

HOUSING AUTHORITY OF BERGEN COUNTY
One Bergen County Plaza, FL 2
Hackensack, NJ 07601

MINUTES OF THE MEETING OF JUNE 27, 2013

THESE MINUTES ARE NOT VERBATIM BUT ARE INSTEAD A CONDENSED VERSION OF WHAT TRANSPIRED AT THE REGULAR MEETING OF JUNE 27, 2013.

PRESENT:

Chairman Bruce Walenczyk
Commissioner Steven Kopf
Commissioner Kay Nest
Commissioner Joanne English Rollieson
Domingo Senande, Executive Director
Donald Caminiti, Counsel
Kevin McCann, Accounting Manager
Tom O'Malley, Special Assistant to the ED
Julia Orlando, Director, BC Housing, Health & Human Services Center
Charlotte Vandervalk, Director of Development
Esther Gatria, Human Resources Manager
Heather Wei, Executive Assistant

ABSENT:

Commissioner Mark DiPisa
Commissioner Andrew Rudman
Lynn Bartlett, Deputy Director
Terrence Corriston, Esq., Counsel

NOTICE OF MEETING

Mr. Domingo Senande read the following statement:

Consistent with the Byron M. Baer "Open Public Meetings Act: P.L.1975c231, all meetings of public bodies shall be open to the public at all times". Notice of the regular meeting was provided to The Record and the Jersey Journal on January 19, 2013, and was provided to the County Clerk for posting at the County Administration Building, at which time the date, time and place were set forth. The minutes of the regular meeting will be available following the next regularly scheduled meeting.

The meeting was called to order at 5:28p.m.

PLEDGE OF ALLEGIANCE

Chairman Walenczyk led the Board in the Pledge of Allegiance.

APPROVAL OF MINUTES

A motion was made by Commissioner Nest to approve the minutes of the meeting of May 23, 2013. Motion was seconded by Commissioner English Rollieson.

VOTE: AYES: All Present Commissioners (4)
 ABSENT: Commissioners DiPisa and Rudman (2)

RENTAL ASSISTANCE DEMONSTRATION (RAD)

William Snyder presented the new Rental Assistance Demonstration (RAD) to the Board. Mr. Snyder reported that RAD allowed projects funded under public housing moderate rehabilitation to convert to project based Section 8 contracts. PHA's may choose between Project Based Vouchers (PBA) or Projects Based Rental Assistance (PBRA).

Mr. Snyder explained that the program allows the Housing Authority to use private sources of funding in order to finance low income housing tax credit program and long term mortgage. He explained that one of the main goals of the RAD program is to demonstrate how the conversion of PBA/PBRA can generate access to private debt and equity to address immediate and long term capital needs through rehabilitation.

Mr. Snyder further explained the selection process between PBA and PBRA. He explained that with PBA the agency would administer the program with a 15 year term. Rents would be equal to the current funding, subject to a cap and adjusted annually. The PBA contract would also carry a concurrent renewable RAD User Agreement. The Housing Authority would be required to provide Choice Mobility options to residents and a maximum PBA assistance (20% of budget) will not count against the PHA's maximum for covered projects.

Mr. Snyder then explained that PBRA would be administered by HUD and that the contract rents would be equal to the projects current funding subject to a cap and adjusted annually. The term would be 20 years and would also carry a concurrent 20 year renewable RAD User Agreement. Lastly, Choice Mobility would be a condition of the conversion. He then explained that Choice Mobility was 15% of any tenants who lived in a converted project would be given the ability to move or receive a voucher from the PHA to move wherever they want. He further explained that the HABC had a large enough program in which getting 15% should not be a problem.

Mr. Snyder then explained the conversion process. He explained that an application for RAD would have to be approved by the Board of Commissioners. A preliminary investment banker or bank would have to be acquired, they would have to review the pro forma, and write a letter that would go along with the application that states the pro forma appears to be feasible.

Mr. Snyder then explained that the HABC would have to hit milestones within a 12 month period. One of the first milestones being that a development team was in place consisting of a consultant, architect, investment banker and a tax credit consultant.

Another milestone would be placing the RAD in the Annual Plan. The next milestone would consist of notifying all residents of the conversion within 45 days of the actual conversion. A meeting would have to be held and any and all questions that the residents have would have to be answered individually and in writing.

Mr. Snyder also explained that a closing would take place after all milestones were accomplished. At which point HUD would provide the HABC with a Declaration of Trust on each property which would state that the HABC cannot enter into any lease hold and cannot use any of the properties for collateral for any reason without HUD approval. After the release the HABC they would then be considered private owners. Mr. Snyder stated that it was a much more liberal system.

William Katchen also reported that the bottom line was RAD gave much more stability to a depleting program. If the HABC opted to go with RAD the funding levels would automatically be 10% higher than it is at the present time. Mr. Katchen also stated that it gave much more flexibility on public bidding, employee selection and pension plans. His recommendation was for the HABC to go in the direction of RAD.

EXECUTIVE DIRECTOR'S REPORT

Domingo Senande reported on the following subjects:

Mr. Senande asked Tom O'Malley to report on HABC properties.

Mr. O'Malley reported that a new generator was being installed at Brookside Gardens. He also reported that the Mahwah roof project was going well and that 16 of the 55 roofs had already been completed.

Mr. O'Malley reported that out of 968 units, there were only 4 vacancies. He further reported that he met with FEMA representative in regards to damages from Hurricane Sandy and they would be receiving about \$50,000 of the \$90,000 in claims that had been reported.

Bergen County Housing Health and Human Services Center (HHH): Mr. Senande asked Julia Orlando to report on the HHH. Ms. Orlando reported that the Center had reached its full capacity of occupants and now had a wait list.

Ms. Orlando also reported that she was going to start sharing the Center's calendar with the Board members. There were many presentations being held at the Center by different organizations from within the community and she would like to give the Board members an opportunity to attend.

Chairman Walencyk reported that he had spoken with Freeholder Zur who had received notification that \$2,000 was granted to the HHH for the community vegetable garden; including the supplies that would be necessary to start the project.

Financials: Mr. Senande introduced Kevin McCann, Accounting Manager, to the Board and asked him to report on the Financials. Mr. McCann reviewed the cash report and

stated that is was in good shape with the exception of the voucher program due to decrease in funding. He also stated that Public Housing cash decreased by about \$16,000 due to normal everyday operational swings. COCC increased by approximately \$35,000.

Mr. Katchen reported that the biggest problem was HUD's reduction in funding. He explained that this year was a good year because utility costs were down and based on underestimating, funding was higher. Unfortunately, next year will not be the same. Overall the HABC will be down \$1M in funding. Mr. Katchen stated that it was going to be a tight year financially for the program.

Development: Mr. Senande asked Ms. Vandervalk to report on the developments.

Ridgefield/Northvale/Saddle Brook: Ms. Vandervalk reported that all three projects were submitted for the 9% tax credit. The results for those projects would be announced July 31, 2013.

Ms. Vandervalk also reported on several new potential projects that were all in different negotiation stages, such as two additional projects in Montvale, Old Tappan, Oakland and possibly two more in River Vale.

Ms. Vandervalk reported that she had met with representatives from Franklin Lakes who went to see the Northvale project. They were very impressed with the project and are interested in potential development in Franklin Lakes for 40 units of special needs housing.

Mr. Senande reported that the MLK project was in the final stages of financial reviews and is hoping the October Certificate of Occupancy would be issued in October.

ATTORNEY'S REPORT

In Mr. Corrison's absence Donald Caminiti reported that the closing for 105 Main Street, East Rutherford took place.

Mr. Senande further reported that the site would need some remediation and that it was purchased to extend the parking lot at the current East Rutherford building.

PUBLIC COMMENTS

A motion to open the meeting to the public was made by Commissioner Nest and seconded by Commissioner Kopf.

VOTE:	AYES:	All Present Commissioners (4)
	ABSENT:	Commissioners DiPisa and Rudman (2)

A member of the public, Theresa Yarlborough, addressed the Board regarding the purchase of her unit on Clinton Avenue, Hackensack. She explained that she came

before the Board because at on one time the HABC handled the sales and repurchases of the affordable units, however, since then there was no one in charge and the property and accounting were being poorly handled. She wanted the Board to help her and guide her in the right direction as to whom she should discuss her issue. Ms. Vandervalk addressed her and told her she would help her get in touch with the right person.

A motion to close the meeting to the public was made by Commissioner Kopf and seconded by Commissioner Nest.

VOTE: AYES: All Present Commissioners (4)
 ABSENT: Commissioners DiPisa and Rudman (2)

CONSENT AGENDA

A motion to approve the consent agenda was made by Commissioner Nest and seconded by Commissioner English Rolleison.

VOTE: AYES: All Present Commissioners (4)
 ABSENT: Commissioners DiPisa and Rudman (2)

RESOLUTIONS: CONSENT AGENDA

- A. Resolution 2013-52
Resolution approving the routine expenditures for the HABC for the period of 05/17/13 – 06/18/13.

- B. Resolution 2013- 53
Resolution approving the routine expenditures for the HDC for the period of 05/17/13 – 06/18/13.

- C. Resolution 2013- 54
Resolution approving an agreement with Tenmast Software, a division of Tenmast Corporation, 400 East Vibe Street, Suite 103, Lexington Kentucky, to provide computer software support services to the Housing Authority of Bergen County.

- D. Resolution 2013- 55
Resolution authorizing a contract with Norman Staffing Services for temporary staffing services.

- E. Resolution 2013- 56
Resolution approving a contract with LAN Associates for A/E services for the upgrade of electrical panels and breakers in tenant apartments at Ridgecrest Apartments.

F. Resolution 2013-57

Resolution updating and correcting the authorization of Resolution 2013-50 which issued 18 Project Based Vouchers to three special needs affordable housing projects.

G. Resolution 2013-58

Resolution authorizing a contract with D & L Paving Contractors for asphalt and concrete repairs, re-sealing and line re-striping at five (5) locations.

H. Resolution 2013-59

Resolution authorizing a contract with Crossroads Pavement Maintenance for asphalt and concrete repairs, re-sealing and line re-striping at eight (8) locations.

Commissioner Kopf moved that the meeting be adjourned. Commissioner Nest seconded the motion.

VOTE: AYES: All Present Commissioners (4)
 ABSENT: Commissioners DiPisa and Rudman (2)

Meeting adjourned at 6:45 p.m.
Minutes prepared by: Heather Wei