



CITY HALL • 100 STATE STREET • BELOIT, WI 53511

**MINUTES
BELOIT EQUAL OPPORTUNITIES
AND HUMAN RELATIONS COMMISSION**

Wednesday, June 17, 2015 at 5:45 PM

1. Call to Order and Roll Call

Vice Chairperson Zoril called the meeting to order at 5:52pm. Commissioners Hansen, Howland, Weaver, and Council representative Sloniker were present. Commissioner Perreault was excused.

2. Approval of Minutes of the April 15, 2015 Meeting

Commissioner Howland moved to approve the minutes. Commissioner Weaver seconded the motion. **The motion carried (4-0).**

3. Public Participation

Manuel Casares, both a landlord in Beloit as well as a Commissioner for the Community Development Authority (CDA), spoke to the Commission. He stated that he believes the focus needs to be on assisting renters obtain mortgages and become first time homeowners instead of adding more subsidized housing in the area. He referenced the work done by the Neighborhood Housing Services as far as assisting families move off of the Section 8 list and obtaining mortgages.

Councilor Sloniker responded to Mr. Casares. She informed him of the two seminars that were presented by Blackhawk Bank (one in English and one in Spanish). They were held in April 2015 to address the issue of obtaining a mortgage through Blackhawk Bank.

Matt Finnegan, a resident at 2212 Knollview Drive and a landlord in Beloit, also addressed the Commission. He wished to emphasize what has been occurring in regards to subsidized housing in Beloit. Mr. Finnegan stated that the Section 8 vouchers do not provide sufficient means to offset the cost of maintenance, taxes, insurance, and other fees of rental houses. According to Mr. Finnegan, the cost of his units, as well as other landlords, are above what Section 8 has chosen as a Fair Market Rent. He also explained that there is a range for Section 8 and that Beloit seems to be operating on the lower end of the voucher amount. Mr. Finnegan also stated that, while he understands that more units being rented would be more beneficial for administrative financing, he believes that a lower number of units with a higher quality of living would result in a better situation. He also vocalized his support for Veteran specific housing support.

Commissioner Hansen asked Mr. Finnegan if he had had any experience with Section 8 families calling with only a short time left available on their voucher.



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Mr. Finnegan stated that he has had families calling, desperate to utilize their voucher before it expired.

Mr. Leon Foxen, 10703 South Hickory Court and a landlord in Beloit, also addressed the Commission. He stated that as a landlord, he would rather not have Section 8 tenants. If he does, then his rental units are due for an inspection every year instead of every three years. He also earns a greater profit without Section 8 tenants. Mr. Foxen stated that he has two bedroom units available for rent but many vouchers are only good for a one bedroom. He believes that the rent vouchers should be increased to accommodate what is available in the Beloit Housing market. Another issue Mr. Foxen faces is the low utility allowance for stoves and refrigerators and would like to see the rate increase.

4. Discussion of Annual Strategy to Address Impediments to Fair Housing

Mrs. Teri Downing, the Community and Housing Services Director, presented the staff report and recommendations.

Commissioner Howland asked Mrs. Downing what changes she could foresee needing to be done to the 2015 strategy. Mrs. Downing addressed each of the strategies from the 2014 version and what had been and what has not been done thus far in 2015.

Commissioner Howland stated that he believes the Commission should continue with the appropriate actions from the 2014 Strategy and implement new actions for the 2016 Strategy. Commissioner Hansen moved to work on the 2016 Strategy. Commissioner Weaver seconded the motion. **The motion carried (4-0).**

5. Discussion of Housing Choice Voucher Payment Standards (Section 8)

Julie Christensen, the Director of Community Development and the Executive Director of the CDA, which is the governing board of the Beloit Housing Authority (BHA), spoke to the Commission. She explained that HUD permits Housing Authorities to pay 89 to 94% of the published Fair Market Rent (FMR). The Housing Authority is at the highest level at 94%, partially due to the amount of people on the waiting lists. According to Ms. Christensen, some communities are able to request higher rates if they have a short waiting list.

Ms. Christensen also addressed concerns regarding high concentrations of Section 8 units in the City. She explained the findings of a study done of the locations of rental and Section 8 units in Beloit. The most significant finding is that concentration does exist; however, it is not nearly as severe as they seem. There are no census tracts with over 15% of Section 8 units.

Ms. Christensen explained, in regards to the vouchers expiring, the BHA does grant extensions of time to those individuals/families that were actively searching during the allotted time. However, that is not usually the case when the vouchers are close to expiring.



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She also explained the process of municipalities receiving vouchers. The Housing Authority is graded, per say, on the number of active vouchers. If rent rates were increased, and fewer units were rented, the City of Beloit would receive less money from the federal government for Section 8. She also explained HUD's rules in terms of there being two separate accounts for Administrative expenses and another for HAP payments. The funds from each account are only to be distributed to their respective intended activities.

Mrs. Downing addressed the request to have a higher utility allowance. She stated that the allowance is for the tenant, not the landlord. It is not intended for the landlord to maintain the refrigerator and stove.

Ms. Christensen explained the situation regarding veterans in the Beloit area. She stated that HUD expects the local Housing Authorities, nationwide, to make it a point to provide veterans with a priority status for the vouchers Housing Authorities are already receiving.

Commissioner Howland inquired into the number of individuals on the waiting list. Ms. Christensen did not have a specific number but she did estimate anywhere from 400-500 individuals/families are on the waiting list. She stated that there is a priority for local applicants; however, there are individuals from other cities that want to be added to the Beloit list. She also explained the process of using BHA vouchers vs. WHEDA vouchers.

Commissioner Howland asked about how long the process of obtaining a voucher might take. Ms. Christensen explained that it can take several years and that the local preferences also affect an individual/families placement on the list. For example, preference is given to individuals living/working/schooling in the 53511 area, 0-30% income, disability, domestic violence, etc.

Commissioner Howland inquired into how often individuals transition off of Section 8. Ms. Christensen explained that there are different circumstances for each situation. There are a few families/individuals that leave each month when their income level is high enough that they no longer need Section 8 assistance. There are some that do not follow the program rules. She explained that the goal of Section 8 is to be transitional assistance, not long term. There are some elderly participants as well as handicapped and/or disabled families/individuals that are on Section 8 for long term.

Commissioner Howland asked if there were any correlation between Section 8/Housing and the high turnover rates of students at schools. Ms. Christensen stated that there are a large number of rental units and families move a great deal.

Commissioner Weaver asked if there were a connection between a workforce development program and earning enough money to no longer require Section 8 assistance. Mrs. Downing explained that there is a Family Self Sufficiency (FSS) coordinator available to assist individuals/families obtain self-sufficiency and no longer need public assistance. Ms. Christensen expounded on Mrs. Downing's information



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stating that through the BHA the FSS staff holds group sessions on budgeting and life skills. They also offer advice on personal choices and extracting themselves from domestic violence situations.

Vice Chairperson Zoril inquired into the number of individuals/families that are on Section 8 as well as why the number of vouchers can be lower than the average of 598. Ms. Christensen did not have the exact numbers available but could obtain them from the Housing Authority. She explained that the number of vouchers can be lower due to the amount of money the Housing Authority receives. In the past, the federal government has not been consistent with the amount of funds or the time that they distribute those funds. This makes it difficult for the Housing Authority to budget for the current fiscal year and forces the BHA to budget based on the previous years.

Chairperson Zoril inquired as to whether individuals/families can submit their names to different cities for Section 8. Ms. Christensen confirmed that this is permissible and people have done this. She also confirmed that the vouchers are portable and this also creates a monetary hardship for the BHA. For example, if an individual receives a voucher in Beloit, and then decides to move to Florida where the cost of living is higher, the Beloit Housing Authority then becomes responsible for the rent in Florida until the Housing Authority in Florida can absorb that individual into their program.

Chairperson Zoril asked if there were a way in which the program could become more stabilized, for example, mandating leases that last over a year before individuals/families can leave the Beloit area. Ms. Christensen explained that the Beloit Housing Authority does not have the authority to alter the program due to the fact it is a federal program.

Chairperson Zoril asked if there were any information available on participants that are permanently on the program. Ms. Christensen stated that there is no way of definitively obtaining that information. Mrs. Downing provided further information regarding the FSS program and the money that is deposited into an escrow account. The money in escrow can be utilized by the participant to remove obstacles from moving forward (i.e. books, vehicle maintenance, etc.). Ms. Christensen explained that there is a homeownership program option where participants can use their Section 8 to purchase their own home. She also explained how and where the fair market rent information was obtained.

Commissioner Hansen asked where the information regarding fair market rent was published. Ms. Christensen explained the process of obtaining that information and the best way to receive current data.

Commissioner Hansen asked for clarification on why the number of vouchers could not be decreased to increase the rent amounts. Ms. Christensen explained that if the Housing Authority does not stay within the 598 range, funding is decreased the next year, regardless of whether or not the rent amounts increased. Commissioner Hansen also asked how the BHA deals with 1 bedroom units versus 3 bedroom units and the differing rent amounts there. Ms. Christensen stated that this difference is something that the BHA



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takes into consideration when vouchers become available. She also explained that the federal government has been cutting funds for portable vouchers and focusing more of their efforts on project based programs.

Chairperson Zoril asked if there were a limit on how far the federal government could cut funding if the voucher rates were increased and the number of participants decreased. Ms. Christensen stated that she is unaware of that information. Chairperson Zoril also asked if it were possible to prohibit new participants from receiving Section 8. Ms. Christensen explained once again that if the number of participants decreases, then the amount of federal funding would also decrease. She also explained that due to HUD regulations, the Beloit Housing Authority cannot go over the 94% rate for rent.

Mrs. Downing asked Ms. Christensen to explain Horizon/WHEDA vouchers. Ms. Christensen explained what had occurred with WHEDA and the Housing Authority.

6. Commissioner Comments and Upcoming Events

Commissioner Hansen informed the Commission of an event he attended the past weekend. Community Action held a luncheon at their community garden. He stated there was a good turn-out of community members.

Chairperson Zoril stated that he had attended the workshop with Blackhawk Bank, along with Commissioners Sloniker and Weaver. He believes that it was extremely informative and beneficial. Commissioner Weaver agreed and stated that she believed better marketing would increase the attendance numbers. There were between 4-6 participants at each session and that there was a diversity of the participants.

7. Next Meeting Date: August 19, 2015

Mrs. Downing reminded the Commission that the Chair and Vice Chair will be elected at the August Meeting and that there is a new Commissioner, Grace Lee, who should be present at the next meeting.

8. Adjournment

Commissioner Howland moved to adjourn. Commissioner Weaver seconded the motion. **The motion carried** and the meeting adjourned at 6:59pm.

Respectfully submitted by Ashley Rosenbaum

Date approved by EOC

Teri Downing,
Director of Community and Housing Services