

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE BOROUGH
OF HIGHTSTOWN, NEW JERSEY
HELD ON WEDNESDAY, April 15th, 2015 AT 7:00 P.M.**

Chairperson James Eufemia called meeting to Order at 7:02PM.

Open Public Meetings Act Statement: In compliance with Chapter 213 of the Public Laws of 1975, Notice of this Meeting was given by way of the Annual Notice published in the Trenton Times, Princeton Packet and are posted on the calendar at The Hightstown Borough Municipal Building by the Authority and posted in a public place reserved for such announcements in the lobby of the Community Building of the Housing Authority Office.

Roll Call: showed that those present and absent were as follows:

Present: Allen Keith LePrevost, Executive Director, Commissioner Christopher Moraitis, Commissioner Esther Velázquez, Commissioner James Eufemia, Chair, Commissioner Carole Nelson, Commissioner Yolanda Swiney, Commissioner Brent Rivenburgh and Commissioner Pascale Emmanuel

Also Present:

Steven Misiura, Borough of Hightstown Council Liaison

Absent:

Approval of Minutes: Regular Meeting Minutes of March, 18th, 2015.

Open Public Meeting: At this time the public is invited and encouraged to participate in open forum. It is requested by the Chairman of the Board and the Commissioners of the Housing Authority that all comments and opinions be relevant and timely, and be expressed in a manner which contributes to and advances the orderly progress of the meeting and for all concerned. The Chairman or presiding Commissioner may determine that it is necessary to limit the amount of time allotted to speakers from the public.

Resolutions: None at this time

Discussion Items:

- Security Cameras: Keith discussed the walkthroughs that took place this past weeks. We had a good response to our RFP and will discuss with the Chair the final spec and choose 4-6 contractors to work with. The final bid will take place in the next month.
- Borough Affordable Housing Plan. Keith attended the planning board meeting to hear the presentation by the planner on the recent Supreme Court decision. Basically, because COAH has failed to provide specific guidance and approve or disapprove municipal plans over the last several years, the court feels it necessary

to take over the process. The court has appointed 15 administrative judges to review these plans. Keith mentioned that the new municipal plan utilizes 100% of the housing authority's units to help demonstrate the boroughs commitment to affordable housing. This was surprising, as no one from the borough or the professionals has contacted Keith or the HA board to discuss this. This is not the first time the Borough has tried to use the Housing Authority to satisfy the COAH requirement. In 2012 the Borough submitted a plan to COAH that included 23 of the Housing Authority units, and committed \$805,000 or \$35,000 per unit for that commitment. At that time, the HA board and myself were involved with the discussions and approved of that submission. Today, the borough wants to commit all 100 of the HA units, and provide nothing in return. The Housing Authority has tremendous value to the borough, as they can receive 1.5 times the credit for 77 of our family units, bringing the total value to 138 affordable units. The plan also mentions a few scattered sites, like the Habitat site and a group home. The Holly House has opted out of participating. The other element that is surprising in the plan is the development of an overlay zone for affordable housing that encompasses Rogers and Academy. This expands what the government considers "pockets of poverty". The modern goals of affordable housing is to scatter affordable units in the community. The thinking is that people aspire up. When these pockets of poverty are created, the residents are not integrated into the community. This can lead to a downward spiral. Keith went on to discuss the legal commitments that will need to be made to the State and DCA, they are unknown at this time, there is no legal precedence in the state of NJ for using an existing housing authority to fulfill an affordable housing commitment. The state also typically requires a deed restriction on the property for the duration of the affordable commitment. Mickey commented he is concerned with this, he does not believe HUD or our housing will exist as it does in 20 year, or even 10. Keith agreed and is concerned we may not be able to maintain that commitment. Steve Misiura questioned whether we were getting out of the affordable housing business altogether. Keith responded no, but we do not know what the future brings. Keith mentioned there are also reporting requirement that are onerous. Tamara does not feel it is that bad, but Keith disagrees. The borough has always committed funds to companies or individuals that participated in the program. Habitat received \$105,000, Holly House received \$20,000 per unit and the Housing Authority was to receive \$805,000. Steve mentioned the town was in a panic to distribute the money on hand quickly and they spent it all. He continued that unlike most towns, we have a large affordable housing community in the middle of town and we should get credit for it. Steve disagrees with the overlay zone also, he feels it will cause problems and be time consuming and expensive to accomplish. Chris and Steve agree that the zone probably should not be done. He does not think we should concentrate those units on those streets. Keith stated that personally as a property owner, he and his wife, like everyone in the room has made a huge financial commitment to this town, and would like to see his property value rise, taxes go down and the town develop into the vibrant town center we all envision. But as the director of the Housing Authority, has to also be the advocate for affordable housing in the

borough. Steve adamantly objected. He feels the director of the HA should only focus on the HA, and stay out of land use policy. Keith countered that what the borough does in zoning and planning affects the HA and the 203 people that live here. Steve agreed with that. Keith continued, as the affordable housing advocate, you need to look at what the borough has done since the HA was built, and what the boroughs plans are going forward. We have zoned out affordable housing in the mill property, and the planning board reiterated that they do not want low income people on that site, they want people of means that can afford to buy a home, use the restaurants and stores downtown. Money that would have come from that development for affordable housing could have been used to renovate a home on Academy, put in a new foundation or even built a new affordable unit. Steve disagrees, he feels that Hightstown has a lot of affordable homes in town the low income people can afford. Keith disagreed, if you do the math, even if you purchased a home with a mortgage for \$120,000, once you add the tax burden of this municipality, you need an income of more than 70-80 thousand dollars to afford a home. Yolanda agreed and stated that the definition of low income is under 77K. Steve agreed that the Housing Authority needs to be brought into the discussion of affordable housing in the borough. Steve feels the Housing Authority should not be concerned with the policies that do not directly affect them. Brent feels we should be cooperating with the plan as long as it does not box us into a corner and limit our abilities to continue our work. Keith noted we need to know the restrictions and limitations. What happens if we eventually move the Public Housing units into the Non-Profit and HUD tells us to do whatever we need to make the project viable. This may include making some of the units' market or non-market rate. The board had a general discussion of the town's affordable housing commitment. Steve noted that COAH typically did not count older units, that is why the borough was going to put money into the HA for rehab. Steve said that the HA is part of the borough government, Keith countered that no, we are an independent entity that is not connected to the borough. Steve noted there have been discussions at the borough and the attorney on whether the HA has the right to establish a nonprofit. Keith described the RAD program to Steve, whereas the nonprofit takes ownership of the assets of the HA and accepts section 8 funds. Keith stressed it is very important for the HA to be involved early in the discussions, not blindsided in a public meeting. Steve noted there is a 60 day deadline and a plan needs to be done quickly. Steve agreed the HA should have been part of the discussion. The board had a general discussion of "builders remedy" which could take place if the town does not prepare a plan. Esther is concerned with our residents, and the impact on them. Keith reassured her there would be no impact on our resident either way. Keith reassured the board that we will make it work, no matter of the outcome.

- Poster Contest- NAHRO has an annual poster contest and we are thrilled we have 3 poster to submit to the regional offices. The commissioners chose the poster from Jasmine Perez and Johanna Lance as the finalists. All three children will get \$25 dollar gift certificates just for entering.

Executive Director Report:

Due to the length of the previous discussion the report highlights were discussed-entire report is included as prepared for the minutes

- We are currently at 97% occupancy. We are renovating a one bedroom apartment on the senior side for a new tenant. We also had a death and a sudden move out of a 3 bedroom unit due to the tenant's unwillingness to comply with the public housing requirements of Community Service if you are not working. We have been contacting people from our wait lists and will have those units occupied in May.
- We should hear in the first week of May whether we have been awarded the Safety and Security Grant from HUD.
- We suffered a death at the HA this past month. Susan Brooks died in her apartment and it was not discovered for 2+ weeks. One of our residents called the police when they were unable to get her on the phone for several days. Due to the time that has elapsed, we needed to call in a specialized bio hazard company to clean the affected areas. They were on site working within 12 hours of the body being removed. The insurance claims were filed and we will recover all but \$1000. Dollars. The deceased family will cover the additional cost. Our insurance company HAI group responded quickly and we had a check within 1 week.
- The security camera system has been put out for public bid. Site preview dates were on April 1 and 2 with bids due on April 29th. The project has been published in the local papers as well as with PHADA and NAHRO. I interviewed approximately 20 contractors and we will narrow the bidding pool down to 5-6 contractors to conduct a final bid. The specification will be finalized with the selected group in early May.
- We will be starting the landscape projects that were planned for last fall as soon as the weather breaks. This will include drainage, landscape and a new bench in front of building 6 (senior building on RR Ave.)
- Our 2014 audit was completed on March 30 with satisfactory results. There were no audit findings and one recommendation that has been addressed. This is to have all the data on our computers encrypted to avoid scamming or other data theft.
- We have received entries for the NAHRO national "What Housing Means to Me" contest. Our finalists will be sent to be judged on a regional level and then to the National finals. 12 Posters are selected nationally for the annual NAHRO "What Housing Means to Me" calendar.
- We received notice on April 6th that the Hightstown Housing Authority has achieved "High Performing" status with HUD for 2014. This is our second year in a row reaching this status, making us eligible for increased funding for capital

improvements. Our overall PHAS (Public Housing Assessment Score) is 96/100, with 4 points lost on the physical plant score. (Physical plant was last inspected by HUD in November of 2013)

Financial Update: March, 2015

In review of the financial reports for the month of March, 2015, the Hightstown Housing Authority completed the month with planned negative results. Highlights include:

Income:

- Residential income has come in slightly below budget due to incomes of our residents.
- Laundry income is on budget for the year.
- Subsidy income is slightly over budget due to the Federal 2015 budget. We are continuing to operate under 2014 assumptions until April when HUD is supposed to have completed their 2015 budget reviews. They will make whatever adjustment to our subsidy at that time.

Expenses:

- Administrative and Maintenance salaries are below our budgeted levels for the month and year. They will come into line with the 3 pay month in May.
- Staff Training is over budget due to Commissioner Courses at Rutgers.
- Travel is over budget for the month due to expenses for the recent PHADA conference and small housing authority meetings.
- Water is over budget dollar wise due to the Boroughs rate increase, but our consumption is on target with our projections. The first quarter of 2015 has recorded our lowest water consumption since we began charting in 2009.
- Electric is under budget. The electric company has been estimating our bills. We have complained to them and the Board of Public Utilities and we are now on a “must read” list for the next 12 months so we can develop an accurate baseline.
- Gas continues to be well below budget due to the radiator valve work done last year.
- Misc. Maintenance costs are over budget due to the additional purchase of ice melt.
- Misc. Contract costs are over budget due to the completion of the cycle painting.
- Exterminating costs are over budget due to a case of bed bugs in 1 apartment.
- Boiler contract costs are over budget due to repairs and a motor replacement.

Next meeting is scheduled for May 20th, 2015 at 7:00 pm.

The meeting was adjourned by a motion made by Commissioner Swiney and seconded by Commissioner Nelson.

Respectfully Submitted by:

Allen Keith LePrevost, Executive Director