is turning over in June will bring the monthly rental income above budget. Other income is also lower than expected. Residents are using their own washers and dryers more than expected so income from use of the common machines is lower than expected. Also, few residents are late with rental payments, so late fee revenue is less than expected. Both of these developments are regarded as positive and we will absorb whatever shortfall shows up here in other budget areas.

Use of resident-owned washing machines did come up in regard to a trend that Brian brought to the commissioners' attention. Utility expenses are trending higher than budgeted. The owners pay for all water used on the property. Individual residents are not billed for their usage. Significant increase of resident-owned washers would raise the water bill to some extent. Discussion followed about appropriate responses to incidents of excessive water consumption, accidental (leaving a hose on unintentionally) or otherwise (doing laundry for the resident's extended family, as an example). While no one expects such incidents to arise frequently, Brooke and Brian will review policies in place at other

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WINN facilities and prepare a policy as to how to respond at Woodcrest, should the need arise.

3.2.5.1. Review plans and prospects for retaining 25% units in Phase I

All grandfathered (or “legacy”) units that become available during the remainder of this year will be individually brought to the commissioners for decision regarding re-renting the unit to a 25% household at a standard rent appropriate for that income level.

3.2.6. Review progress on hiring new Resident Services Coordinator

The search continues for a qualified candidate. Confirmation that Phase II is proceeding will help, in that prospective candidates concerned about the part-time nature of the current position can be informed about the timing of when the position will increase in hours, ultimately to full-time.

3.3. Update on Phase II

3.3.1. Review funding proposals

Harvey informed everyone that the Board of Directors of the Connecticut Housing Finance Authority had voted just this day to authorize \$7,000,000 in construction funding for Phase II. This completes securing the core funding for the project, so it is appropriate to move forward with construction. The next construction meeting is June 2 and they will continue weekly during the startup of the project.

The core funding amounts to a little more than \$11,000,000. The project has been “value engineered” to be viable within this funding limit. Additional funds from the Town’s current application for a small cities grant of \$600,000 and possibly from the next round of state tax credits (potentially \$500,000) will enable restoring highly valued elements to the project. Harvey and the commissioners will devote their efforts to supporting a successful application for small cities funding.

3.3.2. Review permitting activity

The design and construction team met this afternoon with town permitting officials at town hall this afternoon. Some minor details will be worked out on updated drawings for the project and submitted in support of a building permit, which would likely be issued in the next few weeks.

4. New Business

4.1. Federal Home Loan Bank support

Harvey brought and shared a document describing a grant of \$400,000 to support Phase II and an additional grant of \$400,000 to subsidize a reduced interest rate on the permanent mortgage with Rockville Bank. The document called for an indication that the Housing Authority, in its capacity as the board of directors of the general partner of Woodcrest Elderly Housing Phase II L.P., to accept the terms of the grant agreement.

A motion to do so and to authorize David Pinney, as president of the general partner, to sign this and any other necessary documents pertaining to this grant was made by Waniewski, seconded by Hastings, and supported unanimously.

5. Approval of minutes from April 28 , 2011

A motion to accept the minutes as presented was made by Hastings, seconded by Landry, and unanimously endorsed.

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6. Resident Questions/Concerns (Mary Lou Hastings)

Marylou indicated there was interest among some residents to have more opportunity to travel to area shopping or recreational opportunities. Marylou wants to explore the prospects of procuring a passenger van that would be owned by Woodcrest for transport use as needed. She and Bob Landry will review once again the prospects of selling the truck, plow, lawnmowers, and other equipment owned by the housing authority to raise funds for purchasing such a van. Brian will review liability concerns and coverage as is or might be provided through the group coverage in place through WINN. Marylou will also investigate possible grant sources to support the effort.

7. Other

None raised

8. Adjournment

A motion to adjourn at 9:00PM was made by Landry, seconded by Waniewski, and unanimously adopted.

Respectfully submitted,

David Pinney