

MINUTES OF A REGULAR MEETING
OF THE HOUSING AUTHORITY
OF THE CITY OF MILLVILLE
April 22, 2014

A regular meeting of the Millville Housing Authority Board of Commissioners was held on Tuesday, April 22, 2014 at Cedarview Court Community Room, 2045 Wheaton Avenue, Millville, New Jersey. The meeting convened at 5:00 p.m.

Chairman Brian Tomlin announced the Sunshine Law requirement had been met, properly posted and advertised.

The meeting was called to order by Chairman Tomlin, who announced the meeting was being conducted under the Open Public Meetings Act.

Board Secretary, Paul Dice, proceeded to call the roll at this time. Present were: Chairman Brian Tomlin, Commissioner Larry Miller, Commissioner James Parent, Commissioner Kim Ayres, Commissioner Dale Finch and Commissioner Paula Ring. Also present were MHA Solicitor Arnold Robinson, MHA staff, residents and members of the press.

Chairman Tomlin asked for a motion of approval for the February 25, 2014 minutes. Commissioner Parent made the motion and Commissioner Miller seconded. Commissioner Ring abstained from voting. All others present were in favor with the exception of Commissioner Finch who abstained.

EXECUTIVE DIRECTOR'S REPORT

Combined, the MHA lines of business posted a positive net income of \$3,245 for the month of March 2014. On a cumulative fiscal year-to-date basis the MHA posted a positive net income of \$29,580. Secretary Dice advised our net income is improving, but it is still not at the level we desire. HUD continues to fund us at pro-rated levels below our eligibility rate. We are currently being funded at 87% of our full eligibility. We continue to operate the MHA without having to deplete reserves.

The Holly City Family Center posted a positive net income of \$11,941 for March 2014. On a cumulative fiscal year- to-date basis, the HCFC posted a positive net income of \$8,467. Janet Reeves advised the positive net income for the month had much to do with a \$5,000 donation from the Rennoc Corporation. The Beef-n-Beer fundraiser also brought in over \$2,000.00. Additionally, there was an open house in April and they did sign up more members during the month, as well as reduced expenses. Janet also reported she has made contact with the Horizon-Be-Fit program and established a contract that should bring in 30 members. She now has five or

six programs in place that are sponsored by insurance companies. Mrs. Reeves gave each board member a brochure she recently developed for Aquatic specialty classes. These brochures will be delivered to local doctors' offices. The board suggested she add a line into the brochure which states: "The cost of these programs may be reimbursed through your insurance company".

OCCUPANCY

For the month ending 3/31/14, we were 97% occupied. By 4/14/14, we were up to 98% occupied.

NEIGHBORHOOD REVITALIZATION TAX CREDIT PROGRAM

Secretary Dice reported we have received final approval from the NJ Department of Community Affairs, so we have begun implementing our program. Mitch Moore and Heather Santoro went to Trenton yesterday for training and were told the HCDC will receive 20% of the money up front and will get increments of 20% thereafter. Heather Santoro showed those present a map of center city and pointed out that our focus will be on demolishing houses in block 375 and 376 located on Vine and Oak Streets between 3rd Street and 5th Street. There are 12 – 15 properties to be demolished. She further reported the best news received while she was in Trenton is that the HCDC does not have to spend 50% of the award by August 2014 in order to apply for next year's grant. Research has begun on determining which properties have liens in order to gain site control.

Secretary Dice advised we will run into a cash flow problem and we may have to resurrect a line of credit. He will be contacting Bill Whelan to discuss. Commissioner Finch asked if we have worked out the tipping fees with Jerry Valezquez at the CCIA. He advised the sites with asbestos will jack the price way up and that we must be careful. Solicitor Robinson is working with a Title company.

Secretary Dice asked the board to consider funding the Innovation Center on High Street as the next NRTC project. We could provide the \$985,000 that is needed as gap funding. The board was in favor of supporting this project. Heather Santoro advised another idea for future funding might be to establish recurring income by purchasing and renovating the Fath Building on High Street. Commissioner Finch advised the current liens on the Fath Building are about \$140,000 and taxes are accruing.

Tony Polcari advised we are the only housing authority in New Jersey to be awarded an NRTC project.

SETTLEMENT WITH ALEXA MANAGEMENT

Solicitor Robinson has negotiated a settlement with Alexa Management. Our involvement with them is finished.

MEETINGS WITH RESIDENTS

Executive Director Dice reported he has been meeting more regularly with the MHA tenants. The biggest complaints he receives concerns the smell in the trash rooms and the floors need to be cleaner. He has met with RVW and JCP residents.

FLAT RENT HIKES AND NEW ACOP

Betsy Loyle reported the new 2014 HUD appropriations has mandated a change to collect more rent from the tenants by raising the flat rent rates. We must charge 80% of the fair market rent in Cumberland County for our tenant flat rent. Tenants will still have the option to pay 30% of their income or flat rent. Some tenants will be affected. This must be implemented on June 1st. We have to announce this change in the newspaper and the public must have time to comment. We must vote on this at the next board meeting. Tenants will be notified in their rent statements. We cannot raise the rent more than 35% and it must be phased in. Some of the tenants paying flat rate right now may opt to pay the 30%.

Betsy also advised the new revised ACOP plans are being released to ED Dice at the end of the week and he will forward to the board members for review. Since the board members set the policy of the MHA, it is important they have input. An Executive Summary will be provided. Betsy asked that the board pay special attention to anywhere in the ACOP where it states: MHA Policy. The board will be sanctioning these policies. Our old ACOP had not been updated for quite some time and was out of compliance. It will now reference the law.

AUDIT

Tony Polcari advised the Audit was completed on February 20th for the fiscal year ended 2013. All issues that deal with tenant programs were in compliance. Financial statements are accurate and consistently reported. The operating expenses are under control. Dwelling rents increased by \$50,000. He advised this means the property managers are doing their recertifications very well. In all, the MHA is very healthy financially and is in a good financial position. Commissioner Parent asked if there were any recommendations from the Audit. Mr. Polcari's only recommendation was that the MHA does not really need to pay a Fee Accountant. Mitch Moore has always liked another set of eyes on the financials, but we should be fine working with Tony. As far as the HCDC goes, Tony Polcari advised that at the end of September 2013, there was \$625,000 in unrestricted net assets. The HCDC is financially sound and is on a good foot going forward.

SALEM HOUSING AUTHORITY

Secretary Dice has proposed to contract Yolanda Mendibles as the property manager in Salem through an extension of the Shared Services Agreement. The board must approve this agreement. There is still on-going litigation with Salem.

RENEWAL OF EXECUTIVE DIRECTOR'S EMPLOYMENT CONTRACT

Executive Director Dice advised he has asked the board to approve a three year contract that contains no raise for 2014 unless any general increases are given to administrative personnel. He asked for a salary reopener in 2015 and 2016.

The monthly payables were presented for approval at this time.

Resolution # 12 -2014

Approving the Payment of Bills

Roll Call Vote:

Motion: Commissioner Ring

Second: Commissioner Ayres

Abstain: Commissioner Finch

Commissioner Miller abstained on #1151

Roll Call: Unanimous

Resolution #13-2014

Approving the MHA Annual Audit for FYE 09/30/13

Roll Call Vote:

Motion: Commissioner Ayres

Second: Commissioner Miller

Abstain: Commissioner Finch

Roll Call: Unanimous

Resolution #14 -2014

Authorizing to Amend the Shared Services Agreement with the Salem Housing Authority to include a Permanent Property Manager

Roll Call Vote:

Motion: Commissioner Miller

Second: Commissioner Parent

Abstain: Commissioner Finch

Roll Call: Unanimous

Resolution #15-2014

Approving the Employment Contract of the Executive Director

Roll Call Vote:

Motion: Commissioner Parent

Second: Commissioner Ring

Abstain: Commissioner Finch

Roll Call: Unanimous

Chairman Tomlin asked if there was any old business. There was not.

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Chairman Tomlin asked if there was any public comment.

Chairman Tomlin asked for a motion to adjourn the MHA public meeting at 6:30 p.m. in order to go into the HCDC meeting. Commissioner Miller made the motion. Commissioner Ring seconded. Roll Call: Unanimous.

Paul F. Dice

Date