

MINUTES OF THE READING HOUSING AUTHORITY

The Regular Meeting of the Reading Housing Authority for the month of June was held at George M. Rhodes Apartments, 815 Franklin Street, Reading, Pennsylvania on Tuesday, June 25, 2013.

Members of the staff attending were as follows: Mr. Daniel F. Luckey, Executive Director; Mr. Ronald J. Fioravanti, Deputy Executive Director; Mr. David C. Talarico, Maintenance Superintendent; Mrs. Audrey L. Wenrich, Administrative Assistant; Ms. Sherryann I. Fonseca, Comptroller; Ms. Gloria J. Guard, Property Manager; Mr. Josh K. Smith, Property Manager; Mrs. Leonilda Feliciano, Resident Selection Supervisor; Mr. Charles K. Huckstep, Administrative Assistant; Mrs. Susan M. Rivera, Assistant Section 8 Coordinator; Mrs. Stacey J. Keppen, Social Services Director; Mr. Frederick H. Prutzman, Building Construction Inspector; Mr. John E. Knockstead, County Caseworker 2; Mrs. Grisel E. Saez, County Caseworker 2; Mrs. Marilyn Guzman, Clerk Typist 2; Ms. Janice M. Eickhoff, Clerk Typist 3. Attorney Edwin L. Stock, Solicitor for the Authority and Mr. Valdis Lacis, Reading Eagle Reporter were present.

Mr. Belinski, Chairman, called the regular meeting to order and upon roll call those present and absent was as follows:

Present: Mr. Steven E. Belinski
 Mrs. Rebecca Acosta
 Ms. Tina White

Absent: Mrs. Lillie L. Mathies
 Mr. Eligio C. Colon, Jr.

The Chairman announced that no one had signed the register to speak at the Board Meeting.

A motion was made by Mrs. Acosta and second by Ms. White approving the minutes of the regular monthly meeting held May 28, 2013. The motion was carried unanimously.

A motion was made by Mrs. Acosta and second by Ms. White approving the bills as submitted by Ms. Fonseca for the period of May 1, 2013 to May 31, 2013. The motion was carried unanimously.

The following balances in bank and on account were reported for the month of May 2013.

Fund	Cash or Checking	Investments	Escrow	Total
W-66 General	\$4,747,367.13	\$3,571,522.95	\$310,117.80	\$ 8,629,007.88
P-4628 General	(210,052.72)	99,000.00	0.00	(111,052.72)
P-15 General	202,387.56	1,254,366.39	77,183.85	1,533,937.80
Payroll	0.00	359,570.58	(359,570.58)	0.00
River Oak Apts.	7,116.02	0.00	42,852.95	49,968.97
Total	\$4,746,817.99	\$5,284,459.92	\$70,584.02	\$10,101,861.93

A motion was made by Mrs. Acosta and second by Ms. White that the Treasurer's Report be accepted and filed. The motion was carried unanimously.

The Executive Director submitted the following report:

COMPREHENSIVE GRANT PROJECTS

222-2013 CAPITAL FUND – The 2013 Agency Plan was approved. Preliminary indications are the Capital Fund could be 25% less than what we have been allocated in the past which will put it at about \$1.8 million. It could be less and we will not know until Congress actually allocates the funding levels.

Given the tight fiscal climate we should and do not expect the funding to be higher and expect it to be less. This will more than likely reduce the number of work items we will be able to do over the coming year. In any case, we await the actual number.

RIVER OAK APARTMENTS – The occupancy rate at River Oak is good. There are about 12 people on the waiting list for a unit so we should be able to rent the three unassigned units when they have been readied for occupancy. According to our Tenant Placement they have some good candidates for these units and expect to fill them very soon.

We hope to complete some kitchens this year as we have about 9 or so remaining to be completed and would like to get them all done before the end of next year or sooner.

While we would like to replace the windows, we are finding the replacement of the carpets is becoming a big issue and one we will be looking at very closely in the coming year as funding becomes available. I have addressed this in the Youth Build section.

SHELTER PLUS CARE PROGRAM – The Shelter Plus Care Vouchers in conjunction with the treatment to prevent future episodes of Homelessness is still running and doing well. I will advise the Board of any developments in regards to this project.

NSP/ARTIST HOUSING – There has been no change in the status of this program as yet, though, there has been discussion that some of the housing for the NSP program can be used for artist housing in some way. This will be an ongoing program.

When selecting “artists” for the rental housing in the NSP program near the Goggleworks, RHA received criteria for selecting potential artists, which was used in Peekskill, NY. Please note the tenants for this program who are moving into these units will be at 50% of median income. From what we have heard, most if not all artists, fall into this income category. So it should not be difficult to fill these units.

SYLVANIA HOMES ANNUALIZED OCCUPANCY RATE %

2007		2008		2009			2010			2011			2012			2013					
Dec	Mar	June	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	June	Sept	Dec	Mar				
94.0	93.8	94.9	96.2	97.8	97.8	96.9	97	96.6	96.6	96.9	97.3	97.2	97.0	97.1	97.5	97.7	97.7	96.6	96.2	95.6	95.5

Sylvania is 95.5% leased up and is doing well in this area.

SECTION 8 ANNUALIZED UTILIZATION (%) RATE

2008		2009			2010			2011			2012			2013						
Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	June	Sept	Dec	Mar				
95.7	94.2	94.4	96.2	98.1	98.2	99.5	97.9	95.8	94.5	93.2	92.1	90.3	90.0	88.3	88.2	89.2	90.6	91.2	90.8	89.2

The leasing rate for the last quarter is 89.2%. Current HUD funding practice does not and will not allow 100% utilization of the vouchers and funding and is especially difficult when we do not know what the funding will be for this program.

PUBLIC HOUSING ANNUALIZED OCCUPANCY RATE (%)

2008				2009				2010				2011				2012				2013			
Mar	Jun	Sept	Dec	Mar	June	Sept	Dec	Mar	June	Sept	Dec												
98.4	98.4	98.4	98.4	98.5	98.6	98.7	98.8	98.8	98.8	98.8	98.8	98.9	98.8	98.7	98.5	98.6	98.8	98.8	98.7	98.4	98.4	98.7	98.6

The annualized vacancy rate for the last quarter shows a good leasing rate and translates into vacancy rate of 1.4% for RHA. This continues to be a decent occupancy rate. We continue to monitor our progress in this area and work towards improving the leasing rate, while everyone strives to attain 100% leasing rate, it is difficult to attain.

ACCOUNTS RECEIVABLE (ANNUALIZED QUARTERLY) – PUBLIC HOUSING

2008				2009				2010				2011				2012				2013			
Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	June	Sept	Dec	Mar	June	Sept	Dec
1.8	1.7	1.9	2.3	2.10	2.3	2.5	3	3	2.90	2.80	3	2.6	3.2	3.5	3.1	2.6	3.4	2.7	3.4	4.2			

Staff is working hard to reduce these amounts in hopes to get them to a more reasonable level. However, the increases are due to our finding discrepancies between what the residents claim they are earning and what is on their tax returns.

NEIGHBORHOOD STABILIZATION PROGRAM (NSP) – The City of Reading is the lead agency and RHA and Our City Reading Inc., (OCR) are partners in this project. Currently, 201 North 3rd Street, 331 Elm Street and another unit at 460 Centre Avenue are in the mix for units owned by RHA for the NSP program. We have filled all of the three units at 460 Centre Avenue with tenants at or below 50% of median income. They have started rehabilitating 201 N. 3rd and 331 Elm Street and hope to have those units ready for rental in the coming months upon completion of the rehabilitation.

RENTAL ASSISTANCE DEMONSTRATION (RAD) – Out of the 60,000 units HUD was interested in having participate in this program, only 11,000 units were submitted and approved nationwide. This represents just 18% of the number of units HUD wanted in the program. It fell far short and perhaps it is related to the flaws in the program funding.

There are some attractive issues for participating in this program; the major one supposedly is not being under the public housing regulations. The most unattractive issue is the lack of or uncertainty of funding and other related issues. We have not and do not plan to apply at this time. We will monitor how this program works for some agencies over the long run.

I will keep you posted on any new developments in this program. To date there have not been any new updates on the RAD program.

YOUTHBUILD – This program is moving along and the participants are installing ceramic tile in the bathrooms at Sylvania and Oakbrook that will alleviate most if not all of our maintenance concerns in the units. For the most part they were not moving very quickly, but they have been picking up speed as they gain experience in installing ceramic tiles. I should also mention that as a unit at River Oak becomes vacant and needs a new kitchen, they move over there to renovate the kitchen. Overall this program is working for both Youth Build and RHA as it is performing as expected.

I will keep the Board posted on the status of this program as they occur.

NAHRO AWARDS FOR 2013 – RHA just received notification from NAHRO informing us we received awards for 2013. The awards are for the new camera system and co-generation project at Glenside Homes. We feel the cameras have done a lot for the security of our developments by solving crimes and making our developments safer and more secure.

Becky Acosta, who is attending the conference, will accept the awards and then NAHRO will send them to us.

Vacant Unit Report for the Current Month

	<u>Units Scheduled</u> <u>To Be Leased</u>	<u>Unit Accepted By</u> <u>Eligible Applicant</u>	<u>Unit Scheduled</u> <u>Transfer</u>	<u>Unassigned</u> <u>Units</u>	<u>Total Vacant</u> <u>Units</u>
Glenside	1	0	1	0	2
Hensler	1	0	0	0	1
Oakbrook	3	1	3	1	7
Franklin	1	0	0	1	0
Kennedy	0	1	0	0	2
Rhodes	1	2	0	1	1
Eisenhower	0	0	0	0	1
Hubert	0	0	1	0	1
Total Conventional					
Public Housing	7	1	5	2	15
Scattered Sites	0	0	0	1	1
Sylvania Homes	0	0	1	0	1
River Oak	1	0	0	4	5
NSP Units	0	0	0	0	0
Total	8	1	6	7	22

Our current occupancy rate is high at 98.63% for Public Housing and is a very good occupancy overall. The leasing rate for all of our units we own (a total of 1810) comes to 98.794%. Of the 22 vacant units, 8 are scheduled to be leased, 1 has been accepted by applicant, 6 are transfers and 7 remaining units are unassigned.

Please note the transfer units are units, which in most cases the occupants are either over-housed or under-housed and need to be moved to a more appropriate size unit. In some cases, there may be other factors whereby a unit transfer is appropriate and done on a case-by-case basis. But also means, we are creating another vacant unit and will now have to rehabilitate the unit and fill it. As I mentioned before, these unit transfers are required to ensure people are in the correct size units and are not over or under housed.

We are in the midst deciding on who we want to transfer into the one vacant scattered site unit and just have not decided on how best to fill this unit. We may just end up going to the waiting list and assigning it in this manner. The reason for this is we are reluctant to fill the unit with someone who is not the least bit interested in becoming a homeowner as we would like to fill it with someone who has some interest in becoming a homeowner.

DEVELOPMENT WAITING LIST STATUS

<u>Bedroom Size</u>	<u>P/H</u>	<u>Contacting</u>	<u>Waiting Period</u>	<u>Sylvania</u>	<u>River Oak</u>
Studio	181	10/12	6-12 months	N/A	N/A
One Bedroom-Family/Elderly	292	05/11	12-24 months	16	N/A
Two Bedroom Family	200	05/11	12-24 months	10	9
Three Bedroom Family	243	10/08	36-42 months	7	4
Four Bedroom Family	25	05/11	12-24 months	4	N/A
Five Bedroom Family	25	07/12	12 months	N/A	N/A
Total	966			37	13

The waiting list is still fairly long and we do not anticipate opening the waiting list any time soon for Public Housing in the near future. However, with Sylvania and River Oak we may open up the waiting list on an as needed basis.

RHA PAINTING PROGRAM FOR OCCUPIED UNITS – We continue the painting program and hope funding cuts do not affect our efforts. We want to make sure each and every unit was and is painted at least once every ten years.

To date, this program is going well and we are well ahead of schedule in regards to having all units painted once every ten years.

CITY OF READING LAND BANK PROGRAM – The City of Reading is in the midst of instituting a Land Bank program in the City and asked if it would be possible to contract with RHA to perform some of the day to day maintenance on the properties. I said once they have formed the Land Bank and decided on what they would like in this kind of program I would approach the Board on this matter. As it stands now the Land Bank is in the process of being developed and established. In any case, RHA would be paid for any services we provided.

As I noted before, everything is in the planning stages and nothing has been decided on who, what, where and when this will occur, though I know at some time it will become a reality. I will keep the Board informed of any developments in this area and think this will be an exciting program for the City of Reading. I believe any support we can give the City of Reading to make this successful would be appreciated.

RHA CENTRAL OFFICE FUNDS – I have had discussions with various people regarding these funds as it will be important in the coming years to invest these funds in programs and projects which will benefit not only the Agency, but the City as well. I should note these funds are “de-federalized” and hence HUD is supposedly not able to regulate how and what a Housing Authority can do or use this money for. I also plan to research this to see if other agencies will be looking at measures to use these funds.

Technically, these funds are as I noted “de-federalized”, but as we have found out HUD seems to ignore this and it would be best if we use these funds for a project in the City that will possibly make money and benefit the City at the same time. In any case, it is my belief that if we do not do something of this nature, HUD will find a way to encourage a Housing Authority to use these funds for operations just as they have with our reserves.

It is the Board’s decision, but I highly recommend RHA do something whereby these funds are involved in or a part of a project that will benefit the City in its renaissance. I do not wish to lose these funds like we did with the reserves, which we had accumulated over a period of time, as we now have a reserve of central office funds.

To date, there has been no change in this.

ISLANDS IN FRONT OF OAKBROOK – We received a letter from Mr. Jones regarding this matter and he informed us he will be working with the City Solicitor on an agreement for these islands and such. I hope to have something by the next meeting so the Board can pass a resolution on our taking over these islands. In the interim, the City has given us a number of trees which we planted on the islands and they are going to place some big rocks to protect the trees and add some landscaping to the area. We hope to add to this over a period of time.

I will keep the Board apprised of any changes and or updates as they occur.

RHODES AND EISENHOWER – A while ago, there were issues with the side walls at Rhodes and Eisenhower and repaired them. Plans and specifications for the repair and or rehabilitation of

the walls are being developed and will be advertised so we will have the project on for a Board Resolution in July or August. We hope to have this work started some time in September and hopefully it will be completed within twelve months.

PARK PLACE ON PENN STREET PROJECT- I spoke to the Realtor regarding the marketing of Park Place on Penn and she informed me of the following:

- Advertising geared towards Urban Lifestyle.
- Hold Open Houses.
- Work on selling the City of Reading as a place to live.
- Work on a special mortgage program for condo's.

The Condo documents have been completed and will soon have a meeting to accept the revised Association documents and then have them recorded. We also plan to advertise for or get proposals from different builders to complete the project when we have buyers for the units.

WELLNESS PROGRAM – The Wellness program at RHA may be in the newspaper sometime in the future regarding the success of our different programs and collaborations we have with different organizations. I thought I would mention this if and when they appear in the newspaper. Also, the Wellness program has three Universities working with us in providing services. Currently, we have the University of Pennsylvania, Drexel and Alvernia University working with us in this area.

CHARGE OFF ISSUES – As noted before, we continue to find unreported income from our process of comparing the reported income with the income tax return which some times shows a discrepancy. If a discrepancy is found, it results in retro rent being charged to the tenant. This at times results in increased charge offs when the tenants move and do not pay the amount owed.

It should be noted at this point, these people must pay these monies back before they will be able to move back into any kind of subsidized housing anywhere so there is a good chance it will be repaid. This is done through the HUD reporting system by which all agencies must go through when processing a family for subsidized housing.

In addition, these monies are also sent to a collection bureau and will be on their credit record so the effect will be long lasting for the individuals who have not reported their income.

READING WITH THE KIDS EVENT - On June 12th a Reading with Kids event was held at Glenside Homes with about 30 kids attending along with the United Way. This event was organized by Stacey Keppen and Staff managed and participated in the event in conjunction with the United Way who helped fund the event. Josh Smith, Stacey Keppen, Grisel Saez and Russell Foltz read to the kids and it went very well,

After the reading portion of the event, hot dogs were served to everyone and it turned out to be an excellent event and the weather could not have been better.

MEETINGS:

- Mayors Economic Summit.
- Eastern Meeting.
- Workforce Investment Board.

A motion was made by Mrs. Acosta and second by Ms. White to accept the report of the Executive Director. The motion was carried unanimously.

The following Resolution was read and considered:

RESOLUTION NO. 5685

RESOLUTION APPROVING AND AUTHORIZING
THE ADOPTION OF THE CITY WIDE RESIDENT COUNCIL (CWRC) OPERATING
BUDGET.

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the City Wide Resident Council (CWRC) Operating Budget Expenditures, in the amount not to exceed \$39,600 for 12 months, is hereby approved and adopted.
2. THIS Resolution shall be effective July 1, 2013.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Ms. White and upon roll call the Ayes and Nays were as follows:

Ayes: Mrs. Rebecca Acosta
Mr. Steven E. Belinski

Abstained: Ms. Tina White

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5686

RESOLUTION APPROVING THE TERMS AND AUTHORIZING
THE EXECUTION OF A CONTRACT
WITH HIRNEISEN ELECTRIC, INC., TO PROVIDE FIRE PANEL UPGRADE AT THE FIVE
READING HOUSING AUTHORITY'S HIGH RISES.

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the terms of the Contract with Hirneisen Electric, Inc. (Reading, PA), to provide fire panel upgrade at the five Reading Housing Authority's High Rises, are hereby approved, the said Contract to be in substantially the following form:

CONTRACT ON FILE IN THE COMPTROLLER'S OFFICE.

2. The said contract, in an amount not to exceed \$519,800.00, is pending review and approval by the Solicitor.

3. THIS Resolution shall be effective June 25, 2013.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Ms. White and upon roll call the Ayes and Nays were as follows:

Ayes: Ms. Tina White
Mrs. Rebecca Acosta
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5687

RESOLUTION APPROVING THE TERMS AND AUTHORIZING
THE EXECUTION OF A CONTRACT
WITH RONNIE C. FOLK PAVING, INC., TO PROVIDE EXCAVATION, GRADING,
PAVING AND STRIPING OF PARKING LOT AT THE OAKBROOK
MAINTENANCE FACILITY.

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the terms of the Contract with Ronnie C. Folk Paving, Inc. (Shoemakersville, PA), to provide excavation, grading, paving and striping of parking lot at the Oakbrook Maintenance Facility, are hereby approved, the said Contract to be in substantially the following form:

CONTRACT ON FILE IN THE COMPTROLLER'S OFFICE.

2. The said contract in the amount of \$42,016.00 is pending review and approval by the Solicitor.

3. THIS Resolution shall be effective June 25, 2013.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Ms. White and upon roll call the Ayes and Nays were as follows:

Ayes: Ms. Tina White
Mrs. Rebecca Acosta
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5688

RESOLUTION AUTHORIZING THE DISPOSITION
OF NON-EXPENDABLE EQUIPMENT.

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the following non-expendable equipment be removed from the inventory of the Reading Housing Authority in accordance with the Procurement and Disposition Policy:

<u>OAKBROOK MAINTENANCE</u>	<u>DECAL</u>	<u>COST</u>	<u>PURCHASED</u>
Pressure Washer – Glidden	8098	\$1,678.05	10/1/1984
Paint Sprayer – Glidden	8537	\$1,064.36	10/1/1985

2. THAT the equipment to be scrapped is of no useful value to the Authority, and

3. THAT all useable parts have been salvaged, and

4. THAT the aggregate amount of \$2,742.41 which represents the original purchase price, will be removed from the books of record.

NOW, THEREFORE, BE IT RESOLVED AND IT HEREBY IS RESOLVED that this non-expendable equipment shall be removed from the Reading Housing Authority's inventory.

THIS Resolution shall be effective June 25, 2013.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Ms. White and upon roll call the Ayes and Nays were as follows:

Ayes: Ms. Tina White
Mrs. Rebecca Acosta
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following charge-offs were presented for Glenside Homes, Hensler Homes, Oakbrook Homes, Kennedy Towers, Rhodes Apts., Eisenhower Apts., Sylvania Homes and River Oak Apartments:

CHARGE-OFFS

8	Glenside Homes PA-9-1	\$ 10,120.03
3	Hensler Homes PA 9-2-	3,083.71
8	Oakbrook Homes PA-9-3	5,110.04
1	Kennedy Towers PA-9-5	4.64
1	Rhodes Apts. PA 9-6	588.74
1	Eisenhower Apts. PA 9-8	1,276.80
2	Sylvania Homes P-15	4,439.72
6	River Oak Apartments	17,380.00

30 Gross Charge-Offs \$ 42,003.68

SUMMARY OF GROSS CHARGE OFFS

Current Dwelling Rent	\$20,846.44
Additional Charges	20,756.79
Excess Utilities	400.45
Retro Rent	<u>0</u>
	\$42,003.68

RECOVERIES

Glenside Homes PA-9-1	\$ 485.64
Oakbrook Homes PA-9-3	1,100.64
FranklinTower PA 9-4	255.00
Kennedy Towers PA-9-5	75.00
Sylvania Homes P-15	2,131.03

Gross Recoveries \$ 4,047.31

CHARGE-OFFS NET OF RECOVERIES \$ 37,956.37

13 Accounts Charged Off Due to Eviction \$ 26,610.55

Delinquent accounts with an amount of less than \$75.00, of tenants who decease or leave public housing and enter a nursing home or public health care facility are not to be sent to the collection agency.

All delinquent accounts of Federal Low-Income Housing, Sylvania Homes Middle-Income Housing and River Oak Market Rate Housing shall be collected in a manner that is consistent with the applicable Federal Rent Collection Policy.

A motion was made by Mrs. Acosta second by Ms. White to concur with the recommendation to write the potential uncollectible amount off the books. This motion was carried unanimously.

There being no further business to come before the Commissioners, a motion was made by Mrs. Acosta and second by Ms. White to adjourn the meeting. The motion was carried unanimously.

The next regular meeting of the Reading Housing Authority is scheduled to be held at Kennedy Towers, 300 South Fourth Street, Reading, Pennsylvania, on Tuesday, July 23, 2013.

Recording Secretary