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LOWELL HOUSING AUTHORITY  
BOARD OF COMMISSIONERS MEETING  
SEPTEMBER 14, 2022

Mercier House  
21 Salem Street  
Lowell, Massachusetts

--- Reported by Jacqueline P. Travis ---

1 Board of Commissioners:

2 Philip L. Shea, Chairman

3 Mony Var, Vice Chairman

4 Joanie L. Bernes, Commissioner

5 Matt Marr, Commissioner

6 Rodney Elliott, Commissioner

7

8 Lowell Housing Committee:

9 Gary K. Wallace, Executive Director

10 Adam J. Garvey, Assistant Executive Director,

11 Chief Operating Officer

12 Sherry Giblin, Chief Financial Officer

13 Kevin J. Murphy, General Counsel

14

15 Presentations by:

16 Rita Brousseau

17 Laura Watts

18 Tha Chhan

19 Kelsey Tauer

20

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INDEX

1		
2		<u>Page</u>
3	Opening remarks by Mr. Shea	4
4	Agenda Item 1	7
5	Agenda Item 2	7
6	Agenda Item 3	7
7	Agenda Item 4	8
8	Agenda Item 5	8
9	Agenda Item 6	20
10	Agenda Item 7	20
11	Agenda Item 7.1.1	20
12	Agenda Item 7.1.2	21
13	Agenda Item 7.1.3	22
14	Agenda Item 7.1.4	23
15	Agenda Item 7.1.5	24
16	Agenda Item 7.1.6	27
17	Agenda Item 7.1.7	35
18	Agenda Item 7.1.8	40
19	Agenda Item 7.1.9	48
20	Agenda Item 7.1.10	55
21	Agenda Item 8	64
22	Agenda Item 9	64
23	Agenda Item 9(a)	64
24	Agenda Item 9(b)	64

1		<u>Page</u>
2	Agenda Item 10	65
3	Agenda Item 11	92
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		

P-R-O-C-E-E-D-I-N-G-S

1  
2 MR. Shea: The meeting will come to order,  
3 please. This is the regular scheduled meeting for  
4 September 14th, the Board of Commissioners of the  
5 Lowell Housing Authority. And with that being the  
6 case, the clerk will call the roll.

7 Mr. Wallace: Vice Chairman Var.

8 Mr. Var: Here.

9 Mr. Wallace: Commissioner Bernes.

10 Ms. Bernes: Here.

11 Mr. Wallace: Commissioner Elliott.

12 Mr. Elliott: Present.

13 Mr. Wallace: Commissioner Marr.

14 Mr. Marr: Here.

15 Mr. Wallace: Chairman Shea.

16 Mr. Shea: Here.

17 Mr. Wallace: Five present.

18 Mr. Shea: I want to state at the outset  
19 that this meeting may take a little bit longer than  
20 normal. At the conclusion of the regular meeting we  
21 have Item Number 11, when we get through with Item  
22 Number 10, onto Item Number 11, the Board of  
23 Commissioners will be going into executive session to  
24 discuss the matter with our general counsel, Attorney

1 Murphy, that's being discussed about -- between the  
2 executive committee and the leadership of the  
3 Authority.

4           So at that point we will not be adjourning,  
5 we'll just be moving to go into executive session.  
6 However, the only participants in the hall will be  
7 the three members of the staff of the Lowell Housing  
8 Authority, general counsel, and the five Board  
9 Commissioners. And then when we get through with the  
10 executive session, that could very well take  
11 15 minutes, but it could take as long as 45 minutes,  
12 we will be adjourning.

13           But at the conclusion of Item Number 10  
14 we'll ask everyone to leave the hall in order so that  
15 we may then move on to the executive committee  
16 meeting. The subcommittee meeting in executive  
17 session. Thank you.

18           So with that being the case, I think we have  
19 an lot to discuss tonight. And so we'll try to move  
20 along as quickly as we can to give everybody an  
21 opportunity to view their point. To express their  
22 viewpoint, I should say.

23           And so with that being the case we'll go to  
24 Item Number -- we'll go to Item Number 2, resident

1 correspondence.

2 Mr. Wallace: Approval of the minutes.

3 Mr. Shea: Oh. Thank you. That's right.  
4 I'll get that right one of these days. I always go  
5 through -- as I was saying, approval of the minutes  
6 of the meeting that was held on August 10th, motion  
7 made by Commissioner Matt Marr, seconded by  
8 Commissioner Rodney Elliott.

9 The clerk will call the roll.

10 Mr. Wallace: Vice Chairman Var.

11 Mr. Var: Yes.

12 Mr. Wallace: Commissioner Bernes.

13 Ms. Bernes: Yes.

14 Mr. Wallace: Commissioner Elliott.

15 Mr. Elliott: Yes.

16 Mr. Wallace: Commissioner Marr.

17 Mr. Marr: Yes.

18 Mr. Wallace: Chairman Shea.

19 Mr. Shea: Yes.

20 Mr. Wallace: Five yeas.

21 Mr. Shea: Item Number 2, I don't think we  
22 have any.

23 Mr. Wallace: No resident correspondence.

24 Mr. Shea: Item Number 3.

1 Mr. Wallace: The we have nothing.

2 Mr. Shea: Item number 4 is the subcommittee  
3 report. Any subcommittees that would like to report  
4 information to the Board? I know the committee on --  
5 the executive committee will have a report or  
6 something to say at the executive session, and the  
7 subcommittee on finance will have a report after we  
8 get through Item 7.1.2, 7.1.3, and 7.1.4, that  
9 committee will have a few things to say after we get  
10 through with those four items.

11 With that being the case, I look forward to  
12 listening to our chief financial officer, Mrs. Sherry  
13 Giblin, who will give us the financial report. Mrs.  
14 Giblin.

15 Ms. Giblin: Thank you, Mr. Chairman.

16 The Authority's operating statements for the  
17 period ending July 31st were provided to the Board  
18 for their review. As we end the last quarter of  
19 fiscal year '22, most programs remain revenue  
20 producing and exceeding budget estimates.

21 For the month of July our federal AMPs saw a  
22 \$60,000 increase in operating gains. Our HUD and  
23 multi-family development saw an increase of 23,000  
24 for the month of July, and our state portfolio broke



1 even. The Housing Choice voucher program saw an  
2 increase of 23,000.

3 Also provided to the Board were the  
4 Authority's fiscal year 2023 operating budgets. At  
5 this time the Massachusetts Department of Housing and  
6 Community Development has not released the fiscal  
7 year 2023 budget guidelines. Therefore, enclosed are  
8 our federal operating budgets for our four HUD funded  
9 Asset Management Portfolios, our HUD Multi-Family  
10 Section 8 new construction property, our Section 8  
11 Housing Choice voucher and Mainstream voucher  
12 Programs, and our Central Office Cost Center. We  
13 anticipate state budgets to follow in the coming  
14 months as soon as the guidelines are released.  
15 Fiscal year 2022 saw lingering effects of the  
16 COVID-19 pandemic, specifically supply chain issues  
17 that resulted in difficulty getting materials, and  
18 inflation causing higher prices for materials and  
19 contracts. The agency is also experiencing a higher  
20 than usual vacancy rate. These vacancies are  
21 requiring substantial rehabilitation and in a lot of  
22 cases asbestos remediation, which has proven to be  
23 costly for the agency.

24 In fiscal year '22 operating fund subsidy

1 eligibility and proration levels were increased to  
2 104 percent, which was much needed considering the  
3 cost of materials and the high vacancies. While we  
4 welcome these proration levels, we do not anticipate  
5 they will remain at this level through calendar year  
6 '23.

7 Public housing authorities continue to  
8 struggle nationwide with less than adequate funding  
9 to cover extraordinary and capital needs. This puts  
10 a strain on operating budgets to absorb these costs  
11 on top of the everyday operating costs that continue  
12 to rise.

13 The aging infrastructure of the buildings  
14 and deferred maintenance are a common theme in the  
15 fiscal year '23 operating budgets. This coupled with  
16 supply chain issues and inflation results in budget  
17 deficits for fiscal year '23. It is important to  
18 note that while HUD did increase operating fund  
19 proration levels for calendar year '22, this may not  
20 carry into calendar year '23 and, therefore, any  
21 gains realized in fiscal year '22 will be crucial to  
22 the agency in the coming years should funding  
23 eligibility and proration levels decrease. The  
24 uncertainty of funding levels makes it imperative for

1 the agency to prepare conservative budgets to guard  
2 against potential subsidy and proration level  
3 decreases. The uncertainty of funding levels coupled  
4 with the insufficient amount of public housing  
5 capital funds requires the authority to maximize its  
6 reserve levels whenever financially feasible.

7 Three out of the four federal AMPs are  
8 budgeted to realize operating losses totaling  
9 503,000. These losses will be absorbed by the  
10 reserves for the respective AMPs. AMP 1 is budgeted  
11 to realize an operating gain of 15,000. Overall our  
12 public housing portfolio is budgeted at a loss of  
13 488,000. It is important to note the budgets for the  
14 AMPs include 1.2 million from our 2022 capital fund  
15 for operations. HUD allows agencies to use up to  
16 25 percent of its capital funds for operating  
17 expenditures. Without this 1.2 million, the AMPs  
18 would be realizing a net loss over 1.6 million.

19 The revenue budget of the Authority has  
20 increased to a projected 48 million in fiscal year  
21 2023. This is up from 44 million budgeted in fiscal  
22 year '22. The major driver of the increase is HAP  
23 revenue in our Section 8 program. This revenue is,  
24 however, offset by corresponding increases in HAP

1 expenses.

2 Resident rental income increased by 318,000.  
3 As previously noted, proration levels are currently  
4 at 104 percent. While this is much needed, we do not  
5 anticipate proration levels to remain this high in  
6 calendar year '23. We have conservatively budgeted  
7 two percent decrease in operating fund eligibility  
8 and a proration level of 96 percent, or in real  
9 dollars \$154,000 increase.

10 In addition to our major funding sources,  
11 the Authority has a solar net meter credit contract,  
12 which is projected to generate approximately  
13 1.3 million in revenue for the Authority in the  
14 coming year. This revenue is offset by a solar  
15 operating cost of approximately 650,000. Total  
16 savings from this contract for fiscal year '23 is  
17 estimated at 660,000.

18 After two years of declining interest rates,  
19 the Authority has started to see investment income  
20 increase due to an increase in interest rates.

21 The Section 8 program has seen increases to  
22 its admin proration levels. Admin fee proration is  
23 currently at 90 percent. We have projected admin fee  
24 proration at 88 percent for fiscal year '23.

1           The operating budgets for our public housing  
2 portfolio projects an overall increase of 871,000 in  
3 operating expenses, resulting in budget deficits.  
4 Due to budget savings in telephone, legal and  
5 consulting fees, our administrative expenses have  
6 only increased 40,000 from fiscal year '22.

7           Salaries have increased due to COLA  
8 increases for employees. The agency is seeing rising  
9 employee benefit costs, most notably in health  
10 insurance, OPEB, and pension expenses.

11           The Authority made a major investment in  
12 fiscal year '22 in a new digital filing system. A  
13 new system was completed in our Housing Choice  
14 voucher program. This technology allows for digital  
15 storage of our paper files.

16           This budget year will include expenses to  
17 roll out the digital filing platform to our public  
18 housing offices. These IT investments are vital to  
19 keeping the agency running as efficiently as  
20 possible.

21           The fiscal year '23 budget reflects a  
22 decrease to resident services of 33,000. This  
23 decrease is mainly attributable to a termination of a  
24 disinfecting contract that was entered into during

1 COVID. This contract was necessary during the height  
2 of the pandemic. Although contract costs have  
3 decreased, we have increased other tenant service  
4 line items to include budget for tenant relocations,  
5 medical accommodations, tenant organizations, and the  
6 relaunch of after school programs.

7 Budgeted utility expenses increased by  
8 217,000. The Authority has been successful in  
9 pursuing third party rate lock agreements that have  
10 generated substantial savings for the supply portions  
11 of our electricity and natural gas bills. While we  
12 can control the supply portion of our bills, we are  
13 not able to control the distribution portion. The  
14 distribution rates have increased causing an increase  
15 in overall utility expenses.

16 Maintenance expenses have also increased for  
17 the current budget year by 580,000, most notably in  
18 salaries and benefits. Salaries have risen due to  
19 COLA increases. In addition, salaries have increased  
20 due to the addition of two custodian positions and a  
21 new carpenter position. Bringing these positions  
22 inhouse rather than using force account labor will  
23 save the Authority approximately 85,000 in salaries  
24 and benefits.

1           Extraordinary maintenance budgeted for  
2 fiscal year '23 includes larger scale projects such  
3 as renovations for the relaunch of our after school  
4 program, AC unit repairs, plumbing, gas lines and  
5 drain issues, as well as storm door replacements,  
6 security camera upgrades, and radon mitigation.

7           At this time I will take any questions from  
8 the Board.

9           Mr. Shea: Thank you very much, Mrs. Giblin,  
10 for that report. I invite any members of the Board  
11 of Commissioners to ask any questions at this time.

12           I noticed that Commissioner Elliott has a  
13 question.

14           Mr. Elliott: Thank you, Mr. Chair. On the  
15 operating statement overview, can you explain -- the  
16 state portfolio was over budget due to OPEB costs  
17 that are unbudgeted. Can you just explain what's  
18 going on here?

19           Ms. Giblin: So under generally accepted  
20 accounting principles, we are required to report our  
21 OPEB, our full approval OPEB liability.

22           The state does not allow us to budget for  
23 that. They don't allow a budget line for it. So  
24 when we submit our budgets we can't include that. So

1 there's always a budget overage because of that. We  
2 have to record it in our books, but the state doesn't  
3 allow us to budget for it.

4 Mr. Elliott: And why is that? You don't  
5 know? Because I'm sure every other housing authority  
6 across the Commonwealth has the same or similar  
7 liability.

8 Ms. Giblin: Yes.

9 Mr. Elliott: What is our liability  
10 generally?

11 Ms. Giblin: 17 million this year. 17  
12 million.

13 Mr. Elliott: Okay.

14 Ms. Giblin: That's full school.

15 Mr. Elliott: Okay, thanks.

16 And can you expect -- can you just go to the  
17 Section 8 program? I know you discussed this a  
18 little bit, Section 8 program is operating above  
19 budget estimates through July. What is that a result  
20 of?

21 Ms. Giblin: Admin fees are -- so when we  
22 budgeted admin fees last year we budgeted them at  
23 86 percent. Our admin fees are currently funded at  
24 90 percent.



1           Mr. Elliott: I see. Okay.

2           And just one other question. The other  
3 general expenses are over budget due to Hoffer and  
4 HAP payments. It's a grant received through the City  
5 of Cambridge?

6           Ms. Giblin: Yeah, so the Hoffer program,  
7 and Tha can help me out here if I misspeak, but the  
8 Hoffer grant was originally given to us through the  
9 City of Lowell. It's funded from HUD to the City of  
10 Lowell, and then it came to us. The City of Lowell  
11 did away with it last year and turned it over to the  
12 City of Cambridge. So now we -- the money comes over  
13 from the City of Cambridge to us. We pay out the  
14 expenses. It's a reimbursable grant. So then we  
15 submit to the City of Cambridge for reimbursement of  
16 those expenses.

17           Mr. Elliott: Why did we do away with it?

18           Ms. Giblin: The City of Lowell?

19           Mr. Elliott: Yeah.

20           Ms. Giblin: That I don't know. Do you know  
21 the answer to that?

22           Mr. Chhan: It was decided that Cambridge  
23 happened to be the city that have a bigger  
24 calculation in terms of the city reporting, so HUD

1 decided to obtain.

2 Mr. Elliott: That's fine. Thank you. That  
3 answers my question.

4 Thorough report. I appreciate the detail  
5 and the explanation. Thank you, Mr. Chair.

6 Mr. Shea: Thank you, Commissioner.

7 I'd like to just say something on the record  
8 that I think has been missed for the last 30 months.  
9 You did this report. You and one staff person.

10 Ms. Giblin: Yes. Rachel and I prepare the  
11 budget.

12 Mr. Shea: Now this report is as of the end  
13 of July.

14 Ms. Giblin: Operating statement, correct.  
15 Yes.

16 Mr. Shea: When you sat down with the  
17 finance committee for the last couple of weeks on the  
18 budget, we were very particular about the surpluses  
19 at the end of August.

20 Ms. Giblin: Yes.

21 Mr. Shea: Because that's where we would  
22 have an opportunity to have a discussion pertaining  
23 to do we give a cost of living increase out to our  
24 valuable employees. Do we give a pay raise out. Can

1 we give some extra money to some of our bright young  
2 stars coming up. Can we give some extra remuneration  
3 to some of our most valuable veteran employees? It  
4 all comes off the final budget at the end of August.  
5 So we don't know those numbers until we get to the  
6 first of September. And that's when we kind of  
7 basically put together the numbers for next year.

8           And I just want the record to indicate she  
9 does all this work with the help of one person.  
10 Thank you. So with that being the case I want -- I  
11 just want to -- I think it's the appropriate time to  
12 recognize your effort. And I just want to let you  
13 know, I speak for Commissioner Mony Var and myself,  
14 we appreciate your effort. Because there's a lot of  
15 work that goes into this and people just take it for  
16 granted. And I don't want to get into the main  
17 budget because, you know, that's difficult to read.

18           But thank you for your clear and concise  
19 response to this question.

20           Ms. Giblin: Thank you.

21           Mr. Shea: With that being the case, motion  
22 by Commissioner Rodney Elliott, seconded by  
23 Commissioner Mony Var to accept the report, finance  
24 and audit report by Mrs. Giblin.

1 Did you want to say something?

2 Mr. Wallace: No.

3 Mr. Shea: So with that being the case we'll  
4 have the clerk call the roll to accept Item Number 5.

5 Mr. Wallace: Vice Chairman Var.

6 Mr. Var: Yes.

7 Mr. Wallace: Commissioner Bernes.

8 Ms. Bernes: Yes.

9 Mr. Wallace: Commissioner Elliott.

10 Mr. Elliott: Yes.

11 Mr. Wallace: Commissioner Marr.

12 Mr. Marr: Yes.

13 Mr. Wallace: Chairman Shea.

14 Mr. Shea: Yes.

15 Mr. Wallace: Five yeas.

16 Mr. Shea: Next item is Item Number 6,  
17 report of the chair. And I just made a note, I'm  
18 going to discuss this -- I'm going to have some  
19 things to say later on in the meeting, so we'll just  
20 hold Item Number 6 and now we'll go on to Item  
21 Number 7. And it's Item Number 7.1.1, motion to  
22 approve the Department of Housing and Urban  
23 Development public housing operating budget for the  
24 fiscal year ending September 30th, 2023.

1 Any questions? If none there's a motion by  
2 Commissioner Matt Marr, seconded by Commissioner  
3 Rodney Elliott to accept Item Number 7.1.1. The  
4 clerk will call the roll.

5 Mr. Wallace: Vice Chairman Var.

6 Mr. Var: Yes.

7 Mr. Wallace: Commissioner Bernes.

8 Ms. Bernes: Yes.

9 Mr. Wallace: Commissioner Elliott.

10 Mr. Elliott: Yes.

11 Mr. Wallace: Commissioner Marr.

12 Mr. Marr: Yes.

13 Mr. Wallace: Chairman Shea.

14 Mr. Shea: Yes.

15 Mr. Wallace: That's five yeas.

16 Mr. Shea: The next item on the agenda is  
17 Item Number 7.1.2. It's a motion to approve  
18 Department of Housing and Urban Development Housing  
19 Choice voucher program operating budget for fiscal  
20 year ending September 30th, 2023.

21 Any question by any commissioner? Hearing  
22 none, Commissioner Mony Var, seconded by Commissioner  
23 Joanie Bernes move to accept Item 7.1.2. The clerk  
24 will call the roll.

1 Mr. Wallace: Vice Chairman Var.

2 Mr. Var: Yes.

3 Mr. Wallace: Commissioner Bernes.

4 Ms. Bernes: Yes.

5 Mr. Wallace: Commissioner Elliott.

6 Mr. Elliott: Yes.

7 Mr. Wallace: Commissioner Marr.

8 Mr. Marr: Yes.

9 Mr. Wallace: Chairman Shea.

10 Mr. Shea: Yes.

11 Mr. Wallace: Five yeas.

12 Mr. Shea: The next item on the agenda is  
13 Item Number 7.1.3, motion to approve the Department  
14 of Housing and Urban Development multi-family Section  
15 8 new construction operating budget for the fiscal  
16 year ending September 30th, 2023.

17 There's a motion made by Commissioner Rodney  
18 Elliott, seconded by commissioner Mony Var to accept  
19 Item 7.1.3. The clerk will call the roll.

20 Mr. Wallace: Vice Chairman Var.

21 Mr. Var: Yes.

22 Mr. Wallace: Commissioner Bernes.

23 Ms. Bernes: Yes.

24 Mr. Wallace: Commissioner Elliott.

1 Mr. Elliott: Yes.  
2 Mr. Wallace: Commissioner Marr.  
3 Mr. Marr: Yes.  
4 Mr. Wallace: Chairman Shea.  
5 Mr. Shea: Yes.  
6 Mr. Wallace: Five yeas.  
7 MR. Shea: The next time on the agenda is  
8 Item Number 7.1.4. Motion to approve the cental  
9 office operating budget for the fiscal year ending  
10 September 30th, 2023.  
11 Any question by any member of the Board?  
12 Hearing none, Commissioner Rodney Elliott together  
13 with Commissioner Joanie Bernes move to accept  
14 Item 7.1.4. The clerk will call the roll.  
15 Mr. Wallace: Vice Chairman Var.  
16 Mr. Var: Yes.  
17 Mr. Wallace: Commissioner Bernes.  
18 Ms. Bernes: Yes.  
19 Mr. Wallace: Commissioner Elliott.  
20 Mr. Elliott: Yes.  
21 Mr. Wallace: Commissioner Marr.  
22 Mr. Marr: Yes.  
23 Mr. Wallace: Chairman Shea.  
24 Mr. Shea: Yes.

1 Mr. Wallace: That's five yeas.

2 Mr. Shea: Thank you.

3 The next item on the agenda is Item Number  
4 7.1.5. It's a motion to approve the write-off of  
5 uncollected tenant accounts receivable balances for  
6 federal and state residents who vacated prior to  
7 October 1st, 2020.

8 Ms. Giblin: Excuse me, Mr. Chairman, that's  
9 a typo. That should say prior to October 1st, 2021.  
10 My apologies.

11 Mr. Shea: As I was saying, motion to  
12 approve central office operating budget for fiscal  
13 year ending September 30th, 2021. That's -- thank  
14 you.

15 So any question pertaining to that? If not,  
16 there's a motion made by commissioner -- I'm sorry,  
17 Commissioner Elliott.

18 Mr. Elliott: I just have a couple questions  
19 and I'm just wondering the philosophy, what is that?  
20 Because it's the washer -- wash and charge. Excuse  
21 me. The residents have washing machines and get they  
22 charged?

23 Mr. Wallace: Right.

24 Mr. Elliott: And this is one -- I'm not



1 going to name names, but once the individual has  
2 incurred \$5,000, how does -- is this individual  
3 struggling? And it looks like mostly rent charges.  
4 So what happened? Are these -- I understand writing  
5 off, but there's one individual that's 35,000, and  
6 the rest of them are small.

7 Mr. Wallace: Right. No, that was just a  
8 bad balance of someone who continued to refuse to  
9 pay, go to court, make an agreement, refused to pay,  
10 go to court, make an agreement, and finally they --

11 Mr. Elliott: Okay, so that -- I understand.  
12 Okay. The rest of them I understand.

13 Thank you, Mr. Chair.

14 Mr. Shea: Thank you, Commissioner.

15 I was just curious, what's been the  
16 approximate write-off in the last several years? Is  
17 this about the same? Is this a little higher?

18 Ms. Giblin: This is a little higher. So  
19 last year it was about 36,000. So because of COVID  
20 we had -- during COVID they had these rental  
21 assistance payments the state offered. So a lot of  
22 tenants were taking advantage of that and having the  
23 state pay their back due rent. When they accepted  
24 that rental assistance, that meant that we couldn't

1 proceed with eviction for six months? For six  
2 months. So after that ended, even though they  
3 weren't paying, we weren't allowed to go and do  
4 evictions. So I believe that has a lot to do with  
5 the increase in the uncollectibles.

6 Mr. Shea: Yeah, it's --

7 Ms. Giblin: But it's still less than one  
8 and a half percent of our total billing, so.

9 Mr. Shea: It's small potatoes. And we're  
10 dealing with people that -- they just don't have the  
11 money. Period. And you know, God bless them. Okay.  
12 Item Number 7.1.5, Commissioner Matt Marr moves to  
13 accept Item Number 7.1.5, and that's been seconded by  
14 Commissioner Rodney Elliott. And with that being the  
15 case, the clerk will call the roll.

16 Mr. Wallace: Vice chairman Var.

17 Mr. Var: Yes.

18 Mr. Wallace: Commissioner Bernes.

19 Ms. Bernes: Yes.

20 Mr. Wallace: Commissioner Elliott.

21 Mr. Elliott: Yes.

22 Mr. Wallace: Commissioner Marr.

23 Mr. Marr: Yes.

24 Mr. Wallace: Chairman Shea.

1 Mr. Shea: Yes.

2 Mr. Wallace: Five years.

3 Mr. Shea: The next item on the agenda is  
4 Item Number 7.1.6, motion it approve the advanced  
5 funds to RENU in the amount of \$30,000 to cover  
6 annual audit and tax returns.

7 We have a memoranda sent to us by the Chief  
8 Financial Officer explaining this item. I read it.  
9 I have a couple of questions, but I will ask after  
10 the other Board of Commissioners ask their questions.

11 Any questions of the Board of Commissioners?

12 Thank you.

13 With respect to this item, giving money to RENU to  
14 pay this bill, to pay this anticipated bill, the bill  
15 I think has been anticipated will be 20 to 25,000,  
16 and I -- you let me know about this the other day,  
17 August 30th.

18 Tell us how we got to where we got.

19 Ms. Giblin: So based -- the state bases  
20 their audit requirements on gross receipts. So when  
21 the gross receipts exceed \$500,000 a year for a  
22 nonprofit, the nonprofit is required to file  
23 Massachusetts Form 2C, and the tax for that has to be  
24 audited financial statement.

1           So for calendar year 2020, RENU had that  
2 requirement. So we had the 2020 tax returns done and  
3 the audit done. This year in reviewing RENU's books,  
4 I noticed that their receipts were over the 500,000  
5 and they were going to be doing an audit. So I  
6 reached out to the audit firm who did last year's  
7 audit and asked them to provide me with an engagement  
8 letter and quotes, so that we would know how much we  
9 needed.

10           Mr. Shea: Okay. First of all, I read the  
11 letter from the certified public accountant and I  
12 hate to say this, it's going back so many years, I  
13 used to work with Brian Stafford at the CPA firm.  
14 He's a very bright, bright guy. So I don't question  
15 their ability, their professionalism, because they're  
16 really good. But what I did question is when did we  
17 find out that -- we need to get this work done by the  
18 end of November?

19           Ms. Giblin: November 15th it's due.

20           Mr. Shea: November 15th. We're going to  
21 lose our -- well that's frightening to me. So if  
22 this wasn't brought to our attention, the money was  
23 put in the budget, and if the money isn't voted on  
24 tonight, how can you hire the accountant to do the

1 work that's necessary to keep RENU active? And if  
2 RENU doesn't file the application or file the  
3 paperwork, I think they lose their 501(c).

4 Ms. Giblin: They could, yes.

5 Mr. Shea: That's not a question, they  
6 could. They will. So with that being the case,  
7 could you explain to the Board how this came to your  
8 attention? Or even better, the Executive Director,  
9 will you tell us how you went down the road so far to  
10 a frightening happening, if we didn't do this work?  
11 Frightening happening would be RENU's out of  
12 business. Explain that to us.

13 Mr. Wallace: So I think it was brought to  
14 my attention either in July or August, that the audit  
15 was coming up and due. And then at that point I had  
16 asked the Chief Financial Officer to do the research  
17 and find us an appropriate firm to do it, and she  
18 did. And then it was my intention to bring it to the  
19 finance subcommittee and explain to the finance  
20 subcommittee that we would need to vote on this in  
21 either the August or September meeting.

22 Mr. Shea: Well you didn't explain this to  
23 the finance committee. It was explained to -- by the  
24 Chief Financial Officer. You were on vacation.

1           Mr. Wallace: We didn't have a finance  
2 subcommittee.

3           Mr. Shea: No, but the Chief Financial  
4 Officer told the members of the subcommittee of  
5 finance that this was necessary.

6           Mr. Wallace: Right.

7           Mr. Shea: So if we didn't put this in the  
8 budget, RENU as we know it would be evaporated.

9           So I'm trying to figure out, when you found  
10 out about it in June or July, why did it take you all  
11 this time to bring it to our attention?

12           Mr. Wallace: I found out about it in July,  
13 and then at the August meeting you had mentioned that  
14 we were going to have several finance committee  
15 meetings, so it was my intention to bring it to one  
16 of those finance subcommittee meetings. None of that  
17 happened. So before I went away I asked the Chief  
18 Financial Officer to bring it to your attention on  
19 your budget meeting and get it on the agenda. And  
20 she did. And here it is.

21           Mr. Shea: Yes, she did. Much to our  
22 chagrin, to be told at the 24th hour either put the  
23 money in the budget, approve it, or RENU's out of  
24 business.

1           So if we decided we're not going to pay  
2 \$25,000, RENU's out of business. And RENU's the  
3 vehicle that we wanted to use on the Mercier site.  
4 And the Mercier site, which we first started talking  
5 about two years ago, August of 2020, now we know our  
6 consultant left us, has not renewed in February, and  
7 we find out about that in August. And I understand  
8 through the grapevine, and I hope that I'm wrong, but  
9 that beautiful building that we had plans for the  
10 Mercier site, it's two or three years, that project's  
11 dead. So if we didn't fund this money tonight,  
12 RENU's dead. So I'm trying to get an explanation  
13 either from you or the Chief Operating Officer,  
14 please tell us tonight how this fell through the  
15 cracks.

16           Mr. Wallace: I think I explained it,  
17 Mr. Chairman.

18           Mr. Shea: Wait a minute. You might have  
19 explained it but you have to be a little clearer.  
20 I'm having a hard time following the logic. And  
21 obviously, I don't think representative --  
22 Commissioner Mony Var or myself appreciate to have to  
23 put this in the budget, because we find out if we  
24 don't do it, RENU's out of business. Now if you knew

1 this, the Chief Operating Officer can speak up too,  
2 you guys have to tell us a long time ago to do this.  
3 Not to do it at the 24th hour. This is a frightening  
4 happening.

5 We try to put forth people on the Board that  
6 we knew. One person that we wanted to put on was  
7 rejected. Luckily Commissioner Marr's on the Board.  
8 What good's having a board if you're out of business?  
9 And you could be out of business because of a  
10 technicality. And a technicality was brought on by  
11 either you or the Chief Operating Officer. But let  
12 me -- I don't understand, when I found this out last  
13 week -- I don't need anything else to raise my blood  
14 pressure.

15 Now you guys sit there and smirk all you  
16 want, but this is a pretty serious subject matter.  
17 And it's a breach of confidence that I have in both  
18 of you.

19 So luckily we're going -- hopefully the  
20 Board will move forward and approve this money, but  
21 sit back and think about it, how close we were of  
22 putting RENU out of business. And if RENU's out of  
23 business, the Mercier site is out of business. And  
24 if it took 15 months to build The Coalition for a



1 Better Acre, we've been working on the Mercier site  
2 for two years. And now we find out we're eight  
3 months behind. And our general counsel has told me  
4 that project, it's dead. Dead. Because of the  
5 funding. Lack of funding. And that's just a guess.

6 So much for telling the veterans in August  
7 of 2020, and so much for telling the veterans again  
8 on August 18th, we hope to get some units in this  
9 building for our disabled veterans. And then I find  
10 out after that it's dead.

11 Mr. Wallace: Why would you say the project  
12 is dead? The project is not dead.

13 Mr. Shea: We'll discuss that at another  
14 time. It may be hard for you to understand, but it  
15 has to do with the funding. Funding.  
16 Reimbursements. But we don't even have the RENU  
17 board set up.

18 Mr. Wallace: We do.

19 Mr. Shea: Well then when are you going to  
20 tell us?

21 Mr. Wallace: I told you at the last board  
22 meeting that RENU was meeting last month, I think the  
23 day or two after our last board meeting, and at that  
24 point in time we had all our governance in order, we

1 had our new people on the board, and that we were  
2 hoping to bring a contractor here tonight for our  
3 consultant board predicated on you having a sit-down  
4 meeting with him, which --

5 Mr. Shea: I remember you clearly stating,  
6 we can go back to the minutes of the meeting, I don't  
7 want to quibble with words, of Mr. Clark being on the  
8 board because Adam didn't want him.

9 Mr. Wallace: He hasn't --

10 Mr. Shea: The whole bottom line is so you  
11 set up the board and then you file the request for  
12 the money to hire the accountant to certify the tax  
13 forms to keep RENU alive.

14 Mr. Wallace: Right.

15 Mr. Shea: And we're out of business a month  
16 from now. Okay. I'll express publically my thought  
17 process. You weren't around. You were on vacation.  
18 I couldn't talk to you. But it's not -- it's not a  
19 good -- let's just say I don't think it's  
20 professional work. And you have a chief operating  
21 officer who's got an MBA, can understand accounting,  
22 and he shouldn't be faulted for your bad.

23 With that being the case, what's before us?

24 A motion?

1 Mr. Wallace: Mm-hmm.

2 Mr. Shea: Item Number 7.1.6, the motion to  
3 accept Item Number 7.1.6, which is basically a motion  
4 to approve advanced funds for RENU in the amount of  
5 \$30,000 to cover annual audit and tax returns.

6 Mr. Marr: Motion.

7 Mr. Shea: Commissioner Matt Marr, seconded  
8 by Commissioner Rodney Elliott move to accept Item  
9 Number 7.1.6. The clerk will call the roll.

10 Mr. Wallace: Vice Chairman Var.

11 Mr. Var: Yes.

12 Mr. Wallace: Commissioner Bernes.

13 Ms. Bernes: Yes.

14 Mr. Wallace: Commissioner Elliott.

15 Mr. Elliott: Yes.

16 Mr. Wallace: Commissioner Marr.

17 Mr. Marr: Yes.

18 Mr. Wallace: Chairman Shea.

19 Mr. Shea: Yes.

20 Mr. Wallace: That's five yeas.

21 Mr. Shea: The next item on the agenda is  
22 Item Number 7.1.7, motion to approve the contract  
23 award recommendation to Concord River Mill elevator  
24 upgrades to Enterprise Equipment Company, Weymouth,

1 Mass, in the amount of \$468,360. And we have a  
2 letter here from Rita Brousseau who can -- who  
3 luckily, to my surprise, is here. So would you want  
4 to get up and talk to us about this? Thank you.

5 Ms. Brousseau: We went out to bid, and this  
6 was a project where there's a general contractor  
7 who's going to oversee the project. We had two  
8 bidders come in, I apologize, it looks like I haven't  
9 gone into that, but there were two bidders and  
10 Enterprise Equipment was the lower bidder. They're a  
11 company that we've been working with on another  
12 project and we've been very pleased with them. And  
13 we're looking to award.

14 Mr. Shea: So you're very pleased.

15 Ms. Brousseau: I mean I can tell you what  
16 I've heard about the vendor from the capital team,  
17 but they can certainly speak more to it.

18 Mr. Shea: Well I take it, Rita, I see your  
19 signature attached to this, and I'd like to think --  
20 I just wanted to get you on the record. So I'd like  
21 to bring our capital asset manager up, Laura Watts,  
22 to indicate her thought process on this.

23 Mr. Elliott: Mr. Chair.

24 Mr. Shea: Commissioner Elliott.

1 Mr. Elliott: I'll wait.

2 Mr. Shea: Thank you, Laura.

3 Ms. Watts: Is there a specific question or?

4 Mr. Shea: Could you just give us an  
5 overview on this work that's going to be done and the  
6 people working? I see everyone's in favor. I see  
7 Matt Marr is in favor, so that speaks volumes.

8 Ms. Watts: Yes. We have an excellent  
9 design team that prepared the plans and  
10 specifications, GGD. They most recently did the  
11 elevator project for us at Solider Street,  
12 Centerville Gardens, when that went down and needed  
13 emergency repairs, they came in behind that and  
14 successfully completed the project to our  
15 satisfaction.

16 And now as part of the construction team we  
17 have New England Builders and Contractors. They are  
18 the general contractors doing the mod phase project  
19 on Lakeview Ave. As you know, that's a \$3 million  
20 project. And we are very pleased with how that  
21 project is going.

22 They're a very professional operation and  
23 have our confidence.

24 Mr. Shea: Laura, I was just asking that

1 question -- I'm sorry, I certainly -- I was just  
2 asking Matt about the union contractors. It's a  
3 union shop?

4 Ms. Watts: So the general contractor, they  
5 do use union. I'm not sure as far as masonry, there  
6 is some repair work in the shaft which will be a  
7 union outfit. And then this is a project that had  
8 five sub bids. So we have an electrical sub bid, the  
9 HVAC, and elevator car itself. And of course  
10 everyone will be paid prevailing wages.

11 Mr. Shea: I guess that's the most important  
12 thing.

13 Ms. Watts: Yes.

14 Mr. Shea: Okay. Commissioner Elliott has a  
15 question.

16 Mr. Elliott: I just had a question, there  
17 is note in the comments that Leigh Coda Consulting,  
18 they had a cost of 75,000 which you felt, the Housing  
19 Authority felt was exorbitant. Can you just explain?

20 Ms. Watts: Yeah, so the original AA -- so  
21 the AA Lead Consultants hire estimators, and they  
22 came back with an estimate for this project that we  
23 felt was about 100 to \$150, I don't remember the  
24 exact amount, above what we would expect it to be.

1 And they have now grieved this number in their  
2 general conditions. Jonathan, myself and the  
3 principal from GGD really dug our heels in and said  
4 there's no way we're going to pay that much. There's  
5 no way it is that much. And when we put our ICE out,  
6 we did a little padding because of all the unknowns  
7 in the current market, but the price tag came in  
8 right about where we thought it should be. Where our  
9 original feasibility study said it should be. And  
10 that was done a few years ago.

11 Mr. Elliott: So 552 and 554 was fair. What  
12 was your estimate?

13 Ms. Watts: They had given us -- their  
14 estimate had come in at like 680,000 or 650,  
15 somewhere there. And yeah, we said no way. Dug our  
16 heels in, and the president or principal of GGD  
17 really backed us up on that and supported us in that.  
18 And they're real advocates for us. And that's one  
19 more reason why we're excited to do this project with  
20 them.

21 Mr. Elliott: Thank you very.

22 Thank you, Mr. Chair.

23 Mr. Shea: Thank you, commissioner.

24 I wanted to state for the record, reading

1 the comments by other people, they come highly  
2 recommended.

3 Ms. Watts: Very much so.

4 Mr. Shea: Impressed by the comments.

5 That being the case, any other question to  
6 the Capital Asset Manager, Laura?

7 Hearing none, there's a motion made by  
8 Commissioner Matt Marr, seconded by Commissioner  
9 Joanie Bernes to approve Item 7.1.7. The clerk will  
10 call the roll.

11 Mr. Wallace: Vice Chairman Var.

12 Mr. Var: Yes.

13 Mr. Wallace: Commissioner Bernes.

14 Ms. Bernes: Yes.

15 Mr. Wallace: Commissioner Elliott.

16 Mr. Elliott: Yes.

17 Mr. Wallace: Commissioner Marr.

18 Mr. Marr: Yes.

19 Mr. Wallace: Chairman Shea.

20 Mr. Shea: Yes.

21 Mr. Wallace: That's five yeas.

22 Mr. Shea: Thank you. Next item on the  
23 agenda is Item Number 7.1.8, motion to approve  
24 contract award recommendation, 50 Summer Street



1 upgrades to New England Builders and Contractors,  
2 Inc., 464 Merrimack Street, Methuen, Mass, in the  
3 amount of \$1,282,000. And that's before us and, once  
4 again, Jonathan is not with us tonight. Apparently  
5 he's under the weather or some sort, but we'll ask  
6 Dr. Wallace to give us an update on this.

7 Mr. Wallace: So this takes care of two  
8 elevators at 50 Summer Street. And as you can see,  
9 the Housing Authority received three bids. Chief  
10 Procurement Officer did her due diligence, and is  
11 recommending that we go with New England Builders and  
12 Contractors, the lowest responsive and responsible  
13 bidder.

14 Mr. Shea: I see Commissioner Matt Marr's  
15 shaking his head yes. That speaks volumes. I know  
16 how to personally get an elevator to go and down. I  
17 don't know much about building it.

18 Commissioner Elliott.

19 Mr. Elliott: Just a question. What is the  
20 ultimate award?

21 Mr. Wallace: What have you got, Laura?

22 Mr. Shea: Sorry, what did you say?

23 Mr. Elliott: There is -- is that all that  
24 is number one, that production's of 14,000? I'm just

1 curious about that.

2 Ms. Watts: The add notes is the addition of  
3 a lowering device. With these elevator projects,  
4 especially at South Common Village, they require a  
5 backup generator. And one of this particular size  
6 has a lead time of I believe 52 weeks.

7 So in an effort to get the elevator  
8 operational as quickly as possible, we're going to  
9 purchase an emergency lowering device --

10 Mr. Elliott: You're accepting the  
11 alternate?

12 Ms. Watts: Yes.

13 Mr. Elliott: That's part of the bidding.  
14 Okay. That's fine. I understand, if you're  
15 accepting it. I didn't know it's in process.

16 I saw the bottom line, I was just curious  
17 about the whole thing. You answered my question.  
18 Thank you.

19 And I think we've commented in the past, but  
20 I know the property manager's here and in light of  
21 this elevator problem, the work that the staff has  
22 done has been complimented on by the tenants and the  
23 residents.

24 So, Mr. Chair, no objection. I know

1 Mr. Mercier is here, as is the Executive Director.  
2 Things are still going well with tenants over there  
3 in light of the elevator?

4 Mr. Wallace: Yes. Very well. Dennis and  
5 his staff met individually each tenant in there.  
6 Anybody that wished to be relocated has been  
7 relocated.

8 Mr. Elliott: And how many did we relocate  
9 in general?

10 Mr. Wallace: Maybe 20. 16.

11 Mr. Elliott: 16 were relocated?

12 Mr. Wallace: He and his staff put in an  
13 additional 12 hours a day to assist residents with  
14 groceries, et cetera.

15 Mr. Elliott: Right.

16 Mr. Wallace: It's worked out well.

17 Mr. Elliott: There's no way that this  
18 elevator breakdown could've been prevented? We did  
19 the maintenance, upkeep on it?

20 Mr. Wallace: It wasn't even in the cue for  
21 one of our -- you know, when we did the feasibility  
22 study it wasn't even the second or third line. It  
23 just went.

24 Mr. Elliott: Right. Well as the Chairman

1 said, for the record, I've heard nothing but positive  
2 feedback from the property managers and staff during  
3 this very warm period, and in light of the  
4 circumstances of moving tenants in and out.

5 Thank you, Mr. Chair.

6 Mr. Shea: With respect to -- how many  
7 residents did you move?

8 Mr. Wallace: 16 we think. I think.

9 Mr. Shea: With respect to our effort to  
10 accelerate the vacant units, which were 30, 40, 50,  
11 60, can you give us a count on where we stand there,  
12 on the units?

13 Mr. Wallace: Yeah, I think over the last  
14 30 days we've done a lot of overtime work in there,  
15 and I think we've knocked out either 18 or 20 units  
16 in 30 days.

17 Mr. Shea: 18 or 20. That's because we're  
18 spending overtime money to get our workers in there  
19 and do the job.

20 Mr. Wallace: Right.

21 Mr. Shea: And they're knocking them out.

22 Mr. Wallace: Right.

23 Mr. Shea: That money turns out to be money  
24 well spent. Because you put 16, 18 units for

1 availability, affordable housing units. So that  
2 proved to be a good decision, to move forward with  
3 the accelerated -- expend the overtime.

4 Mr. Wallace: Right.

5 Mr. Shea: To bring our workers in to do the  
6 work. Okay. I'm glad you had the change of heart on  
7 the policy, because prior to that you didn't want to  
8 spend the money.

9 Mr. Wallace: That's not true, Mr. Chairman.  
10 You have continuously said that. That is not true.  
11 I didn't deny any overtime for any development here.  
12 Particularly for the elevators.

13 Mr. Shea: If that isn't true, logic defies  
14 an answer other than my response, because if it  
15 wasn't true, once we paid in overtime, we just did 20  
16 units in 5 weeks. Prior to that -- prior to that, at  
17 our meeting, your chief operating officer said they  
18 were going to do one a week. That meeting that was  
19 up at Tha Chhan's office. And that's when the  
20 decision was made, one a week, let's get our workers  
21 in there. And I also said at the same time, if our  
22 workers don't want to work to get those vacant units  
23 ready, then call up Matt Marr and tell him to get  
24 some people from the union hall. Do you remember

1 that conversation?

2 Mr. Wallace: Oh yeah.

3 Mr. Shea: So you do remember that. I said  
4 call up Matt and get some union guys. It's important  
5 that we get those units that are unoccupied, vacant,  
6 ready so people can move in.

7 Mr. Wallace: That's right.

8 Mr. Shea: So if you're only doing one unit  
9 a week, and now you're doing three or four units a  
10 week, because of the overtime, well if the overtime  
11 didn't mean something, then please tell me why you  
12 did -- only did one unit during the week.

13 Mr. Wallace: We were already organizing  
14 staff to bring in and do overtime to get those --  
15 that was already in the works.

16 Mr. Shea: Listen, I don't want to spend  
17 time going back and forth with you.

18 Mr. Wallace: No, but you continue to say I  
19 denied overtime. It's just not true.

20 Mr. Shea: Okay. I'll let you finish  
21 talking.

22 Mr. Wallace: That's it.

23 Mr. Shea: As I was saying before you  
24 interrupted me, if we're only doing 1 a week, would

1 you please tell me how we did 18 units in 5 weeks?  
2 We spent money for overtime. If you spent money for  
3 overtime prior to that, Gary, you would be doing  
4 four, five a week. It was your chief operating  
5 officer at that meeting in Tha Chhan's office that  
6 said that we were prohibited from doing units. I'm  
7 going to quote Adam Garvey. He said because of  
8 overtime. So he contradicts your statement. So  
9 don't I. You have a completely different version of  
10 it. And this is frustrating to think you were going  
11 to do 1 unit a week, 50 units a year, because you  
12 didn't want to spend the money.

13 And I told you at that meeting, in my  
14 judgment we have plenty of money. You think like a  
15 Wall Street hedge fund guy.

16 The money in the account belongs to the  
17 residents. We have an obligation to help the  
18 residents. We have an obligation to pay our  
19 employees. But don't give me this stuff about you  
20 said this and that. Your memory is very different  
21 than mine. Let's just put it that way. Adam hasn't  
22 said anything because he knows what you said at that  
23 meeting. He was prohibited from doing work. And one  
24 of the reasons he was prohibited from doing work was

1 because of the lack of overtime money. That's what  
2 he said. You conveniently didn't hear that.

3 Item Number 7.1.8, motion to approve -- I  
4 already read in the motion, motion by Commissioner  
5 Matt Marr, seconded by Commissioner Joanie Bernes to  
6 approve Item 7.1.8. The clerk will call the roll.

7 Mr. Wallace: Vice Chairman Var.

8 Mr. Var: Yes.

9 Mr. Wallace: Commissioner Bernes.

10 Ms. Bernes: Yes.

11 Mr. Wallace: Commissioner Elliott.

12 Mr. Elliott: Yes.

13 Mr. Wallace: Commissioner Marr.

14 Mr. Marr: Yes.

15 Mr. Wallace: Chairman Shea.

16 Mr. Shea: Yes.

17 Mr. Wallace: Five yeas.

18 Mr. Shea: Item 7.1.9, motion to approve  
19 contract -- sorry, motion to approve division of  
20 leased housing program's Section 8 program fair  
21 market rent and payment standards for fiscal year  
22 2022-2023.

23 And with that being the case, I see Tha  
24 Chhan is here. Welcome Tha to come up to explain to



1 us.

2 Mr. Chhan: Thank you, Mr. Chairman. The  
3 rent is usually published the beginning of September  
4 and typically the beginning of the fiscal year of  
5 2022, 2023. The year new, the beginning of  
6 September. This year rents increased by 9.5 percent.  
7 This increase of 9.5 percent is still below the  
8 current market rate. We're ten percent below the  
9 current market rate.

10 So we -- especially the one bedroom and two  
11 bedroom, that is the bedroom size that most people  
12 are looking for at this point. With the low vacancy  
13 rate in the City of Lowell and the Greater Lowell  
14 area, it's difficult for us.

15 Currently we have 28 families that's looking  
16 for Section 8 unit. And they're still having  
17 difficulty. Some people already spent about 45 days  
18 looking for that. A few spend around 60 days.

19 Now we have 28 at the current date. By  
20 Thursday, September 22nd, I'm going to issue 19 more.  
21 So by then 47 families will be looking for affordable  
22 units in the City of Lowell or the Greater Lowell  
23 area.

24 Now this new fair market rent is still ten

1 percent below. However, HUD with it's discretion  
2 will increase the payments from 100 to 110 percent.

3 So due to the increase and how we schedule  
4 that, I brought to the Board a couple months ago, and  
5 due to the low vacancy rate and the increase in the  
6 market rate, the rental market rate, I am proposing  
7 that we bring up this new bill to 110 percent.

8 So today I'm seeking your approval to have  
9 the new rents at 110 percent effective October 1st to  
10 ensure that our budget can compete in the market.

11 Thank you.

12 Mr. Shea: Thank you, Tha, very much.

13 Any question by any member of the Board of  
14 Commissioners to the Chief Financial Officer?

15 Commissioner Var.

16 Mr. Var: How many Section 8 are on the  
17 waiting list approximately?

18 Mr. Chhan: Well total people on the waiting  
19 list of housing and Section 8 combined, there's over  
20 6,000 right now. But just the Section 8 alone,  
21 because we only open -- every time we open the  
22 waiting list people waiting for one week. For five  
23 days. We close the waiting list. Our waiting list  
24 was closed in 2018. We still have 1,800 people on

1 the waiting list for Section 8 housing.

2 So what's going to happen? 100 people,  
3 families on waiting list right now.

4 Mr. Var: Thank you.

5 Mr. Shea: Tha, Commissioner Elliott raised  
6 his hand.

7 Mr. Elliott: I just wanted to follow up, so  
8 there's 1,300 -- so the 1,300 from Section 8, are  
9 they pre-qualified versus the 6,000 that they just  
10 applied? Do they have to apply to both?

11 Mr. Chhan: 6,000 people, total of housing  
12 and Section 8.

13 Mr. Elliott: Section 8 voucher or Section  
14 8?

15 Mr. Chhan: Section 8 in general.

16 Mr. Elliott: In general.

17 Mr. Chhan: Section 8 Housing Choice  
18 voucher, under that, okay? Section 8, mainstream,  
19 family, homeowners program, all of those program  
20 under that Section 8.

21 Mr. Elliott: So of the 6,000 do they -- the  
22 1,300 migrate from that 6,000 waiting list?

23 Mr. Chhan: No, separate.

24 Mr. Elliott: Do we have a sense of 7,300

1 people on the waiting list for either?

2 Mr. Chhan: The total people on the waiting  
3 list, housing combined with Section 8, over 6,000  
4 people. A month ago, 1,800 people on Section 8  
5 waiting list.

6 Mr. Elliott: They have to be pre-qualified.

7 Mr. Chhan: They have to go to eligibility  
8 screening.

9 Mr. Elliott: Got it. Just trying to wrap  
10 my head around this Section 8. It's complicated to  
11 me. These answers -- the questions maybe were  
12 mentioned, they're helpful to me, so.

13 And tonight, with this you'll be able to  
14 assign --

15 Mr. Chhan: We have people that already  
16 receive Section 8 voucher. 28 families.

17 Mr. Elliott: Where do they get those  
18 vouchers from?

19 Mr. Chhan: From the Section 8 program.

20 Mr. Elliott: From us.

21 Mr. Chhan: From us.

22 Mr. Elliott: Okay. Thank you. That's all.

23 Mr. Chhan: Out of plan B, going to happen  
24 on the 22nd, next Thursday. The 22nd, next week they

1 will be here to give 19 more. So that's going to be  
2 a total of 47 units. By increasing this standard it  
3 will enable them to find an apartment to keep the  
4 family in private matters.

5 Mr. Elliott: Does that mean our Section 8  
6 entirely will be exhausted at this point? Are we all  
7 full? Do other vouchers come in to other --

8 Mr. Chhan: Well the total rate right now is  
9 about four percent. So we are at 98 percent. So  
10 technically I'm supposed to only have voucher on 29.  
11 But combined with other programs, 47. The total  
12 Section 8 Housing Choice will be 100 percent.  
13 100 percent are accepted.

14 The other part would be 11 mainstream  
15 programs. It's a little separate from this fund.  
16 It's a little different.

17 Mr. Elliott: Thank you for the answers.  
18 It's extremely helpful.

19 Thank you, Mr. Chair.

20 Mr. Shea: Tha, we just heard the director  
21 say that 18 units that were available to lease out,  
22 do they call you and tell you when those units are  
23 available so you can get someone in? How does that  
24 work? Does Kevin Forsley get involved in that? Just

1 tell us, what's the process?

2 Mr. Wallace: Yes, the property manager  
3 notifies Kevin Forsley when there is a potential  
4 vacancy coming up and he starts screening the list to  
5 get families ready. And when the unit is code  
6 inspected and ready, he is notified and he sends out  
7 assignments.

8 Mr. Chhan: The way the structure at the  
9 housing, what Kevin does, we have identify the number  
10 of units. But once we identify the number of units  
11 are ready, we already have applicants waiting. So we  
12 already have people waiting on the approved  
13 applicants.

14 When the units become available, we assign  
15 that individual to that particular unit. So there's  
16 16, then not quite sure how quick Kevin can get all  
17 16 done together, but we usually have people  
18 available on the approved applicant waiting list to  
19 take on the unit.

20 Mr. Shea: Okay. Thank you.

21 Any questions by any member of the Board?  
22 If not, we have before us Item 7.1.9 for approval.  
23 So I will -- a motion is made by Commissioner Mony  
24 Var, seconded by Commissioner Joanie Bernes to accept

1 Item 7.1.9. The clerk will call the roll.

2 Mr. Wallace: Vice Chairman Var.

3 Mr. Var: Yes.

4 Mr. Wallace: Commissioner Bernes.

5 Ms. Bernes: Yes.

6 Mr. Wallace: Commissioner Elliott.

7 Mr. Elliott: Yes.

8 Mr. Wallace: Commissioner Marr.

9 Mr. Marr: Yes.

10 Mr. Wallace: Chairman Shea.

11 Mr. Shea: Yes.

12 Mr. Wallace: That's five yeas.

13 Mr. Shea: The next Item on the agenda is  
14 Item Number 7.1.10, motion to approve revision of the  
15 family self-sufficiency program action plan. And we  
16 have a report from Kelsey Tauer.

17 Mr. Wallace: Mr. Chairman, my assistant  
18 executive director will speak on that issue.

19 Mr. Shea: Say that again.

20 Mr. Wallace: My assistant executive  
21 director will speak on that.

22 Mr. Shea: Where's Kelsey?

23 Mr. Wallace: She's here.

24 Mr. Shea: Is she going to speak?

1           Mr. Wallace: Adam is going to speak, and if  
2 there are any additional questions.

3           Mr. Garvey: And I worked with, you know,  
4 Kelsey, and our consultant MaryAnn Maciejewski on  
5 this plan so. Our representatives have been around  
6 for, you know, multiple decades at LHA and we are  
7 successful every year in doing it. And as Kelsey's  
8 memo spelled out, the Economic Growth Act of 2018,  
9 there were changes made to FSS work plans nationwide.  
10 So we have to present this new work plan to our Board  
11 tonight for submittal of the HUD for approval.

12           There are probably four or five major  
13 changes in these work plans, and the good thing about  
14 them is that they're all client centric. They all  
15 benefit the participants of the program.

16           So the first one that Kelsey's laid out for  
17 the Board, previously the FSS program was only  
18 available to the head of the household. And now it's  
19 available to any individual in that household. So if  
20 there are adult children or spouses, they can be the  
21 main contract holder in the FSS program and that's  
22 good.

23           There's also been the term extension. So  
24 people can stay in the program a little bit longer to



1 achieve their goals. There is more leeway too for  
2 escrow disbursements. So typically in the past,  
3 unless it was an interim disbursement of a small  
4 amount, the final escrow disbursement, which in some  
5 cases can grow to 30, \$35,000, somebody has that big  
6 of an increase in income. Basically when somebody in  
7 this program has an increase in income, the portion  
8 of the income that would increase their rent, we  
9 actually put aside in an escrow account for them.  
10 And the escrow's in their name. It earns interest  
11 and they can take that at the end of it.

12 Kelsey has actually just given out two very  
13 large checks in the last couple of weeks. And she  
14 can correct me if I'm wrong, but I want to say in the  
15 20 to \$30,000 ranges for two families that had  
16 homeownership as their goal. So those are excellent  
17 things that we get to hand out. It really warms you.  
18 And the families could not have been more happy,  
19 gracious and receptive. And the program director did  
20 a great job working with those families and getting  
21 them ready for homeownership.

22 So before the family achieved those goals,  
23 we would take their escrow and report that to the  
24 agency, and we would put it into an operating

1 reserve. That would benefit the whole program.

2 Now any FSS forfeitures earmarked  
3 specifically for the benefit of those FSS  
4 participants, meaning if somebody comes in that  
5 doesn't have an escrow account yet, you know, they're  
6 still crawling, they're still welfare dependent, but  
7 they need a small stipend or certain services, we can  
8 dip into this forfeiture pool and take care of that  
9 individual. We can also run job fairs, enrichment  
10 fairs that would benefit this whole population of  
11 participants.

12 And I think those are the four major takeaways of  
13 this. So again, you know, it's a requirement for  
14 this year's funding round. And I think they're all  
15 good changes that HUD made in the benefit of the  
16 participants.

17 Mr. Shea: Adam, how long has Kelsey been  
18 with us?

19 Mr. Garvey: Kelsey started in January of  
20 2021. 2022. 2022. I'm sorry, she's been with us  
21 about eight months.

22 Mr. Shea: The reason I asked that, I  
23 noticed that she's been here less than a year.

24 Mr. Garvey: Yes.

1           Mr. Shea: So with that consideration, the  
2 amount of money that she should be enumerated.

3           Mr. Garvey: I'll speak with Kelsey too, I'm  
4 saying eight months. You know, Kelsey came to us  
5 from the Department of the Children and Family, and  
6 I've been very impressed with her quality of work,  
7 her skill level, and her ability to kind of -- she's  
8 really doing a great job in tightening up this  
9 program, cleaning up a lot of contracts and  
10 extensions, and working with our clients so we can  
11 get these big payouts that she's given them.

12           Mr. Shea: Okay. I didn't know, did Kelsey  
13 want to get up and say a few words? It's a  
14 penetrating Board.

15           Ms. Tauer: Do you have any questions? Adam  
16 probably mentioned everything earlier today, but if  
17 there's any questions that I can answer?

18           Mr. Shea: You go ahead. I'm sorry,  
19 Commissioner Elliott.

20           Mr. Elliott: Can you explain the two awards  
21 that you made, and the conditions that were met and  
22 just -- I mean, I think that's great news.

23           Ms. Tauer: Yes. We had two families  
24 graduate, one was able to purchase a home. They were

1 able to purchase their own home. It was a huge  
2 accomplishment for them. They were working  
3 full-time, both of their adult children are working  
4 and going to school as well.

5 And the other family that graduated received  
6 up to about \$30,000. She's in the process of  
7 purchasing a home when she's able to find one. She's  
8 completed a nursing degree. She's working full-time,  
9 taking care of her children, putting them through  
10 college. So very grateful to them.

11 Mr. Elliott: How do you continue this?  
12 What's the process or what's the system that we can  
13 put more --

14 Ms. Tauer: So it's a yearly grant that is  
15 put out, and as mentioned, it's here at the Lowell  
16 Housing Authority. It's been around since I believe  
17 like 1997. So as I said, it's a yearly grant.

18 Mr. Shea: Adam, does she coordinate any of  
19 her work with Katie Sadlier?

20 Mr. Garvey: Yes. They're similar type of  
21 programs and similar type of clientele, where Katie's  
22 program only touches North Common Village, Kelsey's  
23 program is agency wide. So those like Highland  
24 Parkway, Chelmsford Street that can't take advantage

1 of our Jobs Plus program, we steer them to Kelsey.  
2 But Kelsey does have very frequent meetings with  
3 Katie and her team. They have similar strategies.

4 Mr. Shea: Is this a grant program?

5 Mr. Garvey: This is a grant. This is an  
6 annual grant.

7 Mr. Shea: Who filed for the grant?

8 Mr. Garvey: Kelsey is working on the  
9 application. The application's been complete and it  
10 will be submitted to HUD within the next week.

11 Mr. Shea: Some of those grants are very  
12 hard to put through I understand.

13 Ms. Tauer: Yes.

14 Mr. Shea: I didn't realize it until just  
15 recently. I didn't realize, for instance, the Job  
16 Plus program, 2.3 million.

17 Commissioner Matt Marr was praising Katie  
18 Sadlier about her effort, and I didn't realize a  
19 month ago, but I realize today how difficult it is to  
20 get that application, was to get to that 2.4 million.  
21 And it was brought to my attention that that was like  
22 -- that's pretty impressive. That was taken into  
23 consideration when the finance committee looked at  
24 her pay.

1           But anyhow, thank you very much for being  
2 here tonight and the work that you're doing for the  
3 Lowell Housing Authority. And we've got to continue  
4 to encourage, particularly some of our younger women  
5 to continue to move forward with their education.  
6 We'll be glad to pay for it. If there's some other  
7 things that we can do, take some money to make it  
8 right and to continue to -- continue to show them we  
9 appreciate their efforts. Otherwise they'll leave us  
10 and go to work for someone else for more money. And  
11 that's one of the driving forces behind the finance  
12 committee, trying to bring salaries up and trying to  
13 do the right thing on three percent cost of living  
14 for employees. Which they'll get a check in the mail  
15 at the end of this month. We're just trying to  
16 encourage, particularly our young women, we have a  
17 lot of young bright women here that we just have to  
18 be able to keep them.

19           Ms. Tauer: I feel very supported here, so.

20           Mr. Shea: Well thank you for those  
21 comments. Thank you very much.

22           With that being the case, Item  
23 Number 7.1.10, motion made by commissioner --

24           Mr. Elliott: Mr. Chair, we're voting on --

1 this is the action plan. It's 20 sections of the  
2 plan that we're adopting tonight.

3 Ms. Tauer: Yes. So it's a revision. It  
4 was last revised on 2018. So the full bid is the  
5 same, it's just a few changes.

6 Mr. Elliott: Okay. Thank you for the  
7 clarification, Mr. Chair.

8 Mr. Shea: Okay. Thank you very much.

9 Item Number 7.1.10, there is a motion made  
10 by Commissioner Rodney Elliott, seconded by  
11 Commissioner Joanie Bernes to accept Item Number  
12 7.1.10. The clerk will call the roll.

13 Mr. Wallace: Vice Chairman Var.

14 Mr. Var: Yes.

15 Mr. Wallace: Commissioner Bernes.

16 Ms. Bernes: Yes.

17 Mr. Wallace: Commissioner Elliott.

18 Mr. Elliott: Yes.

19 Mr. Wallace: Commissioner Marr.

20 Mr. Marr: Yes.

21 Mr. Wallace: Chairman Shea.

22 Mr. Shea: Yes.

23 Mr. Wallace: That's five yeas.

24 Mr. Shea: Okay. The next time on the

1 agenda is Item Number 8.

2 Mr. Wallace: I have none.

3 Mr. Shea: The next item after that is Item  
4 Number 9, new business. Item Number 9(a) motions of  
5 the Board members. Do we have any motions of board  
6 members?

7 And Item Number 9(b), the executive director  
8 announcements. Do we have any announcements?

9 Mr. Wallace: Yes. Just a few, Mr. Chair.

10 I wanted to make the Board aware that we did  
11 recently received and additional eight Housing Choice  
12 vouchers. These are called Fair Share vouchers and  
13 they're the result of information that we had worked  
14 with the City of Lowell and consolidated an annual  
15 plan. So we just got eight additional vouchers, you  
16 know, to help folks out with.

17 We also will be applying for a new grant,  
18 for Housing Stabilization vouchers. It's a new  
19 initiative by the Biden administration. There are  
20 only 4,000 available nationwide. Our team is working  
21 on submitting an application to get those.

22 And also tomorrow we will be submitting an  
23 application on behalf of Hadley House to be --  
24 Community Preservation Act commission for \$150,000.



1 That application is due tomorrow. We'll be  
2 submitting that.

3 So those are some grant opportunities that  
4 we're actively pursuing.

5 Mr. Shea: Okay. Thank you.

6 Next item after that is the executive  
7 session to discuss strategy with respect to  
8 litigation. And with that being the case -- we're  
9 going to be moving into executive session. With that  
10 being the case, Commissioner Mony Var moves to --  
11 agree to have an executive session to discuss  
12 strategy with respect to litigation. And the meeting  
13 will not convene in open session. And that motion is  
14 seconded by Commissioner Joanie Bernes. And with  
15 that being the case -- do we need a roll call?

16 Mr. Wallace: We need a roll call.

17 Mr. Shea: I ask the clerk to call the roll  
18 to move into executive session. And with that being  
19 the case, unfortunately other than the principals  
20 here, we have to say goodnight to everyone for the  
21 time being. And so the clerk will call the roll for  
22 executive session.

23 Mr. Wallace: Vice Chairman Var.

24 Mr. Var: Yes.

1 Mr. Wallace: Commissioner Bernes.  
2 Ms. Bernes: Yes.  
3 Mr. Wallace: Commissioner Elliott.  
4 Mr. Elliott: Yes.  
5 Mr. Wallace: Commissioner Marr.  
6 Mr. Marr: Yes.  
7 Mr. Wallace: Chairman Shea.  
8 Mr. Shea: Yes.  
9 Mr. Wallace: Five yeas.  
10 Mr. Shea: The chair's been advised we have  
11 to make a motion. We have a motion by Commissioner  
12 Rodney Elliott, seconded by Commissioner Mony Var to  
13 go into executive session. So the clerk will call  
14 the roll to go into executive session.  
15 Mr. Wallace: Vice Chairman var.  
16 Mr. Var: Yes.  
17 Mr. Wallace: Commissioner Bernes.  
18 Ms. Bernes: Yes.  
19 Mr. Wallace: Commissioner Elliott.  
20 Mr. Elliott: Yes.  
21 Mr. Wallace: Commissioner Marr.  
22 Mr. Marr: Yes.  
23 Mr. Wallace: Chairman Shea.  
24 Mr. Shea: Yes.

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Mr. Wallace: That's five yeas.