

A REGULAR MEETING
OF THE HOUSING AUTHORITY
OF THE CITY OF SALEM

September 23, 2021

A regular meeting of the Salem Housing Authority (SHA) Board of Commissioners was held on Thursday, September 23, 2021, at Broadway Tower Community Room. 205 Seventh Street, Salem, NJ. The meeting was convened at 5:00 pm.

Chairwoman Ferguson announced that the Sunshine Law requirement had been met, properly posted, and advertised.

Karen Chiarello proceeded to call the roll at this time. Present were: Chairwoman Rebecca Gower Ferguson, Commissioner Cathy Lanard, Commissioner Robert Lanard, Commissioner James Smith (by phone), Commissioner Shalonda Tomlin, and Executive Director Samantha Silvers. Also present were Solicitor Adam Telsey and MHA staff.

Chairwoman Ferguson asked for a motion to approve the minutes for the July 22, 2021, meeting. Commissioner C. Lanard made a motion and Commissioner R. Lanard seconded. All in attendance were in favor.

Financial Summary – July 2021

PUBLIC HOUSING: For July 2021, the Salem Housing Authority (SHA) posted \$23,729 in positive net income. The SHA maintains \$187,024 in positive year-to-date net income. Revenue is about \$20,000 greater than expected due to HUD's operating subsidy allocation and air conditioner charges.

Expenses are \$6,500 more than budget with higher electric and maintenance charges than budgeted. The three largest vendors this month were Access Labor \$12,000, Service Master (mold remediation) \$8,500 and GE Mechanical \$6,750.

HCV:Salem has a MTD operating profit of \$2,470 and YTD operating profit of \$4,705. Salem's HAP revenue of \$20,100 was enough to cover regular HAP expenses of \$19,003.

Financial Summary – August 2021

PUBLIC HOUSING: Salem has a MTD operating profit of \$44,384 and YTD operating profit of \$226,704. Revenue is about \$32,000 greater than expected due to HUD's operating subsidy allocation and air conditioner charges.

Expenses are \$3,300 better than budget. Electric utility and maintenance expenses were \$4,600 and \$11,000 worse than budget, respectively. The primary reason is GE Mechanical repairs totaled \$26,000.

HCV:Salem has a MTD operating profit of \$3,059 and YTD operating profit of \$7,764. Salem's HAP revenue of \$20,100 was enough to cover regular HAP expenses of \$18,584.

FAS SCORE: Preliminary financial score is 24.50 out of 25. The Management score is only 5 out of 25 due to Covid impacts on rent collection and occupancy rate. The Capital expenditures are helping to turn units to increase occupancy. Rent collection has been significantly hindered by Covid with \$65,000 in past due rent over 90+ days outstanding. 45% of accounts are delinquent with about \$100,000 total outstanding. The authority has had several outreach attempts to remind tenants to schedule an interim certification if their income has changed. Most recently, we have begun outreach to advise tenants that we are able to do *retro* interims for those who may be late in reporting loss of income and we are also advising tenants we are able to do payment plans for outstanding balances. HUD is strongly advising all PHAs to avoid the path of eviction for PHA tenants where possible. While the CDC Eviction Moratorium has been overturned, the NJ Moratorium protects our tenants from eviction for non-payment through the end of 2021. At our August tenant meetings, we distributed information regarding the retro-interims, payment plan options and the eligibility of our tenants for the New Jersey Emergency Rental Assistance Program funds for the tenant portion of rent due to SHA. We are considering a Community Day where we can help tenants complete past due recertifications, learn about rental resources, partner more intentionally with local social service agencies, and more.

We can now file in court for issues other than non-payment of rent. We will do new filings to proceed.

Occupancy Rates

The occupancy rate is up 2% to 92%. The staffing transition is in place as discussed and is going well. A waitlist coordinator and Housing Choice Voucher Case Manager on in Salem several times a week. They are also helping to audit files and supplement office coverage with Laurie. We are still doing transfers so that we can rehab apartments in order to make them ready to be occupied. There have been a lot of plumbing and mold issues.

Capital Expenses

We have spent about \$215,000 this year in invoices for Fabbri. This has resulted in approximately 8 rehabbed units that are completed or in process. This is averaging \$25,000 per unit. With these expenses we are unable to take on other capital improvements. These improvements are critical for occupancy rates, and we will continue this work while we are evaluating the long-term plans for the developments.

WSC – Next Steps

- Meet with City Council and Charles Bailey (Director of Commerce)
 - Discuss port, general redevelopment

Samantha has talked with Lou Joyce at SJ Economic Development District and the immediate ties to the port redevelopment and potential for offshore wind production are too conceptual at this time. I also have been meeting with the City Commerce Department. We discussed the potential use of additional City Transitional Aid funds as an option for financing demolition of WSC. Currently, the City does not wish to go that route. However, they are working on a Developer Symposium in October in which I will be participating to gauge developer interest. WSC is not currently in the redevelopment area, although a plan could be amended if needed.

- Revisit private discussions

Samantha has talked with 2 entities, 1 private market rate and one experienced in Low Income Tax Credit Projects. I have had follow up but am still waiting on their initial analysis of the information. I still have to connect with more developers.

- Recalculate financial feasibility of RAD with 2021 rule change of allowing 20% market rate units.
 - May need to do informal market analysis of viability

Bids

Due to technical errors, we have rebid the small construction contracts for Electrical and Plumbing. Bids are due and proposed resolution for award will be discussed.

COLA

The proposed Cost of Living Adjustment is 3% included in this year's annual budget.

Chairwoman Ferguson indicated that there were resolutions to approve.

Resolution #30-21 Resolution Appointing Shalonda Tomlin as a Commissioner

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner R. Lanard

Roll Call: Unanimous

Resolution #31-21 Resolution Approving the Payment of Bills for August & September

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner R. Lanard

Roll Call: Unanimous

Resolution #32-21 Resolution Adopting the Budget for Fiscal Year 2021-2022

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner R. Lanard

Roll Call: Unanimous

Resolution #33-21 Resolution Approving a Cost of Living Adjustment

Roll Call Vote:

Motion: Commissioner R. Lanard

Second: Commissioner C. Lanard

Roll Call: Unanimous

Resolution #34-21 Resolution Adopting the Audit for Fiscal Year End 9/31/2020

Roll Call Vote:

Motion: Commissioner R. Lanard

Second: Commissioner C. Lanard

Roll Call: Unanimous

Resolution #35-21 Resolution Cancelling bid for Electrical & Plumbing Services

Roll Call Vote:

Motion: Commissioner R. Lanard

Second: Commissioner C. Lanard

Roll Call: Unanimous

Resolution #36-21 Resolution Approving a Contract for Electrical Services 2021-2022

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner R. Lanard

Roll Call: Unanimous

Resolution #37-21 Resolution Approving a Contract for Plumbing Services for 2021-2022

Roll Call Vote:

Motion: Commissioner R. Lanard

Second: Commissioner C. Lanard

Roll Call: Unanimous

Chairwoman Ferguson asked if there was any old business. There was none.

Chairwoman Ferguson asked if there was any new business. Commissioner Ferguson asked if the new portal was doing well. Yes, it is. More have signed up in Salem than in Millville

Chairwoman Ferguson asked if there was any public comment. There was none.

At 5:38 pm Chairwoman Ferguson asked for a motion to adjourn the meeting. Commissioner R. Lanard made a motion and Commissioner C. Lanard seconded.

Samantha Silvers – Secretary

Date