

MINUTES OF THE READING HOUSING AUTHORITY

The Regular Meeting of the Reading Housing Authority for the month of February was held at William W. Willis Center for Administration, 400 Hancock Boulevard, Reading, Pennsylvania, on Tuesday, February 25, 2014.

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; Mr. George F. Eisenhower, Purchasing Agent; Ms. Gloria J. Guard, Property Manager; Mrs. Nydia Staples, Assistant Property Manager; Mrs. Leonilda Feliciano, Resident Selection Supervisor; Mr. Charles K. Huckstep, Administrative Assistant; Mrs. Carolyn K. Bower, Section 8 Coordinator; Mrs. Stacey J. Keppen, Social Services Director; Mr. Frederick H. Prutzman, Building Construction Inspector; Mrs. Marilyn Guzman, Clerk Typist 2; and Ms. Janice M. Eickhoff, Clerk Typist 3. Ms. Laura Shelton, CWRC Treasurer; Attorney Edwin Stock, Solicitor for the Authority and 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:           None

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 to table the minutes of the Workshop meeting held January 30, 2014. The motion was carried unanimously.

A motion was made by Mrs. Acosta and second by Ms. White approving the minutes of the regular monthly meeting held January 30, 2014. 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 January 1, 2014 to January 31, 2014. The motion was carried unanimously.

The following balances in bank and on account were reported for the month of January 2014.

Fund	Cash or Checking	Investments	Escrow	Total
W-66 General	\$4,656,409.62	\$3,073,460.73	\$310,117.80	\$ 8,039,988.15
P-4628 General	29,342.31	99,000.00	0.00	128,342.31
P-15 General	308,073.03	954,175.86	77,530.50	1,339,779.39
Payroll	0.00	181,669.34	(181,669.34)	0.00
River Oak Apts.	7,930.71	0.00	43,090.13	51,020.84
Total	\$5,001,755.67	\$4,308,305.93	\$249,069.09	\$ 9,559,130.69

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

The Executive Director submitted the following report:

**COMPREHENSIVE GRANT PROJECTS**

**222-2013 CAPITAL FUND** – RHA has received \$1,866,196 in Capital Funds, the majority of these funds will go to repair and/or rehabilitate the walls at Rhodes and Eisenhower. The remaining monies will go to administrative expenses and management improvements.

**223-2013 CAPITAL FUND** – We have not heard when we will receive this allocation and if we receive it in sufficient time to include it as part of the work that was taken out of the work being done at Rhodes and Eisenhower.

**RIVER OAK APARTMENTS** – The occupancy rate at River Oak is good as it is about 97% overall with a total of 2 vacant units. There are about 9 people on the waiting list for a unit so we should be able to rent the unassigned units when they have been readied for occupancy.

We hope to complete some or all of the kitchens this year as we have about 9 or so remaining to be done and would like to get them all done before the end of next year or sooner. It depends on when and what units become vacant and other factors.

We would like to replace the windows and have been replacing the carpets as the existing carpets in most instances are in poor condition and do not feel we can rent these units without replacing the carpets. This is especially true after we have replaced the kitchen and other flooring in the units.

**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. Currently, because of funding we have 39 vouchers active even though the number authorized is 30; we have sufficient funding to pay for the 39 vouchers for this program.

**SYLVANIA HOMES ANNUALIZED OCCUPANCY RATE %**

2008				2009				2010				2011				2012				2013			
Mar	June	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	June	Sept	Dec	Mar	Jun	Sept	Dec
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	96.6	96.7	94.5

Sylvania is 94.5% leased up.

**SECTION 8 ANNUALIZED UTILIZATION (%) RATE**

2008				2009				2010				2011				2012				2013			
Mar	Jun	Sept	Dec	Mar	June	Sept	Dec	Mar	Jun	Sept	Dec												
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	86.9	84.4	82.1

The leasing rate for the last quarter is 82.1%. 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	Jun	Sept	Dec													
98.4	98.4	98.4	98.4	98.5	98.6	98.7	98.8	98.8	98.8	98.9	98.8	98.7	98.5	98.6	98.8	98.8	98.8	98.7	98.4	98.7	98.6	98.8	98.8	98.6

The annualized vacancy rate for the last quarter shows an excellent leasing rate and translates into vacancy rate of 1.4% for RHA for the year. 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	Jun	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	3.2	5.7	5.9

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 3<sup>rd</sup> 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 nearing the completion of 201 N. 3<sup>rd</sup> and 331 Elm Street and those units will be ready for rental in the coming months.

Albert would like to have these units rented to Artists and I have asked him for a listing and or ideas as to how he would like us to advertise and select Artist for these units. We do not have any problems with this as long as they meet the income restriction of 50% of median income. I have asked him on numerous occasions to provide me with the information on the Artists and if I do not get that soon and the units are available for occupancy we will have to fill them with other income qualified people.

**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 Homes. This will alleviate most, if not all, of our maintenance concerns in the bathroom flooring. For the most part they were not moving very quickly, but they have been picking up speed.

**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

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 and should bode well for us in the long run.

**BOOKBINDERY APARTMENTS** – The Reading Redevelopment Authority (RRA) took ownership of the Bookbindery Apartments and RHA at their request has been helping manage the building since they took over ownership. I have informed Adam Mukerji that we will not be able to manage the Bookbindery Apartments as there is no money to take care of them unless there is money to correct the deficiencies. Currently, there is insufficient money from rent to take care of the building.

**Vacant Unit Report for the Current Month**

	<u>Units Scheduled To Be Leased</u>	<u>Unit Accepted By Eligible Applicant</u>	<u>Unit Scheduled Transfer</u>	<u>Unassigned Units</u>	<u>Total Vacant Units</u>
Glenside	0	0	2	0	2
Hensler	0	0	1	0	1
Oakbrook	2	0	1	0	3
Franklin	0	0	0	0	0
Kennedy	0	1	0	0	1
Rhodes	2	0	0	0	2
Eisenhower	0	2	0	0	2
Hubert	0	1	0	0	1
<b>Total Conventional</b>					
Public Housing	4	4	4	0	12
Scattered Sites	0	0	0	0	0
Sylvania Homes	1	0	0	1	2
726 N. 11 <sup>th</sup> St.	0	0	0	0	0
River Oak	2	0	1	1	4
NSP Units	0	0	0	0	0
<b>Total</b>	<b>7</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>18</b>

Our current occupancy rate is high at 99.26% for Public Housing and is quite possibly the best leasing rate we have ever had that I can remember. The leasing rate for all of our units we own (a total of 1808) comes to 99.01%. Of the 12 vacant units, 4 are scheduled to be leased, 4 have been accepted by applicant, 4 are transfers and 0 units 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.

The above leasing rate is a snap shot of the status of our units on a particular day as opposed to the annualized and monthly vacancy rates noted in other sections. It represents the status of our vacant units as of the day this information was requested and is the reason it differs from what the total monthly vacancy rate is reported.

**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.

**DEVELOPMENT WAITING LIST STATUS**

<b><u>Bedroom Size</u></b>	<b><u>P/H</u></b>	<b><u>Contacting</u></b>	<b><u>Waiting Period</u></b>	<b><u>Sylvania</u></b>	<b><u>River Oak</u></b>
Studio	41	10/12	12-24 months	N/A	N/A
One Bedroom-Family/Elderly	203	05/11	12-24 months	29	N/A
Two Bedroom Family	104	05/11	12-24 months	13	2
Three Bedroom Family	152	10/12	12-24 months	8	7
Four Bedroom Family	19	05/11	12-24 months	4	N/A
Five Bedroom Family	43	08/12	12-24 months	N/A	N/A
<b><u>Total</u></b>	562			54	9

The waiting list is still fairly long and do not anticipate opening the waiting list any time soon for Public Housing in the near future. We might be looking at opening up the waiting list sometime this year as we may need to replenish our waiting list. While we do have a number of people on the waiting list it has been our experience there are a lot of applicants on the list who when their name comes to the top of the list are not interested, have other living arrangement or are not eligible in accordance with our ACOP.

**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.

There has not been any new development on this to date.

**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.

To date, there has been no change in this.

**ISLANDS IN FRONT OF OAKBROOK** – We have taken over the maintenance of these islands and we are maintaining them. In regards to any new landscaping for these areas, we plan to work over the winter on some kind of design or landscaping plan as it does not make any sense to do anything other than that over the winter.

I will keep the Board apprised of any developments in the planning of this in the coming future.

**RHODES AND EISENHOWER** – Given the bad weather conditions and such, not much is going on with the reconstruction of the walls at Rhodes and Eisenhower as yet. This was expected as there is a lot of different paperwork and approvals that have to be done prior to the start of any project. However, we are on schedule for starting in the coming spring (whenever that maybe) on these two buildings.

**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 condos.

The Condo documents have been revised. A meeting was held. They were approved and will be recorded at the Court House. So they now become part of the deeds for the future. I think it will be an excellent tool for the Authority to expand into different areas to help the City recover economically by using our financial resources together rather than individually.

**2014 AGENCY PLAN** – This year's Agency Plan was recently submitted it is at HUD for review and approval, I will keep the Board apprised of any new developments in the Agency Plan. I do not foresee any issues with our Plan and expect it to be approved. I do not foresee any problems with this Plan being approved.

**PENN SQUARE PROJECT** – RHA has worked closely with the City on the Penn Square project and to date we have been able to have an new fire panel installed and become operational, have a new heating system installed and put into operation, repaired and updated the elevators, installed steel bracing for deteriorated steel beams. As a result of our efforts two businesses in the buildings and were able to stay. Given the issues with the building, all of the work items are considered emergency work items. The buildings are now stabilized to the point they will not deteriorate any further and are ready for development in the future and given the harsh winter, we suspect these buildings would have been a total loss if nothing had been done. The City is working on an RFP for developers for these buildings. The City has informed us they will be reimbursing us \$145,596.65 by the end of this month and will be reimbursing the rest before the end of the year.

In addition to all of this, Our City Reading and the City are working on various funding opportunities that will help to get these buildings into the shape that they will be able to attract businesses to come into these buildings. So a lot of things are going on in the City and should tie very nicely with the building of the Hotel.

**PHAS SCORE** – RHA received a score of 89 on this year's PHAS and we have submitted an appeal so we can get an additional point that will enable us to become a High Performer. The basis for the appeal is that HUD incorrectly counted the debt associated with the energy savings program. It is our contention it should not be counted and thereby should be excluded from the calculation.

If this is done we should receive a point or two and become a high performer. We have not heard anything from our request.

**WINTER OF 2013** – This winter has been especially cold and snowy and has been a bit harsh on our residents and equipment. We will not know how the cold has or is affecting our equipment

until the weather breaks and the consequence the weather will have on our concrete and related items.

We will be looking very closely at our buildings and related areas to see if we need to correct any items which have been affected by all of this cold, snow and ice we have experienced. We can be assured there will be items we will need to address as they may/will affect our physical inspections score on the PHAS.

**HUD FUNDING** – From what we have heard the HUD funding for the remainder of the year is estimated to be 85 to 89% or higher of what we should receive if we were funded at 100%. This is not the ideal amount of funding we would have wanted; it is far higher than what was expected. If Congress had not passed the bill we might have been funded at 85% of the 85% and is probably about 75% of the 100% of funding. So while it is less than what we should get, it is higher than what we might have received if Congress had not passed the bill.

**MEETINGS:**

- Our City Reading Meeting.

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. 5720

RESOLUTION AUTHORIZING THE HIRING  
OF A PART-TIME CUSTODIAN.

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

1. THAT Stephanie L. Polanco be hired as a part-time custodian at the rate of \$8.00 per hour.
2. THIS Resolution shall be effective February 18, 2014.

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. 5721

RESOLUTION AUTHORIZING THE EXECUTION OF A  
HUMAN RESOURCE MANAGEMENT SERVICES CONTRACT  
WITH MURRAY SECURUS.

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

1. THAT the terms of the contract with Murray Securus (Wyomissing, PA) to provide Human Resources Management Services to the Reading Housing Authority are hereby approved; the said one-year Contract with the option to renew, to be in substantially the following form:

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CONTRACT ON FILE IN THE COMPTROLLER'S OFFICE.

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2. The said Contract in the amount of \$2,640.00 per month is pending review and approval by the Solicitor.

3. THIS Resolution shall be effective February 25, 2014.

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. 5722

RESOLUTION APPROVING CHANGE ORDER NO. 2  
TO THE CONTRACT WITH HIRNEISEN ELECTRIC, INC.

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

1. THAT the Commissioners of the Reading Housing Authority do hereby approve Change Order No. 2 submitted by Hirneisen Electric, Inc., in the amount of \$12,605.00.

**Project Name & Location:** Fire Panel Upgrade @ 5 RHA High Rises.

**Description of Change:** 3 A/V Notification Appliance-Speaker at the 2<sup>nd</sup> floor end of East

Corridor, Speaker in Apartment 408, Strobe in 1<sup>st</sup> floor public bathroom. Add a pull station at the Basement Stairwell. Add a Smoke Detector in Storage Room 103. Add a Smoke Detector in Office 106. Remove existing Speakers in the Stairwells. Add (1) Smoke Detector and (1) A/V Device in Maintenance Room 0003. Add (1) A/V Device in Boiler Room 0005. Add (1) A/V Device in Corridor outside Storage 0006. Add (1) A/V Device in Storage Room 0002. Add (2) A/V Devices in Community Room 0127. Add (1) A/V Device in Corridor 0150. Remove Speakers in Stairwells (Qty. 6).

**Statement of Justification:** The majority of these changes were at the request of the Fire Marshall and were reviewed and approved by RHA and Kautter & Kelley Architects. Supporting information has been documented.

2. THIS Resolution shall be effective February 10, 2014.

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. 5723

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

1. THAT Daniel F. Luckey is hereby suspended for a period of time of five (5) business days.

2. THIS Resolution shall be effective February 25, 2014.

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.

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 William W. Willis Center for Administration, 400 Hancock Boulevard, Reading, Pennsylvania, on Tuesday, March 25, 2014.

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Recording Secretary