

**HOUSING AUTHORITY OF THE
CITY OF KYLE TX**

**MINUTES OF THE FEBRUARY 15, 2022,
BOARD MEETING**

FEBRUARY 15, 2022, BOARD MEETING MINUTES

1. The meeting was called to order by Chair Harper at 5:32 pm. Steve Colella was asked to call the roll. Commissioners Harper, Lopez and Salazar were present. A quorum was confirmed.
2. A citizen comment period was opened at 5:33 pm. No email comments were received, and there was no one asking to speak. The chair closed the comment period at 5:34 pm.
3. Because the meeting minutes from the September 30, 2021, and December 15, 2021, were not available to review approval was tabled until the next board meeting.
4. An Executive Session was held. There were no motions made and discussion was tabled until the next meeting and the Executive Session ended at 6:04 pm.
5. The board meeting resumed at 6:04 pm.
6. The chair asked Steve Colella, President of MDP Management LC to give the board an update regarding the management of Charles Young Public Housing and Pete Dressen Housing. Mr. Colella gave the board an update of the following issues with respect to his company's attempt to gain control of the two properties and generate some progress:
 - a. Bank account update-accounts were finally opened by Wells Fargo Bank on December 23, 2021, 105 days after the initial visit to the bank. Management transferred funds from the established accounts to the new accounts the week of February 7th.
 - b. eLOCCS has been assigned to Steve Colella at MDP. This is the access to Charles Young funds. Working repeatedly with PIH people on resolving this issue. As a result, Frank Arredondo is still working as he has the only working access to eLOCCS. The delay in making this switch from Frank to Steve has been caused by HUD's REAC-TAC

- office which caused Steve to lose access to several properties on the HUD secure site, including both HA-Kyle properties.
- c. The HUD REAC inspection resulted in a score of 27c. On January 19, 2022, a Notice of Default was received from HUD's Departmental Enforcement Center (DEC). Colella will be participating in a conference call with several HUD staff to discuss the HA's plan to resolve the default. An update will be given by Colella at the next board meeting.
 - d. Management is still working on the required paperwork for USDA and will submit it the Loan Specialist, Jay Tyler.
 - e. Colella reported that he has decided to continue to use Urlaub Accounting to do the monthly financial reports until sometime in the future. MDP will cut the checks and pay the bills, we do a lot of payments on-line, and then send the details monthly to Urlaub to prepare the financials. Because MDP is being paid a bookkeeping/compliance fee by the HA, MDP will pay Urlaub their monthly fee.
 - f. The 2019 MOR that was unsatisfactory has been a top priority for MDP to cure. To date all but one item on the MOR report has been clear with Southwest Housing Compliance Corporation (SHCC). The 5% holdback of voucher funds that SHCC has been doing for two years has been released to the PD operating account on February 2, 2022. The one item not cleared is waiting to be finalized in March because it is completed electronically on the TRACS system. Once that has been completed, SHCC will send a letter clearing all the Findings listed in the 2019 MOR.
 - g. Bill Rocha, the CPA that has done the annual audits for the past several years, was contracted to complete the audit for the fiscal year ending June 30, 2021.
 - h. Management is working on budgets and will have a more detailed report for the board within the next 60 days.
 - i. The rents on Pete Dressen are far below what the market allows. In discussion with SHCC staff, they recommended I have a Rent Comparable Study (RCS) done prior to submitting the annual renewal package on August 1, 2022.

- j. As previously reported, tenant files on both properties need to be updated. This is a time-consuming task, and the plan is to do two files per week until they are all updated.
 - k. The maintenance staff person has spent most of his time addressing service requests from existing residents. Once they found out we would make repairs they have submitted numerous requests.
 - l. Worked with Southwest Housing Compliance Corp. (SHCC) to get the contract renewal effective December 1, 2021, approved on Pete Dressen. We got the work completed and the OCAF rent increase approved effective 12/1/2021.
7. There was some discussion between Mr. Colella and the board members. Colella noted that his staff had run up against numerous obstacles over the first 165 days that he feels not enough progress has been made for that time, but it is finally moving in the right direction.
8. There being no further business and no questions, the meeting adjourned at 6:19 pm.

Daniel Harper

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Chair

May 31 2022

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