

**ERIE COUNTY HOUSING AUTHORITY
SPECIAL MEETING
TUESDAY, AUGUST 12, 2014
11:30 A.M.
ERIE COUNTY CONSERVATION DISTRICT
1927 WAGER ROAD
ERIE, PA 16509**

Chairman McGoey called the Special Meeting of the Housing Authority of the County of Erie to order at 12:50 p.m., with the following present:

BOARD

James McGoey, Chairperson
Dave Robinson, Member
Ralph DeRose, Member

EXCUSED

Diane Madara, Vice-Chairperson
Sister Christine Vladimiroff - Member

STAFF

Mike McNierney, Executive Director
Beverly Weaver, HR Director
Rachel Petty, Administrative Assistant

OTHERS

Art Martinucci, Attorney by telephone

CONSIDERATION OF RESOLUTION ACCEPTING FULL TRANSFER OF ASSETS, PROGRAMS AND FUNCTION OF CORRY HOUSING AUTHORITY (CHA)

Mr. McNierney advised that on August 4, 2014, CHA adopted a Resolution agreeing to dissolve CHA and to transfer all assets to Erie County Housing Authority (ECHA).

He stated Corry City Council also passed a resolution transferring all CHA assets to ECHA and introduced an ECHA Resolution accepting the transfer of all CHA assets, liabilities, programs and functions upon the dissolution of CHA.

After discussion and ON MOTION of Mr. Robinson, seconded by Mr. DeRose, the Erie County Housing Authority adopted Resolution Number 2014-7, providing for the transfer of assets, responsibilities and functions to ECHA, upon the dissolution of CHA. AYES: ALL.

Mr. McNierney distributed copies of the CHA Resolution and City of Corry Resolution for the Board's review. He advised there is a conference call scheduled for tomorrow morning with Housing and Urban Development (HUD) to provide updates. He stated he has letters signed by the chairpersons of both ECHA and CHA requesting the dissolution and transfer of assets, responsibilities and functions. He requested Attorney Martinucci to prepare opinion letters similar to ones utilized by McKean and Bradford Housing Authorities. He noted HUD requires 120 days to complete their part.

APPROVAL OF BID TAB

Mr. McNierney stated the boiler system at College View Manor in North East is reaching the end of its useful life and it has been determined more practical to switch to individual packaged terminal air conditioner (PTAC) units than to replace both the boiler system and all individual apartment units. He stated Base Bid A included installation of 20 units, while Alternate Bid B would provide for the installation of all 40 units. He said the existing boiler system will remain functional at greatly reduced demand to heat the common areas of the building.

He reviewed both submitted bids and recommended Concord Plumbing & Heating; noting that additional work including the installation of a new thermostat, and electric work will be required as well as the possibility of needing to install additional insulation. He advised that there is approximately \$123,000 in the Capital Fund that will be utilized to cover these expenses.

After discussion and ON MOTION by Mr. DeRose, seconded by Mr. Robinson, the Erie County Housing Authority approved Alternate Bid Tab B from Concord Plumbing & Heating in the amount of \$99,760. AYES: ALL.

FINAL 2013 AUDIT

Mr. McNierney stated the 2013 Audit is complete and bound copies were distributed to board members previously. He stated there were no issues or findings and this matter was postponed until the next meeting to allow everyone to review the audit materials.

OTHER BUSINESS

MOTION TO RECONSIDER

Mr. McNierney reminded the Board that at the last meeting, a motion was approved to manage Section 8 Waiting Lists by maintaining the current ratio of 15% to 85% vouchers from CHA to ECHA. He stated that a second look at the Code of Federal Regulations concluded that separate waiting lists could be maintained by municipality and noted he received a confirming e-mail stating this method is agreeable to HUD.

Attorney Martinucci reviewed the steps necessary to reconsider the motion and after discussion and ON MOTION by Mr. Robinson, seconded by Mr. DeRose, the Erie County Housing Authority rescinded its original motion to maintain the same level of Section 8 Voucher Service, 15% plus or minus 3%, for the City of Corry upon the dissolution of the Corry Housing Authority as long as in doing so, it remains legal under both Federal law and regulation. AYES: ALL.

MOTION TO MAINTAIN SEPARATE WAITING LISTS

After discussion and ON MOTION by Mr. DeRose, seconded by Mr. Robinson, the Erie County Housing Authority approved maintaining separate waiting lists by municipality for the Section 8 Vouchers after assuming the responsibilities of Corry Housing Authority upon its dissolution. AYES: ALL.

MOTION TO AMEND BY-LAWS TO INCLUDE CORRY RESIDENT

Mr. McNierney asked that upon the dissolution of CHA, consideration be made to adjust the ECHA By-Laws, in part encouraged by Kathy Dahlkemper's Office and Erie County Council, to maintain a Corry member to one of the board member seats.

Attorney Martinucci advised that designating people on the ECHA Board is not something either board can ensure. He stated there may be a plan to incorporate Corry members onto the board and it may be included in the by-laws; however, nothing can be done legally to ensure it will happen because the ability to appoint members to a PHA Board goes to the County Executive and is an act of the Pennsylvania General Assembly.

After discussion and ON MOTION by Mr. DeRose, seconded by Mr. Robinson, the Erie County Housing Authority approved amending the Erie County Housing Authority By-Laws to include a seat for a Corry resident upon the dissolution of CHA. AYES: ALL.

CORRY REDEVELOPMENT AUTHORITY (CRDA)

Attorney Martinucci stated he had spoken with Attorney Paul Carney and discussed general outstanding issues relative to CRDA. Mr. Carney told him the CRDA 2012 Audit has been received; however, the CRDA 2013 Audit is not yet completed. Mr. McNierney stated he had a copy of the 2012 audit and that he would provide it to Attorney Martinucci.

Mr. McNierney advised that he had met with Rick Clayton and provided him with a jump drive containing 2013 CDBG Financials. He said they had a discussion relative to monies owed by CRDA and Mr. Clayton was surprised to learn that the check for approximately \$73,000 had not been delivered yet. He agreed there is no reason why CRDA should show an asset on its books for the Corry Housing Authority building and that it would be removed from their list of assets.

Mr. McNierney stated that it is not clear whether or not CRDA plans to pay their 1/3 share for salary and benefits of the Housing Authority Executive Director as is indicated in the employment agreement.

Attorney Martinucci confirmed there are no indications that CRDA has made any contributions towards anyone's salary or benefits and answered questions relative to any vulnerability for Mr. McNierney as the Executive Director of CRDA. He also confirmed it would make sense to send a formal written request to CRDA requesting CDBG monies owed to ECHA, due to the sale of a house. Mr. McNierney stated he would prepare a letter for Attorney Martinucci's review.

Discussion was held relative to the proper procedures necessary to demand payments of CRDA. Attorney Martinucci stated he would prepare a letter to CRDA's Solicitor, Mr. Carney and would include a copy of the CRDA Resolution acknowledging the \$73,000 obligation.

Discussion was held relative to the position of Executive Director held by Mr. McNierney and that he has not been terminated from the position by CRDA. Mr. Martinucci assured the board that everything is being done at this point in time to have an impact on the conduct of CRDA and its personnel.

HOUSING CORPORATION OF CORRY (HCC) MANAGEMENT AGREEMENT

Mr. McNierney stated CHA has a Management Agreement with HCC, which is a distinct and separate organization that owns South Hills Development containing 50 family units in Corry.

He stated he wanted to provide assurance to the HCC Board that ECHA would continue to manage the facility on behalf of HCC upon the dissolution of CHA. He reviewed the original construction and history of HCC, stating the units have maintained 100% occupancy for several years and scored 96 out of 100 during the recent Real Estate Assessment Center's (REAC) Inspection.

He stated the management of HCC provides income to ECHA and that traditionally family units are far more labor intensive to maintain and manage. He reviewed the number of maintenance personnel working in Corry and within Erie County.

He noted a refinance loan was taken out several years ago when improvements were done and that consent from the Lender, Berkadia, may be needed to amend the management agreement.

ADJOURNMENT

There being no other business and ON MOTION by Ms. Mr. DeRose, seconded by Mr. Robinson, the Erie County Housing Authority adjourned the Special Meeting at 1:02 p.m. AYES: ALL.