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Marcus D. Goodson
Executive Director

The Housing Authority of the City of Fort Myers
June 7, 2010

Mr. Pason Gaddis, Publisher
Florida Weekly
4300 Ford Street, Suite 105
Fort Myers, Florida 33916

Re: Housing Authority of the City of Fort Myers Article Published in the Fort Myers Florida Weekly
June 2-8, 2010

Dear Mr. Gaddis:

As the Executive Director of the Housing Authority of the City of Fort Myers (HACFM), I was disheartened by Mr. Williams's scathing column ("Sugar-Sweet Stimulus") that appeared in the most recent issue of the *Fort Myers Florida Weekly*. Mr. Williams seems to have approached his report on the opening of HACFM's new administration building with something less – considerably less – than an unbiased reporter's open mind. Mr. Williams would have better served his readership by spending more time learning about the Housing Authority, its mission, and its programs; instead, he chose to delve no deeper than the "ochre paneled sectional," the "dove-tawny tiles," and the "silk-smooth elevator."

Housing Authorities were begun during the Great Depression and, consequently, most of their housing units were constructed during the 1940's and the 1950's. During the 1980's, the United States Department of Housing and Urban Development (HUD), the federal agency that oversees housing authority properties, conducted studies to assess its public housing stock and determined that the federal government did not have the funds to continue repairing and replacing its aged and functionally obsolete housing inventory. One of HUD's proposed solutions was to charge the local public housing authorities with responsibility for entering into public-private partnerships that could serve the long-term needs of housing authority populations at less cost to the American taxpayer. HACFM has been very successful in doing just that – leveraging federal funds with state and private funds to better serve the needs of low-income households.

Mr. Williams, while attempting to stir outrage about the costs of our projects, does not make clear the sources of funding available to HACFM to construct new and maintain existing housing complexes. The new administration building, which was the subject of Mr. Williams' article, was built utilizing American Recovery and Reinvestment Act of 2009 (ARRA) funds and capital funds. The office furniture for the building was purchased through housing authority operating funds, no ARRA funds were used to purchase furniture. Other funds for the overall revitalization project were generated from competitive federal grants available to housing authorities nationwide, from HUD capital funds (formula-based funding tied to the number of occupied units), and from funds generated through public-private partnership activities.



Affirmative Action / Equal Opportunity Employer

Apart from a few competitive grants, HACFM receives no monies from the City of Fort Myers, Lee County, or the State of Florida. We are not dipping into the pockets of the taxpayers of Southwest Florida.

This office building forms the gateway into HACFM's new HOPE VI housing development, and as such is an anchor and a statement about development that is taking place and all future planned development. What confidence would the City, the Banks, or the residents have if we had 20 trailers grouped together on this site? To most, it would appear that we were getting ready to flee. Instead, this building shows our commitment to the community we are creating. It also serves to attract other businesses to the neighborhood.

Mr. Williams devoted a lengthy portion of his column to tax incentive financing and his interview with Jeff Kiss. The key point made by Mr. Kiss was that in previous years, no one would have considered HACFM for any tax incentive financing. ALL OF THE TAX INCENTIVE FINANCING AT THAT TIME WAS GOING TO DEVELOPERS OF FOR-PROFIT ENTERPRISES. The point Mr. Kiss was making, which seems to have eluded Mr. Williams or perhaps simply did not serve his purpose, is that HACFM was able to utilize a tax incentive program already in place and being used by for-profit developers to bring private funds into public housing, leveraging federal dollars so they could stretch farther and provide housing for more families and seniors. (Incidentally, Mr. Kiss was not "hired by the Housing Authority to help it make money" but rather hired by HACFM's development partner to assist with the highly competitive Florida Housing Finance Corporation (FHFC) application process for a variety of FHFC funding programs.)

All of our books and our expenditure records are open to examination. And while completely open to Mr. Williams, he failed to take full advantage of the information contained in our books and records. Had Mr. Williams conducted a thorough examination rather than requesting only those items that would support his preconceived notions, he would not have found a single impropriety in spending. All funding HACFM receives has restrictions that are carefully followed; our books are audited annually and our expenditures are tightly monitored. Mr. Williams also did not attempt to compare and contrast our construction and furnishing costs with those of any other local office building of comparable size. Had he done so, he would have found that our costs were not out of line. This structure replaces an office building with asbestos contamination and numerous plumbing and electricity problems.

While we welcome interest from the local news media in the operations and activities of the HACFM, we trust the reporting will be fair and accurate. Even though we have made tremendous gains during my tenure as executive director, we continue to think creatively and often times will take the road untraveled if we believe the benefit to our residents will be greater than if we conduct business as usual. HACFM has always placed the interest and needs of our residents ahead of self satisfaction and personal comfort. We hope the following information will serve to correct the misinformation, distortion, and outright fabrications that were found in Mr. Williams' piece. It is our hope that this rebuttal will be printed in a prominent location in the next edition of your paper.

Mr. Williams: "Marcus Goodson, executive director of the Fort Myers Housing Authority, furnished his new office with nearly \$30,000 of stimulus money."

Fact: The total cost of the furniture in my office was \$14,818.45 and all of the furniture in the administration building was purchased with agency operating funds. **No ARRA funds (stimulus money) were used to purchase office furniture;** to do so would have been a violation of the stimulus program regulations. Furthermore, every piece of office furniture purchased for the new administration building was purchased through state government contract and benefitted local businesses.

Mr. Williams: "Or he (Mr. Goodson) could enter the building through a separate entrance. That one is locked to the roughly 5,000 poor people the Housing Authority serves by providing cheap rent."

Fact: There are multiple entrances to the building, many of which are locked during the day to control entry into the building and direct clients, customer and vendors through the front main entrance doors where they can be properly greeted by the front area receptionist. It is not our practice to direct visitors into any of our buildings through a back door. Mr. Williams insinuation that the door is locked to keep residents of our development out of the building is both absurd and offensive.

Mr. Williams: "When he and his board of commissioners received \$2.2 million windfall injection of cash last year as part of President Obama's American Recovery and Reinvestment Act of 2009 they ditched plans to use it to repair existing public housing units."

Fact: ARRA Stimulus funds were awarded to create jobs at a time when the need for jobs is critical, both to the individuals in need of employment and to local and national economic recovery efforts. ARRA funds were required to be used for "shovel ready" projects for which other funds had not already been obligated. In other words, you could not substitute ARRA funds to pay for a project for which you already had funds available. Furthermore, no public housing capital improvement projects were "ditched." When we demolished the Michigan Court public housing development, we removed 470 of the worst public housing units in the State of Florida to be replaced by new public housing and tax-credit units with modern fixtures and amenities. As a result of demolishing our most distressed public housing units, our current public housing portfolio consists of units that are in much better physical condition and require less capital funding. As proof of our commitment to maintaining our current public housing stock I offer the following:

Current Contract

- \$950,000 Elevator Renovation Project at Bonaire Towers Elderly Development
- \$150,000 Palmetto Court Drainage/Parking Lot Project

2009 Capital Improvement Projects

- \$1,200,000 Renovation to Carrie Robinson Center
- \$583,000 Installation of Hurricane Windows and Doors at Bonair Towers Elderly Development
- \$92,000 Replacement of HVAC at Bonair Towers Elderly Development
- \$108,000 Exterior Paint Project at Southward Village

2008 Capital Improvement Projects

\$1,087,000 Hurricane Window Installation Project
\$510,000 Hurricane Windows and New Roofs at Palmetto Court

In addition to the aforementioned capital improvement projects, we also invest in our residents through Supportive Services. During the last fourteen (14) months alone, we have spent \$270,000 in GED Training, Job Training (CNA, Truck Driving Classes, LPN, Early Childhood Development and HVAC), Literacy Training, Child Care Assistance, Counseling Services, Homeownership Counseling, and Employment Skills Training.

Mr. Williams: "Mr. Goodson alone decided specifically how to spend the stimulus money."

Fact: I report on a monthly basis to a seven-member board of commissioners on the activities of the housing authority. I make recommendations to the board, which they are free to approve or reject. Our board is very active and its members are knowledgeable about our projects and programs. The board also approves our annual budget and helps to craft our goals and objectives for the year.

Mr. Williams: "For Mr. Goodson's \$198,000 salary, determined by the Housing Authority's board of commissioners, he must direct 62 employees..."

Fact: My annual salary is \$162,000, well within the range of the salaries of other colleagues with similar experience and responsibilities. While I receive other benefits such as a car allowance and health insurance coverage, Mr. Williams neglected to include these same items in other housing authority executive directors' compensation numbers when comparing their compensation to mine. In short, his was not an apples-to-apples comparison.

Mr. Williams: "Mr. Goodson spent about \$6,000 between June and February, when he traveled to Tallahassee, Sandestin, Miami, Orlando, Washington, DC and Houston ... Mr. Goodson, for example, spent \$395 and change at a Sandestin resort hotel; \$786 at a Washington, DC Marriott; \$144 at a Miami Marriott; \$200 at the Renaissance in Washington, DC and \$310 at the Hotel Duval in Tallahassee."

Fact: I have never traveled to Houston, TX in my life, be it business or pleasure. Other travel cited is directly related to my responsibilities as Executive Director of the Housing Authority. Travel to Washington D.C. was for the annual National Association of Housing and Redevelopment Officials (NAHRO) legislative conference. This conference lasted four days at a nightly cost of \$196.50. Orlando and Tallahassee are two of the places in which the Florida Housing Finance Corporation (FHFC) board holds public meetings and, in conjunction with those meetings, the Coalition of Affordable Housing Providers (CAHP) holds its board and membership meetings. I am on the Board of CAHP and attend as many FHFC board meetings as my schedule will permit. FHFC is the State of Florida allocating agency for the federal low-income housing tax credit program to which Mr. Williams refers almost in passing. Without equity from LIHTC investors, the Housing Authority could not have leveraged the HOPE VI funds from the \$20,000,000 grant awarded into the \$80,000,000 needed to replace the severely distressed and functionally obsolete units of Michigan Court. At one of the Tallahassee FHFC board meetings, the tax-credit application for phase III was on the agenda for board consideration. The subsequent tax-credit award was worth approximately \$13 million to the

housing authority; however I did have to spend \$310.00 for two nights hotel stay in Tallahassee. The Hotel Duval offers a special rate for those attending the FHFC board meeting and CAHP board and membership meetings and provides a room for the CAHP meeting. The HUD field office which oversees the Housing Authority is located in Miami. I am required from time to time to meet with HUD officials there. Finally, each year the Florida Association of Housing and Redevelopment Officers (FAHRO) holds an annual conference. The 2009 conference was in Sandestin. FAHRO promotes the exchange of ideas and information among executive directors of housing authorities across the state and develops a legislative agenda which it promotes in Tallahassee in order to better serve the needs of public housing residents. The conference lasted for four days for a nightly cost of \$98.75. When we travel on housing authority business we stay at a hotel that offers government rates or special rates for conference attendees.

Mr. Williams: "Ms. Collins spent \$28,000 for that period on her Housing Authority credit card."

Fact: The credit card issued in Ms. Collins name, as the Finance Director is used for all agency purchases for which a credit card is necessary, with the exception of purchases for the executive director and Real Estate Development Department. During the period reviewed by the reporter, approximately \$17,000 of the \$28,000 was spent on 20 seminars and conferences which trained staff throughout the agency. We spent \$3,000 on a two day Commissioners Retreat and \$2,900 was spent on a one day Staff retreat for all 62 employees. The remainder, approximately \$4,500, was for business expenses such as IT purchases, State of Florida Filing Fees, shipping fees, subscriptions, and supplies.

The \$8,000 reportedly charged to Ms. Davis' credit card included \$5,000 for Recreation Room furniture and wall accessories for the new three story 120 unit elderly development located next to the administration building. All of these expenses were reimbursed to the housing authority by the project. Of the remaining \$3,000 charged to her card during the period reviewed, \$1,290 was to the City of Fort Myers for temporary utilities for the Neighborhood Network Center located at 4224 Michigan Avenue.

Mr. Williams: "But roughly a year ago, establishing fancy offices with stimulus money was not in Mr. Goodson's plan."

Fact: In 2003 the housing authority submitted what would be the first of three HOPE VI applications to the HUD for the revitalization of the Michigan Court public housing development. Included in the 2003 HOPE VI application was the construction of a new administration building to be located on the new HOPE VI site.

Mr. Williams: "All that suggests that the label of the Housing Authority may be "nonprofit," but the instincts are profiteering."

Fact: The definition of "profiteering" in no way describes HACFM or its "instincts." A profiteer is someone who makes excessive profit when goods are in short supply. It is a pejorative term that connotes unethical behavior (for example, someone in New Orleans who charges \$10 for a gallon of water in the aftermath of Hurricane Katrina). This is a serious charge if one assumes Mr. Williams is familiar with the definition of the word. Perhaps Mr.

Williams is not; after all, he appears unfamiliar with the meaning of "nonprofit." Yes, housing authorities are by statute not-for-profit entities. This does not mean that they do not make a profit; what it means is that they do not distribute that profit to shareholders but rather return it to the business to serve the purposes for which the not-for-profit was formed. In the case of HACFM, the purpose is to make safe, decent, affordable housing available to persons with modest incomes or no income and to provide its residents with supportive services that will help them improve their socio-economic situation. Those who work for HACFM require offices in which to perform their duties. Use of funds generated by public housing development and operations activities to provide these offices is in no way unethical. Providing a single office building in which the various separate but integrated duties of HACFM personnel can be better coordinated and made more accessible only makes good organizational sense.

There were many factors that went into HACFM's decision to construct a new administration building. The office space that previously housed HACFM staff was woefully inadequate to accommodate the agency. Approximately half of our administrative and Section 8 employees were located in another rented building due to lack of space at 4224 Michigan Avenue, notwithstanding that the space had been expanded several times over the more than forty years of use. The old building had electrical and plumbing issues and the building contained asbestos and other environmental issues. Between January 2008 and May 2010 HACFM spent \$265,000 renting office space to accommodate our administrative staff. Now that the Section 8 and public housing staff are located in the same building, we can more efficiently administer our housing programs, which benefit the residents and overall community we serve.

Regarding the construction cost of the building and the related square footage, the building has 23,954 square feet under air. Based on the original contract bid amount, the cost per square foot was \$99.75. During the bidding process the next lowest bid was \$109.24 per square foot and the highest was \$134.56 per square foot. Although the cost estimate prepared for the project was \$144.22, we were able to construct the building at a considerably lower price. People who understand the construction industry can appreciate this value.

In closing, I hope the above information corrects the distortion and misinformation that littered Mr. Williams' article in the Florida Weekly last week. I am disappointed that he took a wonderful story and made it tasteless. He had an opportunity to inform the public about a local housing agency that has made tremendous strides during the last eight (8) years by improving our housing stock through demolition of 470 dilapidated public housing units and construction of new tax-credit and public housing units for our residents. Instead he chose to paint the agency with a broad brush of wasteful spending. Those in the community that know our work and understand the positive impact we have been responsible for in the East Fort Myers area will look past Mr. Williams' article with nothing more than a casual glance.

For those readers who are not familiar with HACFM and therefore rely on information presented in formats that are presumed to be objective, we submit our body of work for your examination and judgment of our commitment to providing housing and supportive services to the neediest families. Mr. Williams let his readership down by presenting an opinion in the guise of reporting – and not a well-informed opinion at that.

Sincerely,



Marcus D. Goodson
Executive Director

cc:

Armando Fana, HUD Field Office Director
Karen Cato-Turner, HUD Public Housing Regional Manager
Jose Cintron, Director Miami HUD Office
HACFM Board of Commissioners
City of Fort Myers Mayor and City Council
Lee County Board of Commissioners
Diana McGee, Regional Director for Senator Bill Nelson
Ashley Coone, Constituent Services Rep. for Congressman Connie Mack
Matt Visaggio, Legislative Aide for Representative Gary Aubuchon
Billy Mitchell, Fort Myers City Manager
Karen Hawes, Lee County Manager
Corey Mathews, Executive Director of FAHRO