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**Newark Housing Authority
Board of Commissioners
April 14, 2021**

Summary of Meeting (Virtual Zoom) Minutes

Opening:

Before the regular meeting of the Board of Commissioners was called to order, Commissioner Lane made a motion for Commissioner Shand to chair the meeting in the absence of Vice-Chairperson, Marguerite Ashley. The motion was 2nd by Commissioner Tillman.

Aye 5 (Ms. Lane, Ms. Shand, Mr. Tillman, Mrs. Forman-Gaines and Mr. Brown)
Nay 0
Motion passed, Vote: 5 to 0

At approximately 5:10 PM the Acting-Chairperson, Donna Shand called the meeting to order.

I. Roll Call:

The Acting-Chairperson made a request for Roll Call. Board of Commissioners present: Donna Shand, Nikki Lane, Paul Tillman, Emile Brown and Denise Forman-Gaines. Marene Jordan (Executive Director) and Attorney Donald Gouge Jr. were also present.

Note: Commissioner Marguerite Ashely was not present for the meeting.

II. Approval of Minutes:

The Acting-Chairperson asked for a motion to approve the Executive Session Meeting Minutes from November 11, 2020.

(a). Executive Session Meeting Minutes from November 11, 2020 – Minutes were Tabled

The Acting-Chairperson asked for a motion to approve the Special Meeting Minutes from November 30, 2020.

(b). Special Meeting Minutes from November 30, 2020 – Minutes were Tabled

The Acting-Chairperson asked for a motion to approve the Executive Session Meeting Minutes for January 13, 2021.

(c). Executive Session Meeting Minutes from January 13, 2021

Ms. Lane made a motion to approve the Executive Session Meeting Minutes from January 13, 2021 after acknowledging that the Commissioners received these meeting minutes via email. The motion was 2nd by Mr. Tillman/Mr. Brown.

Aye 4 (Ms. Lane, Mr. Tillman, Mrs. Forman-Gaines and Mr. Brown)
Nay 0
Motion passed, Vote: 4 to 0

The Acting-Chairperson asked for a motion to approve the Meeting Minutes for March 10, 2021.

(d). Meeting Minutes for March 10, 2021.

Mrs. Forman-Gaines made a motion to table the meeting minutes for March 10, 2021. The motion was 2nd by Mr. Tillman/Mr. Brown.

Aye 4 (Ms. Lane, Mr. Tillman, Mrs. Forman-Gaines and Mr. Brown)
Nay 0
Motion passed, Vote: 4 to 0

III. Report of the Executive Director:

(a). Staff Report from March 2021

The Acting-Chairperson asked for the report of the Executive Director for the month of March, 2021. Mrs. Jordan provided the following report:

Newark Area Welfare Committee:

The Newark Area Welfare Committee provided at least nine of our scattered site tenants with assistance in receiving a one-time payment to their utility accounts. The payments were directly paid to the City of Newark. NHA and the tenant received notification of this one-time payment.

In an effort to utilize some of NHA's CARES Act funds for the Housing Choice Voucher Program, NHA surveyed all of our Section 8 Program participants to inquire as to whether they are experiencing any hardships with payment for their utility services due to COVID-19. The responses were few. However, for the participants who did respond to the survey, NHA is requesting a copy of their most recent utility bill to assist NHA in determining the possibility for a one-time payment paid directly to the City of Newark.

Commissioner Training:

As an update to last month's report of Commissioner Training, HUD offers an online training that can be done online as a group or individually. The Lead the Way training is a free online self-paced program designed for public housing board members. To receive a certification, one will have to complete the entire program that requires a minimum of 6-7 hours of participation.

NHA also reported last month that Nan McKay offers Essential for Commissioners at \$300 per commissioner for two day training. NAHRO offers three day training for \$510.

Coronavirus Vaccinations:

On March 23rd, the Delaware Department of Public Health held its vaccination event at NHA for our participating seniors of both programs. We had 23 candidates who expressed interest and signed up to receive the vaccination at our site. However, for those who responded some received their vaccination prior to March 23rd. Out of 23 – 15 attended the event.

On April 13, 2021 all 15 candidates received their 2nd vaccination.

Delaware General Assembly – Senate Bill 90:

On March 19, 2021, Senate Bill 90 was introduced and members of the public were able to register to attend a zoom meeting sponsored by Senator Elizabeth Lockman. Senate Bill 90 refers to an act to amend Title 6 of the Delaware Code Relating to Fair Housing.

The Synopsis:

The Delaware Fair Housing Act and Residential Landlord-Tenant Code both prohibit discrimination based on source of income, which is defined as including rental payments from any government program. Both laws also provide that a landlord's non-participation in a government sponsored rental assistance, voucher, or certificate system cannot be the basis for an administrative or judicial proceeding.

This Act revises both the Delaware Fair Housing Act and Residential Landlord-Tenant Code to repeal the exception to discrimination based on source of income that allows a landlord to discriminate against tenants who participate in government-sponsored rental assistance programs. This exemption contributes to a lack of affordable housing in this State. There is currently a severe shortage of affordable housing for extremely low-income households in Delaware, with only 38 affordable rental units available for every 100 extremely low-income households. In addition, studies have shown that people who use government subsidies to move from high-poverty neighborhoods to communities with more opportunity have measurable health improvements. The children in these families earn more in adulthood than children who remain in high-poverty neighborhoods.

At least 12 states and the District of Columbia have fair housing laws that protect against discrimination based on source of income that covers recipients of government subsidies. As of the end of 2019, half of all voucher households in the United States were protected by discrimination laws.

Author: Senator Elizabeth Lockman

There appears to be some opposition by local landlords with this bill. A request was made to table the bill to allow housing providers to work through how they can expand the number of units in the system and not force people into something that will not be sustainable. Others feel that participation in the voucher program should be voluntary and not mandatory. Some issues raised with the program are:

- Various inspection processes and/or delays
- HAP Payments
- Damages
- Evictions

Mrs. Jordan shared how a few years ago, NHA issued a voucher to a participant who had found a unit in our jurisdiction but was told that the vacant unit was only for students. She shared her experience in searching for a unit by attending one of our board meetings. She felt she was discriminated against because she was a participant of the voucher program.

In part, Mrs. Jordan stated that (in her opinion) the revision to the bill should encourage landlords to accept the voucher (not force) their participation. If a voucher holder does not meet a landlord's credit/criminal background application criteria there is no discrimination as long as all potential renters are held to the same standards in the application process. As far as income is concerned; before a participant can lease-up, the contract rent asked from the landlord must be affordable. In most cases the majority of the contract rent is paid by the housing authority directly to the landlord.

Mrs. Jordan added the following as the issues mentioned above relate to NHA's standard operating procedures:

- NHA may perform up to three inspections per unit annually; annual inspection, re-inspection (if necessary) and special inspection. Participants and landlords are made aware of all inspections.
- NHA's HAP payments are mailed no later than the 1st of each month.
- In regards to the damages and/or evictions; Mrs. Jordan noted that the landlord is responsible for enforcing the lease agreement. There are times where NHA may piggy back on actions taken by the landlord; if necessary.

Mrs. Jordan stated that if anyone wants a copy of the proposed Bill, to please let her know.

Summer Cooling Assistance Program:

NHA received notification from the Assistance Program Coordinator at First State Community Action Agency who will begin its Summer Cooling Assistance Program. This state funded program provides window air conditioners to all who meet the eligibility criteria.

NHA circulated this information to all our program participants in hope that most will take advantage of this program.

CDBG Update:

NHA received the contract agreement for the 46th year CDBG award from the City of Newark. NHA was approved to receive \$52,400. Under the 47th year, NHA was approved for \$12,400. For both funding years, these funds will be used to offset some predevelopment costs associated with George Reed Village.

Staff Training:

As part of the Family Re-Entry Pilot Program, NHA will be attending DELJIS Training in Dover to receive instruction on the system as well as a security briefing. Training is specific to the screening criteria that will be used to approve candidates looking to reunite with existing families in the public housing program. The training is scheduled for April 15th.

Mrs. Jordan opened the floor for questions.

Ms. Lane asked for clarification of the following paragraph below as it is written in Senate Bill 90.

*The Delaware Fair Housing Act and Residential Landlord-Tenant Code both prohibit discrimination based on source of income, which is defined as including rental payments from any government program. **Both laws also provide that a landlord's non-participation in a government sponsored rental assistance, voucher, or certificate system cannot be the basis for an administrative or judicial proceeding.***

Mrs. Jordan deferred to Mr. Gouge to provide a legal opinion. Mr. Gouge after receiving and reviewing the Bill for the first time stated that he would have to research and provide an explanation at the next meeting. He will also circulate a copy of the full bill.

Ms. Lane thanked Mrs. Jordan for her comments and stated the concern of late payments as voiced by landlords to be a real issue. The majority of agencies she represents are experiencing receiving late payments and she is often put in the middle.

Ms. Lane added that within the past year or so, New Castle County pays their landlords by direct deposit.

Mrs. Jordan added that for us our HAP payments are mailed sometimes before the 1st but no later than the 1st depending on when the checks are signed.

Mrs. Forman-Gaines asked Ms. Lane if the payments are always late or if the lateness is related to COVID-19.

Ms. Lane responded she did not know for sure but the payments are still being received late.

Mr. Tillman asked if the Bill is tabled or dead (No action).

Mrs. Jordan responded that she believes the Bill is tabled to allow for more feedback before the bill is voted on.

Mrs. Forman-Gaines asked, "How do we facilitate the training?"

Mrs. Jordan responded that she would need a commitment from the Commissioners as to what training they would prefer depending on when the dates the training will be offered.

Mr. Tillman stated that he would like to receive the link to HUD's online free training and is willing to take the training himself.

Ms. Shand also requested the link as well. She asked if there are funds available for Commissioner Training.

Mrs. Jordan responded, "Our capital fund budget not only allows for Staff Training but Commissioner Training as well. There is about \$5,000 reserved for training."

Mrs. Shand asked Mrs. Jordan what training provider she would recommend.

Mrs. Jordan responded that she liked Nan McKay because we used them for policy updates and their fees are reasonable for their services in providing the training.

Mrs. Forman-Gaines asked, "Will the training be provided remotely?"

Mrs. Jordan responded, "Yes".

Mrs. Jordan will forward the link to HUD's Online training to all the board members. She will also follow-up on dates for training with Nan McKay and NAHRO and report back to the board next month.

The Acting-Chairperson asked if there were any more comments or questions regarding Mrs. Jordan's staff report. Since there were none, she asked for a motion to approve the Staff Report for March 2021. Mr. Brown made a motion to approve the minutes. The motion was 2nd by Mr. Tillman.

Aye 4 (Ms. Lane, Mr. Tillman, Mrs. Forman-Gaines and Mr. Brown)
Nay 0
Motion passed, Vote: 4 to 0

IV. Committee Reports:

A. Report of Policies, Procedures, Compliance & Personnel Committee – Chairperson (Mr. Brown):

The Acting-Chairperson of this sub-committee, Mr. Brown, had no report from this committee. However, he did mention that he needs to schedule an appointment with Mrs. Jordan to start contract negotiations.

B. Report from Development Committee – Chairperson (Vacant):

The Vice-Chairperson asked Mrs. Jordan to provide the report for this committee.

(a). Committee Update:

Development Committee Update:

Mrs. Jordan reported the following:

Application #DDA0011025 for the Proposed George Reed Village II:

Mrs. Jordan stated that NHA resubmitted the application of March 8, 2021 after HUD requested additional information. She added, "We are currently waiting on HUD's approval in our meeting the threshold for the obsolescence cost test for the 36 1-bedroom units." She noted that we should have a response by the end of April or the 1st week in May.

Mrs. Jordan acknowledged that the team has held several conference calls discussing and preparing the LIHTC application for 2022. She noted NHA is exploring all options available with the team to increase the potential of NHA's application scoring high enough to receive the 9% tax credit in 2022. NHA is targeting to have the MDA signed by the end of April.

As of a call held yesterday, the team was made aware that we will be competing against WHA and their Riverside Project for the April 2022 9% tax credits. Commissioner White from WHA mentioned this last month as our visitor.

Mrs. Jordan acknowledged that we know that the 9% credits are very competitive (only 3 applications are awarded each year). So what we would like to do is maximize the points in each category to strengthen our application in scoring competitively.

Strategically - One category of the application where we could increase the points would be the leveraging of NHA funds. She acknowledged a discussion having taken place in November as to how much funding NHA will contribute but no decision was made. She added, "Now that the team has resumed calls, I think we need to make a decision which would help me facilitate NHA's seriousness in securing the tax credits and ensures NHA's commitment to the deal."

She stated, "I am recommending and seeking approval of NHA contributing at least \$250,000. Is there any opposition to this request?"

Ms. Lane asked where the dollar amount came from.

Mrs. Jordan responded it was her recommendation and the amount seemed reasonable.

Ms. Lane asked if our consultant had a recommendation.

Mrs. Jordan stated, "No, and the reason for that is that there was a request made for the LNWA to provide an updated proforma showing sources and uses. This would be used to help facilitate and understand what the LIHTC could possibly look like with or without NHA's contribution before a recommendation is made; and would determine the feasibility of the development structure. However, we are in agreement that a contribution should be made by NHA."

Mrs. Jordan said she is only asking for authorization to have a discussion regarding NHA making some type of financial contribution (\$250,000) to show our commitment. She added that we are not committed to any financial contributions until we have a signed MDA.

Ms. Lane commented, "A financial commitment will show that we support our own application."

Ms. Shand stated that she is in full support of NHA making a financial contribution. She asked what impact this will have on our operations.

Mrs. Forman-Gaines asked if we will get the funds back.

Mrs. Jordan responded, "It's possible." She reminded the board that we will receive a percentage of the developer fee. We will also receive ground lease payments. She added that each development deal is different.

Mrs. Forman-Gaines asked if NHA contributed to redevelopment of Alder Creek.

Mrs. Jordan responded, "We provided indirect funds. Meaning, NHA received a one million dollar DNREC grant to help with the environmental concerns. The unused portion of the grant was NHA's contribution to that deal."

Mrs. Jordan stated the funding source for the contribution will be from our gross proceeds from the sale of two rental properties. This contribution will not impact our day to day operations.

Ms. Shand stated that she was comfortable in making a motion for NHA to contribute \$250,000 if it would help secure the LIHTCs.

Mr. Gouge (attorney) suggested that Mrs. Jordan be given some flexibility in perhaps a "not to exceed motion."

Ms. Shand made a motion to authorize Mrs. Jordan to make a financial contribution to the LIHTC Application of at least \$250,000 not exceeding \$500,000 if supported by our consultant. The motion was 2nd by Mrs. Lane.

Aye 4 (Ms. Lane, Mr. Tillman, Ms. Forman-Gaines and Mr. Brown)
Nay 0
Motion passed, Vote: 4 to 0

The update continued with Mrs. Jordan stating the land use and approval from the City of Newark is anticipated to take at least 6 months. However, this process will not begin until we have HUD approval to demo the 36 1-bedroom units.

Note: Mrs. Lane left the meeting early to attend a Webinar hosted by the Housing Advisory Board where the discussion is centered on an effort to increase landlord participation in housing in the Housing Choice Voucher Program.

In terms of the Section 18 Disposition Application for two Scattered Site Rentals:

Mrs. Jordan stated that NHA is nearing completion of having all the documents and attachments required for the submission of the Section 18 disposition application for two scattered site rentals. As required, NHA held conversations with both tenants who will be displaced once the properties are sold. The conversation was a follow-up to previous meetings. However, this conversation was one-on-one to discuss the potential sale of the units occupied by the two families and to inquire into their interest in possibly purchasing the properties.

A representative from the Delaware Appraisal Group was onsite on April 1, 2021 to perform an updated appraisal of both properties which is a HUD requirement. The completion of the appraisals is pending.

As an update on the required Environmental Review; NHA and the Philadelphia HUD office are working together to get the review completed and approved. NHA's consultant (TenBears Environmental) will be performing the updated review for these two properties. The process is anticipated not to exceed 2 months before the completed review is submitted to HUD for their review and approval.

The Acting-Chairperson asked if there were any more comments or questions regarding the report from the Development Committee.

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

(a) Monthly Financials:

The Chairperson of this sub-committee, Ms. Shand, was present. She acknowledged receiving and reviewing the financials for the period covering April 2020 – February 2021. She had no questions. She allowed for an opportunity for the other board members to ask questions.

In addition to the report from Ms. Shand, Mrs. Jordan provided the following:

Financial Report on New CD's

Mrs. Jordan noted that on February 28, 2021 NHA and the Vice-Chairperson executed the transfer of \$818,292.99 held in a single bank account. The amounts in this account consisted of proceeds from the subsidy lawsuit (\$47,121.87) and the sale of two properties (\$771,171.12). NHA was successful in opening two Certificates of Deposit in the amounts referenced to separate the funds accordingly.

She also acknowledged that NHA has begun its financial close-out for the period covering April 1, 2020 – March 31, 2021. The unaudited financials are due to HUD by the end of May. She added normally our unaudited financials are submitted within the 2nd week of May and we appear to be on the same schedule.

She added the FYE audit usually takes place in July. She will confirm a date by the end of June.

There were no questions for this committee update.

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

The Chairperson of this sub-committee, Ms. Shand, was present. As a recap for a committee report (as discussed earlier in the meeting) the following is to take place:

1. Mrs. Jordan will circulate the online HUD self-paced training to all the commissioners.
2. Mrs. Jordan will look into the two-day training provided by Nan-Mckay and provide dates to all commissioners at the next meeting.

V. Attorney Issues:

Mr. Gouge reported that he had no report.

VI. Old Business:

- A. From the other Commissioners: None
- B. From the Executive Director: None
- C. From Legal Counsel:
 - (a). Board Vacancies

Mr. Gouge reported that he did receive a response from Governor's Office regarding the board vacancy. Contact was made with the resident who expressed interest in the resident appointment to the board. The resident would like a little more time to think about accepting the appointment.

Mr. Gouge also reported on a non-payment of rent case. The case was dismissed as the tenant paid the rent that was owed.

VII. New Business:

- A. From Commissioners: N/A
- B. From the Executive Director: N/A
- C. From Legal Counsel: N/A

VIII. Visitors and/or Petition: N/A

IX. Adjournment:

The Acting-Chairperson asked for a motion to adjourn the meeting. Mr. Tillman made a motion for the meeting to adjourn. The motion was 2nd by Mrs. Forman Gaines.

Aye 3 (Mr. Tillman, Mrs. Forman-Gaines and Mr. Brown)
Nay 0
Motion passed, Vote: 3 to 0

Meeting adjourned at approximately 6:15 PM

Minutes Submitted by: Marene M. Jordan, Executive Director