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**Newark Housing Authority
Board of Commissioners
April 12, 2023
Revised**

Summary of Meeting (~~Virtual Zoom~~ **In-Person) Minutes**

Opening:

The regular meeting of the Board of Commissioners was called to order at 5:05 PM by the Chairperson, Nikki Lane.

I. Roll Call:

The Chairperson made a request for Roll Call. Board of Commissioners present: Nikki Lane, Emile Brown, Paul Tillman, Jerry Clifton, Abeo Lucas, and Keith Moone Sr. Marene Jordan (Executive Director), Greg Baldwin (Administrative Assistant to the Executive Director) and Attorney Donald Gouge Jr. were also present.

The Chairperson acknowledged that we had guest speakers on the agenda and mentioned we will be re-arranging the agenda to accommodate them.

The Chairperson opened the floor to Guest #1.

III. Guest #1: Dave Holden Development Principal was the first presenter. The Chairperson opened the floor to him.

Mr. Holden introduced himself to everyone present. He gave an overview of the history of Ingerman with reference being made as to having worked with several public housing authorities in PA, MD, NJ, and DE. Those housing authority experiences involved development, construction, and management as a full-service development partner.

Mr. Holden mentioned his employment with Ingerman exceeds 25 years. He mentioned partnering with the Newark Housing Authority to redevelop Alder Creek.

Moving forward in the presentation, Mr. Holden referred to the development schedule.

- April 28, 2023: LIHTC Application Due to DSHA
- July 2023: LIHTC Awards Announced by DSHA
- April 2024: Close on Financing/Begin Construction
- Spring 2025: Begin Lease-up
- Summer/Fall 2025: Complete Construction

Mr. Holden referred to the Bedroom Mix illustrating a total of 72 units is proposed for the GRV.

He mentioned community amenities:

- Community Center/Resiliency Hub
- Gym
- Wi-Fi
- Playground
- Walking Trail

He mentioned unit amenities:

- Washer/Dryer in unit
- Microwave Hood
- Ceiling Fan

The site plan was reviewed noting there will be no access from Main Street. The site will have access from the rear off Tyre Avenue. For Phase #2 there will be 5 buildings ranging from 2 – 4 bedroom units with access to a playground. The main building will include 5 stories. The 1st floor will include the office & maintenance, a fitness center, the community center/resiliency hub (fully furnished where meetings can be held) and a small kitchen. The commercial space has not been determined but plans allow for that.

At this point of the presentation, the Chairperson allowed questions to be asked.

The following are some of the questions that were asked:

1. “For the 2-bedroom units, can we add a powder room?” Mr. Holden mentioned he will have to check with the architect. He mentioned that each unit will have a washer and dryer and looking at the plans it could work but needed to be confirmed by the architect.
2. “For the 3- and 4-bedroom units, will they have 2 full bathrooms?” The response was, “Yes.”
3. “What is the square footage of each unit?” Mr. Holden mentioned that he did not have the exact footage but said the units were generous in the square footage.
4. “Why does the plan allow for only one 4-bedroom unit?” Mr. Holden responded that the idea was to make sure we have a unit size for the family already housed under NHA. Mrs. Jordan was asked if there is a long list of 4-bedroom families on the waiting list. Mrs. Jordan confirmed there is a standing list of applicants needing a 4-bedroom unit. It was understood that 4-bedroom units are expensive to build but this could be revisited.
5. “Has consideration been given to partnering with a utility provider to offer better rates for families?” He responded that he would investigate that.

6. "Has consideration been given to installing solar panels on the rooftop of the family units?" Mr. Holden responded, "This could be a challenge because of the way the units will be metered. But it could be explored".
7. "Was consideration given to adding an additional floor to the five already in the existing plan?" Mr. Holden responded, "We have maxed out the tax credit and state funding for this project. There is no funding for an additional floor of apartments".
8. "Could a restaurant/bar occupy the retail space?" The response was that we have not identified the retail/commercial use yet, but it is possible.
9. "Can the redevelopment include ample exterior lighting, inclusive of security lighting and pole lighting?" Reference was made to an in-person board meeting held at Alder Creek and the exterior lighting being terribly insufficient.
10. "What HVAC system will be used?" Mr. Holden mentioned a "split system". But mentioned he would confirm that these are the systems being used and he would let Marene know.
11. "Can the unit mix accommodate the 80 units as mentioned in the proposal?" Mr. Holden responded, "We included the 54 existing units along with 18 additional units. We have maxed out the unit count."
12. Mr. Holden was made aware that the parking requirements do not meet the code. He responded, "The city gave us a waiver on parking requirements taking into consideration the current survey of residents who own vehicles, and the results were below the parking requirements per code."

The Chairperson asked if there were any more questions. Since there were none, she thanked Mr. Holden for the presentation.

The Chairperson opened the floor to Guests #2.

III. Guest(s) #2: John Hassiepen Vice-President Commercial Banking & Aaron Wright-Financial Center Supervisor from Fulton Bank.

Mr. Hassiepen acknowledged the long-standing relationship between the Newark Housing Authority and Fulton Bank. "We at Fulton Bank value our partnership with the Newark Housing Authority, and as a result can obtain a 3% rate on the current funds if you were to move the funds from a CD to a Government Interest Checking Account. We have been in business for over 40 years." He referred to recent news reporting that some banking institutions in the Midwest having clients withdraw funds because of the uncertainty of their having access to their funds. He stated, "This is not the position of Fulton Bank. The rates have improved, and we can offer better rates on your current CDs with this offer."

He mentioned how IntraFi Network Deposits is a checking or money market sweep service that will maintain full FDIC insurance on balances greater than \$250,000 for a single customer. Fulton Bank is a member of the IntraFi Network. The current rate is 3%.

The Chairperson asked if details of what was being presented today could be sent to the Executive Director to share with the board for a follow-up discussion next month.

Mr. Hassiepen commented that he would forward the information to Mrs. Jordan and look forward to any follow-up questions.

Commissioner Clifton asked of Mr. Hassiepen, "What you are requesting from us?"

Mr. Hassiepen respond, "A strong relationship where we can assist in meeting your banking needs."

The Chairperson thanked Mr. Hassiepen and Mr. Wright for their attendance.

The Chairperson resumed the regular business of the authority by moving onto the next agenda item.

IV. Approval of Minutes:

(a). Meeting Minutes from March 8, 2023

(b). Special Meeting Minutes from March 24, 2023

The Chairperson asked if there were any questions or comments regarding the minutes. Since there were none, she asked for a motion to approve the meeting minutes from March 8, 2023. Commissioner Brown made a motion to approve the minutes from March 8, 2023. The motion was 2nd by Commissioner Clifton.

Aye 5 (Tillman, Brown, Clifton, Lucas, and Moone)

Nay 0

Motion passed, Vote: 5 to 0

The Chairperson asked for a motion to approve the special meeting minutes from March 24, 2023. Commissioner Clifton made a motion to approve these minutes. The motion was 2nd by Commissioner Brown.

Aye 5 (Tillman, Brown, Clifton, Lucas, and Moone)

Nay 0

Motion passed, Vote: 5 to 0

V. Report of the Executive Director:

(a). Staff Reports from March 2023

The Chairperson asked for the report of the Executive Director for the months of January and February. Ms. Jordan provided the following report:

City of Newark Planning Department Meeting, March 13, 2023:

The Newark Housing Authority and a representative from the Ingerman Group met with Renee Bensley (Director of Planning), Tom Cole (City Manager) and State Representatives Edward Osienki & Cyndie Romer at their request. The meeting afforded NHA another opportunity to present plans for the redevelopment of George Read Village. The plans were once again supported. There were questions regarding the number of units, the floor plans and funding. The meeting also afforded NHA the opportunity to discuss the possibility of another State Bond Bill Fund from Delaware Legislative. There were concerns about the possibility of making our scattered sites available for sale to the public, which

could be purchased and then rented to students. This would decrease the number of available units to those needing and seeking affordable housing in the City of Newark.

**City of Newark Council Meeting, March 13, 2023 – Affordable Housing Presentation:
(Renee Bensley, Director of Planning and Development presented the following)**

“Since the February Planning Commission meeting, staff from the planning department also met with the Newark Housing Authority and their new development partner regarding the proposed affordable housing project on their East Main Street/Independence Circle parcel. Out of that conversation came several initial items from our zoning code and development processes that are barriers to being able to develop the parcel to its fullest potential.

Four specific items that were identified were:

- Parking requirements – Information provided in this meeting showed that the demand for parking for subsidized units is far lower than the current requirements in code and the area used for parking is not able to be used for additional units.
- Area requirements – In looking at having more than one type of housing on the property (mixed use for first floor offices/amenities, upper floor senior apartments at the front of the property and garden apartments for families at the back of the property), the subdivision of the parcel required to do so will create potential problems with meeting other area requirements like setbacks.
- Time – In order to meet the timeline for critical funding sources that have been or will be secured, an accelerated timeline will be needed to accomplish the project.
- Cost – With increased construction costs, the previous budget does not cover the number of units that they would have liked to construct on the parcel.”

Path Forward – As Presented by Director of Planning and Development:

The first items that staff intends to present are related to the needs of the Newark Housing Authority project. It is the intent to bring the following code changes to the Planning Commission at their April 4, 2023. meeting:

- Remove minimum parking requirements for housing construction that is financed in part with Tax Increment Financing Credits (TFC), which require restricted rents as part of their project awards. This would not mean that parking could not be included but would mean that developments would be able to include the parking that fits the needs for their developments based on the demographic they will serve.

- Add affordable housing as a specific criterion under the site plan approval process, which would allow the Council to consider affordable housing as a criterion when considering whether to allow for relief of area requirements for these projects.
- Provide accelerated review for any project that includes affordable housing in which all submissions related to the project would be placed first in the review queue for all departments.
- Waive zoning and subdivision fees for housing construction that is financed in part with Tax Increment Financing Credits.

Director Bensley asked for feedback as to whether the Council will support these four items to ensure that the review process for the changes will go smoothly in order to target passage in May. This would enable the Newark Housing Authority to know whether they can incorporate these changes into their pending plan submission to the Delaware State Housing Authority for TFC's.

Although these requests were being made on behalf of the Newark Housing Authority, the request mentioned above would apply to any developer who was proposing plans for new construction with the majority of the units being affordable housing.

The Mayor afforded each Council member an opportunity to speak on this topic. The Executive Director responded to questions from all council members. The four key topics were unanimously supported by all council members.

Newark Conservation Advisory Commission:

The Newark Housing Authority was invited and attended the Newark Conservation Advisory Commission meeting on Tuesday, March 14, 2023. Jeff Martindale (city employee) gave an overview as a follow-up to the Energize Delaware Empowerment collaboration in assisting the Newark Housing Authority with Energy improvements for properties owned and managed by the authority. The Executive Director mentioned that an Energy Audit was completed by the team from Energize Delaware. As a result of this audit some energy improvement recommendations included:

- Replacement of the existing double pane windows with updated, more efficient windows.
- Replacement of (front and rear doors and framework around doors).
- Additional insulation in the sidewalls of units, if determined to be needed.
- Additional insulation in the attic spaces.
- Insulate floors over garage or cantilevered over open-air spaces.
- Insulate basement and slab walls to prevent heat loss.
- Replace existing water heaters with more efficient water heaters.
- Insulate all duct work.
- Replacement or installation of storm doors.
- Installation of a programmable thermostat.

While these recommendations were shared with the committee members for four of the sixteen scattered sites, NHA was seeking funding for the remaining twelve not covered.

HUD REAC On-site Inspections:

As a follow-up to the Newark Housing Authority's request to HUD for review of our onsite physical inspection score, we have been informed that the score of 87 out of 100 possible points was confirmed. NHA is waiting on the overall score for FYE 3.31.2022 which is still pending.

Issuance of Housing Choice Vouchers:

On March 23, 2023, the Newark Housing Authority issued 10 vouchers to families off the HCV waiting list. Lease-ups will be a challenge here in Newark, but the port pilot MOU should help to restore NHA's utilization rate. On March 28, 2023, NHA participated in a conversation regarding the MOU allowing participants in NHA's HCV program to find units located in the Wilmington Housing Authority and New Castle County Housing Authority jurisdictions. NHA is expected to be a part of this collaboration within the next couple of weeks.

RFP Audit Services:

Newark Housing solicited for the services of an independent auditor for FYE March 31, 2023, March 31, 2024, and March 31, 2025 with options for an additional two years for 2026 and 2027. The responses were due on March 24, 2023. Four inquiries were made but only two responses were received by NHA. The proposals are currently under review.

RFP Appraisal Services:

Newark Housing Authority solicited for the service of appraisal services for the remaining scattered site rental properties. NHA has received one response so far. The responses were due March 31, 2023.

The Chairperson asked if the current auditor responded to RFP. Mrs. Jordan responded, "Yes."

Ms. Jordan mentioned in addition to the Staff Report, she would like to inform the board of an incident that occurred at one of the scattered site properties.

Greg Baldwin (Administrative Assistant) was asked to read for the record the incident report submitted by the contractor working at one of its units on April 5, 2023.

***"To Greg (Newark Housing Authority),
On Wednesday, April 5th while doing work at one of their properties. I was approached by a female woman saying she was the council woman and needed information about said job. She stated that she needed a list of what work was being done and by which company. When no information was given, she said she would get to the bottom of what was going on. She said any work being done on her street had to be approved by her."***

The Chairperson asked, "Do we know if she was invited onto the property? If not, she is trespassing."

Mr. Baldwin responded, "No, but according to the note, the contractor was approached by her."

Ms. Jordan added that the need for the repairs were observed as a result of a HUD REAC inspection that took place in October and not reported by the tenant. In reviewing the pictures, the damage was determined to be beyond normal wear and tear. In preparation for this inspection, all LIPH participants were notified of the inspection.

Mr. Baldwin added, "In addition to the notice, a check list was provided to help prepare them for the inspection and asked that they report any repairs that are needed to avoid any write-ups."

Ms. Jordan added, "There was a delay in making the repairs in part due to NHA not having a maintenance worker on hand and the contractor's (who provides routine maintenance) availability. As previously reported, the industry (overall) has a shortage of personnel."

Mr. Baldwin stated, "We provide quarterly newsletters that provide helpful information that inform our tenants of events, seasonal tips, updates, and the need to report needed repairs."

Commissioner Tillman asked, "How do we know for sure that this was not an imposter saying they were a council person?"

The Chairperson asked Mr. Baldwin if the letter specifically mentioned the Council person.

Mr. Baldwin responded, "The note received reported the female approached the contractor stating she was the council woman."

Commissioner Tillman asked if we had confirmation that it was Council person Cressy.

Commissioner Clifton responded, "I got the call and can confirm it was Council person Cressy."

Commissioner Lucas commented that she heard of this incident, and she believes she knows who we are talking about. She added, "The person has a vested interest in the community. She wants to make sure the Housing Choice Voucher apartments are taken care of. But going into a unit while work is being done is something different."

Ms. Jordan clarified that the work being done at this property is not being done at a Housing Choice Voucher unit (Section 8). "This property is owned and managed by the Newark Housing Authority."

Ms. Jordan stated, "If she is so invested in the community, the property next door to hers needs some repairs."

Commissioner Lucas agreed.

Ms. Jordan stated that since the incident, the contractor has refused to do any future work for NHA and its tenants.

Commissioner Brown commented, "So, we lost a contractor."

Ms. Jordan responded, "Yes."

Commissioner Clifton referred to when he received a complaint from a resident who felt the housing authority was picking on them and how he came to the office to speak to staff about it. He recalls Ms. Jordan pulling out the file and showing pictures of the condition of the unit. He said at that point he understood what was going on.

In response to Commissioner Clifton's comments, Greg Baldwin informed that Board that as a result of us enforcing housekeeping standards, the tenant later thanked us and invited us to her unit to see the improvements made.

Ms. Jordan added she is aware that everyone has different housekeeping standards. In fact, as part of our admission into our programs, we have our tenants and clients watch a housekeeping video to share some housekeeping tips on how to maintain their units.

Greg Baldwin, in reference to the above mentioned how former City Code Enforcement Officer Amos had stated how difficult it is to enforce housekeeping standards being that they are subjective. "One man's junk may be another man's valued stuff."

The Chairperson stated the next step would be to report the incident with the Council person to the city.

Commissioner Clifton stated that neither Council members nor the City Manager has the authority to act. He recommended that our attorney (Don Gouge) contact the city solicitor (Paul Bilodeau) to inquire as to what can be done. He added that there are certain acts that can be censored.

Attorney Gouge commented he could contact the city solicitor next week to discuss. He added this could be an ethical issue, not to mention inferring with contractual business of the authority.

The Chairperson asked if anyone else had any questions or comments regarding the staff reports. Since there were none, she called for a motion to approve the report from March 2023. Commissioner Brown made a motion to approve the reports. The motion was 2nd by Commissioner Clifton.

Aye 5 (Tillman, Brown, Clifton, Lucas, and Moone)

Nay 0

Motion passed, Vote: 5 to 0

(b). For Sale Property Listings

Ms. Jordan referred to the properties for sale on Barksdale Road. She mentioned that the parcels could be purchased in partnership with another agency to build new units where NHA's vouchers could be utilized.

Ms. Jordan asked if the attorney could have a conversation with the owner to follow-up as to NHA's interest.

The Chairperson acknowledged for the record that she will have to recuse herself from any conversation or decision regarding these parcels due to her ~~managing properties from Patterson-Schwartz~~ **agency's involvement with Patterson-Woods (Newark).**

The Chairperson asked if there were any objections to having the attorney follow-up on these properties and report back to the board next month. Since there were none, attorney Gouge was asked to proceed.

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):

The Chairperson of this sub-committee, Mr. Brown, was present for this committee update. There was no report from this committee.

The Chairperson called for the report from the Development Committee.

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

The Chairperson acknowledged Mr. Holden provided the update on the status of the redevelopment. She asked Ms. Jordan if she had anything else to report.

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

Application #DDA0011025 for the Proposed George Reed Village II:

The contract negotiations with Ingerman are progressing. We are hopeful of having a fully negotiated contract by the end of the month.

To increase the affordable housing units offered by the Newark Housing Authority, the city's planning department recommended that we consider adding a 5th floor to our redevelopment plans. As a follow-up to their recommendation, a representative from Ingerman reached out to the planning department and informed them that we are running into some budget issues with the five-story building for seniors and wanted to see about the possibility of getting a variance for some residential units on the ground floor. We did get a response to this request, and it would be an eligible item through the site plan approval process. It was noted that first floor units were approved as part of the site plan approval for the apartment buildings in The Grove.

A survey was conducted of the families currently occupying the 16 scattered rental sites (ranging from 2 to 4-bedroom units). For planning purposes for phase II of the redevelopment, which consists of new units

for families, the survey inquired as to if they were interested in moving to the new units. Of the sixteen families surveyed, nine wanted to remain where they are, two wanted to be relocated to a new unit and five did not respond.

Representatives from the development team have been onsite to perform surveys and an environmental assessment.

Application #DDA0011618 Section 18 Disposition Application to Sell Two Scattered Site Rentals:
Attorney Gouge will provide an update.

C. Report of Finance Committee – Chairperson (Mr. Tillman):

(a) Monthly Financials:

The Chairperson of this sub-committee, Mr. Tillman, referred to the monthly reports for the period covering April 2022 – February 2023. He pointed out that we are nearing the end of the fiscal year (1 month left) under budget. He noted that there are a lot of variances with budget lines that we did not budget for that are showing 100% of the budget. He asked that be corrected. Commissioner Tillman then referred to the financial reports for the Housing Choice Voucher Program (Section 8). He reported being under budget for these reports as well. Overall, we appear to be in good shape as the fiscal year end approaches.

Mrs. Jordan responded the variances could be related to the software. Exporting form MRI software into QuickBooks. However, she reported she will inform the fee accountant of the deficiency in the budget reports.

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

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

There was no report from this committee.

VII. Attorney Issues:

There were no attorney issues to report.

VIII. Old Business:

- A. From the other Commissioners: None
- B. From the Executive Director: None
- C. From Legal Counsel: Attorney Gouge reported we are on track for the sale of 37 & 39 West Cleveland Avenue. We anticipate a settlement date sometime in May.

IX. New Business:

- A. From Commissioners:
 - (a). Resolution No. 417 – Authorizing Commissioner Brown to act as a secondary check signer.

The Chairperson added that in addition to having Commissioner Brown act as the secondary check signer, she will also make a motion to recommend Commissioner Brown to be included as a member of the Finance Committee. The Chairperson asked if there were any objections to the resolution or Commissioner Brown being recommended to this committee. There were none. The Chairperson asked Commissioner Brown if he had any objections. He had none.

The Chairperson asked for a motion. Commissioner Clifton made a motion to approve Resolution No. 417 and Commissioner Brown's appointment to the Finance Committee. The motion was 2nd by Commissioner Tillman.

Aye 5 (Tillman, Brown, Clifton, Lucas, and Moone)
Nay 0
Motion passed, Vote: 5 to 0

- B. From the Executive Director:
(a). Resolution No. 416 – Authorizing the Execution of Co-Developer Agreement and Submission of Tax Credit Application in Furtherance of the George Read Village Redevelopment. The Chairperson asked Mrs. Jordan to provide an overview of this Resolution.

Ms. Jordan stated the following “The Newark Housing Authority’s governing body of current Commissioners authorized the Newark Housing Authority to: (i) execute the Co-Developer Agreement; (ii) execute an option to ground lease the land upon which the Project will be located; (iii) execute a commitment to provide PBVs to the project; and (iv) to take all other necessary action in furtherance of the redevelopment of the project.”

The Chairperson asked if there were any questions or comments regarding this Resolution. Since there were no objections, she proceeded with asking for a motion to approve. Commissioner Clifton made a motion to approve the Resolution. The motion was 2nd by Commissioner Brown.

Aye 5 (Tillman, Brown, Clifton, Lucas, and Moone)
Nay 0
Motion passed, Vote: 5 to 0

- C. From Legal Counsel: N/A

X. Executive Session (Closed to the Public) – Update on Contract negotiations for George Read Village.

The Chairperson asked for a motion to enter Executive Session. Commissioner Clifton made a motion to drop down into Executive Session. The motion was 2nd by Commissioner Brown.

At approximately 6:45 PM the Board of Commissioners entered the Executive Session.

Aye 5 (Tillman, Brown, Clifton, Lucas, and Moone)
Nay 0

Motion passed, Vote: 5 to 0

At approximately 6:56 PM the Board of Commissioners came out of Executive Session. The Chairperson asked for a motion for the meeting to become public. Commissioner Clifton made a motion for the meeting to be open to the public. The motion was 2nd by Commissioner Brown.

Aye 5 (Tillman, Brown, Clifton, Lucas, and Moone)

Nay 0

Motion passed, Vote: 5 to 0

II. Visitor and/or Petition:

The Chairperson acknowledged that no visitors were present.

XI. Adjournment:

The Chairperson asked for a motion to adjourn the meeting. Commissioner Clifton made a motion for the meeting to adjourn. The motion was 2nd by Commissioner Tillman.

Meeting adjourned at approximately 6:59 PM

Minutes Submitted by: Marene M. Jordan, Executive Director