

STATE OF NEW JERSEY  
NEWTON HOUSING AUTHORITY  
32 Liberty Street  
Newton, New Jersey 07960

September 9, 2024

(Condensed taped minutes of Regularly Scheduled Monthly Meeting of  
Newton Housing Authority - Commencing at 5:17 P.M.)

**ROLL CALL:**

Present: Chairman Richard Bitondo  
Vice-Chairman Karen Crossley  
Commissioner Mary Ann Carlson  
Commissioner Mark Fiedorczyk  
Commissioner Joseph Ricciardo  
Commissioner Wendy Vandermaas

Also Present: Executive Director William F. Snyder  
Deborah Alvarez, Secretary/Transcriber

**FLAG SALUTE**

**OPEN PUBLIC MEETINGS ACT**

Adequate notice of this meeting has been provided by the filing of an Annual Meeting Notice with Municipal Clerk, posting on the official bulletin board and delivery of same to New Jersey Herald & Star Ledger on December 6, 2023. The New Jersey Open Public Meetings Law was enacted to ensure the right of the public to have advance notice of and to attend the meetings of public bodies at which any business affecting their interest is discussed or acted upon. In accordance with the provisions of this Act, the Newton Housing Authority has caused notice of this meeting to be advertised by having the date, time and place posted on the Newton Housing Authority website.

Members of the public are welcome and encouraged by the Newton Housing Authority to comment during the public comment portions of the meeting. There will be two public comment sections of the meeting. Residents can address the Board of Commissioners on Agenda items during the Public Comments Agenda items portion of the meeting and general subjects of interest during the Public Comments General Items portion of the meeting. All questions and comments from the public will be directed to the Chairperson and when addressing the Board of Commissioners, please give your name and address. All members of the public should be cognizant of the rights and feelings of any individual they feel compelled to discuss at an Open Public Meeting. General comments and statements should be made in a calm and civil manner. Comments that violate the rights of employees, residents or members of the public could be subject to a civil law suit for damages. The individual making such statements will be personally liable for any monetary damages resulting from their statements.

**PUBLIC COMMENTS – Agenda Items – Nothing at this time**

## **APPROVAL OF THE MINUTES – August 12, 2024**

Motion to approve made by Commissioner Ricciardo; 2<sup>nd</sup> by Commissioner Crossley.

Chairman Bitondo: Correction to August 12<sup>th</sup> minutes, 3<sup>rd</sup> page, Paragraph regarding **lead paint testing**. Word should be **SWIPE Test** not "Spite". (Correction was done on August 12, 2024 minutes as requested.)

VOTE: AYES/All Present Commissioners (6)

## **ADMINISTRATIVE REPORT – ED WILLIAM SNYDER**

Contractor on roof replacement wanted to start this Thursday. I said no as residents promised they'd get at least a week's notice. They will start Monday, notices going out; he will be here putting a fence in rear of building where his crane will be, all materials and 6 tenants who park back there have been notified already that no parking there during construction. They will have an individual notice also, it includes 2 handicap spots. They will park in back. It is only place crane could go, as if on side, entire parking lot would be closed. There was no other choice. I asked tenants be patient; contractor says it will take about 3 weeks. When old roof is torn off, new sections will be put on immediately so there are no leaks. Please spread the word this will begin very soon.

Previous design work done for installing air-conditioning and sleeves is on hold right now, pending what happened to Streamline Voluntary Conversion.

Lease agreement resolution on Agenda tonight for approval. It was tabled last month primarily because of live-in aide language. A form to be completed by requesting tenant was also included regarding live-in aide, indicating what needs to be filled in. State of New Jersey pays for live-in aides now; if approved by State, it will be acceptable to NHA, but form must be filled out in order for NHA to do background check.

Periodically, we received complaints about smoking in the building. One of main complaints is about tenants smelling pot in hallways. One person in particular has 3-4 complaints. When I'm here, I will walk the building. If I smell it, I'll knock on the door. We did recently have 2 people complaining they smell cigarette smoke in their apartment. Person at lowest level has been smoking in her apartment. As you know, we have new test kits; I notified her, going up 2 weeks ago, tested the apartment while she was there in 2 different locations, it senses nicotine on anything. It was positive on both locations. She tried to say she wasn't smoking, I confronted her with the test, she acknowledged it. Our NHA policy is she's at the last level, Step 4 or 3. At that level she has a choice of taking a \$50 fine or going to Smoking Cessation Classes. She's already enrolled in a class and has to verify she went there. Next step is more expensive fine; then potentially eviction. That is a result of tenants above her complaining – I checked their apartments and smelled smoke.

We have 4 vacancies, but really only 3. Four because one just moved out August 31<sup>st</sup>. Other ones are being filled. One tenant was moved out as tub leaked; it had to be replaced; tenant now in another apartment and will move back. Maintenance man states lady says she's moving, then tomorrow says she's not moving. We can't have 2 apartments in limbo; went through this with same tenant before. She will get a letter soon stating unless she moves by this date, we will rent apartment to someone on waiting list and change locks as she has the keys, we will charge her for new lock/keys.

Karen has helped send documents to our attorney regarding the civil rights issue. As I'm going away, I wanted to get everything in order before I leave.

Elevators have been a little problem. On 14 August they came in and replaced seal in one of the elevators, now working better. Ed painted the elevator machine room floor, which looks great.

Apartment Ed tore out has plumbing replaced, everything done including tile work, which is why tenant was notified to move back.

We spoke about Make Up Air unit on roof which also provides heat having problems, potentially freezing. TMG gave us price and will be installing a circulator pump costing \$4,250. Hopefully, it will be done before cold weather starts and anticipating no cold air complaints by tenants.

Budget is here for introduction tonight.

Streamline Voluntary Conversion – that's program we were going to use to finance all improvements at NHA. Some background: A group of residents were supported by National Center for Law that instituted suit against a housing authority in Jefferson Parish, Louisiana – called Acre Road Project; a 200-unit housing authority that was eligible for Streamline Voluntary Conversion, which got approved. But there they were moving tenants out, giving them Tenant Protection Vouchers so tenant could move wherever they wanted, boarding up the buildings and tearing them down. As a result, tenants complained that where they lived, they were all black residents, no housing for them to go to with their vouchers, only area was a segregated black area, thus a Fair Housing Complaint stating you're moving us out, moving us to segregated black area, which is in accordance with Fair Housing Act. In addition, they found that some of regulatory relief that HUD gave to housing authorities to apply for this program, specifically obligation to do "market study". Purpose of **market study** is to prove that that program, when you convert to it, is less costly to government than staying in public housing program. Today, I spoke with Director of Special Application Center Jane Hornstein, HUD, in Chicago. I explained if we did a market study, and show you NHA is charging rents that are less than what we're currently getting, why would we do that. We want to convert to get less money? The purpose is to get **cash flow** to make improvements. They're being very cooperative because they lost this lawsuit and not happy about it, as they believe this is a good program. They are recommending a program called RAD Section 18 for Small Housing Authorities. Under that plan, 20% of units would be at RAD rents, comparable to what NHA gets now. Other 80% would be fair market rents. They're going to be publishing regulations before end of 2024 making that 90-10. When I did my initial projections, that didn't even include a rent increase, which was fairly sizeable this year. We're able to actually generate more money than I contemplated, but that's because of rent increase in Section 8 rents.

So on Agenda is a resolution recommending that you approve that because what they're going to be doing is, the application for Streamline Voluntary Conversion Program is a different portal list, a real estate assessment center, called PIC, **Public Information Center**. You put your application for Streamline Voluntary Conversion, which I've done and they know that. NHA is waiting for Contract Administrator with Cliffside Park. They said they'll have their Technical Assistance Staff move everything from that portal into the RAD portal. They'll come out with regulations 90/10 and base NHA numbers on 90/10. Only thing is I'll have another meeting with residents to explain why it's delayed, what we're doing and send it in. We're told you have to do a "physical condition assessment". We went through this because it wasn't required, but we thought it would be a good thing to have. We have it. I sent email to architect firm, W2A, who did it for us stating we're applying for a new program. W2A couldn't upload to HUD portal as

you need a RAD number. Once it's moved over, I'll have RAD number. I sent PCA with minutes and our presentation on RAD that we did for HUD people today to people who handle the application, telling them NHA has done this stuff. We'd like to be a test case. 14 authorities are in same boat as us, at finish line and got knocked out. I requested they expedite our application. Ms. Hornstein said if we get everything in, we could close before end of the year.

With PCA, there's an actual closing that takes place. At closing, PCA will tell us all the work we have to do right now. Certainly, we want air-conditioning put in; then it will tell NHA everything that needs to be done for next 19 years (a 20 year projection). To finance that, we will go to a bank, borrow X amount of money paid from that cash flow that HUD's giving us, that will fund all rehab items. Then we make an initial deposit into Reserve for Repair & Replacement – perhaps \$1 million. That is in case we have future needs. In addition, we make an annual deposit. For example, a new boiler is needed – based upon "useful lives". Boiler has 30-year life, for example, and we're at year 15. There needs to be enough money in there at that time, to replace boiler. We will work out a financing plan that shows we have the ability to do that, which I'm confident we will. Any money spent on roof, will go right back in an initial deposit. We under Streamline Voluntary Conversion, there's no requirement that we do any capital work. With this program, everything that's in PCA, we need to do with our financing plan to them. It has to be completed in 18 months after we close.

Chairman Bitondo asked about capital reserve, does NHA have to draw it down. ED Snyder: Our capital reserve goes into your regular reserve as we draw it down and put in our account. Yes, with SVC, but it's already drawn down. If you're under 250 units, it's called "fungibility". Goes in line item "Operations". Previously, NHA was doing it, they would say "windows - \$2,000" and actually doing capital items, stopping it about 10-15 years ago. Under this, any reserves we have gets put right into the deal and is carried forward so we don't lose any money. Better that way.

Commissioner Vandermaas asked how rents are based, fair market value right now. ED Snyder: No, rents here are based upon – formula rents based upon 30% of tenants' annual income. If a tenant – 30% of their annual income is above a "flat rent". The **flat rent** is 80% of that fair market rent. If it is, then they have option of paying 30% or **flat rent**. Who is going to say I can pay \$1500 or \$1100. Everybody takes flat rent. Before on SLC, Section 8 has no ceiling rent. You pay whatever that is. ED Snyder explained about Section 8 rents. There are not many people at NHA on a ceiling rent. With this program, we were getting Tenant Protection Vouchers, tenants had to sign over their voucher; all very cooperative and did with exception of 2 or 3. There is no Tenant Protection Vouchers. We're converting Project based vouchers, don't need anyone's cooperation to do that, just part of process.

Chairman Bitondo: We still need our Shared Service Agreement with Cliffside Park and is it finalized. ED Snyder: Yes, we need it and no, it's not finalized yet. It's at HUD. I needed to pass tonight's resolution as we must send to HUD and to tell Cliffside Park, the attorney needs to switch agreement from SLC to RAD Section 18; some regulatory statutory citations in there that no longer apply and have to be changed. Commissioner Fiedorczyk: Is Shared Service Agreement for your services? ED Snyder: No, it's for a Contract Administrator for Section 8 program. Now this will be Section 8 and we don't have Section 8 program, so you need to have an authority that has Section 8 program. We did an RFP and only 1 housing authority responded – Cliffside Park. They'll keep 75% of administrative fee; NHA will get 25% - bottom line is if we get anything, it's more than we're getting now – could be \$250,000, we will get \$50,000, more than we get now.

Chairman Bitondo: We talked about electrical being a big piece of HVAC, and possibility of installing in all units air-conditioners with sleeves. Have you discussed that with your tech? ED Snyder: I did, but he's not doing anything because Board has to meet, we're not at that point yet, and go over what we want to do.

Tenant Association had their BBQ picnic on Labor Day.

September 12<sup>th</sup>, Sussex County Division of Health & Nursing will do a presentation on diabetes prevention. Sussex County Division of Senior Services is having a stained glass art activity tomorrow from 10:30 to 11:30 and posted a flyer, reservations are required. They will start Move to Groove classes on Monday, September 16<sup>th</sup> to October 28<sup>th</sup>. A craft activity painting of miniature birdhouses on November 6<sup>th</sup>. Sussex County Division of Senior Services provide a lot of services here.

### **50<sup>TH</sup> REDEDICATION CEREMONY – COMMISSIONER CROSSLEY**

Many dignitaries are coming tomorrow: support from State, County and local officials. We are thinking 50-60 people will be here. Senator Space is presenting Jenny with a citation from State of N.J., ribbon cutting and Jenny will do the honor; Gina will sing National Anthem, Mark will begin with Pledge of Allegiance. Thank you to Rick Bitondo and Karen Colello for all their hard work. Food and cake will be provided. Maintenance men will manage parking lot. It will be a great tribute to HUD, management and Jenny.

### **MISCELLANEOUS**

Marilyn Miller - #4L – When converting to RAD, it is possible to get any cable or wifi in the building, even if all tenants tie into that? ED Snyder: Do you mean free or new cable system or rewiring? Planet Network came in, went through the building to see what was possible. They did not want to come in and touch existing lines. Planet Network determined entire building would need to be rewired, and unless everybody here wants to switch, financially it's not worth it. Originally, wifi was "daisy-chained" and they just kept connecting one to the other. If anyone in middle loses their cable, everyone after that is disconnected. A crazy set-up. Ed told me today cable company has been here and considering a plan to rewire our building – Optimum. However, their plan was for us to pay for it. I asked them for a presentation. If that happens and allows Planet Network to come in, then maybe it would be in our interest to rewire entire building while doing this work. Satellite would require a dish on every apartment. Chairman Bitondo: Optimum does not have a good reputation in County of Sussex, only negative, whereas Planet Network is up and coming company, getting good reviews across the board. We can revisit as part of the capital plan.

### **OLD BUSINESS – nothing at this time**

### **NEW BUSINESS – nothing at this time**

### **RESOLUTIONS #2024-21 - #2024-24**

#### **1. RESOLUTION #2024-21 – APPROVAL OF BILL LIST FOR SEPTEMBER 2024 MEETING**

Motion to approve payment of \$57,480.81 in invoices made by Commissioner Fiedorczyk; 2<sup>nd</sup> by Commissioner Ricciardo. (EXECUTECH's bill was reviewed and in order.)

VOTE: AYES/All Present Commissioners (6)

2. RESOLUTION #2024-22 – APPROVAL OF REVISED LEASE AGREEMENT

Motion to approve revised lease agreement made by Commissioner Crossley; 2<sup>nd</sup> by Commissioner Ricciardo.

VOTE: AYES/All Present Commissioners (6)

3. RESOLUTION #2024-23 – INTRODUCTION OF 2025 BUDGET

Motion to approve Introduction of 2025 budget made by Commissioner Fiedorczyk; 2<sup>nd</sup> by Commissioner Carlson. (Resolution #2023-23 as listed on Agenda was changed to **#2024-23.**)

ED Snyder: This is the January 1, 2025 to December 31, 2025 budget. Many years ago detailed budgets were submitted to HUD, as were salaries. HUD got over oversight business over 20 years ago. In 1998 law changed in N.J. and Department of Community Affairs became major oversight entity over finance under the **New Jersey Fiscal Control Act**. Under that, it's required we submit a budget I helped develop budget template for State of N.J., you drop in all programs you have and carries throughout the budget. The budget is introduced and then adopted. Today is first step, which is introduction; if something changes between now and adoption, it can be revised. State has 45 days in which to review and approve. At our December meeting, we'll adopt it. Our budget is relatively conservative; revenues are \$738,000; our appropriation is \$651,000. For past several years, since I'm here, we always projected a budget with surplus, a good thing.

Actual budget you're approving is from C-5 in Supplemental Statements, you'll see detail of what's going out in terms of revenue and appropriations. That cash flow will just about double providing us with cash to go to borrow money to make these improvements.

Chairman Bitondo: This budget is status quo budget. Nothing new or different and does not include cell tower lease. ED Snyder: Yes, it was taken out. From Trump to Obama to Biden, public housing operating subsidy has been pretty decent – almost 100% funded. We don't know what the future holds, which is why we want to convert to Section 8 Platform because once they set those rents, every year we submit a request to them: OCAF adjustment – a percentage increase across the boards in rents from everybody here. Tenants don't pay any more money; HUD gives you additional money in subsidy. Commissioner Carlson: If we go over the \$738,000, there is money to supplement that? ED Snyder: \$738,000 is your revenue, what we get from tenants' rents, HUD subsidy, capital fund. We have reserves, yes, we do. If we need it, we use reserve. The roof is \$372,000 and we had over a million dollars. We estimate a million dollars in reserve, if we had to tap into it.

VOTE: AYES/All Present Commissioners (6)

4. RESOLUTION #2024-24 – APPROVAL OF RAD APPLICATION FOR LIBERTY TOWERS

Motion to approve RAD application made by Commissioner Ricciardo; 2<sup>nd</sup> by Commissioner Crossley. (Resolution #2023-24 as listed on Agenda changed to **#2024-24.**)

VOTE: AYES/All Present Commissioners (6)

ED Snyder will send budget and RAD Application to Washington, D.C. and they know our Board has approved. He is requesting NHA be test case and NHA be #1. They know NHA has everything done and are receptive.

**PUBLIC COMMENTS – General Items**

CELESTE - #5N – Thanked the Board of Commissioners for everything that's been done and for what is coming.

ANN MILLS - #5N – Is it possible for her to get a wooden floor? Chairman Bitondo: I suggest you put in a work order for ED Snyder to review. We'll go from there, the proper protocol.

**ADJOURNMENT**

Motion to adjourn made by Commissioner Ricciardo; 2<sup>nd</sup> by Commissioner Fiedorczyk.

VOTE: AYES/All Present Commissioners (6)

Meeting adjourned at 6:01 P.M.

Respectfully submitted,

Deborah L. Alvarez