



**CITY OF LAS VEGAS**  
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**CITY OF LAS VEGAS  
PUBLIC HOUSING AUTHORITY BOARD MEETING AGENDA  
AUGUST 15, 2018 –WEDNESDAY– 5:30 P.M.  
City Council Chambers  
1700 North Grand Avenue**

**(The City Council is the Housing Authority Board of Commissioner  
on any matters concerning the Housing Department.)**

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. PLEDGE OF ALLEGIANCE**
- IV. MOMENT OF SILENCE**
- V. APPROVAL OF AGENDA**
- VI. APPROVAL OF MINUTES**  
Approval/Disapproval of minutes of the Meetings on July 18, 2018.
- VII. PUBLIC INPUT \*\* (not to exceed 3 minutes per person and persons  
must sign up at least fifteen (15) minutes prior to meeting)**
- VIII. PRESENTATION \*\* (not to exceed 10 minutes per person)**
  1. Housing Authority Finance Report – Financial Specialist
- IX. DISCUSSION**
  1. Compliance Monitoring Review – HUD response
  2. Draft Resolution authorizing the start and approving of the transfer for the Las Vegas Housing Authority.
  3. Draft Resolution authorizing the Housing Authority of the City of Raton to function within the City of Las Vegas
- X. HOUSING DIRECTOR'S MONTHLY REPORT**

**XI. COMMISSIONER'S REPORT**

**XII. EXECUTIVE SESSION/CLOSED SESSION**

**THE HOUSING AUTHORITY BOARD OF COMMISSIONERS MAY CONVENE INTO EXECUTIVE SESSION IF SUBJECT MATTER OF ISSUES ARE EXEMPT FROM THE OPEN MEETINGS REQUIREMENT UNDER §(H) OF THE OPEN MEETINGS ACT.**

- i. Personnel matters, as permitted by Section 10-15-1(H) (2) of the New Mexico Open Meetings Act, NMSA 1978.**
- ii. Matters subject to the attorney client privilege pertaining to threatened or pending litigation in which the City of Las Vegas is or may become a participant, as permitted by Section 10-15-1(H) (7) of the New Mexico Open Meetings Act, NMSA 1978.**
- iii. Matters pertaining to the discussion of the sale and acquisition of real property, as permitted by Section 10-15-1(H) (8) of the Open Meetings Act, NMSA 1978.**

**XIII. ADJOURN**

**ATTENTION PERSONS WITH DISABILITIES:** The meeting room and facilities are accessible to persons with mobility disabilities. If you plan to attend the meeting and will need an auxiliary aid or service, please contact the City Clerk's Office prior to the meeting so that arrangements may be made.

**NOTE:** A final Agenda will be posted 72 hours prior to the meeting. Copies of the Agenda may be obtained from City Hall, Office of the City Clerk, 1700 North Grand Avenue, Las Vegas, New Mexico 87701.

MINUTES OF THE CITY OF LAS VEGAS HOUSING AUTHORITY COMMISSION MEETING HELD ON WEDNESDAY JULY 18, 2018 AT 5:30 P.M. IN THE CITY COUNCIL CHAMBERS.

**MADAM CHAIR:** Tonita Gurulé-Girón

**COMMISSIONERS:** Barbara Casey  
David Ulibarri Jr.  
Vince Howell  
David Romero  
Ember Davis

**ALSO PRESENT:**  
Barbara Padilla, Interim Housing Director  
Natasha Martinez-Padilla, Finance Specialist  
David Silva, Acting City Manager

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**MOMENT OF SILENCE**

Madam Chair Gurulé-Girón asked Commissioner Barbara Casey to offer the moment of silence. Commissioner Casey stating to thank our Heavenly Father for all the good things we have in Las Vegas, for having a successful 4<sup>th</sup> of July Fiesta, for having rain these last few days. She stated let us also keep in mind, all the people all over the world who are struggling with immigration issues and unrest in their country, such as Nicaragua. We ask our Lord to take care of them and guide them in their daily lives.

**APPROVAL OF AGENDA**

Commissioner David Ulibarri Jr. made a motion to approve the agenda as presented. Commissioner Ember Davis seconded the motion.

Madam Chair Gurulé-Girón asked for a roll call. Roll call was taken and reflected the following.

Commissioner David Romero	Yes
Commissioner Ember Davis	Yes
Commissioner Barbara Casey	Yes
Commissioner Vince Howell	Yes
Commissioner David Ulibarri Jr.	Yes

Barbara Padilla re-read the motion and advised the motion carried.

**APPROVAL MINUTES**

Commissioner Barbara Casey made a motion to approve the minutes of the meeting on June 20, 2018 with corrections having been submitted and corrected. Commissioner Vince Howell seconded the motion.

Madam Chair Gurulé-Girón asked for a roll call. Roll call was taken and reflected the following.

Commissioner Vince Howell	Yes
Commissioner David Romero	Yes
Commissioner Barbara Casey	Yes
Commissioner Ember Davis	Yes
Commissioner David Ulibarri Jr.	Yes

Barbara Padilla re-read the motion and advised the motion carried.

**PUBLIC INPUT**

None at this time.

**PRESENTATION – HOUSING AUTHORITY FINANCE REPORT**

Natasha Martinez-Padilla, Financial Specialist presented the Housing Authority’s Revenue and Expenditure report for the month ending June 30, 2018. This completes the HA’s fiscal year. Mrs. Martinez-Padilla stated when looking at the revenue side, there is a big jump in Operating Subsidy. She stated this jump is due to the accrued receivables. The Operating Subsidy that is in the LOCCS account is on the accrual basis, not the cash basis, so at the end of the year the HA added back \$284,901. This is about 5 months that is still being held in the LOCCS account and has not yet been disbursed. This is the revenue earned for FY 2018. On expenditures, the HA stayed frugal and did not spend as much so as not to take down the cash balance. The HA ended up having \$1,098,085 in expenditures for the year.

Commissioner Vince Howell stated the dwelling rent looks pretty good. He asked if this is better than previous fiscal years. Mrs. Martinez-Padilla stated that last year the HA billed \$2,000 more. The dwelling rent is also on an accrual basis, so this is not what is received, but what is actually billed out. She stated it just depends on the income of families living in Public Housing. Some families pay flat rent, some pay income based rent and others receive a utility allowance. It is all based on their income and it fluctuates. Commissioner Howell asked about Other Income, which has increased. Mrs. Martinez-Padilla stated it did not increase from last year, it actually went down. She stated that is also on an accrual basis, which is a good thing. It means people did not have as many charges at move-out, meaning they are leaving the unit in better condition. Mrs. Martinez-Padilla stated the HA budgets low because we don’t expect the tenants to leave units with that many damages.

Commissioner Howell asked about Transfers In. Mrs. Martinez-Padilla stated that Transfers In is the \$10,000 transfer from General Fund for the repayment agreement and there was another one for \$68,585 that was the 2017 Capital Funds transfer. Commissioner Howell asked, regarding Operating Expenses, was the HA able to address any issues that happened throughout the year. Mrs. Martinez-Padilla stated the HA addressed all issues that came up. Mrs. Martinez-Padilla stated the HA had a cost savings of \$42,000 in employee expenses alone and \$146,428 in cost saving for operating. She stated this is mostly for Betterments and Improvements. This is the carryover money from the Homeownership Project. This is the money the HA will be using to turn over more units.

**PRESENTATION – PHAS SCORE**

Natasha Martinez-Padilla stated, the Public Housing Assessment System, or PHAS score report is from the US Department of Housing and Urban Development. She stated that they looked at the unaudited score back in December. This is after the audit came out. This is the score that takes everything into account after the audit. At the end of the year, the HA did not get 5 points for occupancy for the Capital Fund. The HA lost points in the management score for occupancy as well, and 1 point due to audit penalties in the financial score. She stated the HA is Substandard Management and until more units are put back online, and the HA brings back the units that were sold ineligibly, the occupancy will struggle.

She stated that for occupancy, HUD takes a snap shot at the end of the month showing how many units are vacant.

Commissioner Vince Howell asked if the HA has the goals on how to achieve a better score. Natasha Martinez-Padilla stated that after this score, the HA will receive a corrective action letter from the HUD analyst. The HA will have to put a plan together, which the HA has already begun and is implementing. From December to February, the HA went from 10 vacancies to zero vacancies. The HA has worked very hard to keep the units turned around and occupied within each month. Mrs. Martinez-Padilla stated that once the HA gets the 5 units off line from the De Minimis, this will also help improve the score, as well as the two units being rehabbed on Sandoval Street.

Commissioner Howell asked if there is a quarterly assessment so we know where the HA stands throughout the year. Mrs. Martinez-Padilla stated we don't, but the Interim Director does provide the monthly reporting, which goes over vacancies, work orders and such. This is a report the HA uses to keep track to make sure we stay on task. Commissioner Howell stated he has confidence that the Housing Authority staff will bring these scores up. Interim Director Padilla responded, this is something the staff strive for every month.

Commissioner David Ulibarri asked if the audit hurt the scoring a little bit. Mrs. Martinez-Padilla responded saying that the audit did hurt the score by one point because there was a significant deficiency due to 2 CFR 200. The reason for that finding was an "at cost" for all the appliances. The auditors requested a list of each appliance at cost and not depreciated value. She stated she is not sure how the materiality was calculated but that is what the finding was. There was a half point for significant deficiency and a half point for another area she is not sure about, because those questions go to the auditor.

Commissioner Casey asked for clarification saying, to increase the score, the HA must maintain maximum occupancy on a consistent basis. HA staff stated, yes. She asked how many units does the HA have that are not available to occupy. Mrs. Martinez-Padilla stated that as of today, there are 4 vacancies but the 19 boarded up units also have to be taken into consideration. Those units count against the HA every month. She stated she is not certain how the 17 units sold ineligibly are counted against the HA but she is almost positive those are counted against the HA as well. She stated that the 264 units the HA has control over right now will get us over the 94%. This still will not increase the management score, and the HA will still not get those 14 points. The one place the HA will get those points is at the occupancy rate for the capital fund. Other than that, the HA needs to work on getting back those 17 units and putting the other units back on line. She stated that is what the HA is doing right now. Interim Director Padilla reported that at this last snap shot at the end of July, the HA only had one vacant unit.

### **HOUSING DIRECTOR MONTHLY REPORT**

Interim Director Barbara Padilla reported that there are currently 5 vacant units that maintenance is working on, and we hope to have them all occupied within the month. She reported that the maintenance staff has been doing a really great job at getting those units turned around quickly, and the Waiting List Manager is finding families to put in those homes and get them housed before the end of the month.

Interim Director Padilla stated that this last fiscal year, July 1, 2017 through June 30, 2018, the HA had 43 families that moved out of Public Housing and 42 move-in's. These units were vacated and occupied throughout the year.

For Housing Management, the applications are being processed on a daily basis. The purge of the waiting list was completed and those who did not respond to the requests for updates will be removed from the waiting list. The Housing Managers continue their day to day operations. HA staff continues to attend the monthly safety training provided by HA. Interim Director Padilla stated the HA is still offering the "Smoke Free Cessation" classes to residents. The participants taking advantage of this free training are very excited about it. They are sharing their stories with us and the HA is very happy to be offering them help in this aspect.

The roofing project is ongoing in Housing. There are several units that have been completed. The two unit remod project began on July 2, 2018 and we hope to have them completed within the next 90 days. The HA will have 2 more units which were offline, put back online. The burned unit on Sagebrush is scheduled to be completed by next Wednesday.

Commissioner Casey stated that last night she attended a community meeting on substance abuse. She stated that two of the guest speakers are recovering addicts. She stated one of them mentioned she had applied for Housing and was turned down because she had a record, but has been in recovery for a long time. She stated that the other person got up and said she was also in recovery, but she was allowed to go into HUD housing here in Las Vegas because they reviewed her case and they found she had been off of drugs for 8 or 10 years. She asked, which is it, yes or no, and have those rules changed from 4 years ago, when the one who said she was given housing. She asked, did those change from a month ago. Interim Director Padilla stated, the HA does have the policy where their back ground is looked at but the completion of a recovery program is taken into consideration. She stated she does not know if the person who applied and was denied provided that information, because that may change things as far as the ban on criminal activity. She stated the previous policy went back 5 years and the new policy goes back 7 years. There are circumstances, such as if they do complete a recovery program that they are given the opportunity to be reconsidered. She stated perhaps this person needs to come in to speak with the HA, because we do want to be fair with everyone and they are given an opportunity for a second chance. Interim Director Padilla stated again there are different circumstances. Before an applicant is denied they are sent a letter stating there is a questionable background and they are given the opportunity to come in and meet with the staff and dispute any charges that may be on their police record, prior to being denied.

### **COMMISSIONERS REPORT**

Commissioner Ember Davis reported on the smoke free cessation class. She stated that there is one lady that is following through and is writing her letter, saying "goodbye to smoking". She has reported that the money she is not spending on cigarettes, she is going to be paying for her next month's rent.

Interim Director Padilla stated, we applaud her for that. It has been really great.

Commissioner David Romero stated he spoke to the city manager about some debris behind a unit between Sagebrush and the alley. Interim Director Padilla asked if he was talking about the large rubble or cement that is piled up. He stated yes. Natasha Martinez-Padilla stated the disposal of this needs to be quoted out, because it cannot be thrown away. She stated this fiscal year the HA will be getting quotes to have it removed.

### **EXECUTIVE SESSION**

None

**ADJOURN**

Commissioner Barbara Casey made a motion to adjourn the meeting. Madam Chair Gurulé-Girón stated she accepts the motion to adjourn. Meeting was adjourned.

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Madam Chair Tonita Gurulé-Girón

ATTEST

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Casandra Fresquez, City Clerk

**HOUSING DEPARTMENT-REVENUE COMPARISON  
THRU July 31, 2018-8% OF YEAR LAPSED (1 of 12 months)  
FISCAL YEAR 2019**

	A	B	C	D	E	G
	FY 2018	FY 2019	FY 2019	FY 2018	FY 2019	(E/B)
	BUDGET	BUDGET	YTD - BUDGET	YTD - ACTUAL	YTD - ACTUAL	% REV
DWELLING RENT	540,000	540,000	45,000	516,011	40,481	7%
OPERATING SUBSIDY	640,000	640,000	53,333	684,165	57,529	9%
HOUSING-OTHER INCOME	12,850	13,450	1,121	21,707	2,655	20%
TRANSFERS IN (CFP FUNDS)	78,585	68,000	5,667	10,000	833	1%
<b>TOTAL</b>	<b>1,271,435</b>	<b>1,261,450</b>	<b>105,121</b>	<b>1,231,883</b>	<b>101,498</b>	<b>8%</b>

(Other income includes: interest, late fee charges and unit repair materials)

**HOUSING DEPARTMENT- EXPENDITURE COMPARISON  
THRU July 31, 2018-8% OF YEAR LAPSED (1 of 12 months)  
FISCAL YEAR 2019**

	A	B	C	D	E	F	H
	FY 2018	FY 2019	FY 2019	FY 2018	FY 2019	FY 2017	(E/B)
	BUDGET	BUDGET	YTD - BUDGET	ACTUAL	YTD - ACTUAL	AVAIL. BAL.	% BDGT
EMPLOYEE EXP.	649,727	551,901	45,992	606,820	61,547	490,354	11%
OPERATING EXP.	637,693	791,982	65,999	491,265	1,778	790,204	0%
<b>TOTAL</b>	<b>1,287,420</b>	<b>1,343,883</b>	<b>111,990</b>	<b>1,098,085</b>	<b>63,326</b>	<b>1,280,557</b>	<b>5%</b>

**□ Governance Review:** The HUD team reviewed the CLV's Charter, Ordinances, Board minutes, policies, and (where possible) supporting materials. Based on this review, the review team reports the following:

**Finding 1:** A review of Board minutes reflect that governing body and CLV management do not understand federal rules and regulations applicable to the programs. Board packets do not contain the information necessary for robust discussion of the financial and operational condition of LVHA. There is little to no discussion of changes in the regulatory environment stemming from new rules, Notices, assessment programs, etc. Minutes also reveal that Board members do not understand their role and appropriate relationships with current and potential tenants, vendors, and LVHA employees.

- **Regulatory citation:** 42 U.S.C. 1437; ACC; 24 CFR 905.108
- **Corrective action(s):** All Board members will complete Lead The Way training no later than February 28, 2018.

**Response: Incomplete.** The response does not include documentation confirming that all Board members have completed the training. Our office confirmed completion for Councilors Casey, Howell, Romero and resident commissioner Ember Davis.

**Finding 2:** CLV disposition policy and procedures are not detailed enough to properly dispose of assets. Although the Board may have approved a policy stating they may dispose of assets, there is no detail on how to dispose, other than the policy stating "approved to dispose of assets."

- **Regulatory citation:** 2 CFR 200.307; 2 CFR 313; 24 CFR 903.7(q)
- **Corrective action:** CLV Finance Manager will review and update the policy and procedures that will effectively execute the disposition of assets that staff can refer to and understand the procedures. Provide a Board-approved Policy and Procedure no later than February 28, 2018.

**Response: Incomplete.** The response included a copy of NMSA 13-6-1. This is a state statute, not a CLV policy and procedure.

**Finding 3:** CLV could not document that effective budget controls are in place, implemented, and revised, if necessary. The FYE June 30, 2018 Budget was not prepared timely by the CLV Finance Department which led to failure of the Board to approve an operating budget before the deadline of June 30, 2017. There is no evidence that the budget is used to review, monitor, and, if necessary, adjust expenses. Many budget line items had significant variances to actual results, yet no budget revisions were done.

- **Regulatory citation:** 24 CFR 990.285
- **Corrective action:** The CLV Finance Manager must revise the policy and procedures to ensure enough time to review and approve the budget for the upcoming fiscal year. In addition, a Board-approved Budget Policy should also mandate the Board's monthly review of the budget and discussion of any significant line items deviations. Board meeting minutes should document such discussions/revisions. Provide a Board-approved Policy and Procedure no later than February 28, 2018.

**Response: Incomplete.** The response included a copy of a memorandum from the Department of Finance and Administration which included recommendations based on state statutes for municipalities. This is not a CLV policy and procedure.

**Finding 4:** The LVHA Admissions and Continued Occupancy Policy is dated 2009. The document states that there will be at least annual review and update. There is no record of any update other than in 2014 for flat rents.

- **Regulatory citation:** 24 CFR 960.202
- **Corrective action(s):** The LVHA ED will prepare a draft ACOP no later than February 28, 2018 so that it can be made available for public comment and feedback along with the 2018 PHA Annual Plan.

**Response: Complete.** The response included a copy of the draft ACOP. The ACOP was approved by the Board after completion of the public comment period.

**Finding 5:** The CLV lacks a written internal control policy. Currently a form is used for budget transfer requests. The CLV ordinances address budget management.

- **Regulatory citation:** 24 CFR 990.285
- **Corrective action(s):** The CLV Finance Manager must establish internal control policies and procedures to ensure federal funds are safeguarded from fraud, waste and theft. Provide a Board-approved Policy and Procedure no later than February 28, 2018.

**Response: Incomplete.** The response included a draft internal control policy and procedure.

**Financial Management Review:** The HUD review team reviewed the CLV's bank records, general ledger records, payroll records, insurance policies, and (wherever possible) supporting materials. Based on this review, the review team reports the following:

**Finding 6:** During our review of special tests and provisions, we found the Depository Agreement, form HUD-51999, was not established with the financial institution maintaining the LVHA deposits. CLV is not in compliance with HUD requirements which requires the PHA to enter into a depository agreement with their financial institution. The agreement serves as a safeguard for federal funds and provides third-party rights to HUD.

- **Regulatory citation:** 2 CFR 200.305; Notice PIH 96-33
- **Corrective action(s):** The CLV Finance Director will immediately obtain the necessary signatures on the form HUD-51999. Copies of the agreements will be provided to HUD and to LVHA.

**Response: Complete.** The LVHA provided copies of executed forms HUD-51999.

**Finding 7:** During our review, we found that CLV doesn't have the required collateralization agreement in place with their financial institution. Any financial institution designated as a depository of public money requires a collateral pledged for 100 percent of deposits in excess of the federal deposit insurance.:

- **Regulatory citation:** 2 CFR 200.305; Notice PIH 96-33
- **Corrective action(s):** The CLV Finance Director will prepare a collateralization agreement that ensures all funds will be 100% collateralized. Copies of the agreement will be provided to LVHA and HUD.

**Response: Complete.** The LVHA provided copies of the collateralization agreements.

**Finding 8:** The CLV does not have policies and procedures in place to ensure that charges to the program are for eligible expenses. On at least two occasions, the ED used program funds for ineligible expenses. The Public Housing fund was charged for the paralegal dues for the ED, who also certified to the State Bar that her employment was substantially based in legal work. The ED charged the program funds for mileage and twelve hours of travel time for a two-hour meeting in the Albuquerque HUD office. The ED informed HUD staff that she had brought a family member with her on the trip. HUD staff confirmed that the LVHA vehicle was available for the ED's use on that date.

- **Regulatory citation:** 24 CFR 990.285
- **Corrective action(s):** The ED will reimburse the public housing program funds for the cost of her paralegal dues, and for the costs of travel to and from the HUD office in her personal vehicle. The CLV Finance Manager will establish policies and procedures for review of expenses charges to the program to determine eligibility. Provide a Board-approved Policy and Procedure no later than February 28, 2018.

**Response: Incomplete.** The response included documentation showing that the CLV transferred the costs of the ED's personal use of public funds from the LVHA operating account to the CLV general fund. Moving the ineligible expenditures from one source of public funds to another does not resolve the issue. Further, the CLV did not provide a Board-approved Policy and Procedure for review of expenses charged to the program.

**Finding 9:** The CLV does not maintain proper controls over payroll allocations and travel claims of the Executive Director. The CLV Paralegal position appeared on the LVHA payroll ledger with the pay period beginning July 22, 2017. The Paralegal was appointed to the LVHA ED position on August 14, 2017, effective with pay period beginning August 19, 2017. On September 25, 2017, the ED charged the program for twelve hours of travel time for a two-hour meeting in the Albuquerque HUD office.

- **Regulatory citation:** 24 CFR 990.285
- **Corrective action(s):** The CLV will reimburse the public housing program for the ED's time charged for travel in excess of the amount necessary to travel from Las Vegas to Albuquerque and back, plus the two hours the ED was meeting with HUD staff. The CLV City Manager will establish policies and procedures for review of the LVHA ED time and attendance. Provide a Board-approved Policy and Procedure no later than February 28, 2018.

**Response: Incomplete.** The response included documentation showing that the CLV transferred the costs of the ED's personal time charged as business-related travel from the LVHA operating account to the CLV general fund. Moving the ineligible expenditures from one source of public funds to another does not resolve the issue. Further, the CLV did not provide a Board-approved Policy and Procedure for review of the ED's time and attendance.

**Finding 10:** The CLV was unable to provide the required insurance policies and proof of insurance.

- **Regulatory citation:** 2 CFR 200.310; 24 CFR 965.205
- **Corrective action(s):** The CLV Finance Director will provide copies of insurance policies to the HUD Field Office no later than February 28, 2018.

**Response: Complete.** The response included a copy of the CLV policy with the New Mexico Self Insurers' Fund.

**Finding 11:** During our review, we found that CLV doesn't maintain the required budget line-item crosswalk to properly prepare the HUD Financial Data Schedule according to HUD budget line items. The CLV may use its own chart of accounts during the fiscal year, however the Finance Department must have procedures in place to properly prepare the balance sheet and income statement for submission to HUD's Real Estate Assessment Center. As a result, the Financial Data Schedule submissions for the past three fiscal years are incorrect.:

- **Regulatory citation:** 2 CFR 200.405; ACC
- **Corrective action(s):** The CLV Finance Director will prepare a chart of accounts crosswalk to ensure that all balance sheet and income statement accounts established in the CLV accounting system are properly transferred to the correct HUD budget line items in the Financial Data Schedule submission. The CLV Finance Director will provide a copy of the crosswalk to the HUD Field Office no later than February 28, 2018.

**Response: Complete.** The response included an accounts crosswalk that was substantially complete. Minor revisions were recommended during the on-site follow up in March 2018.

**Public Housing Operation:** The HUD review team reviewed the LVHA's policies, procurement, operating procedures, applicant and tenant files, utility allowance schedule, flat rent schedule, Capital Fund grant management, and (wherever possible) supporting materials. Based on this review, the review team reports the following:

**Finding 12:** The LVHA policy to deny applicants for drug-related criminal activity is out of date. The policy references the One Strike rule, which was replaced in 1998. Questions on the application for admission and recertification cover use of illegal drugs, but omit questions about the presence of sex offenders in the household.

- **Regulatory citation:** 24 CFR 960.204
- **Corrective action(s):** The ED will update the application for admission and recertification in conjunction with the required update to the ACOP.

**Response: Complete.** The response included a copy of the LVHA Crime Free Policy adopted February 21, 2018.

**Finding 13:** The financial management policies and procedures established for LVHA by CLV are not detailed enough to ensure compliance with HUD rules and regulations. The existing financial management policy and procedures cover the basic requirements of Generally Accepted Accounting Principles (GAAP).

- **Regulatory citation:** 24 CFR 5.801
- **Corrective action(s):** The ED will review and update the financial management policies and procedures to address those functions performed by LVHA staff. Provide a Board-approved Policy and Procedure no later than February 28, 2018.

**Response: Incomplete.** The response included a draft financial management policy and procedure.

**Finding 14:** The LVHA does not have a current Physical Needs Assessment. The last formal Physical Needs Assessment was conducted in 2008, with an Energy Audit in 2011. Staff complete an annual walk through of the units.

- **Regulatory citation:** 24 CFR 905.300(a)
- **Corrective action:** The ED will procure a comprehensive Physical Needs Assessment and Energy Audit. This document will be used to prepare the next Five-Year Capital Fund Action Plan, which will be posted for public comment and feedback in accordance with HUD regulations.

**Response: Complete.** The response includes a copy of the purchase order for completion of a comprehensive Physical Needs Assessment.

**Finding 15:** The LVHA did not meet the 2015 Capital Fund Replacement Housing Factor grant obligation deadline. The 2016 Capital Fund Modernization grant and Replacement Housing Factor grant obligation deadline is only four months away, and steps have not been taken by the Board and ED to ensure these funds are obligated on time.

- **Regulatory citation:** 24 CFR 905.322
- **Corrective action:** The ED must immediately proceed with necessary procurement activities to ensure contracts are in place before the obligation deadline. The Board must ensure that meetings are held timely as needed to approve procurement activities and contract approvals.

**Response: Complete.** The obligation deadline was met. The Board has approved contracts sufficient to obligate 90 percent of the grant funds by the deadline. Failure to meet the deadline will result in a penalty to the next Capital Fund grant award of 1/12 of the grant amount beginning on April 13, 2018, and an additional 1/12 per month until the 2016 grants reach the 90 percent threshold.

**Finding 16:** The LVHA does not have check meters on master-metered utilities.

- **Regulatory citation:** 24 CFR 965.508
- **Corrective action(s):** The ED must prepare a cost estimate for installation of check meters on all utilities provided via a master meter system. Once the cost estimate is completed, the ED must determine the best funding mechanism for installation of the check meters.

**Response: Complete.** The response included a reasonable cost estimate for installation of check meters. Minor revisions were made during the on-site visit in March to add the savings from excess use consumption charges to tenants. The installation project will be included in the Five-Year Capital Fund Action Plan.

**Finding 17:** The LVHA has not updated the flat rent schedule since 2014. Tenants must be offered the opportunity to choose between the current flat rent established according to HUD regulations, and the income-based rent at each annual recertification.

- **Regulatory citation:** 24 CFR 960.253
- **Corrective action(s):** The ED must update the flat rent schedule in accordance with the current HUD guidance found at PIH Notice 2017-23. The new schedule must be submitted to HUD for review no later than February 28, 2018.

**Response: Complete.** The response included a copy of the updated flat rent schedule. Please provide a copy of the executed Board resolution adopting the flat rents.

**Finding 18:** The LVHA is not maintaining its waiting list in a manner that provides the family income categories, resulting in a violation of the statutory requirement to target assistance to families whose income is at or below 30 percent of the Extremely Low Income (ELI) category.

- **Regulatory citation:** 24 CFR 960.202
- **Corrective action(s):** The ED will create policies and procedures for maintaining the waiting list to ensure that all statutory and regulatory requirements are met. The ED will conduct quality control reviews of a sample of files each quarter to ensure requirements are met. Provide a Board-approved Policy and Procedure no later than February 28, 2018.

**Response: Complete.** The response included a copy of the policy and procedures for tracking and admitting extremely low-income families in accordance with HUD requirements. HUD will continue to monitor the admissions process to ensure compliance.

**AUTHORIZING THE START AND APPROVING OF THE TRANSFER  
FOR THE LAS VEGAS HOUSING AUTHORITY**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY CITY OF LAS VEGAS, HEREBY AUTHORIZES THE START AND THE APPROVING OF THE TRANSFER OF THE LOW RENT PUBLIC HOUSING PROGRAM OF THE HOUSING AUTHORITY CITY OF LAS VEGAS (NM007) TO THE RATON HOUSING AUTHORITY (NM008); AUTHORIZING THE START AND APPROVING OF THE TRANSFER OF REAL AND PERSONAL PROPERTY OF THE HOUSING AUTHORITY CITY OF LAS VEGAS TO THE RATON HOUSING AUTHORITY; SUBJECT TO THE APPROVAL OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD).**

**WHEREAS**, it is mutually agreed that the Las Vegas City Board of Commissioners approves the transfer of the Annual Contributions Contract from the Housing Authority City of Las Vegas to the Raton Housing Authority and;

**WHEREAS**, the transfer is contingent on the final approval of the United States Department of Housing and Urban Development.

**NOW, THEREFORE, LET IT BE KNOWN** that the Council Members of the City of Las Vegas Housing Authority hereby approves the transfer.

**PASSED, APPROVED AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2018

\_\_\_\_\_  
Mayor of the City of Las Vegas

\_\_\_\_\_  
City Clerk

**AUTHORIZING THE HOUSING AUTHORITY OF THE CITY OF RATON  
TO FUNCTION WITHIN THE CITY OF LAS VEGAS**

**A RESOLUTION BY THE CITY OF LAS VEGAS HEREBY PERMITS THE HOUSING  
AUTHORITY OF THE CITY OF RATON TO PROVIDE LOW RENT PUBLIC HOUSING  
WITHIN THE CITY LIMITS OF LAS VEGAS, NEW MEXICO.**

**WHEREAS,** The City of Las Vegas Board of Commissioner authorizes the City of Raton Housing Authority to provide low rent public housing within The City of Las Vegas.

**WHEREAS,** this enables The City of Raton Housing Authority to operate within the jurisdiction of The City of Las Vegas.

**NOW, THEREFORE, LET IT BE KNOWN** that the Council Members of the City of Las Vegas Housing Authority hereby approves the operation.

**PASSED, APPROVED AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2018

\_\_\_\_\_  
Mayor of the City of Las Vegas

\_\_\_\_\_  
City Clerk

SUMMARY OF CONFERENCE CALL BETWEEN  
THE ALBUQUERQUE HUD FIELD OFFICE AND THE CITY OF LAS VEGAS

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Monday July 30, 2018

2:00 PM

**Topic of Discussion:**

**Transfer of Las Vegas Housing Authority with the Village of Raton Housing Authority**

**Conference Call Attendees:**

Ann Marie Gallegos - Interim City Manager

Tana Vega – Interim Finance Director

Barbara Padilla – Interim Public Housing Director

Natasha Padilla – Financial Specialist/Office Manager

Mandy Griego – HUD – Representative

Julian J. Barela – HUD – Representative

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- Opportunities to move forward with Development and other HUD programs have become stagnant.
- Current liabilities of the City of Las Vegas hamper efforts to bring additional resources for the residents of Las Vegas.
- Opportunity to move forward with Development. Las Vegas Housing Authority is well below their Faircloth limit which leaves room for growth and possibility of new and improved housing in the City of Las Vegas.
- Residents and tenants of the City of Las Vegas will benefit from any new Development or new programs like the Family Self-Sufficiency Program (FSS).
- One consolidated housing agency can demonstrate greater need when requesting grant funding.
- A larger housing agency (with High Performer designation) would be eligible for larger performance incentives (increased modernization funds).
- Implementation of a Homeownership program and an increased Family Self Sufficiency program will give the consolidated agency higher points in the grant rating process making it more likely that grants will be awarded.
- One housing agency would provide consistent policy resulting in fewer resident and landlord complaints to the local governments and HUD.
- Less time and money required to administer the housing programs. Costs will be less for audits, fee accounting, Software programs, materials and supply purchases, A&E fees, Contractor overhead.

- The savings realized, which can be used to fund a full-time staff position for Homeownership, Family Self-Sufficiency outreach and grant writing activities.
- One agency could better use its resources to coordinate with Youthbuild and other CDBG and Regional programs to enhance the services and efficiency of the modernization and development programs.
- Input through communication with City of Las Vegas and the Housing Authority is still available because of the good working relationship and coordination. Any new Construction, development, and positive publicity can be shared with the City. Example: Ribbon cuttings on breaking ground for new construction as well as implementation of any new HUD programs can be shared with the City of Las Vegas.
- The City of Las Vegas will review sample resolutions provided by HUD and place on the next possible agenda for further discussion and approval.

Good morning Ann Marie,

Below are excerpts from HUD's Notice 2014-24, which outlines the process of transferring the Annual Contributions Contract from one PHA to another. The first step in the process is for Council to pass the Resolution authorizing the activities related to the transfer. Once that has taken place, staff work to gather the additional information and documents to submit the package to HUD. As we discussed on Monday, the first submission is due 120 days prior to the requested effective date. If we move toward a 6/30/2019 effective date, the package would be due March 1, 2019. That allows six months to put the package together, which I think is reasonable. Below are the items required to be included in the package. Our office recommends that the initial resolution authorizing the activities also included a directive to enter into a management agreement with the Receiving PHA so that staff from both agencies can work together for a smoother transition process.

1. Letter from the receiving PHA and a letter from the divesting PHA requesting the transfer be processed; Receiving PHA name and PHA Code; Divesting PHA name and PHA Code, and Reason(s) for transfer submitted by receiving PHA;
2. Resolution by the receiving PHA's governing body agreeing to the transfer and accepting the Public Housing program, developments, or units, as appropriate, of the divesting PHA;
3. Opinion from the receiving PHA's counsel that the requested transfer is compliant with State and local law, that the transfer is permitted under State enabling legislation, and that the receiving jurisdiction is permitted to operate in each divesting PHA's jurisdiction;
4. Inventory of projects and units to be transferred, including PIC development grouping (formerly known as an Asset Management Project or AMP) numbers and the buildings and units associated with each number required by HUD, including submission of final audits and financial statements;
5. Resolution of each divesting PHA's governing body agreeing to transfer its program to another PHA and to complete all transfer actions;
6. Resolution or ordinance, as appropriate, by each divesting PHA's enabling jurisdiction assigning the HUD programs to the receiving PHA, permitting the receiving PHA to function in its jurisdiction, and agreeing to complete all transfer actions required by HUD;
7. Opinion from the counsel of the divesting PHA making representation of any Court orders, consent decrees, State or local receiverships or similar status, unsatisfied judgments against it, and any known potential or pending legal actions; any unusual or large liabilities, including but not limited to pension liabilities, unpaid settlements, and insurance claims; and any administrative or enforcement matter, such as an unresolved letter of findings under any fair housing or civil rights authority or a currently effective Voluntary Compliance Agreement (VCA) or Inspector General audit;
8. Statement from the divesting PHA identifying any Public Housing demolition, disposition, or conversion actions that are pending approval, have been approved but not implemented, and those that have been completed for which deed restrictions, use agreements, reverter clauses, or other similar restrictions have been recorded;
9. Statement from the divesting PHA identifying and describing all instrumentalities, affiliates, and nonprofit entities of the PHA, which have an interest in any developments or units of the Public Housing program being transferred to the receiving PHA;
10. Statement from the divesting PHA identifying any non-HUD programs that may have an impact or be impacted by the transfer.

You can read the entire Notice at the following link. <https://www.hud.gov/sites/documents/14-24PIHN.PDF>

I am also attaching a summary of the City's response to the compliance review to date. I know there have been questions from Council during monthly meetings about whether all findings have been addressed. The attached document should be helpful in answering those questions. Please let me know if you need any additional information.

Thank you,  
Mandy Griego  
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