



313 East Main Street • Newark, Delaware 19711 • Telephone/TDD 302-366-0826 • Fax 302-366-8212

**Newark Housing Authority
Board of Commissioners
May 10, 2023**

Summary of Meeting (Virtual Zoom) Minutes

Opening:

The regular meeting of the Board of Commissioners was called to order 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, Emile Brown, Paul Tillman, and Abeo Lucas. Marene Jordan (Executive Director), and Attorney Donald Gouge Jr. were also present.

Absent Commissioners: Jerry Clifton and Keith Moone Sr.

The Chairperson acknowledged that Mayor Stu Markham was in attendance. The Executive Director acknowledged Marc DeBeary – Fee Accountant was also present.

II. Visitors and/or Petitions:

The Chairperson opened the floor to visitors. Since there were none, she proceeded to the next agenda item.

III. Approval of Minutes:

(a). Meeting Minutes from April 12, 2023

The Chairperson asked if there were any questions or comments regarding the minutes. Vice-Chairperson Tillman noted an edit to the meeting minutes. At the top of the first page, the minutes referenced the meeting was a zoom meeting and should be changed to an in-person meeting. The Chairperson asked if there were any other edits to the meeting. Since there were no further edits to be made, she asked for a motion to approve the meeting minutes from April 12, 2023. Commissioner Brown made a motion to approve the minutes with the correction. The motion was 2nd by Vice-Chairperson Tillman.

Aye 3 (Tillman, Brown, and Lucas)

Nay 0

Motion passed, Vote: 3 to 0

(b). Executive Session Meeting Minutes from April 12, 2023

The Chairperson asked if there were any questions or comments regarding the Executive Session Meeting Minutes. Since there were none, she asked for a motion to approve the meeting minutes. Commissioner Brown made a motion to approve the minutes with the correction. The motion was 2nd by Vice-Chairperson Tillman.

Aye 3 (Tillman, Brown, and Lucas)
Nay 0
Motion passed, Vote: 3 to 0

IV. Report of the Executive Director:
(a). Staff Reports from April 2023

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

Before the Executive Director proceeded with the Executive Director's report, she shared some highlights from her attending the MARC/DE NAHRO Conference at the Riverfront in Wilmington. First, she acknowledged NHA sponsors & exhibitors.

- CSG Advisors – Consultants for NHA
- Kubas & Keller Associates – Account firm for NHA
- Barbacane Thornton & Company – Auditing Firm for NHA

The Chairperson asked for a moment to acknowledge Kelly Tompkins (new Commissioner appointed by the Mayor) had joined the meeting at approximately 5:12 PM.

The Chairperson asked the Executive Director to continue with her report.

The Executive Director stated, "There are some great things happening in the First State of Delaware!"

In Wilmington:

Imani Village is a purpose-built community. The Imani phased project is a multi-phase housing collaboration nearing completion transforming WHA's aged affordable housing units in the Riverside neighborhood into a mixed income and homeownership development. The project with collaboration between the Wilmington Housing Authority, the REAC Riverside, Penrose Development and the Purpose-Built Communities is just steps away from completion.

In New Castle County:

The HOPE Center purchased the former Sheraton Hotel off Interstate 95. The County Executive, Matt Myers, approved the use of CARES ACT funds to purchase the hotel. The hotel went to auction, and the County purchased it for \$19.5 million at the height of COVID and transformed it into an emergency non-congregate shelter for people experiencing homelessness. The County along with numerous partners turned it into a "one-stop shop" social service center. Initially, during COVID people were allowed to stay for a year. At that time, the Hope Center's goal was to keep people safe, and everyone accepted had to take a COVID test before admission. Afterwards, COVID tests were performed periodically.

Ms. Jordan mentioned having the opportunity to tour the HOPE Center, and stated, “It is something to see.” The 6th floor is rented to Christiana Health Care. They have blocked off rooms for patients being released from the hospital who are not fully recovered and have no place to go. The penthouse was transformed into a mini medical facility. Post COVID, the stay for people ranged between 30-90 days depending on their needs or if they have a referral from service providers requesting additional stay for stabilization. The center has partners who provide services for mental health, substance abuse, and victims of domestic violence, to name a few. The Center is transitioning folks from the center into stable environments.

There are numerous costs associated with maintaining the day-to-day operations. The center does receive donations to help with operations.

City of Newark:

Mike Fortner from the City of Newark’s Planning and Development Department received the Ambassador Award presented to him from Carrie Cassey President of DE NAHRO. Mike was recognized for his commitment to DE NAHRO, overseeing the CDBG funds the County provides to the City of Newark and his work in affordable housing.

MARC & DE NAHRO Annual Conference and Trade Show:

The Delaware Chapter of the National Association of Housing & Redevelopment Officials (DE NAHRO) hosted the 2023 Middle Atlantic Regional Council of the National Association of Housing and Redevelopment Officials (MARC NAHRO) Conference in Wilmington, DE. The conference was held in the Chase Center on the Riverfront, May 8 to May 10, 2023. In attendance were Nikki Lane (Chairperson), Paul Tillman (Vice-Chairperson), Marene Jordan (Executive Director), and Greg Baldwin (Administrative Assistant).

WHA and New Castle County Expand the Boundaries of the Voucher Program Through the MOU Signing by Including the Newark Housing Authority:

The Newark Housing Authority will be signing the Interagency Agreement to Facilitate Portability of HUD Voucher Recipients among the New Castle County Housing Authority and the Wilmington Housing Authority as part of the port pilot program on May 24, 2023, at the Hope Center in New Castle County. The event is scheduled from 1:00 pm to 1:30 pm. This partnership will grant increased flexibility of voucher holders by broadening the jurisdiction of where the voucher can be used.

How will the port pilot program work?

Example:

If an NHA client finds a unit in the County’s jurisdiction, the client brings the completed RTA form back to NHA. This form provides information (contract rent, utilities, rent comps, age of the unit, etc.) specific to the unit the client is trying to rent. After this form is processed, approved, and the unit is determined to be

affordable, an inspection is scheduled. NHA performs the inspection. However, the utility allowance and payment standard from the County are used.

Energize Delaware Empowerment Grant:

The Newark Housing Authority was awarded \$75,000 in an Empowerment Grant with Energize Delaware. The work for 4 units on Madison Drive is complete. The work included:

- Power blown Insulation (attic, basement & garage)
- Conversion from an oil heating furnace to electric heat pump inclusive of central air
- Installation of energy efficient electric hot water tank w/expansion tank
- Installation of new programmable thermostats

The Newark Housing Authority received the 1st of two installments. The first disbursement was in the amount of \$50,000. Subsequent disbursements will be made according to the disbursement schedule outlined in the contract. Disbursement #2 is scheduled for July 15th after reports are filed with the empowerment office due on June 30th.

CDBG Update:

The Newark Housing Authority requested reimbursement from the City of Newark for capital improvements made at some of our scattered site properties. Some improvements included window replacements, removal of one existing oil tank, conversion of the existing oil heating system to heat pump, replacing soffits and gutters, replacing entry doors and chimney repairs. The award for the 48th year was \$62,565 and the request was for \$59,820.

Harvard Kennedy School's Technical Assistance:

The Harvard Kennedy School's Government Performance Lab offered 12 months of pro bono technical assistance (TA) to help with homelessness prevention and rehousing initiatives. The Newark Housing Authority was in support of this initiative but learned that our application along with other PHA's applications were not selected to receive the free technical assistance. Over 100 applications were submitted for this assistance with only a handful of spots being available.

DSHA Roundtable Discussion with All Five PHAs and the Delaware Apartment Association:

Director Young called this meeting among all five PHAs and the Delaware Apartment Association to directly address their concerns about our voucher program and to offer workable solutions. During this meeting, all in attendance were committed to continuing dialogue about ways to streamline the voucher program. Some topics discussed were:

Concerns about the Housing Choice Voucher Protocol:

- Differences in procedures across PHAs.

Possible Solution-Request funding for a landlord liaison/consultant/ombudsman that would work across PHAs and with landlords on streamlining the process and offer training.

- Process for determining whether a voucher will cover the stated rent.

Possible Solution-PHAs could provide a letter to tenants stating the maximum amount of rent that their voucher can cover. Tenants could show this letter to landlords upfront.

- Process to request a rent increase.
- Timing of Inspection Process
- Required notice when someone gets a new voucher.

Concerns about the Source of Income Bill:

- Possibility of voucher holders filing a discrimination complaint after they are denied for housing on the basis that the voucher cannot cover the stated rent.
- The denial would be based on lack of sufficient income, rather than the source of income, and therefore not a violation of the Fair Housing Act. However, tenants could still file a complaint that landlords would have to respond to.

Possible Solution-Add language to the bill clarifying that a refusal to rent to a voucher holder on the basis of their voucher not covering the stated rent is not grounds for a discrimination complaint; also add language clarifying that if the landlord knows the voucher will not cover stated rent, they are under no obligation to process the application.

- If the bill is introduced before the end of this session, DAA will not be in a position to support it. Preference would be to wait until the next legislative session, at which point our streamlining efforts will be underway.

Storm Related Property Damage:

Due to the storm that occurred in the early weeks of April, NHA observed that a tree had been uprooted at one of the scattered site properties and fell onto the adjacent neighbor's property. NHA had the tree removed the same day due to safety concerns. There was minor damage to the neighbor's property that included roof, gutter and chimney repairs that were needed. There were also some downed trees on the perimeter of the senior development that were also removed.

Significant Amendment to the Annual Plan:

As part of our ongoing redevelopment plan for George Read Village (GRV), we expect that we will need to project base more than 20% of our HCV program. Per HUD guidance, we expect to qualify for an additional 10% of authorized units that will accommodate our redevelopment plans. That plan includes 36 PBVs that are designated for elderly persons, where supportive services will be provided. We need to update the HCV Admin plan and NHA Annual Plan through a Significant Amendment memorializing the

services that will be provided to elderly residents at George Read Village. We are hoping this will fulfill the requirements for an increase of allowed PBVs to 30% for NHA.

Our developer partner, MBID of Delaware (Ingerman) has proposed the following supportive services:

- **Financial Counseling:** Stand-by Me will be the service provider for the Community. Its personal financial coaching programs are designed to help all low-income Delawareans to increase financial stability. To address these diverse goals, Stand-by Me has experience in a wide range of topics, such as: budgeting, credit improvement, reducing debt, planning for retirement & college, and starting a business. Stand-by Me will host group workshops at GRV.
- **Public Benefit Counseling:** IMC Department of Community and Supportive Services will be provided by the property manager at GRV. These benefits include step-by-step housekeeping literature, age-appropriate chore charts, surveying tools to identify what programs and services the residents would like to ensure full participation, mediation agreements, welcome booklets with information regarding the services available in the property's surrounding area and a guide to apartment living which educates the residents on program, expectations to ensure a positive living experience and compliance with their lease.
- **Job Training:** IMC Department of Community and Supportive Services will be provided by the property manager at GRV. These services offer job training workshops to all interested residents. The workshops will train residents in a variety of employment-based skills, such as resume writing, interviewing, and training to better utilize technology.

This amendment is currently advertised in the Newark Post as well as uploaded onto our website. The Public Comment period began on Friday May 6, 2023, and will run through Friday, June 23, 2023. An in-person public hearing is scheduled for Tuesday, June 27, 2023, at the Newark Housing Authority.

RFP Audit Services:

Newark Housing Authority has completed its review of responders to the RFP for auditing services commencing for FYE March 31, 2023. The award was granted to **Whisman Giordano** based on the following:

- **Cost:**
More Affordable over a 3-year period.
- **Understanding of the Requirements:**
Audit partner is experienced and audited NHA's finances for several years.
- **Appropriateness of Technical Approach/Quality of Work Plan:**
The technical approach and the quality of the work plan appear to be satisfactory.
- **Technical Capabilities/Work Plan:**
This evaluation factor was well laid out and not overwhelming.
- **Demonstrated Experience/Successful Past Performance**

The responder illustrated on the proposal that they can meet all the needs. Past performance for NHA has been excellent.

- Appearance of the Proposal:

The proposal was well organized. Reference was made as to where to find cost of services.

Barbacane Thornton & Company Responder #2

- Cost:

Cost increased by \$2,000 for the next 2 years.

- Understanding of the Requirements:

Proposer has a great understanding of the requirements and has been providing auditing services to NHA for several years.

- Technical Capabilities/Work Plan:

The technical approach and quality of the work plan appear to be satisfactory. Historically the proposer uses new staff every year to perform filed work.

- Demonstrated Experience/Successful Past Performance

The proposer illustrates in the proposal that they can meet all the needs. Historically, delays in FDS submission are routine. Field work is completed in late July or early August and the submission is performed in December.

RFP Appraisal Services:

Newark Housing Authority awarded the appraisal services for the remaining scattered site rental properties to Delaware Appraisal Group as they were the only responder. However, they did perform previous appraisals for NHA. The appraisals for College Park and Cherry Hill Manor were completed 5/10/2023. On 5/11/2023, the remaining scattered sites in GRV will be completed.

That concluded the report from the Executive Director. She then opened the floor for questions.

The Chairperson confirmed that we received two responses to the RFP for auditing services and one response was from Barbacane & Thornton.

Commissioner Brown asked who would be inspecting the units under the MOU. Ms. Jordan responded, "The initial housing authority will perform the inspections respective to their having issued the voucher."

The Chairperson asked for a motion to approve the Staff Report. Commissioner Brown made a motion to approve the report. The motion was 2nd by Vice-Chairperson Tillman.

Aye 3 (Tillman, Brown, and Lucas)

Nay 0

Motion passed, Vote: 3 to 0

V. 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):

Application #DDA0011025 for the Proposed George Reed Village II:

Ms. Jordan provided the following as an update for this sub-committee. She acknowledged receiving written confirmation from the DEMA office in conjunction with the American Rescue Plan State and Local Fund – ARPA awarding \$3M in funding for the redevelopment of George Reed Village. In addition to this funding NHA received an additional \$1M in HOME funds for a total of \$2M from New Castle County as well as other funding from the Delaware State Housing Authority.

Ms. Jordan added that the tax credit application was submitted to Delaware State Housing Authority (at approximately 10:00 AM, on April 28th). The application was submitted under the Preservation Category. The George Reed Application was the only one submitted under this category. Although the application looks good, the application needs to complete the review process for compliance. The state should announce the awards by the 2nd week in July.

Ms. Jordan also acknowledged that the City of Newark had passed waivers that incentivizes the redevelopment of affordable housing. (i.e. parking waivers, waivers for subdivisions and fast track of approvals). Mrs. Jordan noted that these waivers are not specific to the Newark Housing Authority but are applicable to any developer who is developing new units where the majority of the units are designated affordable.

Mayor Stu Markham commented that the waivers were approved under the 1st reading. The 2nd reading is scheduled for May 22, 2023.

Ms. Jordan thanked the mayor for his correction.

Vice-Chairperson Tillman commented, “Redevelopment and partnerships of this kind of collaboration are needed to bring more affordable housing to our community.”

The Chairperson stated for the record that she wanted to thank AJ Shaw from the DEMA office and Eugene Young, Director of DSHA, for getting back to us and their support.

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) Committee Report - Monthly Financials:

The Chairperson of this sub-committee, Mr. Tillman, was present at this meeting. However, Ms. Jordan invited Marc DeBeary (fee accountant) to this meeting to provide an overview of finances and to discuss Fulton Bank’s proposal to switch to IntraFi Network Deposits service.

The Chairperson opened the floor to Mr. DeBeary. Mr. DeBeary referenced that he does not have the normal monthly financial reports because he has begun the process of year end close for the period covering April 1, 2022 – March 31, 2023, which are due to HUD by May 31, 2023. However, he reported, overall, the agency is financially stable.

Mr. DeBeary stated, “It is extremely important to note that the Fulton Bank representative reached out to us for suggestions of how they can better service our accounts.” He mentioned, “In their initial conversation they offered 3% interest given the nature of large banking institutions folding. We need to make sure cash in excess of the FDIC limit remains ensured.”

Mr. DeBeary screen shared an excel worksheet sent to Ms. Jordan illustrating (for discussion purposed only) cash accounts vs. proposed new accounts.

Existing:

	<u>Public Housing</u>	<u>Section 8</u>	<u>Business Activities</u>
Operating (Checking)	\$114,000.00	\$200,000.00	\$0.00
Security Deposit	\$14,000.00	\$0.00	\$0.00
CD	\$0.00	\$0.00	\$ 47,200.00
CD (3 month)	<u>\$774,183.00</u>	<u>\$0.00</u>	<u>\$453,410.00</u>
	\$902,183.00	\$200,000.00	\$500,610.00

Proposed Accounts:

Operating (Checking)	\$114,000.00	\$200,000.00	\$10,000.00 (New)
Security Deposit	\$ 14,000.00	\$0.00	\$0.00
Money Market	\$200,000.00 (New)	\$0.00	\$443,410.00 (New)
Money Market	\$200,000.00 (New)	\$0.00	\$0.00
Money Market	\$200,000.00 (New)	\$0.00	\$0.00
Money Market	\$174,183.00 (New)	\$0.00	\$0.00
Money Market	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$47,200.00</u>
	\$902,183.00	\$200,00.00	\$500,610.00

Mr. DeBeary pointed out that in the existing 3-month CD of \$774,183 the proposed accounts show the CD split into 4 new CDs. The split is under \$250,000 in the proposed accounts. We are aligned related to each CD. He mentioned that the board may want to create a new checking and/or savings account to spread the cash if switching the accounts into Government Banking is not something they approve of. Mr. DeBeary mentioned that he has a few follow-up questions for Fulton Bank.

For instance:

- Are there transaction costs associated with the exchange?
- Are their monthly fees associated with each account?
- How long will the 3% interest rate stay in effect?
- What are the minimum terms?
- What is the impact of FDIC insurance?

Mayor Markham shared the FDIC limit Fulton Bank requires from the website stating, “It is \$250,000 per deposit.”

The Chairperson asked, “How long we have been with Fulton Bank?”

Mr. DeBeary responded, “At least 20 years.”

The Chairperson of the sub-committee, Paul Tillman, requested a formal proposal from Fulton Bank to discuss at the next board meeting.

The Chairperson of the board thank Marc for his attendance and recommendations.

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.

VI. Attorney Issues:

There were no attorney issues to report.

VII. Old Business:

- A. From the other Commissioners:
The Chairperson congratulated Ms. Jordan on securing the funding for the tax credit application.
- B. From the Executive Director:
 - a). Fulton Bank Follow-up – Ms. Jordan acknowledged that this agenda item was previously provided by Marc DeBeary under the finance committee report.

C. From Legal Counsel:

a). Incident Report Update: Attorney Gouge reports having a conversation with the City Solicitor, Paul Bilodeau, regarding the incident. The City Solicitor advised the council person of our position. Specifically, if it happens again, we will pursue litigation against her.

b). Barksdale Property Sale Update: Attorney Gouge reported having a meet and greet with the owner of the property. Ms. Jordan was also present. The meeting was general in content and allowed for a discussion regarding financing, roles and responsibilities and the potential redevelopment of the property. The attorney also mentioned receiving an email from the owner indicating he is willing to invest \$1M for the project. He mentioned the need of having a follow-up discussion with WHA who is interested in partnering with NHA.

c). 37 & 39 Update: Attorney Gouge reported that we are proceeding with settlement. He anticipates a settlement taking place within the next few weeks.

Commissioner Tompkins inquired into why WHA was involved.

Attorney Gouge responded, "They have the funds."

VIII. New Business:

A. From Commissioners:

Vice-Chairperson Tillman asked if we could allow a few minutes to hear from the new commissioners. The Chairperson opened the floor to the new commissioner.

Kelly Tompkins stated that she has been a resident of Newark for most of her life. She is employed by Friendship House and is not representing them. She accepted this term on her own and knows of many people who are looking for housing. She expressed her passion about affordable housing. The board of commissioners present welcomed her to the Newark Housing Authority's Board.

Ms. Jordan welcomed commissioner Tompkins and extended an invitation for the two of them to meet so she can be brought up to speed on the business of the authority. Ms. Jordan also informed her of an On-Boarding Commissioner's Procedural Manual that requires forms to be signed and acknowledgement of the receipt of the manual.

B. From the Executive Director:

(a). Interagency Agreement Port Pilot Program (MOU Signing May 24, 2023)

Ms. Jordan reminded all of this event and asked if they would join her in executing the extended agreement to include the Newark Housing Authority.

(b). FY 2022 Annual Plan Significant Amendment (Housing Opportunity through Modernization Act of 2016 (HOTMA)).

Ms. Jordan restated that a Public Hearing is scheduled for June 27th at the Newark Housing Authority. The comment period commenced on May 6th and will end on June 23rd.

C. From Legal Counsel: N/A

In closing, the Chairperson shared a comment made by Eugene Young during his remarks at the MARC DE NAHRO conference. “What we do is extremely important. It is stressful in our line of business, affordable housing. It is also important to follow-up on our mental health”. She thanked the Executive Director for her work and commitment; as she knows “It is not easy.”

Mayor Markham commented that Council had made affordable housing a priority.

IX. Adjournment:

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

Meeting adjourned at approximately 6:15 PM

Minutes Submitted by: Marene M. Jordan, Executive Director