

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

MINUTES OF THE MEETING OF SEPTEMBER 28, 2017

THESE MINUTES ARE NOT VERBATIM BUT ARE INSTEAD A SYNOPSIS OF WHAT TRANSPIRED AT THE REGULAR MEETING OF SEPTEMBER 28, 2017.

PRESENT: Chairman Daniel Ortega
Commissioner Junior Hernandez
Commissioner Danielle Peterson
Commissioner Steven Weinstein
Lynn Bartlett, Executive Director
Kevin McCann, Director of Finance
Esther Gatria, Human Resources Manager
Vincent Bufis, Field Operations Manager
John Biale, Director of Development
Terrence Corriston Esq., General Counsel

ABSENT: Commissioner Joanne English Rollieson
Commissioner Steven Kopf
Commissioner Bob Taschler
Julia Orlando, BCHHH Director

CALL TO ORDER

Chairman Ortega called the meeting to order at 5:44 pm and asked that the open public meetings statement be read. Executive Director Lynn Bartlett read the following:

Consistent with the Bryon 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 this meeting will be available following the next regularly scheduled meeting.

PLEDGE OF ALLEGIANCE

Chairman Ortega lead the Board in the Pledge of Allegiance.

ROLL CALL

Chairman Ortega asked that roll be called. Commissioners, Peterson, Hernandez and Weinstein were present. Commissioners English-Rollieson, Kopf and Taschler were absent.

APPROVAL OF MINUTES

A motion was made by Commissioner Hernandez to approve the regular minutes of the meeting of July 27, 2017. Motion was seconded by Commissioner Peterson.

ROLL CALL VOTE:

Chairman Ortega – AYE

Commissioner Hernandez – AYE

Commissioner Peterson – AYE

Commissioner Weinstein - AYE

ABSENT: Commissioners English-Rollieson, Kopf, and Taschler (3)

A motion to accept the minutes of the closed session of the June 22, 2017 was made by Commissioner Weinstein and seconded by Commissioner Peterson.

ROLL CALL VOTE:

Chairman Ortega – AYE

Commissioner Hernandez – AYE

Commissioner Peterson – AYE

Commissioner Weinstein - AYE

ABSENT: Commissioners English-Rollieson, Kopf, and Taschler (3)

EXECUTIVE DIRECTOR REPORT

Ms. Bartlett informed all that after discussion with Chairman Ortega she streamlined board reporting in an effort to lessen the burden of documents necessary for review before a board meeting and to increase engagement of Commissioners. The culmination of this effort was rolled out as a new Executive Director report that is part of this month's board meeting packet. The new report highlights and summarizes the significant number of reports provided in the past into an easy to read, follow and understand report along with new dashboard reporting. The new report specifically provides information on all Departments and program areas in an easier to read format. All reports of the past are still available and can be provided to any Commissioner upon request. Additionally, Director Bartlett will have them at Board meetings should any Commissioner wish to review them.

Ms. Bartlett asked for feedback regarding the new format and if all Commissioners approve of the new format or if they have any questions or concerns on the new report.

Chairman Ortega further explained the logic and expectation behind the new reporting format, underscoring the point that all former reports are still available for anyone needing or wishing additional information. He stated that the new report was to have no more than one page outlining each department's monthly activity and pointed out that should any Commissioner have need or want to print the report it is now only a couple of pages, making it much more printer manageable.

Director Bartlett then provided the following updates and changes to the Board Report that had been circulated:

FIELD OPERATIONS

Vacancy rates have dropped lower due to lease up of a few apartments. Actual vacancy rates being 0.68% on 9/28/17, down from the 1.07% provided in the board report. Ms. Bartlett pointed out that these vacancy rates illustrate how well property management staff have been responsive, insuring timely turnover and re-leasing to limit vacancy losses. She gave credit to their hard work and dedication.

ASSISTED HOUSING

Finance and Rental Assistance Department staff continue to work with HUD's Office of Shortfall Prevention (SPT) to determine IF the HABC will have a shortfall as the end of 2017 and if so, how much of a shortfall it will be in order to apply for shortfall set-aside funding. Regular daily operations continue to change this determination. Staff will continue to work with HUD SPT and will do so ongoing until shortfall is determined or it is determined no additional assistance is required.

Director Bartlett also informed the Board of Commissioners that the HABC had received a program directive letter from the US Department of HUD regarding an additional program funding cut of .68% that is to be expected in November and December 2017 with further anticipated funding cuts for 2018. Ms. Bartlett pointed out that these funding levels will be the lowest that the agency has been funded at in at least 5 years. She also explained that the agency has taken action and will continue to assess and shrink all program costs as necessary to operate the program at the funded levels and that the program has been operating under "cost savings measures" for much of the program year. Ms. Bartlett informed all that the HABC will also apply for a payment standard program waiver with HUD to operate the program with the continued used of current payment standards though they will be less than the program minimum standard of 80% of the Fair Market Rent that were released by HUD for implementation October 1.

DEVELOPMENT

Saddle Brook.

Demolition is underway. HABC staff have a scheduled meeting for 9/29 with all current project funding resources to discuss what is necessary to close project financing. The greatest effect on funding being the difference between contractor cost to build and project cost estimates. Construction costs have come in significantly higher than estimated; almost \$2 million higher. Ms. Bartlett also informed all that the development team is also looking at all possible ways to cut or shrink project costs.

Closter

The Borough has executed a contract for sale with a private owner for the parcel that includes the town's Village School – which has sat vacant for several decades. Borough officials have been working the HABC/HDC and project architect to identify the project conditions required for sale.

BCHHH

Ms. Bartlett pointed out that beside it being Ms. Orlando's birthday, she was also being recognized by the City of Hackensack this evening for her work with the City, her outreach efforts/initiative and work with the homeless population within town.

REMINDERS

Ms. Bartlett reminded all Commissioners that November's Board meeting is being held in Mahwah at the Community Room at our Ramapo Brae Townhomes. Chairman Ortega pointed out, for the benefit of all, that November's meeting is also a Tuesday evening meeting.

NOTABLES

Ms. Bartlett reported that she had been invited by the Congressional Hispanic Caucus to participate in a discussion on program funding and cuts in Washington DC. She reported that the meeting was held in the Capitol Building, the purpose of which was to identify needs of large public housing authorities. The meeting was chaired by Congressman Adriano Espaillat of NY. Topics discussed were the effect of the President's proposed budget on housing authorities, public housing capital fund needs, RAD success, as well as policy advocacy for program changes.

ATTORNEY REPORT

Mr. Corrison began by discussing some of the shortfall prevention policies in effect to save program money one of which is the exercise of termination provisions for people who are not compliant with their program obligations. He stated that it behooves the HABC to terminate those that are not compliant in order to save those who are more than willing to comply, in appropriate cases. As a result, he foresees an increase in the number of hearings requested for due process as well as an increase in appeals and court time for Section 8 Housing Choice Voucher participants. He informed all that

there are several cases pending. Mr. Corrison has been asked to be present at program informal hearings where counsel is representing the former participants. The reason for this being the difficulty for staff alone to prepare the necessary documents for hearing the case and to avoid possible litigation without the assistance of general counsel.

Mr. Corrison explained that he is presently working on 3 such hearings, all for legitimate, very fair terminations – 2 for failure to disclose income, and 1 landlord eviction for non-payment of tenant rent.

Addressing the non-compliant participant aids the Authority that is in position for possible shortfall to avoid lottery terminations that might be required to shrink program costs due to shortfall.

DISCUSSION

Chairman Ortega inquired if there was any idea of the numbers of non-compliant participants that would be addressed or the number of households that might be effected by shortfall required end of participation. Mr. Corrison informed all that it could be estimated based on the number of hearings as well as historic repayment agreement data. He stated that he didn't have specific numbers but could keep them going forward. He noted that staff have been exceptionally prepared for hearings and credited them for knowing the individual case specifics as well as the being cognizant of the severity of program violation being addressed.

Chairman Hernandez commented that this was very sad. He then inquired regarding HABC provided training for program participants in order to avoid program violations and be better tenants, or a landlord hotline to report difficulties.

Mr. Corrison clarified that participants are required to sign a form verifying/certifying that this is their income, the HABC then has to verify that what was reported is true through HUDs required verification systems. He responded to Commissioner Hernandez's concerns by explaining that participants shouldn't need training on how to verify what they've just reported is true.

Ms. Bartlett pointed out that forecasted funding expectations are to be at the lowest they have been in over 5 years. She further commented that she believes that the HABC is being exceptionally responsible in shrinking program costs by addressing participants who have not been truthful in reporting their income or following the program rules. Warranted program terminations are preferable to a lottery, in accordance with the program's Administrative Plan, which would be required to cut program expenses to meet budgeted costs. Further, Ms. Bartlett explained that the HABC does quite a bit of educational work with participants to strengthen their program knowledge. Staff meet with landlords and tenants to explain HABC process as well as program rules and regulations.

Commissioner Hernandez stated that there are other housing authorities providing education programs.

Mr. Corrison clarified that other housing authorities that have such programs are the tenants of their public housing buildings. He explained that these programs for tenants residing in public housing provide housekeeping education, or programs to connect to services for hoarding assistance, or programs offered to assist in connecting them to other services they may need (medical, therapeutic etc.) but they are not programs for Section 8 HCV program participants who choose their housing.

Commissioner Hernandez responded by stating his belief that the Authority should be more lenient with fraud offenders, asking them if they knew what they did incorrectly and educating them on their program violations. He stated that common sense doesn't work and that he has found this is similar in his experience with disabled populations within the school system. He further commented that he has seen other housing authorities with very scrutinized processes and believes that the HABC can open this process up by inviting realtors and private or non-profit organizations to attend education processes to minimize program issues.

Ms. Bartlett then asked the Board if they are all in agreement with Commissioner Hernandez's desire for the HABC to take on an additional role or undertake a new initiative with the purpose of educating participants. She pointed out for consideration, this would require staff and maybe reorganization or new policy development.

Commissioner Weinstein asked if terminations are being done solely for cost cutting purposes or if folks were breaking the rules? Chairman Ortega, Director Bartlett and Mr. Corrison affirmed that at present termination of participants is only of those that have broken the rules. Ms. Bartlett clarified that Authority actions to cut program costs that have been implemented have been to reduce voucher sizes for relocations, no longer absorb ports and limit vouchers issued to a term of 90 days – no extensions. She further clarified that any disabled household or household member is educated on the reasonable accommodation process and is oftentimes hand-held through the process. Therefore, terminations as being discussed regard only those households who have violated a program regulation or rule and have been terminated in accordance with the regulations and have been provided due process.

Commissioner Peterson asked the time frame for termination once a participant is notified that they are being terminated from participation. Ms. Bartlett informed all that the notification process requires 30 days, to enable due process and appeal.

Mr. Corrison added that for households that are being terminated for cause, they have met with their housing specialist many times and, at a minimum, annually to report all

household income and certify that what they are reporting is true. He also explained that participants are given copies of the program documents that they sign, further illustrating the considerable education given to each participating household.

Commissioner Peterson questioned the occupancy standards applied to vouchers that are porting to another jurisdiction. Ms. Bartlett explained they are subject to the occupancy standards of the jurisdiction the participant household is moving to.

Chairman Ortega shared that the HABC has the greatest obligation to ensure continued funding for the households that are compliant and to take the correct actions to ensure program management responsibility with the resources we have been given. He also pointed out that there is a rich network of non-profit providers that the HABC could partner with to extend their efforts, mission and accessibility in an effort to educate our tenants and landlords.

PUBLIC MEETING

A motion was made to open the meeting to the public by Commissioner Weinstein and seconded by Commissioner Hernandez.

The first member of the public to address the Board of Commissioners was Richard Rivera. He inquired regarding rent increases that are borne by the tenant, when the tenant can't afford any additional increases in their portion of the rent. Director Bartlett explained that unit affordability is only restricted at program admission and relocation, after that time the unit can most certainly become unaffordable to a household especially once the unit has reached maximum subsidy. Maximum subsidy by unit size is known as the program payment standard. Once the rent exceeds the payment standard rent increases that are determined to be rent reasonable and rent control compliant are paid for by the tenant. The HABC counsels all program participants at annual recertification or at interim certifications when they are approaching this situation – encouraging all to consider relocating to a more affordable unit, Mr. Rivera explained that his assistance is a HUD VASH voucher administered by the Veterans Administration. Mr. Corriston stated that both programs are administered similarly, and he further explained that as long as the unit is not at maximum subsidy the rent increase will not be the burden of the tenant.

Commissioner Weinstein inquired regarding the counseling component of a recertification. Ms. Bartlett clarified, explaining that the Authority does not provide housing search. The program being a tenant based program maximizes tenant choice in that participants choose where they wish to live. In so far as rent leveling goes, she further explained that the Authority maintains a list of all municipalities with rent control ordinances and the limits are published internally annually for all staff to use.

Mr. Rivera then thanked the HABC for all its work on behalf of veterans, most notably developing units that are targeted housing for this population.

The next member of the public was Paul Nickels. Paul asked for clarification on HABC fraud terminations. He asked if there is a significant number of participants being terminated for these reasons. Mr. Corrison explained that the HABC has not taken on any additional effort to seek out and target or increase fraud recovery.

Mr. Nickels asked if recertification communication was electronic. Ms. Bartlett confirmed that email is used to communicate with participants but clarified that recertification does not happen through an electronic process. Paul followed up, basically thinking out loud, wondering about what ways he could best advocate for participants on the program. Director Bartlett said the best way would be to tell them to always tell the truth.

Mr. Nickels congratulated Ms. Orlando on the receipt and award of recognition from the City of Hackensack. He followed up inquiring if there was any update on the consideration of the County managing the Bergen County Housing Health and Human Services Center. Ms. Bartlett informed him that there was no update or further information.

Mr. Rivera re-addressed the Board regarding a onetime payment from Social Security that he received asking if it was income that he needed to report. Ms. Bartlett directed him to inquire of the SSA what the funds were.

A motion was made to close the public portion of the meeting by Commissioner Weinstein and seconded by Commissioner Hernandez.

AMENDED CONSENT AGENDA

Chairman Ortega inquired regarding resolution 2017-66 asking if the HABC signed anything regarding a contract for the current year's administration of the shelter. Ms. Bartlett explained that until a contract is actually issued for signature nothing is advanced for action from the Board of Commissioners. She explained that it takes quite a bit of time to get through the County part of the process and the scrutiny of the budgeting process.

The Chairman also inquired regarding resolution of 2017-67, he asked the specifics of the change order. Field Operations Manager Vincent Bufis explained that the size of the gas pipe for the generator replacement needed to be made larger which required additional architect/engineering work.

Lastly regarding resolution 2017-69 he asked if there were any municipalities contracted with the garbage removal company. Staff responded they were certain but could not immediately provide specific listing.

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

- A. Resolution 2017-64**
Resolution approving the routine expenditures for the HABC for the period of 7/14/17-9/15/17
- B. Resolution 2017-65**
Resolution approving the routine expenditures for the HDC for the period of 7/14/17-9/15/17
- C. Resolution 2017-66**
Resolution authorizing execution of Shared Service Agreement with County of Bergen for management of BCHHH for calendar year 1/1/17-12/31/17
- D. Resolution 2017-67**
Resolution authorizing change order #1 for A/E Services for the generator replacement project at Carucci Apartments
- E. Resolution 2017-68**
Resolution authorizing change order #1 for A/E services for Mahwah/Ramsey kitchen and bathroom piping replacement
- F. Resolution 2017-69**
Resolution authorizing contract execution for garbage removal at five (5) sites
- G. Resolution 2017-70**
Resolution authorizing contract execution for emergency generator testing inspections and repairs for 2017 and 2018

The vote upon roll call was:

ROLL CALL VOTE:

Chairman Ortega – AYE
Commissioner Hernandez – AYE
Commissioner Peterson – AYE
Commissioner Weinstein - AYE
ABSENT: Commissioners English Rollieson, Kopf, and Taschler (3)

Chairman Ortega asked if there were any questions or additional comments. Commissioner Hernandez informed all that at his recent attendance at a conference the HUD Regional Administrator Lynne Patton recognized Bergen County has reaching functional zero in veteran homelessness and ending chronic homelessness.

Seeing there was any new or additional business to discuss the meeting was unanimously adjourned at 6:50pm.

Prepared by: Lynn Bartlett