

MINUTES OF A REGULAR MEETING OF
THE HOUSING AUTHORITY OF THE CITY OF RALEIGH
BOARD OF COMMISSIONERS
JUNE 24, 2021

The members of the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina met in a Zoom meeting on Thursday, June 24, 2021 at 5:00 p.m.

The Board Chair called the meeting to order and upon roll call the following were present and absent:

Present: Eric Braun, Susan Ellinger, Arne Morris, Gregg Warren, Joe Whitehouse.

Absent: Niya Fonville, Bahati Mutisya, Yolanda Winstead, Doris Wrench

Visitors: Public: Paula Copolla, Wanda Gilbert-Coker, Leon Cook, Erica Moss; Charles Francis, Francis Law Firm.

RHA Staff: Sonia Anderson, Priscilla Batts, Liz Edgerton, Bob Horn, Wayne Felton, Laura McCann, Jennifer Morgan, Donna Perez, Gwen Wall.

The Board Chair declared a quorum present and welcomed everyone to the meeting.

RECOGNITION OF VISITORS

The Board Chair welcomed the visitors to the meeting and reviewed the Rules of Procedure for Public Comments with the visitors:

Public input and participation are of the utmost importance to the Raleigh Housing Authority. While RHA encourages public participation, time constraints during the monthly RHA Board Meetings do not allow for active participation throughout the meeting. Therefore, the RHA Board has agreed upon the following Rules of Procedure for Public Comments to allow for public comment:

1. Each speaker is allocated 3 minutes to speak at the end of the meeting. The Board Chair may, at their discretion, increase or decrease this time allocation.
2. The total time for Public Comments will be limited to 30 minutes per meeting.
3. A speaker may not share or relinquish any remaining time they have not used to another speaker.
4. Speakers are only allowed to speak one time during the Public Comment period.
5. Speakers shall refrain from personal attacks and/or threats directed towards staff, Board Commissioners, or members of the public.
6. Speakers shall be civil and courteous in their language and presentation. Insults, profanity, use of vulgar language or gestures or other inappropriate behavior are not allowed.
7. Speakers should not expect Board Commissioners to comment on or respond to their comments directly during the meeting. The Board Chair may, however, request the Executive Director's

office to follow up with a speaker after the meeting or provide additional information to the Board at a later date.

8. The Board Chair has the authority to enforce the Rules of Decorum. Failure to obey these Rules may result in the forfeiture of the remaining speaking time. Individuals who engage in egregious or repeated violations may be asked to leave the meeting.
9. The Zoom Chat Room will be disabled during the RHA Board Meetings. If the public wishes to have additional questions or comments answered, they may do so with the following email addresses:
For questions regarding Heritage Park: heritageparkinfo@rhaonline.com
For general RHA questions: info@rhaonline.com

CONSENT AGENDA

All items on the Consent Agenda are considered to be routine and may be enacted by one motion and second. If a Commissioner requests that an item be removed from the Consent Agenda it will be done and considered as a separate item. The vote will be a roll call vote.

Item 1

Charge-off of delinquent resident accounts for May 2021

Item 2

Financial Statements for May 2021

Item 3

Vacancy and Turnover Summary for May 2021

Item 4

Minutes of May 27, 2021 RHA Board Meeting.

RECOMMENDATION: Approval as submitted by staff.

Commissioner Braun moved and Commissioner Warren seconded approval of the Consent Agenda. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Arne Morris, Gregg Warren, Joe Whitehouse.

Nay: None

The Consent Agenda has been adopted.

REPORT OF THE BOARD SECRETARY

COVID Update

Since the Governor has changed the mask requirements and more and more people are getting vaccinated, staff is considering opening up more to the public. RHA will follow similar guidelines to a doctor's office where a mask, social distancing, and capacity limit is required. Staff is looking at additional signage and a drop box area where residents can drop off paperwork without having to get out of their cars. The tentative date to open to the public will be July 12th.

Additionally, staff is looking at having the August RHA Board Meeting in person in the Board Room. There have been questions about having a “hybrid”-type meeting involving some virtual participants and some in person. Staff is checking to see if that is compliant with state statutes and will let the Board know how that will work as the date gets closer.

Staff is getting quotes to update the equipment in the Board as it is 20 years old and rethinking how RHA will handle Board Meetings. For example, the projector and screen are not being replaced in the Board Room as it is only used once or twice a year and the screen is located behind some of the Board Commissioners. It seems most of the Board Commissioners prefer digital Board books so staff may look at getting laptops on the table for each Board Commissioner and the meeting information can be shared through the laptop. Staff will be getting feedback from Board members as some of these processes are worked out.

RHA Audit

The auditors finished their field work last week and have been completing their analysis remotely this week. Last week they told staff that there were some files in Section 8 and Public Housing which were processed late. It was not a significant number of files so it will not be a finding. However, it may be a management comment. That is at the auditor’s discretion. Staff has not heard of any other issues they found this week. The exit meeting with the auditor and Audit Committee will be held on Wednesday next week at 3:30 pm.

Heritage Park Redevelopment Update

- Staff has compiled the information from the surveys at Heritage Park and it is posted on the RHA website.
- Staff had a meeting with NC Justice Center to discuss RHA’s plans for Heritage Park. It was a very positive meeting with Bill Rowe and Jack Holtzman. Future meetings are anticipated to receive feedback and collaborate on issues.
- Mr. Felton will attend a meeting with the Wake County Housing Justice Coalition on July 8th to answer any of their questions. In addition, an RHA staff member will attend a meeting next Monday with the Justice Served group to speak about RHA’s plans for Heritage Park.
- Staff is developing a scope of work for a communication group to work with RHA on the Heritage Park redevelopment. We will be talking with APOC Worldwide (the director worked on Washington Terrace redevelopment with DHIC and Walk West). Staff will talk with a few more groups so there are at least three. Please email the contact information of anyone else the Board would recommend staff speaks with.
- Mr. Felton and Donna Perez met with Mack Paul last week to discuss the rezoning process and RHA’s next steps. Staff also spoke with Larry Zucchini and RHA’s engineer regarding their suggestions on the phasing plan. They will be talking with the City to discuss RHA’s proposal.
- A Repositioning Committee Meeting is scheduled for next Wednesday, June 30th at 11:30 am. The discussion will include the RFP for a developer and the rezoning of the property.

Building Futures Initiative

Staff continues to have conversations with different entities regarding partnering on the Building Futures Initiative. Two information sessions are planned in July: Heritage Park on July 8th from 4-6 pm and Terrace Park (date TBD). Kona Ice will be there to give out snow cones to participants. Wake Tech will be there to discuss their scholarship programs and opportunities. NC Works will also be attending. Staff is looking for someone from the City of Raleigh to talk about transportation and someone else to speak about childcare. Staff feels that those are two of the most common hurdles residents face with working.

Affordable Housing Bond

Mr. Felton is on the sub-committee for the Affordable Housing Bond which the City approved earlier this year. They are working to determine RHA's role with the Affordable Housing Bond and will be making recommendations to the City Council.

Staff Survey

A survey will be sent out to RHA staff to gauge their interest and get ideas regarding flex schedules and potentially working from home for two days a week for certain positions. With the pandemic, a lot of companies are looking at doing some sort of hybrid work schedule. This would be a pilot program as staff is trying it out. RHA wants to stay ahead of the curve to try to keep the good people and attract others to work here. This will help employees with a work/life balance and will also be beneficial for the agency. Staff is keeping in mind RHA's purpose to serve its residents when working out flex schedules.

Commissioner Morris said he encourages RHA to continue to compare its salaries with market salaries in order to keep employees.

REPORT OF THE REPOSITIONING COMMITTEE CHAIR

Commissioner Warren said the committee is focusing in on the RAD conversions as well as the Heritage Park redevelopment. June 30th at 11:30 am is the next scheduled meeting. The agenda for that meeting includes a discussion of the Developer RFQ, the Relocation Plan, and the rezoning. All Board Commissioners and the public are welcome to attend.

NEW BUSINESS

Mr. Felton said RHA's fiscal year runs through March 31st of each year. At that time, staff prepares financials to be submitted to HUD. Since these financials are very lengthy (over 400 pages this year), the Finance staff has condensed them down to a 5-page summary which is attached to this resolution.

Highlights of the summary include:

- RHA's net income for FYE 2021 is over \$4.3 million. (RHA \$3.0 million and CAD is \$1.3 million).
- The Housing Choice Voucher Program has a net income of \$1.6 million (it was \$371,000 in 2020). The biggest difference is the CARES Act that RHA received for COVID.
- RHA total assets are over \$117 million, which is about the same as last year.
- CAD has a non-current liability of almost \$5.6 million (down from \$6.7 million in 2020)
- RHA's total liabilities are \$10.1 million (which is down from \$12.6 million in 2020). The pension numbers have not booked yet and staff is just getting these numbers now.
- Restricted fund balances are \$778,000. These are funds designated to be used for RHA's next redevelopment.
- This year RHA has something new and staff is showing the CARES Act funding which RHA received last year. RHA received an additional \$3.1 million through the CARES Act last year. (there is \$20,000 remaining in Public Housing and \$120,000 remaining in Leased Housing.)
- The Unaudited Financial Data Schedule has been submitted and is being reviewed by HUD.

Commissioner Morris asked if there was anything specific that RHA needed to use the CARES Act money for. Mr. Felton said they want PHAs to spend it on COVID costs. Staff purchased laptops for employees to work from home and they updated RHA servers to allow for employees to work from home.

Once those COVID items were taken care of, it could be used for operations costs to ensure it was spent in the timeframe given.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 40 (2021)

WHEREAS, Federal Register Volume 65, Number 59 was issued on March 27, 2000 for the Uniform Financial Reporting Standards for Housing and Urban Development (“HUD”) Housing Programs; Final Rule revising 24 CFR parts 5 and 266, requiring public housing authorities to electronically submit unaudited annual financial data following the end of each fiscal year; and

WHEREAS, the annual financial submission for the fiscal year ended March 31, 2021 was electronically submitted to HUD’s Real Estate Assessment Center on May 28, 2021; and

WHEREAS, the Governmental Accounting Standards Board (“GASB”) issued Statement 68 relating to accounting and reporting issues and how pension costs and obligations are measured and reported on audited external financial statements; and

WHEREAS, RHA implemented GASB 68 on the March 31, 2016 financial statements using pension data supplied by the NC Department of State Treasurer (“NCDST”); and

WHEREAS, as of the due date of the submission the NCDST has not yet provided the information required to complete the pension entries for the fiscal year ended March 31, 2021; and

WHEREAS, HUD advised the agency to complete the annual financial submission without the current year pension entries; and

WHEREAS, the attached documents summarize the unaudited financial data for the fiscal year ended March 31, 2021;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the unaudited annual financial submission for the fiscal year ended March 31, 2021 be accepted as prepared and as submitted to HUD.

BE IT FURTHER RESOLVED THAT the audited financial submission will be updated to include the current year pension entries.

Commissioner Braun moved and Commissioner Whitehouse seconded approval of the foregoing resolution.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Arne Morris, Gregg Warren, Joe Whitehouse

Nay: None

Resolution No. 40 (2021) has been adopted.

Mr. Felton said with the audit, RHA is required by the General Accounting Standards Board (“GASB”) to publish a narrative called Management’s Discussion and Analysis (“MD & A”) that describes the past year and prospects for the future. It is a 10-page executive summary of what happened this past year and

what is going on now that will impact future years. This document adds some context to the numbers and provides benchmarks that include:

- Current assets are up 12% to \$4.5 million.
- Capital Assets decreased 3% due to depreciation and writing off equipment.
- RHA total liabilities decreased by 3%. Most of that is due an increase in the liabilities due to accrued payments to casualty loss for the fire at Glenwood, increase in Capital Fund accrued payments related to façade work at Glenwood.
- RHA total tenant revenue decreased by \$345k or 4%. This is due to some tenants being affected by COVID.
- Operating and Capital Fund increased \$5.4 million. This is due to CARES Act monies and an increase in Cap Fund funding.
- Expenses increased by \$3.9 million. This is due to additional costs associated with COVID pandemic.
- Maintenance costs increased by 2% last year.
- RHA’s overall net position increased by \$2.4 million due to positive results from operations, depreciation and additional CARES Act monies.

RHA had a good financial year and the goal for current year is to keep everything running as efficiently as possible and cash flowing. RHA is considering converting some properties to RAD and looking at a redevelopment. This resolution allows for minor revisions should something be identified as part of the audit that would make changes necessary.

The pension amount deferred inflows and outflows had not been received from the NC State Treasurer as of June 16, 2021. Staff just got these numbers this week so they will be added to the audit and the Board will that as part of the Audited Submittal staff will bring back in a few months.

If the MD&A is approved, it will be included in the audit.

Commissioner Warren asked about the decrease in investment income. Mr. Felton said RHA wasn’t earning as much on the accounts. Liz Edgerton said the rate of returns were greatly decreased. RHA invests in shorter periods so that when the market makes a turnaround staff can invest in a higher rate of return.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 41 (2021)

WHEREAS, HUD Guidebook 7510.1, Public and Indian Housing Low-Rent Technical Accounting Guide, requires that a housing authority contract with an independent auditor for an annual financial audit; and

WHEREAS, the audit must conform to the requirements of the Office of Management and Budget (“OMB”) Uniform Guidance 2 CFR Part 200, Audits of States, Local Governments, and Non-Profit Organizations; and the Government Auditing Standards issued by the Comptroller General of the United States; and

WHEREAS, Governmental Accounting Standards Board (“GASB”) Statement 34 issued in June 1999 requires that audits include a narrative prepared by the auditee called Management’s Discussion and Analysis (“MD&A”), which was effective for RHA for the fiscal year ended March 31, 2001; and

WHEREAS, staff drafted an MD&A based upon the unaudited financial statements for the fiscal year ended March 31, 2021, which is attached to this resolution and thereby made a part of this resolution; and

WHEREAS, the Governmental Accounting Standards Board (“GASB”) issued Statement 68 relating to accounting and reporting issues and how pension costs and obligations are measured and reported on audited external financial statements; and

WHEREAS, RHA was required to implement GASB 68 on the March 31, 2016 financial statements using pension data supplied by the NC Department of State Treasurer (“NCDST”); and

WHEREAS, as of the due date of submission the NCDST has not yet provided the information required to complete the pension entries for the fiscal year ended March 31, 2021; and

WHEREAS, HUD advised the agency to complete the annual financial submission without the current year pension entries; and

WHEREAS, the pension data for FYE March 31, 2021 will be recorded on the audited financial statements and MD&A as soon as it is available; and

WHEREAS, as the annual financial audit is completed for the fiscal year ended March 31, 2021 it may be necessary to make minor changes to the MD&A; and

WHEREAS, the final MD&A will be brought before the Board of Commissioners as part of the Report on the Audit of Financial Statements for the fiscal year ended March 31, 2021;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the draft of the Management’s Discussion and Analysis for the fiscal year ended March 31, 2021 be approved.

BE IT FURTHER RESOLVED that staff is authorized to make minor revisions to the MD&A for the fiscal year ended March 31, 2021 as may be identified during the completion of the annual financial audit and update the pension data as it becomes available.

Commissioner Warren moved and Commissioner Ellinger seconded approval of the foregoing resolution.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Arne Morris, Gregg Warren, Joe Whitehouse

Nay: None

Resolution No. 41(2021) has been adopted.

Mr. Felton said in May of this year RHA was awarded 138 Emergency Housing Vouchers. In order to use the vouchers, tenants must go through the Continuum of Care. Staff has been working the Raleigh/Wake Partnership on how we can work together to get people through the system quickly and into housing.

Staff will be focusing on housing individuals who are without shelter and are actively enrolled on the Continuum of Care's By-Name List. They would be enrolled through Street Outreach, Emergency Shelter or Transitional housing projects. Clients will be prioritized based on their length of time being homeless.

The Partners will be providing support for families in completing the applications and obtaining supportive documents. RHA is also reducing the criminal background criteria so that only individuals who have produced methamphetamines on federal property and/or are list sex offenders will not be eligible for the program.

RHA may assist with transportation needs and also may wave the minimum \$50 minimum rent with documentation of a hardship.

RHA will receive \$3500 per voucher (138 total vouchers). That will give RHA \$483,000 to make sure the vouchers get used. Some of those items include:

- \$500 per landlord incentive to accept someone in the program.
- \$1000 per unit for furnishings.
- Hiring two temps to assist with lease up.
- Overtime for inspections.
- Money to help people with utility balances and landlord balances.

Funding is available July 1st. Any money not used goes back to HUD.

Commissioner Warren said this sounds like a great partnership. He asked if the vouchers will remain in the RHA portfolio over the long term. Mr. Felton said this program ends in September 2023. If a unit is leased within that timeframe, they will renew funding as long as the tenant lives there. If the tenant moves out in December 2023, they will not have a voucher and it will not revert back to RHA's total voucher numbers.

Commissioner Warren asked if there will be any consideration available to help people get connected to the internet – through cell phone coverage or anything like that. The digital divide is an important issue. Mr. Felton said he doesn't recall them talking about it but it can be brought up in additional discussions.

Commissioner Whitehouse asked if RHA applied for these vouchers. Mr. Felton said this was tied into one of the COVID bills that passed in April. RHA found out on May 10th that it is receiving the vouchers.

HOUSING AUTHORITY OF THE CITY OF RALEIGH RESOLUTION NO. 42 (2021)

WHEREAS, President Biden signed the American Rescue Plan Act of 2021 ("ARP") into law on March 11, 2021 which provides aid for the continued impact of the COVID-19 pandemic; and

WHEREAS, the ARP Act includes an allocation of Emergency Housing Vouchers ("EHV") to selected housing authorities; and

WHEREAS, the Department of Housing and Urban Development ("HUD") provided notification on May 10, 2021 that RHA would be eligible to receive 138 EHV's as part of the Act; and

WHEREAS, EHV's provide assistance to individuals and families who are (1) homeless; (2) at risk of homelessness; (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking; or (4) recently homeless; and

WHEREAS, RHA has confirmed the Agency’s willingness to accept and administer the full amount of these vouchers which have an effective date of July 1, 2021; and

WHEREAS, HUD is requiring housing authorities to enter into a Memorandum of Understanding with the local Continuum of Care (“CoC”) to establish a partnership for the administration of the EHVs; and

WHEREAS, staff has been collaborating with the Raleigh/Wake Partnership to End Homelessness to implement usage of these vouchers through the CoC; and

WHEREAS, both RHA and Raleigh/Wake Partnership to End Homelessness agree to the terms and responsibilities provided in the attached Memorandum of Understanding throughout the implementation and management of the Emergency Housing Vouchers;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the Memorandum of Understanding between RHA and the Raleigh/Wake Partnership to End Homelessness be approved.

Commissioner Whitehouse moved and Commissioner Braun seconded approval of the foregoing resolution.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Arne Morris, Gregg Warren, Joe Whitehouse

Nay: None

Resolution No. 42(2021) has been adopted.

Mr. Felton said the Salvation Army provides emergency housing for families experiencing homelessness in Wake County. All families referred to the Salvation Army come through Coordinated Entry. Case managers assist them with budgeting, employment and locating housing. They provide this service for one year after they find housing.

This Memorandum of Agreement (“MOA”) would provide a Special Admissions for 20 qualified applicants from their Emergency Shelter from July 1 through March 31, 2022.

This MOA is for Public Housing only. It provides a way for families to quickly receive subsidized housing based upon availability. These families would come exclusively from the Emergency Shelter program.

Commissioner Whitehouse asked how staff came up with the number of 20 qualified applicants. Mr. Felton said that was the Salvation Army’s request.

Commissioner Warren asked if RHA is relaxing any of its standard admission requirements for this program. Mr. Felton said no – that wasn’t covered in the MOA.

Commissioner Warren asked if there will be work requirements for the program. Mr. Felton said there will not be work requirements.

Mr. Francis said the number of 20 applicants is based on RHA's Admissions and Continued Occupancy Plan ("ACOP"). There is a provision in RHA's ACOP that states RHA may accept up to 20 applicants per fiscal year from an agency.

Commissioner Warren asked if additional agencies (Raleigh Rescue Mission, etc.) that can participate in the future if they want to place homeless people from their shelter into RHA properties. Mr. Felton said the ACOP limit is 20 per group so RHA could have agreements with other agencies.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 43 (2021)

WHEREAS, the Housing Authority of the City of Raleigh (RHA) owns and manages the public housing program which seeks to provide quality affordable housing for low-income families; and

WHEREAS, the U.S. Department of Housing Urban Development (HUD) regulations found in 24 CFR Part 960 set forth the requirements for housing authorities as it relates to requirements, standards, and criteria for admissions into the public housing program; and

WHEREAS, RHA has adopted the Admissions and Continued Occupancy Policy (ACOP) as required by HUD; and

WHEREAS, Section 14.3 of the ACOP allows agencies with a current Memorandum of Agreement (MOA) access to special admission housing slots in the public housing programs; and

WHEREAS, the Salvation Army has expressed great interest in obtaining access to Special Admissions housing due to current public housing wait times; and

WHEREAS, no other organization has expressed interest or requested access to the Special Admissions housing; and

WHEREAS, the Salvation Army has presented RHA with a proposal to enter into a MOA which would provide up to 20 eligible occupants from their homeless shelter special access into the public housing program during the current fiscal year; and

WHEREAS, RHA met with representatives of the Salvation Army to discuss the criteria and specific arrangements for this program; and

WHEREAS, RHA and the Salvation Army wish to establish a Memorandum of Agreement to establish each agency's responsibilities and management of this Special Admission;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the Memorandum of Agreement between RHA and the Salvation Army be approved.

BE IT FURTHER RESOLVED that staff will monitor this process and may recommend modification should issues arise or there be interest from multiple organizations in a Special Admission.

Commissioner Braun moved and Commissioner Warren seconded approval of the foregoing resolution.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Arne Morris, Gregg Warren, Joe Whitehouse

Nay: None

Resolution No. 43(2021) has been adopted.

Mr. Felton said each year the Board does an evaluation of the Executive Director. From that evaluation earlier this year the Board asked that RHA look at doing a Strategic Plan for the agency, a Communication plan for the agency and a 360 Evaluation with the agency's staff. These items were brought up in March after staff had established RHA's budget for FYE 2022 so these items are not included in the current budget.

Staff made some calls to get budget numbers and they are shown in the attached spreadsheet.

Staff is required to procure these items so the pricing could change. The cost for these items would be spread across all programs and staff feels that RHA can absorb them into the current budget.

Staff would consult with the Executive Director Review Committee before executing any contracts to review scope of work and costs.

Commissioner Warren asked if RHA is locked into any of the numbers right now. Mr. Felton said those numbers are not locked in. They are estimated numbers.

Commissioner Warren asked if RHA needs to take the low bidder. Mr. Felton said RHA is not required to take the low bidder on procurement of professional services.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 44 (2021)

WHEREAS, the Housing Authority of the City of Raleigh ("RHA") Board does an appraisal of the Executive Director annually in January; and

WHEREAS, the Board established a committee to put together goals and objectives for the Executive Director to achieve over the next year; and

WHEREAS, two of the goals listed were to develop a strategic plan for agency and perform a 360 evaluation with the staff; and

WHEREAS, RHA is looking to redevelop Heritage Park and convert some properties to RAD; and

WHEREAS, it has been determined a communication plan is needed to appropriately communicate our vision for Heritage Park, RAD conversion and overall agency communications to our residents, staff and the public; and

WHEREAS, since these items came after our FYE 2022 budget was established, they are not included in this year's budget; and

WHEREAS, staff solicited information from different vendors to determine estimated budgets for these additional items; and

WHEREAS, the estimated budget is on attached spreadsheet; and

WHEREAS, the cost for these items should be allocated across all programs; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that staff implement measures to procure consultants to complete a Strategic Plan, Communication Plan and 360 Evaluation.

BE IT FURTHER RESOLVED THAT staff will consult with Executive Director Review Committee of the Board before executing contracts to review scope and costs.

BE IT FURTHER RESOLVED THAT the budget for all programs be adjusted to reflect the Strategic Plan, Communication Plan and 360 Evaluation.

Commissioner Warren moved and Commissioner Ellinger seconded approval of the foregoing resolution.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Arne Morris, Gregg Warren, Joe Whitehouse

Nay: None

Resolution No. 44(2021) has been adopted.

Mr. Felton said OCAC is the entity that RHA set up for the ownership of the RAD properties and potential ownership of future developments. All of the offices of OCAC are RHA Board Commissioners. Staff feels that RHA needs someone to be an agent of OCAC to sign everyday contracts, etc. for its operation. This resolution proposes that the RHA Executive Director be the agent of OCAC to act on its behalf.

Commissioner Warren asked if OCAC needs to be capitalized with funds from RHA. Mr. Felton said he doesn't think it would because funds are being moved for the replacement reserves as well as the operating reserves. RHA is taking the funds from Terrace Park, Berkshire Village, Meadowridge, and Valleybrook and moving those over. That would be enough for OCAC to get started.

Commissioner Warren said he was asking about the point in time before that because we don't know when that will happen.

Commissioner Morris asked if the Board can table that question and give it some thought.

Mr. Francis said the intent behind this resolution is so that RHA staff doesn't have to bother the OCAC Directors for signatures. This came up when staff was getting the EIN for OCAC and one of the Directors had to be located for a signature.

Commissioner Braun asked if there is any limitation.

Mr. Francis said there is no limitation in there currently. However, if the RHA Board or OCAC Board wants to include limitations they can be added. The idea is for ease of operations. Mr. Felton is not planning to go out and bind OCAC to any major obligations without consulting the OCAC Board.

Commissioner Ellinger said she had the same question. The intent is to make sure it isn't too cumbersome for getting things moving forward. However, should there be a limit, or a laundry list to go along with this resolution? Currently it is just a matter of interpretation as to what the matters are to be executed.

Commissioner Braun said in his experience, with non-profits, there was always a limit on the check. If you were going to write a check for more than "X" amount, either you needed two signatures or you needed Board approval. The signature could be the Chair or someone else in the organization for internal control purposes. This might be something that the auditor can help with.

Commissioner Ellinger agreed. She said in her experience it was usually capped at a certain amount that would require two signatures – both with non-profit and for-profit.

Mr. Felton said RHA has those rules in place and it might be a good idea to put them in place for OCAC. This resolution not only covers signing checks – it is also for signing annual contracts for vacancies (the everyday contracts that need signing).

Mr. Felton asked if this is a decision that RHA or the OCAC Board would make (as far as the limitations).

Commissioner Braun said OCAC would make those limitations since it is an independent corporate entity. The same controls that RHA has can be incorporated into OCAC – depending on what they are. In theory, those RHA controls don't apply to Mr. Felton in his role with OCAC.

Mr. Francis suggested adopting the same limitations as the RHA has with check signing and add it as a proviso to the resolution.

Commissioner Warren asked what those limitations are.

Liz Edgerton said RHA has a check signing policy. She said there are limits set, and two signers are designated with internal checks and balances. OCAC would need a new check signing policy as well as a procurement policy that the OCAC Board would approve.

Mr. Francis said this resolution is not urgent. Between now and when the Board meets again in August there will be a few routine documents that will need signing. For example, the 501(c) 3 application will need to be signed.

Commissioner Braun suggested that this resolution is approved so that's all in place since there's no money in there anyway. A revised resolution can be brought back to the Board to the next meeting that has the limitations that RHA has as well.

Commissioner Warren said that would be an OCAC resolution.

Commissioner Braun and Mr. Francis agreed that it will be an OCAC resolution.

Mr. Felton said the Check Signing Policy and Procurement Policy can be brought to the OCAC Board at that time, too.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 45 (2021)

RESOLUTION DESIGNATING RHA EXECUTIVE DIRECTOR AS AGENT OF OAK
CITY AFFORDABLE COMMUNITIES, INC.

WHEREAS, Oak City Affordable Communities, Inc. (“OCAC”) was setup as a non-profit entity to serve as owner of RAD properties and developer in future developments; and

WHEREAS, the adopted agreements do not designate the Executive Director of the Housing Authority as an officer of OCAC; and

WHEREAS, there are several documents such as checks, contracts, and banking transactions needing signatures to setup and operate OCAC;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA: The Board of Commissioners hereby designates the Executive Director of the Authority of the City of Raleigh as the agent for signing checks and contracts, handling banking transactions, and completing and filing documents with governmental and regulatory authorities.

BE IT FURTHER RESOLVED; the Executive Director cannot sign any loan documents without prior board approval.

Commissioner Warren moved and Commissioner Braun seconded approval of the foregoing resolution.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Arne Morris, Gregg Warren, Joe Whitehouse

Nay: None

Resolution No. 45(2021) has been adopted.

ADJOURNMENT

There being no further business to come before the Board, the Chair declared the regular meeting adjourned at 6:30 p.m. The Board then went into the Oak City Affordable Housing Board Meeting.