

BOARD MINUTES OF A REGULAR MEETING
OF THE HOUSING AUTHORITY
OF THE CITY OF MILLVILLE
February 26, 2019

A regular meeting of the Millville Housing Authority (MHA) Board of Commissioners was held on Tuesday, February 26, 2019 at the Riverview East Community Room. 130 South Second St, Millville, NJ. The meeting convened at 4:59 pm.

Chairwoman Paula Ring announced the Sunshine Law requirement had been met, properly posted and advertised and conducted under the Open Public Meeting Act.

Karen Chiarello, Director of Administration proceeded to call the roll at this time. Present were: Chairwoman Paula Ring, Vice Chairman Larry Miller, Commissioner Tesoroni, Commissioner Santoro, Commissioner Flickinger, Executive Director/Secretary Paul Dice, also present were MHA Solicitor Arnold Robinson and MHA Staff.

Chairwoman Ring asked for a motion of the approval of the January 22, 2019 minutes. Commissioner Tesoroni made a motion to approve the minutes and Commissioner Miller seconded. All were in favor.

Financial Summary

The financial information was presented by Denise Smith. For January 2019, the Millville Housing Authority (MHA) posted \$5,077 in positive net income. The MHA maintains \$166,763 in positive year-to-date net income.

The MHA is looking to reinvest our cash position. Tony Polcari recommended splitting the money in to two CD's. Synchrony Synerity is offering 2.8% interest and Capitol is offering 2.7%. There would be \$100,000 left in Century. We had originally invested with Century because we had a mortgage through them. The investment made the mortgage rate lower. The 2.8% and 2.7% are higher rates than we have now. Splitting the money between two CD's would protect keep us within from FDIC limits.

The Holly City Family Center (HCFC) posted \$13,325 in positive net income for January 2019. The HCFC now maintains a \$902 in positive year-to-date income. Very happy to see this.

Occupancy

We have 494 units in our portfolio, 17 are currently vacant. This gives us an overall occupancy rate of 96.56%. The office staff is working on developing a healthy queue so we can move people in quicker and smoothly.

We have purchased fire suppression canisters that mount over the stoves. \$33/pair. This action was strongly recommended by the insurance company. We were a large part of the money spent on losses through the Joint Insurance Fund (JIF). Commissioner Tesoroni asked if they were stand-alone devices. They are. Therefore, we are reliant on the tenants to tell us they have been activated. This purchase is an effort to engineer out the problems that cause the most damage. Most fires start in the kitchen. The Wildwood location has a lot of water damage, so we are looking in a system that would shut off the water in sinks and tubs once the water reaches a certain level.

Effects of Government Shutdown

The shutdown did not affect us. We have received our full funding for the year. Paul Diced was very pleased about this.

New Website

We contracted with Bill Barber Web Design to create new websites for the MHA as well as the Wildwood and Salem Housing Authorities. We are not planning to make any changes to the HCFC site currently. The new MHA website is active. Paul encouraged everyone to look at the site and make recommendations.

Opportunity Zones

Opportunity Zones provide capital gains tax breaks in return for investment in needy areas. These were created in 2017. Paul said that he was particularly interested in them because they could be used to attract private-sector funding for preservation of public housing stock. Given we have not been able to access Low Income Housing Tax Credits, and not being able to afford conventional financing.

Millville has one Opportunity Zone. Jaycee Plaza, Maurice View Plaza and the Holly City Family Center and 6 scattered sites are within this zone.

The regulations implementing and guiding Opportunity Zones investments are still being established. Paul remains hopeful that the idea will catch on with investors. If investors are interested, he hopes that the local decision making will include preservations of our public housing units within Millville's Opportunity Zone. The private sector needs to see that they will get a return on their investment.

If given-board members have the opportunity to speak with elected officials, this would be a great conversation to have. Currently, Low Income Housing tax credits ~~are~~ still offer the best financing, the best bet, but it is unlikely we will be able to secure them in this political environment. Paul stated his opinion is still that HUD wants to get out of public housing. He assured the tenants present they this would not affect them; It would; just change the source of funding.

Sale of 5 McNeal Street

The US Department of Housing and Urban Development approved the sale of this vacant and uninhabitable scattered property site. We recently advertised it in the Multiple Listing Service through Reeves and Melvin. We received two offers: \$15,000 and \$9,525. The former retracted their offer in its entirety on they did an on-site inspection. So, the latter is the only remaining offer.

The property was appraised at \$15,000. Our architect determined that the cost of renovation would be 65.33% to 66.12% of the cost of new construction.

We recommend selling the property is an "as is" condition. Arnold Robinson drafted a contract that was being reviewed on 2/26/19. He is confident that the contract will be signed.

Commissioner Santoro voiced her concern with how we handle these sales. She feels we need to consider who is buying the property and what they intend to do with it. We should consider whether we are creating a situation that is worse than what is already there. Paul indicated that the board does have the option to not approve the sale.

Chairwoman Ring advised that there were resolutions to approve:

Resolution #4-2019 Resolution approving the payment of Bills for February 2019

Roll Call Vote:

Motion: Commissioner Flickinger

Second: Commissioner Tesoroni

Roll Call: Unanimous

Commissioner Miller recused himself from check #16412

Resolution #5-2019 Resolution Approving the sale of MHA's 5 McNeal St. Property

Roll Call Vote:

Motion: Commissioner Tesoroni

Second: Commissioner Flickinger

Roll Call: 4 approved, 1 abstained

Chairwoman Ring asked if there was any old business. There was not.

Chairwoman Ring asked if there was any new business. There was not.

Chairwoman Ring asked if there was any public comment.

Melvin White asked about our connection with Stand Up for Salem (SUFS) and Salem Senior Village (SSV). ~~Paul advised that our only connection is that the MHA performs bookkeeping for SUFS on a fee-for-service basis. This is a small account. Paul also stated that he had also attempted to secure a property management contract to manage SSV; He was not able to secure that account. What about the other 2 properties? The Salem Board of Commissioners have 2 employees that work there.~~ Paul indicated that he had been trying to get an account with them to generate revenue. It does not change anything with Millville. Salem has few options to generate additional revenue.

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Cecilia Hernandez Torres indicated that her stove was not working. She has called and it has not been taken care of. Also, the tenant living above her makes so much noise that she is not able to sleep.

Will Sutton had previously requested that hand sanitizers be installed. Paul accepted responsibility for this not being done.

Melvin White asked about the status of Assisted Living Program. They are currently still waiting for their state approval.

At 5:44 Chairwoman Ring adjourned the meeting to go into the Holly City Family Center meeting. Commissioner Tesoroni made a motion and Commissioner Miller seconded. All present were in favor.

Paul Dice – Secretary

Date

