



SALVATORE FOGARINO • Chairman
JAY LAPP • Vice Chairman
EDWARD HUTCHINSON • Commissioner
DIGNA TOWNSEND • Commissioner

THURAISSINGHAM MOHANAKANTHAN • Commissioner
ANDREW HALTER • Commissioner
ANGELO MARTILINI • Commissioner
KIMBERLY GOBER • Secretary/Executive Director

Minutes: March 20th, 2017

"The Board of Commissioners of the Housing Authority of the Borough of Glassboro, County of Gloucester and State of New Jersey met in session on Monday, March 20th, 2017 At 6:00 p.m. Vice Chairman Jay Lapp called the meeting to order requesting the "Pledge of Allegiance" be proclaimed.

ROLL CALL:

Executive Director Kimberly Gober called the roll and the following answered "aye":

- ✓ Vice Chairman Jay Lapp
- ✓ Commissioner Thuraisingham Mohanakanthan
- ✓ Commissioner Angelo Martilini
- ✓ Commissioner Andrew Halter
- ✓ Commissioner Edward Hutchinson

Also in attendance were:

- ✓ Executive Director Kim Gober
- ✓ Mark Asselta, Esq. Solicitor
- ✓ Stella Barnes, Administrative Assistant
- ✓ Nelly Rojas, Administrative Aide
- ✓ Grace Seeney, Accountant
- ✓ Madeline Vazquez, Site Manager
- ✓ Anna Miller, Glassboro Council Liaison
- ✓ Noah Freiberg, Pennrose
- ✓ Rick Ginnetti, The Brooke Group

Absent:

- ✓ Chairman Salvatore Fogarino
- ✓ Commissioner Digna Townsend

BOOK SOLICITOR:

The Solicitor declared a quorum present as well as called the meeting to order and announced public notice of the meeting had been properly given to the South Jersey Times, Gloucester County and posted at the Borough Hall in accordance with the Open Public Meetings Act.

PUBLIC PORTION:

Motion to **Open Meeting to the Public**
MOTION: COMMISSIONER ANGELO MARTILINI
SECOND: COMMISSIONER ANDREW HALTER

NO PUBLIC PRESENT

Motion to **Close**
MOTION: COMMISSIONER ANGELO MARTILINI
SECOND: COMMISSIONER ANDREW HALTER

AGENDA

MINUTES:

Motion to approve the **Minutes:**
MOTION: COMMISSIONER ANGELO MARTILINI
SECOND: COMMISSIONER ANDREW HALTER
Commissioner Ed Hutchinson abstained. He was absent for the last meeting.

FINANCIALS:

Grace Seeney, Accountant, reports GHA has a surplus of \$41,000 before depreciation, cumulative throughout February. This number will change since GHA receives Home Support, a grant from the County, renewed annually and its income will be recorded quarterly. The audits are progressing; the auditors are focused on other entities we managed who are involved with the NJHMFA and that have a deadline of March 31th, before continuing fully with the Housing Authority entities.

Motion to approve **Financial Reporting:**
MOTION: COMMISSIONER ANGELO MARTILINI
SECOND: COMMISSIONER ED HUTCHINSON

DIRECTOR'S REPORT AND CORRESPONDENCE:

Kim Gober is excited to mention that there is a trailer located outside the Ellis Manor Site, indicating the receipt of all approval documents and subsequent Notice to proceed given to Pennrose for Demolition proceedings. She also indicates that there will be a meeting on Wednesday March 21st, with the utility companies and the Borough Administrator to educate, advocate and hopefully negotiate lower charges for disconnection of services.

Environmental Remediation has started and is projected to take about a month, after is finished and the first building is ready to be demolished, the County and the Borough will issue a press release, Commissioners will be contacted to participate. Noah Freiberg indicates that there will be either weekly or bi-weekly construction meetings at the site; Board Members are welcome to participate if interested, however only 3 Commissioner can attend at once. Noah will provide further information when available.

Noah requests the Board to consider approving Resolution #2017-15 that will grant the Executive Director the authority to sign letters required for completion of the NJHMFA Tax Credit Application on behalf of the Board. Resolution #2017-16 is an Agreement to enter into a ground lease. Both Resolutions were previously signed by the board for the application entered in 2015, no significant differences are noted. Finally, Resolution #2017-17 will Authorize an additional 8 HCV for the Ellis Manor Site, increasing the total HCVs to 40.

Rick Ginnetti would like to indicate that GHA, is in fact, the first Housing Authority in the nation to receive approval from HUD for early RAD Demo Approval, we experienced some delays due to the time it took for PIC to reflect the correct information regarding the units to be demolished. As of now, the Ellis Manor/Whitney A Site has 75 units, 51 are being demolished thru a S8 Team Demolition Approval and 24 are being demolished under a RAD Early demolition approval, which means that from a HUD stand point, they are being demolished separately. This separation will make it possible to receive vouchers for the 24 units for future subsidy and for the 51 units to receive DDTF funds, which can be used to enhance the rents for the remaining 104 active units of the Housing Authority for the next 20 years.

Commissioner Martilini would like to know why the units were not demolished before. Rick explains that GHA had the opportunity to demolish the units for the last 3 year but then the 24 affordable housing vouchers would have been lost. In the long term, the redevelopment site now has 80 affordable housing units and only needs 16-17 market affordable rent units to completely occupy the building.

Rick also reports that GHA is re-submitting a financial plan to close the RAD units sometime in the next 30 days; this plan is almost identical to the one submitted last year and, at the time, we received a RAD Conditional Commitment but it was placed on hold since the units in Ellis were not demolished. This year, we would like to meet the November 1 deadline for closing, possibly better to meet an October 15 date; once the RAD units are closed GHA will receive the 104 PBV vouchers and an Admin Fee on those vouchers, which means roughly about \$80,000 additional funds a year. If the deadline is missed, meaning a closing date of December 1 or after, the vouchers will convert, however the Admin fee will not be received until 2019.

Rick states that the application is almost done, it only needs updated dates and numbers, the only document missing is the DDTF converted into additional HAP, which is a one page form to request, but it will only be available after meeting HUD's definition of Demolition Completion, which means the buildings are demolished, the units are out of the PIC system and the demolition contractor has received final payment. Pennrose has a schedule of completion for the demo of August, Noah indicates that Pennrose is aware of the issue and will be ready to provide final payment as soon as the work is finished. However, if there are any parts of the demolition not completed adequately it could be hard to obligate the contractor to redo them if already paid. If there are delays, an option that may be worth looking into will be to provide a

payment to the demolition contractor to be placed in escrow, this will allow final payment to show but monies will only be released after all details are completed.

Commissioner Martilini indicates that we need to follow UCC law that state no final payment can be released until a Certificate of Approval has been issued, Rick and Kim think it will be wise to include the Borough on any decision regarding an escrow agreement to be sure that UCC laws are followed.

Commissioner Martilini also indicates that hopefully the remediation process does not run into any delays, since it can affect the deadlines we have to meet. Noah indicates that there may be some time cushion built into the timeframes given, but not much, it is an extremely tight schedule. Rick indicates that there is a loop that needs to be followed in order to receive the funds from DDTF funding, and it rests on the demolition to be completed on time.

On another note, when GHA receives the additional 104 PBV vouchers under the RAD conversion, the Housing Authority will not be allowed to receive HAP payments, since GHA would own the property the vouchers will be used on (HAP payment from GHA to GHA) To overcome this disparity, HUD has decided to create what is called a HAP owner, who is the management entity that serves as a pass-through for the Lease signing, HAP and rent payments, the Housing Authority then enters into an agreement with the HAP owner where the HA provides personnel, office space, material and equipment to maintain and manage the property. GHA will have to create a non-profit entity, like Glassboro Housing Corp. or an LLC, where GHA is the managing member; the entity would function as an affiliate, or a holding company. The question for the accountants or auditors at this point will be how to create an entity that would not create any additional tax liabilities, this entity should be set up the day before closing. Kim Gober recommends to the Board that a meeting be set between herself, Rick Ginnetti and Bowman & Co (the auditors) to look at the different options available.

Kim Gober indicates that there are plans to update bathroom features on some units, but that the idea is on Rick Ginnetti would like to point out some of the added benefits to converting the units to RAD, regarding procurement policies, wages for contractors and other policies is that GHA would have more leeway to make decisions that are cost effective and would benefits more units. Anna Miller asks if in the plans for bathroom updates there is a consideration for handicapped accessible bathrooms, Kim Gober states that even though the planning is in the very early stages, handicapped accessible units are being considered, specifically walk-in showers. Commissioner Martilini indicates that convertible units would not be more costly and they can be adapted to a handicapped occupant if needed.

Kim Gober would like to update the Board regarding the no parking space on Messina Rd. Steve Smith, Fire Chief indicated that he would be interested on establishing a Fire lane on that road as it would make things easier on the event of an emergency, however, the Borough has to pass an ordinance, and once is passed, it cannot be undone. Paul Letizia met with Commissioner Lapp to look at the road and realized it needed paving. Kim Gober would like to suggest to the Board to wait until the RAD conversion is done, then procure a paving contractor and establish the road as a Fire lane, so that the striping off of the road is not done twice.

Kim Gober would also like to comment on a couple of points:

- GHA continues to operate under a continuing resolution that will end April 28th, there are no signs that a final budget will be approved before that date, but we will keep the Board informed on any changes.
- Grace Seeney would like to know if GHA needs to update the list of allowed check signers, since we have new members. Mark Asselta, Esq. indicates that there is nothing on the By-laws that indicates a specific number of check signers to comply with any regulation, Commissioner Hutchinson also indicates that he has not yet completed his certification process. There will be no changes to the list at this time.
- GHA would like to congratulate Commissioner Lapp for receiving his certification from the State.
- Kim Gober and Commissioner Hutchinson will be attending the NAHRO Washington Conference where they look forward to listen to Dr. Ben Carson, newly appointed HUD Secretary.
- Kim Gober would like to request the Board to approve the expense of sending 3 staff members from HAGC, which are currently performing occupancy functions for GHA, to attend a RAD PBV class in Atlantic City. The Board members present approve the expense.

NEW BUSINESS- RESOLUTIONS:

2017-14	<p>RESOLUTION APPROVING REGULAR MONTHLY EXPENSES</p> <p>MOTION: COMMISIONER MARTILINI SECOND: COMMISIONER HUTCHINSON ALL IN FAVOR</p>
2017-15	<p>RESOLUTION TO AUTHORIZE THE EXECUTIVE DIRECTOR OF THE GHA TO EXECUTE DOCUMENTS, APPLICATIONS AND ENTER INTO AGREEMENTS CONSISTENT TO THE TERMS AND CONDITIONS OF THE MASTER DEVELOPMENT AGREEMENT IN CONNECTION WITH THE FINANCING AND PRE-DEVELOPMENT ACTIVITIES OF LINCOLN BLVD REVITALIZATION PROJECT</p> <p>MOTION: COMMISIONER MARTILINI SECOND: COMMISIONER HUTCHINSON ALL IN FAVOR</p>
2017-17	<p>RESOLUTION AUTHORIZING AN ADDITIONAL EIGHT (8) HCV AT LINCOLN BLVD. REDEVELOPMENT SITE</p> <p>MOTION: COMMISIONER MARTILINI SECOND: COMMISIONER HUTCHINSON ALL IN FAVOR</p>

2017-18	RESOLUTION AUTHORIZING REVISION FY 2015 PROJECT NJ39P0511015 CAPITAL FUND BUDGET MOTION: COMMISIONER MARTILINI SECOND: COMMISSIONER HUTCHINSON ALL IN FAVOR
2017-19	RESOLUTION AUTHORIZING MCKERNAN ARCHITECTS TO CONTINUE THE REPAIR OF A BALCONY AT THE WILLIAMS STREET BUILDING (change order #1) MOTION: COMMISIONER MARTILINI SECOND: COMMISSIONER HUTCHINSON ALL IN FAVOR
2017-20	RESOLUTION AUTHORIZING EXECUTIVE SESSION MOTION: COMMISIONER MARTILINI SECOND: COMMISSIONER HUTCHINSON ALL IN FAVOR

Executive Session:

Purchase of property –Update

ADJOURNMENT

Motion to **Adjourn**
MOTION: COMMISSIONER ANDREW HALTER
SECOND: COMMISSIONER ED HUTCHINSON

The motion was carried by a unanimous voice vote of the Commissioners present.

Respectfully submitted,



Kimberly Gober, Executive Director

DATED: March 20, 2017