



The Housing Authority of Gloucester County

REGULAR BOARD MEETING

June 19, 2019

A regular Meeting of the Housing Authority of Gloucester County was held in the Joseph A. Reed Board Room, Nancy J. Elkis Building, on June 19, 2019 beginning at 4:30 P.M.

ROLL CALL:

The Secretary (Kimberly Gober) called the roll and the following answered "aye":

- ✓ Chairman William W. Bain, Jr.
- ✓ Vice Chairman Dan Reed
- ✓ Commissioner Scott Kintzing
- ✓ Commissioner John Giovannitti
- ✓ Commissioner Brenden Garozzo (via conference call)
- ✓ Commissioner Frank Smith(via conference call)

And the following was absent:

- ✓ None

The Secretary notified the Chair that a quorum is present.

Also in attendance were:

- ✓ Jeff Daniels, Esq., Solicitor
- ✓ Kimberly Gober, Executive Director
- ✓ Jessica Laine, Esq., Assistant to the Executive Director
- ✓ Nelly Rojas, Administrative Aide
- ✓ Paul Letizia, AHO Director
- ✓ Grace Seeney, Finance Director
- ✓ Michael Jezierski, Accountant
- ✓ Kathleen Hansbury, Broker/Realtor

SOLICITOR:

□The Solicitor stated "In accordance with the Open Public Meetings Act of 1975, this meeting is called to order pursuant to notice of Annual Meeting, a copy of which has been made available to newspapers of general local public circulation, a copy of which has been made available to the Clerk of Gloucester County, and a copy of which has been posted publicly in accordance with the law."

PUBLIC PORTION:

Agenda items only.

Motion to open to the Public:

MOTION: Commissioner John Giovannitti

SECOND: Commissioner Dan Reed

ALL IN FAVOR

Not seeing anyone from the Public,

Motion to Close:

MOTION: Commissioner John Giovannitti

SECOND: Commissioner Dan Reed

ALL IN FAVOR

NEW BUSINESS:

Chairman Bain asks the Solicitor to update the Board regarding Resolution 19-58 Consider resolution accepting offer to purchase 12 EHO properties.

Jeff Daniels, Esq. indicates that present at the meeting is Ms. Kathleen Hansbury, realtor hired by HAGC to list 13 EHO properties for sale. HAGC received a couple of offers but the one that is recommended to the Board today is for 12 of the 13 EHO properties; it is further recommended that 1 of the properties not be included in the sale because it's comparative value is much greater in relation to the other properties, that it would make sense to sell this home by itself at a higher price.

The total listing price was set at \$1,063,000.00; however, the recommended offer is an all cash, as-is offer with a 30 days closing for a total of \$695,000 due to the current condition of the properties; most of these homes would require significant repairs at the cost of HAGC in order for a buyer to obtain financing covering the full price. Additionally, it will be included in the agreement of sale that the buyer must enter into a year lease with the current tenants at closing, in order to protect the families that reside in these units for an additional year.

Kathleen Hansbury also recommends taking this offer, indicating that it will be the best option in relation to other offers received. This particular buyer is accepting the existing tenants, rents and current vouchers, executing new leases at closing, which she knows is a priority for HAGC, as long as they want to stay and meet HUD guidelines.

Chairman Bain indicates that he is very thankful we could find a buyer that would accept the current tenants because this will provide some security to the families who live in these properties. Chairman Bain also requests the members of the Special Committee to comment.

Commissioner Garozzo indicates that he supports the decision of selling the houses; this is a fair and good offer due to the condition of the houses and the costs associated with maintenance.

Commissioner Smith indicates this is an excellent solution, since there are no current mortgages or debt related to these houses and the monies can be applied to other programs

Both, Commissioner Garozzo and Smith would like to commend ED Gober and her team for all their hard work.

Commissioner Kintzing indicates that there is more to an offer than the price, although the price was not what was anticipated, other terms, as outlined by the Solicitor, makes this offer the best option at this time, therefore he supports accepting the buying offer.

Chairman Bain would like to remind everyone that is thanks to Commissioner Frank Smith, HAGC's first Chairman that this program was started, it worked as intended for a lot of years and it served many families, and it is only fitting that he was able to see it to the end.

Commissioner Kintzing would like to know if a Liquidity Verification was done on the buyer. Ms. Hansbury indicates she has Bank Statements, Back up Mortgage pre-approvals and a \$50k check in escrow.

Chairman Bain asks for a motion and a roll call vote to approve Resolution 19-58 Consider resolution accepting offer to purchase 12 EHO properties.

MOTION: Commissioner Brenden Garozzo

SECOND: Commissioner Frank Smith

ROLL CALL VOTE: All in Favor

Motion carries with all Commissioners responding "aye"

EXECUTIVE DIRECTOR REPORT:

- ED Gober would like to thank all the Commissioners for their support, as well as Kathy Hansbury, Paul Letizia and John Rasmus whose hard work made possible to bring the best offer to the table.

- HUD published on June 12th the Administrative Fee Proration Rate for 2019. Fees received for the administration of HCV's is a significant source of income for HA's to run the voucher program. HUD establishes a rate for each unit under lease on the 1st of each month, then Congress appropriates money for that line item at the Federal level and then HUD prorates those funds based on the leasing of HA's across the nation. This means that we find out what is our revenue in the middle of the year, making it hard to plan and budget.

- A Comparative Funding chart FY2020 is in your packets today, it includes

- HUD continues to receive feedback from industry groups regarding the proposed rules regarding immigration verification process. The proposed rules would cost over \$200M to implement, most groups believe the main concerns regarding immigration are already addressed in current policy by prorating assistance.

- PHADA informed that they are still contesting the unilateral changes made to the Annual Contributions Contract (ACC) by HUD, indicating that the issue may have to be resolved in court.

- There is an additional Resolution included in today's agenda. HAGC had a proposal opening scheduled for June 13th, at 2:00 pm. HAGC received 4 Proposals (2) Proposals were received unsealed; and (2) Proposals were received after the specified deadline, making all proposals unacceptable for violating State Statute and must be rejected.

NO COMMENTS OR CONCERNS FROM THE COMMISSIONERS

AGENDA:

- A. Review and Action of Minutes –MAY 2019
- B. Consider Interim Bill List, 19-06 Sections A, B, C, D
- C. Consider Bill List 19-06 E,F, G,H
- D. Consider Ratification of GCHDC, Seniors, Shepherd's Farm, eMurphyg, Inc., PMURC, Inc. Sections A,B,C,D, E,F
- E. Consider Acknowledgment of Pop Moylan, Colonial Park LP Sections G,H, I,

RESOLUTIONS:

<u>19-54</u>	CONSIDER RESOLUTION AUTHORIZING AN EMERGENCY REPAIR FOR AN OFF LINE BOILER CARINO PARK APARTMENTS BRADLEY SCICCHETTI, INC.
<u>19-55</u>	CONSIDER RESOLUTION AUTHORIZING DISPOSITION AND WRITE OFF OF EXPENDED PROPERTYHOUSING AUTHORITY OF GLOUCESTER COUNTY
<u>19-56</u>	CONSIDER RESOLUTION VOIDING OUTSTANDING CHECKS WRITTEN ON VARIOUS ACCOUNTS DATED PRIOR 12/19/2018
<u>19-57</u>	CONSIDER RESOLUTION APPROVING CONTRACT FOR D&O INSURANCE
<u>19-58</u>	CONSIDER RESOLUTION ACCEPTING OFFER TO PURCHASE 12 EHO PROPERTIES
<u>19-59</u>	CONSIDER RESOLUTION REJECTING ALL PROPOSALS FOR RFP 19-010 PARTICIPATION IN THE S8 PBV PROGRAM
<u>19-60</u>	CONSIDER RESOLUTION AUTHORIZING AN EXECUTIVE SESSION

Motion to approve the RESOLUTIONS:

MOTION: Commissioner John Giovannitti
SECOND: Commissioner Scott Kintzing
ALL IN FAVOR

COMMENTS FROM THE PUBLIC:

MOTION: Commissioner John Giovannitti
SECOND: Commissioner Dan Reed
ALL IN FAVOR

No comments, motion to close,

MOTION: Commissioner Dan Reed
SECOND: Commissioner John Giovannitti
ALL IN FAVOR

NO COMMENTS OR CONCERNS FROM THE COMMISSIONERS

ADJOURNMENT:

MOTION TO ADJOURN:

MOTION: Commissioner John Giovannitti
SECOND: Commissioner Dan Reed
ALL IN FAVOR

Respectfully submitted,



Kimberly Gober, Secretary

Dated: May 31, 2019