

CHARLES CITY HOUSING & REDEVELOPMENT AUTHORITY

AGENDA

October 16, 2014, 7:00 a.m.

at

501 Cedar Terrace South, Charles City, IA 50616

I.	Roll Call – Call Meeting to Order	
II.	Public Comment	
III.	Approve Minutes of September 18, 2014 .....	1-2
IV.	Approval of Bills for October 2014.....	3
V.	Communications.....	4-5
	1. Capital Fund Program Update	
	2. Rehab Update	
	3. FYE 2014 Audit	
	4. Section 8 HAP Funding	
	5. Monthly Rental Status Update	
	6. End of Participation Tracker	
VI.	Old Business	
VII.	New Business	
	1. Review Financial Reports.....	6-9
	2. Consider Approval of Resolution 09-14 to Approve Payment Standards. ....	10-13
	2. Review Architectural Proposals and Make Recommendation.....	14
	3. Consider Approval of Resolution 10-14 to Set New Flat Rents.....	15-16
	4. Approve Transition to Biennial Section 8 Inspections .....	17
	4. Discuss Options for Snow Removal.....	18
VIII.	Move to Adjourn	

Next regular meeting scheduled for Thursday, November 20, 2014 at 7:00 a.m., CCHRA Office

CHARLES CITY HOUSING AND REDEVELOPMENT AUTHORITY  
September 18, 2014 7:00 a.m.

Members Present: Susan Andersen, Trey Becker, and Jeremy Heyer. Absent: Jill Streich and Nancy Heiter. Others present: Heidi Nielsen, staff

Call to Order. Chairperson Becker called the meeting to order at 7:00 a.m.

Public Comments. None

Amend-Approve Minutes of August 21, 2014. Heyer moved, Andersen seconded the motion to approve the minutes of August 21, 2014 as presented. Ayes: 3, Nays: 0. Motion carried.

Approval of Bills for September 2014. Heyer moved, Andersen seconded the motion to approve payment of the revised bill listing totaling \$90,151.03. Ayes: 3, Nays: 0. Motion carried.

Communications. Items under Communications were reviewed. No action taken.

Old Business.

New Business.

Review Financial Reports. Nielsen reported that we were on track with the budget and didn't anticipate any budget revisions at this time. The only area that might be of some concern is the maintenance wages because of the extra payroll expenses from the temporary position. No motion was necessary.

Consider Purchase of Security Cameras. Staff discussed recent events precipitating the need for a portable camera. The quotes from Dan Elton and Steve Merrill were reviewed and it was determined that the camera with the low quote from Steve Merrill for \$830.46 was the better of the two options. The purchase of a replacement camera from CEC for the one at Morningside that is inoperable was also discussed. Nielsen stated that she felt that a local company would likely be less expensive than the one quoted from CEC for \$1,488.20, especially when you factor in trip charges. Becker asked if we could table to decision for the replacement camera pending discussion with Steve Merrill to see if there are any less expensive options. Heyer made a motion to approve purchase of the portable camera from Steve Merrill and to table the decision to purchase the replacement camera until we have more information. Andersen seconded the motion. Ayes: 3. Nays: None. Motion carried.

Review Physical Needs Assessment. The Board members were given copies of the written report and the spreadsheet with the anticipated maintenance and replacement costs for the next twenty years. The information was reviewed. Nielsen stated that the spreadsheet could be changed to meet our needs and that the information presented was based on HUD formulas for maintenance and replacement costs. The report is informational only and no action needs to be taken at this time.

Being no further business, Andersen moved, Heyer seconded the motion to adjourn. Ayes: 3.  
Nays: 0. Motion carried.

Charles City Housing and Redevelopment Authority

---

Trey Becker, Chairperson

ATTEST:

---

Heidi Nielsen, Director

Charles City Housing  
 Monthly Bill Listing  
 October 2014

Customer	Description	Amount
Business Card	staff training expenses, computer backup	172.69
C.Naber & Associates	accounting fees	375.00
Cedar Valley Printing	paper towel dispensers	71.78
CenturyLink	phone bill	179.39
Charles City Electronics	cell phone case	99.99
Charles City Housing	security deposit for damages (Jones)	200.00
Cintas	rug service	102.92
City Motor Parts LTD	maintenance-oil	40.68
City of Charles City	water/sewer/URP/quarterly postage/S8 inspections	
Dean Jepsen	security deposit refund	200.00
Foxen Floors & More	carpet for #2228	1,046.65
Friedrich, LLC	AC maintenance at Morningside	70.00
GE Capital	copier lease payments	471.02
HAPS	Oct.1 HAPS	50,556.24
Heidi Nielsen	meal reimbursement from trainings	12.02
Hockenson Plumbing	maintenance items/services	752.34
Iowa Department of Transportation	fuel	114.40
Jendro Sanitation	trash service	639.00
Judy Arlet	pet deposit refund	50.00
Larry Jepsen	laundry key tag refund	10.00
Linderman Heating & Air, LLC	maintenance items/services	459.87
Manessa Elliott	overpayment refund S8 HAP	100.00
Marco, Inc.	copy costs	88.06
Mid American Energy	electric/gas/URP	
Nan McKay	PH master book revision	224.00
National Business Furniture	hanging rack for SCT Laundry room	157.70
Otto's Oasis	landscaping maintenance fees, 10 months	310.00
Pitney Bowes	meter lease	54.09
Plunkett's Pest Control	pest control service treatment	52.00
Purchase Power	postage	300.00
Reliable Office Supplies	paper/office supplies	324.37
Reliable Office Supplies	kleenex	35.49
Schueth Ace Hardware	maintenance items	615.77
Sherwin Williams	paint/supplies	341.59
Superior Lumber	maintenance items	75.00
T-J Service	maintenance repairs/antenna repairs	593.96
YARDI	criminal background checks	94.50
		<b>58,990.52</b>

REQUESTED ACTION: None - for your information only.

1. Capital Fund Update. We have been notified by HUD that we are on the list of those agencies who will be receiving additional funding when they calculate the 2015 Capital Fund awards. It is usually about 10% of the formula based calculation. I anticipate that we will receive about \$135,000 for 2015.
2. Rehab Update. The project on the sixth home will be closed out by October 20<sup>th</sup>. We have identified the final four projects and have met with the homeowners. Our plan is to have the specifications finished by mid-November and be ready to start the bidding process sometime in December. We need to have all four projects finished by May 31, 2015. Since one of the project will involve extensive exterior painting, we will more than likely have to request another extension.
3. FYE 2014 Audit. The auditors have contacted us and they plan to be here on November 24<sup>th</sup> and 25<sup>th</sup> to do the field work. They will be contacting Kronlage and Olson to get the information that they need from them in the next couple of weeks. It is my understanding that they still plan to be finished with the audit by January.
4. Section 8 HAP Funding. HUD is almost finished transitioning the funding from agency held reserves to holding all of the reserves in HUD-held accounts. We have about \$7,000 still in our account for rental payments. We will have about \$57,000 in the HUD-held account at year-end from the annual budget authority. We were also notified by HUD that we are eligible to receive an additional \$30,694 to help offset the high portability costs that we have had. With all of the remaining funding, we can increase our monthly HAP costs by about \$8,000 a month. With our average HAP, that translates to about 29 additional vouchers. However, we are still seeing an increased interest from families wishing to port. It wouldn't be wise to try to lease up 29 additional families, because the excess HAP funds can quickly be used by additional portability payments. The other issue that we are still being plagued by is the lack of available rental units.
5. **Monthly Rental Status Update.**

Month of September 2014	Total Leased 9/1/14	New Leases	Removed Or Moved	Total Leased 9/30/14	Total On Waiting List	Offered Assistance	Removed
Terraces 132 Units	131	1	3	129	35	9	5
Morningside 16 Units	14	1	1	14	1	4	2
Section 8 197 Units	160	10	6	163	45	30	5

Declined Assistance (8) Over Income ( ) Denied ( ) Insufficient Address ( )  
 Did not attend Briefing/Information Not Returned (5) Criminal Background Check ( )  
 Voucher Expired (1) Purged ( )  
 Terminations: PH (0) S8 (3)  
 Port Out: ( )

6. End of Participation Tracker. See attachment

END OF PARTICIPATION

TRACKER  
2014-2015

SECT8	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTALS
LEFT IN GOOD STANDING	2	2	1	2									7
ZERO HAP													0
MUTUAL RESCISION													0
ANNUAL RE-EXAM SEARCHING	1	1	1										2
PORT-OUT ABSORBED		1											1
PORT-OUT SEARCHING	1												1
DECEASED													0
MOVED IN VIOLATION				2									2
EVICED													0
UNAUTHORIZED LIVE-IN	3	1											4
VIOLATION OF FAMILY OBLIGATION		2											2
GAVE UP ASSISTANCE BEFORE 1 YEAR													0
FAILURE TO RENEW													0
FAILURE TO REPAY													0
FAILURE TO PROVIDE INFO			1										1
FAILURE TO FOLLOW THROUGH													0
FRAUD													0
UNREPORTED INCOME-2ND TIME													0
UTILITIES DISCONNECTED													0
CRIMINAL CONVICTION													0
VOUCHER EXPIRED	1	4											5
VOUCHER REVOKED				1									1
LEASED W/NEW LANDLORD	1	2	4	1									8
TOTALS	9	12	7	7	0	0	0	0	0	0	0	0	26
<b>PUBLIC HOUSING</b>													
LEFT IN GOOD STANDING	2		1	3									6
DECEASED													1
MOVED IN VIOLATION	1			1									2
TERMINATED FOR LEASE VIOLATIONS													0
EVICED													0
UNAUTHORIZED LIVE-IN													0
FAILURE TO RENEW		1											1
FAILURE TO REPAY													0
FAILURE TO PROVIDE INFO													0
FAILURE TO FOLLOW THROUGH													0
CRIMINAL CONVICTION													0
OTHER													0
UTILITIES DISCONNECTED													0
TOTALS	3	1	2	4	0	0	0	0	0	0	0	0	9

---

**MEETING DATE:** 10/16/14

**RE:** Review Financial Reports

---

**REQUESTED ACTION:** Review monthly operating reports.

**Comments:** The September 2014 operating reports are attached for your review.

CITY OF CHARLES CITY  
REVENUE & EXPENSE REPORT  
CALENDAR 9/2014, FISCAL 3/2015

ACCOUNT NUMBER	ACCOUNT TITLE	TOTAL BUDGET	MTD BALANCE	YTD BALANCE	PER CENT EXPENDED	UNEEXPENDED
174-533-4300	INTEREST - SECTION 8	500.00	61.65	206.77	41.35	293.23
174-533-4440	STATE GRANT-SEC 8	.00	.00	.00	.00	.00
174-533-4504	FRAUD-SEC 8	4,500.00	59.00	1,385.00	30.78	3,115.00
174-533-4505	HUD CONTRIB-SEC 8	600,000.00	47,553.00	147,259.00	24.54	452,741.00
174-533-4509	ADMIN FEE/HTH-SEC 8	90,000.00	5,776.00	19,553.00	21.73	70,447.00
174-533-4710	REIMBURSED EXP-SEC 8	1,000.00	.00	.00	.00	1,000.00
174-533-4715	REFUNDS-SEC 8	1,000.00	.00	.00	.00	1,000.00
	SECTION 8 VOUCHER TOTAL	697,000.00	53,449.65	168,403.77	24.16	528,596.23
174-910-4830	TRANSFER IN - SECTION 8 VOUCH	.00	.00	65,956.72	.00	65,956.72-
	TRANSFERS IN/OUT TOTAL	.00	.00	65,956.72	.00	65,956.72-
174-533-6010	SALARY - SEC 8	33,000.00	2,050.94	8,284.75	25.11	24,715.25
174-533-6040	OVERTIME SALARY - SECTION 8	.00	.00	.00	.00	.00
174-533-6110	FICA - SECTION 8	3,000.00	135.86	565.13	18.84	2,434.87
174-533-6130	IPERS -SECTION 8	3,000.00	183.14	739.80	24.66	2,260.20
174-533-6150	HEALTH INS - SECTION 8	19,018.00	1,586.72	4,760.16	25.03	14,257.84
174-533-6151	LIFE INS - SECTION 8	200.00	17.02	51.35	25.68	148.65
174-533-6160	WORK COMP - SECTION 8	1,680.00	.00	.00	.00	1,680.00
174-533-6170	UNEMPLOYMENT - SECTION 8	400.00	42.39	42.39	10.60	357.61
174-533-6199	EMPLOYEE BEN-SEC 8	.00	.00	.00	.00	.00
174-533-6230	STAFF TRAINING - SECTION 8	1,500.00	.00	419.61	27.97	1,080.39
174-533-6380	UTILITY ALLOT - SECTION 8	15,000.00	1,442.34	3,390.34	22.60	11,609.66
174-533-6401	ACCOUNTING FEES - SECTION 8	3,000.00	400.00	820.00	27.33	2,180.00
174-533-6420	CONTRACT SERVICES - SECTION 8	9,000.00	922.00	2,439.00	27.10	6,561.00
174-533-6423	SPECIAL SERVICE - SECTION 8	300.00	.00	.00	.00	300.00
174-533-6445	HC VOUCHER PAY-SEC 8	600,000.00	49,310.18	144,403.56	24.07	455,596.44
174-533-6516	REFUND INTEREST-SEC 8	.00	.00	.00	.00	.00
174-533-6518	SUNDRY-OFF EXP-SEC 8	3,000.00	107.08	477.80	15.93	2,522.20
	SECTION 8 VOUCHER TOTAL	692,098.00	56,197.67	166,393.89	24.04	525,704.11
174-910-6910	TRANSFER OUT - SECTION 8 VOUCH	5,000.00	.00	65,956.72	1,319.13	60,956.72-
	TRANSFERS IN/OUT TOTAL	5,000.00	.00	65,956.72	1,319.13	60,956.72-
	SECTION 8 VOUCHER TOTAL	98.00-	2,748.02-	2,009.88	2,050.90-	2,107.88-

CITY OF CHARLES CITY  
REVENUE & EXPENSE REPORT  
CALENDAR 9/2014, FISCAL 3/2015

ACCOUNT NUMBER	ACCOUNT TITLE	TOTAL BUDGET	MTD BALANCE	YTD BALANCE	PER CENT EXPENDED	UNEXPENDED
173-532-4300	INTEREST-PUBLIC HOUSING	23,500.00	1,952.31	6,053.80	25.76	17,446.20
173-532-4504	FRAUD-PUBLIC HOUSING	4,000.00	485.35	537.35	13.43	3,462.65
173-532-4506	DWELLING RENT-PUBLIC HOUSING	425,000.00	35,247.00	108,322.00	25.49	316,678.00
173-532-4507	EXCESS UTILITY-PUBLIC HOUSING	9,500.00	1,185.00	3,522.00	37.07	5,978.00
173-532-4508	CONTRIB-OTHER-PUBLIC HOUSING	13,500.00	1,060.25	2,710.00	20.07	10,790.00
173-532-4710	REIMBURSED EXP-PUBLIC HOUSING	1,500.00	488.00	538.56	35.90	961.44
173-532-4781	OPER SUBSIDY-PUBLIC HOUSING	180,000.00	15,768.00	47,217.00	26.23	132,783.00
	PUBLIC HOUSING TOTAL	657,000.00	56,185.91	168,900.71	25.71	488,099.29
173-910-4830	TRANSFER IN - PUBLIC HOUSING	.00	.00	1,989,835.30	.00	1,989,835.30-
	TRANSFERS IN/OUT TOTAL	.00	.00	1,989,835.30	.00	1,989,835.30-
173-532-6010	SALARY - PUBLIC HOUSING	76,500.00	6,922.05	23,067.88	30.15	53,432.12
173-532-6040	OVERTIME SALARY-PUBLIC HOUSING	2,000.00	.00	.00	.00	2,000.00
173-532-6070	LABOR/MAINT-PUBLIC HOUSING	.00	.00	.00	.00	.00
173-532-6110	FICA - PUBLIC HOUSING	6,500.00	464.92	1,569.09	24.14	4,930.91
173-532-6130	IPERS - PUBLIC HOUSING	8,300.00	618.14	2,059.97	24.82	6,240.03
173-532-6150	HEALTH INS - PUBLIC HOUSING	28,527.00	2,380.08	7,140.24	25.03	21,386.76
173-532-6151	LIFE INS - PUBLIC HOUSING	300.00	25.53	77.02	25.67	222.98
173-532-6160	WORK COMP - PUBLIC HOUSING	2,500.00	.00	.00	.00	2,500.00
173-532-6170	UNEMPLOYMENT - PUBLIC HOUSING	600.00	63.59	63.59	10.60	536.41
173-532-6198	EMP BEN MAINT-PUBLIC HOUSING	.00	.00	.00	.00	.00
173-532-6199	EMPLOYEE BEN-PUBLIC HOUSING	.00	.00	.00	.00	.00
173-532-6230	STAFF TRAINING-PUBLIC HOUSING	5,000.00	339.00	339.00	6.78	4,661.00
173-532-6370	GAS - PUBLIC HOUSING	38,000.00	1,236.63	4,777.44	12.57	33,222.56
173-532-6371	UTILITIES - PUBLIC HOUSING	49,000.00	3,982.58	10,514.93	21.46	38,485.07
173-532-6374	WATER - PUBLIC HOUSING	16,500.00	1,519.58	4,636.34	28.10	11,863.66
173-532-6379	OTH UTIL-PUBLIC HOUSING -SEWER	23,000.00	1,898.41	5,736.33	24.94	17,263.67
173-532-6401	ACCOUNTING FEES-PUBLIC HOUSING	3,000.00	720.00	1,050.00	35.00	1,950.00
173-532-6408	TORT LIABILITY - PUBLIC HOUSING	24,000.00	.00	.00	.00	24,000.00
173-532-6411	LEGAL FEES - PUBLIC HOUSING	2,500.00	.00	.00	.00	2,500.00
173-532-6415	COPIER LEASE - PUBLIC HOUSING	2,800.00	240.51	721.53	25.77	2,078.47
173-532-6420	CONTRACT SERVICES - PUBLIC HOUSING	16,000.00	1,176.19	2,677.52	16.73	13,322.48
173-532-6441	TENANT SERVICES-PUBLIC HOUSING	2,000.00	.00	.00	.00	2,000.00
173-532-6442	PILOT-PUBLIC HOUSING	34,000.00	.00	.00	.00	34,000.00
173-532-6516	REFUNDS-PUBLIC HOUSING	1,000.00	.00	.00	.00	1,000.00
173-532-6518	SUNDRY-OFF EXP-PUBLIC HOUSING	25,000.00	1,251.68	3,522.64	14.09	21,477.36
173-532-6599	MAINT MATERIALS-PUBLIC HOUSING	50,000.00	5,856.04	14,764.74	29.53	35,235.26
173-532-6725	CAP OUTLAY-EQUI-PUBLIC HOUSING	.00	.00	.00	.00	.00
173-532-6750	CAP IMPR BLDG-PUBLIC HOUSING	.00	.00	.00	.00	.00
	PUBLIC HOUSING TOTAL	417,027.00	28,694.93	82,718.26	19.84	334,308.74
173-536-6010	SALARY - PH MAINT	73,000.00	5,543.23	18,973.14	25.99	54,026.86
173-536-6040	OVERTIME SALARY - PH MAINT	3,100.00	224.65	466.15	15.04	2,633.85
173-536-6110	FICA - PH MAINT	5,660.00	416.01	1,411.42	24.94	4,248.58

CITY OF CHARLES CITY  
REVENUE & EXPENSE REPORT  
CALENDAR 9/2014, FISCAL 3/2015

ACCOUNT NUMBER	ACCOUNT TITLE	TOTAL BUDGET	MTD BALANCE	YTD BALANCE	PER CENT EXPENDED	UNEXPENDED
173-536-6130	IPERS - PH MAINT	6,500.00	515.07	1,735.93	26.71	4,764.07
173-536-6150	HEALTH INS - PH MAINT	7,014.00	1,319.10	4,961.52	70.74	2,052.48
173-536-6151	LIFE INS - PH MAINT	100.00	8.37	25.11	25.11	74.89
173-536-6160	WORK COMP - PH MAINT	1,800.00	.00	.00	.00	1,800.00
173-536-6170	UNEMPLOYMENT - PH MAINT	550.00	25.18	25.18	4.58	524.82
173-536-6181	UNIFORM ALLOWANCE - PH MAINT	450.00	.00	450.00	100.00	.00
	PUBLIC HOUSING MAINTENANC TOTA	98,174.00	8,051.61	28,048.45	28.57	70,125.55
173-910-6910	TRANSFER OUT - PUBLIC HOUSING	34,000.00	.00	1,989,835.30	5,852.46	1,955,835.30-
	TRANSFERS IN/OUT TOTAL	34,000.00	.00	1,989,835.30	5,852.46	1,955,835.30-
	PUBLIC HOUSING TOTAL	107,799.00	19,439.37	58,134.00	53.93	49,665.00

**REQUESTED ACTION:** Move to approve Resolution No. 09-14 Section 8 Payment Standards.

**Comments:** HUD has published the new Fair Market Rents that we use to determine the Payment Standards for the Section 8 Voucher program. The Payment Standards are used to calculate our portion of the rent to the owner. Participants use the Payment Standard as a guide to determine if a unit will be within the guidelines. The monthly rent plus the utility allowance needs to be close to the Payment Standard in order to be eligible. The Payment Standards can be set between 90% - 110% of the Fair Market Rents. Allowing flexibility for agencies to determine the amount serves several purposes:

- 1) Does not cause a financial hardship on participants by paying rents too high. In some areas, adopting the 90% concept of the Standards could cause families to pay rents so high that it is a financial burden. Although the program already has a requirement that does not permit families to pay more than 40% of their income for rent at initial lease up, it is not meant that all participants face that dilemma as a result of low payment standards and high rental market. It is intended to provide some flexibility for families to have a broader selection of available housing.
- 2) Does not substantially limit participant's access to safe, decent housing. If the payment standards are set too low in a community where the rents are high, families would have to select the least desirable housing units available. Such as units that may barely pass the inspection requirements. It is not the intent of this program for participants to live in the worst housing, nor is it intended that they live in the best housing.
- 3) Does not cause a financial burden on the housing agency. The rental market and the financial condition of the local Section 8 program allow for the local agency to determine the appropriate Payment Standards for the area.

Another criteria used in determining the appropriate Payment Standard is comparing the rent of unsubsidized units. We do not want the rents for units on the Section 8 program to set the standard throughout the community (especially in driving the rents higher).

In consideration of the statements above, we are proposing setting the payment standards at the following levels.

0 bedroom	1 bedroom	2 bedroom	3 bedroom	4 bedroom
380	425	600	775	800

The attached table shows the current Payment Standard compared to the new Fair Market Rents and the new proposed Standards. The table also indicates the allowable range between 90% - 110% of the Fair Market Rents and the percentages of the proposed Standards and the median gross rents for all assisted units as of October 1, 2014. The gross rent includes the monthly rent and all applicable utility allowances.

The proposed payment standards are the same as the current standards except for the three bedroom units. The current payment standard for the three bedroom units is only at 89.92% of the new fair market rents and must be increased to maintain compliance.

Payment Standards vs Fair Market Rents  
PS vs FMR

	0 bedroom	1 bedroom	2 bedroom	3 bedroom	4 bedroom
<b>Current PS</b>	380	425	600	750	800
Current Percentage of New FMR	94.53%	92.79%	101.18%	89.82%	95.47%
<b>Proposed PS</b>	380	425	600	775	800
Current Percentage of New FMR	94.53%	92.79%	101.18%	92.81%	95.47%
New FMRs Effective 10/14	402	458	593	835	838
90% of new FMR / minimum for PS	362	412	534	752	754
110% of new FMR / maximum for PS	442	504	652	919	922
Current Gross Rents					
Low	370	325	385	510	778
Median	370	425	562	763	830
High	370	552	702	857	968

Effective December 1, 2014

# RESOLUTION NO. 09-14

## SECTION 8 VOUCHER PAYMENT STANDARDS

### Charles City Housing and Redevelopment Authority

WHEREAS, the Charles City Housing and Redevelopment Authority provides housing for low income families through various programs which are funded primarily through agreements with the United States Department of Housing and Urban Development; and

WHEREAS, the Department of Housing and Urban Development has published the Fair Market Rents (FMR) to be effective October 1, 2014 and requested all housing agencies to implement them as required by program regulations; and

WHEREAS, the Department of Housing and Urban Development requires Payment Standards for the Section 8 Voucher program to be within 90% – 110% of the published FMRs it is necessary for this agency to make adjustments to the Payment Standards; and

WHEREAS, the Charles City Housing and Redevelopment Authority Board has been presented the new FMRs and supporting documentation for determination of the new Payment Standards;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Charles City Housing and Redevelopment Authority that the Authority approves the following Payment Standards effective December 1, 2014:

<u>0 bedroom</u>	<u>1 bedroom</u>	<u>2 bedroom</u>	<u>3 bedroom</u>	<u>4 bedroom</u>
380	425	600	775	800

PASSED AND APPROVED BY THE CHARLES CITY HOUSING AND REDEVELOPMENT AUTHORITY ON THIS 16TH DAY OF OCTOBER 2014.

\_\_\_\_\_  
Trey Becker, Chairperson

ATTEST:

\_\_\_\_\_  
Heidi Nielsen, Director

**REQUESTED ACTION:** Review proposals for architectural services and make recommendation to City Council.

**Comments:** We sent the Request for Proposals to six architecture firms. Three proposals were received from Spatial Designs Architects from Mason City, Waggoner & Wineinger from Mason City, and AHTS from Waterloo. John Fallis has reviewed them and at this time we are more inclined to accept the proposal from Waggoner and Wineinger.

AHTS's proposal has a not-to-exceed fee of \$25,000 but they did not include fees for construction administration and John said that this could be as high as an additional \$10,000. The fee for Spatial Designs is the lowest at \$17,400. However, it doesn't appear that they have a true understanding of the project. They mention in the RFP that they will conduct an on-site review of two typical buildings and there are more than two types of floor plans. The concern is that if they underbid the project they may come back and want additional compensation. Their proposal does not state that it is a not-to-exceed fee and it states that any additional work will be done for the hourly rate of \$130. Waggoner & Wineinger's proposal is for a not-to-exceed \$28,000, which includes design, bidding, and construction administration phases. They came and did a site visit to get a better understanding of the scope of the project and to look at the buildings. They also addressed our desire to bid the project in phases.

When procuring professional services, it is not a requirement to go with the lowest fee. We have worked with Waggoner & Wineinger on other projects and have a good working relationship with them. According to John, he doesn't feel that there is as much of a difference between Waggoner & Wineinger and Spatial Designs as it appears. In his opinion Spatial Design will have to add more time resulting in a higher cost for them to be able to address all of our needs.

**MEETING DATE:** 10/16/14

**RE:** Consider Approval of Resolution 10-14 to Adopt Flat Rent Increases and Set Date for Public Hearing

**REQUESTED ACTION:** Discuss proposed rent increases, approve Resolution 10-14, and set date for public hearing prior to implementation of the increased rent amounts.

**Comments:** HUD just published the new Fair Market Rent (FMR) amounts for Federal Fiscal Year 2015. Because we must charge at least 80% of the published FMR's to be in compliance, we must increase the flat rents again. We were hoping that HUD would allow us to skip this requirement for the year because we just increased the flat rents effective October 1, 2014. However, the most recent directives from HUD reflect the requirement to set flat rents at no less than 80% of the new FMR's within 90 days.

The following tables list the proposed amounts for the units. We have them split between units which include the utilities in the rent and those with tenant paid utilities.

**Flat Rents for Apartments with Non-Tenant Paid Utilities**

Bedroom Size	Current Flat Rents as of October 1, 2014	2015 FMR's	80% of FMR or New Flat Rent Amount
1	360	458	366 or 370
2	465	593	474 or 475

**Flat Rents for Apartment with Tenant Paid Utilities**

Bedroom Size	Current Flat Rents as of October 1, 2014	2015 FMR's	80% of FMR or New Flat Rent Amount	Utility Allowance	New Flat Rent Amounts
1	240	458	366	122	244 or 250
2	325	593	474	140	334 or 350
3	475	835	668	180	488 or 500

We had talked about increasing the rents more than required to reduce the likelihood of an increase for 2016. However, we decided against it for the apartments with non-tenant paid utilities because we just increased the flat rents effective October 1, 2014 and there is a fairly large percentage of the residents in these units who pay the flat rent amount. We did increase the flat rents slightly higher than required for the apartments with tenant paid utilities. The flat rents are less than market rate rents and the tenants in these units very seldom pay the flat rents and we want the rents charged to more accurately reflect the rents being charged in unsubsidized units. We also set the new rents to an increment of five or ten to make it easier to make change.

We also received notification from HUD that they are going to be increasing the pro-ration of our operating subsidy from 99% to 88.9% for calendar year 2014. One of the reasons given for the decrease in funding is due to the increased program income from the increase in flat rents.

# RESOLUTION NO. 10-14

## ADOPTION OF FLAT RENT INCREASES AS OF JANUARY 1, 2015

### Charles City Housing and Redevelopment Authority

WHEREAS, the Charles City Housing and Redevelopment Authority provides housing for low income families through various programs which are funded primarily through agreements with the United States Department of Housing and Urban Development; and

WHEREAS, the Sections 210 and 243 of Title II of P.L 113-76 of the Consolidated Appropriations Act of 2014 requires all Flat Rents to be set at no less than 80 percent of the applicable Fair Market Rent; and

WHEREAS, there has been a Public Hearing set for December 18, 2014 to be held during the regular monthly meeting to allow residents and the public the opportunity to comment on the increase, and

WHEREAS, the following flat rents have been set according to the 2015 Fair Market Rents for Floyd County, Iowa as directed by HUD in notice PIH 2014-12 (HA) to be offered to residents beginning January 1, 2015:

#### Flat Rents for units 1-128 at North and South Cedar Terrace

1 Bedroom - \$370  
2 Bedroom - \$475

#### Flat Rents for units 129-132 at North Cedar Terrace and Morningside Apartments

1 Bedroom - \$250  
2 Bedroom - \$350  
3 Bedroom - \$500

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Charles City Housing and Redevelopment Authority that they have reviewed the preceding rent changes and authorize their approval for implementation beginning January 1, 2015.

PASSED AND APPROVED BY THE CHARLES CITY HOUSING AND REDEVELOPMENT AUTHORITY ON THIS 16TH DAY OF OCTOBER 2014.

\_\_\_\_\_  
Trey Becker, Chairperson

ATTEST:

\_\_\_\_\_  
Heidi Nielsen, Director

**REQUESTED ACTION:** Approve request to change Section 8 inspection process to include biennial inspections for some properties.

**Comments:** Section 220 of 2014 Appropriations Act allows PHAs to comply with the requirement to inspect assisted dwelling units during the term of a HAP contract by inspecting units not less than biennially instead of annually. It also allows PHAs to rely on alternative inspection methods. However, the initial inspection prior to execution of the HAP contract must still meet HQS standards. In addition, if a family notifies the PHA of a unit's failure to comply, that inspection must also be done according to HQS standards.

Due to the budget constraints that have been placed on us, we would like to adopt biennial inspections. An informal poll done indicates that all of the other housing agencies in the area have already or will be conducting the biennial inspections. A survey conducted by our software vendor shows that of the eighty-eight agencies responding 80% of them plan to convert to a biennial inspection cycle for all or some of its units. The survey also shows that 60% of them plan to inspect biennially only those units that pass the initial inspection on the first visit. Some of the other responses were to inspect based on a random selection of units, location of units, structure type, or landlord. At this point it makes sense to allow only those units which pass the initial inspection on the first visit to be allowed to be inspected biennially. If those units which are inspected biennially fail the biennial inspection, then they will be inspected annually until they meet the requirement.

Initially we were concerned how we would track the inspections with some being inspected each year and others biennially. However, the software vendor has updated the software to take care of it. We plan to notify the landlords of the change and hopefully they will make all repairs before we arrive so their units will pass on the initial visit.

The Act also allows us to use an alternate inspection method instead of HQS. But because it still requires the units to meet HQS standards prior to execution of the HAP contract and if there is a complaint inspection, we plan to stay with the HQS standards for all inspections.

There are some additional requirements for interim inspections to make sure that the units meet the safety standards in between the inspections. If a life-threatening condition is reported we must inspect the unit within 24 hours of receiving the report. If there is a condition reported that is not life-threatening, we must inspect unit within 15 days of receiving the report.

Section 220 of The Act is immediately effective for any unit that passed the initial inspection as of June 23, 2013. We pulled the inspection records for all of the active participants for the last year. We excluded October because the inspections are already scheduled; without October there were 79 units eligible for the biennial inspection cycle. That would be a cost savings to us of \$3,160. If approved, we would start the biennial inspections beginning with the November inspections.

**REQUESTED ACTION:** Discuss options for snow removal for the coming winter.

**Comments:** We need to decide how we are going to cover the snow removal this winter. Even though we have someone to cover Steve while he is off, we will still need to have additional help with the snow removal. At this point we don't know how long he will be off work. We can't afford to wait much longer to decide how we are going to handle the snow removal.

Joe knows how to run the plow, but he isn't that comfortable with it. This will give him the opportunity he needs to become more comfortable with operating the plow. One issue that we have is Joe currently has some limitations which make it difficult for him to run the tractors and he won't be able to shovel very well.

I spoke with a local snow removal contractor to find out if he or any of the other contractors would be able to take on a job as large as ours. He said that he would be willing to submit a bid, but he couldn't promise that they could get our sidewalks done as early as we need them done. He gave me a list of contractors that he thought had the equipment and staff to handle our needs. He indicated that if we wait much longer, they will all most likely be booked to capacity.

So right now, making the assumption that Steve will not be back, probably the best route to take is to have Joe run the plow to clear the parking lots. Then advertise for seasonal workers and try to hire a few more people than we normally do. We generally don't allow the seasonal employees run the equipment. They usually only do the hand shoveling. If we are able to hire people who are able to work without much supervision, we can have them run the tractors and blowers to take some of the burden off of Joe and Rick.