

MINUTES . . . REGULAR MEETING . . . MARCH 11, 2024

The members of the Bethlehem Housing Authority met in a regular session February 12, 2024, at 4:00 P.M. (IN PERSON MEETING). Those present and absent were as follows:

PRESENT

Mrs. Lindsey A. Clifton, Chairperson
Mrs. Valerie McLendon
Mr. J. Marc Rittle

ABSENT

Mr. Rogelio Ortiz, Vice Chairman
Mrs. Iris Linares

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

The Minutes of the Regular Meeting of February 12, 2024 were presented and approved with the amended notations. Mr. Rittle made a motion to accept the minutes of February 12, 2024. Mrs. McLendon seconded the motion.

Roll Call: Ayes – Rittle/McLendon/Clifton; Nays – None

Chairperson Clifton noted two clarifications on the February 12, 2024, minutes. For the record noted on page 1, Mr. Snyder reported on vouchers it should be 108 available not 404 and the reporting of the “deputy director’s position was reported under old business not the executive director’s report.

Mr. Rittle made a motion to approve the Treasurer’s report for February 2024.
Mrs. McLendon seconded the motion.

Roll Call: Ayes – Rittle/McLendon/Clifton; Nays – None

Under the financial report, Mr. Snyder reported that last month the financial report showed the administration profit of about 2.5 million but that was an error. He said hopefully the new system will correct this as the excel text was edited in a way that inadvertently changed the numbers. So, an adjustment was made, and the year-to-date actual income and expenses is 1.894 million.

Mr. Rittle made a motion to approve the Financial Report for January 2024.
Mrs. McLendon seconded the motion.

Roll Call: Ayes – Rittle/McLendon/Clifton; Nays – None

Mr. Snyder reported on the Section 8 Shortfall. Due to the high fair market rent (FMR), we are now at the beginning of a shortfall. We are eighteen units above what our Section 8 HAP funds allow. He explained the workings of the Section 8 program, stating that HUD sets rents based on fair market rent (FMR) and allows adjustments up 110% if the rent is too low. Adjustments are made based on factors such as income, unit condition, and eligibility criteria. The organization explored the possibility of increasing rents up to 120% but found it cumbersome due to bureaucratic procedures and limited approval timelines from HUD. Last year, HUD said there is a crisis around the country, and they let every housing authority go to 120%. We were playing catch up but now we’re starting to see the fruits of it.

In addition, when the new rents came out, now they're lower than 120%. So, now for the new rents they're going to be less than what the old rents are. Now we're locked into a second year because we have to give the tenant a year's notice before we can move on. Then, to make things worse, HUD started pushing us to put vouchers on the street. So, we put 87 vouchers on the street. Now, these are starting to lease up. The expenses are now starting to hit because people have leased up, and now we're starting to see the real expenses come in. So, the financial strain has caused the shortfall, and were projected to run out of funds by the end of the calendar year 2024. We have been in communication with HUD and are awaiting directives on how to address the shortfall. In an effort to prevent any adverse effects on current Section 8 recipients, we are taking proactive steps such as ceasing the issuance of new vouchers and limiting portability. We're only allowing people to go to another housing authority if that housing authority's willing to absorb them. We're seeking guidance from HUD's Stop Loss Prevention, and we will be following any directives provided by HUD to address the shortfall. HUD's funding decisions are crucial in resolving the financial strain we're facing.

Mrs. Clifton asked what date we stopped issuing new vouchers. Mr. Snyder said currently we have 30 on the street and those haven't been pulled back. Mr. Ritter said this happened last week. Mrs. Clifton asked how portability works. Mr. Snyder explained the portability process that when a tenant moves to another housing authority, we have to pay their payment standards. And he said we're pulling out vouchers at some point, the ones that are on the street now. Mrs. Clifton said in theory this would be revoking approval for people who have been approved. Mr. Snyder said yes but for anyone who has not found a unit. Mr. Ritter said if we're allowed. Mr. Snyder said we're waiting for an answer from HUD. Mrs. Clifton commented that there are certain steps that are required in order for HUD to cover the shortage, including stopping vouchers and stopping portability and potentially pulling. Mr. Snyder agreed. It's for HUD to determine, they have the authority to say, at what point, as long as they're not under an RFTA which means they have an agreement, we may be able to pull them back. If HUD says no the number will go higher. They're taking a good average of six months to lease up, if and given every extension we possibly can.

Chairperson Clifton asked does HUD give guidance on what to do when we're over leased on vouchers? A guideline would be helpful. She is concerned about completely stopping vouchers and potentially crippling the housing needs in our community. Mr. Snyder said the problem is there is no money to pay them, then we have to kick people off the program and they're already on the program and we don't want to go there.

Mr. Snyder emphasized that we cannot reallocate funds from other departments to cover the Section 8 Housing Assistance Payment (HAP) shortfall. HAP funds specifically cover Section 8 expenses. He elaborated on the financial situation, explaining that HUD is aware of our budget, which consists of reserves from the previous year and expenditures from the current year. Any additional donations or funds received cannot be used as HAP expenses but could potentially be utilized for administrative purposes or other non-HAP expenses. Furthermore, Mr. Snyder provided an overview of the VMA (Voucher Management Agency) Voucher Reports from January to March 2024, to provide further insight into our financial status and the utilization of Section vouchers during that period. This review is to help the board understand the current utilization of vouchers and how it aligns with the financial projections and shortfall predicament.

Chairperson Clifton inquired about whether similar shortfalls had occurred in the past. Mr. Snyder recalled a similar situation back in 2014, where HUD became concerned about the possibility of us exceeding our budget. Chairperson Clifton asked if the HUD Stop Loss Prevention meeting had been scheduled and if a board member could participate. Mr. Snyder clarified that it's an internal administrative meeting, but assured the board they would receive a complete report. He said this is where project-based vouchers would be helpful. Chairperson Clifton said they're more affordable. Mr. Snyder said the new ones are.

Mr. Snyder will follow up with the board on the HUD guidelines sixty-page document and will highlight the important information, and we'll get the Stop Loss Prevention Report to the board. Mr. Rittle asked Mr. Snyder if the meeting was successful with HUD and if they resolve the shortfall with the 18 units, we won't need to take any measures. Mr. Snyder said once you go into shortfall, HUD says you have to stop portability. Unless the other housing authority is willing to absorb them that's a requirement. However, as soon as you're one dollar out of shortfall you have to allow the people to port out.

Chairperson Clifton inquired about how HUD distinguishes between an "in" and "out" shortfall status. Mr. Snyder clarified that HUD uses a quarterly tool to assess the authority's shortfall status. When the negative number indicating a shortfall disappears, the organization is no longer considered to be in a shortfall status. Mr. Ritter acknowledged Mr. Snyder's vigilance in monitoring the situation, indicating that he had caught the issue. Mr. Snyder elaborated further, explaining that due to increased expenses and HUD's stringent oversight of funds, he regularly contacts HUD to request additional funding. However, HUD's response time can be slow, often taking a month or two to provide the necessary full funding. The delay causes challenges in managing the finances effectively.

Nothing reported under Courtesy of the Floor.

Under Old Business, Mr. Ritter provided an update on the Deputy Director's position. He reported that we have been in communication with Civil Service and have been actively working on various aspects of the position. Currently, we're awaiting approval from Civil Service and once received, they hope to finalize for posting. We estimated that the process may take another three weeks or so to complete.

Under Old Business, Chairperson Clifton provided an update on the Conflict-of-Interest Policy. She mentioned that the policy was introduced by Attorney Matz during the previous meeting, and it had been read. Currently, we're at the stage of considering the draft for approval. Attorney Matz confirmed that he had no changes, and that the final version was ready for approval. Chairperson Clifton expressed reluctance to proceed with approval even though we had a quorum of three. Attorney Matz stressed the importance of addressing and approving the policy as soon as possible for prudence's sake. Mr. Rittle proposed posting the policy as a resolution, which Attorney Matz supported, emphasizing that it pertained primarily to the board, as there is already a staff policy in place. Attorney Matz suggests it to be a resolution only because it affects each one of the commissioners, staff, everyone that's part of the organization. Public input is up to the board but at some point, this board needs to adopt something.

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Mr. Rittle said if it's public then his staff, at New Bethany and HUD could have a chance to review the document. Attorney Matz said that at the discretion of commissioners, it's a policy of the organization dictated by the commissioners. For the organization as well as the staff.

Chairperson Clifton suggested sharing the draft policy with staff for review and feedback. This would enable the board to consider any suggested changes before presenting the policy for approval at the next meeting. Mr. Ritter confirmed that they would distribute the draft policy to staff promptly for review and feedback. Chairperson Clifton appreciated the clarification and confirmed that the exiting draft would be used unless any changes arose based on feedback before the meeting. Ultimately, it was agreed to table the Conflict-of-Interest Policy until next month's meeting allowing for further review and consideration.

Under Chairperson Report, Chairperson Clifton reported there have been no further contact or updates on Senator Casey's office. Mr. Ritter confirmed that he had not had any contact with them either, despite reaching out. Secondly, on the SEMAP (Section 8 Management Assessment Program) report and scores referenced in relation to the meeting about vouchers. SEMAP is HUD's assessment process and tool for the voucher program, evaluated annually. Mr. Ritter clarified that the SEMAP report evaluates various categories, such as rent calculations, and assured the board that he would share it with them. Mr. Ritter clarified that the SEMAP report evaluates various categories, including rent calculations, and assured the board that he would share it with them. He mentioned raising questions for Governor Casey's staff because if there were indeed many complaints, there should be evidence of them in the reporting.

On the Second Harvest lease update for Lynfield Community Center 501C3, managed by Roy Ortiz. They had a recent meeting to review a draft lease and requested an update from Attorney Matz. Attorney Matz reported receiving the necessary documents but highlighted discrepancies in the lease arrangement, including a separate corporation, Lynfield Community Center, entering an agreement with Second Harvest, which hadn't been fully transparent. He proposed updating the August 2023 meeting minutes to reflect this and suggested revisions to the lease for transparency. Chairperson Clifton agreed to schedule another meeting to review the updated lease and promised to review the previous meeting minutes for revisions. Attorney Matz emphasized the need for transparency and clarified the arrangement with Second Harvest and the role of the separate corporation.

Chairperson Clifton provided an update on the Better Blocks for Bethlehem Initiative. A meeting was held on February 26th at the Boys and Girls Club regarding this initiative, which received grant funding to promote initiatives focusing on health, quality of life, and safety improvements in BHA communities. Two of the five target areas are BHA communities, specifically Pembroke and Lynfield. The program has collected survey data to identify common issues in these areas and is now working on creating programming and support using the grant funds. The initiative seeks partnership and support to implement programs effectively, suggesting connecting BHA staff, potentially including tenant counselors or property managers, with health bureau staff for further collaboration.

Chairperson Clifton mentioned the need to schedule an Executive Session to review and revise the bylaws. They need to coordinate a suitable time. Lastly, we have HUD Board training scheduled for Friday, March 29, 2024. From 10:30 AM to 12:30 PM. Allentown and Easton are also participating. Confirmation is awaited regarding whether it will be conducted in-person or online.

Under the Executive Directors' report, Mr. Ritter mentioned the following upcoming meetings. On March 14th, HUD representatives will visit to discuss the Choice Neighborhood Program, including a site tour of developments and the city. A Steering Committee meeting is scheduled for March 15th at the Boys and Girls Club from 9:30 AM to 10:30 AM. Our monthly Drug & Criminal meeting will take place on March 13th at 9:00 AM. The first Resident Advisory Board (RAB) meeting for the year is set for Thursday, March 14th at 1:00 P.M. In addition, the conversion of the operating system from Tenmast to Yardi is expected to be completed in October or November, with Tenmast retained until next April as a backup. Also, Mr. Ritter followed up with HUD about board training initially set for March 29th, which is Good Friday. An alternative date, possibly April 1st, is being considered. A meeting with local authorities from Allentown, Bethlehem, Easton, Lehigh, and Northampton housing authorities, directors, and key staff is scheduled for March 20th from 1:30 P.M. to 3:30 P.M at Bethlehem City Hall to address local housing needs, challenges, and concerns.

Under Committee Reports, Scholarship committee, Ms. Moreno stated that they received a list of the eighth graders and Senior students from the Bethlehem Area School District and they're in the process of mailing out the scholarship information to the students.

Under Committee Reports, Resident Advisory committee, Mrs. Flores provided a report. After reviewing the report, Clifton inquired about the location of the Field Day scheduled for August 17th, which she confirmed would take place at the Fink Building in Pembroke. Chairperson Clifton expressed interest in involving healthier individuals in community engagement opportunities and noted that she would add Gwendolyn to the relevant group. Commissioner Rittle asked about Litzenberger Pharmacy's involvement, particularly regarding vaccination updates. Mrs. Flores explained that Litzenberger Pharmacy works on various health initiatives, including vaccination updates, diabetes information sessions, and providing discounts for prescriptions. And she clarified that the Monocacy Resident Council would be opening a bank account this month, they have been running on fundraising money due to missing documents.

RESOLUTION NO. 2585 - APPROVING THE CONTRACT FOR GRASS CUTTING. (Resolution is entered separately as a part of these minutes.)

Mr. Rittle made a motion to approve the contract for grass cutting services.
Mrs. McLendon seconded the motion.

Roll Call: Ayes - Rittle/McLendon/Clifton; Nays - None

RESOLUTION NO. 2586 - APPROVING THE WRITE-OFF OF TENANT ACCOUNTS. (Resolution is entered separately as a part of these minutes.)

Mrs. McLendon made a motion to approve the write-off tenant accounts.
Mr. Ritter seconded the motion.

Roll Call: Ayes - Rittle/McLendon/Clifton; Nays - None

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RESOLUTION NO. 2587 - APPROVING THE RENEWAL LEASE WITH NORTHEAST COMMUNITY CENTER. (Resolution is entered separately as a part of these minutes.) THE RESOLUTION WAS TABLED.

After further discussion between the two parties, Attorney Matz proposed that we extend the existing lease for up to 60 days, contingent upon Mrs. Paul Johnson's board representation. Additionally, Attorney Matz suggested that we seek affirmation from her board regarding the efficiency of the extension. Following this affirmation, we would have 60 days to proceed with the review of the terms of our agreement, solely for the purpose of addressing the questions raised by the commissioners and administration.

The modifications are to renew the lease to every five years instead of two years, the landlord or tenant may terminate the lease by written notice one hundred and eighty (180) days prior to the end of the month and for the sum of no more than twenty-five thousand dollars, the NECC will provide services as noted in the attached program listing.

Mr. Rittle made a motion to extend the existing lease for up to 60 days.
Mrs. McLendon seconded the motion.

Roll Call: Ayes - Rittle/McLendon/Clifton; Nays - None

RESOLUTION NO. 2588 - APPROVING THE RFP FOR PROJECT-BASED VOUCHERS. (Resolution is entered separately as a part of these minutes.) THE RESOLUTION WAS TABLED.

Mr. Ritter stated due to our lack of experience with project-based vouchers he reached out via a common email to all housing authorities in an effort to seek guidance from other directors. Mr. Daniel Farrell, former Executive Director of the Allentown Housing Authority, who has experience in consulting and training related to the project-based voucher program reached out to him. He has offered to assist by preparing the Request for Proposal (RFP) and providing training to our staff to help them navigate the process and requirements associated with Project-Based Vouchers. This collaboration suggests a proactive approach to acquiring the necessary expertise and resources for effectively implementing Project-Based Vouchers within our housing authority.

Mr. Rittle raised concerns about voting on the resolution due to the conflict-of-interest policy as potentially being a landlord applying for Project-Based Vouchers. Attorney Matz suggests tabling the discussion until a conflict-of-interest policy is established, as Mr. Rittle's involvement may affect the quorum needed for a vote. Chairperson Clifton suggests potentially addressing the issue during an Executive Session and then affirming it at the next public meeting. This could expedite the process if an Executive Session can be scheduled before the next public meeting. The resolution was tabled until a conflict-of-interest policy is in place.

Under New Business, Chairperson Clifton stated she has a resolution honoring the service and work of Commissioner Valerie McLendon and her tenure on the board of commissioners. Whereas Valerie McLendon has served the Bethlehem Housing Authority Board of Commissioners with great dedication and commitment, and whereas more than 10 years of service on the board has a significant positive impact on BHA and whereas, her presence and leadership has been such valuable additions to the work of the BHA board of commissioners, be it resolved with the BHA board of commissioners celebrate Commissioners McLendon many contributions and sends her forth with deep appreciation and gratitude for her service.

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Mr. Rittle made a motion to approve the resolution honoring the services and work of Commissioner Valerie McLendon. Mrs. Clifton seconded the motion.

Roll Call: Ayes – Rittle/McLendon/Clifton; Nays – None

Chairperson Clifton once again thanked Mrs. McLendon with great enthusiasm for her services. “We have a small token of our gratitude; we celebrate all your contributions, and your presence will be deeply missed.”

Attorney Matz asked if the city has appointed a new commissioner. Chairperson Clifton indicated that there will be a new appointment next month, based on the information she has received. Mr. Ritter replied that he received an email right before the board meeting that they will be working on a replacement within the next week or so.

Under Miscellaneous Reports and Other Businesses, Board Member, Solicitor and Staff, nothing to report.

Under Public Comments, Mr. Winston Alozie, Chief Executive Officer, provided a detailed overview of the Boys & Girls Club of Bethlehem, including its mission, programming, and the impact it has on the community, particularly in serving children, especially those who need support the most. The organization has been serving the community for 94 years with a focus on helping young people reach their full potential as productive, caring, and responsible citizens. The club offers a diverse range of programs that cater to the interests and needs of its members. These programs are grouped into five core areas: Character Leadership, Creative Development, Sports and Wellness, Arts and Culture, and Special Interest. In the past year (2023), the club had a total of 514 members, with an average daily attendance of around 70 members. The membership includes children who have enrolled in the club, regardless of their ability to pay the membership fee. A significant portion of the club's membership comes from Bethlehem Housing residents, with 172 out of 514 members residing in Bethlehem Housing. The club's programs extend to various communities, including Lynfield and Parkridge. The club also offers separate summer programming, with 124 children served through the Northside program alone. The Boys & Girls Club acknowledges the importance of partnerships, particularly with the Bethlehem Housing Authority, in fulfilling its mission and serving the community effectively.

The club's operating costs amounted to \$676,189 last year, with an income of \$569,556. The housing authority contributed \$19,260 to fund the Workforce program, which provides job opportunities for teenagers from the housing community.

The club relies on the generosity of the community, partners, and individual donors to sustain its operations. Special events, grants from organizations like the United Way, and donations from individuals play a crucial role in funding the club's activities. The partnership with the housing authority is vital, not only in covering membership costs for children but also in providing job opportunities for teenagers. The club expresses gratitude to the housing authority for their support. The club's programming aims to provide children with access to various opportunities, including recreational activities, educational sessions, and career exploration, to help them build a bright future. He said there's a heartfelt expression of gratitude towards the housing authority, individuals like Mr. Robbie Robinson, Chip Jablonski, John Ritter, Anthony Santiago, and the maintenance staff for their support and dedication to the club's mission.

Overall, it's clear that the Boys & Girls Club of Bethlehem plays a vital role in the community by providing essential support and opportunities for children and youth. The importance of community support, partnerships, and the dedication of staff and volunteers in ensuring the Boys & Girls Club of Bethlehem continues to make a positive impact on the lives of children and teenagers in the community. We ensure that the Boys and Girls Club presentation will be distributed promptly to all board members.

Next, under public comments, Commissioner Mc Lendon delivered a heartfelt farewell message to the board of commissioners, reflecting on her 11 years of service and expressing gratitude for the opportunity to serve the community and reflecting on the meaningful experiences and relationships built during that time. "BHA is her family, so much history, she said". She thanked Mr. Winston Alozie for helping and serving the kids in the community. In past years, she would always receive a call followed by a letter from the City of Bethlehem, but she had not received anything. She may not be asked to serve another term but if called upon she would be honored to continue serving. Nevertheless, whether this is goodbye or not, her commitment to Bethlehem remains unwavering.

In addition, she expressed concerns about a lack of teamwork. That teamwork is essential to the success of the BHA. There were concerns among some of us regarding transparency and communication. This curiosity stems from a genuine desire to understand what's happening and to ensure that we are all aligned in our efforts to serve the community effectively. We have long held confidence in the competency of our Executive Director and staff in handling day-to-day administrative duties. The Executive Director also needs the support of the board, without trust we are divided, and anything divided against itself will utterly fall apart and fail. Unfortunately, over the past year, there has been a noticeable lack of transparency within our board, leading to concerns and division among us. Without trust and transparency, we risk fracturing our unity and compromising our ability to fulfill our mission. To address this, it's imperative that we all strive to be on the same page, fostering an environment where there are no issues, confusion, or lack of trust. Open communication, honesty, and accountability are essential in building and maintaining trust among board members and between the board and the Executive Director. Let's commit ourselves to transparency and unity, ensuring that we work collaboratively towards our shared goals and uphold the trust placed in us by the community we serve."

Our goal is to be loyal to the mission, that the board created last year at the NAHRO meeting as well as with some people from the city and we all discussed important core values that we should have such as, integrity, dignity, commitment, respect, pride, teamwork, caring, empathy and relationships. And even though transparency is essential personally she felt that there wasn't much transparency. But if we're heading in a different direction, we all should know what's going on, and I understand that our social society changed the inevitable and we all have had to adapt to social change. We as board members should always be on the same page and know what's going on and we shouldn't do things as board members that the Executive Director and other board members don't know about. The Executive Director and Board Members shouldn't get emails about things that are being presented and not having any clue, and it comes to all of us as a surprise. Nothing should come to the board members or the director as a surprise if we're all on the same team, that's not how the board in the agency functions. Transparency on the board and emphasized the importance of teamwork and trust in achieving the organization's mission.

Mrs. McLendon stresses the importance of diversity and equity on the board to ensure all voices are represented in decision-making processes. She raised concerns about commissioners contacting Bethlehem Housing Authority (BHA) employees directly, bypassing proper channels and potentially causing morale issues to employees and dissension among board members. At our last meeting, we had a commissioner go over the director's authority in discussing salaries with BHA employees and told employees if they weren't happy with their salaries to contact them directly. She feels that that's overstepping our bounds and authority over our Executive Director. And this kind of behavior is not in the commissioner's handbook as a job description, we have the power as a unified, effective board to transform communities and directly improve the lives and conditions of the residents that we serve. And in the past, we have been effective at working together with a diverse group of people, political leaders, local churches and church leaders and businesses to better our communities. We have done all of this in the past to strengthen our community, but the most important thing is to strengthen our relationship as the board of commissioners and the relationship with the agency we serve.

She is very proud to have served BHA and their staff to the best of her ability, being available to help serve with Mr. Ortiz in Lynfield, volunteering with him and Martha, assisting with the Field Day in Marvine and serving the community where she lives in the Parkridge. They have given their community over 51,000 pounds of food, coats, clothing, school supplies and resources all from donations from the relationships that were built and with the support of the BHA, Bethlehem Police Department, and the Bethlehem Fire Department. She was doing all of this before she was appointed to the Board 11 years ago because the community needed help, and serving is her passion. So, despite the challenges Mrs. McLendon reaffirms her commitment to the community to provide food, clothes, resources and to pull the community together in unity. You can't even spell community without the word unity. She expressed her gratitude once again for the opportunity to serve and pledges to continue serving the community in various capacities. She expressed a deep sense of dedication to serving and a desire for transparency, teamwork, and equity within the organization. Chairperson Clifton thanked Mrs. McLendon.

Chairperson Clifton noted that the next regular board meeting will be held on Monday, April 8, 2024, at 4:00 P.M. at the Monocacy Tower, community room. There being no further business to transact, Chairperson Clifton declared the meeting adjourned.

John Ritter

Executive Director