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**Newark Housing Authority
Board of Commissioners
November 10, 2021**

Summary of Meeting (Virtual Zoom) Minutes

Opening:

The regular meeting of the Board of Commissioners was called to order at approximately 5:02 PM by the Chairperson, Nikki Lane.

I. Welcome New Board Member: Governor Appointee – Mr. Brian Anderson

The Chairperson, Nikki Lane and other Commissioners in attendance welcomed Mr. Anderson to the Board.

Newly appointed Commissioner, Brian K. Anderson, confirmed that he was appointed by the Governor's office on September 17, 2021, to serve a 3-year term which expires on September 17, 2024. Commissioner Anderson was also sworn in by the State of Delaware on October 12, 2021. He provided Mrs. Jordan a copy of his appointment documents during their meeting on October 28, 2021.

II. Roll Call:

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

Note: Commissioner Kathleen Lewis was not present during roll call.

Before entering into the business of the authority, the Chairperson, acknowledged our visitors. Visitors Present:

- State Representative, Paul Baumbach, 23rd District
- Senior Housing Program Resident, Roxanne Hayes

III. Guest: Representative from Barbacane, Thornton & Company (Presentation of Final Draft for FYE 3/31/2021 Independent Audit)

The Chairperson opened the floor to our guests, Mr. Edmund Fosu-Laryea (CPA/Partner) and Mr. Joseph Manfre (CPA/Supervisor). Mr. Fosu-Laryea introduced Mr. Manfre, the presenter of the Newark Housing Authority's audited financials.

Mr. Manfre presented a slide show as part of the presentation. He reported that Barbacane, Thornton & Company was pleased to present the results of their audit of the financial statements of the Newark Housing Authority. He stated the audit was designed to express an opinion on the March 31, 2021, financial statements.

Fiscal Year 2021 Audit Summary: (As presented)

Status and Reports:

- On-site fieldwork for the fiscal year 2021 audit was completed in August.
- We issued an unmodified (“clean”) audit opinion on Authority’s financial statements.
- We also issued unmodified opinions on compliance related to the Authority’s internal controls over compliance and the Authority’s compliance with federal award program rules and regulations.

Results and Notable Items:

- Internal control systems surrounding the processing of transactions (cash receipts, cash disbursements, and payroll) are designed and operating effectively.
- We performed testing on the Authority’s Housing Choice Vouchers Program to ensure compliance with federal rules and regulations (Single Audit).

Financial Highlights:

Summary Financial Data

Entity-wide Financial Statements

	March 31, 2021	March 31, 2020	Change
Total Assets	\$2,834,220	\$2,672,813	\$161,407
Total Liabilities	\$ 412,048	\$ 408,181	\$ 3,867
Net Position	\$2,422,172	\$2,264,632	\$157,540
Total Revenues	\$1,875,402	\$1,719,866	\$155,536
Total Expenses and Losses	\$1,717,861	\$1,673,897	\$ 43,964
Change in Net Position	\$ 157,541	\$ 45,969	\$111,572

Financial Statement Highlights:

- Cash and cash equivalents of \$709,000 compared to \$1.4 million as of March 31, 2020.
- Investments of \$871,000 compared to \$100,000 as of March 31, 2020.
- Capital assets of \$1.2 million compared to \$1.1 million as of March 31, 2020.
- Current liabilities of \$154,000 compared to \$115,000 as of March 31, 2020.
- Unearned revenue of \$257,000 compared to \$293,000 as of March 31, 2020.
- Total revenues for the year ended March 31, 2021 was \$1.87 million compared to \$1.72 million compared to the year ended March 31, 2020.
- Increase in net position of \$157,000 in the current year.

Our scope and timing of the audit are consistent with the plan communicated to management in our planning memo dated June 16, 2021.

Our responsibilities are included in our engagement letter dated June 16, 2021.

We have issued unmodified opinions on the Authority's financial statements and supplementary information for the year ended March 31, 2021.

We are not aware of any significant accounting policies used by the Authority in controversial or emerging areas for which there is a lack of guidance.

There were no uncorrected misstatements for the year ended March 31, 2021.

Our proposed audit adjustments were reviewed by management, approved, and are reflected in the financial statements.

There were no material weaknesses or significant deficiencies in internal controls identified.

We have examined the Authority's supplementary information, and found the information presented to be consistent with the information in the audited financial statements.

We are not aware of any fraud or illegal acts.

We are not aware of any matters that in our professional judgment would impair our independence.

We have obtained from management a letter of representation related to the audit.

Findings regarding external confirmations: None.

Other findings or issues regarding the oversight of the financial reporting process: None.

Open Items:

- The audited FDS to be submitted to HUD's Real Estate Assessment Center.
- The single audit data collection form to be submitted to the Federal Audit Clearinghouse.

Mr. Fosu-Laryea added that as part of the audit, they selected the Housing Choice Voucher Program to test for compliance with U.S. Department of Housing and Urban Development forms, HAP contracts, HAP disbursements and file reviews.

Commissioner Brown asked, "On a scale of 1-10 how did we do?" Mr. Fosu-Laryea responded, "Barbacane, Thornton & Company issued no findings/clean opinion."

Commissioner Forman-Gaines asked: "Can we do anything better?" Mr. Fosu-Laryea responded, "Given the size of the Newark Housing Authority, additional staff would help." He suggested to periodically review the internal controls of the authority.

The Chairperson asked if there were any other questions relating to the FYE March 31, 2021 audit. Since there were none, the Chairperson thanked the representatives from Barbacane, Thornton & Company for their presentation.

The Chairperson of the board acknowledged that Ms. Lewis joined the meeting at approximately 5:17 PM. She asked Commissioner Lewis to confirm her attendance by stating for the record she was present for the meeting.

IV. Approval of Minutes:

(a). Meeting Minutes for October 13, 2021.

The Chairperson asked if there were any questions or comments regarding the minutes prior to asking for a motion to approve the meeting minutes for the October 13, 2021 meeting. There were none.

The Chairperson asked for a motion to approve the meeting minutes.

Mr. Brown made a motion to approve the meeting minutes from the October 13, 2021 meeting. The motion was 2nd by Mrs. Forman-Gaines.

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

(b). Executive Session Meeting Minutes for October 13, 2021.

The Chairperson acknowledged that the meeting minutes were taken but were not circulated for the board's review and approval. She asked for a motion to table the approval of the October 13, 2021 and November 10, 2021 Executive Session Meeting Minutes until the next board meeting. Mr. Brown made a motion to table the approval of these meeting minutes. The motion was 2nd by Ms. Ashley.

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

V. Report of the Executive Director:

(a). Staff Report from October 2021

The Chairperson asked for the report of the Executive Director for the month of October 2021. Ms. Jordan provided the following report:

COVID-19 Booster Shots:

Earlier this year, a number of our senior residents received the COVID-19 vaccinations offered by the Department of Public Health and administered here in our community room. We have again been

contacted by the Department of Public Health regarding booster shots. We are asking those who received their vaccination shots here to call the office and make us aware if they are interested in getting the booster shot. The booster shot may be administered here in the month of December, 2021 by a local pharmacy. This event has not yet been scheduled.

Food Baskets:

St. John's Church, at the corner of New London Road and Hillside Road, is again offering food baskets on Saturdays to our program participants interested in receiving them. The food basket must be picked up on Saturdays by the responding resident. NHA received a response from a number of our senior residents who are following up with dates and times for the pickup. All pertinent information was provided to those interested.

Section 8 Briefing:

NHA held a Section 8 briefing on Thursday, October 28th for new program participants. After the briefing and a one-on-one interview, the participants were issued a voucher. However, the feedback we are receiving is that the participants remain unsuccessful in finding housing in our jurisdiction. To avoid losing their voucher, NHA will allow them to port out of our jurisdiction should they provide the documentation necessary to approve their porting-out. As an incentive, should these voucher holders find housing within the City Limits of Newark and notify NHA that they need financial assistance with their Security Deposit, NHA will make funds available (through the Section 8 CARES ACT funds). This is providing that the unit is affordable and passes the pre-move-in inspection.

As we all know there is a shortage of affordable housing. It's not a City of Newark issue or even a State of Delaware issue, it's a national issue. Given our demographics, our jurisdiction of a college town and the current market, it puts a strain our administering of affordable housing.

Housing Manager Position

The vetting process to fill the vacant position of Housing Manager has been completed. A viable candidate has been selected. The candidate will be notified of having been awarded the position and given a starting date. All other candidates will be mailed a notification of the position having been filled and an appreciation for their interest.

Mrs. Jordan opened the floor to any questions regarding the staff report. Mr. Tillman asked what date the housing manger will start. Mrs. Jordan responded, "January 3 or 4th."

The Chairperson asked if any other commissioner had any questions on the report from the Executive Director. Since there were none, the Chairperson asked for a motion to approve the Staff Report. Mr. Tillman made a motion to accept the motion. The motion was 2nd by Ms. Ashley.

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

VI. Committee Reports:

The Chairperson called for the report from the Policies, Procedures, and Compliance & Personnel Committee.

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

(a). Personnel: Executive Session (Closed to the Public - Personnel) Executive Session meeting held at 4:30 PM on November 10th prior to the Regularly Scheduled Commissioner Meeting

The Chairperson of this sub-committee, Mr. Brown, was present for this committee update. He acknowledged an Executive Session having been held. He informed all that Mrs. Jordan signed another 5-year contract and will be retained as our Executive Director. Mrs. Jordan received congratulations from members of the board as well as the attorney, Mr. Gouge.

Mr. Brown reported that during the Executive Session meeting held today, the board discussed a Board Resolution regarding the redevelopment of George Reed Village that will be voted on.

Mr. Brown reported that he will be starting the process to perform the annual review of the Executive Director.

Mrs. Jordan asked if that was necessary being that an agreement was reached with the signing of a contract.

The Chairperson agreed that the contract and the evaluation were in conjunction to each and expressed that the commitment was met for the evaluation of the Executive Director for this review period.

Mr. Gouge, the attorney for NHA, agreed.

The Chairperson called for the report from the Development Committee.

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

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

(a). Committee Update: Ms. Jordan reported the following:

Application #DDA0011025 for the Proposed George Reed Village II:

GoToMeeting with Members of Council – October 18, 2021:

NHA and its developer partner (LNWA) presented an introductory conceptual site plan, an aerial concept and a building schematic design for Phase 1 for the proposed redevelopment of George Reed Village II to City Council on October 18th. NHA introduced the development team comprised of the Developer-Leon

N. Weiner & Associates (Sean Kelly), Architect-Breckstone Architecture (David Mengers) and Engineer-Karins and Associates (John Mascari).

NHA's Developer Partner, Sean Kelly presented the slide show and was available (along with the other team members present) to answer any questions. The slide show included the following:

The Timeline for Phase I:

Submit State Financing Application:	April 30, 2022 (LIHTC Application to DSHA)
Relocation of Impacted Residents:	January – February 2023 (Temporary off-site location)
Begin Construction:	May 1, 2023
Construction Complete:	June 1, 2024

Subdivision/Zoning:

For Phase I, we are planning to expand the units from 36 1-bedroom units to 53. The redevelopment will require the 2.43 acre site to be split in 2 parcels. Zoning for the front parcel on Main Street will be rezoned to AC (Adult Community). The rear parcel on Independence Circle will be rezoned to Residential Multifamily (RM) for Phase II; housing 2-4 bedroom families.

Mrs. Jordan added, "The actual number of units is contingent upon the City of Newark's Planning requirements, density, re-zoning and parking. Are all contributing factors." She noted that the presentation to Mayor and Council was to introduce our plans for the redevelopment and for them to become familiar with our plans. It appeared the feedback received from council members present (after the presentation) showed general support of our plans.

Mrs. Jordan added that we have an excellent opportunity to expand and improve our housing stock so that we can assist more families in need.

During the Council Meeting, the City of Newark was asked to support a request of \$2.5M dollars in American Rescue Plan Act (ARPA) funds. Federal guidance favors affordable housing as an appropriate use for these funds. This was passed by Congress and signed into law by President Biden on March 11, 2021.

This request (as pointed out during the meeting) is similar to the REACH Riverside project where \$26.4M of ARPA funds were allocated for the purpose-built community in northeast Wilmington. At the conclusion of the meeting, the council members were afforded the opportunity to ask questions which all in attendance did. The council members present were very supportive of the plans proposed for the George Reed Village redevelopment.

Application #DDA0011618 Section 18 Disposition Application to sell two Scattered Site Rentals:

HUD and the SAC office are still reviewing the application to dispose of two rental properties owned and managed by the NHA. NHA will hold a conference call next week to address any questions to move the process along.

Mrs. Jordan asked if there were any questions regarding the report from this committee.

Mr. Brown asked if our plans will be similar to the new construction of the Fulton Bank on the corner of Main Street and Tyre Avenue.

Mrs. Jordan responded, "Yes. The preliminary plans may include 5 stories with retail space on the bottom level. However, the use for the retail space has not been determined. We do know that there will be a community resource center that will be offering supportive services for our residents. We are discussing arts and craft, legal aid services or an agreement with the University of Delaware Cooperative Extension Program (4-H, Agriculture, etc.)"

Mrs. Jordan added, "Partnerships with local developers to house a mix-population (students/seniors) are something we should explore as future redevelopment opportunities exist in the future."

Mrs. Forman-Gaines commented that she thought the concept of trying to unify our community of people with different backgrounds is a great concept.

Mr. Tillman commented that he likes the opportunity we may have of the mixing of the population in our community. He also supports the partnership with the University.

Vice-Chairperson Ashley commented that she is surrounded by students and City has been very good at controlling the noise in her neighborhood.

The Chairperson called for the report from the Finance Committee.

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

(a) Monthly Financials:

The Chairperson of this sub-committee, Ms. Ashley, was present for this meeting. Before she began with her report from this sub-committee, she thanked Mr. Tillman for his suggestion in modifying the financial reports.

Ms. Ashley reported that we are 6 months into our annual budget. She referred to the reports for the period covering April 2021 – September 2021 by pointing out that we have used 50% of our budget and had expenses of 48% with a total income of \$251,947.20 vs. expenses of \$240,089.12 respectfully. She did acknowledge that we had a lot of plumbing and heating expenses but no extraordinary expenses affecting the budget.

Ms. Ashely moved on to the reporting of the Section 8 report. This report also shows that income we are reporting is more than our expenses. She added that our fee accountant will have a Section 8 financial report similar to the modified report for the LIPH program next month.

The Chairperson called for the report from the Strategic Planning Committee.

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

No report from this committee.

VII. Attorney Issues:

Mr. Gouge had no attorney issues to report.

VIII. Old Business:

A. From the other Commissioners: None.

B. From the Executive Director:

Annual Plan and 5-year Plan – Mrs. Jordan acknowledged the Annual Plan and the 5-year Plan are posted to our website and periodically appears in the Newark Post. Comments and questions will be welcomed within the 45-day review period. A virtual public hearing is scheduled for December 9, 2021.

C. From Legal Counsel: None.

IX. New Business:

A. From Commissioners:

Mr. Brown asked as to when our meetings will be again held live. The Chairperson mentioned that after the holidays we can discuss the possibility of holding our monthly meeting in person. In conjunction with a discussion of meeting in person, a discussion is needed on vaccinations. Being that we are considered to be federal employees, we fall under the current mandate for vaccinations which includes contractors who perform services for the agency.

Mr. Tillman commented on and inquired as to if there were Funding opportunities available that NHA can apply for or if there were State Senate Bills we could look into.

State Representative Paul Baumbach suggested contacting Eugene Young, Director of Delaware State Housing Authority. He added, “Funding is based on shovel ready projects.”

Mrs. Jordan added, “We are working on submitting an application for consideration in receiving State ARPA funds.”

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

X. Visitors and/or Petition:

The Chairperson opened the floor for our visitors.

State Representative Paul Baumbach mentioned that if a letter of support is needed (in addition to the letters we have already received), he will be more than happy to do what he can to support our redevelopment plans.

He also inquired into the relocation of residents who will be impacted by new construction being that there is a shortage of housing opportunities.

Mrs. Jordan responded, “Our developer partner has identified two apartment complexes within the city limits of Newark that may house our residents until the new units are ready for occupancy. We know the market is constantly changing but no resident in good standing will be displaced”.

Mrs. Jordan reminded the board members that there will be no meeting held in December. She mentioned that if a Special Meeting is needed, she will notify the board to ensure proper notice is given.

Mr. Gouge added that it’s a good practice for board members to block off the 2nd Wednesday of every month even though a meeting may not be held.

XI. Executive Session:

An Executive Session (Closed to the Public - Personnel) meeting was held at 4:30 PM on November 10th prior to the Regularly Scheduled Commissioner Meeting.

XII. Adjournment:

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

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

Meeting adjourned at approximately 5:56 PM
Minutes Submitted by: Marene M. Jordan, Executive Director