

*HOUSING AUTHORITY OF BERGEN COUNTY
One Bergen County Plaza, FL 2
Hackensack, NJ 07601*

MINUTES OF THE MEETING OF MARCH 28, 2013

THESE MINUTES ARE NOT VERBATIM BUT ARE INSTEAD A CONDENSED VERSION OF WHAT TRANSPIRED AT THE REGULAR MEETING OF MARCH 28, 2013.

PRESENT:

Commissioner Bruce Walenczyk
Commissioner Mark DiPisa
Commissioner Steven Kopf
Commissioner Kay Nest
Commissioner Danielle Peterson (tardy)
Commissioner Joanne English Rollieson
Terrence Corriston, Esq., Counsel
Domingo Senande, Executive Director
Eileen Black, Finance Director
Julia Orlando, Director, BC Housing, Health & Human Services Center
Charlotte Vandervalk, Director of Development
Esther Gatria, Executive Assistant/HR

ABSENT:

Commissioner Kay Nest
Commissioner Andrew Rudman

NOTICE OF MEETING

Mr. Domingo Senande read the following statement:

Consistent with the Byron M. Baer "Open Public Meetings Act: P.L.1975c231, all meetings of public bodies shall be open to the public at all times". Notice of the regular meeting was provided to The Record and the Jersey Journal on January 19, 2013, and was provided to the County Clerk for posting at the County Administration Building, at which time the date, time and place were set forth. The minutes of the regular meeting will be available following the next regularly scheduled meeting.

The meeting was called to order at 5:33p.m.

PLEDGE OF ALLEGIANCE

Chairman Walenczyk led the Board in the Pledge of Allegiance.

APPROVAL OF MINUTES

A motion was made by Commissioner English Rollieson to approve the minutes of the meeting of February 28, 2013. Motion was seconded by Commissioner DiPisa.

VOTE: AYES: All Present Commissioners (4)
 ABSENT: Commissioner Nest, Peterson and Rudman (3)

PERSONNEL COMMITTEE

Chairman Walenczyk asked for volunteers to form a Personnel Committee. Commissioners DiPisa, English Rollieson and Kopf volunteered to serve.

EXECUTIVE DIRECTOR'S REPORT

Domingo Senande reported on the following subjects:

Sequestration/Funding: Mr. Senande reported that due to sequestration, the HABC will receive historically low funding for the Housing Choice Voucher program and the Public Housing program. The HABC is anticipating receiving 94% funding for Housing Assistance Payments (HAP); 69% of the Administration Fee to run the HCV program; 83% of the Operating Fund for Public Housing and 5% reduction in the Capital Fund (which has been reduced every year for several years). Mr. Senande added that the anticipated projections were best case scenarios and the sequestration is a ten year law. Sequestration calls for a 5% reduction in funding, every year for the next ten years in non-defense discretionary funding, a category HUD falls under. He also stated that the previously introduced budget will be modified to take into account the new levels of funding. In addition, no new vouchers will be issued for the rest of the year; this will leave about \$300K in HAP reserves this year, versus \$3.7million in reserves at the end of 2012. The program costs \$36M to run and should have at a minimum 2 weeks of reserve. Mr. Senande stated that the Section 8 Administrative budget will face a deficit of \$800K; cost saving measures have been reviewed and recommendations will be made to the Personnel Committee. At this point, Mr. Senande is recommending lowering the Section 8 Administrative budget deficit to \$400K, using reserves to cover the deficit for this year. He added that the goal for all of the other programs would be to break even or better. Mr. Senande stated that given the issues that have arisen with sequestration, he would not be presenting an organizational chart at the meeting and would wait till the Personnel Committee meets. Any changes approved by the Personnel Committee will be reflected in the new organizational chart and presented at the next Board meeting. Mr. Senande stated that based on the conference he attended and presentations that were made at the conference by high level HUD employees, it is believed that the new funding levels may be permanent. He added that even though funding levels are historically low, regulations have not changed, which makes it very difficult to run programs. He stated that thanks to the high efficiency of the HABC and cost cutting measures already implemented, the situation is currently manageable but difficult

decisions will have to be made. Commissioner DiPisa recommended freezes to annual rent increases as a cost saving measure. Mr. Senande responded that letters will be sent to all landlords on the program requesting them not to increase rents. He added that other housing authorities have implemented a freeze, but that at this moment, the HABC will be requesting landlords to voluntarily not increase rents. Ms. Black added that freezing rents might force tenants to move, thus creating more administrative work/costs. She suggested that a compromise to consider would be to cap the rent increases. Mr. Corriston asked if there was a plan in place to reduce voucher holders, should that be a measure that has to be taken in the future. Mr. Senande replied that a plan for reducing voucher holders has to be part of the Administrative Plan for the Section 8 Program. He added that a model plan had recently been purchased from Nan McKay and over the next three months the plan will be rewritten and updated.

Financials: Mr. Senande asked Ms. Black to review the financial reports with the Board. Ms. Black reviewed the Section 8 financials, reiterating that vouchers will not be issued and that the cost per voucher has remained the same. She projects that about \$3M in reserves will be used this year, leaving \$548K at the end of 2013, but could be as low as \$300K. She explained that the projections are analyzed monthly and adjusted accordingly but that factors, such as the economy, can influence the projections. Ms. Black also reviewed the financial statements thru December, noting that year to date, the net income for the 5 AMPs was \$320K and \$155K had been budgeted and will stay favorable thru year end. Mr. Senande added that based on the vacancy rate being under 1% and strong reserve levels, he anticipates that the HABC will again be rated as a High Performer agency. Ms. Black pointed out that last year there were 62 vacancy months and this year it was reduced to 26, noting tremendous progress in turning units around and filling vacancies. The year to date COCC showed a profit of \$190K versus the prior year's profit of \$330K. She added that the reduced rent of the new HQ will take effect in March.

Development: Mr. Senande reported that Ridgefield and Saddle Brook were granting the HABC 99 year leases on properties and an RFP will be issued for a developer; HDC will be submitting an application. Mr. Senande reported that there had been a meeting with the Northvale planning board for a 30 unit (including a superintendent unit) project with Domus, mainly for special needs housing for veterans and seniors. All of the previously mentioned projects will be tax credit projects. As reported at the previous meeting, preliminary discussions were still taking place for the possible development of office building in Hackensack.

MLK: Mr. Senande reported that the HABC will be acquiring the title and starting construction in a few weeks; construction should take about three months. He added that the HABC was working with the County to help MLK revitalize their program and was assisting them in the interview process for a new director.

Bergen County Housing Health and Human Services Center (HHH): Mr. Senande reported that he would be meeting with the County on April 1st to review the budget. He anticipates it will be approved as is and hopes to have the vocational coordinator funded as a full-time position. He asked Julia Orlando to report on the HHH. Ms. Orlando reported that she had a community meeting with the HHH guests, emphasizing

the economic climate and issues related to sequestration. She added that when guests leave the HHH, usually they have either temporary rental assistance from the Board of Social Services or Hackensack Welfare and are deemed either employable or un-employable. Ms. Orlando stated that at the end of the temporary assistance, it is imperative that those deemed employable have a job which is why the vocational component is critical. She added that Greg Janz, the Director of the Bergen One-Stop Career Center has dedicated funds (about \$4K/pp) to help HHH guests and has put together a six week training program, starting April 1st; the first group will consist of 15 people. Part of the program consists of on the job training. She added that she is also creating incentives and perks for guests that are part of the training program at the HHH, to help motivate them. She expressed her thanks to the One Stop, adding that if it weren't for that partnership and funding, this would not have been possible. The goal of the program is to help guests obtain viable employment that will lead to self-sufficiency. Ms. Orlando also reported that she presented at the Governor's inter-agency council and the HHH's model received great feedback.

Commissioner Peterson arrived during Ms. Orlando's report.

Website: Mr. Senande asked Ms. Gatria to report on the website. Ms. Gatria reported that there were new requirements recently passed by the State Legislature and that she expected the website to be fully compliant within a few weeks. She added that she was working with Joe D'Angelo (HABC Program Analyst) to update the content and make the site more user friendly.

Purchasing: Mr. Senande reported that the HABC was working on establishing a co-op with other PHAs. He also reported that an employee from the Purchasing Dept., took and passed the QPA exam. He noted that there could only be one QPA per PHA, but that it was beneficial for the HABC for him to have taken the courses and passed the exam.

Consent Agenda: Mr. Senande stated that the Management Agreement for Teterboro was on the Consent Agenda. He stated that the HABC will handle all of their financials and that the issue with the insurance had been resolved with the auditor. Mr. Senande also noted that the dental insurance was also on the agenda. He reported that multiple rates had been solicited and negotiated down. Delta Dental reduced their rate by 5% from the current rate and recommends continuing using them as the dental insurance provider.

Staff Day: Mr. Senande reminded the Board that Staff Day would take place on Friday, April 5th, at 1PM at Wallington Lanes and will be hosted by the HDC. All Commissioners were invited.

Lawn Mowers: Ms. Senande reported that 2 commercial grade lawn mowers will be auctioned via the government auction site.

No Smoking Policy: Mr. Senande reported that currently the only building that is smoke free is the new Northvale property and HUD encourages a no smoking policy. There have been complaints from tenants at other properties about smoking and it costs more to

rehab apartments belonging to smokers. The HABC will set up an implementation plan and present it to the Board.

ATTORNEY'S REPORT

Mr. Corriston reported that the HABC was waiting to obtain the deed and title work for MLK. He reported there was an issue with a tenant that filed a complaint against an employee and it was in Municipal Court and he was representing the employee and he was confident the employee was guiltless. The same tenant has also been served with a Notice to Quit due to his behavior toward other tenants.

PUBLIC COMMENTS

A motion to open the meeting to the public was made by Commissioner DiPisa and seconded by Commissioner English Rollieson.

VOTE: AYES: All Present Commissioners (5)
 ABSENT: Commissioners Nest and Rudman (2)

A motion to close the meeting to the public was made by Commissioner DiPisa and seconded by Commissioner Peterson.

VOTE: AYES: All Present Commissioners (5)
 ABSENT: Commissioners Nest and Rudman (2)

CONSENT AGENDA

A motion to approve the consent agenda was made by Commissioner English Rollieson and seconded by Commissioner DiPisa.

VOTE: AYES: All Present Commissioners (5)
 ABSENT: Commissioners Nest and Rudman (2)

RESOLUTIONS: CONSENT AGENDA

- A. **Resolution 2013-24**
Resolution approving the routine expenditures for the HABC for the period of 02/21/13 – 03/20/13.
- B. **Resolution 2013- 25**
Resolution approving the routine expenditures for the HDC for the period of 02/21/13 – 03/20/13.
- C. **Resolution 2013- 26**
Resolution approving an agreement for legal services with Breslin & Breslin, P.A., for the period beginning April 1, 2013 and ending on March 31, 2014.
- D. **Resolution 2013- 27**
Resolution approving Change Order #1, for the A/E services for the roof replacement project at Mahwah Public Housing.

- E. **Resolution 2013- 28**
Resolution approving the amendment to the Housing Authority of Bergen County's By-Laws.
- F. **Resolution 2013- 29**
Resolution approving an agreement with the Bergen County Division of Community Development to use the community room at various locations for the Senior Activity program.
- G. **Resolution 2013- 30**
Resolution authorizing the purchase of certain goods and services from approved New Jersey State contract vendors.
- H. **Resolution 2013- 31**
Resolution ratifying the execution of a contract with Delta Dental of NJ for the dental insurance of the employee of the Housing Authority.
- I. **Resolution 2013- 32**
Resolution authorizing the submission of the Executive Director's certification of compliance to the New Jersey Department of Community Affairs.
- J. **Resolution 2013-33**
Resolution authorizing a management agreement with the Teterboro Housing Corp.
- K. **Resolution 2013-34**
Resolution authorizing the write-off of uncollected rents.

Commissioner DiPisa moved that the meeting be adjourned. Commissioner English Rollieson seconded the motion.

VOTE: AYES: All Present Commissioners (5)
 ABSENT: Commissioner Nest and Rudman (2)

Meeting adjourned at 6:32p.m.

Minutes prepared by: Esther Gattia