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**Housing Authority  
Board of Commissioners  
September 11, 2024  
Revised October 9, 2024**

Summary of Meeting (In-Person) Minutes

**Opening:**

Chairperson Lane opened the NHA Board of Commissioners' meeting on Wednesday, September 11, 2024, at 5:06pm with Roll Call.

**I. Roll Call**

Commissioners present: Chairperson Lane, Commissioner Tillman, Commissioner Tompkins, and Commissioner Moone (via Zoom). Executive Director Jordan and Attorney Gouge were also present.

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

Chairperson Lane addressed that the second part of the agenda which included visitors and public comment. There were no public comments and no visitors at that time.

**Chairperson Lane-** "Ms. Pollack, who is here today, has taken her oath to become the official Board of Commissioners' newly appointed member. Her first meeting will be next month, October 2024, after her new board member orientation is conducted this month. So welcome Mrs. Pollock, unofficially and officially, next month."

State Representative Paul Baumbach joined the meeting.

**III. Approval of Minutes**

(a). Meeting Minutes from August 2024.

Approval of minutes. A motion was requested to approve the August 14, 2024, minutes. Commissioner Tillman made a motion to have the minutes approved. The motion was seconded by Commissioner Moone.

All were in favor of approving the August 14, 2024, minutes. The motion to approve the minutes was carried.

Aye 3 (Tillman, Tompkins, and Moone)  
Nay 0  
Motion passed, Vote: 3 to 0

**IV. Staff Report for August 2024-Executive Director**

(a). Staff Report.

Before Mrs. Jordan proceeded with the Staff Report, she welcomed Ms. Pollack, who will be filling the resident vacancy seat on the Board of Commissioners So, on behalf of the Newark Housing Authority she thanked Ms. Pollack you for her interest and expressed that she was looking forward to working with her.

**Centralized Waiting List & Streamlining the Housing Choice Voucher Process & Landlord Engagement Consolidation:**

“Now that the By-Laws for *Delaware Housing Access Association* is finalized, we are moving forward with consolidating this initiative. The next meeting is tentatively scheduled for September 9th at the Hope Center. During this meeting we will discuss each PHA’s policy and procedure to identify ways to streamline eligibility forms/processes, landlord inspections and landlord engagement.”

**CDBG Update:**

NHA submitted its request for CDBG funding on August 21, 2024. NHA’s request was for \$93,000 to make capital improvements to two scattered site properties. Applications were due on August 28, 2024.

**NHA Board of Commissioners Update:**

There are two commissioner vacancies. One vacancy is reserved for a resident. Both vacancies are Governor appointments.

**Housing Choice Voucher Invites:**

On May 29, 2024, NHA held an HCV briefing for families approved to participate in the program and issued vouchers. Four families were issued a voucher with one lease-up with an effective date of July 1, 2024. Another briefing is planned for August.

**SEMAP FYE 3/31/2024:**

As reported, the U.S. Department of Housing and Urban Development informed the Newark Housing Authority (NHA) of its SEMAP score for FYE March 31, 2024, assessed, and concluded with a score of 85%. Thus, the rating is Standard. The NHA was rated zero (0) for indicator #13 (Lease-up) and is required to address this failed indicator within 45 days.

The Philadelphia HUD office acknowledged NHA’s response on August 22, 2024. They have reviewed the CAP and found it acceptable. NHA is required to continue to submit quarterly SEMAP progress reports for indicator #13 until its next SEMAP score is generated and confirms the Authority has met the performance target of full compliance for indicator #13 with a score of at least 95% at the end of the calendar year.

**Chairperson Lane** – “So, when you say the SEMAP scores generated and confirms that the authority has met the performance target of full compliance for indicator 13 with a score of at least 95% at the end of the calendar year. I think I’m just confused about it.”

**Mrs. Jordan** – “To clarify, NHA is complying with the quarterly reporting to restore compliance to indicator 13 and must continue to submit the reports until HUD completes their next assessment and verifies compliance.”

**Chairperson Lane** – “Okay, got it.”

**Scope of Work Solicitations:**

NHA has begun discussion with BDO to provide professional accounting services. NHA received the agreement for professional services on August 23, 2024, and the agreement is being reviewed.

**FYE 3/21/2024 YE Audit:**

The audit financials for FYE 3/31/2024 is ongoing, there appears to be no issues so far.

**Offset of Housing Choice Voucher Funds:**

NHA received its second notification of a funding offset on August 12, 2024. The purpose of the offset is necessary to address expected shortfalls and ensure families do not lose their assistance. A reserve offset occurs when HUD requires a

PHA to cover a portion of their voucher renewal costs by drawing on unspent funding reserves (including HUD-held reserves) rather than with new budget authority allocated by HUD.

PHA shortfalls are expected to total about \$400M but HUD has only \$230M on hand to provide supplemental funding to PHAs experiencing shortfalls. The second offset is expected to make available up to \$230M in additional resources.

The first offset reduced NHA's annual budget from \$686,348 to \$611,498. The second offset will reduce the budget by an additional \$38,608. NHA's appeal was submitted on August 19, 2024, asking to respectfully restore the \$33,608 to meet our current obligations and fund future affordable housing plans. Reductions are anticipated to begin in September of 2024.

**Chairperson Lane-** "So, there is an offset of \$33,608 and \$38,608 and we have not received a response. So, keep the \$38,608 and I give you back \$33,608?"

**Mrs. Jordan –** "We do not want to give any money back, but PIH notice allows for an appeal of the 2<sup>nd</sup> offset."

**Chairperson Lane-** "And when was it submitted?"

**Mrs. Jordan-** "The appeal was submitted on August 19th."

**Chairperson Lane-** "No response yet. Okay."

#### **Staff Training:**

DE NAHRO hosted a Tenant and Landlord Rights and Responsibilities training on August 27, 2024, at the Polytech Adult Education Center in Woodside, DE. J.P. Court Judge David Zerbato, Esq., with Morton, Valihura & Zerbato, LLC presented details explaining procedures and the process for court. NHA's housing manager, Diana Feliciano, attended the training.

Attorney Gouge clarified that David Zerbato is not a J.P. Court Judge. He is a private attorney.

#### **Upcoming Training:**

NHA Staff is scheduled for Nan McKay training. The training will include HUD's upcoming HOTMA changes. The training will include two separate workshops. One training is for NSPIRE Inspections for the Voucher Program and HCV training to include the HOTMA updates. Both training courses will be held by two separate webinars.

#### **Housing Choice Voucher invites.**

On May 29, 2024, NHA held a briefing for families that were approved to participate in the program and issued vouchers. Four families were issued vouchers with one lease-up with an effective date of July 1, 2024. We're also planning another briefing in the coming months.

**Commissioner Moone –** "So, Marene, how many families do we actually have that are actively searching with vouchers from our authority?"

**Mrs. Jordan-** "We have four vouchers on the street that we just issued. I'm anticipating that we're going to issue at least eight or nine vouchers."

But we must keep in mind that HUD is already saying that we're going to take some of the funding. So, it's like a catch 22 when you try to balance the voucher program. But we're in a unique situation because we failed indicator 13 two years in a row at no fault of the agency. It's just the way that the market is right now and then. Also, the other issue is that we're in the middle of a redevelopment. So, trying to increase utilization and maintain the current budget is challenging."

#### **Closing Date for George Read Village:**

The Delaware State Housing Authority (DSHA) provided an initial closing date for November 14, 2024. However, based on updated information regarding funding deadlines for another deal, DSHA has updated the assigned closing

date to December 18, 2024, and updated critical date(s) to achieve this closing deadline and ensure the development can meet the deadlines of Section 42 and the HTF. The dates are as follows:

- On or before September 5, 2024: DSHA and the Borrower will execute the DSHA Loan Agreement to commit the HTF dollars by the HUD deadline. An Amended and Restated Loan Agreement will be signed at the full closing on 12/18/2024.
- On or after September 15, 2024: The property will submit a request for a return of the existing credit allocation for a new allocation of 2024 LIHTCs. The return request and new carryover allocation will be executed on the earlier of (1) a scheduled closing date or (2) December 19, 2024.
- December 18, 2024: Full closing for the development.

Failure to close on this date will result in this project closing being rescheduled after January 15, 2025.

The developer has already notified DSHA that we will be able to meet this deadline.

**Commissioner Tillman-** "When will the demolition start? When will the construction start?"

**Mrs. Jordan-** "I would think demolition would follow right after the closing. Maybe not that same day or that next day, but within that week. But definitely by the end of the month, we should start seeing some activity here."

**George Read Village Equity Solicitation:**

The Ingerman team reported receiving responses from equity investors during their solicitation process. They received three responses and evaluated all three, RBC, Richman, and Enterprise. Given their review process and considering factors such as pricing, timing of payments, terms, guarantees they have selected Richman as the equity partner for George Read Village. Richman was used at Alder Creek.

"So, we are moving along, and I'm looking forward to really getting the shovels in the ground and ensuring that the residents have peaceful enjoyment of this transition, but more importantly, getting them moved into their new units.

Annually, I have the opportunity to sample a certain number of units that were inspected by our inspector for quality control purposes. So, this year I selected all the families we relocated from George Reed village into the private sector to inspect those units. There were some observed deficiencies, and the landlords have 30 days to address them. But interesting enough, two of the families who moved off site are thinking about staying where they are for various reasons. One, their current unit is closer to family and more accessible to the amenities that they're looking for. The other just did not want to move again. The decision to remain relocated is their choice. They will not lose any assistance from the housing authority. We will continue to pay our portion of the contract rent under the voucher program. But we would require their signing a waiver saying that they're giving up their rights to return to George Reed village."

Chairperson Lane requested a motion to approve the Staff Report for August 2024. Commissioner Moone made a motion. The motion was seconded by Commissioner Tillman. All were in favor to approve staff report of August 2024. The motion was carried.

Aye 3 (Tillman, Tompkins, and Moone)  
Nay 0  
Motion passed, Vote: 3 to 0

Chairperson Lane stated that she was going to rearrange some items on the agenda and allow State Representative Paul Baumbach to present.

**IX. Presentation of State Representative Paul Baumbach, 23<sup>rd</sup> District, City of Newark**

It was expressed that the Board of Commissioners, the Newark Housing Authority, the Executive Director Marene Jordan, council Don Gouge and all the residents would like to thank Representative Baumbach for his willingness to present.

**Vice-Chairperson Tillman-** “For your many years of service, it is with our greatest appreciation to acknowledge your service and commitment as our Delaware State Representative for the 23rd District, City of Newark. Thank you for many years of dedication and service to Newark Housing Authority and the people.”

**State Representative Baumbach-** “Thank you very much. Thank you very much. I’ve got to say that Newark Housing Authority provided me with my first stint at public service, and I don’t think there’s a better place to start. The Newark Housing Authority is something I didn’t know that much about until maybe a year or two before being considered to serve. It was a great learning experience. It was a great experience working with diverse people on the board, with the residents.

Alder Creek was a big issue. You know, Chris Locke and I agree on very few things, but we’ve worked (I think) very well together during the Alder Creek project, and we still have fond memories of that time. We still talk to each other and it’s the work you guys do that is incredibly important, and you do it well.

I know that I’m very derelict in getting Jerry’s spot refilled. I had a conversation this morning that may turn into something. So even though now I have less than eight weeks left in the office, there’s a few things I need to tie up, and that’s one of them, and I remain very much on that job.

So, thank you Newark Housing Authority (past, present and future). You did and continue to do great work well. Thank you and good luck. Best wishes. Enjoy the life you have.”

Both Chairperson Lane and Executive Director Jordan thanked Representative Baumbach.

The meeting returned to the items of the agenda.

**V. Committee Reports**

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

- a. Discussion on the start of the Annual Review of the Executive Director

**Chairperson Lane-** “Commissioner Brown is not in attendance today. Discussion of the annual review will be coming up for the Executive Director, so I will report that for him.”

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

- a. Development Update

Next on the agenda was the development update. Ms. Jordan had given an update on George Read Village and the closing information. She was asked if there was anything else to share.

Mrs. Jordan referred to the subdivision agreement addendum and asked if the commissioners had an opportunity to look at it.

All responded, “Yes.”

Mrs. Jordan asked if Commissioners were in agreement and stated that she thought the responsibility was that of the developer.

**Commissioner Tillman-** “The addendum is for the maintenance to the water main?”

**Chairperson Lane-** “Marene, your take on this is that you’re saying that the developer should be the responsible party if something goes wrong. So, I’m thinking the responsibility falls on them as the owner of the development project. The project would pay for any cost associated with any breaks or any maintenance beyond that.”

Mrs. Jordan asked if Council had reviewed it.

**Attorney Gouge-** “I saw it, but I haven’t really reviewed. Marene, send it to me before you sign it.”

**Chairperson Lane-** “That’s okay. The developer is the owner, and they would be the responsible party. Okay. But I'd like council to review.”

Mrs. Jordan asked the Chairperson for a few minutes to briefly discuss two items that were missed under the development. There were two things that she wanted to add.

**Ms. Jordan-** “First, I reached out to Tom Coleman, the city manager at the City of Newark to see if we could utilize some of the remaining bond funding for relocation costs that was allocated through the bond grant for the legislators in 2021 for the 2022 grant year. There is approximately \$123,000 left. Tom did circulate an email to the state of Delaware. They're looking into it. I kind of like chimed in this morning, just to give them a little perspective of what I'm looking for. I'm only looking for a reimbursement for costs that we incurred totaling about \$51,000. A response is pending. As it has been reported in the budget, DSHA will only reimburse up to \$162,000. So based on our relocation projections, our cost is estimated to be \$196,000. So, we were trying to figure out how can we be reimbursed for some of the expenses.

Last, I have a meeting next week with the Ingerman group and our lawyers. We will be discussing the budget for George Read Village that was submitted to the state. The discussion is going to focus on payments at closing and construction completion and payments that are due to NHA. There's a portion of the developer fee that has not been agreed upon. There's a ground lease payment, and there's a percentage of the annual cash flow. So, it's important for us, as small as we are, to get some funds allocated to this housing authority.

One of the things I did mention with Marty, our lead attorney, from Reno and Cavanaugh, is that Ingerman is a full-service developer. They are the management entity. They have their own construction team. They are doing everything for making money out of every possible position that they can. I'm just looking for some return to the housing authority as part of a negotiation.

**Attorney Gouge-** “Marty is very good at what he does. The Housing Authority is in good hands. This is his area of expertise.”

**Ms. Pollack-** “We talked about the water lines. But, What about the electric?”

**Mrs. Jordan-** “For the families remaining onsite, there will electricity supplied to their units. Since this is a phased project, there are some concerns that need to be resolved. But there should not be any interruption for service for the remaining tenants.”

**Ms. Pollack-** “But what I'm saying is you and he had talked about responsibility for the water lines, but what about the electric?”

**Mrs. Jordan-** “Typically, it's the city’s responsibility up to the building, and then it's NHA’s responsibility inside the building.”

**Ms. Pollack-** “Okay, so if something's wrong in the development, it'll be the developer's responsibility?”

**Mrs. Jordan-** “I would think so, yeah, beyond that, it would be a city issue, just like it is now. There would be no difference.”

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

- a). Committee Report – Monthly Financials.

Chairperson Tillman stated that there was nothing to report.

Mrs. Jordan added, “NHA is finalizing the arrangement with the new accounts. Financial reports should be available next month.”

**D1. Strategic Planning Committee: Chairperson – (Nikki Lane)**

- a). Committee Update

Nothing to report.

**D2. Greetings Sub-Committee: Chairperson – (Kelly Tompkins)**

a). Committee Update

**Chairperson Tompkins-** “I will schedule a date and time to meet with Ms. Pollack to go over some of the basic expectations and behaviors expected as outlined in the welcome packet and the commissioner’s procedural manual.”

**VI. Attorney Issues**

Attorney Gouge had nothing to report.

**VII. Old Business:**

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

**VIII. New Business:**

- A. From the other Commissioners:

**Commissioner Tillman-** “I just noticed in these documents when we meet here, they’re all copied one sided. Does our copy machine not have the two-sided photocopies option? If so, can I just make a request that we shift to two sided to save paper?”

- B. **From the Executive Director:** Agenda item for next meeting, 501(C)3 Vacant Seat and resuming meetings.
- C. **From Legal Counsel:** Agenda item for next meeting, Senate Bill 293.

**X. Adjournment**

Chairperson Lane requested a motion to adjourn. Commissioner Tillman made a motion to adjourn and Commissioner Tompkins second the motion. All were in favor to adjourn.

Aye 3 (Tillman, Tompkins, and Moore)  
Nay 0  
Motion passed, Vote: 3 to 0

Meeting adjourned at approximately 5:44 pm  
Minutes Submitted by: Marene M. Jordan, Executive Director