

STATE OF NEW JERSEY
SECAUCUS HOUSING AUTHORITY
700 COUNTY ROAD
SECAUCUS, NEW JERSEY

December 10, 2015

This is a condensed transcription of the taped minutes as taken on Thursday, December 10, 2015 at The Elms, 777 Fifth Street, Secaucus, New Jersey.

Chairman Michael Harper welcomed everyone and called the meeting to order.

ROLL CALL – Executive Director Christopher Marra

Present: Chairman Michael Harper
Vice-Chairman Michael Schlemm
Treasurer Richard Fairman
Commissioner Patricia Mondadori

Also Present: Executive Director Christopher Marra
Deputy Executive Director Jake Naszimento
James Burke, Esq., Counsel to the Authority

Absent: Commissioner Roger Adriaenssens
Commissioner Michael Grecco
Commissioner Frances Jodice

Chairman Harper read the Open Public Meetings Act.

OPEN PUBLIC MEETINGS ACT

“Adequate notice of this meeting, as required by the Open Public Meetings Act, has been provided by the filing of a Regular Meeting Notice with the Municipal Clerk, the posting of said notice on the official bulletin board in the Municipal Government Center, and delivery of same to the Jersey Journal and Secaucus Homes News on December 15, 2015. This body wishes to advise you that, in accordance with N.J.S.A. 26:3D(1), et seq. (Smoking in Public Buildings), smoking is prohibited while this body is in open or closed session.”

FLAG SALUTE

At this point in the proceeding, the Pledge of Allegiance was recited by all present and led by DED Naszimento.

Chairman Harper addressed audience and spoke about new bathrooms recently installed at The Elms, the oldest building in SHA. Chairman Harper thanked residents present for their patience with all the renovations going on.

Resolution #2015-29 – Approval of Annual Plan

RESOLUTION #2015-29
(Approval of Annual Plan & Significant Amendment)

WHEREAS, the Quality Housing & Work Responsibility Act of 1998 (QHWRA) mandates that public housing authorities prepare an annual and five year plan which must be submitted to the U.S. Department of Housing & Urban Development 75 days prior to the commencement of the fiscal year; and

WHEREAS, the Housing Authority of the Town of Secaucus is required to submit their annual plan for the fiscal year commencing on 4/1/2016; and

WHEREAS, QHWRA mandates that the Housing Authority establish a Resident Advisory Board for the purpose of developing the PHA plan; and

WHEREAS, the Housing Authority has complied with all aspect of QHWRA with respect to developing the plan documents; NOW THEREFORE

BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the Town of Secaucus that the Annual Plan and Significant Amendment for the fiscal year commencing 4/1/2016 be hereby approved; and

BE IT FURTHER RESOLVED that the Chairperson and Executive Director are hereby authorized to execute the attached certification concerning compliance with applicable plan regulations.

Commissioners	Ayes	Nays	Absent
Chairman Harper			
Vice Chairman Schlemm			
Commissioner Adriaenssens			
Commissioner Fairman			
Commissioner Grecco			
Commissioner Jodice			
Commissioner Mondadori			

ED Marra explained for many years, this Resolution didn't have an attachment. This year there are two attachments: it was noticed 45-days in advance. First part is a new form HUD created: a streamlined PHA plan – which means SHA has to do less paperwork. Boxes were to be filled out explaining what SHA was doing, how was progress, few questions about most fiscal audit and then additional papers needing to be signed by County or ED Marra, including Civil

Rights Certifications. Second part plays a role with Rental Assistance Demonstration Program, which had to be provided as a significant amendment to Annual Plan because SHA is doing RAD Program. The words in this 6-page document are totally provided by HUD. Name, number of units are changed, what SHA is converting to – PBV, not losing any units and then items not related to senior housing. This will be adopted this evening, become part of permanent record, sent to HUD Office in Newark along with signed Resolution and is one of the steps going forward with RAD. It's basically a confirmation SHA is going to continue: waiting list; 62 years and older; income requirement; all of the things that are done now. Other items are for family units; senior units are different.

Motion to approve Resolution made by Commissioner Schlemm; seconded by Commissioner Fairman.

VOTE: AYES/All Present Commissioners (4)
Absent: Adriaenssens/Grecco/Jodice

Approval of Minutes of October 22, 2015

ED Marra said minutes of Special Meeting held on November 19th will be in next package.

Motion to approve made by Commissioner Fairman; seconded by Commissioner Schlemm.

VOTE: AYES/All Present Commissioners (4)
Absent: Adriaenssens/Grecco/Jodice

Payment of Claims – November

Motion to approve made by Commissioner Schlemm; seconded by Commissioner Mondadori.

VOTE: AYES/All Present Commissioners (4)
Absent: Adriaenssens/Grecco/Jodice

Committee Reports

Mr. Marra said all Commissioners should have received report done by LAN Associates – Heating Conversion Study at The Elms – with memo stating estimated total cost with contingency is \$945,000. Expected annual cost savings is \$71,550. Buildings & Grounds met with LAN Associates on 12/3. Mr. Marra handed out this evening note he sent to Mayor Gonnelli including copy of LAN's report, asking if he could facilitate a meeting with PSE&G representative to see if there were any financial incentives, which SHA could use during construction of this, hoping to offset some costs. Two Board members met with LAN recently.

ED Marra explained to audience, it is hoped in 2017 to convert units here to gas heat. By converting to gas heat, SHA would reduce its overall cost on property and save money, which is also better method of heating. Chairman Harper and DED Naszimento discussed that The Elms was built during the gas crises.

On October 27th ED Marra spoke with RAD Transaction Manager. A memo says update on process with directions from five Commissioners on 11/19 meeting was to pursue conventional financing instead of Low-Income Housing Tax Credits. NW Financial has forwarded to Mr. Marra a prospectus, which basically says that SHA would have about \$3.5 million; borrow \$2.2 million; have \$1.3 million on reserve and explains how that \$3.5 million would get used: \$1.5 million for rehab projects in the first year; make an initial reserve replacement deposit of \$500,000; pay off leveraging loan – CFP loan – of \$1,085,000 and have \$300,000 in reserve with balance used for fees. Some Commissioners asked about timing of paying off CFFP loan, is it advantageous to SHA. ED Marra responded that the loan can not be paid off until 2017, under terms with the NJHMFA.

Mr. Marra sent the RAD Transaction Manager minutes of 10/27 to the Board. He spoke with her again on 11/24 and has another call on 12/21. B&G Committee met and believe this is a \$775,000 project, but won't require the 20% contingency to convert this. Commissioner Fairman asked why there are two reserves. ED Marra said there is general reserve of \$300,000, but HUD wants to see Authority's place funds actually into a line that says "Reserve Replacement Fund" so that they know there's another \$500,000 there for you to have reserves in case of a capital need that comes up unexpectedly. Does this have anything to do with empty rental units, Commissioner Schlemm asked. ED Marra said this is a different issue. He explained right under "Rent Collection" there was a negative of \$100,000 every year. HUD wants you to have on the financials submitted to them, they want you to show a 5% bad rent collection. SHA does not have a bad 5% rent collection. Mr. Marra said SHA would always have \$100,000 because bad rent doesn't exist here.

Mr. Marra said every dollar you save, you get to keep. It doesn't reduce subsidies; every dollar saved in utilities doesn't reduce your utilities subsidy like under public housing, it just goes back to the bottom line.

Finance Committee

Resolution #2015-30 – Appointment of Jacob Naszimento as Fund Commissioner to NJPHAJIF.

Resolution # 2015-30
(Resolution appointing Jacob Naszimento as its
FUND Commissioner for 2016 to the NJ Public Housing Authority JIF)

WHEREAS, the Secaucus Housing Authority (member) is a member of the New Jersey Public Housing Authority Joint Insurance Fund; and

WHEREAS, the bylaws of said Fund require that each member Housing Authority appoint a FUND Commissioner to represent and serve the Authority as its representative to said Fund; and

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Secaucus Housing Authority do hereby appoint Jacob Naszimento as its FUND Commissioner for the New Jersey Public Housing Authority Joint Insurance Fund for the Fund Year 2016.

I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF A RESOLUTION ADOPTED BY THE BOARD OF COMMISSIONERS OF THE SECAUCUS HOUSING AUTHORITY AT A MEETING HELD ON DECEMBER 10, 2015

Christopher W. Marra, Executive Director

Commissioners	Ayes	Nays	Absent
Chairman Michael Harper			
Vice Chairman Schlemm			
Commissioner Adriaenssens			
Commissioner Fairman			
Commissioner Grecco			
Commissioner Jodice			
Commissioner Mondadori			

ED Marra explained DED Naszimento will be appointed as Fund Commissioner for 2016 to the NJPHAJIF, which is an actual reappointment, as Jake's been doing this for several years.

Motion to approve made by Commissioner Mondadori; seconded by Commissioner Schlemm.

VOTE: AYES/All Present Commissioners (4)
Absent: Adriaenssens/Grecco/Jodice

ED Marra said 17 years in a row JIF has been able to provide members of JIF with a dividend, which is applied to future assessments, if box is checked. SHA

dividend going forward is \$1,779.87, which will be applied to 2016 assessment cost.

Mr. Marra pointed out normal account balances for bank through November 30th; savings with NJSEM program through end of October, and to date about \$6,700 has been saved after five months.

Buildings & Grounds

There is a one-page memo regarding The Elms, Mr. Marra said. Project for renovation of 99 bathrooms was finished a week before Thanksgiving. A final fixture for first floor apartments (lights) was done on 11/30. 12/3 Geocon sent two men to work on punch list, and SHA will probably have them all of this week, all of next week, as there is a lot of work on 6th floor. Basically, grout has to be pulled out and redone because it was all silicon in every apartment. Hopefully, they will be working on first floor by December 18. SHA is still holding \$180,000.

Lastly, a notice will be published in newspaper to accept bids on January 15th for landscaping project to be done at RIT: landscaping, waterproofing, laying French drains to attempt to prevent GO1 from flooding. Hopefully, Mr. Marra will have bid number by January's meeting. Commissioner Fairman asked if Mr. Marra knew what that number might be. ED Marra said only the number that SHA gave as an estimate, which was around \$37,500, which he believes will be more, but not above \$50,000. If it approaches 75-\$100,000, then discussions will be held about keeping unit empty, as rent would be \$875/month. Commissioner Fairman was asking about bathroom projects, any money left in 6-18 that won't go to Geocon, or is that a fixed price. ED Marra said at this time he doesn't have a charge back. There is an apartment where they may or may not have damaged carpeting, so he's not sure if entire carpet would be changed. Geocon is slow in billing SHA, as normally, they'd just have a little over retainers left. SHA holds that money until architect and Mr. Marra walk through every apartment, making sure checklist is done, then you pay them the retainage. He envisions a bill one more time that will take up 5-10%, SHA holding from \$30,000 to \$60,000. SHA might pay in early January. Bottom line SHA will hold money. Commissioner Fairman said bottom line, numbers are on queue. There is a one-year warranty and SHA still has their bond for a year.

Housing Choice Voucher (HCV) Program – DED Naszimento

DED Naszimento said \$186,000 had been spent for month of November. Three families were issued vouchers and searching. In December, around \$5,000 less was spent through some families being absorbed by other housing authorities as well as families coming off program for whatever reason. He will contact five new families, meaning 8 families will be searching for housing now; moving through list faster than he'd anticipated from last February.

ED Marra said Commissioners had a copy of contract with EFA Rental that does Section 8 program, review files, conduct 25 inspections for Housing Authority. They get 25 files, inspect apartments, and two failed, both at The Elms having to do with bathrooms. Both items are on punch list – plunger didn't hold water in sink and little leak in shower. Basically, it's a review of people's files to make sure correct paperwork is there. If any were serious, they were already addressed with person that did review.

Mr. Marra spoke about one particular item, which has occurred over several years: when a person has lived here in excess of 5-6 years. Original application is there, 5-6 recertifications in there - folder gets rather thick, especially if they have numerous medical deductions. Second folder then created, and it goes on. Original documents still in first one. When folder is sent to company for review, they get most recent folder, one with most recent recertification, which doesn't have original paperwork. Discussion is: original paperwork is technically correct, but concern is if HUD comes in, you can't provide them with original. Yes, Mr. Marra said. If HUD comes in tomorrow and wants to see 10 files from every building, SHA would give them all the files and see original paperwork. Mr. Marra is attempting to investigate this: if you lived here 10 years, does SHA really need to keep recertifications 1 through 5? Can they be shredded and just keep last 5 years, which would enable office to only have one file for people. Commissioner Schlemm added they make the suggestion you use same method as Jake uses for Section 8 Program. Mr. Marra said woman who runs this program also runs Section 8 Program, and taught Jake that system. Jake took the SHA Section 8 files and put them into order using this system. Answer is yes, SHA could do it.

PIH NOTICES

Mr. Marra passed out a note that PHADA just released: A couple or a single person only gets Social Security every single year, why do they need to be recertified every single year. This was passed in Legislation and is something that PHADA and NAHRO have constantly talked about, and was involved in Surface Transportation Bill, where HUD is. Act provides Housing Authorities and Owners/Managers the discretion to conduct recertification at least every three years for assisted households in cases when 90% or more of their income is fixed and their sources of income have not changed. Now, Ms. Jones, who's lived here two years, in year 5, she will have her third certification in the folder. This also applies to Section 8, which is different because most of clients on Jake's list, 50% aren't on fixed, they're income is fluctuating all the time, few on Social Security Disability. Jake added he would want to recertification every year as their income goes up slightly, because HCV money decreases; he will continue to do recerts. Mr. Marra said SHA will wait and see under the new program, but there could come a point where 275 people don't get recertified every year. In regard to EFA Rental's report Commissioner Schlemm suggested that since woman has suggested this, why not any new person that comes in, start doing it

that way. Mr. Marra agreed. It will be much easier to implement than trying to go through all the files.

Mr. Marra discussed the seminar he, DED Naszimento, and Commissioner Fairman went to recently in Atlantic City. There were seminars on Fair Housing and how to handle an IG Audit.

2016 Annual Meeting Schedule

ED Marra stated meeting is fourth Thursday of every month, except for December. No meeting in August or November. No holidays.

Motion to approve 2016 Annual Meeting Schedule made by Commissioner Fairman; seconded by Commissioner Schlemm.

VOTE: AYES/All Present Commissioners (4)
Absent: Adriaenssens/Grecco/Jodice

New Business

ED Marra talked about HUD Fair Market Rent Figures for 2016. Jake has incorporated this into Section 8, which will have implications for January's meeting, where 45 days notice on New Flat Rent, having been established, is based on this.

PIH Notice 2015-19 – Guidance for Public Housing Agencies – on excluding Use of Arrest Records in Housing Decisions. Mr. Marra requested Commissioners read this.

HUD Proposed Rule which will make public housing properties entirely smoke-free. Mr. Marra said this note was put on all tenants' doors because Mr. Marra wanted everyone to understand it's not happening today, but it might happen by July-September of 2016. HUD will implement that there will be no smoking in public housing buildings; it will be allowed 25-feet from entrance. SHA will have no say in it. People are allowed to smoke in apartments now. It will be very important information to provide to new applicants, because if they are smokers they will have to understand they'll have to go outside no matter what time of day.

Congressional Reception on April 5, 2016 as a lobbying effort – **Stop the Cuts**. They are looking for bus loads of people to attend.

Commissioner Schlemm asked about the "arrest records" and juvenile records. It says you can ignore them. Mr. Marra said they may have to develop a policy. In 4-1/2 years here, he's denied four people based upon some sort of criminal background check. Everyone signs a disclosure form. The local prosecutor told

Mr. Marra he can bring the disclosure form to the Secaucus Police Department Records Department and they'll give the Authority the information, because now they have the disclosure form that says you're allowed to see all my records. Mr. Marra said they tell people if we deny you entry, you can come back and ask for an informal hearing, and make your case, explain this incident on your record. Sometimes people are denied for credit, will have a meeting with Mr. Marra and have a bad credit score. Discussion continued about credit score, amount of debt and would they be able to pay their rent.

Remarks of Citizens

BETTY BURKE questioned Mr. Marra about certification, and had discussed things with him in the office. Mr. Marra said people should come forward and say they had medical expenses, and then recertification will be done, but following year with no medical expenses, rent might go back up to what it was prior year. Out of 275 apartments, perhaps 150 of those are on Social Security and one pension; no reason to be recertified unless person has eye issues, doctors, hearing aids one year. She also spoke about the sealant in her shower. Mr. Marra will look at that also.

ONE LADY had a problem with her toilet, which backed up. Mr. Marra said they can pour more water into the tank, which worked in another apartment. Harry will do it tomorrow for her.

ONE MAN spoke about the poor workmanship on the floor in #505. Mr. Marra asked him if he gave him a note. The man got Mr. Marra's note. Tomorrow Mr. Marra will look at the floor and have men see what they can do to fix it.

ONE WOMAN in #403 has a big chip in her sink, and wants Mr. Marra to know about it. He'll check that also tomorrow.

Adjournment

Motion to adjourn by Commissioner Schlemm; seconded by Commissioner Fairman.

VOTE: AYES/All Present Commissioners (4)
Absent: Adriaenssens/Grecco/Jodice

MEETING ADJOURNED AT 7:50 P.M.

Respectfully submitted,

Deborah L. Alvarez
Secretary/Transcriber