

STATE OF NEW JERSEY  
HACKENSACK HOUSING AUTHORITY  
65 FIRST STREET  
HACKENSACK, NEW JERSEY 07601

THURSDAY, FEBRUARY 21, 2019

**(This is a condensed version of the taped minutes of the Regularly Scheduled Monthly Meeting of the Hackensack Housing Authority commencing at 6:00 P.M.)**

Executive Director Anthony Feorenzo called the meeting to order.

**ROLL CALL**

Present: Chairman Anthony Stassi  
Commissioner Michael Allegretta  
Commissioner May D'Arminio  
Commissioner Marie Dukes  
Commissioner Blanche Stuart  
Commissioner Gino Tessaro

Also Present:

Anthony Feorenzo, Executive Director  
William F. Snyder, Consultant to the Board  
Joseph Zisa, Esq., Counsel to the Authority

Absent: Commissioner Sarquis Pico

**OPEN PUBLIC MEETINGS ACT**

Adequate notice of this meeting, as required by the Open Public Meetings Act, has been provided by the filing of an Annual Meeting Notice with the Municipal Clerk, the posting of said notice on the official bulletin board in the Municipal Government Building, and delivery of same to the Bergen Record & Star Ledger on 12/6/2018. This body wishes to advise you that, in accordance with N.J.S.A. 26:3D(1), et seq. (Smoking in Public Buildings), smoking is prohibited while this body is in open or closed session.

**FLAG SALUTE**

Chairman Stassi led Pledge of Allegiance followed by moment of silence in remembrance and support of Armed Forces, police and firemen.

## **APPROVAL OF PREVIOUS MEETING MINUTES – Dec. 12, 2018 & January 17, 2019**

Motion to approve December and January minutes made by Commissioner Dukes; 2<sup>nd</sup> by Commissioner Tessaro.

VOTE: AYES/All Present Commissioners (6)

Absent: Pico

### **RESOLUTIONS**

ED Feorenzo noted there an agenda change. One resolution was removed regarding awarding replacement of kitchen cabinets; adding resolution regarding new place to obtain fuel. ED Feorenzo negotiated with County of Bergen for a Shared Service Agreement for fuel. They did a resolution approving HHA; now HHA does a resolution approving obtaining fuel from Bergen County. Resolution with vote has to be shown to County; Shared Service Agreement will then be signed, now in Mr. Zisa's possession for review. Hopefully, some time in March process will begin for gas. City Manager of Hackensack is allowing HHA to get gas with them; when finalized with County, ED Feorenzo will inform City Manager. City of Hackensack is also entering Shared Service Agreement with Bergen County.

1. RESOLUTION #2019-6 – APPROVAL OF SHARED SERVICE AGREEMENT WITH BERGEN COUNTY FOR FUEL

Motion to approve made by Commissioner Stuart; 2<sup>nd</sup> by Commissioner D'Arminio.

VOTE: AYES/All Present Commissioners (6)

Absent: Pico

### **CORRESPONDENCE - none**

### **MANAGEMENT REPORT & UNFINISHED BUSINESS**

ED Feorenzo reported window installation has begun at 175 W. Railroad, about 20% done. Look great; measurements perfect. Should be done in 3-4 weeks. Installer has to fabricate and put moldings together in hallway now being worked on, they do not fit in elevator; some windows too big.

ED Feorenzo met with IT Department, Mastek, as a call received from Mariner's Bank warned HHA that one township was hacked for over \$350K; not Mariner's fault, but township themselves. Mariner's does not insure that as not their fault. ED Feorenzo called Mastek, they came to office and work is being started for greater protection – changing passwords to avoid cyber hacking occurring. It isn't 100% foolproof. JIF has some programs and safety precautions, which were given out last meeting. It was passed on to Mastek. Mario from Mastek will review it, going to call JIF as JIF was hacked once, so HHA can minimize risk here. Office personnel told not to open any emails they do not recognize. Commissioner Allegretta asked

if Mastek installs some type of software. Mastek will give training on how to open emails. Commissioner Stuart spoke of an experience she recently had.

164 Beech – doors went in very smoothly and were completed on February 11<sup>th</sup>. Punch list completed. Residents are happy and no complaints. G.C. Nova was the contractor.

ED Feorenzo handed out information for NAHRO Conference – May 5<sup>th</sup>-May 8<sup>th</sup> to be held at Hard Rock Hotel. Please contact Julissa, who has the information and registration form, and will make reservations. Mr. Zisa noted he might also attend.

Mr. Feorenzo had meeting today with City Manager and Mayor re: non-profit, affordable housing. ED Feorenzo had contacted Mayor of Hackensack, who is all for this. City Manager is not fully aware of what Hackensack's affordable housing obligation is and will put HHA in contact with firm that's spearheading City's affordable housing. These people contacted HHA about 6 months ago; ED Feorenzo gave them information and Mr. Snyder and ED Feorenzo told them about money they've put into our buildings through the years to see if HHA buildings qualify for their affordable housing. No response has been received. When he does receive something, ED Feorenzo and Mr. Snyder will set up a meeting with affordable housing representative. Mayor is in favor of this and to work together.

Mr. Snyder added most towns in New Jersey have affordable housing obligation, formerly called Council on Affordable Housing, which has been mostly disbanded. Every town has to prepare a plan, which is a fair share plan for over next 10 years, which says what your affordable housing obligation is going to be. Plan has to be approved through Court system now. Fair Share Housing Center group that objects to every plan. Hackensack has a plan, not yet approved by Courts. Because of process that HHA went through with RAD conversion, that allows HHA to do more innovative things than when public housing. A declaration of trust was filed on every property that HUD required that said in order to use buildings as collateral, in order to take any loans against that properties, HUD approval needed, which was eliminated when HHA converted. Now our reserves, cash flow has flexibility on what HHA can do. Thinking here is because City has that obligation, rather than go out and give money to private developers, it makes sense for HHA to set up a subsidiary or side non-profit corporation. That corporation will be a development entity; sit down with City, find out what their obligation is; City has a trust fund they've established, which is over \$1 million. They're also going to give HHA a listing of all vacant land that the City has, and HHA would work with them to take some vacant land, and benefit to City because they can't use it for anything but affordable housing. City seems to be excited about this.

Now in process of meeting further with City, City Planner to find out what their obligation is and when developer comes in, they're depositing money in a trust

fund for their affordable housing obligation, but none is being built. If developer comes in, it's usually 20%; he builds 100 units, there's supposed to be 20 affordable housing units. Money going into fund, they will have to build something. There should be City entity or HHA entity actually control this development. Mr. Zisa will file Certificate of Incorporation to set up the non-profit entity. Mr. Ketchen does it all the time, file proper documents with IRS so we'd be 501C3 non-profit corp. In meeting today, HHA would lend themselves to City, has great deal of experience in doing this; great reputation with City Manager and Mayor having great trust in fact that HHA can get it done in conjunction with them, that's well planned and in best interest of City.

Commissioner Stuart asked if we'd be looking for rental properties. Mr. Snyder said most likely building rental properties. For sale for affordable housing is next to impossible to sell – reason being – difficult to find mortgages for lower income people. Most people don't have the down payment, but perhaps could work it out -- rent with option to purchase. First project might be 20-40 rental housing units, as severe shortage of rental affordable housing. Banks not giving mortgages to people earning \$35K or less.

Mr. Zisa noted you don't see condos being built because banks are requiring that 70% be sold before they finance, making it difficult to get the initial sales going.

Commissioner Allegretta added you have to have affordable housing. ED Feorenzo said 20%, but HHA doesn't know what is in the plan. City Manager said in meeting today, Hackensack is taking money in lieu of that. Mr. Snyder answered the Fair Share Housing Center, advocacy in N.J., will object to it at some point. If you continue to shirk your responsibility, they go to court and actually taking over your zoning – a Court Master and you have no control of your zoning. They will require that towns do certain things: want to see a plan to build hard units, show us where the units are going, how to build the units. That is where HHA will lend itself to them, to show that HHA can actually develop hard units for them using money put aside. To get plan approved, someone will have to build it. There is real confidence in HHA in managing tough units: affordable housing family units. Secaucus has over 220 affordable housing units at Secaucus Junction. SHA is involved in managing those units; certifying the eligibility of the tenants.

Commissioner Dukes asked if it was families, not seniors. Mr. Snyder answered it's mostly family units. When they do a plan, there is a small component that could be used for elderly units. It would be defined in the City Planner's plan. City Manager mentioned veterans housing – disabled veterans. So it could be something like that. There are lots of possibilities.

Mr. Snyder said because HHA doing so well financially, HHA is able to use cash flow and Mr. Feorenzo found out today, as accountant did calculation on rent, there is an increase in rent, which wasn't there in public housing. It is about \$110,000 more

income because of increase in rents that HUD has granted, which has no bearing on tenant. It's HUD that gives HHA additional funds; that coupled with administrative fee – is \$450,000 in additional income.

### **PAYMENT OF CLAIMS**

Motion to approve payment of claims made by Commissioner Stuart; 2<sup>nd</sup> by Commissioner D'Arminio.

VOTE: AYES/All Present Commissioners (6)

Absent: Pico

### **OLD BUSINESS – none**

### **NEW BUSINESS**

Conference in May in Atlantic City, Sunday to Tuesday – 5<sup>th</sup> to 8<sup>th</sup>.

### **REMARKS OF CITIZENS – none**

### **ADJOURNMENT**

Motion to adjourn made by Commissioner Stuart; 2<sup>nd</sup> by Commissioner D'Arminio.

VOTE: AYES/All Present Commissioners (6)

Absent: Pico

Respectfully submitted,

Deborah L. Alvarez  
Secretary/Transcriber