

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

MINUTES OF THE MEETING OF JANUARY 26, 2017

THESE MINUTES ARE NOT VERBATIM BUT ARE INSTEAD A SYNOPSIS OF WHAT TRANSPIRED AT THE REGULAR MEETING OF JANUARY 26, 2017.

PRESENT:

Commissioner Bruce Walencyk, Chairman
Commissioner Steven Kopf, Vice Chairman
Commissioner Joanne English Rollieson, Treasurer
Commissioner Danielle Peterson
Commissioner Bob Taschler
Commissioner Steven Weinstein

Lynn Bartlett, Executive Director
Kevin McCann, Finance Director
Vincent Bufis, Field Operations Manager
John Biale, Director of Development
Terrence Corriston, Esq., Counsel
Esther Gatria, Human Resource Manager
Heather Wei, Executive Assistant

ABSENT:

Commissioner Mark DiPisa
Julia Orlando, Director of HHH

NOTICE OF MEETING

Executive Director Lynn Bartlett 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 December 15, 2016, 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 5:52 p.m.

PLEDGE OF ALLEGIANCE

Chairman Walencyk led the Board in the Pledge of Allegiance.

REORGANIZATION

Commissioner Kopf made a motion nominating Commissioner Bruce Walenczyk as Chairman, the motion was seconded by Taschler.

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

Chairman Walenczyk made a motion nominating Commissioner Steven Kopf as Vice Chair, the motion was seconded by Commissioner Weinstein.

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

Chairman Walenczyk made a motion nominating Commissioner English Rollieson as Treasurer, the motion was seconded by Commissioner Kopf.

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

HDC BOARD APPOINTMENTS

Chairman Walenczyk moved a motion appointing Commissioners Kopf, DiPisa, and English Rollieson as Trustees on the Housing Development Corporation Board, the motion was seconded by Commissioner Weinstein.

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

CHRB BOARD APPOINTMENTS

Chairman Walenczyk moved a motion appointing Commissioners DiPisa, Kopf, and English Rollieson as Trustees on the Community Housing Resource Board of Southern Bergen County, the motion was seconded by Commissioner Taschler.

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

FINANCE, BUDGET & AUDIT COMMITTEE

Chairman Taschler moved a motion appointing Commissioners DiPisa, English Rollieson and Walenczyk as members of the Finance, Budget & Audit Committee, and the motion was seconded by Commissioner Peterson.

VOTE: AYES: All Present Commissioners (5)
 ABSENT: Commissioner English Rollieson (1)

APPROVAL OF MINUTES

A motion was made by Commissioner Kopf to approve the minutes of the meeting of December 20, 2016. Motion was seconded by Commissioner Taschler.

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

EXECUTIVE DIRECTOR REPORT

Budget

Fee Accountant Bill Katchen reported briefly to the Board on the 2017 proposed HABC budget. He reported that there were significant changes to the budget this year due mainly to the RAD transaction.

Mr. Katchen also reported to the Board that the resolution on the Agenda was to consider the budget. Once signed off on, it will be sent to the Department of Community Affairs. The New Jersey Department of Community Affairs (DCA) must then approve, once that is accomplished it will be sent back to the HABC and will be on March's Agenda for final approval.

Upon approval by the DCA, the budget will be uploaded onto the HABC website (<http://habcnj.org/financial-reports/>).

Finance

Public Housing: Cash has decreased by (\$1,704,621)

Transfer of existing reserves to fund RAD Conversion (\$1,570,000).
Payment of YE 3/31/16 PILOT Fees (\$107,880).
Remaining decrease due to increased cost of utilities for the winter months.

COCC & Community Dev:

Cash has increased by \$37,723

HHH Center:

Cash has decreased by (\$63,785) normal outlays prior to billing.
Normal monthly swing as waiting for Quarterly reimbursement.

Housing Choice Voucher:

Cash has increased by \$3,564,828

Received the January 2017 HAP & Admin Fees on 12/30/16
(\$3,593,599)

Grant Programs

Cash has decreased by (\$68,044)
Fronted Continuum of Care Grants expect reimbursement Early
January.

HDC General Acct:

Cash decreased by (\$109,723)

Development Costs

| | |
|--------------|---------|
| Emerson | \$5,615 |
| Saddle Brook | \$0 |

| | |
|--------------------|----------|
| Franklin Lakes | \$0 |
| Upper Saddle River | \$55,930 |

| | |
|--------------------------------|----------|
| Legal Fees for the RAD closing | \$36,452 |
|--------------------------------|----------|

HDC Properties:

Cash increased by \$65,785

| | |
|---|----------|
| Saddle River resurfaced the parking lot | \$26,000 |
| Old Tappan resurfaced the parking lot | \$58,400 |
| Bergenfield paid PILOT fees | \$88,960 |

Other properties had normal operation swings

Managed Properties: Cash decreased by (\$177,301)

| | |
|---|----------|
| Ridgecrest paid PILOT fees | \$35,166 |
| Ridgecrest paid 2017 insurance premiums | \$56,164 |

| | |
|---------------------------------------|-----------|
| Park Ridge paid PILOT fees | \$11,790 |
| Park Ridge resurfaced the parking lot | \$101,505 |

| | |
|---------------------------------------|---------|
| River Vale paid insurance premiums | \$4,396 |
| River Vale purchases a dumpster mover | \$6,595 |

Trust Account Activity:

Bergenfield residual receipt account transferred out \$4,260,000 to
fund the RAD conversion. HDC took back the mortgage notes in the
same amount.

New RAD Reserve accounts have been added to the monthly
reporting.

Also, Director Bartlett discussed looking into paying off the Hasbrouck Heights Bond. The remaining
amount to be paid off was an estimated \$300,000. Hasbrouck Heights has sufficient funds to pay
off and the money is currently in an account receiving .54% interest.

Also, discussed was the possibility of seeking another bank or investment opportunity for the \$3.5M

in the reserve for replacement accounts require under the RAD transaction regulations. Director Bartlett said she would look into both items and report back to the Board with her findings.

Development

East Rutherford – Negotiations with the owners of the property have completely failed. They have requested the HDC no longer contact them. The Mayor has been informed and has asked that we provide him with a list of pros and cons regarding possible condemnation of the property.

Development (continued)

Saddle Brook – Working through the Commitment phase and meeting all the requirements of the NJHMFA in order to close and get the shovel in the ground.

Upper Saddle River – As discussed at previous meetings, we have been working with Porcelanosa and the Borough to work out an Agreement with Porcelanosa for shared engineering services. Drafts have been circulated and HDC special project counsel, Holly Schepisi of Huntington Bailey, has asked for additional language regarding costs, rates, schedules, etc., in order to move forward.

Issues have arisen further complicating the project. Part of the sewage line is in Ramsey and drainage for the Porcelanosa site are proposed to be located under the affordable housing site. If something was to go wrong, the parking area of the affordable development would have to be ripped up.

Ms. Schepisi on behalf of Director Bartlett has asked that these issues be addressed in the Agreement. The Borough Engineer has responded stating that Agreements have already been put in place and that if the HDC is not accepting of the conditions the Borough would prepare to move forward with another developer.

South Hackensack – This project was originally co-developed with Madeline Corporation. Since project development there remain project development expenses of the Madeline Corporation that remain. Under the terms of the Limited Partnership Agreement this expense is to be paid out of cash flow after a significant number of other items. Madeline Corporation being a very small non-profit would benefit significantly if HDC were to pay this payable and have Madeline Corporation assign the debt to HDC.

Director Bartlett has reached out to Counsel as well as the accountant on the project. All are in agreement that, as long as there was no objection from the HDC Board, and approval from the NJHMFA, the project Limited Partner and project Special Limited Partner HDC would pay off Madeline Corporation. Madeline Corporation would then assign the debt to HDC so eventually in the cash flow process the funds would be reimbursed.

Upon a response from the NJHMFA, Limited Partner and Special Limited Partner Director Bartlett will report back to the Board.

Little Ferry – The site has been identified. Will be meeting with the Borough to discuss pre-development funds and take action on the development and execution of a development memorandum of understanding between the HDC and the Borough.

Fort Lee – Have been in discussion with the Borough to help design engineering concepts for the site

that their senior center currently sits on.

Hackensack, Probation Site – Director Bartlett met with County Counsel and other officials back in November to discuss the site and was put in touch with Professionals who had previously worked on the site. Since then the project has come to a standstill the County is not entirely prepared to explore development of this site at this time. The HABC and HDC will not move forward on the project until our partnership is approved by resolution of the Bergen County Board of Chosen Freeholders.

Lastly, Director Bartlett reported that she has been working with an interior design firm to furnish the newer buildings; as well as to replace furniture in the older ones. Bergenfield has money that needs to be spent so the main entry way will be prioritized. Each of the smaller community rooms, as well as the large one, will also be updated. Additionally, the hallways are being considered in order to update the cinderblock hallways.

Personnel

CVR has almost completed their onsite assessment of the Assisted Housing Department. After a discussion with CVR and their review of the employee surveys, Director Bartlett is happy to report the majority of employees are happy being employed by the Housing Authority. CVR was candid in places that they thought could use improvement and the Housing Authority will work to take recommendations from CVR and implement them accordingly.

Director Bartlett reported future monthly reports will show the vacant position, for how long it has been vacant, and the reasons being given for not being able to fulfill the position.

BCHHH

Director Bartlett reported that the 2016 Contract to manage the HHH with the County has still not yet been signed. Typically, the HABC distributes money for the HHH the 1st and 2nd quarters, and then the Contract gets signed and reimbursement is received. As of March 2017, the HABC will no longer be in the position to continue doing so. Discussions have been and will continue to be had with the County in order to work towards a resolution.

OTHER

Director Bartlett brought to the Board's attention Housing Opportunity Through Modernization Act (HOTMA) of 2016 and its latest update. It allows for a Housing Authority to award Housing Authority owned PBV units without competition. HOTMA amends section 8(o) of the 1937Act to provide a statutory definition of units owned by a PHA, overriding HUD's current definition at 24 CFR 983.3 for the PBV program and as a PHA-owned unit is described at 24 CFR 982.352. The new definition identifies a PHA owned unit as "owned by a public housing agency" only if the unit is in a project that is one of the following categories: (1) Owned by a PHA; (2) Owned by an entity wholly controlled by the PHA; (3) Owned by a limited liability company or limited partnership in which the PHA, or an entity wholly controlled by the PHA) holds a controlling interest in the managing member or general partner. A "controlling interest"

Director Bartlett will be looking into insuring all HDC properties comply under the new definition.

She will report back to the Board after further research.

Attorney's Report

Mr. Corrison reported that there is a litigation matter he would discuss during a closed session.

Public Comments

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

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

No members of the public were present to provide comment, therefore a motion to close the meeting to the public was made by Commissioner Kopf and seconded by Commissioner Kopf.

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

Consent Agenda

A motion to approve the consent agenda was made by Commissioner Kopf and seconded by Weinstein.

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

- A. **Resolution 2017-01**
Resolution approving the routine expenditures for the HABC for the period of 12/10/16 – 01/17/17.
- B. **Resolution 2017-02**
Resolution approving the routine expenditures for the HDC for the period of 12/10/16 – 01/17/17.
- C. **Resolution 2017-03**
Resolution appointing three Commissioners to serve as Trustees on the Board of the Housing Development Corporation of Bergen County.
- D. **Resolution 2017-04**
Resolution appointing three Commissioners to serve as Trustees on the Board of the Community Housing Resource Board of Southern Bergen County.
- E. **Resolution 2017-05**
Resolution authorizing a Contract with Arcari & Iovino Architects for A/E Services for the roof replacement at Ramsey Public Housing in order to be compliant with RAD requirements.
- F. **Resolution 2017-06**

Resolution authorizing a Contract with Arcari & Iovino Architects for A/E Services for Brick Pointing and Sealing at Carucci Apts., David F. Roche Apts., & Highland View Apts Housing in order to be compliant with RAD requirements.

G. **Resolution 2017-07**

Resolution authorizing a Contract with Better Image Landscapes, Inc. and Raymond Brothers Inc. for grounds maintenance and landscaping at various locations for the 2017 & 2018 season.

H. **Resolution 2017-08**

Resolution authorizing a contract with LAN Associates for A/E services for the replacement of the emergency generator at Carucci Apartments Housing in order to be compliant with RAD requirements.

I. **Resolution 2017-09**

Resolution authorizing a contract with LAN Associates for A/E services for the replacement of the emergency generator at Highland View Apartments Housing in order to be compliant with RAD requirements.

J. **Resolution 2017-10**

Resolution authorizing a contract with Arrow Elevator Inc. for elevator maintenance repair service at River Vale Senior Residence & Franklin Street Villa.

K. **Resolution 2017-11**

Resolution to approve Change Order #2 to ACI Electrical Contractor Inc's contract in order to relocate an additional six (6) smoke detectors 10 feet from the kitchen in Type "B" units and Type "P" units at Boiling Springs Gardens, East Rutherford in order to be compliant with Code

L. **Resolution 2017-12**

Resolution authorizing a Contract with Arcari & Iovino Architects for A/E Services for replacement of all building windows and upgrade to energy star requirements at David F. Roche Apartments Housing in order to be compliant with RAD requirements.

M. **Resolution 2017-13**

Resolution adopting the Cash Management Plan.

N. **Resolution 2017-14**

Resolution authorizing the submission of the Annual Audit Report for the Fiscal Year ending 03/31/16 to the Local Finance Board of NJ the HABC audit.

O. **Resolution 2017-15**

Resolution introducing the Annual Budget and Capital Budget for the FY 04/01/17 – 03/31/18.

P. **Resolution 2017-16**

Resolution approving the PHA Fiscal Year Budget for submission to DCA.

A motion to go into closed session to discuss a matter of litigation at 6:42 P.M. was made by Commissioner Taschler and seconded by Commissioner Kopf.

VOTE: AYES: All Present Commissioners (5)
 ABSENT: Commissioner Peterson

A motion to open to the public at 6:53 P.M. was made by Commissioner Weinstein and seconded by Commissioner Taschler. **Upon opening session to the public, Counsel noted no members of the public were present.**

A motion to resolve the matter discussed in closed session, Davis v. HABC, in accordance with a Stipulation of Settlement to pay attorney fees and costs in the amount of \$1,372.68. was made by Commissioner Kopf and seconded by Commissioner Weinstein.

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

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

VOTE: AYES: All Present Commissioners (6)
 ABSENT: Commissioner DiPisa (1)

Meeting adjourned at 6:53 p.m.
Minutes prepared by: Heather Wei