

Housing Authority of the City of Vineland

REGULAR MEETING
Thursday, May 16, 2013
7:05 p.m.

The Regular Meeting of the Housing Authority of the City of Vineland was called to order by Chairman Robert A. D’Orazio on Thursday, May 16, 2013 at 7:05 p.m. at the office of the Authority located at 191 W. Chestnut Avenue, Vineland, New Jersey 08360.

The following Commissioners were present:

Commissioner Chris Chapman	<i>(arrived 7:16)</i>
Commissioner Elizabeth Gordon	
Commissioner Carmen Nydia Diaz	<i>(absent)</i>
Commissioner Mario Ruiz-Mesa	
Commissioner Brian Asselta	
Chairman Robert A. D’Orazio	

Also present were Jacqueline Jones, Executive Director, Wendy Hughes, Assistant Executive Director, Charles W. Gabage, Esquire – Solicitor, Dan Avena and Linda Cavallo from the VHA’s fee accounting firm and Gloria Pomales, Executive Assistant.

Chairman D’Orazio read the Sunshine Law.

The Chairman entertained a motion to approve the minutes of the Regular Meeting held on April 18, 2013. A motion was made by Commissioner Chapman and seconded by Commissioner Ruiz-Mesa. The following vote was taken:

Commissioner Chris Chapman	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Commissioner Brian Asselta	(Abstain)
Chairman Robert A. D’Orazio	(Yes)

Chairman D’Orazio called for the Financial Report from Avena’s office. Linda Cavallo reviewed the Financial Report for the seven months ending April 30, 2013.

Chairman D’Orazio requested the Executive Administrative Report. Mrs. Jones updated the Board regarding Melrose Court development. Everything is moving along well with HMFA and the 4% tax credit application. She is hopeful that it will settle in September or October with the 4% tax credits. The RFP is on the street for the site work and the houses. The due date for the RFP’s is May 23rd. On May 24th the RFP’s will be evaluated and hope to have a contract with a builder by the 15th of June.

Capital project at Olivio and Kidston is going well. Olivio’s flooring is primarily finished with new floors on every floor. There was hitch today at Kidston due to the leveler under the tiles that is cracking and coming apart. A change order will probably need to be approved in the amount of approximately \$20,000.

Mrs. Jones stated the old VHA "house" office on Chestnut Avenue was refurbished and the VHA has been trying to rent it commercially and then residentially. Currently, there is a tenant in the home now who will probably move out in about a year. The Authority was presented with an opportunity to apply for a project based voucher for that house with a specific category of family. The VHA put in an application on Wednesday with the DCA and the category that the VHA targeted was victims of domestic violence. The VHA partnered with a company called Center for Family Services and they will help the VHA with finding a qualified family. The Center for Family Services will provide the counseling. The VHA will only provide the housing. The VHA would be able to collect about \$1,700 a month on that house. The house is not subsidized and that is why the Authority is able to do this. It would be a 15 year contract.

Mrs. Jones informed the Commissioners of a new business opportunity concerning being a Contract Administrator (CA) for the vouchers at a Millville apartment complex. Mrs. Jones wanted to run this opportunity by the Board because she would like to proceed with it tomorrow if the Board is in agreement. This came about because HUD is consolidating programs and the way funding is administered. This apartment complex (Oakview Apartments) is what Mrs. Jones calls "private public housing". The owners have a contract with HUD or subsidy on this complex and the type of funding that they have now is going away and it is turning into something else called Rental Assistance Demonstration Program (RAD). The regulations for the RAD says that a public housing authority must be the CA. Mr. D'Orazio asked why the Millville Housing Authority (MHA) isn't doing this. MHA was asked but they turned it down. Mrs. Jones heard they did not agree with one of the rules. There is a regulation that says that after one year a resident of this complex can apply for a tenant based voucher. To apply for a tenant based voucher they have to be put on the Authority's Section 8 waiting list and they would receive a preference. The VHA's list is very small consisting of approximately less than 50 applicants right now. Mrs. Jones expressed her feelings about this. She stated they can apply to have a tenant based voucher but there has to be funding available for the voucher. The VHA has not issued a new voucher in probably a year due to the lack of funding. They also have to pass all the qualifications with the biggest one being no criminal record. They also have to have money to move for the security deposit and other possible utility deposits. Having all those things lined up is probably not likely, but in any event this opportunity would bring in about \$80,000-\$100,000 per year depending on the administrative fee at the time. Mrs. Jones thinks this is a business opportunity and a diversification of how the VHA is funded. This particular funding would be part of the VHA's big pool of voucher funding. Oakview would also offer our Section 8 residents a place on their waiting list. With the Board's permission Mrs. Jones would like to go ahead and move forward with this business opportunity. Mrs. Jones would have to put in a request for funding with HUD as early as tomorrow or Monday. They are in a time crunch to get this completed. Commissioner Ruiz-Mesa asked if HUD would be able to take this money away from us. Mrs. Jones stated everything is always based on funding from Washington so it is the same situation the Authority has right now with its voucher program. They could reduce funding there as well as here. It is usually across the board when they do reduce funding based on the budget. This is a concern for Commissioner Ruiz-Mesa. Mrs. Jones stated funding is so tight and they have reduced funding so severely that a lot of housing authority Section 8 Programs are under water. HUD is working hard to maintain funding. Their goal is to not have anyone lose their housing. The VHA actually received a little more funding then it had anticipated last month. The VHA projects it will be okay through the end of the fiscal year. The VHA is considered an attrition housing authority meaning when people leave the program the VHA is not filling that spot and using what reserves it has left. In this case, the contract with the owner would say we would subsidized based on funding availability. So if there is no funding the VHA cannot fund them. Mrs. Jones had this conversation with the owner explaining this is a different type of funding for them. They are a custom to getting a contract that states they would get a certain amount for each unit in their complex and that is now how it would work with the VHA being the CA. Mrs. Jones feels this is a nice way to round out the VHA's sources of income and also to help its existing Section 8 Program which is having difficulty now from the administrative side because the fees are so low. There were no further questions and no objection on moving

forward with this opportunity. Chairman D'Orazio stated in his experience if HUD asks an Authority to do something there is a reason. They know the Authority can do it and they really want you to do it.

Under New Business, Chairman D'Orazio stated the Board will have a presentation from Robert Olszewski. Mrs. Jones, Commissioner Chapman and Chairman D'Orazio met with Mr. Olszewski a couple of weeks ago. His firm is basically an accounting firm, but they do a lot of other things including consulting and planning. He was introduced to the VHA through Commissioner Chapman's connections with a couple other organization such as the St. Augustine Prep and the Ellison School. Mr. Olszewski met with them and talked about various things as well as the Board retreat. Mr. Olszewski introduced himself and stated his company is a CPA firm. The company only deals with privately held businesses which includes non-profit industry. The majority of their business is in audit and tax preparation, but about 75% of his personal time is spend in advisory services primarily involved in waste reduction, process improvement and what will be discussed today is essentially called a lot of different things. The purpose of the process would follow getting in group sessions with the Board as well as meeting with the Executive Team independent of Mrs. Jones. He would also meet with a select group of the VHA's personnel representing the various departments. The process, putting it simply, is to ask everyone if they had a magic wand what would they fix discussing the strategic things that are going to impact VHA over the next 10-20 years. The more insight you gain from everyone within the organization the probability of change or driving quantifiable results is going to increase. His personal recommendation would be to have the three separate meetings and then come back to the Board with a report. The purpose of the report is to isolate the significant few from the trivial many. After reviewing the report, the key is to design an accountability plan based on the top four issues. The approach he suggests is that he normally comes back to the Commissioners with a report in terms of level of relevance. It is discussed and agreed or disagreed upon. It is the responsibility of the Executive Team to design a one page plan document which would list out the key factors identified, understand where VHA is now, where it wants to be and more importantly how it will get there. Over the course of time it is going to be defined in terms of how they are doing. There is going to be an accountability measurement that everyone is going to agree with, the Executive Team being the first starting point coming to the Commissioners with the action plan. The other piece of this is the succession planning for the Executive Director and how to evaluate the Executive Director on an annual basis. The key is to keep this process simple and engaging. Mr. Olszewski's personal process before involvement is he would share a plan on how the project is going to work with the team. This will hold him accountable. He only asks that everyone will be honest because he is going to be honest. The overall process should take about 2 months. The key would be to align dates and times with the individual groups. Meeting with the Board of Commissioners first for no more than 2-3 hours.

Chairman D'Orazio asked for an estimate of what it would cost for this service at the initial meeting and was told a rough estimate of \$5,000. The current estimate is double. Chairman D'Orazio asked how this new estimate came about. Mr. Olszewski stated the way the billing would work is that he put a maximum level in the estimate and the proposal would progress similar to a legal bill. He wanted to come up with a worst case scenario in regards to the estimate and quite honestly he put in as an 8 hour retreat with the Board of Commissioners. He also put in an 8 hours of each block of time with each group. The ideal for him personally would be to meet in the morning with one group and in the afternoon with another group as well as meet with the Commissioners in a 2 hours session. This would significantly reduce the price. Commissioner Chapman briefly discussed his interest in succession planning as well as the Executive Director's evaluation for now and in the future. Mrs. Jones stated she is hopeful we will complete this process and thinks everyone needs to share their ideas. The Authority needs to make money and needs to find sources of income because HUD keeps cutting funds. There are other issues such as post-employment benefits and framework for new commissioners that come in. There needs to be a systematic approach to budgeting to make sure the VHA covers all the obligations that it has. She feels evaluating the E.D. is an awesome

idea because traditionally the goals and objective have not been done. If the Authority got 7 new commissioners, which could possibly happen in 4-5 years. She believes the current Board is a great Board to establish this with because she thinks that the people present get what is being accomplished. She feels the Authority has a really good staff that gets it and believes it is a perfect time to establish the future.

Chairman D'Orazio stated that obviously this will take some commitment from all the Commissioners. For the most part they can be once a month Commissioners, but he would encourage anybody to stop in and talk to Mrs. Jones or come into the office whenever they would like to. He personally touches base with her at least once a week because he is comfortable. There was a time when he wasn't comfortable and he spent a lot of time here. It is going to take a little bit more and it will take commitment from the Commissioners. Everyone needs to be onboard with this it. Every third Thursday of the month there is a Board meeting and beyond that the Commissioners really do not have any obligation, but he feels everyone has to be on board with this project. It is for a good reason. He requested a consensus to move forward on this.

Mr. Gabage stated that perhaps the first order of business is to agree or disagree on the engagement letter with Mr. Olszewski. He suggested someone should make a motion to authorize Mrs. Jones to accept the engagement letter. Commissioner Ruiz-Mesa made a motion to accept the engagement letter; Chapman seconded.

The following vote was taken:

Commissioner Chris Chapman	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Commissioner Brian Asselta	(Yes)
Chairman Robert A. D'Orazio	(Yes)

With no other discussion in related matters the Chairman moved to the Resolutions.

Resolution #2013-31
Resolution to Approve Monthly Expenses

Commissioner Ruiz-Mesa reported he reviewed all the bills and recommended payment in the sum of \$1,946,455.99. Commissioner D'Orazio called for a motion to approve the monthly expenses. A motion was made by Commissioner Asselta; seconded by Commissioner Chapman. The following vote was taken:

Commissioner Chris Chapman	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Commissioner Brian Asselta	(Yes)
Chairman Robert A. D'Orazio	(Yes)

Resolution #2013-32
**Resolution Approving Application for Payment No. 8
for Melrose Court Predevelopment Loan**

Chairman D’Orazio called for a motion to approve Payment No. 8 for Melrose Court Predevelopment Loan in the amount of \$54,052.28. A motion was made by Commissioner Ruiz-Mesa; seconded by Commissioner Asselta. The following vote was taken:

Commissioner Chris Chapman	(Abstain)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Commissioner Brian Asselta	(Yes)
Chairman Robert A. D’Orazio	(Yes)

Resolution #2013-33
**Resolution Authorizing Payment under the Capital Fund Appropriations Program
to Levy Construction in the amount of \$61,434**

Chairman D’Orazio called for a motion to approve payment to Levy Construction in the amount of \$61,434. A motion was made by Commissioner Asselta; seconded by Commissioner Chapman. The following vote was taken:

Commissioner Chris Chapman	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Commissioner Brian Asselta	(Yes)
Chairman Robert A. D’Orazio	(Yes)

Resolution #2013-34
Resolution to Enter Executive Session

Chairman D’Orazio entered a motion to hold an Executive Session. A motion died for lack of need.

No comments from the press and/or public. No comments from any Board Members.

Resolution #2013-35
**Resolution Adopting Revisions to the Section 8 Program Administrative Plan’s Guidelines
for Determining Voucher Size**

Mrs. Jones explained the current Administrative Plan, which is the guideline on how to run the voucher program has a sort of liberal guideline for determining the number of bedrooms for a voucher size that the Authority issues. It is more liberal than the Federal Guidelines and in the past it seems to be the way the VHA could operate. However, with the old guidelines the Authority would be issuing a larger size voucher, spending more housing assistance payment dollars and therefore servicing less families. With the current situation of reduced funding, the Authority is proposing to align itself with the HUD guidelines as stated in the resolution. The biggest difference is in the past the Authority would allow a bedroom for each family member of a different sex and if the individual were more than 5 years apart in age. This revision is in line with federal regulation. It will allow the Authority to service more families because it is issuing vouchers based on dollars and based on the Authority’s budget. Chairman D’Orazio asked if there are people are over-housed that will have to be moved. Mrs. Jones stated those corrections would be made at their renewal. Families will not be forced to

move in the middle of a contract, but at the renewal and at the end of the lease term. They will be notified 60-90 days in advance that this would happen. Tenants may have the option of staying in the larger unit, however they will be required to pay the difference. Chairman D'Orazio called for a motion to approve Resolution #2013-35. A motion was made by Commissioner Asselta; seconded by Commissioner Ruiz-Mesa. The following vote was taken:

Commissioner Chris Chapman	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Commissioner Brian Asselta	(Yes)
Chairman Robert A. D'Orazio	(Yes)

No comments from the Press or public. Chairman Chapman apologized for being late to the meeting.

With no further business to discuss, Chairman D'Orazio entertained a motion for adjournment of the Regular Meeting. A motion was made by Commissioner Chapman; seconded by Commissioner Asselta. The vote was carried unanimously by the Board Members present. The Regular Meeting of the Board of Commissioners was adjourned at 7:52 p.m.

Respectfully submitted,


Jacqueline S. Jones
Secretary/Treasurer