

Trumbull Housing Authority – May 5, 2020

Congregate Committee

Trumbull Housing Authority Virtual Meeting
Congregate Committee
May 5, 2020
4:00 pm

Commissioners Present: Maureen Bova, Suzanne Donofrio, Jean Rabinow and Laurel Anderson

Also Present: Executive Director Harriet Polansky, Jason Geel, Accountant and Kathy McGannon, First Selectman's Office and Attorney Christopher Cody

The meeting was called to order by Mrs. Donofrio at 4:05 pm followed by Roll Call and the Pledge of Allegiance.

Discussion of Items for Committee Review

Mrs. Donofrio noted a draft document was circulated to the committee by Mrs. Anderson. Mrs. Rabinow, Mrs. Bova and Mrs. Donofrio approved the items listed by Mrs. Anderson in her draft document and felt it was comprehensive. Mrs. Anderson noted this document can be changed as needed during the Committee's review.

Mrs. Rabinow felt they should be looking at the contract from the State but she indicated no one has able to find a copy, including the State. Both she and Ms. Polansky have been trying to locate this document. Mrs. Donofrio noted that at this time, it may be difficult for the State to look for the document. Mrs. Anderson questioned who the attorney was when the Congregate was contracted. Ms. Polansky noted that was back in the 1980's and she was unsure of the attorney at that time. Mrs. McGannon will try to locate a copy of the document at the Town Hall. According to Christina Keune from DOH, the document would have been from the DECD. Exact year is unknown for this contract which outlines what can be done with the Congregate. It may have been signed at a different time than the actual construction depending on what the State required. Mr. Geel suggested Chuck might have the document in his perm documents. He would get the perms for the annual grant agreements which would give terms as far as the annual funding is concerned.

Meeting Schedule

Mrs. Anderson noted there are some time constraints. They will be discussing rent increases and recommended meeting once a week. The State has given an extension for submission of the budget to June although the State regulations do not indicate any date to submit a budget. It only states one must be submitted. The goal is to inform the entire Commission on decisions made and the review should be done sooner than later. Mr. Geel noted there may be complications if the budget is not submitted in a timely manner. Ms. Polansky noted the \$25 increase being discussed is for the services not the rent. A 30 day notice must be given to the residents. Meeting dates were approved for May 12, May 19 at 4:00 pm and May 26 at 3:30 pm prior to the regular THA Board meeting. More dates will be added, if necessary. Mr. Geel requested goals for each of the meetings so that he is prepared with information. Mrs. Donofrio suggested he review and make updates to the draft document for the committee to review at the meetings.

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Overview of the Henry Stern Center –Congregate

Ms. Polansky presented an overview of the Congregate for the Committee.

1. There are 36 apartments; currently four vacancies (as of June).
2. Gender - 75% = Female; 25% = Male
3. Age of Congregants

Percentage	Age Over
27%	90 years old
38%	80 years old
28%	70 years old
7%	62 years old

Qualifications for the Congregate include being at least 62 years old and considered frail.

4. Health status – the elderly are living longer; the Congregate is between the Village and a nursing home. This allows individuals to have a place to live where they can take advantage of services. The benefit of having the Congregate on site is the ability for Village residents to move to the Congregate, if necessary, but allows them to retain their friends, routine and it is not a drastic change in their lifestyle.
5. Core Services provided include:
 - a. A full course noon meal every day of the year by Creative Culinary, an outsourced service.
 - b. Weekly light housekeeping provided by the Kennedy Center.
 - c. 24/7 office attendant/security guard – Daisy manages the facility during the week and security guards are contracted for when she leaves for the day until she returns at 8am and on weekends and holidays.
 - d. Heat and water are paid by the THA.
 - e. Entertainment: Some of these activities are provided by Tina Katz who is paid for 6-9 hours a week. Her family also volunteers with activities. Mr. Geel noted that the Expanded Core Wellness and Entertainment Program is paid for by the State. Residents do not pay for this service. The annual budget for this is approximately \$24,000 which covers the Resident Services Coordinator at \$18,000 per year and Mrs. Katz. The remainder covers the entertainment. He reiterated that the residents do not pay for these services. Of the \$335,000 a year for services, DOH covers 1/3 and the residents cover the remaining 2/3 based on income.
6. Congregate Manager (Daisy) roles and responsibilities include:
 - a. Oversees and manages the Congregate
 - b. Manages occupancy
 - c. Supervises cleaning staff
 - d. Works closely with all staff
 - e. Prepares the menu with the Chef for the resident meals
 - f. Oversees the guards and other out-sourced individuals
 - g. Resolves maintenance issues
 - h. Involved with RFP preparation
 - i. Primary job is responding to Congregant’s needs and working closely with the RSC. She has experience with programs related specifically to housing authorities.

Mrs. Rabinow questioned the current debt for the Congregate and asked if there is anything that could be done besides raising rent on an on-going basis that would help to eliminate this debt. Mr. Geel did comment on some ideas to control the debt. One way is to control spending. The two biggest problems

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this year were heating and occupancy. He discussed security guard responsibilities and the coverage for the Congregate Manager. Other facilities have residents cover this time. Discussion was held regarding the contract with the guards and how they are paid and whether or not there is a scope of work that dictates we have to pay them extra for the extra time requested. Mr. Geel noted they are paid minimum wage with a detail for the extra hours. Scope and responsibilities is part of the contract. The increase in minimum wage will increase the budget with regard to this coverage. Ms. Polansky noted the Administrative staff does cover some of the time should the Congregate Manager need to leave. Mrs. Bova felt strongly they should not have residents fill in for the Congregate Manager when she is out. Ms. Polansky agreed and noted this has been done in the past but had several challenges. Mr. Geel noted there will also be an increase in the services cost with regard to the cleaning staff rates which will be brought up to the new minimum wage level. They are budgeted for 26 hours per week to clean 36 units and common areas.

Review of Legal Issues

Mrs. Donofrio noted they need to review the State document for the Congregate and property ownership. Attorney Cody noted DOH is being allowed into their office once a week which will delay the search for the documents at this time. The State does not think the Town has any documentation. Mr. Cody has researched reports with regard to finding a similar document but found none. He found guidance for RFP for construction on a 2012 submission. He was looking for background information on what would be necessary with regard to construction of a housing unit.

De-commissioning of the Congregate would be unlikely. In looking at the budget debt, there was a discussion of increasing the rent and/or cost in anticipation of budget submission for approval. The State had originally indicated they would not approve a budget this year unless there was an increase in rent. Due to COVID-19, the State will approve the budget this year without an increase. Mr. Cody discussed his conversation with the State. He noted in the past, DOH discouraged rent increases without their approval. Now they are requiring increases so that there is adequate contribution to the reserves moving forward. The State would like to see \$1,000 per unit per year put into the reserve account. The last Capital Needs Assessment was done in 2015 and moving forward should take into consideration the investment with the most recent grant money and improvements made. When the next assessment is done, it will reset the clock and reserves will not be necessary for items that were paid for by grant money. They will need to put a price on replacement in the future. The State noted there is not adequate money in the reserves but there is money from grants for improvements.

Mr. Cody reviewed the soft costs as part of the debt owed to the Village. Reserve transfers from one reserve fund to another was discussed. The State is aware of the improvements made since the last Capital Needs Assessment was done. Mr. Geel discussed the grant money for renovations. On the assistance agreement from DOH for the new development – the DOH will be looking to take any excess funds from the Village reserves. There must be a decision as to an appropriate amount for the account and protect that funding so that it is not going to the DOH as excess cash. Reimbursement of the funds was discussed as well as how the two accounts work for the different agencies.

Rent assessment was discussed with regard to subsidies. Mr. Geel noted that if there is no rent increase this year, individuals receiving a subsidy will still see an increase. If they get a COLA increase, that number will increase. Those individuals not receiving subsidies and are paying the most rent will not.

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Mr. Geel noted that the two agencies are shared costs, with the Village fronting staffing, maintenance, some admin which is to be reimbursed by the Congregate. This adds to the bottom line if there are insufficient funds for reimbursement. Mrs. Rabinow questioned that when they set the rent, they have to cover current expenses for the month plus cover what DOH requires to be put into the reserves and payback to the Village for the loan. Does the budget being prepared cover those three areas? Mr. Geel noted it depended on how big you want those three areas. For the health of the property, an increase would be more prudent on the rental side because it allows for things that are unforeseen which has been a problem in the past. He advised that the reserves be addressed before the repayment of the loan as long as current expenses are covered. There are increases coming in the near future that are out of their control. Without a rent increase, you cannot address the reserves. Mrs. Bova asked if a rental of \$1,225 per month would cover the budget. Mr. Geel stated yes and he noted that even if there is not 100% occupancy, DOH will still cover the services side for the expenses.

Mr. Cody noted DOH likes to see a 3% vacancy rate. A 5% rate is standard but they want to see you are keeping on track. Currently the rate is 10% for the Congregate. Finding tenants during the current crisis is up to the individual housing authorities as they need to be comfortable, the tenants have to be comfortable coming in and the staff needs to be comfortable going into the apartments. If not for the virus, DOH would be giggling them for this 10% vacancy rate. The sooner these units are rented, the smaller the hole in the budget. Ms. Polansky noted occupancy was discussed with Mr. Geel and Daisy. Protocols have been established for rental to bring the occupancy rate to 100%. Mr. Cody noted it is not feasible to keep these units open. Currently there are 12 on the waiting list. Rent structure was discussed. Ms. Polansky noted the following income levels and that 44% do not receive subsidies from DOH; 56% receive subsidies.

Percentage	Income Below
13%	\$10,000
31%	\$20,000
31%	\$30,000
19%	\$40,000
6%	\$45,000

Mr. Cody noted that assets do not eliminate individuals from being residents. DOH provides rental assistance to lower income individuals so it doesn't matter what the rent is set at, the difference will be covered to the full amount. Subsidies have been increased because the State realized they had done a disservice to the housing authorities by not letting them raise rents which has caused a problem because they cannot cover their budgets. Ms. Polansky noted that Ms. Keune does not expect a rent increase in this budget. DOH is giving them \$15,000 and an additional \$50 per unit for four months and for next year it will be same thing to help them out. Mr. Cody clarified that this was the year the DOH was requiring a rent increase or the budget would not be approved but because of COVID this requirement was relaxed. It does not mean you can't put an increase in this year. DOH requires the \$25 increase for core services this year. Mr. Cody noted there are regulations to be followed with regard to rent increase which includes a public notice and meeting. With COVID restrictions, this is not possible. Increase in core expenses does not require this. Mr. Geel noted that one vacancy was being covered by grant money from the redevelopment budget that was used by the Resident Services Coordinator (Paulette) while the Community Room was being rehabbed.

Mr. Geel noted the two entities are two separate assistance agreements that have specific requirements built into them when the facilities were constructed. They are not non-profits but quasi municipality. Mr. Cody noted the Congregate is established under the 8-40 Statute of the CT Statutes which requires

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the Town of Trumbull to proclaim there is a need for affordable housing. The Town follows the statutes and vote on those things that create the housing authority and that gives the First Selectman the appointment power. Then you are able to have a tenant commissioner but you are formed under state statute by an act of your local legislative body. The 8-40 gave all of the towns and cities the power to create a housing authority so you are deemed a municipal corporation but a separate body politic from the Town of Trumbull. The two have different programs.

Mr. Cody noted the program is sustainable with grant funding. The State is looking at how money is spent but understands the current situation. They want to see a plan moving forward. The State is not worried about the debt. They feel it is sustainable moving forward. They would not look favorable on an application to terminate the contract. Mr. Geel agreed that it is important for the State to serve their mission to bridge the gap between elderly and nursing. They are committed to the process knowing they are footing the bill. It is also an asset to the town.

Mrs. Rabinow noted that DOH may not care about the debt that the Congregate owes to the Village but it still remains. Mr. Cody noted there is no specific legal timeframe to pay the debt back. She noted she would rather see slow increases every year than a massive increase after a gap of several years which is harder for the residents. She suggested setting a rent and services budget that has smaller increases.

Once Mr. Cody has a copy of the agreement, he will be able to address the legal issues with the committee.

Mr. Geel felt the same type of budget for increases should be followed for the residents of the Village which will protect the program and provide for property management. 2% (\$25) is a minimum increase per COLA but 3% is not unreasonable. This should be an agreement by the committee. Ideally rent needs it the most but cannot be addressed this year. Ms. Polansky noted the residents of the Village are expecting an increase in rent for the 2021-2022 budget. No increases were requested during the redevelopment. Discussion of the requirements for raising rent and services was held.

Mrs. Anderson noted they are looking at a broad overview of what happened and what should be done moving forward. Mr. Cody noted he does not have the institutional memory so it is a learning experience for him but is speaking with many individuals who have this information.

Resident Comments

No resident comments.

Adjournment

There being no further business, motion was made by Mrs. Rabinow to adjourn the meeting at 5:45 pm. Seconded by Mrs. Bova and approved unanimously.

Respectfully submitted,

Barbara Crandall
Clerk