

# Clay Center Housing February 2019

**Office Hours:**  
**10 AM—4 PM**  
**Monday—Friday**

ONLY during window hours— Tuesday & Friday from 10 AM to 1 PM— may tenants purchase stamps, get change, and pay rent in person. Checks and money orders may be placed in the drop box slot on the office door. Newsletters and statements are available at the office the last week of each month, after the 25th. **Each household is responsible for picking up the newsletter and READING the information provided.**

When needing to speak with John or Kimberley, **please call before coming to the office**, to verify that they are available. As always, if no one is available, leave a message and someone will return your call. Please make arrangements to pickup packages from 10 AM to 4 PM Monday thru Friday.

If you have a lock-out, call 785-632-2100 or come to the office. Only in the evenings or on weekends, if you have an emergency, should you call 785-447-9352. For a work order, it is NOT necessary to come to the office, just call the office. Leave a message stating unit number, nature of problem and whether maintenance has permission to enter. Your needs will be addressed as soon as possible in the order of urgency.



330 West court Street, Clay Center, KS

Telephone: 785-632-2100 Fax: 785-632-6363

Website: [claycenterhousing.com](http://claycenterhousing.com)

Like us on Facebook!

KS Relay Center TDD 800-766-3777



# 2018 ANNUAL REPORT

## CURRENT PROPERTIES MANAGED

### Apollo Towers

27 1-Bedroom/24 2-Bderoom Units

### Parkview Plaza

50 1-Bedroom Units

### Tolin Terrace

16 1-Bedroom/4 2-Bedroom Units

	<u>Apollo</u>		<u>Parkview</u>		<u>Tolin</u>	
	2018	2006	2018	2006	2018	2006
Age 0-18	2	0	0	0	1	0
Age 19-61	20	7	12	5	8	0
Age 62 & above	41	45	34	45	15	22
Native Hawaiian/ Other Pacific Island	1	0	0	0	0	0
Black	1	0	0	0	1	0
Hispanic	0	0	3	0	1	0
White	60	52	45	50	23	22
White/Black	1	0	0	0	0	0
Disabled	17	11	16	10	8	0

As you can see from the numbers above, there were no families

with children living in any of our properties in 2006. That is not unusual in small rural towns. However, we now serve all households that qualify for income under 80% of area medium income. For the first time since 2011, our occupancy dropped below 96% (92.2%). That is a result of losing a sizeable number of residents in their 90's who had resided with us for 2 decades and more. Now we have to set aside 10 units for our tenants as we begin work redeveloping Parkview Plaza in 2019. Once that project is completed later this year, we expect to lease back up to the 95% occupancy level by the middle of 2020. 25.6% of our current residents are employed. 30% are between age 19 and 61 and 68% are seniors. So, while we have experienced some significant changes in our resident demographics over the past decade, we have strengthened our occupancy level at the same time.

We currently serve 110 very low, low, and moderate income households consisting of 133 residents. Today the average household income at our properties is about \$15,000. 90% of our tenant households are under 60% of area medium income and 28% are under 30% of area medium income. This meets one of our primary organizational objectives.

## ACCOMPLISHMENTS SUMMARY

Reorganized operations to increase productivity while reducing costs by reducing full-time staff from 8 to 4, eliminating the fee accountant and bringing all financial accounting in house, changing to more productive management software, and increasing staff productivity through improved hiring procedures, improved training, and improved performance monitoring.

Relocated hazardous electric lines next to buildings to an underground duct bank enhancing health and safety.

Significantly reduced energy costs through heating-on-demand water heating systems (\$432,000 savings over the 20 year life), installation of heat pump heating and cooling systems, purchasing new energy star appliances, upgrading to thermo windows at Tolin Terrace, replacing laundry room appliances to energy star and front load washers, and purchasing new energy star lighting throughout our properties.

Contracted and partnered with Housing Solutions Alliance, LLC to

build our capacity as a developer for the Apollo Towers Redevelopment and Parkview Plaza Renovation, and to successfully complete a RAD Conversion from the Public Housing Program to Project Based Vouchers adding financial stability to Apollo Towers and Parkview Plaza.

Leveraged nearly \$7 million from Low Income Housing Tax Credits, FHLBank Topeka AHP funds, HUD Weatherization funds, USDA Rural Development PILOT Modernization Program, and debt to completely redevelop Apollo Towers, a 40-year old 8-story high rise with 51 units, major renovations to Tolin Terrace, a 30-year old, 20 unit complex, and needed improvements to Parkview Plaza, a 30-year old, 5-story high rise with 50 units.

Survived the federal budget sequestration through a RAD conversion of our Public Housing Stock to Project Based Vouchers resulting in an initial increase of 15.1% in federal subsidy for 2015 and restoring our financial viability in the foreseeable future (3 to 5 years).

An added bonus to the RAD conversion is access to additional capital through sources not available to Public Housing Properties such as HOME, Weatherization, FHA 221(d)(4), etc.

Increased total operating reserves from \$205,823 in 2006 to \$733,357 in 2014.

Partnered with United Bank & Trust, North Central Flint Hills Area Agency on Aging, Big Lakes Development Center, 3 Rivers Residential Service, Inc., Pawnee Mental Health Services, Manhattan Rescue Mission, Clay Center Economic Development, HCCI, Inc., and Clay County Health Department to enable our residents to live fulfilling lives through homeless transition, job skills training, personal financial management training, raised gardens, social activities and more.

Continued new revenue sources in FY 2017 including \$21,156 from the new laundry lease/maintenance agreement, \$1,881 net from vending machines, and \$1,349 (1.5% on all transactions) cash back from paying more of our bills with the credit card. That figure increased to \$1,491 in 2018.

## **Fiscal Year 2018 Accomplishments**

At the beginning of 2013 I really wondered how we were going to keep this organization alive beyond another decade. The U.S.

Congress had just passed a sequestration bill and our subsidy had not increased since 2008. We had survived by cutting costs in every place we could find and had built up our reserves through the developer fees we received from the Apollo Towers project but there did not appear to be any other sources of operating funds or expense items that could be cut and I am convinced that, if we stayed in Public Housing, we would run out of funds to sustain the Towers within 10 years.

Our combined rental income for the Towers since 2012 confirm this fact. In FY 2012 we received \$775,775 in combined rental income, \$519,097 in FY2014 (our last year in Public Housing), peaking at \$594,004 in FY 2017 while dropping back to \$573,196 in FY 2018. Rental income drops annually in Public Housing while our rents have increased annually since 2014. Our contract Section 8 rents just increased 2.4% December 1 and will increase 2.6% next December 1. So, how did we do it?

Our combined Net Operating Income before depreciation, capital expenditures, and reserve contributions was \$65,016 for FY 2018. We deposited \$83,816 in replacement reserves. However, we withdrew \$196,596 for capital improvements and ended 2018 with a combined replacement reserves balance of \$245,635. We have also incurred expenses in preparation for the Parkview Plaza Modernization Project and will expend approximately \$160,000 in the first quarter of 2019 for capital expenditures from our reserves to complete badly needed new office space and modernizing the elevators at Apollo Towers. The good news is, once we close on the Low Income Housing Tax Credit Program in March 2019, we will earn \$450,000 over the next year and will be reimbursed for the project expenditures expended in 2017/2018.

While we certainly brought in less Net Operating Income for FY 2018, all but a handful of housing authorities in Kansas (or the nation for that matter) are managing aging, deteriorating properties while we continue to leverage now over \$13 million in the last 10 years to redevelop all of our rental properties, leading the way in innovation in our industry. In 2018, we received yet another award of approximately \$6.2 million in Low Income Housing Tax Credits and other grants of which, approximately \$2.5 million in physical

upgrades will be made to Parkview Plaza in 2019.

## SUMMARIZATION

Since 2006, through careful study we were able to define problems, find alternative solutions and then formulate a plan to organize the human resources and leverage the financial resources by partnering with other consultants, organizations, and contractors to provide the capacity to modernize existing properties and purchase and develop new and existing properties necessary to continue the mission of providing accessible affordable housing to very low income working families, senior citizens, and persons with disabilities.

From January 2006 through 2011 Clay Center Housing Authority downsized our operations cutting our total annual budget by 10.6% while updating the operating policies and procedures, increasing productivity, and restoring the structural integrity and market viability of our 3 properties. We have now completed our fourth year after successfully converting our 2 Public Housing properties with 101 units to Section 8 Project Based Vouchers resulting in an immediate increase in revenue and deregulation along with annual cost of living increases in contract rents. This addresses the current government funding shortages and stabilizes our financial viability for at least the next 3 to 5 years. An added bonus of leaving Public Housing is the opening of doors to other capital sources not available to Public Housing Projects. We are already taking advantage of that opportunity with Parkview Plaza and Apollo Towers. We have also adapted our marketing strategy to bring more underserved households to Clay Center from other communities. While we are still experiencing changes in our community's demographics and are expending a lot of our capital reserves on property improvements, we look to once again grow our capital reserves after we complete our last major modernization project for at least a decade. Today Clay Center Housing Authority is serving a broader, more diverse population of very low, low, and moderate, income families in our community and is positioned to continue this for years to come.

Respectfully,

John D. Kaul

## **PARKVIEW RELOCATION**

There will be two sessions of a  
**Parkview Tenant Relocation Meeting**  
In the Apollo Towers Community Room  
**Thursday February 7th**  
**11 AM & 6:30 PM.**

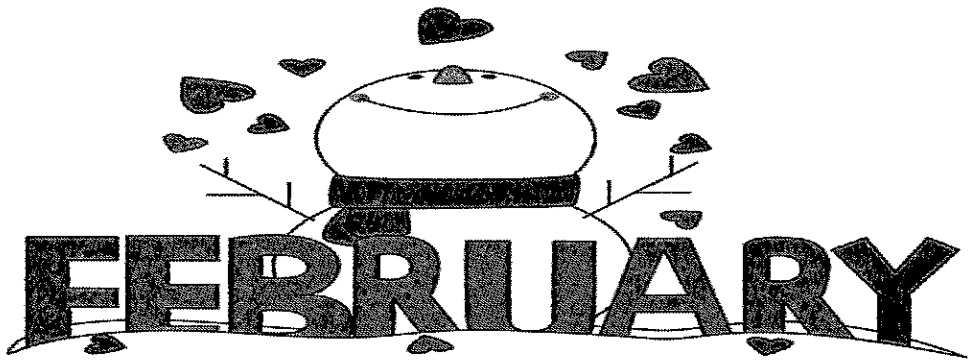
This meeting will address the relocation process and how it affects each household. We do not have time to cover all this information with everyone individually. It is highly important that someone from EVERY Parkview household attend one of these meetings.

## **ATTENTION ALL RESIDENTS:**

A tenant meeting to go over the elevator modernization project will be held in two sessions on  
**Friday February 15th in**  
**Apollo Towers Community Room at**  
**11 AM and again at 6:30 PM.**

While this meeting is not mandatory, everyone is strongly advised to attend.

**FAIR HOUSING** - Fair Housing meeting in the **Apollo Towers Community Room** on **Friday April 12th at 1 PM.**



# FEBRUARY

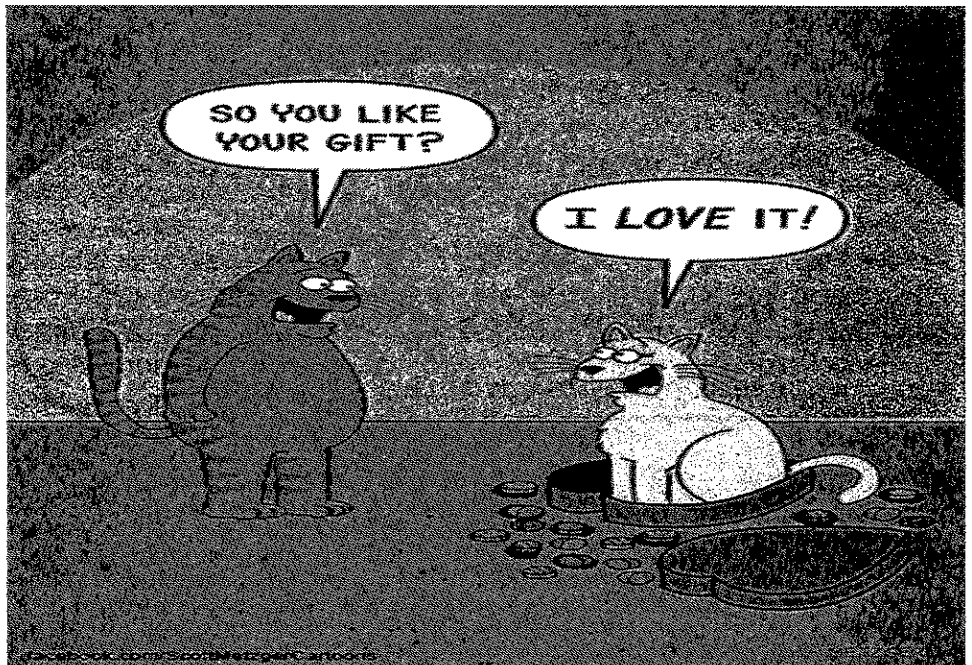
Those who play poker in a snowstorm  
must carefully shovel their decks.

Snow way! You've got to be flaking me.

Snow happens weather you like it or not!

Those who experiment with thin ice  
will achieve a breakthrough.

If you're alone and get too cold, you might become isolated.





# Creativity



## ABSTRACTION

## EXPRESSION

## NOTION

ANIMATION  
 AROUSING  
 ARTISTIC  
 AUTHENTIC  
 BRILLIANCE  
 CAPRICIOUS  
 CLARITY  
 CONCEPT  
 CREATIVITY  
 DEPICTION  
 DREAMY  
 EMOTION  
 ENCHANTING  
 ESSENCE

FANTASY  
 FEELING  
 FLUENCY  
 FRESH  
 GRAPHIC  
 HIDDEN  
 ILLUSION  
 IMAGINATIVE  
 INGENUITY  
 INSIGHTFUL  
 INSPIRED  
 INTERESTING  
 INVENTIVE  
 MAKE BELIEVE

PASSION  
 PERCEPTION  
 REVELATION  
 SPONTANEOUS  
 SUGGESTIVE  
 SUPERNATURAL  
 THOUGHT  
 UNIQUE  
 VIEWPOINT  
 VISION  
 VISUALIZE  
 WHIMSICAL  
 WISHFUL

## **TENANT NOTICES**

**The housing office will be moving to it's new location during the month of February. The office hours of 10 AM - 4 PM will be enforced. There will be some changes in how things are handled in the office. No one will be available before 10 AM or after 4 PM unless you make an appointment ahead of time.**

**Window hours will also change to 10 AM to 1 PM but the days have NOT! - Tuesday & Friday mornings only. You still need to wait till window days to buy stamps, get change or pay rent in person.**

**LAUNDRY ROOMS** - Leave the washer doors open and the dryer doors closed when you finish. Please check and clean out the washer and/or dryer you use before leaving the laundry room. Sometimes small articles of clothing are left behind. Also, you are supposed to be cleaning the lint vent every time you use a dryer. Plus we are finding some nasty or dangerous things left in the machines. **CLEAN UP AFTER YOURSELF!**

**RENT PAYMENTS DUE BY THE 10TH OF EACH MONTH** - It doesn't matter when you get paid, your rent is past due if not paid by the close of business (4 PM) on the tenth of each month. A late fee of \$25 will be on your next statement and you could receive a 14-3 notice of eviction.

**SOCIAL SERCURITY & SSI BENEFIT LETTERS** - It was announced that there is a 2.8% increase in benefits for 2019 and a slight increase in the Medicare premium for most. Please bring your 2019 benefit letter to the office as soon as you receive it so we may add a copy to your file.

**SNOW & ICE** is part of our winter and you must prepare yourselves for it. This is a reminder - WE DO NOT - WILL NOT- scoop the snow from around your vehicles. Our contractor will clear the drives and through-

ways of the parking lots and maintenance takes care of the sidewalks. If the weather is nasty, please do not go out unless absolutely necessary. **Car owners please do not back in or pull over the sidewalks and curbs. Doing this prevents the snow removal equipment access to the entire walkway.**

**PARKVIEW COMMON AREAS** - Please do **NOT** put up/out any more stuff! Everyone who has decorations, pictures and furniture in any of the common areas and hallways needs to be making plans to remove all of it. Anything we have to deal with will be disposed of at owners expense.

**PETS/COMPANIAN ANIMALS** - Please do not let your animals roam the grounds, halls or common areas unless they are under your control. This means you are holding onto the leash. Not everyone loves your animal so please follow the rules.

## **TENANT ASSOCIATION ACTIVITES**

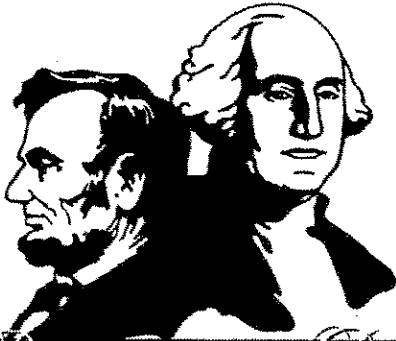
**COFFEE HOUR** - Monday, Wednesday, Friday at 9:45.AM in the Apollo Towers Community Room. **Coffee is 25¢ a cup.** There is a bible study on Wednesday at 10 AM lead by one of the local area ministers.

**POTLUCK** - Join your fellow tenants at 6 PM Friday February 8th in the Apollo Community Room for some shared food, fun and friendship. Potluck is the second Friday of each month.

**NEEDLEWORK CLASSES** - Shirley Murray will be in the Apollo Towers Community Room at 10 every Tuesday morning for anyone with questions or needing help.

**CRAFTS** - The second & forth Thursday at 10 AM you will find a craft activity in the Apollo Towers Community Room. If you want to try something new this is could your opportunity.

**BINGO** - Every Tuesday at 1:30 PM in Apollo Towers Community Room.



The office will be closed Presidents Day February 18th. There will be no maintenance available. If you have an emergency please call the housing cell at 785.447.9352.

**P R E S I D E N T S D A Y**

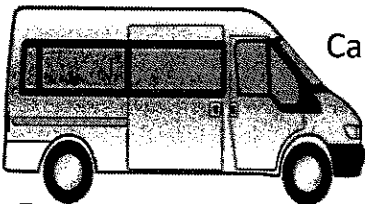
**SPRAY DAY** - All units at Parkview & Tolin will be sprayed Wednesday February 13th starting around 7:30 AM. Spray day is the second Wednesday of each month, Apollo in the odd months, Parkview & Tolin the even. We **WILL** spray every unit whether you are home or not. This is part of your lease.

**UNIT INSPECTIONS** - Units 11-20 at Tolin Terrace will be inspected Thursday February 14th. All units will be inspected.

**FRIENDSHIP MEALS**—For information or questions please call the Nutrition Office at 785-632-5767. Remember the nutrition office is now located across the hall from maintenance.

**GENERAL PUBLIC TRANSPORTATION MINI-BUS**

Call 785-632-2447 and schedule your ride today!



*Beauty Shop—Arlene Stewart*

*Located on first floor of Apollo Towers  
by the community room.*

*For an appointment call 785-630-0742*

