

Housing Authority of the City of Ocean City

Regular Board of Commissioner Meeting Minutes

June 15, 2021 – 3:03 p.m.

The regular meeting of the Housing Authority of the City of Ocean City was held June 15, 2021, at 3:03 p.m. via tele-conference from the Management Offices of the OCHA located at 191 W. Chestnut Avenue, Vineland, NJ 08360.

The meeting was called to order by Chairman Barr. Chairman Barr requested everyone to rise for the Pledge of Allegiance.

Chairman Barr read the Sunshine Law.

Upon roll call those present were:

Commissioner Robert Halliday	
Commissioner Patrick Mumman	
Commissioner Beverly McCall	
Commissioner Robert Henry	(arrived 3:09 p.m.)
Commissioner Patricia Jackson	(absent)
Commissioner Brian Broadley	
Chairman Robert Barr	

Also present were Jacqueline Jones, Executive Director, Wendy Hughes, Assistant Executive Director, Ron Miller, Assistant Asset Manager – Operations, Charles W. Gabage, Esquire – Solicitor, Linda Cavallo – Accountant, Samantha Kurtz-Seif – Director of Social Services of City of Ocean City and Gloria Pomales, Executive Assistant.

Minutes

Chairman Barr requested a motion to approve the Regular Meeting minutes from May 18, 2021. A motion was made by Commissioner McCall and seconded by Commissioner Mumman. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Abstain)
Chairman Robert Barr	(Yes)

Treasurer’s Report

Ms. Cavallo reviewed the Financial Report for the eight months ended May 31, 2021.

Motion to approve the Treasurer’s Report made by Commissioner McCall and seconded by Commissioner Broadley. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

Executive Director’s Report

Mrs. Jones stated Rick Ginnetti, The Brooke Group, will provide the status of all the construction and renovation projects in the Old Business portion of the meeting. The construction related work opportunities at Speitel is going to switch to Bayview and the Authority will continue to send out post cards to the residents about possible work opportunities at Bayview. This outreach will continue the next year or so. This is important for HUD Section 3 requirements.

The Authority is working on the Year-End 2022 budget. A meeting will be set up with the Finance Committee prior to the July board meeting to review the budget. The budget will need to be passed in July to be able to get it to the State for approval before beginning of the fiscal year.

Mrs. Jones stated the Chairman asked if this meeting would be the last virtual meeting. Mrs. Jones turned the meeting over to Mr. Gabage to explain what is anticipated. Mr. Gabage stated up until COVID all meetings had to be face to face. You can have less than a quorum virtually but the quorum of four people must be face to face. This is required to be able to have the general public be able to attend to ask questions face to face. During COVID, legislation passed a statute which said that as long as there is an emergency by a Governor or the President there can be virtual meetings. It was specific when it was passed with an exception it was created because of COVID and the emergency. It is Chairman Barr’s understanding that the State of Emergency is going to be over in a week or so. If this is the case and there is not another exception created to the Open Public Meetings Act then meetings will revert back to the Open Public Meetings Act and we will attend meetings face to face and at least the majority of the board can attend virtually, but there has to be at least four people at the meeting place and be open to the public.

Motion to approve the Executive Director’s Report made by Commissioner McCall and seconded by Commissioner Mumman. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Yes)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

Committee Reports – None.

Old Business – Rick Ginnetti reported Speitel is in the final stages. The architect is going start the punch out inspection on June 24th. They will begin from the top floor down. The City’s electrical/mechanical finals start tomorrow on the top floor. The Energy Star is scheduled for June 23rd. The CO’s should be completed the last week of the month into the first week of July. The elevator company is finished with all their testing and the inspection will be scheduled. Relocation into the building for all the residents of Peck’s Beach North and the 1st floor of Bayview have been scheduled to begin July 26th. Over the next couple of weeks, the OCHA will enter into a HAP agreement with the Vineland Housing Authority. This agreement has been drafted although the rents may be modified based on budgetary items. There is also an addendum to the RAD HAP agreement to include the new units in Speitel. The HAP agreement is for 20 units at Speitel that are full market rent or higher voucher units, which currently are now in Pecks Beach North as tenant-based vouchers. These will be transferred over to Speitel. There are no change orders on the agenda this month. The only possible change order would be irrigation. The City is looking to irrigate the front of the building. This was not in the plans. Access panels have already been installed. The Authority asked for modification to the generator room. The Authority is looking for furniture, fixture and equipment through the architect to furnish the lobby, laundry room and the courtyard between the two buildings. We are under budget so there is room to make these additional upgrades.

Bayview alarm system is complete. The electrical panels are in process with the 1st riser to start tomorrow. There have been a lot of issues getting the materials. The rest of building should begin next week with the goal of finishing in 2 ½ weeks. There is a change order for extension of time until August 31st. The exterior windows once ordered will take about 4-5 months. There is a delay in the air conditioning units. Two units will be moved to the 5th floor. There will be 2

efficiency apartments where the laundry room and public bathrooms are currently located. There will be a public bathroom in the community. The laundry room will be moved to the 1st floor and the OCHA future office space, painting and flooring package is being put together by the architect for review to finalize to put out for bid by the end of July. Bayview roof will be discussed in closed session.

The Authority is working to try to get to the planning board in July for the 10 unit Scattered Site Project. This is a City application and the OCHA is assisting in the project. If the planning board does not approve this may be delayed into August. Once approved it can go out to bid and hopefully start construction in September or October. It would be a 12-month build.

In regard to the Peck's Beach Family Project, the City Council has approved the Shared Services agreement with the Housing Authority. The Housing Authority approved it at last month's meeting. This agreement includes about \$9.3 in funding from the City, but it also includes \$1.3 in predevelopment money to plan this project and get the approvals needed. Today on the agenda are resolutions to approve the special architect and engineer and special engineer for the project. The first item for the engineer is the demolition specifications of Pecks Beach North. The money to do the demolition is in the current Speitel/Bayview budget. It is the desire to start the demolition in September and can be completed in October. The Peck's Beach Family project will be significantly more complicated than Speitel. The Board will need to consider obtaining a mix finance attorney to assist Mr. Gabage because it is a tax credit transaction. Site plans will hopefully get to the planning board by December or January. The Authority will need to create a for profit owner entity and a for profit managing member, which will be the Ocean City Housing Authority. A declaration of intent will need to be submitted to the HMFA for tax bond sales, which generates the 4% tax credits needed for financing. The declaration of intent should be submitted in August. All OCHA board members and the Executive Director will need to get a background check for the HMFA. The HMFA will provide the tax credits, the permanent first mortgage and will provide the construction loan. The HMFA provides the OCHA the ability to sell the tax credits. The Authority will need to locate an entity to buy the tax credits. The entity that purchases the tax credits is the 99% owner of the project. The Housing Authority will do a ground lease to the owner entity created and form a partnership with the tax credit investors. The Housing Authority will be part of the ownership and the Authority will be responsible for the management of the day-to-day activities and also the management of the tax matters. The possible start date for this construction would be the 1st quarter of 2023.

Commissioner Halliday asked when going through the preliminary set up/structuring for financing for establishing the entities and going through the design - Will pre-liminary engineering on the site done as well as improvements that need to be done, since essentially, a city block is being created? If the Board awards the contract to the engineering contract today, the engineering will begin including the loading of that site. Discussion on actual site and how many units can actually fit. Commissioner Broadley asked what kind of entity purchases these tax credits. Rick stated there are two types of investors. Investors who are purely at the rate of return which are private equity groups or very high-income individuals. They are not in the market that much right now. There are banks and insurance companies that having banking entities who are required under federal regulation to invest in affordable housing and get the tax benefit. The biggest buyer in NJ is TD Bank as well as Bank of America and Wells Fargo who are the 2nd and 3rd biggest buyers in NJ. If the Authority was doing this project on its own it may get some community banks interested, but on this size project that may not be possible unless they put a couple community banks together to make sure there is enough money available. Commissioner Henry stated financing is complicated and requested a written paper with step by step of this process. Chairman Barr asked if it would be a 4 or 9 percent tax credits or a mix. Rick stated it would be 4 percent tax credits. Chairman Barr asked how banks are aware of this project. The Authority would directly contact the banks.

New Business – None.

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

Resolution #2021-30
Resolution to Approve Monthly Expenses

Chairman Barr called for a motion to approve the monthly expenses in the amount of \$1,126,643.39. Mrs. Jones stated the bill list was a little bit higher this month because the second installment payment for the NJ JIF, which includes \$10,000 for the construction builders risk policy for Speitel. . The invoices for Speitel are flowing relatively quickly with the City. A motion was made by Commissioner McCall; seconded by Commissioner Mumman. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Yes)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

Resolution #2021-31

Resolution of Compliance (Board of Commissioners and Executive Director)

Chairman Barr called for a motion to approve Resolution #2021-31. Mrs. Jones stated this is an annual resolution that signifies that all Commissioners and the Executive Director have completed their training through the State of NJ DCA Rutgers Training Program. A motion was made by Commissioner McCall; seconded by Commissioner Halliday. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Yes)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

Resolution #2021-32

Approving Change Order #4 for Electrical Panels Renovations at Bayview Manor (extend contract time)

Chairman Barr called for a motion to approve Resolution #2021-32. Mrs. Jones explained this is for an extension of time on this project mostly due to a delay in materials. No increase in cost. A motion was made by Commissioner McCall; seconded by Commissioner Broadley. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Yes)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

Resolution #2021-33

Award Special Architectural and Engineering Services – Pecks Family Redevelopment

Chairman Barr called for a motion to approve Resolution #2021-33. A motion was made by Commissioner McCall; seconded by Commissioner Halliday. Mrs. Jones stated Resolution 33 and 34 are for Peck’s Family Redevelopment. Ron Miller stated both RFP’s were advertised through a fair and open process, reviewed and ranked by the staff and presented

to the Board for review. There was only one proposal received for Engineering and two proposals received for Architectural and Engineers received. The recommendations were reviewed with Rick from the Brooke Group and both are within budget. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Yes)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

Resolution #2021-34

Award Special \Engineering Services – Pecks Family Redevelopment

Chairman Barr called for a motion to approve Resolution #2021-34. A motion was made by Commissioner McCall; seconded by Commissioner Broadley. Ron Miller discussed this resolution in the previous resolution. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Yes)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

Resolution #2021-35

Executive Session

Chairman Barr called for a motion to approve Resolution #2021-35. This is a resolution authorizing executive session for any pending or anticipated litigation. The Board would like to discuss with the Solicitor possible litigation and/or negotiations relating to Winchester Roofing’s failure to perform its obligations under its roofing contract for Bayview Manor. A motion was made by Commissioner McCall; seconded by Commissioner Mumman. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Yes)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

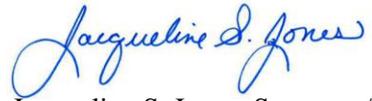
Regular Meeting closed for Executive Session at 3:48 p.m.

Regular Meeting re-opened at 4:17 p.m.

No public comments. Commissioner Halliday stated how great how Speitel looks and what a terrific job being done. No further comments from Board Members

With no further business to discuss, Chairman Barr entertained a motion for adjournment of the Regular Meeting. A motion was made by Commissioner McCall; seconded by Commissioner Broadley. The vote was carried unanimously by the Board Members present. The Regular Meeting of the Board of Commissioners was adjourned at 4:19 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Jacqueline S. Jones". The signature is written in a cursive style with a large initial 'J'.

Jacqueline S. Jones, Secretary/Treasurer