

HOUSING AUTHORITY OF BERGEN COUNTY
One Bergen County Plaza – 4th Floor Learning Center
Hackensack, New Jersey

MINUTES OF MEETING OF NOVEMBER 26, 2019

THESE MINUTES ARE NOT VERBATIM BUT ARE INSTEAD A SYNOPSIS OF WHAT TRANSPIRED AT THE REGULAR MEETING OF NOVEMBER 26, 2019 OF THE HOUSING AUTHORITY OF BERGEN COUNTY BOARD OF COMMISSIONERS

PRESENT: Commissioner Peter Caminiti, Sr.
Commissioner Joanne English-Rollieson
Commissioner Daniel Ortega
Commissioner Danielle Peterson
Commissioner Steven Weinstein

Vincent Bufis, Field Operations Manager
Kevin McCann, Director of Finance
Julia Orlando, BCHHH Director
Terrence Corrison, General Counsel

ABSENT: Commissioner Junior Hernandez
Lynn Bartlett, Executive Director
Esther Gatria, HR Manager

CALL TO ORDER

Chairman Ortega called the meeting to order at 5:55pm and Vincent Bufis, Director of Field Operations, read the following statement:

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 Bergen Record and posted on the Authority website on December 31, 2018 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.

PLEDGE OF ALLEGIANCE

Chairman Ortega led all in the pledge of allegiance.

ROLL CALL

Upon roll call Commissioners Caminiti, English-Rollieson, Ortega, and Peterson were present. Commissioner Weinstein arrived later in the meeting and Commissioner English-Rollieson was absent.

MINUTES

The Chairman asked for a motion to approve the regular meeting minutes of the October meeting of the HABC Board of Commissioners. Motion was made by Commissioner Caminiti and seconded by Commissioner English-Rollieson; motion carried unanimously.

EXECUTIVE DIRECTOR REPORT

In Ms. Bartlett's absence Mr. Bufis provided the following update to the Board Report that was previously circulated.

- The NJNAHRO Fall Conference in Atlantic City was held the prior week. Several staff from different departments attended. Class offering like Ethics and The Open Public Meetings Act provide great educational opportunities to remain current on operational information, as well as good networking opportunities with other housing authorities.
- Vacancy report – 15 on report, 2 filled one in Mahwah and another in Palisades Park.
- HABC received a HUD requesting recapture of \$3 million in residual receipts from Brookside Gardens. Follow up communication with HUD HQ confirmed the building is exempt from recapture, the request was rescinded.

Commissioner Weinstein arrived at the meeting.

- MLK Jr. Senior Center partnered with Center for Food Action in Hackensack. 40 turkeys and side dishes for Center participants in need were picked up by MLK Senior Center Director Desiree George, MLK Activities Coordinator Mary Robinson and Regional Property Manager Jim Giel. They also organized and distributed the food to participants. Overall it was a very successful event.

Mr. Bufis pointed out a corrected Consent Agenda was circulated via email the prior day. He explained that the report circulated last week had the correct resolution numbers but incorrect resolution descriptions; he had printed paper copies for anyone needing the corrected list.

Mr. Bufis reminded the Board that the Bergen County Housing Health and Human Services Center (the Shelter) would be hosting the annual Thanksgiving feast at the Shelter beginning at 1pm on Thanksgiving. He stated that Senator Menendez, Assemblyman Gottheimer and County Executive Tedesco would be in attendance and asked that any Commissioners was interested in participating to please inform staff.

ATTORNEY REPORT

Terry Corriston reported that the HDC closed on the re-sale of a unit at Ramapo Brae and authorized the purchase of a unit in Edgewater and another in Ramapo Brae. Mr. Bufis stated that this would be the 4th resale for HDC and that both the sale and re-sales have gone exceptionally well and ensure that the units remain affordable. Mr. Corriston asked if Board members know of any affordable buyers who may be interested to please contact the Authority.

Commissioner English-Rollieson asked what the buyer qualifications are. Mr. Corriston responded that it is dependent upon the master deed and the re-sale restrictions whether the buyer has to be low or moderate income. He explained that that the income target for a low-income family of 2 is \$42,000, he stated that he could circulate more details.

Chairman Ortega asked that he circulate the specific buyer requirements for each unit via email. He furthered that this information would be exceptionally helpful to Commissioners that are approached for assistance. Mr. Corriston cautioned that income eligible households also needed to be able to qualify for a mortgage.

Commissioner English-Rollieson inquired the price of the re-sale. Mr. Corrison explained that re-sale prices are set slightly higher than the acquisition price paid by HDC to flip the unit; this allows for a modest reserve to improve units that are purchased in need of some updating before re-sale. Additionally, re-sales are governed by regulations and the master deed which specify how the price is calculated. Mr. McCann stated that the 3-bedroom Edgewater unit will be sold for \$170,000.

Commissioner English-Rollieson asked if there were ownership restrictions regarding the time frame the buyer had to own the unit. Mr. Corrison explained that there was no time limit or minimum ownership time frame – the sole requirement is that the buyer must occupy the unit as their primary residence.

Mr. Corrison explained that the Ramapo Brae units were originally purchased in 1986 for \$58,000. HDC's recent purchase price was \$123,000 and re-sold the unit at \$150,000. Sales are restricted and based on Consumer Price Index (CPI). Profit on re-sale is limited by deed restrictions which outline COAH regulations and compliance.

Commissioner Caminiti asked if owners recoup owner improvements to the unit at sale. Mr. Corrison and Mr. McCann explained that some deeds limit the consideration of owner improvements in the re-sale. Mr. McCann explained a recent condo acquisition limited owner improvements to 10% of improvements. Mr. Corrison explained that all owner capital improvements must be verified by receipt and that not all property's allow for consideration of owner capital improvements. Additionally, long term affordability restrictions are defined in the master deed which also stipulate a right of first refusal of the HDC.

An anecdotal discussion on master deeds, mortgage restrictions, title company searches and re-sales of different units complying with regulatory restrictions followed. Mr. Corrison provided several example stories of different experiences he has had in different towns and sometimes in different courts determining the re-sale price, process and its limitations, as well as issues relative to title companies missing the fact that the re-sale is capped in review of the title documents. There have been instances where affordable units were sold at market rate and upon the next sale found out the restrictions on the unit limiting the sale price.

Commissioner Ortega and Weinstein both acknowledged the merits of the program in a market like Bergen County, especially being a suburb of Manhattan. Both acknowledged that the salaries of entry level teachers and public servants seeking to own a home in Bergen County benefit from a program like this one. The Board further discussed the opportunity these units provide to first time buyers to get out of the rental market and build equity at the same cost level as a rental.

Commissioner English-Rollieson asked if there were any FHA investment in the units, Mr. Corrison said he has not experienced FHA on any re-sales.

The discussion turned briefly to the lagging re-sale of the Hackensack unit and possible consideration of HDC creating an affordable rental rather than sell the unit. A general cost benefit discussion was had among the present Board members and staff as to whether there is difficulty finding eligible buyers, with the effort required by Authority staff to flip units, and the comparison of the benefit of maintain affordability along with consideration of HDC's carrying costs and potential financial gain to sell the unit.

Commissioner English-Rollieson commented that the majority of building throughout Bergen County is presently expensive, luxury, rental units. All agreed that this substantiated a need for decent affordable rentals since the present market has a shortage of affordable rentals but a very high demand for affordable rentals.

CONSENT AGENDA

Chairman Ortega asked for a motion to approve the consent agenda, resolutions 2019-74 through 2019-80. Motion was made by Commissioner Caminiti and seconded by Commissioner Weinstein.

- A. Resolution 2019-74**
Resolution approving the routine expenditures for the HABC for the period of 10/11/19 -11/26/19
- B. Resolution 2019-75**
Resolution approving the routine expenditures for the HOC for the period of 10/11/19 -11/26/19
- C. Resolution 2019-76**
Resolution to enter into a grant agreement with Bergen County for ADA improvements at Desimone Court Town homes
- D. Resolution 2019-77**
Resolution approving a one-year extension with Care Plus Workforce Solutions Inc. for laundry services at BCHHH
- E. Resolution 2019-78**
Resolution approving a one-year extension with North Jersey Friendship House Inc. for vocational coordinator at BCHHH
- F. Resolution 2019-79**
Resolution approving a one-year extension with CGI Federal Inc. for housing quality standard inspection services
- G. Resolution 2019-80**
Resolution authorizing a contract with H2M Architects & Engineers Inc. for professional services for DeSimone Court Townhomes ADA upgrades and parking lot expansion

ROLL CALL VOTE:

Caminiti – YES
English-Rollieson – YES
Ortega – YES
Peterson – YES
Weinstein – YES

Absent: Hernandez

PUBLIC COMMENT

Motion was offered by Commissioner Weinstein and seconded by Commissioner Caminiti to open the meeting to the public.

Seeing there was no one from the public present to address the Board, motion was made by Commissioner Weinstein and seconded by Commissioner Caminiti to close the meeting to the public.

Chairman Ortega thanked all for attending and wished everyone a very happy Thanksgiving. The Chairman asked for a reminder on the BCHHH Thanksgiving celebration. Julia reminded all that it is 1-4pm and asked if anyone would be attending, some Commissioners needed time to verify their schedules. Ms. Orlando offered her contact information so that they could let her know as soon as possible to assist the coordination of servers.

The meeting unanimously adjourned at 6:25pm

Prepared by: Lynn Bartlett