

**Newark Housing Authority
Board of Commissioners
September 12, 2018**
REVISED 11/13/2018

Summary of Meeting Minutes

Opening:

The regular meeting of the Board of Commissioners was called to order at 5:00 PM by the Board Chairperson, Lloyd Harris.

I. Roll Call:

Board of Commissioners present: Mark Doughty, Emile Brown, Nikki Lane, Janaki Ram Ray, Donna Shand and Lloyd Harris. Marene Jordan, Executive Director and Donald Gouge Jr., NHA's attorney, were also present.

Absent Board Member: Kevin Heitzenroder

II. Welcome New Board Members:

The Chairperson asked each of the new board members to share a little about themselves.

Mark Doughty – Mayoral Appointment: “I am a former board member. I took a leave of absence back then as the CEO of Glasgow Medical Center; a very demanding position. Now, I work for Newark Business Development. I am also a board member to several organizations throughout Delaware.”

Emile Brown – Governor Appointment: “I am married with 2 children. Both daughters graduated from college. (Pitt & Clemson). I am a Mechanical Engineer. I spoke with Paul Baumbach and mentioned if something (position on the board) develops to let me know. An opportunity presented itself and here I am. I am a native to the City. I am the Vice President of Thomas Edison Charter School Board of Directors in Wilmington. I am a Football Official & Basketball Coach at Dickerson High School.”

Visitors Present:

Jean White, Resident of Newark
Tasha Brown, LIPH Tenant

III Approval of Minutes:

(a). Minutes from June 13, 2018 and August 8, 2018

The Chairperson asked for a motion to approve the meeting minutes from June 13th and August 8th. Ms. Lane made a motion to approve the minutes from these two meetings. The motion was 2nd by Mr. Ram Ray.

Aye 4 (Mr. Harris, Ms. Shand, Mr. Ram Ray and Mrs. Lane)
Nay 0
Motion passed, Vote: 4 to 0
Abstain: 2 (New Board Members – Mr. Emile and Mr. Doughty)

IV. Report of the Executive Director:

(a). Staff Reports: - June, July and August

The Chairperson asked for the reports from the Executive Director. Mrs. Jordan reported the following:

Month of June Report:

MOA Requirements for 101 New London Road:

Mrs. Jordan provided the board members with a copy of the completed final reviews for the rewrite of the webpage and the signage for 101 New London Road. She noted: “Mrs. White was very instrumental in providing recommendations/edits to the information to be displayed on the interpretive sign.” NHA was informed by a representative from the City of Newark’s Code Enforcement Department that the proposed interpretive sign for 101 New London does not require any approval from the City since the sign is exempt from the city code because of it being a Historical Marker. However, the representative did request an onsite meeting to discuss a location for the sign. A meeting is pending.

Signage at Alder Creek:

Mrs. Jordan provided the board members with a copy of the new signage for Alder Creek. As previously discussed the new sign will **not** display “The Willows At...” which is being used at all properties currently managed by Ingerman.

The New sign will be larger and mounted to the top of the existing monument. Everything that is currently displayed on the monument now will be removed. The re-brand takes into consideration our concern that when riding by the development the existing lettering is not easy to read. The re-brand lettering will be larger. It will be much higher off the ground and the lettering will be red with a white background which will be much easier to read. Consideration is being made for the sign to be double sided.

Yearly evaluation of the Low Income Public Housing Program:

NHA received a letter via email on June 1, 2018 advising that a Public Housing Assessment System (PHAS) designation for our public housing agency (PHA) has been issued for the fiscal year end 3/31/2018. Under the Small PHA deregulation (SPD) based on the number of ACC units and our previous PHAS score, NHA’s PHAS score remains at 96%; thus a High Performer.

CDBG Application:

NHA learned that the property located at 299 E. Main Street was recently purchased by a local developer. This is the property NHA was interested in purchasing to expand its parcel to redevelop on. NHA’s CDBG funds under the 44th year were approved to help acquire this property. NHA contacted the City of Newark’s planning department to discuss an alternative use for the funds. As a result, NHA was advised to submit an application to the City seeking approval to reallocate these funds to “rehab” instead of “acquisition”. This request was submitted on August 10th.

NHA also submitted an application for consideration in receiving funds for a Planning Grant under the CDBG 45th year allocation. Mr. Ram Ray will be representing NHA at the meeting tonight. The Scope of Services for the grant include: cost associated with our Agency Representative (CSG Advisors), cost associated with procuring a legal representative, cost associated with procuring a project developer/partner and cost associated with our architectural and engineering consultant (Haley Donovan and Landmark Science & Engineering firm).

Month of July Report:

CSG Advisors Presentation:

As a follow-up to the Power-Point presentation presented by Ms. Tanya Dempsey at last month's meeting, there were some edits after some research was performed at the recommendation of Mr. Heitzneroder (Chairperson of the Development Committee). This topic was discussed later in the meeting.

Yearly evaluation of the Housing Choice Voucher Program (Sec 8):

NHA maintains its High Performance ranking for the Section 8 Program for FYE 3/31/2018. NHA earned 135 points out of 135 possible points thus the overall score is 100%.

Month of August Report:

Cleveland Avenue Traffic Pattern Change:

As a member of the Cleveland Avenue Task Force Committee (formed by the city), NHA was made aware that the Road Diet portion between Capitol Trail and N. Chapel Street/Paper Mill Rd. has been completed and final striping and signalization is in progress. Since the change in the traffic pattern, the city has been informed of several (almost) accidents where the current traffic pattern is causing some confusion. The city along with DelDot is troubleshooting the area and the Newark PD will also make frequent checks on the area while they work through this issue. This is a major concern for the residents who cross Cleveland Avenue.

Governor's Appointment Confirmations:

NHA received notification that the Governor's office has re-appointed Ms. Shand and Mr. Harris to another 3 year term. Both terms expire in 2021.

Property Sales:

The settlements for both 26 N. Chapel Street and 101 New London Road took place on August 31st.

FYE 3/31/2018 Independent YE Audit:

NHA's Independent FYE 3/31/2018 field work associated with the audit is complete. This year Ms. Shand was selected to speak to the auditors in answering routine questions regarding the operations of NHA. Representatives from Barbacane, Thornton & Company are tentatively scheduled to attend the October 10th board meeting to present the FYE audit. It appears we have a clean audit.

State Wide Affirmative Fair Housing – Collaboration Kick-off Meeting:

NHA attended the Delaware Affirmative Fair Housing (AFH) Consortium Kick-off meeting in Dover on Friday, August 7, 2018. One of the concerns for NHA is administering affordable housing in a college town. It was noted that a representative from the University of Delaware should attend future meetings. Mr. Doughty will be assisting NHA with a contact person for a subsequent meeting on the issue.

Statewide Housing Assistance:

NHA has joined the other housing authorities in Delaware and other partners in submitting a joint application in applying for technical assistance in re-evaluating the process in approving/denying applicants with criminal histories. The Vera Institute of Justice (Vera)—with funding from the U.S. Department of Justice, Bureau of Justice Assistance (BJA) 1—was soliciting applications from public housing authorities (PHAs), in collaboration with their justice system partners who are seeking technical assistance to plan and implement reentry programs and/or change their admissions policies regarding people with conviction histories. PHAs that manage their own units as well as those administering housing choice voucher programs were eligible to apply.

In collaboration with other housing authorities and partners in DE, our joint application was selected as one of the four PHAs/communities to receive technical assistance from the Vera Institute for Justice through their Opening Doors initiative! Two of the goals are to safely increase access to housing for people with conviction histories and to improve the safety of public housing and surrounding communities through the use of re-entry housing strategies. NHA will be notified about the next steps needed to move this process along.

The Chairperson asked for approval of the Staff Reports for the months of June, July and August respectfully. Ms. Shand made a motion to approve the reports. The motion was 2nd by Mrs. Lane.

Aye 4 (Mr. Harris, Ms. Shand, Mr. Ram Ray and Mrs. Lane)
Nay 0
Motion passed, Vote: 4 to 0
Abstain: 2 (New Board Members – Mr. Emile and Mr. Doughty)

V. Committee Reports:

A. Report of Policies & Procedures & Compliance & Personnel Committee – Chairperson (Vacant):

Before any report or action from this committee, the chairperson acknowledged that this committee is in need of a Chairperson. Mrs. Jordan added, “Mrs. Lane is a committee member but is not interested in chairing this committee.” After a brief discussion, Mr. Doughty expressed interest as chairing this committee and Mr. Brown was receptive to co-chairing. The Chairperson of the board asked for a motion. Mrs. Lane made a motion for Mr. Doughty to become the Chairperson of this committee and Mr. Brown to be the Co-Chair. Both accepted the nominations. Ms. Shand 2nd the motion made by Mrs. Lane.

Aye 6 (Mr. Harris, Ms. Shand, Mr. Ram Ray, Mrs. Lane, Mr. Brown and Mr. Doughty)
Nay 0
Motion passed, Vote: 6 to 0
Abstain: 0

- a). Contract Amendment (Executive Session) – To be discussed during Executive Session

b). Annual Review of Executive Director (Executive Session) – The first order of business for Mr. Doughty (as chairperson of this committee) was to ask Mrs. Jordan to provide some dates for the evaluation to ensure it's completed on time. No further discussion or action was taken on this agenda item.

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

The Chairperson of this sub-committee, Mr. Heitzenroder, was not present for the meeting. Mrs. Jordan reported during her Executive Report the status of:

- a). 26 N. Chapel Street - Sold
- b). 101 New London Road including the Webpage Narrative and the Interpretive Signage. – Property sold and final review for webpage narrative and the interpretive sign.

In the absence of Mr. Heitzenroder, Mrs. Jordan provided a brief overview of developments for this committee. Mrs. Jordan noted that Mr. Heitzenroder will hold a development committee meeting on Wednesday, September 26th and will update the board at the next meeting.

Development Update:

Mrs. Jordan provided the board members with a copy of the revised slides from the power-point presentation presented by Ms. Tanya Dempsey. The original slide projected that the 9% LIHTC option was **“not probable”** – very competitive; and the funding gap was \$8.8M (minus debt of approximately \$7M) with a total development cost of \$27.8M and per unit cost of \$260K.

The revised slide showed the 9% LIHTC option as **“assumed”** with **“no”** funding gap with debt of approximately \$4M along with a total development cost of \$15.8M and per unit cost of \$232K.

The scenario with the 4% LIHTC option shows a funding gap of \$3.75M with debt of approximately \$7.46M and total development cost of \$16M.

Mr. Doughty asked if the redevelopment deal will be similar to that of Alder Creek.

Mrs. Jordan responded “No. We want more involvement in the design, development and to be able to manage the site. At Alder Creek, we provide the subsidies and have general oversight.”

Mr. Brown asked, “So the submission of a LIHTC application is based on the applicable tax credit award?”

Mrs. Jordan responded, “Prior to our submission, we would need to know if we are applying for the 9% or the 4% of which the application score will determine the award from DSHA.” She added, “The 9% credits are competitive but generate the most.”

Mrs. Jordan made reference to the Implementation Plan referring to the following items:

- The appraisal of the properties remaining in inventory and admin building (RFP pending)
- Relocation Plan (In progress)
- Environmental Review (Commencing shortly)
- Annual Plan (Routinely submitted to HUD in January)

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

(a) Monthly Financials –

Reference was made to the Budget vs. Actual Report for the Low Income Public Housing Program for the period covering April 2018 – July 2018. There were no unusual expenditures for this reporting period. Ms. Shand referenced the Profit Loss Report for the Section 8 Program. This report is showing a deficit of -\$7,030.18 which is attributed to HUD performing a reconciliation of funds received in CY 2017 and determined NHA was over funded. Any offsets required due to the excess fees disbursed affected our July Funding (Admin Fees). As of August 1st, our admin fees have been restored. It's important to note, the offset did not just affect NHA.

(b). Meeting with the Auditor-

Ms. Shand did acknowledge that this year she was selected to meet with the auditors. She mentioned the meeting was very general and routine. The meeting also allowed for a discussion regarding the contract amendment for the Executive Director which will be discussed during Executive Session.

D. Strategic Planning Committee – Chairperson (Ms. Shand):

(a) Committee Meeting Date and Time

Ms. Shand reported the committee did meet to discuss the goals and timeline outlined in the Strategic Plan. This meeting also allowed for new goals to be added as they relate to the development committee's implementation plan for the redevelopment. A revised plan will be provided at next month's meeting.

VI. Attorney Issues:

None

VII. Old Business:

- A. From the other Commissioners: None
- B. From the Executive Director: None
- C. From Legal Counsel: None: None

VIII. New Business:

- A. From Commissioners: None
- B. From the Executive Director: None
- C. From Legal Counsel: Mr. Gouge reported the following:
 - 1. A former tenant who left owing money settled their debt with the agency.
 - 2. A lockout took place on a tenant who failed to pay rent and provide proper notice.
 - 3. A complaint will be filed regarding non-payment of cost associated with a fire caused by the tenant/household member.

Mrs. Lane asked if the tenant is paying current rent. Mrs. Jordan responded, "Yes". Mrs. Lane clarified that "The cost for damages is not being paid?" Mrs. Jordan responded, "Yes, correct". Mrs. Lane clarified, "So the unpaid cost for the damages not paid is considered unpaid rent because it was not paid within 30 days?" Mrs. Jordan responded "Yes".

IX. Visitors and/or Petition:

The Chairperson opened the floor to our visitors.

Ms. Brown (a current tenant) introduced herself to the board members. Ms. Brown attended the board meeting to inform the board of her displeasure with the administration. She went on to say that she believes the relationship deteriorated after she won the court case for nonpayment and the appeal that followed. She mentioned not receiving her voucher under the Section 8 Program. She further stated that she has lived in her house for 5 years with her 3 children. She recently received a termination letter from NHA stating she must move by September 30th. She said that she had not responded to the 7 day violation letter by the due date which prompted the termination notice. She mentioned the violation letter indicated that she was responsible for cutting her grass and installing a light bulb in her exhaust fan as well as other items needing repairs that were beyond normal wear and tear. She stated that she had informed the office that her mower was stolen and she had no way of mowing her lawn.

Ms. Brown mentioned having paid a fee of \$250 (which she said she could not afford) for a smoke detector violation. She went on to say that NHA maintenance performs preventative maintenance monthly so she does not understand the City of Newark violating her for a smoke detector when maintenance had performed preventative maintenance. Ms. Brown was encouraged by several board members to reach out to Ms. Jordan to have a one-on-one meeting to discuss her situation and to have someone attend the meeting with her. Ms. Jordan will update the board at the next meeting.

Both Mrs. Lane and Mr. Doughty (board members) thanked Ms. Brown for attending the meeting and making them aware of her situation knowing it was not an easy thing to do.

Mr. Gouge responded by saying, "This is obviously one-sided as there is more to what is going on than what was said. However, this is not the time or the place to hold a discussion regarding a decision that falls under the day-to-day operations of the authority."

Mrs. White also made comments on Ms. Brown situation and wanted clarification as to if a meeting will be attended by someone who can provide an option objectively and who is not involved.

Mrs. Jordan responded to Ms. White comments by saying all program participants are provided with an opportunity to dispute a decision made by the administration that may have an adverse effect on their housing (termination). If the tenant's request is made timely and according to policy, a hearing will be scheduled with a third party who is familiar with program rules and regulations.

Mrs. White provided comments and asked questions regarding the interpretive sign. She was aware that the location for the sign has not been determined but asked if the sign had been produced. Mrs. Jordan said, "No". She wanted the board members to have one last view of the language for the sign.

X. Executive Session:

The Chairperson asked for a motion to enter into Executive Session to discuss the Contract Amendment for the Executive Director. Ms. Shand a made motion to enter into Executive Session. The motion was 2nd by Mr. Brown.

Aye 6 (Mr. Harris, Ms. Shand, Mr. Ram Ray, Mrs. Lane, Mr. Brown and Mr. Doughty)
Nay 0
Motion passed, Vote: 6 to 0
Abstain: 0

At approximately 6:02 PM the board of commissioners enters into Executive Session to discuss the Contract amendment for the Executive Director. This section of the meeting was closed to the public.

Note: The minutes will reflect that at approximately 6:10 PM Mr. Ram Ray left the meeting to attend another meeting.

At approximately 6:17 PM the board of commissioners came out of Executive Session. The Chairperson asked for a motion for the meeting to become public. Ms. Shand a made motion to enter into Executive Session. The motion was 2nd by Mr. Brown.

Aye 6 (Mr. Harris, Ms. Shand, Mr. Ram Ray, Mrs. Lane, Mr. Brown and Mr. Doughty)
Nay 0
Motion passed, Vote: 6 to 0
Abstain: 0

a). **Contract Amendment** – Ms. Shand informed the public that a discussion took place in possibly amending the Executive Director’s contract to address the auditor’s concern of a potential liability relating to the benefit section of the contract. The board believes that the contract can be fixed with the proposed contract amendment and it’s important for this concern to be addressed by the board.

Ms. Shand asked for a motion to approve and amend the benefits section of the Executive Director’s existing contract relating to “termination” of payable accumulated sick leave balance to include “termination, resignation and contract fulfillment.” The motion also included a payout of accrued sick leave benefits through 3/31/2018 to be paid in 2 installments.

Mrs. Lane made a motion to accept the revision in Benefits Language AND the Proposal to existing Executive Director’s Sick leave Balance Sheet. The motion was 2nd by Mr. Brown. Vote passed to Approve motion.

Aye 6 (Mr. Harris, Ms. Shand, Mr. Ram Ray, Mrs. Lane, Mr. Brown and Mr. Doughty)
Nay 0
Motion passed, Vote: 6 to 0
Abstain: 0

b). Annual Review of Executive Director – was tabled for future discussion.

XI. Adjournment:

The Chairperson asked for a motion for the meeting to adjourn. The motion was made by Mrs. Lane. The motion was 2nd by Mrs. Shand.

Aye 4 (Mr. Harris, Ms. Shand, Mr. Ram Ray, Mrs. Lane, Mr. Brown and Mr. Doughty)
Nay 0
Motion passed, Vote: 6 to 0
Abstain: 0

Meeting Adjourned at 6:22 PM
Minutes were submitted by Mrs. Jordan

Note: The Executive Session Summary of Minutes was taken by Mrs. Lane.

APPROVED