

Bloomington Housing Authority

Board Meeting Minutes

November 30th, 2023

I. Call to Order

Chair Elaine Amerson called to order the regular meeting of the **Bloomington Housing Authority Board of Commissioners at 8:31 A.M. on Thursday, November 30th, 2023**, in person at the BHA Community Room, located at 1007 N Summit St., Bloomington, IN 47404.

II. Roll Call

Those present in person were: Chair Elaine Amerson; Vice Chair Sherry Clay; Commissioners Mary Morgan, Tracee Lutes, Jerry Cravens, and Nordia McNish; Executive Director Kate Gazunis; Capital Assets Manager Rhonda Moore, Director of Real Estate Nathan Ferreira, Director of Finance Dhara Patel, HCV Supervisor Daniel Harmon and Administrative Assistant Ashley Spradley.

Absent: Sue Wanzer

Guest: Mayor John Hamilton

III. Approval of Minutes from the Last Meeting

A motion was made to approve the amended board meeting minutes for September 28th, 2023, by Tracee Lutes and Nordia McNish. All were in favor. None opposed. Motion approved.

A motion was made to approve the regular board meeting minutes for October 26th, 2023, by Tracee Lutes and Sherry Clay. All were in favor. None opposed. Motion approved.

Chair Elaine Amerson announced that there was a BHA Executive Session on November 29th, 2023. She stated all board members were present as well as Executive Director Katherine Gazunis. Christine Bartlett of Ferguson Law joined in via telephone conference.

IV. Financial Statements

1. Finance Manager, Dhara Patel gave a brief overview of the October 2023 Financial Statements which included revenue and expenditures for Bloomington RAD I (Reverend Butler and Walnut Woods), Bloomington RAD II (Crestmont), the Housing Choice Voucher Program (HCVP), and the Central Office Cost Center (COCC). She states that

October was the 1st month of the fiscal year for HCV and COCC and the 10th month for RAD I and II.

Finance Director Dhara Patel explains that HUD approved a \$400,000 repositioning fee that went into the COCC.

Executive Director Katherine Gazunis explained we will end year 20224 on 9/30/2024 and then have a three-month fiscal year from October through December 2024. In 2025, the COCC, HCV, RAD I and II, and SHCDC will operate on a calendar year.

Executive Director Katherine Gazunis briefly explained the RAD II operations construction. The project was put together at a much lower interest rate. She says the construction interest rates have increased and given the errors, change orders, and interest rates, we pledged money out of our cash flow in the initial financial agreement. We are spot on in our revenue projection for RAD II. We have a seller's loan for \$1.9 million in our COCC and is in a restricted account.

The BHA will be contributing 3 million dollars to this project. This helps preserve our ownership once we go to resyndication, we will have the right of first of refusal. the tax credits expire. Cinnaire owns RAD I and J.P. Morgan Chase Bank owns RAD II.

Commissioner Trace Lutes asks if a local investor will buy out our current investor when the time comes. Executive Director Kate Gazunis states that we will be in the position to buy it ourselves for residual debt. Kate says we will have paid 15 years on our loan and will be able to pay the residual debt. She says we will dissolve the partnership and there will be one entity, Summit Hill. Tracee asks how we will have that kind of money. Kate explained we will because we will cash flow the residual debt, not the whole debt. Kate says she has ran the numbers and we will be in the position for Summit Hill to own it outright.

V. Old Business

1. Asset Management Report

Capital Assets Manager, Rhonda Moore, gave the following updates to the Board:

Rhonda stated that the solar panel installation at Walnut Woods is complete. Rhonda says that she needs to complete the paperwork with HAND and then there will be reporting on the panels.

VI. Director's Report

1. Development Updates

Executive Director, Kate Gazunis, gave a brief report of some of the development updates for the BHA. Kate stated that Peter wanted to do a December 21st grand opening of the Community building. Kate rejected that and proposed that we do that for some time after the first of the new year. Kate says the building should be turned over to us in December. She says we will probably have our January board meeting in the new building.

The Kohr building: The investors are sending in bids for participation. Kate says she has made it clear that they cannot choose an investor until the BHA has had the opportunity to interview them. Cinnaire, the RAD I investor is very interested. Kate wants an investor who has an interest in permanent supportive housing.

Commissioner Nordia McNish asks how the LRMF is funded. Kate says it is funded through ARPA. ARPA is expiring and we have \$800,000 of HCV admin dollars. She says HUD is considering funding this role. She says Jessica has a presentation set up for them. Nordia says she asks because tenants are required to pay back the amount of money they borrow. Kate says no, she says they pay back a rate/amount they can afford overtime and if they do not, we have a loss history built into the budget.

Executive Director, Kate Gazunis briefly discussed the Two Year Tool. She stated the success rate has increased from 60% to 64%. She says that is because of the higher payment standard and the LRMF program. She says we have a \$600,000 gap in our financing. She says she, Dhara, and Daniel had a conversation with HUD and that they would give us the money.

Executive Director, Kate Gazunis stated the mayor would be coming in for a few minutes and asked for questions in the meantime.

Commissioner Mary Morgan asked for tentative dates for the strategic planning sessions.

Mary also asked about the drug testing policy. Kate says the federal law says we cannot house a current drug user. She says a current drug user is anyone who has used drugs in the past four months. Kate says our hair follicle testing goes back six months but we don't look at the whole six months.

2. Staff Updates

Executive Director, Kate Gazunis says we have hired Rukus Harris for the ROSS assistant position. Lisa Hasler has accepted the position as the Controller and we are now looking for a finance assistant. Ryan Still was the former RAD PBV Specialist and is now an HCV specialist so we will be looking to fill the RAD PBV role as well. Brent Anderson's temp contract expired and he is now a full-time BHA employee working the maintenance department.

Kate wanted to give kudos to the HCV team and Jessica Craig for the work that they did in getting 100% of the EHV's issued.

VII. Adjournment

A motion to adjourn was made by Sherry Clay and seconded by Nordia McNish. The meeting adjourned at 9:41 a.m.

Respectfully submitted by: Ashley Spradley, Administrative Assistant.

Approved by: Kate Gazunis, Executive Director