

MINUTES OF A REGULAR MEETING  
OF THE HOUSING AUTHORITY  
OF THE CITY OF SALEM  
May 28, 2015

A regular meeting of the Salem Housing Authority Board of Commissioners was held on Thursday, March 26, 2015 at the Broadway Tower Community Room, 205 Seventh Street in Salem, New Jersey. The meeting convened at 5:00 p.m.

Two new Commissioners attended the meeting for the first time. Mr. Matthew Hassler Sr. advised he had been sworn in earlier in the day at City Hall. Ms. Ethel Mae Hayes was sworn in at this time by Solicitor Adam Telsey. Everyone present introduced themselves to the new Commissioners.

Chairwoman Call announced the Sunshine Law requirement had been met, properly posted and advertised. Allison Corson, Director of Administration, proceeded to call the roll at this time. Present were: Chairwoman Rebecca Gower Call, Commissioner Cathy Lanard, Commissioner Hassler and Commissioner Hayes. Commissioner Santos arrived at 5:17 p.m. City liaison Vaughn Groce arrived shortly after Commissioner Santos. Also present was Solicitor Adam Telsey.

Chairwoman Call asked for a motion to approve the March 26, 2015 minutes. Commissioner Lanard advised there was a mistake made in the March minutes. She asked that the minutes be corrected to reflect Carol Wright works for the City of Salem Housing office. Commissioner Lanard then made a motion to accept the corrected minutes. Chairwoman Call seconded. Commissioner's Hassler and Hayes abstained. All those present were in favor.

## **EXECUTIVE DIRECTORS REPORT**

### **Financial Summary**

Executive Director Dice advised the SHA posted a negative net income of \$3,873 in April 2015. Year-to-date it has a positive \$33,080. He advised we received and paid our \$10,848 annual pension invoice in April and therefore the month-to-date administrative and maintenance employee benefits expense were higher than normal. Legal expenses were \$3,261 higher than budgeted.

### **Vacancies**

We currently have one vacancy at Anderson Drive and six at West Side Court. Executive Director Dice advised we need to hit a total of five vacancies or under to hit HUD's magic number.

## **Recapitalization of Assets**

Executive Director Dice asked if the Commissioner's had read the front page article in the South Jersey Times regarding the condition of our family units. He advised we don't receive enough funding from HUD to keep these units modernized. The 1.2 million debt service Salem took on some years ago takes more than 50% of our capital fund grant. Realistically, the SHA has two options:

1. RAD (Rental Assistance Demonstration Program) - This program allows housing authorities to convert from public housing to an affordable housing, project based voucher model. RAD would combine our current Operating and Capital fund levels and guarantee to give us that amount for the next 20 years. We would then leverage that guarantee in the private sector via Low Income Housing Tax Credits. Some of these credits are competitive (9%) and some aren't (4%). The reason why Executive Director Dice has not pursued the RAD in Salem is because we do not know how to retire the 1.2 million dollars in debt.
2. Streamlined Voluntary Conversion (SVC) – Executive Director Dice advised this HUD program allows housing authorities to convert from public housing to a tenant based voucher system. This is the current Section 8 system. Tenants would be given vouchers and would then secure housing elsewhere. We would then sell or demolish the existing housing stock. Commissioner Lanard asked if we have to convert all of our properties or can we choose which one to convert. Executive Director Dice advised right now you must convert all properties. He hopes we may be able to negotiate with HUD. City Liaison Groce asked if tenants would be responsible to pay all their utilities if given a voucher. Director of Operations, Betsy Loyle advised they would still have a utility allowance available to them. Chairwoman Call and Paul Dice reiterated that these two options are being presented for long term discussion and to plant the seed. No one in New Jersey has ever done an SVC and there are many questions to ask HUD. Our accountants will also be reviewing these programs from a financial aspect and the board will be able to ask questions to them directly.

## **HUD Reporting/Scoring**

Chairwoman Call pointed out to the new Commissioners the HUD scoring on page two of the ED report. She advised that by keeping track of our scoring on a monthly basis you will see what improvements we make. The score that bothers Paul the most is the "Month Expendable Net Asset Coverage Ratio". This is a measure of how many months the SHA could operate if all funding were to stop. This score needs to go up.

At this time Chairwoman Call asked for approval of the following resolutions:

Resolution #14-2015 Approving the Payment of Bills for April 2015

Roll Call Vote:

Motion: Commissioner Lanard

Second: Commissioner Santos

Roll Call: Unanimous

Resolution #15-2015 Approving the Payment of Bills for May 2015

Roll Call Vote:

Motion: Commissioner Santos

Second: Commissioner Hassler

Roll Call: Unanimous

Resolution #16-2015 Approving a Contract for HVAC Services

Roll Call Vote:

Motion: Commissioner Lanard

Second: Commissioner Hassler

Roll Call: Unanimous

Resolution #17-2015 Approving a Contract for Plumbing Services

Roll Call Vote:

Motion: Commissioner Lanard

Second: Commissioner Hassler

Roll Call: Unanimous

Resolution #18-2015 Approving a Contract for Electrical Services

Roll Call Vote:

Motion: Commissioner Santos

Second: Commissioner Hassler

Roll Call: Unanimous

Old Business: Commissioner Santos asked if we knew when One Village Alliance is opening at Anderson Drive. Executive Director Dice does not know but will try to find out. City Liaison Groce asked if One Village Alliance has kept up their end of the bargain from the last meeting. Executive Director Dice advised he spoke with a woman in town who told him she was sending her children to the program. Commissioner Lanard advised she spoke with the woman who last month complained about trash blowing onto her property. She was asked to thank everyone at the housing authority because the situation is much better. Commissioner Hassler told everyone about the Clean-Up Salem initiative.

New Business: Commissioner Santos asked if the laundry facilities were going to open soon on the properties. Betsy Loyle advised they will not be opening because we don't have the resources to secure the buildings. They had been opened and were immediately destroyed. We are talking with Kevin Timm, Information Technology, about new security measures and Paul will try to find out how other housing authorities have dealt with this situation.

Public Comment: None.

At 6:06 p.m. Chairwoman Call advised the Board was going into Closed Session.

Resolution #19-2015

Approving a Closed Executive Session

Roll Call Vote:

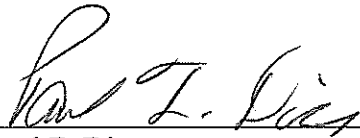
Motion: Commissioner Lanard


Second: Commissioner Hassler

Roll Call: Unanimous

At 6:38 p.m. Commissioner Call announced the SHA was again in Open Session. Commissioner Call asked for a motion to terminate former SHA Executive Director Isaac Young. Commissioner Lanard made a motion and Commissioner Santos seconded. All present were in favor.

At 6:41 p.m. Commissioner Call asked for a motion to adjourn the SHA public meeting. Commissioner Lanard made the motion and Commissioner Hassler seconded. All present were in favor.

  
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Paul F. Dice  
Secretary/Treasurer

  
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Date