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**Newark Housing Authority  
Board of Commissioners  
June 8, 2022**

**Summary of Meeting (Virtual Zoom) Minutes**

**Opening:**

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

**I. Roll Call:**

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

Resident, Roxane Hayes was also present for the meeting.

Absent Commissioner:  
Brian Anderson

Note:

Mrs. Jordan informed the Board of Commissioners that Commissioner Anderson had stopped by the office on Tuesday, June 7, 2022. He requested assistance in returning a sealed box requesting a signature from a staff member as an acknowledgment of receiving the box. Once the box was opened, it appeared to have old documents (meeting minutes and staff reports) and a sealed envelope addressed to Greg Baldwin. Several attempts were made to contact Commissioner Anderson through his cellphone to inquire as to what was going on, but no contact was made.

The Chairperson asked if he returned the Commissioner's Procedural Manual. Mrs. Jordan responded, "The manual issued by NHA was returned but another binder was also included with loose documents that were a part of the manual issued by NHA."

The Chairperson asked Mrs. Jordan to follow-up with Mr. Gouge (NHA's attorney) to send a certified letter to Commissioner Anderson seeking clarification of his intent.

**II. Approval of Minutes:**

**(a). Meeting Minutes from May 11, 2022.**

The Chairperson acknowledged that everyone should have received a copy of the meeting minutes from last month and asked if there were any questions or comments regarding the minutes prior to asking for a motion to approve the meeting minutes for the May 11, 2022, meeting. Since there were no questions or comments, the Chairperson asked for a motion to approve the meeting minutes.

Commissioner Brown made a motion to approve the meeting minutes from the May 11<sup>th</sup>. The motion was 2<sup>nd</sup> by Commissioner Lane.

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

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

#### **(a). Staff Report from May 2022**

The Chairperson asked for the report of the Executive Director for the month of May 2022. Ms. Jordan provided the following report:

#### **Landlord Outreach:**

In reference to the planning for the Landlord Sip and Social Event, Ms. Jordan gave the following update. "The Director of Catering from the Embassy Suites located on South College Avenue in Newark confirmed the \$200 deposit NHA made for a previous event is still on file. Confirmation was made for August 23<sup>rd</sup>, 24<sup>th</sup> or 25<sup>th</sup> as dates available to host an evening event. They do not offer outdoor events. As far as attendees, I have a current landlord in mind who could speak on his experience in the Section 8 Program from a landlord's perspective. I think we should extend an invitation to our new resident board member who happens to be a current Section 8 participant to see if she would like to share her experience as a participant of the program. The landlord and the participant are under a current lease agreement. A copy of the pricing for the venue is attached for later discussion."

Open items previously discussed requiring action:

- New Landlord Signing Bonus and lease-up
  1. New Listing Bonus \$\$
  2. Loyalty Bonus \$\$
  3. Reactivated Landlord's Bonus \$\$ (landlords who had property previously listed but removed the listing from the program)
- Landlord Mitigation Fund for damages not covered by security deposit
  1. Not to Exceed \$\$ beyond the security deposit with a cap at three (3) months in total and up to (3) move outs per landlord for the life of their participation.

#### **Amended Annual Plan/5-Year Plan Submission:**

On Tuesday, May 17, 2022, NHA submitted a revised annual plan/5-year plan to its HUD field office for their review and approval. The amendments included a board approved modification to the Admissions and Continued Occupancy Policy and the Residential Lease Agreement regarding the re-occupancy of units proposed or approved for demolition and/or disposition. The status is pending.

#### **Board Vacancy:**

On Thursday, May 19, 2022, NHA was notified that State Representative Baumbach and Senator Sokola both recommended the appointment for Ms. Abeo Lucas to the Newark Housing Authority's Board in

filling the resident seat. The Governor's office is working on the confirmation paperwork for Ms. Lucas with a copy to be forwarded to NHA.

**FY 2022 Capital Fund Program:**

On May 12, 2022, HUD's Office of Capital Improvement announced the award of \$3.2 billion in FY 2022 Capital Fund Program Formula Grant Awards. NHA should receive \$251,888 in funding.

**Change in Administration Staffing:**

Due to a change in staffing, NHA is currently soliciting for the service of a maintenance repairer/worker. Being that NHA's former maintenance repairer/worker was also the inspector, NHA reached out to New Castle County for assistance in an attempt to continue with in person inspections. As a result of our reaching out, a referral was given. NHA plans to meet with the interested party on May 31, 2022, to continue performing the in-person inspections.

The Chairperson asked if there were any questions regarding the Staff Report. Vice-Chairperson Ashley asked if we were going to discuss the sign-on bonuses for the landlord. Mrs. Jordan responded, "Yes". She stated that she gave the overview, but the bonuses will be discussed further under Old Business from the Executive Director.

Commissioner Tillman commented on the change in staffing. He mentioned the maintenance worker/inspector being hired just a few months ago. "So, was he terminated?" Mrs. Jordan responded, "Yes." Mr. Gouge commented, "It's a personnel issue and that is all that needs to be said."

The Chairperson asked if there were any more questions or comments. Since there was none, she asked for a motion to approve the staff report. Commissioner Tillman made a motion to approve the Staff Report. The motion was 2nd by Vice-Chairperson Ashley.

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

**IV. 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):**

The Chairperson of this sub-committee, Mr. Brown, was present for this committee update. However, there was no activity to report.

The Chairperson called for the report from the Development Committee.

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

**(a). Committee Update – George Reed Village II**

The Chairperson asked Mrs. Jordan to provide an update.

**Application #DDA0011025 for the Proposed George Reed Village II:**

On Thursday, May 12, 2022, NHA received written notification that New Castle County approved our \$1M Home Fund Application Request for George Reed Village, Phase 1. Phase I includes the construction of 52 1-bedroom units for seniors.

On Tuesday, May 17, 2022, NHA notified its HUD field office of the delay in redeveloping George Reed Village due to NHA not receiving firm written financial commitments needed to submit a LIHTC application to DSHA. The application was due on April 29, 2022, for Phase 1. The notification did inform HUD that NHA is planning to submit a tax credit application in 2023 with the understanding that all financial commitments received in 2022 will still be valid. A response is pending.

NHA reached out to the Governor's office seeking additional clarification on a timeline as to when the new worksheet needs to be submitted. The new worksheet includes the Final Rule vs. the Interim Final Rule which includes additional information the DOJ needs to change to further review the ARPA fund request which includes an addendum for capital expenditure projects. The review process can take several weeks before a decision is made. We understand that (unofficially) our request of \$4M in funding was not fully approved. We anticipate submitting the application by Wednesday, June 8<sup>th</sup> but no later than the due date of Friday, June 10<sup>th</sup>.

**Application #DDA0011618 Disposition of two Scattered Site Rental Properties:**

On Thursday, May 18, 2022, NHA circulated a Public Notice to all interested parties who contacted the office regarding the sale of two scattered site rental properties. A Public Notice was placed in the Newark Post, the News Journal and posted on our website. The Public Notice was also emailed to the landlord association. NHA continues to receive phone inquiries regarding the sale of these two properties. A tour of the properties is scheduled for Wednesday, June 15<sup>th</sup> at 11:00 AM. Sealed written proposals/bids/offers are due by Thursday, June 30<sup>th</sup> at 3:00 PM followed by the opening of the sealed bids on Thursday, June 30<sup>th</sup> at 3:30 PM. The public is invited to attend. A copy of the Public Notice was included in the board packets.

In NHA's approval notice dated for March 3, 2022, the letter informs that NHA is eligible to receive two (2) Tenant Protection Vouchers for the families who occupy these units. On May 18, 2022, NHA requested two vouchers (funding included) and provided documents needed for the review and approval of the request. The status is pending.

Commissioner Gaines asked for clarification of our request for tenant protection vouchers. Mrs. Jordan responded, "Because we are displacing the two families that occupy these units under the Low-Income Public Housing Program, we are eligible to request vouchers, obligated to assist them in seeking housing under the voucher program and responsible for all moving costs as long as they remain in good standing with NHA.

The Chairperson asked if the vouchers that will be issued to them are restricted to the City of Newark. The response was, "Yes, but they can ask to port-out if there is nothing available or affordable to them. If they port out, they are likely to be absorbed which will not help with our utilization rate."

The Chairperson asked if there were any additional questions or comments. Since there were none, she mentioned rearranging the agenda to accommodate the commissioners leaving early.

***Agenda item under section VI, Old Business sub section B. – From the Executive Director (1). Update on Landlord Outreach (SIP & Social Event) was discussed next.***

Mrs. Jordan mentioned earlier that the Director of Catering at the Embassy Suites in Newark confirmed a deposit of \$200 (for a previous event) is valid and can be used for this event. "We will need to pick a date and time, agree on the landlord incentives and the landlord maintenance subsidy."

Commissioner Gaines mentioned, "It appears there will be a lot of planning that is needed for this event." She stated, "We do not meet in July and the event is planned for August. How will all this be handled?"

Mrs. Jordan stated, "Our By-laws only require the board to meet six times out of a calendar year. We exceed the monthly meeting requirement. However, in planning for this event, if the board wants to hold a meeting in July, that is fine with me but that would require a vote." Mrs. Jordan added, "The board will meet in August before the event."

Commissioner Gaines asked, "Who is the flyer going to? Who is the audience for this event?" Mrs. Jordan responded, "The flyer will be circulated to existing landlords/property managers and the landlord association. We could extend the flyer to the council members."

The Chairperson suggested including elected officials (NCC and City of Newark), specifically State Representative Paul Baumbach who has been very supportive of the agency. She also suggested contacting the City of Newark for assistance in providing a list (with email addresses) of rental owners from the city.

Mrs. Jordan mentioned that she confirmed the attendance of an existing landlord and a program participant. She asked if anyone had suggestions of any other speakers for this event. The Chairperson suggested reaching out to State Representative Baumbach to see if he would be interested in speaking at the event.

As far as the bonus breakdown, we discussed bonuses for all three tiers listed below but no final decision was made.

1. New Landlord and Lease-up – recommended bonus \$1,000
2. Loyalty Bonus (existing landlords) – recommended bonus \$800
3. Reactivated Landlords and Lease-up – recommended bonuses \$500 (\$1,000 if combined with tier #1)

The Vice-Chairperson suggested combining 1 and 3 since they are very similar. Commissioner Brown asked if we are considering a bonus for the existing landlords. Some suggestions included presenting them with a plaque and /or acknowledging those who attend the event, but no final decision was made.

We discussed establishing a mitigation fund for damages not covered by the security deposit **matching** the existing paid security deposit.

We discussed a timeline for both incentives. Suggestions included but no final decision was made.

1. 6 months to 1 year.
2. Until funds are depleted.

Mrs. Jordan mentioned that everyone has received a copy of the menus for the event in their board packets. She asked if anyone had any suggestions for the menu, hors d'oeuvres, open bar/cash bar, etc.

Mr. Gouge suggested limiting drinks to two per attendee which was mutually agreed upon. The Chairperson suggested that Mrs. Jordan reach out to the director of catering and get her recommendations for the hors d'oeuvres. Once received it would be circulated to the board.

Note: at approximately 6:00 PM Commissioners Gaines and Brown had logged off the meeting. Mr. Gouge noted that the meeting can proceed (for discussion purposes only) but no approval/voting can take place because we do not have a quorum.

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. To assist and to clarify a question which rose last month in regard to the Section 8 budget vs. actual report showing a gap in income of about \$20,000, NHA's fee accountant was asked to attend the meeting. Ms. Ashley proceeded with the financial reporting (until the fee accountant joined the meeting). The report began with Ms. Ashley mentioning the December 2021 reports showed a total income of \$99,346.50 vs. the January 2022 reports that showed a total income of \$78,553.50. The difference in the income was related to the COVID-19 funds which had to be expended by December 2021. The confusion was related to information that was included in a separate COVID-19 report that was not circulated with the financial reports provided last month.

Ms. Ashley introduced Marc DeBeary, the lead accounting principal from Kubas and Keller Associates, who is assigned to the Newark Housing Authority.

Mr. DeBeary thanked the board for the invite and stated that it had been a while since he attended a board meeting and that he was happy to attend.

Mr. DeBeary confirmed that the COVID-19 report missing last month would have answered the commissioner's question from last month if it had been presented.

Commissioner Tillman mentioned that he is ok with the report on the gap in income from last month. The confusion was in the missing COVID-19 report.

Mr. DeBeary referred to the circulated financial reports which covered the reporting period of April 1, 2021 – March 31, 2022, reflecting a full year of day-to-day operations. He advised what the board is reviewing is what will be reported to HUD electronically through the FDS (Financial Data System for year-end purposes). He advised the board that these reports are in a draft form. However, in reviewing the budget vs. actual report the Low-Income Public Housing Program ended the year with a -\$9,948.93 which is really nothing. He further explained that under the Income Section of budget line item 3690.88 Ground Lease Revenue, we budgeted \$33,333.00 (fixed budget) but if you look under the actual income for the entire year, we did not move the money over. If we did, the year-end reports would reflect a net income instead of a loss. Again, the loss is insignificant and may be adjusted if needed. He is in the middle of preparing the year end close, and for the month of March expenses increased which was contributable to at least 4 months of legal invoices that were paid in March along with accounting invoices that had to be accrued. There were also three pays in the month of March. For year-end purposes, he mentioned having to include annual leave taken, leave time that was cashed out and compensated absences.

The Chairperson asked the reason for the prior month's legal bills being paid in March. Mr. DeBeary responded, "They were received late." He added, "Mrs. Jordan does not hold invoices. She pays her vendors promptly which is a good indicator that you do not have a cash flow problem."

Mr. DeBeary referred to the Section 8 reports which showed a net income of \$58,628.94 for year-end purposes inclusive of COVID-19 expenses for the year which is a significant number. If need be, shifting some expenses from the Low-Income Public Housing Program to the Section 8 Program is something that can be done if it makes sense to do so.

In closing, Mr. DeBeary stated, "Overall, the housing authority has a strong cash flow and is in good financial shape."

The Chairperson asked whether Mr. DeBeary had any other comments or suggestions that he would like to point out.

Mr. DeBeary commented, "The Landlord Incentives the board is considering can be financially supported by the Section 8 Program budget." He also mentioned how the housing market is so "screwed up" nationally that everyone is having problems with their Section 8 Program.

Mrs. Jordan asked, "So establishing a mitigation fund of \$25,000 can be supported?" Mr. DeBeary responded, "Yes. If you are looking to increase the amount to \$35,000, I will have to take a closer look at the budget."

The Chairperson asked if there were any additional questions or comments. Since there was none, she thanked Mr. DeBeary for his report and attendance.

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

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

The Chairperson who is the Chairperson for this committee mentioned that the Sip and Social Event is part of strategic planning and would fall under this committee. In updating the flyer, she asked Mrs. Jordan to provide her a narrative for the changes to be made to the flyer so it can be reviewed and commented on by the commissioners before it's circulated.

The Chairperson moved onto the next agenda item.

**V. Attorney Issues:**

Mr. Gouge had no attorney issues to report.

**VI. Old Business:**

- A. From the other Commissioners: None
- B. From the Executive Director:
  - 1. Update on Landlord Outreach (Sip and Social Event) discussed earlier in the meeting.
- C. From Legal Counsel:
  - 1. Resident Board Appointment (Governor's Office) acknowledged earlier in the meeting.

**VIII. New Business:**

- A. From Commissioners:
  - 1. Marketing Methods for Future Units Proposed for Sale - Tabled
- B. From the Executive Director: None
- C. From Legal Counsel: None

**IX. Visitors and/or Petition:**

The Chairperson opened the floor to visitors. The resident in attendance, Ms. Hayes had no comments or questions.

**X. Adjournment:**

The Chairperson asked for a motion to adjourn the meeting. Commissioner Tillman made a motion for the meeting to adjourn. The motion was 2<sup>nd</sup> by Vice-Chairperson Ashley.

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

**Meeting adjourned at approximately 6:16 PM**  
**Minutes Submitted by: Marene M. Jordan, Executive Director**