

ANNUAL REPORT

An annual review of the Highstow Housing Authority

2018

**Annual Report of the
Hightstown Housing Authority
February 19, 2019**



This annual report is being presented to the Borough Council in open session to inform the Council and general public of the highlights, activities and plans developed by the Executive Director and dedicated Board of Commissioners.

Description and History

The Hightstown Housing Authority (HHA) was originally established in the mid 1950's with the intent of redeveloping the blighted area of town bordered by Rogers Avenue, Mercer and Academy Streets. In 3 phases and separate grants, the 100 housing units were built, and the remaining property was deeded to the Post Office, with portions sold to what is now the 1st Constitution Bank. The Housing Authority (HA) property and housing units are strictly controlled by HUD through deed restrictions, a Declaration of Trust, a Use Agreement and an annual ACC (Annual Contributions Contract). We also have a Cooperation Agreement with the Borough. All of these documents control what we are able to do with the property and how we are required to operate.

Importance of Our Board of Commissioners

Unlike most boards and commissions in the Borough, the HHA Board has a legal and fiduciary responsibility to the Borough, the State of New Jersey and the Federal Government. The Board is liable for the operations and can be sued for their actions or lack thereof. Our commissioners are required to have state mandated training at Rutgers. In addition, the HHA makes continuing education and conferences available at the HHA expense. The Commission has selected new members based on expertise that is needed by our business. We currently have on our board representatives with experience in law enforcement, finance, insurance, banking, legal, social services, and education. Having expertise in these fields is beneficial to managing a social-service based real estate business.

National Accreditation

2018 was a big year for the Hightstown Housing Authority.

The Hightstown Housing Authority has received National Accreditation! We are fortunate to be one of the first 4 agencies in the country and the first small agency (under 550 units) to be certified.

Accreditation is a voluntary process that recognizes the quality of an organization and assists in its improvement. Affordable Housing Accreditation brings together organizations, residents, community stakeholders, business partners and regulators to improve governance, management and service delivery, ultimately benefiting the affordable housing industry and the public.

Accreditation of affordable housing organizations rests on the belief that public and affordable housing is a necessity to the health and welfare of the population and the economic health of the communities where they exist, and that it requires national standards.

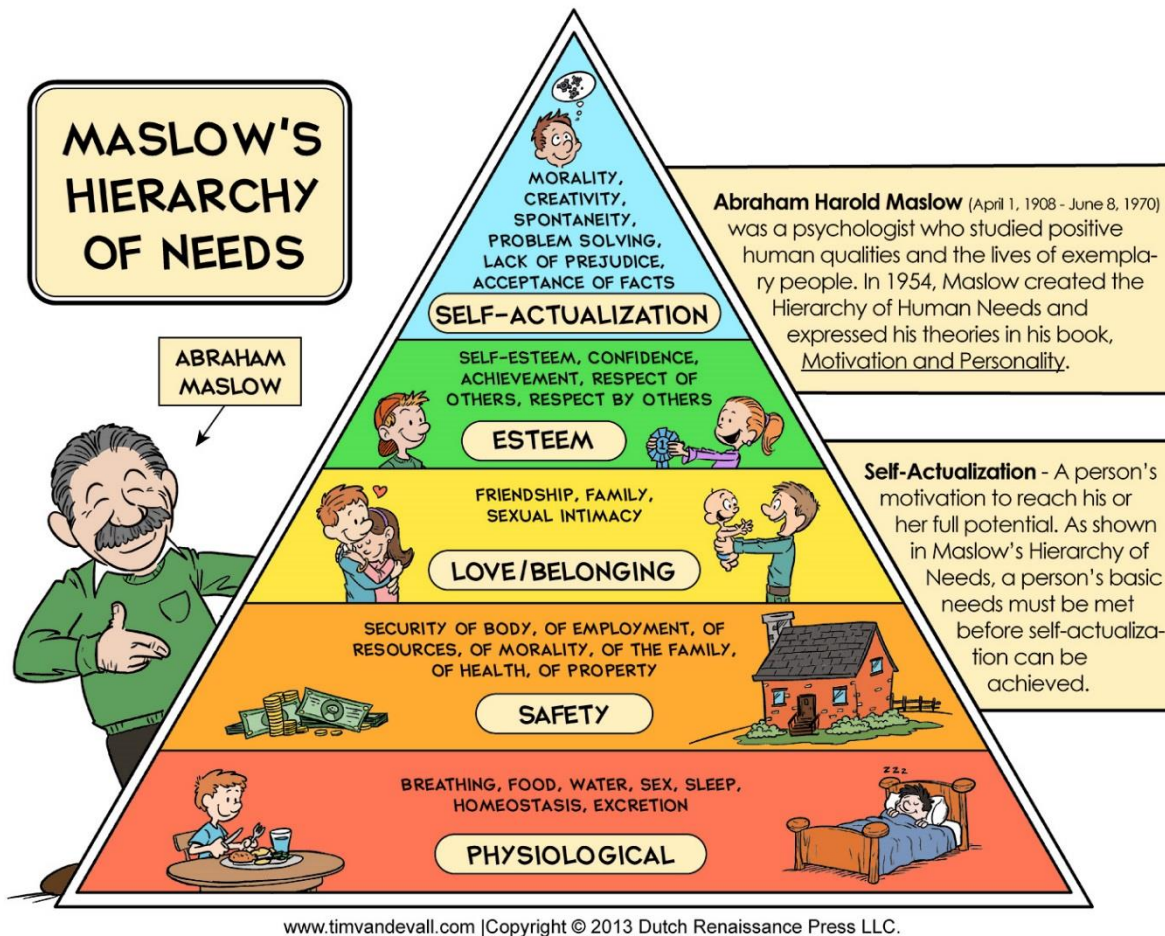
We credit this achievement to the Board of Commissioners and especially the Staff who work every day to improve and maintain the quality of the Hightstown Housing Authority.



We are thrilled to be part of the Accreditation process which measures the agency on more than just physical buildings and finances, but takes into account the social well being of our residents.

In Hightstown We See Housing as a Basic Need

Every major source will confirm, Food, Water and Shelter are the 3 basic needs for human survival. Of course, there are others, such as air, sleep, clothing (optional). Maslow in his 1954 paper on human needs developed an interesting pyramid of needs,



What are the chances of a person holding down a full-time job, or a child graduating from High School without a roof over their heads? Housing is a critical element, but its so much more. Properly housed, our residents have access to clean drinking and bathing water, ability to cook and prepare food, enjoy the security of closing their door at night and sleeping peacefully. We as the Hightstown Housing Authority have developed a community where neighbors become friends, caring for one another, caring for the children and the elderly. By having this stability, we enable people to achieve a level of self-worth by allowing them to develop their own feelings of self-esteem.

Our children are our future!

Hightstown Housing Authority Easter Baskets and Egg

The Resident Council Getting Ready – Tuesday, March 27th



Last Minute Touches – Thursday, March 29th

Are you ready? Get Set, Go!



Thank you to all who make our events possible – Rise, The Baptist Church, Michael Byrne, Robin Byrne, Simone Carolina, Margaret Corretjer, Jim Grbac, Evelyn Harvey, Jameallah Lance, Dorothy Lipick, Ronald Johnson, Heaven Petters and Monique Dujue Wilson. Let's not forget Charlie and Bill who keep the grounds so nice. Volunteering of your time and effort is always greatly appreciated!

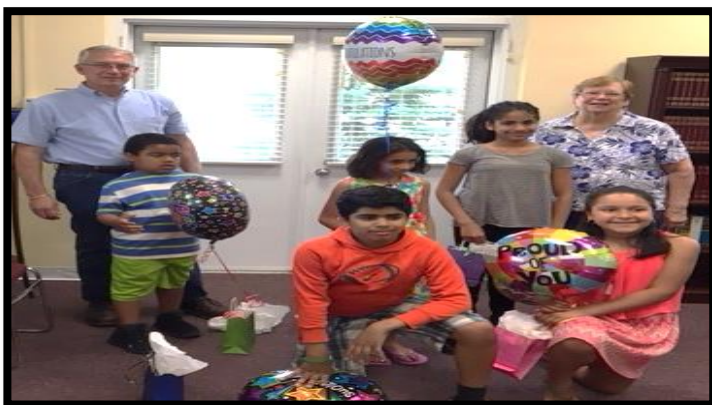
Game Day

A few of the members of The Hightstown Women's Club, which includes Board Member, Carole Nelson invite our Residents to Game Day held in our Community Room. It is a chance for our Residents to enjoy one another's company, play a little BINGO. win prizes and enjoy a snack, dessert and sometimes a home cooked meal. Game Day is normally held on the 2nd Monday of the Month at 1 pm from September to May.



HHA & NAHRO “What Home Means to Me” Poster Contest

NAHRO invites Housing Authorities to participate in their yearly poster contest. In March we ask our Resident Students, Kindergarten through 12th Grade to participate in our Poster Contest. 1st Place Winners in each age category (Elementary, Middle School and High School) are summited to NAHRO Regional Competition, and the winners from Regionals are summited to the National Competition. Our Students show their artistic flair and do a wonderful job each year.



A Visit from Our Little Neighbors

The Little Beavers from the First United Methodist Church Daycare stopped by on Halloween for a treat.



Resident Council

Our Resident Council normally meets the 3rd Tuesday of the month at 2 pm in our Community Room. We encourage all our Residents to participate. The Council gives the Residents the opportunity to express their ideas and concerns, and give us feedback on the projects going on here at the HHA.



Our Gardens

The Board and Staff of the Hightstown Housing Authority are dedicated to providing quality housing and service to our residents, both inside their apartments and outside on the grounds. We have expanded our “Resident Garden” program in 2018 to include over 14 participating families including 6 planting boxes specifically for the kids. Our “pollinator gardens” designed to attract bees, birds and other insects that assist in pollination are in their second full season and the plants are maturing nicely. The colorful signage helps everyone understand the purpose of the gardens and provides a bit of fun education.



Demographics

Age and ethnicity: The HHA is currently serving 200 residents of which 116 are female and 84 males. We have 49 senior citizens and 12 younger persons that are permanently disabled. We currently have 56 children under the age of 18. We are an ethnically diverse community, with 103 Caucasian residents, 88 African American residents and 9 Asian residents. 57 of our residents are listed as Hispanic.

Employment and Community Service

The Housing Authority has policies in place that promote work and self-sufficiency. Each resident who is 18 or older and is not a full-time student, senior citizen, family caregiver or disabled must be employed and work at least 30 hours per week. If none of these are applicable, they must perform community service. Community service is a benefit to the local community by volunteering at local non-profits.

We currently have 63 residents working at the businesses listed below. Many of our residents do not have cars, but rather rely on bikes, cabs or walking to work. As you can see, the majority of the employers below are within walking distance of our community.

Workforce Housing: Employers Served

Meadow Lakes	Shop Rite	E.W. School District	Princeton Hospital
State of NJ	Walmart	Merwick	Comfort Keepers
Home Health Aids	Target	4 Seasons Deli	Hightstown Housing
Amazon	Temp Agency	Better Beginnings	Wawa
CVS	Bank of America	Local Construction	Home Depot
Hilton	Jiffy Lube	Victoria Textiles	Lifetime Brands
US Post Office	RISE	Morgan's Grill	Retro Fitness
NJ Turnpike	Staples	Home Depot	Morgan's Grill
Local Dry Cleaner	Forsegate CC	Dollar Tree	Monroe Village

We have 13 residents performing community service at the following organizations

RISE	Trenton Area Soup Kitchen	Better Beginnings
United Methodist Church	St. James EME	First Baptist Church
HHA Resident Council		

Wait Lists and Wait List Management

The Hightstown Housing Authority actively monitors and twice per year updates the waiting lists to make sure everyone on the list is still interested. In 2018 we opened our wait lists for 3 months for all apartment types. We currently have 258 families waiting for apartments. We are estimating a 3-5 year wait for a unit, especially one-bedroom units (both family and senior citizen).

Financials

The Hightstown Housing Authority has developed a strong financial position over the last 5 years. Maintaining 100% occupancy and strict financial controls have allowed us to generate over \$500,000 in cash that has been dedicated to supplementing our Capital Fund which is used to rebuild and maintain the Housing Authority. 2018 continued this trend as demonstrated below.

2018 at a Glance:	Revenues	\$926,345	
	Expenses:		
	Salaries	\$238,073	
	Payroll Expenses	\$ 92,739	
	Utilities	\$195,528	
	Maintenance Exp.	\$ 97,379	
	Admin Exp.	\$ 84,857	
	Insurance	\$ 48,060	
	PILOT	\$ 35,237	
	Extraordinary Maintenance	<u>\$172,276</u>	(Boilers)
	Revenue VS Expenses	<u>\$ -37,804</u>	(Unaudited)

We are pleased with our performance given the amount of cash we spent this year on capital improvements. We were very fortunate this year to benefit from the increase federal subsidy and resident incomes.

The Trend in Public Housing

In our opinion, Public Housing and publicly subsidized housing will be going through a transition to a private housing model. This has been underway for several years and will continue to evolve over the next 10 years. The Federal Government no longer has the will or the financial resources to properly fund these vital programs. The Tax Credit Program is one of the models to help fund development without long-term capital and operating support. The RAD (Rental Assistance Demonstration Program) is another model that is currently being tested and shows promise. This helps fund operations and long-term capital. In the future we believe affordable housing will become an issue that must be solved and funded locally.

Planning for The Future

1. **Investing in Infrastructure:** In 2018, the HHA invested from its cash reserves and limited capital funds over \$500,000 dollars into the physical plant and residential units. We installed new state of the art heating and hot water boilers in 2 of our 3 boiler plants and upgraded our piping and pumping systems. We also continued with our normal capital activities such as appliance replacement, storm water drainage systems, landscape improvements and removal of unused impervious surfaces.
2. **Continue to move forward with our RAD conversion:** The HHA was approved by HUD to begin the process of converting from the Public Housing Program to a private ownership model with Section 8 subsidies for each unit. This is a process that will take approximately 1 year, and we hope to close by the end of 2019. This new model will guarantee the funding of our programs for the next 20 years.
3. **Taking on the Borough of Hightstown's Affordable Housing Administrator Role:** This exciting opportunity if accepted, will give the Borough more control over their affordable housing stock by utilizing the Housing Authority's reach and expertise to fill the existing units and working to explore opportunities to expand the housing stock.
4. **Explore Developing a Section 32 Program:** PHA's have the ability to develop homeownership programs tailored to meet the goals of their specific locality and resident population. Under this program, the HHA could possibly:
 - a. Provide subsidy to public housing or other low-income families in the form of down payment or closing cost assistance, subsidize or subordinate mortgages or offer below market financing.
 - b. Acquire existing housing stock to be renovated and sold to income eligible families.
 - c. Provide a lease-purchase option to eligible families.
5. **Begin the Process of Becoming a HUD Approved Housing Counseling Agency:** This is a longer-term prospect that could enable the HHA to provide a variety of financial tools and services to prospective home buyers and tenants. This could also provide another new revenue stream for the HHA.
6. **Continue the Evaluation of Implementing Solar as a Long-Term Investment:** Within the next 10 years the HA will need to begin the process of installing new roofing materials. At that time the board will consider installing solar panels and/or solar roofing materials to supplement the traditional electrical grid. With the new State-Wide push for "Community Solar" projects that benefit lower-income residents, we are encouraged that we will be able to move forward with new partnerships that will benefit the greater Hightstown area.

Memberships, Affiliations and Certifications

The HHA holds memberships to the following national and regional organizations:

- PHADA - Public Housing Authority Directors Association. The ED is a principal member of their Small PHA Committee.
- NAHRO - National Association of Housing and Redevelopment Officials.
- NJNAHRO - NJ division of the above.
- NJNAHRA - NJ division of National Association of Housing and Redevelopment Authorities
- IREM - Institute of Real Estate Management
- AHAB - Affordable Housing Accreditation Board

Executive Director's Accreditations:

- **ARM** (Accredited Residential Manager)
- **CPM** (Certified Property Manager) designations from the Institute of Real Estate Management
- **AHM** (Assisted Housing Manager) from the National Leased Housing Association
- **PHM** (Public Housing Management) from the National Association of Housing and Redevelopment Officials.

Awards and Honorariums

- High Performance Housing Authority as awarded by HUD for operational, financial and physical plant excellence. 2013,2014,2015,2016,2017,2018.
- New Jersey Sustainable Business Designation
- River Friendly Business - Stony Brook Millstone Watershed
- NAHRO Award of Merit for Sustainability Efforts and Education
- Accredited Agency by the Affordable Housing Accreditation Board

Our Board of Commissioners:

James Eufemia, Chairperson

Yolanda Swiney, Vice Chairperson

Pascale Duvert Emmanuel

Carole Nelson

Brent Rivenburgh

Monique Dujue Wilson

Christopher Moraitis - Retiring at the end of 2018. We thank Chris for his service and will miss him on our board.

Our Staff:

Allen Keith LePrevost, Executive Director

Cheryl Cavanaugh, Certification Specialist

Lynmarie Newman, Administrative Assistant

Charles Schilling, Maintenance

William Miller, Maintenance