

MINUTES ... REGULAR MEETING ... DECEMBER 8, 2025

The members of the Bethlehem Housing Authority met in a regular session on December 8, 2025 at 4:00 P.M. (IN PERSON MEETING). Those present and absent were as follows

PRESENT

Mrs. Lindsey A. Clifton, Chairperson
Mrs. Rachel Leon
Mrs. Iris Linares
Mr. J. Marc Rittle

ABSENT

Mr. Rogelio Ortiz, Vice Chairperson

Also present were: John Ritter, Secretary-Treasurer; Diana Moreno, Assistant Secretary; Staff Members and members of the general public. William W. Matz, Jr., Esq., Solicitor, absent.

The Minutes of the Regular Meeting of November 10, 2025, were presented and approved. Mr. Rittle made a motion to accept the minutes of November 10, 2025. Mrs. Linares seconded the motion.

Roll Call: Ayes – Clifton/Linares/Rittle; - Nays; Leon

Chairperson Clifton presented the Treasurer's report for November.

Mr. Rittle made a motion to approve the treasurer's report for November 2025.
Mrs. Leon seconded the motion.

Roll Call: Ayes – Clifton/Linares/Rittle/Leon; Nays – None

Under the Financial report, Mr. Snyder reported that overall operations are doing well, with no significant changes. The Expense Report is favorable, with only a slight unfavorable variance attributable primarily to reduced interest income, which has been removed from future projections since that income will not continue into the coming year. He noted that expenses are slightly higher this year, particularly as colder weather increases operating costs.

Regarding the Section 8 program, Mr. Snyder explained that the year-to-date leasing is approximately \$200,000 less than last year. The Authority is working to maintain approximately four hundred leased vouchers; however, locating available units remains challenging. Vouchers continue to be issued to maintain utilization levels, and staff are also exploring Project-Based Vouchers, with funding already set aside and work underway on that initiative.

Mr. Snyder provided an update on federal funding, noting that Congress passed a continuing resolution through January, funding programs at the 2025 level. All funding was received on time except for the Section 8 administrative fee, which was received today. The administrative fee is lower than in prior periods due to HUD's calendar-year-based funding adjustments, which decrease administrative payments as voucher utilization increases throughout the year. While initial monthly payments may be higher early in the year, they typically decrease later, creating concern that projections for next year's administrative funding will be lower, making future fiscal years more challenging.

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He further reported that Operating Fund subsidies are projected to be approximately \$435,000 less than last year, continuing a downward trend. However, he noted that the Authority actually received 2.5% more than budgeted last year due to HUD having more available funds than anticipated. Mr. Snyder explained that HUD's subsidy calculation methodology allows adjustments to rental income assumptions, which can reduce subsidy amounts without formal proration, making funding levels more predictable but generally lower.

Mr. Snyder also discussed HUD's proposed changes to subsidy drawdown procedures, which would require housing authorities to exhaust existing cash before drawing down additional funds. National housing organizations, including PHADA and NAHRO, have petitioned HUD to delay implementation due to lack of clear guidance. If implemented, the Authority's existing \$3-3.5 million in AMP reserves would prevent immediate drawdowns, negatively impacting reported income and resulting in a paper loss, despite funds being available.

The Cost Allocation Plan will go into effect in January in compliance with Office of Management and Budget requirements. This will require costs to be allocated to specific programs, including charging rent to programs such as Section 8 for Central Office space, which will impact financial statements. Mr. Snyder also noted that HUD is reviewing Central Office Cost (COC) fees following past audit findings. Any reduction in COC fees would reduce Central Office income but correspondingly lower AMP expenses, resulting in a net neutral impact overall.

Additionally, Mr. Snyder reported that the Authority received a clean audit with no findings. Audit materials will be distributed to the Board next week, and auditors' representatives Steve or Ryan are expected to attend the next meeting, either in person or via Zoom if weather conditions require.

Mr. Rittle sought clarification on the Section 8 vouchers, questioning whether vouchers were being issued but not utilized. Mr. Snyder explained that while vouchers are being issued, finding available units remains difficult. Currently, approximately eight vouchers are active on the street. The Authority aims to maintain four hundred vouchers to balance risks associated with job loss, rental income fluctuations, and varying tenant contribution levels.

Chairperson Clifton presented the financial report for November 2025.

Mrs. Linares made a motion to approve the Financial Report.
Mrs. Leon seconded the motion.

Roll Call: Ayes – Clifton/Linares/Rittle/Leon; Nays – None

Under Courtesy of the Floor, Agenda Items Only - Nothing reported.

Under Old Business, discussion of the Parkridge lease was deferred due to the absence of Attorney Matz, as several outstanding legal questions remained. Ms. Clifton asked whether the Certificate of Insurance, naming the Bethlehem Housing Authority as an insured had been received. Mr. Ritter confirmed that it had and reported that all required documentation, including the 501(c)(3) information and insurance materials, was on file.

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Ms. Clifton noted that she had additional questions concerning specific language in the lease agreement. With no objection from the Board, the matter was tabled and will be revisited at a future meeting when Attorney Matz is present.

Under Chairperson report – Nothing reported.

Under the Executive Director's Report, Mr. Ritter announced that the BHA's holiday luncheon will be held from 12:30 p.m. to 2:30 p.m. in the Community Room at Monocacy. He also reported that Attorney Matz is currently working to reactivate the Authority's 501(c)(3) nonprofit status to support voucher-related activities. In addition, HUD has approved the demolition of the First Tee building. Discussions have taken place with Gorman, the developer for the Choice Neighborhood project, who has expressed willingness to manage both the demolition and reconstruction of the building as part of the Choice development.

Mr. Ritter explained that approximately \$2.5 million had originally been allocated for renovation of the First Tee building. Since the renovation option was no longer viable due to HUD cost caps, and because the project may now be incorporated into the Choice Neighborhood initiative, those funds are proposed to be reallocated to Parkridge renovations. The First Tee building would be demolished and rebuilt as twelve new units through the Choice Neighborhood project, with Gorman providing funding and construction. If the Choice project does not proceed as anticipated, the Authority retains the option to reallocate the funds back to the First Tee project.

The Board members asked clarifying questions regarding the timing, funding sources, and prioritization of Parkridge renovations versus redevelopment of the First Tee site. Mr. Ritter noted that Parkridge renovations were previously included in the Five-Year Plan but were deferred to prioritize the First Tee project, and that funds can be shifted between years. He stated that incorporating the First Tee redevelopment into the Choice project would maximize resources by allowing developer-funded construction, thereby freeing Authority funds for other capital needs. It was clarified that discussions with Gorman are ongoing and that no final agreements have been executed.

Questions were also raised regarding governance and approval within the Choice Neighborhood Steering Committee. Mr. Ritter indicated that the discussions with Gorman are recent and remain in the exploratory stage. Board members acknowledged that while the proposal could be beneficial, additional details regarding financing and approvals will be needed as discussions progress.

Regarding the 501(c)(3) status, Mr. Ritter clarified that the Authority has an existing but long-dormant nonprofit entity, which is still legally valid. Legal counsel is working to bring the entity back into compliance so it can be utilized appropriately moving forward.

Mr. Ritter further reported that the Authority's holiday food and clothing drive was successful, with donations distributed to the Northeast Community Center, the Boys and Girls Club, and several local churches. He announced several upcoming community initiatives, including bus trips for seniors to view holiday lights, attendance at a Liberty High School student holiday concert, and a proposed jazz concert at the Community Center by a Freedom High School student.

Finally, Mr. Ritter announced that Miriam Maldonado will retire on December 31 after 27 years of service, and her retirement will be recognized during the Authority's holiday celebration.

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Under the Deputy Executive Director's Report – Nothing reported.

Under Committee Reports, Resident Advisory Board – Nothing reported.

UNDER RESOLUTIONS - APPROVING OF THE FIVE-YEAR ANNUAL PLAN.

Mrs. Linares made a motion to approve the Five-Year annual plan.

Mrs. Leon seconded the motion.

Roll Call: Ayes – Clifton/Linares/Leon; - Nays - Rittle

Mr. Ritter noted that the strategic goals are outlined on page four of the document.

Ms. Clifton questioned whether Strategic Goal 9, which addresses preparing financial contingency plans for potential significant reductions in federal funding, was a new addition. Mr. Ritter confirmed that this goal was carried over from the prior plan. Ms. Clifton emphasized the importance of maintaining this goal.

Discussion followed regarding the Project-Based Voucher (PBV) program. Mr. Rittle requested clarification on references in the plan indicating that PBVs would be associated with new construction beginning in 2026. Ms. Rivera and Mr. Ritter explained that the Authority intends to begin by issuing an RFP for PBVs, initially focusing on new construction as a first step in establishing the program. It was clarified that no specific buildings have yet been identified and that the program framework is still under development. Board members discussed the possibility of future PBVs being applied to existing properties, which may be considered in subsequent phases of the program.

Ms. Clifton noted that some confusion arose from discussing two separate sections of the document: the goals for the upcoming year and the progress report outlining activities from the prior year. Mr. Rittle expressed concern that limiting PBVs to new construction could exclude potential community partners and suggested broader language. Staff acknowledged the feedback and indicated it would be taken into consideration as the program evolves.

Ms. Clifton stated that the Five-Year Plan was being presented for Board approval. Mr. Rittle asked about conflict-of-interest requirements and was advised that abstention is appropriate only in cases of personal financial interest.

Under New Business – Nothing reported.

Under Miscellaneous Reports and Other Business Board Member, Ms. Leon advised the Board that she has adjusted her work schedule to allow her to attend most meetings in person going forward. She noted that attendance had been challenging in recent months but confirmed that she expects to be present for upcoming meetings. Ms. Clifton thanked Ms. Leon for the update and for making the effort to attend in person.

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She noted that, since Attorney Matz was not present, the Parkridge Lease would be continued to the next meeting to allow for his input on outstanding questions. Mr. Ritter confirmed that there is no urgency regarding the matter.

Under Public Comments - Nothing reported.

Chairperson Clifton noted that the next re-organizational board meeting will be held on Monday, January 12, 2026, at 4:00 P.M., in the community room at Monocacy Tower. There being no further business to transact, Chairperson Clifton declared the meeting adjourned.

John Ritter
Executive Director