

**Special City Council
Meeting Minutes
July 13, 2004**

A special meeting of the Fayetteville City Council will be held on **July 13, 2004 at 6:00 p.m. in Room 219** of the City Administration Building located at 113 West Mountain Street, Fayetteville, Arkansas.

PRESENT: Alderman Reynolds, Thiel, Cook, Marr, Rhoads, Davis, Lucas, Jordan, Mayor Coody, City Attorney Kit Williams, City Clerk Sondra Smith, Staff, Press, and Audience.

Mayor Coody called the meeting to order.

Alderman Lucas and Thiel were absent during roll call only.

Alderman Davis moved to suspend the rules and add the School Street Improvements to the agenda. Alderman Cook seconded the motion. Upon roll call the motion passed 7-0. Alderman Lucas was absent during the vote.

School Street Improvements: A resolution approving the improvement schedule for School Avenue from Archibald Yell Boulevard to the intersection with Mountain Street; and approving a budget adjustment in the amount of \$278,000.00 for same.

Gary Dumas, Director of Operations: At the last meeting we had a PowerPoint presentation on the proposed School Street improvements. We had a Street Committee meeting yesterday afternoon to discuss this, just prior to that we had a meeting with the contractors of the library and they had some particular issues on timing for this intersection. That is why this is before you tonight instead of waiting a week. Their issues are that they are in the process now of lying curb and gutter on the Mountain Street and School intersection. There will be some changes to that configuration if the Council approves the proposals that were outlined in the presentation last night and last week. What we have before you is that item and the budget adjustment to accommodate that. There are three parts to the project, one is the Archibald Yell, School intersection, which essentially we have enough budget capacity already within the existing CIP and then the transportation overlay program, to accommodate that improvement except for some of the enhancements, to turn that intersection into a gate way. It will be a much safer gate way because we are removing five points of conflict down to two. The second issue is pedestrian safety and aesthetics at the Mountain and School intersection. The issue there is whether to brick the intersection and brick the crosswalks, very similar to Dickson Street with small pedestrians bump outs narrowing the street, providing some traffic calming and reducing the amount of space that pedestrians have to cross the street to the library. The Street Committee considered that last night and recommended brick crosswalks and an asphalt intersection with a four way stop sign. The third element is street lighting on School Street, which is by far the most

expensive part of the entire project. I think that if we are trying to create an entry way into the library and Dickson Street we need to continue the improvement that we began at the library, continue them down to Archiball Yell to create a very significant gate way. There is a budget adjustment included that's for \$278,000 and the agenda packet indicates how well that money would be utilized.

Alderman Davis: I assume in your dollar amount you have gone back and calculated all the cost with inclusion of the brick and asphalt versus the brick and brick, is that correct?

Gary Dumas: Yes, the brick and asphalt is the \$278,000 that was our recommendation, the brick and brick would have added about \$55,000.

Alderman Davis moved to approve the resolution. Alderman Marr seconded the motion. Upon roll call the resolution passed unanimously.

Thank you very much; I'm sure the contractor and the library appreciate this.

Resolution 101-04 as Recorded in the Office of the City Clerk.

NEW BUSINESS:

A discussion of the Fayetteville Housing Authority Board:

Mayor Coody: Would you bring us up to date on the letters that you sent out.

Sondra Smith, City Clerk: We sent certificated letters, return receipt out to all the members of the Board, we have one member that since resigned, Dusty Miller, we received back notice that they did receive their certified letters. I believe the two remaining members are here tonight.

Mayor Coody: Kit since we have never done this before what are the parliamentary rules on how we go into this?

Kit Williams, City Attorney: Certainly you are doing it correct by beginning this in open session, if you wish to adjourn into an Executive Session you can. You can invite the person that you are considering the personnel action about back in with you, if they chose to go, they can go back one at time. They should not both be back there at the same time, only the City Council and the Mayor will be in the Executive Session and one of the commissioners, if they so choose to go back there. I have some handouts of my previous memos so that you can see what the law says about that and what you should do. I could note also for the record that I think the Little Rock office of the Housing and Urban Development has a representative here that might wish to address the Council concerning their history with this particular Fayetteville Housing Authority and maybe bring you some facts that you might not be aware of. He is here tonight; he came up from Little Rock so that he could address you.

Jess Jesse Westover, Public Housing Director for the U.S. Department of Housing and Urban Development: I basically am responsible for the management and performance oversight of 108 Housing Authorities in the State of Arkansas. The reason that I am here tonight is basically to support Ms. Janet Richardson as the Board Chair of the Housing Authority. During the past few years I have been personally involved as a Public Housing Director to work with the Housing Authority in guiding the Board through some changes.

I would like to give a little history about what our involvement has been and bring you up to speed as to where we are today. In early 2002 I had previous conversations with city representative Yolanda Fields at a housing conference relative to the role of the Housing Authority in working with the city regarding meeting and addressing affordable housing needs. The department at that time was also considering working with the Housing Authorities through the PHA's annual plan that they have, they have a Section Eight Annual Plan and they have a public housing plan, how that works in leveraging with the cities consolidated plan. During that same time we had some concerns as to performance of the management of the Housing Authority relative to an occupancy policy issue that kind of triggered my concern in regards to management of the Housing Authority that we then put on our radar.

Mayor, if you recall in July 31, 2002, Ms. Jackson and I paid a visit to the City of Fayetteville along with three other cities in this area which was Fort Smith, Springdale and Rogers in a effort to promote, again what I was talking about in regards to working with the cities, to implement the PHA's plan and consolidated plan to address the citywide and communitywide needs of affordable housing. It is a big initiative and still is a big initiative with the department. I must say my impression was the meeting went very well with Ms. Jackson in the Mayor's office to illustrate our concern and willingness to work with the city to foster that effort. After our meeting with the city we did have a meeting with the Housing Authority again to see exactly what was going on with the Housing Authority relative to meeting with the city and discussing with the city what is in the PHA's plan to address affordable housing needs in the community of Fayetteville. We also toured the sites, it was my first visit to Fayetteville and I was concerned about the condition of the high rise regarding the staining that was going on to the exterior of the building, I am concerned about that and we have been working with this Housing Authority.

We met with the management of the Housing Authority and discussed the process in which the Housing Authority meets with the city and it wasn't a real good relationship that we saw at that point, so we were concerned about that. There was a vacancy on the Board of the Housing Authority, we worked as we always do with boards, we work constantly with boards throughout the state. We do put on numerous training sessions as to the roles and responsibilities with boards, at least four times a year at housing conferences that are held across the state and we also do, I am speaking for myself and the Chief Counsel in the Little Rock office, we do go visit specially with PHA's that are struggling again on boards to educate them what their roles and responsibilities are. Our involvement here is no different than what we would normally do with Housing Authorities. What got us concerned was some management issues and at the same time working with the key cities regarding addressing affordable housing needs through such things as mixed finance, not necessarily Hope Six type projects, but mixed finance. In the process of replacing the board members, we gave guidance on such things as what to look for in a board member, what can we bring to boards that will foster those types of opportunities. Janet

Richardson has always been the one whether she was Chairman of the Board or just a commissioner; she was the one that seemed to step up to the plate. She worked with our office to move this Board forward, understanding that there was a need to improve the relationship.

In the early stages there were questions such as who does the Board work for; the Board is the responsible entity over the Housing Authority. The Executive Director works for the Board of Commissioners, they are boss, so that is the kind of dialogue that we had with the Housing Authority.

We went ahead with working with them to replace the commissioner, at that time we felt that the expertise that Nancy Bolin brought onto the Board was something that would foster the need and move forward the partnership with the City of Fayetteville.

As you recall there was a session that was held here in Fayetteville where partners in the community were brought in to discuss affordable housing, I believe the university was a part of that process, I felt the first step was getting a meeting together to address the communitywide needs. I felt it was a beginning of that process for the Housing Authority and we did have two Board members present at the meeting and the Executive Director was there. In the meeting you could tell the tone of the style of management that was at the Housing Authority was not to move forward in home ownership, other activities and programs that are out there for Housing Authorities to apply for. That was something we were trying to foster again to move forward the opportunities of housing, not only in this community but all communities, its part of our job.

The meeting that was held in December, I felt again was the first step for the Housing Authority again in getting them to meet with the city to sit down and actually discuss the dollars associated with what they had in their plan, how is it going toward improving the quality of the housing stock that they currently had. They do receive annual funds on an annual basis too, it is an entitlement, so they do not have to apply for it, the money is automatic to maintain the viability of the projects and we are concerned about that viability always being up.

We moved forward and the vacancy was filled on the Board in January by Nancy Bolin, in March recognizing that we needed to continue on with Board training, I and Chief Counsel, John Monday came up in March and provided again training for the Housing Authority Board again on what their roles and responsibilities were. Again I want to emphasize this is not uncommon for us to do this, we do this quite often, it is a major responsibility and it is a nonpaying job. We are doing all we can in the effort to improve the quality of the housing and the operations of the Housing Authorities.

April of 2003 is when the Board recognized that there was a need in change for management of the Housing Authority and as a result of that Mr. Wilson retired which created the vacancy as ED. Our roles and my teams role as oversight of this Housing Authority we have the responsibility to assist them through these processes, whether it is Modernization Coordinator or FSS Coordinator, we provide them assistance in that process. Some of these positions are specialized and we look to giving them specific information as to what they need to hire these positions, so we worked with the Board in that process. Mr. Wilson left the employment of the Housing Authority in May and Ms. Swain became the new Executive Director. My personal

opinion, not as a HUD official, Ms. Swains problems began at the Housing Authority was the fact that in the process of hiring an Executive Director Ms. Bolin had applied for the position. My opinion is that that's when the friction started on the Board, when she was not selected as Executive Director of the Housing Authority, from that point on it appears that there has been some disruption on the Board relative to making decisions on the Board. Again we tried to work through those but I have no control over the Commissioners all I can do is assist them in their process. We will continue to do so.

My team and I are committed to again fostering this whole process of meeting affordable housing needs in Fayetteville, I've got a lot of experience in this and I know how difficult it is in the mixed finance era to really pull these plans off to get what you need in these cities. As far as I am concerned we will be a part of that process, they can bring something to the table in the city and that is what we look forward to working with the Housing Authority on. Basically that is what I wanted to say.

Mayor Coody: Does anyone have any questions for Mr. Westover?

Alderman Thiel: Did Ms. Bolin ask your agency whether or not that was appropriate that she stay on the Board and apply for the job? Is that something that would have been considered a conflict of interest?

Mr. Westover: The Board we guided through the process was that there was nothing wrong for a commissioner to apply, however we encouraged the Board to not allow her participation in the process. All of the applications went to Janet Richardson, they were held by Janet Richardson, they were reviewed by Janet Richardson and the remaining commissioners. There was a pool of people there was some good quality candidates on that list, our encouragement was that if Ms. Bolin was selected then she would have to immediately resign as a commissioner. I would have to consider a waiver to allow her to be the Executive Director at that point per our regulations.

Alderman Thiel: There was nothing requiring that she resign prior to or even after unless she was selected as the ED.

Mr. Westover: There is a requirement even for me as a Public Housing Director if I was to leave the department I would have to wait one year before I could actually represent any Housing Authority or any program matter.

Alderman Marr: In your working relationships around the state with the various Housing Boards, where does the Fayetteville Housing Authority rank in terms of successes, efficiencies and progress, are we considered one of the top Housing Authority Boards, an average board, a board with needs improvement, I mean if you were looking at it on a scale in comparison to those other entities that you work with.

Mr. Westover: Those two issues that you raised, we do have a performance program for both the Section Eight Program and the Public Housing Program. We have what they call PHAS which is a public housing assessment system and Housing Authorities are evaluated on performance by a number of indicators. It looks at the physical side of the house, the financial

side, the management side and the resident satisfaction side. Three of those four components are independently scored and at the end of the physical year for the Housing Authority they are given a score and I believe, I don't have the score off the top of my head, there is troubled, standard and high performer, and you are either a standard or a high performer. Likewise with the Section Eight program there are another set of performance indicators called SEMAP, it is a Section Eight Management assessment program, again it is based on the physical year and you are not troubled in those areas. The second part of your question relative to the Board when you stop and look at when Housing Authorities were formulated and how long ago that was, there are bylaws, most of the time when we have our training sessions one of the first questions that we ask, is if the Board is aware or are the commissioners aware of the bylaws and nine times out of ten the answer is no. Just because they are tucked away in a closet or a file cabinet somewhere and have been done years ago, so our effort is to blow the dust off and pull them out, explain to them what their roles and responsibilities are and mentor them in that process. It is a big job that they have, they set the policy of the Housing Authority, they set the tone for the Housing Authority and I think that is part of the problem with a lot of Housing Authorities is that the Board doesn't understand that if they want a Section Eight home ownership program it is their desire, it is not the Executive Directors desire, they take the direction from the Board and I think that is quite common. I can not mandate a home ownership program all I can do is promote, that is our goal to really promote those opportunities in communities.

We have 108 Public Housing Authorities but we also have an additional 78 Section Eight agencies. So there is a lot out there in communities, as I mentioned when we picked the four cities it was the cities that we felt the real potential was there. If you looked into the PHA's plan and you looked at the money that is associated with their PHA plan, you will see that there is quite a bit that flows in and out of this Housing Authority to do a number of things, improve the quality of houses, and create programs for the resident services. That is the kind of stuff that we are educating the Housing Authority on, what they can bring to and they have done that. It was our recommendation that they hire a Modernization Coordinator, because it is so technical and we are concerned about dollars that you spend that you are getting quality for the money, that you are spending and working through that process. So it was our recommendation to hire a Modernization Coordinator, they have done that, it was our recommendation to go after the FSS program, they have done that and they have someone that is running it for them. We are now talking about a Residents Services Coordinator, these types of things, so I think we are moving in that direction it's just that we have this problem that we are dealing with and I understand your situation and you have to make some decisions.

Mayor Coody: Does that answer your question?

Alderman Marr: Yes

Alderman Rhoads: I thought I heard the question was how we ranked against others in the state. I think I heard that you said that they rated standard, I think.

Mr. Westover: You had a standard to high performance; Ms. Swain might know the answer to that question.

Alderman Rhoads: Perhaps this is a subjective answer that's required here, but how did our Board rank against others in the state in your mind?

Mr. Westover: They are right there with the majority of the Housing Authorities, they need assistance, and there is room for improvement, no doubt about it.

Alderman Rhoads: So in other words everybody in the state is all basically in one pack and they are all about the same?

Mr. Westover: We have some that are more involved, to give you an example.....

Alderman Rhoads: That's alright I just wanted a general rating. My question which is different, you had indicated that you were here in March, I think to give the Board training, what did you train on? Did you train on the Freedom of Information Act requirements and responsibilities?

Mr. Westover: Specifically I am not sure, we talked about having a meeting and things like that but as far going into Executive Sessions I don't recall that we actually specifically talked about that. We were mostly training on what their roles and responsibilities were as commissioners, setting policy, what does that mean, if you look at the number of policies that they have, procurement, personnel, its on down the line, so that was more targeted towards that at that point.

Alderman Rhoads: When you indicated that the one test PHAS, you indicated that one of the scores would be in regard to management, is the Boards management or is it management of the facilities.

Mr. Westover: Management of the Housing Authorities through implemented policies. The policies that the Housing Authority and the Board adopts really impact the management of the Housing Authority.

Alderman Rhoads: So it's not a specific test just for the quality or how well the Board is operating is there?

Mr. Westover: There is no assessment for the Board.

Alderman Reynolds: I didn't catch the total number of Housing Authorities that you are in charge.

Mr. Westover: 108.

Alderman Reynolds: 108, and how many of that 108 have you had to get help for like ours where they had to hire mediation to help them through a problem?

Mr. Westover: This is the only one.

Alderman Reynolds: This is the only one. Thank you.

Alderman Marr: I am curious, are you aware of any other city municipalities holding hearings to remove Board members with any Housing Authority around the state?

Mr. Westover: No and luckily we're there before that happens to educate, depending on the issues what's at hand. We try to work with the Board to get them back on track. A lot of it they are just not aware of what their roles and responsibilities are, there are a number of them, that's why we felt it was very important to go out and put on training, we've been doing that. We have gone to specific districts and held commissioner training because a lot of the commissioners can't come to the conferences because they have jobs. Sometimes we go to them because they can't come to us, but there has to be some form of indication that there is a need to do that. We manage by risk based on the systems that generate scores, if there is a risk there then of course. I or my staff may feel there is a need, when there is a new Executive Director, a need for us to get involved and we will step in, it can be a number of different ways.

Alderman Marr: To follow up on that, if I heard your answer right, you haven't done that because typically you are there before we get to that point.

Mr. Westover: Yes.

Alderman Marr: Is it your opinion that we as a Council are over reacting, that the issues are not to the legitimacy of removal, that our expectations are too high. I mean you obviously have been involved in this Board in training and yet we all fell like we are concerned about the efficiency issue whether we are getting things accomplished that we need to get accomplished. I guess I am looking from your prospective are our expectations too high?

Mr. Westover: I feel the leadership is there. My opinion is the leadership is there, it is where do we go from this point in regards to building capacity to do the job. Like I said with Ms Richardson, when we had our earlier meetings on the need of affordable housing, there was an understanding of that partnership, I feel that that has always been there.

Alderman Marr: Did I also understand correctly that you were involved in the selection of Board members and comfortable or recommended the appointment of Ms. Bolin?

Mr. Westover: We are not involved in the selection process, what we do is we advise the commissioners on how to recruit. That can be a number of ways, through the City Council, some cities do go to the City Council and ask for recommendations, they will run ads, but we don't get into the process of actually the selection that is their responsibility.

Alderman Marr: So I didn't hear you correctly then when you said there was a recommendation or you were comfortable with the appointment of Ms. Bolin?

Mr. Westover: What I said was her credentials at that time seemed to be what we were again moving towards in the affordable housing type desire in the community. It appeared that there were some good credentials there that would enhance the Board from that perspective.

Alderman Marr: Do you have the same communication with Ms. Bolin that you have with Ms. Richardson?

Mr. Westover: I have always responded to any commissioner that has called me.

Alderman Marr: Have you had any calls from anybody other than Ms. Richardson or Ms. Bolin?

Mr. Westover: No, the Executive Director we always work with them.

Alderman Marr: Thank you.

Alderman Reynolds: I was surprised to hear you say that yourself and the General Council came to Fayetteville and held classes with the Housing Authority members, your General Council, don't they ever hand out the FOIA booklets that come from I think the AG's office with the rules and regulations of the FOIA.

Mr. Westover: A lot of times we will take those to the conferences that we go to four times a year, that information is available then. Again when we came here it was specifically to look at the roles and responsibilities relative to the policies in the decision making. Understanding that some of our difficulties were with the management of the Housing Authority getting the management of the Housing Authority to move forward under the direction of the Board. It was more designed around that process on what their roles and responsibilities as a Board was, setting policy. We didn't spend a lot of time at that meeting to discuss in the event you went into an Executive Session, how to conduct or the FOIA.

Alderman Reynolds: Thank you.

Alderman Davis: If the funds are not spent, the federal funds, do those funds go back to the federal government.

Mr. Westover: Yes, the funds that I was talking about that they get on an annual basis, they have a two year obligation and a two year expenditure requirement and if they are not within 90% obligation within that two years or they have not expended 100% in the four years, HUD will recapture those funds.

Alderman Davis: Has our Housing Board been sending money back in the past?

Mr. Westover: No, we watch that very closely.

Alderman Jordan: Obviously you have spent some time with this Board is that correct?

Mr. Westover: Yes.

Alderman Jordan: Would you say quite a bit of time?

Mr. Westover: As much as needed, yes.

Alderman Jordan: Then you know this Board pretty well, would you say?

Mr. Westover: Not necessarily the Board, we new the situation and the problems.

Alderman Jordan: In your analysis, what was your greatest concern with this Board?

Mr. Westover: Their lack of understanding of what their responsibility was, the direction of the Housing Authority, where did this Housing Authority want to go relative to what's desirable in the community.

Alderman Jordan: But isn't it true that a lot of these commissioners have served for several years?

Mr. Westover: Yes that is true.

Alderman Jordan: And they still didn't know their duties.

Mr. Westover: No.

Alderman Lucas: You said the leadership is there, are you referring to Ms. Richardson or to the Board as a whole.

Mr. Westover: Ms. Richardson at this point.

Alderman Lucas: I wanted to follow up on the lack of understanding of what their responsibilities were, you talked about having training sessions, is that ordinarily enough to train the Board?

Mr. Westover: This Housing Authority does participate in the conferences at least four times a year, so we were here but at the same time they go and attend the conferences where we also do commissioner training, so its an on going.....

Alderman Lucas: So ordinarily that's enough training for a Board to know their responsibilities?

Mr. Westover: Yes, if you looked at the policies there is a stack of them and there is a lot to digest in how they set those policies. There is definitely a relationship between the Executive Director and the Housing Authority Board on flowing information up as HUD regulations change, all of that has an impact on the policy. That is one of their primary jobs is to understand those policies and get them involved now in the past it was not uncommon that the information did not flow to the commission. That happens an awful lot that is one of the reasons why we put on annual training that is one of their primary functions, not on running the Housing Authority on a day to day basis that is not their function that is why they hire the Executive Director. They have to have the confidence in the Executive Director to run the day to day business of the

Housing Authority that ties into those performance indicators that we have. That is how we assess Housing Authorities; their main function for them is the oversight.

Alderman Rhoads: Of the 100 plus Boards that you are responsible for are they all mandated by federal law that none of these folks are paid they are all volunteer commissioners is that true?

Mr. Westover: I believe the Act allows up to \$300 per commissioner per year.

Alderman Rhoads: Per year

Mr. Westover: Yes.

Alderman Rhoads: Did I understand you right when you walked up to the podium that you indicated that you were here to support Ms. Richardson?

Mr. Westover: In her efforts as the Board chair, yes.

Alderman Rhoads: Specifically you mentioned her and no one else, was that by design?

Mr. Westover: I think right now that is about all that is left on the Board.

Alderman Rhoads: There is another one left on the Board, are you specifically not supporting her?

Mr. Westover: No, I didn't say that.

Alderman Rhoads: I am not trying to be cute with you; I am just trying to figure out exactly where you are coming from. You are supporting Ms. Richardson but you are not willing to vocally support anyone else on the Board.

Mr. Westover: Yes.

Alderman Davis: Are we over reacting, you didn't really answer the question, basically yes or no.

Mr. Westover: I think the Council is accurate in being concerned and I felt that is one of the reasons that I needed to come up and at least express what we've been doing with the Housing Authority so you wouldn't think that they were just totally out there on their own. It's my opinion that it is at your level at this point to make some decisions on what you want to do.

Alderman Davis: Well, you have the expertise with being involved with 108 Housing Authorities and with that expertise I think the Council would like to know with a yes or no, are we over reacting?

Mr. Westover: I think you've got

Alderman Davis: Yes or no?

Mayor Coody: Let me ask a more direct question. If you were in our shoes what would be your recommendation for action?

Mr. Westover: Obviously you have some criminal violations to the state statute so I think you are bound to evaluate those actions and proceed under state statute of what your authority is and move forward on whatever design you make in your decisions of replacing the Board. I think that is purely within your privy.

Alderman Marr: In the statute, our City Attorney has advised us that the statute involved enables the removal of a commissioner where there is substantial danger to the rights and interest of the public because of inefficiency, neglect or misconduct. I would like to know from your prospective what would be examples of inefficiency on a Public Housing Board, what would be examples of neglect? I think we all have an idea of what is misconduct.

Mr. Westover: An attorney could probably answer that better than I could. Inefficiency is an on going process of not setting policy to have the Housing Authority operate in an efficient manner, those policies do exist to allow them to do that. Again, that is why we get involved in making sure that the policies do get to that direction that is about the only way a Board would be inefficient, if they are not moving the Housing Authority forward. I think in the past because the information didn't flow up to the Board, I think they just saw their responsibility as they were told what their responsibility was, to sign checks and basically that was it. Beyond that as we stepped in and we started getting them to understand that the management of the Housing Authority is directly under their supervision, now take control of that and move the Housing Authority forward.

Alderman Marr: Would returning unused funds that were received, would that be serious enough to be considered neglect.

Mr. Westover: That would be evaluated under our assessment system that we have, they would be scored a lower score because of that.

Alderman Marr: So is that a yes it would or no it wouldn't.

Mr. Westover: Yes.

Alderman Thiel: I think you have mentioned that the prior Executive Director was basically directing the Board rather than the other way around, which obviously is a concern, and that the past Board and some of the current Board wasn't even aware of their responsibility. There is one commissioner here that was part of that original Board. Who brought it to your attention to start attending the Commission meetings to basically start informing them? This went on for quite some time and apparently you weren't being involved in saying you have a problem here. At what point and who basically encouraged the state to come down and get more involved in the Commission and their need possibly for a new Executive Director and some Board training?

Mr. Westover: Well, my first involvement was at a housing conference where Yolanda and I had a conversation on this. What the city is doing, how do we get the Housing Authority to be a part of that process, which I am definitely involved in that process relative to the PHA plan. That's indicator number one that we may have some concern which I would look at any Housing Authority in that process to foster that. Our meeting with the Mayor in July again was because like I said there's potential at this Housing and the city, they are not a large Housing Authority, they are medium size, but they have sufficient amount of funds coming into the Housing Authority that can be levered in meeting some of the affordable housing needs for the community. That aspect as an apart of the goal in increasing the opportunity for affordable housing that is something we would do in any Housing Authority. Because we are here and had the meetings there was that sense on my part from the Housing Authorities that I deal with that we needed to do that as a gesture in moving it forward.

Alderman Thiel: So it was basically Yolanda Fields who represents our CDBG fund and the city administration that invited you to become more involved.

Mr. Westover: A part of that HUD has cylinders, at that meeting in December there was a Community Planning Development Director at that meeting to look at tax credits, home funds, public housing funds how that all can be utilized in the process to leverage, there are some tremendous things that are going on out there, Housing Authorities can issue bonds. We don't have housing development funds anymore so it is difficult for Housing Authorities to develop new developments on their own without that kind of leveraging going on through the mixed finance process which is quite involved but successful, but they can't do it by themselves. In speaking to the Mayor and Yolanda about where the city wanted to go in affordable housing, it was an opportunity for us to get involved on a positive way.

Mayor Coody: Any other questions? Thank you very much for your comments. I will open it now to public comment, I would like to keep the comments brief about three to four minutes please, we will be giving an opportunity for Ms. Bolin and Ms. Richardson to visit with us in Executive Session I would suspect. Does anybody want to address us as a Council right now? I will close it to public comment, what is the Council's wish; do we need to retire into Executive Session?

Kit Williams: If you do you need to have a motion and let me just read you the statue about removal, it is very short and it will guide you if you do want to go into Executive Session. It says: *the commissioner of a City Housing Authority may be removed from office for inefficiency or neglect of duty or misconduct in office only by a vote of a majority of the City Council. B) Removal shall occur only after the commissioner has been given a copy of the charges at least ten days prior to the hearing on the charges and the commissioner has had an opportunity to be heard in person by the Council.* So if you come back and make a decision your decision would be whether or not you wish to go forward with charges against either one of the commissioners for this particular hearing. At that point in time you will so instruct me by a motion by a majority of the City of Fayetteville Council then I would go forward and follow the statue and attempt to schedule probably another Special City Council meeting where other evidence and statements can be presented including public statements by the commissioner. That might be the subject of your motion.

Alderman Thiel: So in other words when we come out of Executive Session the only motion we could make tonight would be to file these charges against this person. Would we at that time have to elaborate on why?

Kit Williams: No, you would not but it would probably be helpful to me if you did indicate whether it was for misconduct, inefficiency or neglect or more than one and direct me to go forward and then I will proceed at that point in time if so directed.

Alderman Thiel: Okay. Thank you.

Alderman Rhoads: Kit do you have a sense of how to define inefficiency, neglect or misconduct?

Kit Williams: Well the misconduct in relation to potentially breaking state law would certainly be the clearest, most easily proven, less argued about. Neglect would almost be like someone that has not been going to the meetings. Inefficiency would be much more like they just haven't been getting the job done, maybe they just didn't understand it, maybe they didn't care if they understood it or not, they were just not going to do anything or else being disruptive where the commission could not function and where at the meetings they would not get much done because there would be acrimony and things like that. I think that would be the inefficiency, more difficult to prove certainly I think than the others. I will certainly do my best no matter what your charges to me might be.

Alderman Marr: I have one more question for the gentleman that was here from Little Rock. Currently with the last resignation we now have only two commissioners which means it is impossible to have a quorum. Is it true under their bylaws that any future appointment for the open slots would have to be made by the Council?

Mr. Westover: Yes.

Kit Williams: That is state law and the state law says that if a position remains open and unfilled for 45 days that the City Council can appoint and fill that position. Since they can not have a quorum at this point in time because there are only two commissioners out of five there, then they can not have a meeting so they can not appoint anyone. I think we have to wait, even though it is obvious that they can not appoint. The City Council would still have to wait 45 days before an appointment can be made.

Mayor Coody: Any other questions or comments?

Alderman Thiel: That is not jeopardizing anything?

Kit Williams: The Executive Director of course is still continuing to run the Housing Authority it just means they would not be able to have meetings and whether or not they have something the Board would actually have to do, I don't know. Unfortunately they can not do it because neither they nor you can appoint anybody at this point in time.

Alderman Marr moved to go into Executive Session to visit with each of the remaining commissioners independently of each other with the Council in Executive Session to discuss the Council's concerns over inefficiency, neglect or misconduct. Alderman Jordan seconded the motion. Upon roll call the motion passed unanimously.

Kit Williams: Do you wish to invite one of them back with you?

Mayor Coody: Yes, would we come out and invite one then come out and invite the other?

The City Council went into Executive Session at 6:50 p.m.

The City Council returned from Executive Session at 9:20 p.m.

Alderman Rhoads: I would like to move to take no action against either of the two remaining commissioners; however that is not to say that I and others can speak their mind if they feel differently, but that's not to say that I think there are not problems there because I do believe there are problems there. I just don't believe and I guess I am making a motion and I am kind of arguing my motion, I apologize for that, I just don't think there is evidence for us to show misconduct, negligence or inefficiency, although like I said I think there are problems there. Part of my motion is that we would ask Janet if she would set down as chair and she indicated that she would in her discussions with us. We think, at least I think that is probably the thing to do to get things started. The last part of the motion is for this Council to immediately seek candidates and appoint three new commissioners.

Alderman Davis: May I add to that Robert?

Mayor Coody: Is there a second?

Alderman Davis: I will second that but I would like to make an amendment to that, that one of the three new members that would be appointed would be acting chair of that committee.

Mayor Coody: Do we have the authority to make that motion?

Kit Williams: I don't think we can choose the chair. We have to abide by the state statute which means we don't have the power to appoint until one of the positions has been open for 45 days without an appointment. However long that will be, that is when the statute says the City Council can appoint at this point neither the Board, because they only have two members, nor the City Council because of the 45 days can appoint a member.

Alderman Rhoads: 45 days from what.

Kit Williams: From the date the position became open.

Alderman Rhoads: But we can go ahead and start the process immediately.

Kit Williams: Certainly you can interview.

Mayor Coody: Alright.

Alderman Marr: Mayor I have a question for the City Attorney on that. Which date are we using the last commissioners resignation date or the first commissioners resignation date?

Kit Williams: It is the first commissioner's date for the first appointment and then the next commissioner can be appointed 45 days after that position became open.

Alderman Marr: What is that date?

Kit Williams: I don't have that particular date.

Alderman Thiel: There are three dates.

Mayor Coody: The first one was Gary Gartons resignation. Do you know roughly when that was?

Alderman Rhoads: Two weeks ago or there about.

Mayor Coody: So it would be another month before we would have a quorum and roughly another 45 days before we would have a full Board.

Kit Williams: Yes, it will be 45 days form when that position became vacant, of course once they have a quorum they actually would have a statutory right to recommend an appointment themselves.

Mayor Coody: Alright, just to recommend?

Kit Williams: They could appoint subject to your approval. The City Council would not have to approve the replacement.

Mayor Coody: Does that answer your question? One thing that I think was made clear is that all of us want to see the Fayetteville Housing Authority fulfill its obligation and its deep need to provide housing for those of us in Fayetteville who need it the most. We have deep concerns, while we appreciate very much the service and the volunteerism shown by the Board members that we've talked to, there are some concerns about the leadership ability of both of the parties to get the job done in a good fashion. Meaning that we would hope, strongly encourage one of the new appointees to be named chair that is something we would very much like to see so we can bring strong leadership to the Board. Also one concern is that we would hope that some aggressive personalities make a real, real concerted effort to become more team oriented and more willing to work in a committee environment. If we don't see some positive changes we will have to fall back and have to do something else. We can't let the current inadequacies with what we have seen in the last several months persist, we have too many people relying too

heavily on this Board to work properly. I know some other City Council people would probably like to add their two cents worth.

Alderman Jordan: There is not a day that I don't think about the low income people in this city. I was raised poor and I know what it's like. When I see the type of infighting that I see going on, on this Housing Board it breaks my heart. There's people out there, we know around 15% of our population in this city could be working below federal poverty level and they need your help, they don't need the infighting. I don't know what the Board needs to do but you need to pull it together. You don't need to do it for me and you don't need to do it for the Council, you don't need to do it for the Mayor, you don't need to do it for yourself but you need to do it for the people of this city. That's what is important, that's what needs to be addressed and that is what you need to do.

Alderman Thiel: My concern is that the Executive Director and that the Board over the years has not been nearly as aggressive as I think they could be in providing new housing to meet our tripling population. I know this exercise has been difficult for everyone involved including us, believe me but if nothing comes out of this but we get three new commissioners that are really dedicated and will devote the time necessary to making sure that our Public Housing Authority is seeking every means possible to providing affordable housing both rental and possibility home ownership, I think that is all we can ask. At least that good thing would have come out of this. I think this Housing Authority needed to be aired quite some time ago and I think it just finally collimated into all of this, I just hope this Council appoints and finds three good people to serve on that commission. I hope that you can try to move forward and forget some of the issues that have happened in the past and try to provide more housing for the citizens of Fayetteville that need it,

Alderman Lucas: The thing the Housing Authority has got to do is work together, they are volunteers, I know, but if they can't work agreeably together and I am hoping that the three new ones and the two that are on the commission now will work closely together for the poor people of Fayetteville, the people that need help with housing. I volunteer down at CEO and I see people that don't have homes, that are living in cars, that can't meet their rent, that need help, we have so many good people that need help. It bothers me that a volunteer commission can't work together without a mediator and a facilitator. They are spending money that should be used for people that need the housing, to try to keep the meetings going, that shouldn't be. If people can't work together on a commission then they need to recognize that for the good of the city they don't need to be on that commission, I don't care what their agenda is. They need to be able to work together and I think you can, there are lots of knowledgeable people. The two people that are on the commission have lots of knowledge in the Housing Authority and their mission that they should be carrying out. You need to work together and think of who you are working for. You are not working for yourself, as Lioneld said, for us or anything; you're working for the people that need your help. I have high hopes for this and I just hope it works out.

Alderman Reynolds: We have gone from a little berg here to 60,000 people and to think that somebody hasn't done their job and we're sitting at 300 vouchers with 60,000 people, I think that is an embarrassment, somebody has failed.

Alderman Marr: If we weren't talking about a voluntary board and we weren't talking about legal proceedings that had definitions that certainly I myself have a disagreement with. I think members of the Board came forward with their own definitions of inefficiency and neglect. The bottom line though is if this was a company and we had a board working like this not only do I think the shareholders would fire this board, I think that the leadership within this company would have gotten rid of it and started over. I understand that there are requirements that have to be met. I want to make it clear that I hope if anything comes from this at least from my perspective and I think it is clear with our meetings with the remaining individuals and will certainly be made to those that interview for future appoints, as a Council member I will take ratifying Board members much more seriously. I am not going to just take the word of this Board, I want to know more about philosophies, I want to know that they are committed to more vouchers, I want to know that they are committed to more programming, that they have a passion for action plans that they are held accountable to, that they have a passion for performance reviews of the Executive Director, that they have a passion for the nominating process. I want to know that they care about the reputation of public housing in Fayetteville. I want to know that they have a goal for better facilities in the city and not necessarily just new facilities but improving what we have. If they aren't committed to that and they aren't committed to reevaluating rules and staying with the times then I will never vote for their appointment. I want to make that very clear. I think one thing we learned tonight is what power we do have. The accountability that I hope that the Board will take upon itself is that when it has members that it has appointed or appoints in the future when it has quorums in place that there is a accountability that the board holds to each other and that if things aren't working or that the progress of public housing is being impeded by that, that we be bigger than our egos and we either remove people or as a Board the leadership within that Board takes action. Those are the things that are important to me. I hope that tomorrow morning is the last day on the front page of a newspaper talking about ineffectiveness of this Board. I hope that the future articles are talking about the areas that I spoke to. Thank you.

Kit Williams: Let me see if I can say what this motion is. I would suggest that maybe the motion could be fairly simple that the City Council takes no disciplinary action at this time. I would think that that would be a motion that expresses your intent but if that doesn't express all of your intent.....

Alderman Rhoads: Add to that, that we would vote to take no action at this time because the chair has agreed to resign the chair.

Kit Williams: We probably can't enforce that; we can put that in the motion if you want to but....

Alderman Rhoads: I think I would like that in there because that's why at least I personally support taking, one of the reasons, I support taking no action at this time because I think there is going to be a change in the leadership of that Board.

Alderman Rhoads moved that the City Council take no disciplinary action at this time partly because the chair has agreed to resign the chairmanship. **Alderman Davis** seconded the motion.

Alderman Davis: Do you mind if I add my amendment on there. We hope that one of the three future appointees would be chair or do we need to leave that out. We made that statement, hopefully they understood that.

Kit Williams: I am saying that I think you have the right to discharge commissioners, but we really don't have the right to tell them who is going to be their chair or not.

Alderman Davis: We will leave it like it is.

Alderman Marr: Can we send a recommendation to the Board for consideration.

Kit Williams: Certainly you can have any kind of communication you want to have.

Mayor Coody: We can send a City Council resolution to the Board expressing our feelings.

Alderman Rhoads: I like my motion the way we just talked about it with what I added.

Upon roll call the motion passed unanimously.

Mayor Coody: I think you can tell by the comments up here that this has been tough on everyone. We really, really have high hopes that this Board will get itself turned around and be as productive as we need for it to be for the good of the citizens of this town. We are putting a lot of faith in the fact that you all will go the extra mile to work as hard as you can to make this work.

Meeting Adjourned at 9:40 pm


Sondra Smith
City Clerk