

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

**MINUTES OF THE NOVEMBER 16, 2022,  
BOARD MEETING**

## NOVEMBER 16, 2022, BOARD MEETING MINUTES

1. The meeting was called to order by Chair Harper at 5:44 pm. Steve Colella was asked to call the roll. Commissioners Harper, Lopez, Kothman, and Salazar were present. A quorum was confirmed.
2. Minutes of the August 30, 2022 board meeting was reviewed:  
A motion was made by Commissioner Salazar and seconded by Commissioner Lopez to approve the minutes as presented. Chair Harper called for the vote, and it passed unanimously.
3. A citizen comment period was opened at 5:45 pm. No email comments were received, and there was no one asking to speak. The chair closed the comment period at 5:45 pm.
4. The board broke to go into Executive Session at 5:45 pm and reconvened at 6:09 pm.
5. 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 progress with the management effort:
  - a. Report regarding Pete Dressen Housing:
    - i. The property is 97% leased and occupied. The one vacant unit was used for years as a storeroom and was stripped over time of parts, equipment, fixtures, etc. Management has estimated it will take approximately \$6,000 in materials and supplies + \$2,000 in labor costs to bring the unit to a rentable condition
    - ii. Colella notified HUD that the city and the county had each approved a donation of \$75,000 to be used to address deferred maintenance at both properties. Additionally, the city approved \$188,000 be donated to the HA to prepay the USDA loan on Pete Dressen. With that news the HUD Account Executive petitioned

HUD to delay a follow-up REAC inspection at Pete Dressen for six months.

- iii. Management submitted a Budget Based Rent increase request and a Servicing Workout Plan (SWP) to Jay Tyler, the USDA Loan Analyst, requesting rents be increased 92%. Additionally, the request submitted covered two year from December 1, 2022 through November 30, 2024. The first 12-month period includes replacement of all the roofs at PD, replenishing and bringing up to date the Reserve for Replacement account. The second 12-month period includes replacement of all the siding, trim, etc. and a full paint of the exterior. In a letter dated October 25, 2022, Tyler notified Colella that the request was approved as presented.
  - iv. Jay Tyler submitted a letter that details 7 Findings that need to be cured. Colella stated that these were going to be difficult to clear because they were items that should have been handled in earlier years. Colella has placed this task low on his list of priorities. These items were included in the SWP noted above.
  - v. The anonymous \$20,000 donation by a Kyle citizen has been used up. Colella contacted this person and is planning another meeting at the property soon on the premise of receiving another donation.
  - vi. The Community Director and Regional Director have completed a 100% review of the tenant files.
- b. Report regarding Charles Young Public Housing
- i. The property is 100% occupied
  - ii. Management worked with PIH staff and have received approval of the following Capital Funds:
    - 1. 2019-2023 \$34,482 was approved and transferred to the operating account to pay all payables
    - 2. 2020-2024 \$39,113 was approved and will be used to make improvements to the property
    - 3. 2021-2025 \$48,666 was approved and will be used to make improvements to the property
    - 4. 2022-2026 \$48,666 was approved and will be used to make improvements to the property
    - 5. 2023-2027 \$48,666 was approved and will be used to make improvements to the property

- iii. Management has presented plans to PIH to obligate Capital Funds to:
    - 1. add a new roof on building 409/411 and the office structure
    - 2. perform repair work on other roofs as need
    - 3. perform exterior siding and trim repairs as needed and then paint the entire exterior of the property
    - 4. repair, sealcoat and strip the entire CY property.
  - c. General items regarding the Housing Authority
    - i. Public Housing has assigned a new Portfolio Management Specialist (PMS) to oversee CY. His name is David Boudreau. David is much more experienced than the previous PMS, so this is to the management team's advantage.
    - ii. Colella reported that the HA owes MDP \$118,525.65 in payroll and related expenses as of November 4, 2022. This is for items paid by MDP on behalf of the HA, payroll expenses and management fees and other fees approved in the management agreements.
6. There was discussion between Mr. Colella and the board members. Colella noted that his staff had run up against numerous obstacles over the first 364 days, but everything is moving forward and in the right direction.
7. Colella reported that Bill Rocha, CPA, who has completed the annual audit for several years, has closed his office. Colella solicited a proposal from Leal & Carter CPAs to do the work. This firm does audits for several housing authorities in the state and their proposed fee is less than what Bill Rocha has charged. Colella presented a copy of the two proposals submitted by Leal & Carter; one for the audit and one for the HUD submission. After discussion was held by the members, Commissioner Lopez made a motion to approve both proposals. The motion was seconded by Commissioner Kothman. Chairperson Harper called for the vote, and it was unanimous.
8. There being no further business and no questions, the meeting adjourned at 6:44 pm.