

Meeting Notes

Capital Improvements

TNDC shared its capital maintenance and improvement techniques. TNDC conducts a facilities assessment and evaluates the project load for the year based on urgency, capacity and funding. They shared that they use a preventative strategy to keep maintenance items from being deferred and turning into capital improvement items, as well as that the rule is 10% of the total number of an item must be replaced to be considered a capital improvement. They shared that they use their in-house facilities group to make assessments, and they usually get the bids from approved vendors, except in the case of a preferred vendor (like an annual maintenance contract situation).

Thresholds for what is considered capital maintenance was discussed, with TNDC offering that they have moved to the 10% rule rather than the too-low \$1,000 threshold. It was agreed that the \$1,000 level was generally too low and not practical. EBALDC said they used a \$5,000 threshold. EBALDC's method for determining capital improvements is a combination of urgency and dollars available. They check their most recent capital needs assessment to budget for the year and then check with the property management team to see if the assessment syncs with property management's site assessment of needs.

- Good to check with staff and use invoice folders to track quality of vendor work
- Third party assessments can be useful every few years
- Maintenance supervisors can help handle the project load, also can be better than outside contractor in terms of getting apples to apples bids

There was also discussion of NPH being a vehicle to talk to HCD about being turned down to use reserves. Possibly conduct a poll to see who else is having these issues.

Residual receipts- HUD has been denying use unless property is troubled (operating deficit). Satellite has applied to use residual receipts to fund rehabilitation that includes energy efficiency work and should know next month whether they are approved or denied.

There was discussion of going ahead with maintenance projects and spending out of reserves, then paying back to reserves down the road as a strategy to deal with slow HCD processing.

Call for NPH to press HCD on the issue of "caps for property management fees".

Workshop Topics of Interest

YARDI Demonstrations- Possibly have several versions of asset/property management software, suggestion to have vendors come give demonstrations. Possibly have an investor demonstrate how they use software to deal with financials.

Preparedness and Leadership in Disaster Situations- Have representative from SF CARD or FEMA, as well as someone at the state level on the panel. Zach Lopez from TNDC to convene.

Investor Tell-All- Cathy Craig to organize, include Debbie Koski from Union Bank, and Katherine Flemming from RDC.

Preventative Maintenance Planning- First Community Housing gave a good presentation, possibly add a consultant to the panel, have a comparison of in-house versus using a consultant.

Case Study of Year 15 Buyout- Invite Joel Rubenzahl to give this presentation again.

Property Management and Services Relationships- Ryan Chao to convene panel discussing current disclosure law.

Rehabs of Older Properties- Greenpoint rating system, dealing with different vintages of buildings. Panel could possibly include someone from Build it Green or StopWaste.org.

Changing Corporate Culture- interest in seeing this panel developed, no conveners yet.

For Future Meeting

One of the standard criteria for winning in RFP or RFQ is community support. We will share experiences on how each organization know/understand the community and outreach methods. Specifically, how do organizations do outreach to communities new to them? Which staff members within a company work on this type of thing?

NPH Staff Note: We will develop any of these suggestions that are not selected to be workshops at the NPH Fall conference to be part of future training sessions and property stewardship meetings