

**LOWELL HOUSING AUTHORITY
MINUTES OF THE REGULAR MEETING HELD ON
WEDNESDAY, OCTOBER 14, 2020 AT 5:00 P.M. (VIRTUAL)
MERCIER CENTER, 21 SALEM STREET, LOWELL, MA**

The meeting was called to order at **5:00 p.m.** by Chairman Shea. Upon direction of the Chairperson, the Secretary called the roll of membership which resulted as follows:

Present: Chairperson Shea, Commissioner Bernes, Commissioner Howard
Absent: Vice Chairperson McMahon, Commissioner Marr

Chairperson Shea provided the following direction following the roll of membership:

This Lowell Housing Authority meeting is being held remotely in accordance with the Governor of Massachusetts' March 10, 2020 order suspending certain provisions of the open meeting law G.L. c.30A, Section 18 and Section 20

There will be no public participation in the meeting; however, the public may view and listen to the meeting via our website at www.lhma.org under "Board Meeting Minutes and Agendas"

A transcript of this meeting will be made available at www.lhma.org when available.

Chairperson Shea explained that Vice Chairperson McMahon was out of state and could not attend tonight's meeting, but looks forward to be present at the next meeting. Commissioner Howard brings to the attention of the Board that the next regular meeting of the Board is scheduled for November 11th falls on Veterans Day. The next meeting will be rescheduled to November 12th.

MINUTES FROM THE MEETING HELD ON SEPTEMBER 9TH AND SPECIAL MEETING ON SEPTEMBER 22ND

A motion was made by Commissioner Bernes and seconded by Commissioner Howard

A roll call vote was taken with the following results:

Yeas: Chairperson Shea, Commissioner Bernes, Commissioner Howard

RESIDENT CORRESPONDENCE

None

RESIDENT ORGANIZATION

None

SUB-COMMITTEE REPORTS

FINANCE REPORT

There are 17 properties that the agency will be closing on in mid-November. The agency's attorney is working with the attorney for the buyers, who are getting financing in order. The agency is still working on getting HUD approval for the properties. Secondly, the Board will be voting on rate locks for energy. The agency works with Tradition Energy, who does an RFP process, gathering energy supply rates on the agency's behalf. The energy rates are slightly higher, but competitive. The agency discussed proceed use for the scattered site sales. The proceeds will be used for the River's Edge project, and the St. Vincent De Paul building. Financial Statements have been provided for October 1st. All AMPs are revenue producing. Gains realized to-date may not be indicative of year end totals. Actuaries will be reviewed and will be reflected in the September report. Utilities will have an impact on the year-end totals. Ms. Giblin explained that state budget guidelines were released in late September. State budgets will be presented to the Board in November for a December submission to DHCD. These will be submitted timely by the due date.

Chairperson Shea explained that evictions will resume on October 17th and asked how evictions will impact cash flow moving forward. Chairperson Shea would like to see a report on revenue at the next meeting.

REPORT OF THE CHAIRPERSON

The Lowell Housing Authority was asked to have representation from the agency to appear before the City of Lowell to discuss payment in lieu of taxes. Chairperson Shea explained that he indicated the agency would have representation on Tuesday, October 20th. The Chief Financial Officer, and Assistant Executive Director, and the Chairperson will attend.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Wallace explained that South Common Village site work has been completed. In addition, the local masons will be active on-site through the fall and winter. The seating walls and pergola will not be completed until the spring. Exterior work at North Common Village continues. This project is anticipated to be complete by the end of October. The elevator at Centralville Gardens is complete and is just waiting to be inspected by the City and State and should be complete within 2 weeks. Mr. Wallace explained that the LHA has increased security at South Common Village because of cold weather to prevent trespassing. The agency has hired a security firm which has guards monitoring the property overnight 5:30-2:00am. The security company has been providing the agency reports, and they have removed people from the property. There has not been the necessity for a police presence to address issues. Mr. Wallace will keep the Board informed of any additional developments.

7.1.1 MOTION TO RATIFY THE LOWELL HOUSING AUTHORITY BYLAWS AS AMENDED TO PROVIDE ADDITIONAL FLEXIBILITY IN SCHEDULING MEETINGS OF THE BOARD OF COMMISSIONERS

Chairperson Shea recognized General Counsel Attorney Murphy to explain the motion before the Board. Attorney Murphy explained that the by-laws previously did not allow the meeting location to be changed. The Authority now has the flexibility for the Chairperson to designate a time, date, and location for a Regular Meeting. This has now been extended to also include the ability to change the time, date, and location of the Annual Meeting. Chairperson Shea thanked Attorney Murphy, and Assistant Executive Director, Adam Garvey for their efforts on the by-law change.

A motion to approve was made by Commissioner Bernes, and seconded by Commissioner Howard

A roll call was taken with the following results:

Yeas: Chairperson Shea, Commissioner Bernes, Commissioner Howard

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.2 MOTION TO APPROVE THE LOWELL HOUSING AUTHORITY'S FLAT RENT SCHEDULE EFFECTIVE JANUARY 1, 2021

Chairperson Shea recognized Tha Chhan, Director of Leased Housing programs to provide an explanation for the Board. Mr. Chhan explained that under HUD regulations, the housing authority is required to adjust the flat rents, which are 80% of the fair market rent. The fair market rent from last year to this year was less than a 1% increase. There are approximately 75 families in public housing that elect to have a flat rent.

Chairperson Shea asked how flat rents impact the agency's revenue. Mr. Chhan explained that a family can remain on flat rent for 2 years, and if their income increases, the family's rent will not increase for that two-year period. However, if the income drops below a threshold that is a benefit to the family, they may switch to income-based rent. The agency does lose revenue in cases of flat rent families.

A motion to approve was made by Commissioner Bernes, and seconded by Commissioner Howard

A roll call was taken with the following results:

Yeas: Chairperson Shea, Commissioner Bernes, Commissioner Howard

Nays: None

The Chairperson declared the motion carried and the vote adopted.

Chairperson Shea recognized Attorney Murphy to discuss the eviction process. Chairperson Shea explained that on March 25th there was a moratorium on non-essential evictions. Non-essential evictions are for non-payment of rents. Evictions have not been occurring since March. Judges of housing courts have not evicted anyone due to COVID-19. On October 17th, the moratorium on evictions ceases. The federal Centers for Disease control however has issued a declaration that through December 30th the agency will not be able to evict for nonpayment of rent individuals who have been impacted by the pandemic. Those individuals who claim they have been impacted by COVID-19 will be required to sign a statement that indicates that their income has been impacted by COVID-19, that they have contacted with social service agencies to assist with rental payments, and that if they were to be evicted they would become homeless. The CDC declaration applies to private tenants, but it does not apply to Lowell Housing Authority tenants because residents have the ability to do a rent adjustment with a change of income. The Department of Housing and Community Development has issued guidance to housing authorities to follow CDC recommendations with respect to addressing evictions following the end of the moratorium. DHCD also recommends prioritizing evictions which were current prior to March 25th, and those regarding health and safety. Attorney Murphy explained that it is the Lowell Housing Authority's practice is to work with residents to prevent eviction, using eviction for nonpayment of rent only as a last resort. Chairperson Shea commended Attorney Murphy and the Executive Director for staying apprised of the latest information with respect to evictions.

7.1.3 MOTION TO APPROVE THE SECTION 8 PROGRAM FAIR MARKET RENTS AS PRESCRIBED BY HUD FOR FISCAL YEAR 2020-2021, EFFECTIVE NOVEMBER 1, 2020

Chairperson Shea recognized Tha Chhan, Director of Leased Housing Programs to explain the motion. Mr. Chhan explained that each year the Fair Market Rents must be updated. These rents are published by HUD. The agency must be at 90% or 110% of the Fair Market rents to determine payment standards. The market rate for the City of Lowell is very high, so the agency needed to increase the rents to 110% for the housing authority to be able to compete with the private market. The agency is at 110% for payment standards, which is still \$400 and under the market rates.

Chairperson Shea asked about the number of vouchers issued this year. Mr. Chhan reported that the agency has issued 46 vouchers, but HUD has stopped issuing vouchers. The funding that the agency has for the program will not cover additional families on the program. Chairperson Shea thanked Mr. Chhan for his explanation.

A motion to approve was made by Commissioner Bernes, and seconded by Commissioner Howard

A roll call was taken with the following results:

Yeas: Chairperson Shea, Commissioner Bernes, Commissioner Howard

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.4 MOTION TO APPROVE AN ELECTRICITY SUPPLY CONTRACT WITH CONSTELLATION FOR A 36 MONTH TERM BEGINNING DECEMBER 1, 2021 FOR A FIXED RATE OF \$0.1019 PER KILOWATT HOUR (kWh) WITH AN ESTIMATED CONTRACT VALUE OF \$1,184,058 PER YEAR

Chairperson Shea recognized Sherry Giblin, CFO. Ms. Giblin explained that there are two parts to the energy contract—supply and distribution. The supply contract for electricity allows the agency to explore suppliers, while the agency is locked in with National Grid for the distribution. The agency saved of \$290K for supply last year. The agency is currently at \$.09, and increase of \$80K per year, but there will be budget certainty for the next 3 years. The demand for electricity has increased, so the rates will likely increase. It was recommended by the agency's energy consultant to lock in the current rates. This contract will pick up December 2021 after the current contract ends in November 2021. Chairperson Shea explained that he met with Commissioner Howard, and CFO, Sherry Giblin to discuss and he is confident that the rates are beneficial to the Authority.

A motion to approve was made by Commissioner Bernes, and seconded by Commissioner Howard

A roll call was taken with the following results:

Yeas: Chairperson Shea, Commissioner Bernes, Commissioner Howard

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.5 MOTION TO APPROVE ASSIGNMENT OF SCATTERED SITE SALE PROCEEDS, IN ACCORDANCE WITH LHA URBAN REVITALIZATION FUND POLICY, IN THE AMOUNT OF \$200,000 TO REVITALIZATION EFFORT TOWARDS NEW URBANISM (RENU), FOR THE ACQUISITION OF REMAINING PARCELS OF LAND ON THE RIVER’S EDGE ON THE CONCORD DEVELOPMENT

Chairperson Shea recognized Gary Wallace, Executive Director to explain the motion. Mr. Wallace reported that the next two motions are related to the use of sales proceeds with respect to Rivers Edge. RENU submitted a proposal to LDFC to apply for a grant called Commonwealth Builders. To receive the grant, RENU must be able to prove site control. These proceeds, along with re-zoning will put the agency in a good position to receive the grant.

A motion to approve was made by Commissioner Bernes, and seconded Commissioner Howard

A roll call was taken with the following results:

Yeas: Chairperson Shea, Commissioner Bernes, Commissioner Howard

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.6 MOTION TO APPROVE ASSIGNMENT AND USAGE OF SCATTERED SITE SALE PROCEEDS, IN ACCORDANCE WITH LHA URBAN REVITALIZATION FUND POLICY, IN THE AMOUNT OF \$500,000 TO REVITALIZATION EFFORT TOWARDS NEW URBANISM (RENU), FOR THE ACQUISITION OF 691 AND 701 MERRIMACK STREET

Chairperson Shea recognized Attorney Murphy for an explanation. Attorney Murphy explained that St. Vincent DePaul purchased a new building on Middlesex Street, and this parcel can be purchased by the Housing Authority for future construction. The agency is giving RENU the \$500,000 to acquire the site.

A motion to approve was made by Commissioner Bernes, and seconded by Commissioner Howard

A roll call was taken with the following results:

Yeas: Chairperson Shea, Commissioner Bernes, Commissioner Howard

Nays: None

The Chairperson declared the motion carried and the vote adopted.

8. OLD BUSINESS

None

9. NEW BUSINESS

None

ADJOURNMENT

A motion was made by Commissioner Bernes and seconded by Commissioner Howard

A roll call was taken with the following results:

Yeas: Chairperson Shea, Commissioner Bernes, Commissioner Howard

Nays: None

The Chairperson declared the motion carried and the vote adopted.

Meeting adjourned: 6:00

Secretary