

**BROOKLINE HOUSING AUTHORITY
BOARD OF COMMISSIONERS REGULAR MEETING
TUESDAY, NOVEMBER 10, 2020, 4:30 PM
By Telephone Conference**

The meeting was called to order by Mr. Jacobs at 4:30 PM. Those present included: Ms. Dugan, Ms. Katz, Ms. Sullivan, and Ms. Cohen.

1. Call to Order

2. **Board Reports. No votes**

3. **Executive Director Report. No votes.**

Mr. Alperin touched on the following key points from his report in the BOC board package:

- Ms. Mendola, Director of Resident Services, was congratulated for receiving a \$100,000 Self-Sufficiency Grant from the state; with funding renewable for up to five years. The grant will help at least 35 families at state public housing developments develop various tools of self-sufficiency. When residents' increase their income, their rent often goes up. The difference between what they would pay for rent at a lower income and their higher income is put into a savings account up to \$15,000 over a three to five-year period. This is a powerful motivator to help them achieve their financial goals. The BHA will sign the contract and begin looking to hire a new Self-Sufficiency Coordinator to administer this program.
- Due to the pandemic, instead of the usual Thanksgiving resident gathering, the BHA is coordinating a hot meal delivery with community partners.
- The Annual HUD Advisory Board meeting was held last week, and the HUD Annual Plan is underway. An ad will be posted in the *Brookline Tab* to this effect. BOC Commissioners will be asked to vote on the HUD Annual Plan at the January 12th board meeting.
- Clean energy audits were conducted at state and federal developments for the first time in at least five years. This program is run through the state utilities which helps to reimburse or provide low interest loans for energy upgrades. The BHA hopes some new LED lightings or more energy efficient refrigerators or other appliances may be received. When audits are returned, projects which can be funded through the utilities will be discussed.
- DHCD has informed the BHA to expect insurance rates to increase 20-25% rate in FY'2022. This is on top of a 14.5 % insurance increase incurred this year; typical of other housing authorities.
- The intent was to review a budget six months to actual report as of September 30th; however, it has been delayed as the BHA accountant is one report needed to close out the September 30th financials. The report will be reviewed with the commissioners at the next board meeting.
- Thanks to Mr. Hernandez, the BHA received a supplementary \$1.7M or so of additional Cares Act Section Eight funds from HUD. This will help the BHA to continue funding housing choice vouchers around town and meet increased needs as residents' incomes are recertified.
- FEMA denied the BHA's initial application for Covid-19 reimbursement funding. A reimbursement of \$119,000 of coronavirus cleaning costs was expected per federal guidelines. However, FEMA said only police, fire and other emergency departments are being refunded (as opposed to housing authorities which were permitted in the original guidelines). The BHA has appealed and is working with the state and a consultant (who has been engaged to continue to

pursue these funds). Reimbursement is critical to managing the BHA budget as about \$12,000-14,000/week is still being incurred at both state and federal properties in additional pandemic related technology and cleaning costs. This doesn't include additional staff overtime incurred to clean on the weekends.

- Approximately \$72,000 in funds were received from the Town and fully expended as of July for state public housing cleaning costs. The \$305,000 which was received from the Cares Act for public housing operating funds at federal properties is expected to be fully expended by December 5th. The \$119,000 in DHCD supplemental funds for state public housing were expended as of October 5th.
- Short of a FEMA reimbursement for public housing developments or additional federal or state stimulus, the BHA has expended all reimbursement related buckets from HUD and other government sources. After reviewing the BHA's current spending rates and offsets in the budget to date, Mr. Alperin feels the BHA is fine until March. However, without additional resources, the current cleaning level and other incurred technology costs, cannot be maintained without dipping into reserves. The BHA is not the only housing authority dealing with this situation and will continue to prioritize the health and safety of BHA residents and staff.

4. Resident Association Report. No Votes.

No report.

5. Vote to approve Consent Agenda, Items 5.A. and 5.B.

Vote to approve the minutes of the Board Meeting held on October 13, 2020 and October 29, 2020

Vote to approve final completion of the retaining wall replacement project at the High St. Veterans development with Woodall Construction Co. Final completion has been approved by the Engineer at BSC Group.

This agenda item was unanimously approved on a motion by Ms. Sullivan and a second by Ms. Cohen.

6. Resident Services Report. No Votes.

Ms. Mendola reported that Sheila O'Flaherty is heading up this year's BHA Thanksgiving meal delivery effort which is a coordinated town wide effort. To date, approximately 200 residents have requested a Thanksgiving meal, homecooked from Vine Ripe Restaurant and supplemented by the United Parish Church, the Brookline Food Pantry and the Safety Net Fund. Meals will be delivered by BHA Maintenance Department staff and town volunteers.

Springwell has been piloting a variety of senior activities to support increased engagement; e.g., bingo, meditation and exercise classes.

A letter was sent to residents reminding them about BHA Covid-19 protocols and precautions the BHA is taking. Residents also received a contact update form to update their information. This will help expand our communications capabilities and the ways that we're able to stay in touch with residents.

Winter coats for kids and holiday gift drives are being planned in conjunction with Steps to Success and The Brookline Center.

Mr. Jacobs asked if the BHA is either providing, or coordinating with other agencies, any direct services to people in the Transitional Housing Program. Ms. Mendola said the program is administered by and contracted with The Brookline Center. They have a licensed social worker who has relationships with shelters, works closely with the BHA Applications Department to identify families for the program, and continues to serve them for about an 18-month period after they move in.

7. Enhanced Voucher Rents.

Vote to approve Section 8 Enhanced Voucher rents for the Village at Brookline (VOB) for 2021.

Mr. Hernandez said the management agent for VOB recently submitted their annual rent increase request. Because it was a bit aggressive, the BHA commissioned an independent study to compare results. The small area, fair market rents that were approved by the Board last month were also compared. Currently about 225 residents participate in Section 8. Of these, 100 come under the project-based program. For those units to be approved, payment standards will go into effect and a small increase will be applied on January 1st.

Enhanced vouchers are specialized and handled differently. They are reported to HUD and are more tied to the market. When the VOB converted under the RAD 2 program several years ago, enhanced vouchers were provided to residents who could not afford the increased rate. The BHA feels an \$100 rent increase for 1 & 2 bedroom units is justified (per their request) and that, according to the BHA study of small market rents, a small rent increase of \$20 for a 3 bedroom unit and \$50 for a 4 bedroom unit is also justified.

This agenda item was unanimously approved on a motion by Ms. Dugan and a second by Ms. Katz.

8. O'Shea Apartments – Equity Adjustment and Budget Re-forecast. No Votes.

Ms. Maffei said the BHA concluded negotiations with Boston Financial on the repricing of their equity and took the opportunity to rerun the numbers for O'Shea to see where things stand. Boston Financial originally projected tax credits in 2020, but because of COVID delays, it will not be until 2021. They agreed to amend the partnership agreement to reprice it to reflect that difference and improved on their pricing from the last meeting. They are now talking about providing a \$1.025 per tax credit dollar (a reduction of \$0.15 from what they earlier promised). The BHA will now lose \$260,000 in equity instead of the original \$360,000. as originally proposed by Boston Financial. This will be factored into what the reforecast budget is looking like.

At this point, the project is still in the black. Ms. Maffei is not predicting the need to defer any developer fees. However, there have been some unanticipated conditions during the O'Shea renovation which led to higher than expected change orders. Fortunately, that is what construction contingencies are for.

The Board is being asked to approval another change order, and with that, the contingency will have been virtually fully expended. The authority will end up with a balance of \$744 dollars out of the original nearly \$1.3 M. Ms. Maffei anticipates that there will be other change orders, but there are other resources that can be tapped. For example, the give back that Colantonio has pledged of \$277,000. There will be increased costs in the development budget because of the delays in due to COVID-19, and ongoing expenses for an additional three or four months until the construction reaches completion.

Fortunately, the BHA still has an unexpected, unexpended balance of \$150,000 in soft cost contingency and Ms. Maffei projects savings in furniture, fixtures and an equipment line item of about \$120,000.

Also, the construction period interest is projected to be \$200,200 less than projected, due to sustained low interest rates. As a result, there is a surplus. Currently Ms. Maffei is projecting a surplus of about \$280,000. However, it's expected that all that money will be spent to make sure that the amount of tax credits to the investor that was that was planned will be delivered. The budget will continue to be very closely monitored, and the Board will receive updates.

Mr. Jacobs asked if all surpluses must be spent in order to get the amount of credits that are projected. Ms. Maffei said yes, and she will be consulting with Boston Financial to make sure that the construction period interest savings is not a problem as that is an item that was in part of their projections.

Ms. Maffei noted that the Authority is not yet reflecting any increased payment to Colantonio. They have made a claim for costs that they have incurred as a result of COVID-19 delays, and she has required that they provide additional backup for that. At this point, the BHA's position is that their costs are substantially lower than what they've asserted.

9. Change Order

Vote to approve Change Order #10 for O'Shea House in the amount of \$169,988.52.

Ms. Maffei explained there are changes for almost \$170,000 that the Board is being asked to approve, as well affirmation of smaller change orders that were staff approved. The \$170,000 is comprised of seven items, which are credits where it was possible to eliminate light fixtures and receptacles on balconies (deemed impractical and not needed) and another was for tree pruning and removal of fasteners on the exterior of the building (also deemed unnecessary). These are offset by changes needed to install motorized dampers for the fire alarm system. That was an oversight, a coordination problem that failed to recognize that with the new outside air delivery system.

In addition, the Town inspector required that the sprinkler piping be reworked because it was too close to the sprinkler heads. This resulted in some changes to the bedroom closets and to the VFR control boxes. There was also a small expenditure related to insulating the generator exhaust piping after some abatement work was done there, a very small increase related to increasing the width of a wood cap in the kitchens, and a substantial increase related to deteriorated metal studs that were revealed during the demolition.

Ms. Maffei explained all this work comes out to just about \$170,000 and will increase the Colantonio contract from where it stands now at about \$17.3M to \$17.476M. She also asked the Board for their affirmation of three change orders that were approved by staff because they are small:

1. Move electrical panels and ADA units as required by the inspector.
2. Add soffits to cover and protect the VFR piping in the community room.
3. Rework an electrical closet that was not included on the original drawings.
That's \$22,000.

Ms. Maffei added there is another group of changes or expenditures that were required related to fire details. There have been ongoing problems with the fire alarm system being triggered by drilling at the

property, and times where the fire alarm could not be restored. This led the Fire Department to order a fire detail on site to ensure safety when the fire panels are out. Additionally, Brookline Lock was engaged to install an ADA hands free locks system.

Ms. Cohen asked what percentage of the project was completed. According to Ms. Maffei, the project is 65% completed, and the change orders include the cost through construction completion. Ms. Cohen further asked how comfortable she is that the BHA will get through 100% of the completion in ok shape. Ms. Maffei said it is possible there will be additional contingencies. For example, the inspection department came in last week and ordered the elevators shut down because there wasn't a licensed operator in the one being for construction purposes. This is under negotiation; however, if the BHA doesn't prevail, a licensed operator may have to be brought in at additional cost.

Mr. Anderson said 27 units must be leased up, and if the lease up schedule is missed, there will be credit delivery delays and adjustments associated with that. He emphasized that the latest projections that have been worked on with Sharon Loewenthal show a surplus in the budget. This is possible, but not necessarily likely right now. This has been a tough construction project, in part due to COVID-19, which has caused substantial delays. Mr. Alperin said Ms. Maffei has done a fantastic job managing a lot of problems that have come up, yet we could end up deferring between probably zero and \$250,000 in developer fees if there are some bad breaks over the coming months. He said it's not irregular for a project to spend the majority of its contingency at this phase, maybe not to 100 % (where the authority is now), but certainly in the 80-85 % range.

This agenda item was unanimously approved on a motion by Ms. Cohen and a second by Ms. Sullivan.

10. Contract Award

Vote to enter a contract with the firm Housing Opportunities Unlimited ('HOU') to provide relocation consulting services to the BHA and for the residents of Col. Floyd Apartments.

Ms. Maffei recommended the BHA enter into a new contract with HOU to provide relocation services for Col. Floyd, as they are doing a great job currently for both the O'Shea and Morse properties. HOU has deep experience in relocation services for affordable housing. The authority followed the 30B procurement process, posting the RFP in a variety of places and solicited bids from two firms. Based on the strength of their proposal and presentation, Ms. Maffei is recommending hiring HOU for \$420,000 (which That includes a fixed price of \$18,750 for the planning phase.) HOU will provide services prior to demolition to locate relocation units and assess the residents and understand their needs. Then they'll be on hiatus for a bit and return when construction is done to help move residents back. Ms. Maffei noted that the price reflects the fact that it is time-consuming work. This price does not include the rental costs and the actual move costs for the residents.

This agenda item was unanimously approved on a motion by Ms. Sullivan and a second by Ms. Katz.

11. Contract Award

Vote to award contracts to Dominion Due Diligence Group ('D3G') in the amount of: (1) \$9,990 each to provide assessments for Sussman and Kickham Apartments to determine whether they will qualify as Section 18 Demo/Dispo applicants or should continue as a RAD conversion and (2) \$1,750 to update the Section 18 application for Col. Floyd.

Ms. Maffei said the proposed assessments for a lower price were not going to be sufficient to be able to make a firm decision about whether it was viable to go ahead with a Section 18. Because both these properties are not obvious candidates, it requires a level of investigation greater than what they would have done for the \$5,700. Instead, they're proposing that the new price will be \$9,999 per property, and if the BHA needs to complete the report with the narrative for submission to HUD, they charge another \$2,250 for the narrative section.

If it's concluded that Section 18 is not viable, the BHA will continue with the RAD application. D3G will then have to do a different form of capital needs assessment and an energy report that will cost another \$7,750 for each property. Those services would be contracted separately, once it has been determined which way to go.

Ms. Maffei said D3G previously provided an obsolescence report on Col. Floyd, which determined that it is eligible for Section 18, but it's now more than a year old. An update is needed in order to submit the Section 18 report to HUD that will also provide an opportunity to revisit the report and beef it up to give more cushion as HUD tries to whittle away at it. She feels D3G offered a very reasonable cost of just \$1,750 to update the report that originally cost \$12,400.

This agenda item was unanimously approved on a motion by Ms. Dugan? and a second by Ms. Cohen.

Other Business

None.

Board Meeting

The next regular BOC meeting is scheduled for Tuesday, December 8, 2020.

Adjournment Vote

On a motion from Ms. Katz and a second from Ms. Sullivan, it was unanimously agreed to adjourn the meeting at 5:23 PM.

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Michael Alperin

Executive Director