MINUTES OF THE
GREEN BAY HOUSING AUTHORITY

THURSDAY, MARCH 17, 2022, 10:30 AM
Virtual Meeting. Public may join via Zoom.

A. ZOOM MEETING INFORMATION.

1. This item contains Zoom information, instructions, and a link to the Virtual Comment Form.

B. ROLL CALL.

1. William VandeCastle - Chair, Terri Refsguard Vice-Chair, Sandra Popp, Erin Edwards and Stephen Srubas

Present:William VandeCastle-Chair, Terri Refsguard- Vice Chair, Stephen Srubas, Sandra Popp, Erin Edwards, Absent:None, Excused:None

C. APPROVAL OF THE AGENDA.

1. Approval of the agenda for the March 17, 2022, meeting of the Green Bay Housing Authority.

Moved by Stephen Srubas, seconded by Erin Edwards to approve of the agenda for the March 17, 2022, meeting of the Green Bay Housing Authority. Motion carried. Yes- Sandra Popp, William VandeCastle, Terri Refsguard, Stephen Srubas, Erin Edwards, No- None, Abstain- None

D. APPROVAL OF MINUTES.

1. Approval of the minutes from the January 20, 2022, meeting of the Green Bay Housing Authority.

Moved by Erin Edwards, seconded by Terri Refsguard to approve of the minutes from the January 20, 2022 meeting of the Green Bay Housing Authority. Motion carried. Yes- William VandeCastle, Sandra Popp, Stephen Srubas, Erin Edwards, Terri Refsguard, No- None, Abstain- None

E. REGULAR BUSINESS.

1. Election of Officers, Chair, Vice-Chair and Secretary.

Moved by Sandra Popp, seconded by Stephen Srubas to approve of the election of Officers: William VandeCastle as Chair, Terri Refsguard as Vice Chair and Cheryl Renier-Wigg as Secretary. Motion carried. Yes- Sandra Popp, Erin Edwards, Stephen Srubas, William VandeCastle, Terri Refsguard, No- None, Abstain- None

F. INFORMATIONAL.

1. Introduction of Attorney Paul Dombrowski, Partner with Husch Blackwell LLP.

Moved by William VandeCastle, seconded by Sandra Popp to open the floor for discussion. Motion carried. Yes- Terri Refsguard, Erin Edwards, Stephen Srubas, No- None, Abstain- None

10:37AM Attorney Paul Dombrowski speaks.

Moved by Sandra Popp, seconded by Erin Edwards to close the floor for discussion. Motion carried. Yes- William VandeCastle, Terri Refsguard, Stephen Srubas, No- None, Abstain- None

2. Update on RAD/Section 18 Redevelopment Project from Gorman And Company, Developer and Baker Tilly, Consultant.

Moved by William VandeCastle, seconded by Erin Edwards to open the floor for discussion. Motion carried. Yes- Terri Refsguard, Sandra Popp, Stephen Srubas, No- None, Abstain- None

10:40AM Ted Matkom speaks.
10:58AM Kaitlin Konyn speaks.

Moved by Stephen Srubas, seconded by Erin Edwards to close the floor for discussion. Motion carried. Yes- William VandeCastle, Terri Refsguard, Sandra Popp, No- None, Abstain- None

3. GBHA Bills.

Stephanie Schmutzer presented the GBHA Bills. No action needed.

4. GBHA Financial Report.

Stephanie Schmutzer presented the GBHA Financial Report. No action needed.

5. Langan Report.

Ka Vang presented the Langan Report. No action needed.

6. Director's Report.

Cheryl Renier-Wigg presented the Director's Report. No action needed.

7. Occupancy Report.

Ka Vang presented the Occupancy Report. No action needed.

8. Date of next meeting: April 21, 2022

G. ADJOURNMENT.

Moved by Sandra Popp, seconded by Terri Refsguard to adjourn the Green Bay Housing Authority meeting. Motion carried. Yes- William VandeCastle, Erin Edwards, Stephen Srubas, No- None, Abstain- None

VERBATIM MINUTES

- It is little after 10:30 on the 17th of March. So we will call the meeting to order. This is the Green Bay Housing Authority meeting for Thursday, March 17th, 2022. We have a quorum and we've got roll call from that quorum electronically. So, we'll move to item C on the agenda, and that is "Approval of the Agenda." So is there a motion to approve the agenda for the March 17th, 2022 meeting of the Green Bay Housing Authority?

- I'll make the motion.

- I'll second it.

- We have a motion and we have a second. Any additions or corrections or modifications to the agenda before we vote? Hearing none, all in favor, signify by saying aye to approve the agenda.

- Aye.

- Aye.

- Aye.

- Any opposed? Hearing none, the agenda is approved. Very good. Moving on to item D, "Approval of the Minutes." Do we entertain a motion to approve minutes from the January, 2022 meeting of the Green Bay Housing Authority, which was in your packet, unless there's some additions or corrections, is there a motion to approve?

- I'll approve that.

- And we have a second. Thank you very much. Any further discussion or questions? Hearing none, all in favor, signify by saying aye. Aye.

- Aye.

- Any opposed? Hearing none the motion it carries. Moving on to item E, "Regular Business, Election of Officers, That Being Chair, Vice Chair and Secretary." So just for reference, let's identify the current officers. I am the chair, and Steve you, go ahead. I'm sorry.

- Terri Refsguard is chair and I'm the secretary.

- Okay, so is there any motions in regard to election of officers?

- I make the motion to sustain as is.

- Nice. Thank you, Sandy. Perfect.

- Second.

- Somehow I figured that was coming. That's why I just left it open. All right, so there's a motion to approve the current slate of officers, is there a second?

- I'll Second.

- Steve seconded. Yep.

- All right, so we have a motion and a second. All in favor of retaining the current slate of officers for the Green Bay Housing authority signify by saying aye.

- Aye.

- Aye.

- Any opposed? All right. Thank you very much.

- Bill, Bill, Bill.

- Congratulations guys give her a hat.

- Yeah. Period, I'm so happy for you.

- Yeah. Yep. Just made my day.

- All right. All right. So...

- I Love it. We do, doesn't matter.

- Right, all right, moving on to informational, and that's the introduction of attorney Paul Dombrowski from Husch Blackwell LLP, and Cheryl, I'll turn that over to you since you've dealt with this.

- So this is, if you read the report, the Housing Authority authorized the executive director in conjunction with our city attorney and our chair to go out and seek attorneys for our RUD development project, we went out and did that, decided to go with Husch Blackwell and Paul Dombrowski. We've met with him staff one time to go over some of the things were working on right now, specifically our secondary organization with regards to their bylaws. Some of the things that Bill mentioned at the last meeting with regards to what resolutions need to be had and those types of things. So we're currently working on that. And with that, if we could just open the floor, I'd just like to hear from Paul, he can introduce himself and, with words.

- I will make that motion. Is there a second?

- I'll second.

- All right, if we have a motion and a second to open the floor all in favor, signify by saying aye, aye.

- Aye.

- Aye.

- Any opposed? All right. Very good. Paul, welcome aboard, the floor is yours.

- Thank you. Thank you very much. Real nice to be meeting with you all virtually and to be engaged on this project. I just finished up another RAD conversion for a Housing Authority late last month. So, coming off one and working on no one right now more on the lender side of things. So, I do a fair bit in the Housing Authority RAD conversion space. I've worked with Ted Matkom and his group, quite frequently not representing them but working, kind of partnering with them on deals where I might be representing the lender or somebody else. Also I have worked with your consultant Baker Tilly on quite a few deals as well. So kind of familiar with the players, which is really nice. I kind of grew up being a real estate lawyer, and that is sort of morphed into more and more work in the Affordable Housing and their development projects through the years, I really enjoy it. It's really great to, be involved with helping improve that housing stock. Personally, I've been in Wisconsin for over 30 years now, moved up here from Iowa years and years ago, right outta law school. I'm in our Madison office, and just really happy to be part of the team and get this through the process.

- Very good. Well, welcome aboard. We look forward to your input and your assistance on all this, it's a big project that's been ongoing for a long time up here. So, very good. Any other commissioners have any questions for Paul? No? All right. Very I guess then, well, I'll open a motion to close the floor.

- I'll make a motion.

- I'll second that.

- All right, motion. We have a motion and a second to close the floor, all in favor, signify by saying aye. Aye?

- Aye.

- Aye. Any opposed? Very good motion carries. Continuing on with our, the informational portion of our agenda item number or two is an update on RAD Section 18 Redevelopment Project from Gorman and Company and Baker Tilly. Again, I'll turn this over to Cheryl and let you roll with this, give us an update.

- There's been a lot of stuff going on behind the scenes in this project, including we've been assigned a HUD rep that's working with us now, specifically on this project. But we thought it would be time to come back to the Board just to give everyone an update, where we are with the project. We have Ted Matkom here and Trent from Gorman and Kaitlin is here from Baker Tilly. There was a little agenda, I think of some items we're gonna cover in the packet. And, with that, I'll just turn that over to either Ted, I'll turn it over to Ted if we can open the floor, we'll just go from there.

- Sure.

- Let's, so a motion to open the floor, I'll make that motion. Is there a second?

- I'll second it.

- All right, so a motion and a second to open the floor, all in favor signify by saying aye. Aye.

- Aye.

- Any opposed? Very good motion carries, Ted floors yours.

- Wonderful. Thanks everybody. I trust you can hear me okay. Here. Good. So, thanks, Cheryl for setting this up and thank the Board for convening regarding an update here. I've been always trying to kind of push the update back on a global aspect because construction prices and inflation, as you've probably seen in the paper have not been kind to us. We've tried to get our arms around construction costs and trying to set a bar where we on this deal and the bar keeps shifting on us. And so finally Cheryl's like, okay, that's enough delays, we're gonna talk about it. So, I am glad that we're here because it is a real issue and I'm not sure when it's going away. But we did wanna just kinda give you an update of where we are and, Mason Manor, we have thoroughly been through the building. I don't think there's any stone that's not been unturned in terms of what's happening there, what needs to happen there? The first thing that we did on Mason Manor when we were awarded the RFP was update what was called a physical called needs assessment. And what a physical needs assessment in or a PNA, it's called as an acronym is a third party coming in that is disinterested in the project. So in other words, we hired this dimension for group that is an independent, kinda looks at at what Mason Manor needs from a third party view disinterested. And they did a report and that physical needs assessment we have, that's kind of our baseline like HUD would never let us vary from that. And, I'll just be honest with you just to cut to the chase, there's a lot of stuff, the mechanical, electrical, plumbing, the structure of Mason Manner is absolutely fine, it's great, it deserves and needs to be updated. Deserves, in terms of a structure the way it was built to keep going, not be demoed, but to be revitalized and re-have and continued. But a lot of stuff has to be overhauled. And so that physical needs assessment is our baseline. And then we have kind of like the staff and we will bring you guys into this too, in terms of the Board. And Cheryl, who has a vision of what she wants that property to look like, there's a wish list. And that is things that enhance, Cheryl knows what would enhance the experience of the resident for decades to come, kind of update amenities, things of that nature. And that has, another component on it. Right now, I'm just gonna keep it simple. There's some change in here, but I'm just gonna keep the numbers simple. Our budget is about $100, 000 per unit, okay? There's 152 units in Mason Manner. And the problem is, because of construction costs that $100, 000 key keeps kind of going up every time we check just because of pricing. Has nothing to do with scope, we know what our scope is, we know what we have to do. But the pricing keeps moving. So we're looking at because we don't know when this price increase will end or when it'll stabilize, we're looking at other strategies to bring in more resources to give us more cushion. Right now, all I could tell you that if prices probably stayed, actually prices went about 20% since January on some items.

But, right now, if we could stop the clock, we could probably close this deal right now with the dollars that we have, we've got about 100, 000 per unit. We have some debt from WEDA that would come on, we have the equity provider that would buy our tax credits and we could probably make this deal happen. The problem is we don't wanna get into the middle of the deal and say, we couldn't deliver because of supply chain issues and cost issues. And so, right now it's a little too unstable to say, hey, we're gonna close and go. But we're trying to find other resources that are in the project, that could be in the project that kind of give us that cushion. And a couple of those options are, your Scattered Site component of GBHA has a 48 units of Scattered Site. Those houses, I've been through every single one of 'em, they are in phenomenal condition. You guys maintain those. They're unbelievable. What gives, the reason I love those is because they provide greater rent to the deal without a huge amount of expense in terms of 'cause you don't need it. So we have very minimal rehab expense on there, like 30,000, $15,000 per unit, which would be like roof, furnace, whatever you'd need, but you get all those rents. So that really helps us in terms of, sizing our debt and making the gap a little smaller. Does it complicate the deal? Yeah. Do we wanna put the Scattered Sites in with Mason Manner? Not particularly, but it's a strategy to get us to the finish line. Okay. So we're exploring that. The second thing is, kind of hope everybody's sitting down here, 'cause you're gonna be surprised at this one, historical designation. So, everyone's, Mason Manor, that's the most, that's the prettiest building on the planet. Well, probably not, but, hey, does it have historical significance where we can tell a story about how Mason Manor was integral in public housing in the Green Bay community? Absolutely. Yes. That story is like phenomenal, actually. We went into all the papers and the archives. And actually, Mason Manor was the fulcrum of why you have a Green Bay Housing Authority. And so, all of that is a phenomenal story. Does the story carry the day? We're finding out we actually have a survey and materials that Trent completed, Trent is my development director from the Wisconsin market. And Trent, you should probably raise your hand so people know who you are. But Trent put together this package with the State Housing Preservation Office 'cause we're like, let's take a shot. And guess what? They like it. So, we might get a designation, preliminary designation, which SHIPO, which is State Housing Preservation Office, that's the acronym for that. They would invite us petition for historic status. The reason that would be so great is really the historic designation does nothing to impede our mission on rehabbing Mason Manor, but it gives us a ton of cash because we'd be able to sell historic credits. And then those credits, the sale of those credits would come into the project, and there, doesn't matter what construction does, we're there. And we could maybe remove the Scattered Sites from there to simplify the project. And then a third strategy is WEDA bonds versus you can go out to the market and get private financing for bonds, and this is the debt component. And I'm not sure if you guys are all familiar with the way tax credit deals work, tax credits, many times people kind of glaze over when they talk about tax credits. And a lot of times housing authorities aren't familiar with tax credits 'cause you're dealing with, you're dealing with Section Eight or you're dealing with some other type of financing. But on this deal, I'll just give you a real, real simple 101, just say it's a $10 million project to keep the math simple. We have a four income housing tax credit. So WEDA, Wisconsin Housing, there's so many acronyms here, it just drives me nuts. I have to always like kinda spell 'em out. But WEDA, Wisconsin Housing Economic Development Authority, they allocate in the state, low income housing tax credits. And you can get two kinds, either in very highly competitive or a 4%. And there's kind of a hybrid in there which I won't go into, but those are the two main ones. And we're going for this 4% credit. It is non-competitive, we can kind of go when we wanna go. And the way that works is the 4% is attached to your 10 million cost, which is not that much, right? It's $400,000. That's not that much. But if you take that $400,000, the way they do it is they apply it every year you'll be in service for 10 years, so that's $4 million, assuming you're getting a dollar for every credit you sell, okay? So it's 4 million. Well, you got a big gap between the 10 million and the 4 million. So either you have to fill that with debt, from WEDA and the debt is filled with bonds that are issued, tax exempt bonds that, from WEDA, and WEDA can lend you on those bonds or you can go and people can land on bonds, which is kind of you just play it, which is better for which better rate, which would give you better terms. And that's uncertain right now. We don't know, but it is a strategy for us to get a better debt rate and more debt on the project, WEDA or private. So those are kind of like the three strategies that we're going with. And right now, I think that as we get our due diligence in and get construction price more stable, we will make those decisions probably in the next 60 to 90 days. As Cheryl indicated, we've got a HUD rep which is huge, that will kind of bring us through the HUD system, which is not easy. And I was going to leave it over to Kaitlin. I think you have also in your packet, a estimated closing timeframe that Kaitlin had prepared. It's this deal right here. It's kind of got some green and for St. Patrick's Day and blue in it. And so I was gonna have Kaitlin kind of go through that HUD process 'cause that's kind of a world within a world and she can explain what we need to do there, Kaitlin?

- Thanks, Ted.

- Wait, I have a question.

- Go ahead, Cheryl.

- Ted, you'd mentioned when you were talking that, let me ask you, is there still a possibility that we're not buying the Scattered Sites in Mason Manor?

- I think if, Cheryl, if we get a, and this is based on construction pricing, okay? So let's say everything kind of mellows out and they're all good, our goal would be to try to take the historic designation, rid ourselves of the scattered site so we could just have that be its own separate component, and then Mason Manor its own separate component, way easier, I'm telling you. When we get into lending and we get into an investor buying our tax credits and looking at Scattered Site and Mason Manor, you just doubled all your cost, you doubled the time for them to look at the project, so...

- Board, as a board, remember our original plan was to pull the Scattered Sites out for Section 18, and we've done that, we've gone through that process. But then we had some concerns about the financing for Mason Manor, and we went, hey, we could combine these projects, which would give us more resources for the whole project. We're still, our Scattered Sites will still be Section 18.

- Right.

- In fact, I think I just got the final. I might have got a final letter yesterday from HUD saying that they're out, but, so that process is done, we've got that taken care of, so now it's-

- And Cheryl, explain the Section 18, that's when we're pulling them out of the voucher program type so we have those vouchers available. Correct?

- Correct. They're still paying the same amount, but they're getting a different type of voucher program.

- And then we'll have those vouchers to use in the City of Green Bay.

- Correct. On these public housing units.

- Okay. That's what I was wondering. Okay, so then that doesn't really matter in the grand scheme of things with what you're talking about, Ted, okay.

- Correct.

- Whether or not we're combining with Mason Manor is what Ted's talking about and if it gets us more resources, but it does complicate the project. In fact, our HUD rep's like, I don't know if they've ever done that before at this stage, so.

- And are you talking about the historical site? I guess that's where I'm confused 'cause you're saying, historical site and Mason Manor or are those the two in one?

- Yeah. So I'll explain it. So, the Mason Manor, in and of itself can have a historic designation. If that historic designation proves itself out, I think we shed the option of bringing the Scattered Site properties into the Mason Manor enterprise as one project, 'cause it'll really complicate it. And as Cheryl said, I don't think HUD's ever done that before. And if HUD is, if we're the pioneer taking all the arrows, let me tell you, we're gonna have a tough time getting it over the finish line. So, we'd love to have this historic designation, key Mason Manor in and of itself and not do the Scattered Sites and have the Scattered Sites just be on their own. But the Scattered Sites of what you guys have done in terms of the Section Eight, it has made those Scattered Sites such a valuable asset that it could, if you can't get over across the finish line with Mason Manor financially, it just makes the deal work. I don't know what to tell you, if you combine 'em, it's a great deal. So, but it is complicated. So we have to weigh that out. Do you understand that?

- Well, I do 'cause I thought we weren't really even gonna think that we were gonna bring the Scattered Sites in-

- Correct. We were already 18, the 18. So then who manages the Scattered Sites? Are we still overseeing the Scattered Sites and okay.

- Yeah. Yeah. The great thing about it, Sandy, is it really doesn't change anything that you guys were gonna do, it just gives us more cash. It really, it's just like this best win-win scenario really.

- Okay, so then it also gives us more cash for repair as we go down the road to upkeep, all that kinda-

- Correct.

- All right, that's what I was wondering, I was wondering if we for all of that. Okay.

- Yep. Yep. You would be maybe even better off, I don't know, but it wouldn't be worse and it makes the deal happen. So, it just that as Cheryl said, do you wanna get this deal done or not? I mean, it could be a 2023 late deal versus a 2022 late deal, so we just gotta .

- Okay.

- I had some questions on the historic tax credit piece. So we'd have to put Mason Manor on the National Register and we put 20% tax credits, but those are subject to actual restoration, right? And our intentions here are updating to. So, I mean, if it's, has anybody ever done it? I mean, we wanna take out the old apartments and we wanna come in with something more accessible and more usable for the occupants.

- Yeah.

- That's that's not 1970s restoration work, that's 2022.

- No, that's the whole point of the program is all of those restoration costs that date your property, because it is a historic deal, you get tax credits on all that update work, except for furniture fixtures, and equipment, but all your hard costs, like, all your remodel work, all your MEP work, all that stuff is eligible for credit.

- Okay, but you are subject to the review of the State Historic Preservation Office and their approval of your, and is that consistent with HUD's guidelines and what we've actually want to get done with the building, right?

- Yep, we've actually done this like four times across the nation and it actually works. It almost feels like you're cheating because you're doing everything you would've done otherwise, but it's historic, so you just get 20% more credit. Both on the state and the federal, it's 20 on state, 20 on federal, so it's like really makes your deal pop.

- Right, so Steve, that was my question was that, we wanna make our doorways wider, we've gotta redo the bathrooms, and is that gonna change that? So that was my concern which I'm hearing no. Anything on the facade, we're keeping the spiral drive.

- Right.

- Yeah, Stephen, if you were gonna like demo that spiral drive, you'd have an issue, I'm just telling you.

- Yeah.

- If you wanted to punch more windows in, you're gonna have an issue. But we're keeping the exterior exact the same, we're not adding on anything, we're keeping it right within the envelope. And anything that's to code like ADA, wire doors or whatever, all that they can't say no to because it's legal, it's code.

- Sure. We're good. Okay. And, that's 20% state and 20% federal, right?

- Yeah. Yeah.

- That's a big ticket.

- It reduces your debt is what it's gonna do, big time. It's just a boondoggle in terms of that.

- So t's a boondoggle.

- Well, it's a boondoggle cause either, you would've had it under my scenario on 10 million bucks, you'd have $4 million for low income housing tax credits. Now you're gonna generate $4 million of tax credit. So just on a real, Kaitlin will kill me on this 'cause she's an accountant and this is too simple. But the 4 million of tax credits you'd sell for low income and the 4 million you'd sell for historic. If they're all a buck, you're at a 8 million, you only have 2 million of debt versus 6 million.

- So, of the few times you've done it nationally, have you gotten a full dollar on the selling tax rate, you got a small tax credits privately, right? So you get 80, 90% of it, right?

- Yeah, the reality is it's probably 88 cents for the long income housing tax credit and it's 80 cents for the federal and the state, yeah.

- Okay.

- So you're a little less than that, but yeah, just keep it simple.

- No, no, no. I got it. I got it. I got it.

- Any other questions before Kaitlin jumps in?

- Great questions? All right.

- Super thanks, first I'm not accountant. But work for an accounting firm, but...

- Great.

- I'd also like to introduce my colleague, Larissa, who'll be working on this project with us and we are in our office today, as you can see. Yeah so in terms of the RUD timeline, we included kind of a timeline in the packet that you guys got. And there are a lot of steps, as you can probably see. Though we have done some steps, we have our RUD application, which is the initial step and HUD has approved it. So they're like, yep, we're cool with you guys moving forward, here are what your rents are gonna be and that's in our chat board. So that's a great first step. And right now we're working on the pick removal, which is just kind of removing your units from public housing and it's notifying HUD which units are gonna be removed and converted through RAD. Then it gets a little bit complicated. So then we've got a couple steps where we have to send a whole bunch of information into HUD. So they're gonna review all of the things that we already have to get for the tax credit application, including your capital study, your environmental reports, the appraisal, all the financial information. And then there's some very specific HUD RAD forms where they ask you like, are you gonna do any unit reconfiguration? Are you going to remove any of your units? Are you gonna establish a preference, all of those sorts of things. So, all of those items in that chart, there's certain steps, concept call, financing plan, RCC, where you have to provide all these items at different stages. And we'll be assigned a HUD transaction manager to kind of guide us through that process. As Ted noted right now we have a HUD consultant who we've talked to and met with and he's kind of getting us to the first stage and then we'll actually be assigned an official HUD employee who's our transaction manager who will work with us through the whole process through closing. So, our next milestone that we're looking to target is the concept call. And we're, I'd say 70% of the way there just by having our capital needs assessment, having our environmentals completed. And there's just a few other forms that we're working on. So, we're in a good spot right now from a HUD perspective. And all of this is with the goal of trying to close by the end of this year, and HUD's year is really end of November. Reason why we want to close by the end of November of a given year is so that your RAD rents become effective the following January. So, new RAD rents are only effective January. So that's why we're targeting closing this year. And HUD, again, you have to close by November 30th. Otherwise if it slips into 2023 and we close, we have to make sure that we can cover the whole year of 2023, because until January 1st of 2024. So that's why it's huge to close at the end of a year. And so that's why we've kind of established these timelines to keep all of us on track with that target closing date. Does that all make sense or any questions on the timeline? Sweet. I really kind like condensed it. I mean, it's a lot more complicated and there's a lot more items at each stop, but Larissa and I will be, working with Housing Authority staff to go through each item. There's a lot that we can do and we will do. And then a few things that we'll just need from the team and yeah.

- Good.

- Ted, when will we know about our historic tax credits? Because really, those credits will determine whether or not we combine our Scattered Sites-

- Correct. Yep. We have something that's coming up from tell us by this week. So hopefully by tomorrow, we'll start calling 'em today to see if they're real on that. Give us, they're supposedly at a meeting this week to see if we were worthy of what's called a part one submittal, which is a designation for the Historic Registry, National Historic Registry. So that'll be this week or, maybe it's next week, I don't know, we can't, but it's imminent. And then we'll know which way we're gonna go. So that's that. I did wanna touch a little bit going based on our memorandum here on vacancies. So, this is a big deal and kind of wanted to bring this up so the Board understands. And this is a stressor for me and it's a stressor for Cheryl and everybody just because we wanna make sure we do this right. So, Mason Manor is a very in demand product, okay? I'll say that. I mean, people wanna live there. You guys do a great job in keeping 98% occupancy, whatever the percentage is over time. And so when you say that you are going to vacate a floor or two to make this deal happen, that's a big deal. Because what that means is you don't start leasing up. You don't keep leasing up units as they become vacant. You keep 'em vacant. And I can't, I just can't tell you, there's not a more important issue than having vacant units because when you say go, the worst thing you could to either relocate people artificially and not have those vacant units available, and that affects your revenue to pay for your operating expenses on the line. I'm just saying, it's a stressor for everybody. And I kinda wanna give you this confidence that with Baker Tilly, with Gorman, with everything that we've seen on this deal, it's a winner, it's not like we're not gonna do it other than the market crashes and nobody's buying tax credits or whatever, armageddon, 2009 happening again. But in today's world, you never know. But I'm just saying, that's the only thing that would be stopping us in terms of where we are right now and where we're going. We have a path, we're gonna make it happen, gonna make it happen per Kaitlin's deadline of 11, 30. We think we're good there, okay? We may miss it just because of the volatility of the market, but we have to plan to hit that deadline. And I think it is a prudent business decision to make it through to try to make that deadline. And that means you have to stop leasing up units. And we need two floors because what happens in this building is you can't, if you are doing the eighth floor, the top floor, you can't finish unless you are in seventh floor units, demoing and doing the plumbing upstairs, on the ceiling. So the issue is you, people who are elderly just can't deal with that, that's too much. You gotta have eight and seven vacant. And then we'll finish eight, 100%, then we'll start moving just conceptually, you start from the top, you move people from say, six floor, eight vacant, you'd have seven vacant, you'd start moving six to eight. And then you would start working on seven, you'd have seven and six vacant, and then you'd move people from five to seven. And then you see what I'm saying? Like, you'd keep going up from the top down. And, that, I just don't know how else to do it, that is the way people do it. Unless you're going to relocate people offsite which becomes very expensive. And you almost start getting into like disputes with people 'cause people don't wanna leave. So we're trying to, and then Cheryl, you can maybe, talk about this. We're trying to make it so that the vacancies kind of match what we're trying to do by that 11, 30 date. And, I think we need two floors or the most, a lot of floor seven. We can maybe leave some people in flour seven for a while, but we really need two floors to finish eight.

- So we have 20, is it four?

- Yep.

- Okay, so this is news to me, Ted, that you want two floors.

- Yes. Right. Right

- What are you doing to me? Okay.

- I know.

- So, just quick question on that too, Cheryl. So when you're thinking of moving, are any of those floors accessible units?

- There are some, I mean, what happens-

- The only reason I'm saying that is to make sure that accessible units then are available for those individuals that are in those. 'Cause I would see that would be really, 'cause once we get people in those accessible units, they rarely leave. So, bringing them into units that are the least restrictive or the same as theirs or another floor will have to be looked at, that's gonna be tough.

- It's tough. It's a tough deal.

- Right because right now we're really, so what really, it's a kind of a combination of things. Right now, we're just, as our tenants leave and we have three vacancies, I think right now at Mason Manor, as our tenants leave, we just don't fill them.

- Correct.

- But at some point, the tenants on eight, we'll have to temporarily move tenants on eight to those vacant units in the other part of Mason Manor.

- Correct.

- Right? And then we can move them back up to the new units then when we're done, that's the relocation dance we kind of do to get those floors done. But right, we have to accommodate our tenants. If there's someone that has a special needs, we have to make sure they're not displacing them. So they have place to live. So that's part of the deal with HUD. They're very clear about you can't create vacancies, right? So we're not like forcing evictions or anything like that, these are just people that are, like we're SOP, standard operating procedures in Mason Manor with regards to evictions or move outs or those types of things. So we're hoping that, and Jayme tells me that, and by the way, she's on vacation that's why she's not here. But Jayme tells me that in the spring that usually picks up because people just wanna move to different places. Or, so I'm hoping that we'll be able to create 30 units.

- And, Cheryl, the optimal is two floors, obviously. So like, to be honest with you, I think we're gonna get there. I just think the attrition is not that fast. So, as it becomes more clear, we're gonna come up with that are to allow people to maybe stay in their unit, we come in for a day and do something and get out, and that's more of a temporary deal. But, I'm just saying like that, it's gonna disrupt seven. So, if there's some way we can get seven, let's just have everybody high on alert, but we definitely need eight. And then we'll invade seven as we need to, and then do a very good job making sure it's a minimal invasion.

- Yep.

- So, this is Sandy again, Stephanie, you wanted to say something, I don't wanna...

- As far as the accessible units, I believe that most of those are on first, aren't they Ka?

- That's what I was wondering.

- So they're gonna be the last ones affected.

- Yep.

- Okay, I just sure that, that is taken into consideration with the big effort moving floor to floor. The other thing was, is, so when you're saying updating or remodeling, is there a list of things that we're doing to all these apartments?

- Yep. Which we will give you when it's final and it will-

- Okay, that's the other thing that I was wondering. And, so Steve, I'm sure if you, who's been planning in this? I'm sure you're looking at ABA risk, door opening, clear door openings.

- Yes.

- Reach ranges, counter heights, all of that kind of stuff. I'm sure that you're looking at that, but are more accessible.

- So, Sandy-

- But like I mean more than just a wider door, are we doing a barrier free shower? Are we doing...

- So, Sandy, great, it's actually a perfect question. So what we're doing is we have, with the tax credits, let me step back a sec, it with for of these 4% low income housing tax credits. You've got certain to make those comply, okay? Now, but very interesting, Sandy, because that is minimal, okay? Like seriously, like I would say with this population, that's a great question for the Board to say, do we wanna do more on our wish list? Like why wouldn't we have every unit universal in terms of the design so it's flexible for whatever? You know what Sandy? That doesn't necessarily cost that much more if you make that a priority early on, right?

- Absolutely. That's why I . Yep

- Right. So if we get the historic tax credits and we have a little more cash and we can make all of these accessible units, universal units, whatever words you wanna use, but, make it flexible for all, in the long term, which I agree 100%, let's go. And so, but we will, I didn't say this and I apologize. It's not like we're just telling you we're all good. We're gonna bring all this to you. So you can see what we're doing and what's happening, I'd love to have a tour of Mason Manor with a vacant unit and show you what we're gonna do. So you guys can all be there, touch it, feel, and see it. We just need to get, like I say, 60 to 90 days, a little farther down the road so we know exactly what we're doing, okay?

- Okay. That's that was my only worry because it's one of the things that we are lacking in Green Bay, not only just affordable housing but accessible.

- Yes. I agree with that.

- Our longest wait lists are on the accessible units in many of our low income housing throughout Green Bay.

- Yes, that's a great issue. Yep. Thank you. Okay. So that's vacancies. So, we at least have to have eight, whatever we don't get in seven we're just gonna have to, deal with that on a design and construction basis which will sound maybe a little bit, but it's doable. But I'm just saying that's the dynamic, I just wanted to describe that to you 'cause it is what it is. Again, Green Bay Housing Authority Management. Okay. So, the way we've done a deal, just like this in Warsaw, okay? And it was called the Riverview Towers. And very similar, I mean it was a different building. And what we had to do because of the WEDA tax credits and the WEDA financing is that the Warsaw CDA, which was the Warsaw Housing Authority, they had to get compliant with WEDA, a WEDA project that has tax credits. GBHA is not there yet, and the reason that you have to do this is because now instead of, and they're very close, I'm saying it is just really a technicality, but you have to take classes and literally get a piece of paper, a cert, Cheryl's gotta get a piece of paper saying that Green Bay Housing Authority is a certified property manager under the WEDA program. And that takes classes. It's pretty minimal. The Warsaw Group, Betty Noel up there led that effort and they did it very efficiently and there was no issue. But that has to happen in order for GBHA to manage this thing long term. We will come in and this will be like your last issue here on this memo. There'll be a development agreement with us and you, Paul Dombrowski, and I will work together, Paul and I have worked on 10 deals together at least. We will work on the terms of that, obviously you guys will look at it, review it, approve it. And that will include a component of us helping you relocate people 'cause we have a lot of experience on that from, as Cheryl said, the eighth floor to these vacant units below. And then moving 'em back, all that is very complicated. You need someone who's done it before, like a Gorman to make that happen. But after we're all done with that, and everything's stabilized, and everyone's in place, then, and WEDA has given us what are called 8609s, these are like certificates saying that you've done everything that you promised to do with the low income housing tax credits when you applied. Green Bay Housing Authority can be the quote unquote manager again, okay? As long as they've got meth certificate from WEDA. So you got a couple years, it's not like you have to do it right. You have a couple years, but that's something that they will have to pursue. And then we will work in partnership almost as the compliance manager for the project, for this thing to get to the finish line. So I just wanted to make you aware of that, that Gorman agreement with GBHA will be coming once we figure out what our sources are because our sources and I mean sources, I mean, long income housing tax credits, historic tax credits, if the Scattered Sites are in, all that is very material in terms of how we're managing the project, how we bring the project to closing. And so, I don't wanna give you that agreement if we don't know what we're doing, it's kind of almost disingenuous. Like let's wait until we know what's happening. And then we can all look at the same document and figure out what our partnership looks like, okay? So that's all I got.

- I'll be working with staff to go through the classes, Kyle, Casey and Jayme probably so we can learn what's needed to report on the tax credit project. So we'll have that in place because we wanna maintain our staff on this project.

- Yeah.

- And so do board members go through that training also or just staff?

- I think it's just staff that's gonna manage the property so they know how to calculate incomes right. And they're following the processes that are required for the tax credit, so.

- Not that I want another certificate, but another one's always nice to have.

- You can be in the class, Sandy doesn't cost anything.

- All right, any further questions, for Ted or for Kaitlin or for anyone else? All right, very good, Ted, Kaitlin, thank you for the update, very informative. And it's educational all the way along the way. We'll probably need a refresher as we move through this again, but, so keep your notes. All right.

- All right. Sounds good. Thank you.

- All right, moving on. I just lost my screen here. I think we have the bills next.

- We need a motion to close the floor bill. That's right, is there a motion to close the floor? We got a motion.

- I'll second that.

- All in favor of closing the floor, signify by saying aye.

- Aye.

- Aye.

- And thank you to our speakers.

- Yeah, thanks so much, guys.

- Thank you.

- Appreciate it. Take care.

- Thank you.

- All right. Very good. Moving on, I think Stephanie, the floor is now yours.

- All right, in the packet there were the check reports for January and February. Were there any questions on any of them?

- No.

- First, if anything stands out to you, Stephanie?

- Nope.

- If I can look at these every time, but a standout is like, yeah, I wouldn't know what stands out, other than $100, 000 bill that I, yeah.

- When I review these two, we'll get to you. So I usually ask those same questions. What is this again? I don't...

- Yeah.

- Yeah.

- Thanks, Stephanie.

- Great. Thank you, Stephanie. Moving on then to the Financial Report. Any questions? Anything that jumps out at Stephanie?

- Sorry .

- Pause for just a second there. So, you repeat the question.

- Yeah, is there anything significance of note in the report? I didn't see anything, but.

- For the Financial Report, no, I did include the CFP report also just because I don't remember the last time I gave it to you guys. 'Cause I think that we like canceled the meeting that I was supposed to, so I just wanted to give you guys a quick update, so...

- All right.

- Hold on, Hold on a second, Bill, I love puppies so much. I love them. Okay. Sorry. I mean, unless you want like a motion to open the floor so we can hear Terri's puppies some more, then.

- You do love puppies.

- Yeah.

- All right. Any questions on the Financial Report? All right, then we move in-

- Do we have to make a motion to accept and place on file or anything, Bill?

- No, it's just informational.

- Okay.

- Good. All right. Then next we have the Langin Report. Anything significant there you see? I didn't see anything.

- Nope. There was nothing.

- All right. Then we're moving on the Director's Report. Cheryl?

- So, heard a lot of the updates. So we're still excited about the project, but really, I think our biggest concern really is the cost of construction, which leads me to the second thing which is the of high bonding project for the Campus Housing. I have not gotten a formal update from them, but I know that their bids came in pretty high for that project. So, I think we're on hold right now, and I don't know, Steve, if you wanted to share something else. But I think we're just kind of on hold to see if maybe things could reconfigured within the budget, right? Or after we settle down?

- I have a meeting with them in the chancellor's office this afternoon, so hopefully we're not dead on arrival as it were, but there's, I would not rule that out at this point.

- It's crazy, I heard Ted was talking about another project. The other issue is that contractors are only guaranteeing their prices for 30 days. And when you're doing these big deals, you can't close on something, 'cause it takes longer than 30 days to set up that closing, so. I mark this crazy, hopefully it gets better as the year goes on for us. I mean, I'm thinking right. And then, I just wanted to know, just let everyone know that the goal for this, our Mason Manor project is to keep our staff in place. So, there will be some classes they'll need to take to get that certification, but we wanna keep our existing staff in place. So when Gorman talks about that kind of our oversight to make sure we're doing it right, and then we have those certs. So, and I think that's all I

- Very good, a lot of work in his short report. All right, then we'll move on to the Occupancy Report.

- All right. So as you guys all know, we're holding vacancies at Mason Manor and, he mentioned two floors needed. So, I believe second floor is the only floor that, well, first and second floor don't have the 21 units but from third floor all the way to eighth floor it's 21 units on the entire floor. So I was jotting it down. And that's 42 units that he was mentioning that will be needed, and I'm like, oh my gosh! We only have three vacancies right now. But we do see a couple of 'em coming up, we do people moving out. There are some moving out due to need to be in assisted living, some of 'em smoking violations. So we do have a couple coming up, but that's a big number to reach when he mentioned that-

- He did say that's the perfect number. We're not gonna get to 42.

- Yeah.

- I mean, I think we'll get to 21 through attrition.

- Yeah.

- And then part of seven, so there's a way, we're gonna need to move some people. But I think just we'll be okay.

- But yeah, and then for Scattered Sites, we have three vacancies, none upcoming at the moment that we know. And then it looks like we had six new move-ins and then seven move outs. Since we've put a hold on the move-ins we haven't had any, for Scattered Sites, I believe we had two KC, I think two, or two new ones, but that's what I got.

- Just, let me just jump back again on this floor abandonment here and getting people moved around, how long would they anticipate that it would take before somebody could move back? Do we have any idea of that? I mean, are they gonna be gone for our two months or for four months or six months or what?

- If they wanna move everyone up at the same time, it might be a few months I would think.

- Because I'm assuming they would wanna move everybody back at the same time so they're not gonna move 'em back per unit finished, yeah.

- They can move more and then move back up.

- When we were at Warsaw, that's how they did it. Like when the one floor was completed, then they'd move people from the floor below up to that, but it was always once a full floor was completed. And since it's the same developer, I'm assuming they're gonna run the same way.

- Yeah.

- I mean, I think the takeaway from that is you need to think about it vertically. Not just floor time but you have to think about it as it stacks vertically so that they have access from below and .

- Yeah.

- So if it's not a whole floor, maybe it's 1/2 a floor and 1/2 a floor, and then you repeat, you know what I mean? It just gets more complicated the more often you have to move people to, however you cut up that piece of pie.

- Yep.

- Right.

- That's fun. That's fun stuff.

- Right, and I just bring it up from the standpoint of future planning for this and alerting folks that, this isn't like a temporary one week thing where you're out and then you're gonna move back. It could be a couple of months and, how that affects all of your planning too. So, but probably too early for that yet. But something just to keep in mind.

- There are tenant notification requirements, tenant meetings that we need to hold.

- Okay.

- It's gonna require-

- So they are, that's really good.

- Yeah. We have meetings prior to-

- Okay. So there's a process for meetings for notify.

- We met with our HUD rep, he's like, you have some more tenant meetings that are coming up and some notification, so...

- Okay.

- I think we have to do a plan, a relocation plan. So, but, we'll move people in their entirety. So they'll have their whole unit in a new unit.

- Right.

- In other way, I'll need to clear that unit. So at least, they'll have everything there in the new unit. They'll be in a different location in the building though, so.

- Cheryl, is updating the elevators on the list?

- Yes.

- And I would be interested to see how that work is to be completed and still provide access to two through eight, right? If they have to do one car and then the other, you're down.

- I think we did that last time with big pairs, right? We did it to one car and then we did the other.

- They're updating the older elevator, which is a smaller one, on the other end, so.

- That's what I thought. Yeah.

- All right, so any further questions on the Occupancy Report? No, hearing none, then it looks like next on the agenda is April 21st and next we have adjournment. Is there a motion to-

- I'll make that motion.

- All right, we have a motion by Sandy, is there a second?

- No one wants to adjourn?

- All right, Terri looks like Terri seconded. She's muted, but we saw her hand going. So, all right, we have a motion and a second to adjourn, all in favor of adjournment signify it by saying, aye.

- Aye.

- Aye.

- All right. Thank you. We are adjourned.

- Good to see you.

- Yeah, Great to see you.

- Happy St. Patty's Day.

- Thank you all for your time this morning.