

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE BOROUGH
OF HIGHTSTOWN, NEW JERSEY
HELD ON WEDNESDAY, March 20th, 2019 AT 7:00 P.M.**

Chairperson James Eufemia called meeting to Order at 7:03PM

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 James Eufemia, Chair, Commissioner Yolanda Swiney, Commissioner Brent Rivenburgh, Commissioner Carole Nelson, Commissioner Eva Teller, Commissioner Monique Wilson, Resident Commissioner and Lee Stultz, Council Liaison

Also, Present:

Absent:

Commissioner Pascale Emmanuel

Approval of Minutes: Regular Meeting Minutes of January 16th, 2019.

The minutes were moved by Commissioner Nelson, and seconded by Commissioner Rivenburgh, the minutes were passed.

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.

No Members of the public were in attendance.

Borough Council Liaison Report:

- Lee discussed the meeting coming up next week regarding the new Borough Hall. The visioning meeting is a chance for the public to have input into the design and function of the new space. For now, our Courts will remain in Robbinsville, so the space on the first floor will be public uses, meeting rooms, council and planning board spaces. If the Courts do come back, we can convert the public space back to offices.
- Gallery spaces will be in the center hallway for the Arts Commission and other public display.
- Commissioner Teller questioned the use of the second floor. Lee discussed how the space is proposed and the approximate size.
- The police building will now be attached to the main building, to share the elevator and consolidate the site.
- Modular storage spaces will be built in the basement instead of completely finishing the space.

- Modular office furniture will be installed instead of partitioning off offices and then having to zone off the mechanicals.
- The Mill project is on track, the renderings are being redone, retail is being removed and more residential units are being added. Instead of the underground parking, a 3-story parking deck will be built. Phase 3 is the Lake Front project. The developer is already negotiating with the property owners including the church. The current plan is for approximately 400 new apartment units. The breakdown will be a combination of studios, one- and two-bedroom units. There will be a public meeting to introduce the project like was done last time. Currently the Willis house and the First Aid building are being discussed and attempts are being made to buy them. Council needs to extend the redevelopment zone to include these two properties.
- The developer is pushing the town for approvals as quickly as possible. The town is pushing forward as quickly as possible. The goal is April or May planning board.

Resident Council Report:

- Monique and Keith gave a report on the Annual Easter egg hunt which is scheduled for the Thursday before Easter around 2:15. We are also planning a “Founders Day” picnic in June. We will get a large tent, grills and possibly a water slide for the kids. We will invite all our residents, neighbors and Council to enjoy the day.
- Monique discussed the community service requirements and how the younger, disabled residents are not doing or required to do anything. She would like to review the guidelines, as she does not think some of the younger people are doing their fair share. Keith discussed the HUD guidelines, how the program works and flexibility we may have. Keith explained how it would be very difficult to enforce Community service above the federal standards.
- Commissioner Rivenburgh would like Keith to share information and photos about the picnic to Downtown Hightstown. They will publicize.

Committees:

- Finance- to discuss 20-year budget and Capitol plan. Keith discussed the two documents sent to the Committee. We have completed the Capitol needs analysis that was done by On-Site Insight. This gives us verifiable numbers to budget with for the next 20 years. From this report we were able to develop operating budgets for the next 20 years. We ran several scenarios on the budgets with different scenarios on income and expenses. We originally were going to the Borough to extend us a Bond ordinance to help cover our long-term capital. The way the numbers have worked out, we do not need to be financing anything over the next 20 years. Now HUD is pushing us to close the project. We have put out a RFP for a phase 1 analysis, ordered a new title report and the attorney is working on redoing our cooperation agreement with the borough. We will also be redoing our PILOT agreement with the Borough. Commissioner Rivenburgh questioned the necessity of the “immediate needs” Keith discussed the upgrades that are in question, renovating the 6 handicap unit kitchens, upgrading the senior side laundry room ramps. All of these things were done under the older codes and do not meet today's standards. Lee mentioned the Affordable Housing Committee will be meeting with the housing authority in the coming month.
- Commissioner Eufemia questioned whether we will still be inspected by HUD after the conversion. Keith commented that he has spoken to HUD in meetings on the need to have our properties inspected located instead of by REAC every 3 years. It would be beneficial to the town (financially) and we would then have local control. We would still have our annual unit inspections.

Resolutions:

- **2019-5 To approve a Significant Amendment to the 5-year plan.** Keith discussed the need to amend our current 5-year plan with HUD to reflect the conversion to RAD. It was unanimously approved.

Discussion Items:

- The board discussed the borough's decision to hire an outside consultant to manage the affordable housing program.

Executive Director Report:

- We are currently at 99% occupancy. We have one tenant that gave us notice to move by March 1 and another that was removed this month by court order. Both units have been filled.
- The boiler project is complete. We are still waiting for adequate weather and temperature conditions to install the full-length chimney in building 1. We have approved the proposal for installation of the domestic hot water boiler in building 7, and it has been installed. Final payments for the boiler projects have been made in February.
- All work orders are up to date.
- We have completed the annual cycle painting of apartments.
- We have begun the process of removing our Public Housing Units from the PIC system of HUD. It is a long process that involves several steps. We will need to complete an analysis of the property and its long-term capital needs as well as an environmental study. We have contracted with On-Site/Insight to complete the Property Needs Analysis.
- We have completed the Property Needs Analysis with the outside contractor. The results of this review were made available in early March. This give us an indication of our long-range financial condition and how the RAD process will work for us. This report details the estimated amount of money needed over the next 20 years to maintain the property in good condition. I have included the preliminary report in the packet. The report estimates we need to complete approximately \$60 thousand dollars in repairs and modifications to address certain ADA issues in 6 apartment and the community room kitchen. These will need to be done in the next 12 calendar months. I am beginning to assemble the RFP for architectural services to address the various issues. Also, repairs need to be made to the ADA ramp on the Senior laundry room. Over the next 20 years they are estimating 4.1 million dollars will need to be invested in the property, all of which will be funded by the operations. This is good news for the conversion, as no outside resources will be needed.

- We made a presentation to the Planning Board on RAD October 9th. I was looking for guidance from the Borough on the best structure for the HA going forward. I have not heard anything from the Borough on the subject.
- I will be presenting to Council a discussion on the possible RAD conversion. I have floated the idea of the Borough putting a bond together for the Housing Authority to cover long term capital projects. This meeting was on March 18th.
- The Borough has asked the HA to provide a proposal for the administration of the Borough's affordable housing program. We have interviewed with the Council members and the selection was made at the February 19th council meeting. They did not choose us to be the new administrator.
- All the trees in the courtyard have been trimmed. This is a regular process we are doing every 4 years to keep the trees off the buildings and away from the roofs.
- Our annual boiler inspections have been done by the State of NJ.
- I have been asked to speak at a meeting in Washington of stakeholders and other industry representatives on the National Accreditation Program. I will be representing the "small" housing agencies in the meeting on Friday, March 22nd. I will also be speaking at the National PHADA meeting in June.

Financial Update: January, February 2019

In review of the financial reports for the month of January and February, 2019, the Hightstown Housing Authority completed the month with negative results due to the final payments to the boiler contractor.

Income:

- Residential income has come in over budget for the period and the year, mostly due to increased resident incomes and actively monitoring new hires and tenant work status. We have increased our budget expectation in this category for 2019, but are still exceeding that expectation.
- Excess Utility is below budget for the period and over budget for the year.
- Interest income is slightly above budget for the period. We are monitoring interest rates and will renegotiate our savings rate as warranted.
- Other Operating receipts are slightly below budget for the period.
- Laundry income is over budget for the period due to the timing of payments.
- Operating Subsidy income is under budget for the year. Although the two-year spending bill passed by congress has increased our subsidy above budgeted levels, the government's inability to pass a final budget, the shutdown and HUD's slow recovery process is leaving us with temporary spending prorations. They are estimating we may have a final 2019 budget by June.

Expenses:

- Administrative and Maintenance salaries are under budget for the period.
- Legal expense is slightly under for the year.

- Staff Training is over budget due to registrations for conferences.
- Sundry Administrative is over budget due to Accounting and Tenant management software renewals.
- Electric is under budget for the period.
- Natural Gas is slightly over budget for the period. This is due to the extended cold weather. We are now fully under our new boiler in all but 2 of our buildings. We will begin tracking our usage compared to previous years to determine current and projected savings.
- Maintenance Labor is under budget for the period
- Maintenance materials is under budget for the period.
- Maintenance contract cost are well under budget.
- Grounds maintenance is over budget due to the scheduled
- Extraordinary maintenance. This amount was paid to the boiler engineers for inspection and monitoring. This account will be used as part of the boiler construction project.

Next meeting is scheduled for April 17th, 2019 at 7:00 pm.

The meeting was adjourned by a motion made by Commissioner Rivenburgh.

Respectfully Submitted by:

Allen Keith LePrevost, Executive Director