



# NEWARK HOUSING AUTHORITY

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**Newark Housing Authority  
Board of Commissioners  
July 8, 2015  
(Make-up date for Annual Meeting)  
Revised 9/23/2015**

## **Summary of Meeting Minutes**

### **Opening:**

The regular meeting of the Board of Commissioners was called to order by Chairperson, Lloyd Harris on July 8, 2015 at 5:03 pm.

### **I. Welcome New Board Member:**

The Executive Director on behalf of the Board of Commissioners welcomed our newest commissioner, Mr. Peter Hartranft, to the board. Mr. Hartranft was recommended to the Governor's Office, by State Representative, Paul Baumbach to fill a vacant seat. Mr. Hartranft currently works for DuPont and will soon reach retirement. He serves on many boards and welcomes his role as a commissioner for the Newark Housing Authority.

### **II. Roll Call:**

Board of Commissioners present: Lloyd Harris, Mark Doughty, Donna Shand, Sharon Smith, Don DelCollo and Peter Hartranft (New Appointee). The Roll Call of the Commissioners was individually confirmed. NHA Staff present: Marene M. Jordan; Attorney, Don Gouge.

Absent:

Kevin Heitzenroder

Note: Mark Doughty arrived after roll call was taken.

### **III. Approval of Minutes:**

The Chairperson asked for approval of the April 8, 2015 meeting minutes. Before a motion was made, Ms. Shand noted corrections to report proper reporting of motion passed by all commissioners in attendance. With the correction, Ms. Shand made a motion to approve the minutes. The motion was seconded by Ms. Smith. The minutes were approved by all in attendance.

Aye 5 (Mr. Harris, Ms. Shand, Ms. Smith, Mr. DelCollo and Mr. Hartranft)  
Nay 0  
Motion passed, Vote: 5 to 0

#### **IV. Report of the Executive Director:**

##### **(A). Staff Report:**

The Chairmen asked for approval of the Staff Reports for the months of April, May and June of 2015. Before a motion was made, Ms. Jordan made reference to specific topics reported in June Staff Report. She referenced the following:

Alder Creek:

1. As of June 25, 2015 the Community Building and Residential Buildings 1, 2 and 3 have revised dates of when the certificate of occupancies maybe issued. The revised dates reflect July 8, 2015.
2. The building matrix was revised to reflect the LIPH units to come on line and be leased first vs. the PBV units. The revision was a decision made by Ingerman in an attempt for the project to receive operating subsidy for the last quarter in 2015 payable in early 2016. NHA made reference and clarified 95% of the LIPH units (40 units) must be leased by 9/30/2015 to trigger the subsidy. If not, the funding could be prorated or forfeit when HUD reviews and approves the subsidy. Reference was also made to construction is behind schedule; and leasing of the units is unknown at this time.
3. On June 25, 2015 DNREC was onsite to discuss the next steps for at the site to complete the remedial action for the site. The remedial cap on OU#2 is nearing completion. The target date for the completion for the remedial cap on OU#2 is July 31, 2015. Following the completion of the cap placement and the inspections of the vapor mitigation systems in every building, the environmental contractor is required to submit a timely Remedial Action Completion Report to DNREC for their review and approval. Once the report is approved, NHA will be required to submit an official request for the Certificate of Completion of Remedy.
4. A Grand Opening is tentatively scheduled for some time in October.

Newark Branch NAACP letter of concern:

1. Reference was made to a letter of concern dated for June 2, 2015 received by NHA from Gary Hayman, President of the Newark Branch NAACP. In his letter, he expresses his concern for the families at Alder Creek and ask for the following:
  - A pedestrian cross walk at the intersection of Cleveland Avenue and McKees Lane
  - Designated bike lanes in both traffic directions on Cleveland Avenue
  - A traffic light at the intersection of McKees Lane and Cleveland Avenue to allow vehicles to safely pull out of McKees lane in both directions.

Ms. Jordan expressed her opinion in manner the issue may have already been addressed when the site plans were approved. If not, the concern is more so with Del Dot and the City. NHA will not take any action at this time.

## Section 8 – Housing Choice Voucher Program:

2. Reference was made to NHA receiving an additional \$48,264 in HAP funds as a result of an application submitted for Set-Aside funds. These funds were awarded under the Maintain Leasing Category and will help fund the 14 PBV units at Alder Creek.

After this update, Ms. Shand made a motion to accept the staff reports for April, May and June of 2015. The motion was 2<sup>nd</sup> by Mr. Harris.

Aye 6 (Mr. Harris, Mr. Doughty, Ms. Shand, Ms. Smith, Mr. DeCollo and Mr. Hartranft)  
Nay 0  
Motion passed, Vote: 6 to 0

## **V. Committee Reports:**

### **A. Report of Policies & Procedures & Compliance & Personnel Committee – Chairperson (Mr. Doughty):**

As Chairperson of this sub-committee, Mr. Doughty was in agreement to allow Ms. Smith (committee member) and Ms. Jordan to engage in conversations and meetings (if need be) in an attempt to provide some recommendation to the board for consideration in moving forward with the On-Boarding Procedure for New Commissioner.

### **B. Report from Development Committee – Chairperson (Mr. Heitzenroder):**

As Chairperson of this sub-committee, Mr. Heitzenroder was not present but Ms. Jordan provided an update for this committee. The Alder Creek update was already mentioned under the report of the Executive Director. However, Ms. Jordan did provide an update on the possible property swap/sale between Mayhew Management and NHA. The properties in question are: 101 New London Road (owned by NHA) and 718 Swarthmore Drive (owned by Kevin Mayhew). Ms. Jordan reported the following:

- The sale is permissible as long as it is consistent with 24 CFR 970. The difference in bedroom size does not matter but the number of units (98) under NHA's ACC agreement with HUD does.
- NHA must include language in its Annual plan to support a swap/sale of a property. The process allows for a 45 day review period that allows the public to comment and make offers as this is a public sale. The process includes a meeting with RAB and residents and an approved board resolution. The Annual plan is due to HUD by January 15<sup>th</sup>.
- An Electronic Disposition Application must be submitted to HUD/SAC for approval.
- Must have an approved board resolution for swap/sale (Resolution #389)
- Complete an Environmental Review
- Updated appraisal of both properties
- Sale at FMV (718 Swarthmore Drive cannot be sold less than FMV of 101 New London) If so the owner of must make-up the difference.
- Moving/Relocation cost must be paid on behalf of the family.

Ms. Jordan's expressed her concern with the possibility of displacing the current family without having a 2-bedroom unit available to transfer her too. The possibility of transferring her to the 4 bedroom unit will create an over housed situation and should be offered to an approved family with the appropriate family make-up from the waiting lists. The other option for the board to consider is to maybe issue the family an available voucher under the Sec8 program to avoid displacement.

Mr. Mayhew noted 718 Swarthmore Drive is a 4 bedroom unit with a rental permit for student housing. He informed all he purchased the town homes located on both side of NHA's property. He added the 101 New London does not have a parking space. He is honoring a verbal agreement the previous owner had with our tenant in allowing her to park on his property. He mentioned 718 Swarthmore Drive will appraise for a lot more than 101 New London and is located in a nicer residential area. Ms. Jordan asked for an inspection/walk thru of his property. A date and time is to be determined. Ms. Jordan was given the approval to move forward with this process.

Mr. DeBeary (consultant/fee accountant) asked how would this property swap/sale benefit the agency? Board Member, Don DelCollo stated NHA is getting a larger property in a nice development that will appraise for a lot more than 101 New London.

Ms. Jordan added there is a section of the disposition application that asked for justification for the swap/sale.

The Chairman of the Board asked for a motion to approve Board Resolution No. 389 authorizing the Executive Director to explore other Development Opportunities including the property Swap/Sale of 718 Swarthmore Drive for 101 New London Road between NHA and Mayhew Management LLC. Ms. Smith made a motion to accept and approve Board Resolution No. 389 as presented. The motion was seconded by Mr. DelCollo.

Aye 6 (Mr. Harris, Mr. Doughty, Ms. Shand, Ms. Smith, Mr. DelCollo and Mr. Hartranft)  
Nay 0  
Motion passed, Vote: 6 to 0

### **C. Report of Finance Committee – Chairperson (Ms. Shand):**

As Chairperson of this sub-committee, Ms. Shand deferred the report of finance from this committee to Mr. DeBeary. Mr. DeBeary began his report with a discussion regarding the FYE financial reports for the period covering April 2014 – March 2015. The LIPH report shows a net gain of 39,646. He reviewed the Summary of Revenues and Expenses Report that showed the following:

<u>Revenues</u>		<u>Expenses</u>	
• Operating Subsidy	\$200,509.00	Administrative Expenses	\$250,060.29
• Rents	\$156,483.03	Resident Services	\$ 100.00
• CFP Operations	\$ 81,394.34	Utilities	\$ 51,569.92
• Ground Lease	\$ 25,000.00	General Maintenance	\$ 13,840.02
• Other Income	\$ 35,981.80	Contract Maintenance	\$ 71,341.01
		Insurance	\$ 34,388.41
		General Expenses	\$ 18,359.63

Extraordinary Expenses \$ 20,603.00

**Total Income**                      **\$499,368.17**  
**Income before Depreciation**   **\$ 39,645.89**

**Total Expenses**                      **\$459,722.28**

Mr. DeBeary report for this financial indicator that HUD uses to score housing authorities, NHA should receive 25 out of 25 points. He noted the unaudited financials was submitted to HUD early this year. With the early submission, there were some expenses (invoices) were late and was not included so there will be some adjustments made by auditor.

He reviewed the Section 8 Housing Choice Voucher report that showed a modest net gain of \$2,087.77.

Income: \$80,316.09	Expense: \$77,287.01
Income before Depreciation	\$3,029.08
Depreciation Expense	\$ 841.31
<b>Net Income</b>	<b>\$2,087.77</b>

Mr. DeBeary reported on current financial report for the period beginning April thru May of 2015 the Profit Loss Budget vs. Actual Report. He noted so far the LIPH program is reporting a net gain of \$20,374 when comparing the actuals to the budget. He informed that a budget revision will need to be made regarding the drop in NHA's insurance premium for Alder Creek and a shortfall in Fringe Benefits. The Section 8 Housing Choice Voucher Program is reporting a net gain of \$217.58. Mr. DeBeary concluded his report of finance by stating the housing authority is in good financial shape and at some point a plan needs to be in place for use of funds.

Ms. Shad added that she would like to hold monthly committee meetings prior to the monthly board meetings. Dates and time are to be determined.

Ms. Jordan acknowledged that Mr. Hartranft has expressed interest in becoming a committee member of the Finance Committee. The Chairperson has the authority with a majority vote of the commission of appointing members of the Authority to a committee or committees. The Chairperson asked for a motion. Ms. Shand made a motion to appoint Mr. Hartranft to the Finance Committee. The motion was seconded by Mr. DelCollo.

Aye 6 (Mr. Harris, Mr. Dougherty, Ms. Shand, Ms. Smith, Mr. DelCollo and Mr. Hartranft)  
Nay 0  
Motion passed, Vote: 6 to 0

## **VI. Attorney Issues:**

Mr. Gouge had no attorney issues to report.



## **VII. Old Business:**

- A. From Commissioners:
  - 1). The On-Boarding Process Procedure: Ms. Smith and Ms. Jordan will follow-up and provide update to the board at the next meeting.
  - 2). Review of By-Laws: Mr. DelCollo asked to table this review and discussion.
- B. From the Executive Director: Ms. Jordan had a brief discussion regarding how often the board members agreed to hold monthly meetings. She reminded all that we meet 6 times a year on odd months and we need to commit to these meetings to ensure compliance with our By-Laws. Mr. Doughty added that in the event we do not have a quorum on odd meeting months, Ms. Jordan should continue to send an email informing such and notify all members of a meeting the following month. He added in the past board member were showing up for a meeting only not to meet because we did not have quorum, clarifying that is why we implemented an email to be sent confirming board members attendance. Ms. Jordan advised the board of a scheduling conflict she has in attending the September 9th board meeting. She asked if the meeting can be held on either Wednesday the 16<sup>th</sup>, 23<sup>rd</sup> or 30<sup>th</sup>. After a brief discussion, the meeting schedule for the month of September will take place on September 23<sup>rd</sup> at 5:00pm.
- C. From Legal Counsel: N/A

## **VIII. New Business:**

- A. From the other Commissioners:
  - 1). Ms. Shand asked for follow-up reading a discussion about a retreat. The board members mentioned were asked to provide dates, times, topics and the outcome they are looking for in the retreat to the Executive Director for a further discussion.
- B. From the Executive Director:
  - 1). Commissioner Performance Evaluations (May 2014 – April 2015) Ms. Jordan reported this report was a recommendation made by the Joint Sunset Review Committee when NHA was selected for a review in 2010. The board at that time accepted the recommendation and required the Executive Director to report annual report to the board at its Annual Meeting. The report is a breakdown of board members attendance for this period. The report shows each board members term (start and expiration), who appointed them (Mayor or Governor) and list any additional tasks they may have performed on behalf of the agency.
  - 2). Report of Contracts. Ms. Jordan reported this report was also a recommendation made by the Joint Sunset Review Committee and was accepted by the board while under review and has the same reporting requirements as the previous report. The Report of Contractors is a list of contacts awarded annually where cost has exceeded \$10,000 or expected to exceed \$10,000 for service in the coming year.
  - 3). The By-Laws, Article II-Officers; Section 6 – Election or appointment calls for the Chairperson and Vice-Chairperson to be elected at the annual meeting of the Authority from among the members of the Authority, and shall hold office for **TWO** years or until their successors are elected and qualified. The elections were recommended due to

terms expiring and re-appointments. Ms. Smith made a motion to elect the current members. The motion was 2<sup>nd</sup> by Ms. Shand. Both the Chairperson (Mr. Harris) and Vice-Chairperson (Mr. Doughty) accepted the motion for re-appointment.

Aye 6 (Mr. Harris, Mr. Doughty, Ms. Shand, Ms. Smith, Mr. DeCollo and Mr. Hartranft)  
Nay 0  
Motion passed, Vote: 6 to 0

C. From Legal Counsel:N/A

#### **IX. Visitors and/or Petitions**

The Chairperson opened the floor to State Representative, Paul Baumbach. Mr. Baumbach expressed his appreciation for the board members currently service on the Newark Housing Authority. He thanked them for their service and interest. Mr. Baumbach reminded all he is here to help in any way possible to ensure all issues and/or concerns are addressed timely. He made reference to board vacancies. He suggested that once we have a board vacancy, we know the skillset we are looking we should notify the appointing authority for their consideration. He made reference Governor vacancies of possibly notifying a State Representative for assistance.

The Chairperson asked for a motion to adjourn the meeting. A motion was made by Mr. Doughty. The motion was seconded by Ms. Smith.

Aye 6 (Mr. Harris, Mr. Doughty, Ms. Shand, Ms. Smith, Mr. DeCollo and Mr. Hartranft)  
Nay 0  
Motion passed, Vote: 6 to 0

**Meeting adjourned at 6:33 PM**

**Minutes Submitted by: Marene M. Jordan, Executive Director**