

MINUTES . . . REGULAR MEETING . . . FEBRUARY 10, 2025

The members of the Bethlehem Housing Authority met in a regular session on February 10, 2025 at 4:00 P.M. (IN PERSON MEETING). Those present and absent were as follows

PRESENT

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

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.

Mr. Rittle noted a revision on the first page, fourth line, and questioned whether the phrase was correctly attributed to him. He suggested that it referred to Chairperson Clifton rather than himself. Chairperson Clifton agreed.

The Minutes of the Regular Meeting of January 13, 2025, were presented and approved. Mrs. Linares made a motion to accept the minutes of January 13, 2025. Mrs. Leon seconded the motion.

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

Chairperson Clifton introduced the new format of the Check Register, attributing the update to Yardi System. Mr. Rittle and Mrs. Linares expressed their approval of the new format. No questions on the check register.

Mrs. Linares made a motion to approve the Treasurer's report for the January listing 2025. Mr. Rittle seconded the motion.

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

Under the Financial report Mr. Snyder provided an update on the cash and investments, noting that the cash balance had decreased due to significant expenditures, including the PILOT tax payment to the city and two insurance payments, which were recorded as prepaid expenses. Additionally, some CDs matured in late November but were not reinvested until December, causing an increase in investments and impacting cash flow, particularly on the operating fund. Regarding income and expenses, Snyder reported that the actual favorable balance had decreased to \$868,000 and would continue declining due to increased heating-related expenses, including gas, electric, and heating system repairs. While the expectation is for a favorable balance by year-end, it is unlikely to remain at the current level.

Mr. Snyder read a letter received from Patty Bennett, HUD Section 8 Shortfall Program Analyst. The letter stated, "I have conducted a two-year analysis using the 2024 submitted VMS. The shortfall award was sufficient to cover your 2024 shortfall, and no additional funds are needed. Based on projections, you are not expected to have a shortfall in 2025. As a result, I am releasing you from shortfall status, and monitoring responsibilities will return to the field office.

02/10/2025

(2)

The QAD Shortfall Team (SPT) has confirmed that Bethlehem Housing Authority is not projecting a shortfall for the 2025 calendar year. In accordance with the HCV Optimization Protocol, monitoring will be managed by the field office. The field office is responsible for providing updates every 35 days if there is a shortfall risk or every 90 days otherwise, while maintaining a 2% reserve.”

So, in response to this development, he revised the leasing report format. As of January, and February, 793 units had been leased out of an allowable 1,026, resulting in a leasing rate of 77.29%. During this period, \$745,000 was spent, while HUD provided \$801,450 in funding, leaving a \$56,000 surplus. An additional surplus of approximately \$29,000 from December increased the total reserve to \$82,383 as of early February.

With available reserves, Snyder emphasized the need to issue more vouchers strategically while avoiding another shortfall. Currently, four vouchers are on the street, and their cost impact is still being assessed. Moving forward, the plan will involve a gradual approach to leasing, considering unit sizes and waiting list order to maximize funding efficiency.

Mr. Rittle sought clarification on whether vouchers were now being issued to applicants from the waiting list, as they had not been last year. Mr. Snyder confirmed that efforts were now underway to distribute vouchers, starting with the top five applicants on the list. However, he emphasized the need for careful management to ensure financial sustainability. He noted that unforeseen circumstances, such as a voucher recipient losing their job, could result in increased rental assistance needs, requiring a reserve to cover potential funding gaps. Mr. Rittle acknowledged the importance of monitoring these factors, and Mr. Snyder reiterated the necessity of a cautious approach to avoid overextending available resources. Mr. Rittle expressed his approval of the plan.

Chairperson Clifton requested that a “Section 8 report” remain on the agenda moving forward to reflect the updated status of the program, as the organization is no longer in shortfall. Mr. Snyder confirmed that he planned to provide an updated report each month, as the figures may change due to the timing of voucher payments. He explained that HUD’s VMS system only reflects payments after funds are disbursed to landlords, meaning adjustments to previous months’ totals may be necessary. Additionally, he noted that while HUD provided \$400,000 in funding this month, future payments could fluctuate based on reserve levels. If the reserve increases, HUD may reduce funding accordingly but can release additional funds upon request.

Mr. Rittle then inquired about the timing of HUD payments. Mr. Snyder explained that funding is generally received on the first or second day of the month, though there can be slight delays. The organization releases landlord payments once the funds are received, typically by the 5th of the month if there are no delays. He also reassured the board that there have been no issues with receiving HUD payments, even during the federal sequester.

Mrs. Leon made a motion to approve the Financial Report for February 2025.

Mr. Rittle seconded the motion.

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

Courtesy of the Floor/Old Business/Chairman’s Report - Nothing reported.

02/10/2025

(3)

Under the Executive Director's Report, Mr. Ritter informed the board that he has registered for the PHADA Executive Director training course in Seattle, scheduled for May 16th-17th. He noted that the training should be an interesting and valuable experience. Additionally, Mr. Rittle shared details about a recent meeting with Paula Johnson from the Northeast Community Center and representatives from the City of Bethlehem Health Bureau.

The discussion focused on a potential shared ride program for neighborhood children and young adults, allowing them to borrow a bicycle for the day and return it when finished. Another initiative under consideration is the installation of a library vending machine with a hotspot outside the Northeast Community Center, funded through a grant from the City of Bethlehem. Mr. Rittle inquired about the source of the bicycles for the proposed shared ride program. Mr. Ritter responded that the details were still being worked out, and the City of Bethlehem Health Bureau would provide further information once finalized.

Mr. Ritter provided an update on the Choice Neighborhood initiative, specifically regarding the early action plan for Dutko Park. He mentioned that a few proposals had been presented, and efforts were underway to narrow down the options. He added that on the site tour for the RFQ related to the Choice Neighborhood initiative. Initially scheduled for February 4th, the tour was rescheduled to February 12th to accommodate developers with conflicting deadlines. The tour will take place in Pembroke, allowing prospective developers to visit the site in preparation for submitting their RFQ responses.

Mr. Kichline added that the RFQ was published around January 29th. Urban Ventures will participate virtually during the site visit, and representatives from the city are expected to attend as well. The next milestone in the process is the submission deadline for RFQ responses on March 7th. Chairperson Clifton inquired about the screening process once responses are received. Mr. Kichline explained that Urban Ventures will conduct an initial review using a structured spreadsheet to summarize key details for easier comparison. A designated review team, including representatives from the Housing Authority and the City of Bethlehem, will then assess the submissions. Chairperson Clifton requested that she and Mr. Rittle, as board liaisons for the Choice project, be included in those discussions. Mr. Kichline agreed to extend the invitation.

Mr. Rittle sought clarification on the purpose of the RFQ, confirming that it is to select a development partner as part of the planning grant. Chairperson Clifton explained that this step finalizes the planning phase while preparing for a potential implementation grant application, which requires a higher level of development planning detail. She acknowledged the team's efforts in finalizing and publishing the RFQ in a timely manner and expressed hope for a productive site visit on February 12th.

Mr. Ritter introduced Mr. Alquin Russell from Career Link to discuss tenant services offered through Career Link.

Mr. Alquan Russell from Career Link Lehigh Valley provided an overview of the organization's programs and their efforts to expand community outreach. Career Link serves Easton, Allentown, and Bethlehem, focusing on workforce development for individuals facing employment barriers. Mr. Russell specializes in outreach for the 18-24-year-old demographic, particularly those with challenges such as disabilities, homelessness, foster care backgrounds, or young parenthood. Career Link offers funding for career training in high-priority occupations, including HVAC, CDL, LPN, and Certified Medical Assistant programs. Their services also include employability skill development, leadership training, resume building, and job placement assistance.

02/10/2025

(4)

To enhance outreach, Career Link is exploring partnerships with the Bethlehem Housing Authority, Parkridge Community Center, and the Boys and Girls Club. Mr. Russell envisions hosting job fairs, information sessions, and community engagement events to increase awareness of Career Link's programs. He emphasized that all funding is federally sourced, though it is subject to availability.

One notable initiative is Career Link's Paid Work Experience Program, which places young adults (18-24 years of age) in temporary positions with local businesses and organizations. Participants work 28 hours per week at \$15/hour, fully funded by Career Link. Mr. Russell proposed that BHA consider enrolling in this program to provide clerical or other work opportunities at no cost to the agency.

Mr. Russell also highlighted potential engagement strategies, including basketball-based outreach events, workshops for parents and youth, and regular career training sessions at community sites. He expressed his personal commitment to Career Link's mission, having gone through one of its programs himself.

Mr. Rittle inquired about the Parkridge Community Center partnership, and Mr. Russell confirmed that they're in the early planning stages of launching initiatives there in collaboration with Ms. Valerie McLendon. The team is eager to move forward and expand their impact in Bethlehem's communities. Mr. Rittle said excellent initiative.

Chairperson Clifton thanked Valerie McLendon for facilitating the connection with Career Link and emphasized the importance of sustaining this collaboration beyond a single engagement. She suggested identifying a dedicated BHA staff member to maintain programmatic connections with Career Link, in addition to the existing efforts at Parkridge and Lynfield.

Ms. McLendon confirmed that Career Link's initiatives would also align with the Family Self-Sufficiency (FSS) Program, and further discussions would take place to explore scheduling and availability.

Mr. Alquan Russell highlighted another key Career Link initiative, support for the justice-impacted community, providing workforce training and employment opportunities for individuals with prior legal involvement.

Chairperson Clifton raised a logistical concern regarding transportation access for residents across all BHA communities, ensuring that programs at one site remain accessible to individuals from other locations. Mr. Ritter acknowledged the challenge and mentioned that BHA has a bus that could help facilitate transportation. Mr. Russell added that Career Link has transportation reimbursement programs for certain events, such as the annual April Job Fair at Art's Quest, which covers bus transportation for attendees. He committed to exploring whether similar transportation support could be extended for future BHA-related events. Before concluding, Mr. Russell expressed his appreciation for the opportunity to partner with BHA and planned to follow up with Mrs. Gwendolyn to coordinate the next steps.

Under the Deputy Executive Director's Report, Ms. River reported that the monthly Drug & Criminal (D&C) Meeting is scheduled for Wednesday, February 12th, and she would provide updates in the following month's report.

02/10/2025

(5)

Chairperson Clifton asked how her transition into the role was going to which Ms. Rivera responded positively, expressing gratitude for the support of her team and her efforts to position herself effectively to support the Executive Director. Mr. Ritter added that she had adapted quickly to her role and integrated well into the organization.

Mr. Rittle raised a question regarding recent federal funding uncertainties, referencing an order that had temporarily halted and later reinstated funding for some programs. He sought insight into whether there were any anticipated impacts on BHA's funding or programs, particularly given upcoming federal decisions expected by March 30th.

Mr. Ritter reassured the commissioners that while some federal programs had experienced brief shutdowns, housing-related funding had remained largely unaffected. BHA had only experienced a brief 24-hour disruption, but landlord payments were not due at that time, minimizing any immediate impact.

Ms. Rivera added that she had been closely monitoring HUD's website and federal resources for updates but had not found indications of significant funding cuts or restrictions. She noted that while uncertainty remains, there are suggestions that another shutdown may not occur. She committed to keeping the board informed of any new developments.

Mr. Ritter concluded that BHA's current funds are fully allocated, and the organization remains in a "wait and see" position regarding future federal funding decisions.

Under Committee Reports, Scholarship Committee, Ms. Moreno reported that she will be reaching out to the Bethlehem Area School District to obtain a list of BHA residents 8th-grade students and graduating seniors for 2025 to begin working on the scholarship application process. Chairperson Clifton inquired about the deadline. Ms. Moreno noted that applications are typically in April for 8th graders and May for seniors.

Under the Resident Advisory Committee report, nothing was reported.

Under Resident Council, Mrs. Flores reported that the Resident Council election process had already begun in two buildings. Nominations are taking place in February, with elections scheduled for March and April.

RESOLUTION NO. 2608 - APPROVING THE OPERATING BUDGET FOR FISCAL YEAR ENDING 3/31/2026.

Mrs. Leon made a motion to approve the operating budget for the fiscal year ending 3/31/2026. Mrs. Linares seconded.

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

Mr. Snyder provided an overview of the fiscal report, highlighting a significant increase in expenses. He explained how HUD determines funding based on expense levels, utility consumption, and projected income. Over the past five years, HUD has increased the expense level by varying percentages, with this year's increase set at 3.1%. Utility funding is based on a three-year average, rewarding savings but penalizing overuse.

02/10/2025

(6)

Mr. Snyder noted that despite requesting a higher subsidy for 2025, the allocation is approximately \$876,000 less than anticipated. Rising costs, including a 15% increase in certain expenses, have contributed to this shortfall. He explained that during the COVID-19 pandemic, HUD adjusted income projections, which have since increased by 9.04% for the current budget cycle.

To address the funding gap, the authority plans to use Operating Reserves. If the projected \$1.214 million is used, cash reserves would decrease from \$10.5 million to just over \$9 million. However, Mr. Snyder reassured the board that reserve funds are managed through staggered CDs, ensuring liquidity for operational needs. The operating portion of the budget is \$901,000, while the additional amount covers necessary add-ons. For example, our computers need to be updated to prevent them from becoming obsolete. We need to upgrade to Windows 11 and have them serviced, but they can no longer be updated, so they must be replaced.

The initial estimate we provided is quite high, and we do not expect to spend the entire amount. Similarly, we do not anticipate spending \$25,000 on Yardi or Weiss Consulting, as much of this work is being handled in-house. I estimate that the actual expenditure will be about one-fifth of the projected amount. We are making every effort to reduce costs as much as possible.

Regarding financial sustainability, Mr. Snyder confirmed that rental income continues to provide \$600,000-\$700,000 per month, supporting cash flow. While Section 8 funding cannot be supplemented by public housing funds, reserves are available to cover potential federal funding delays. He also noted that HUD's budget for 2025 remains uncertain, and there is hope that full funding will be allocated rather than prorated.

Chairperson Clifton inquired about a 4% salary increase for clerical and administrative staff, which matches the increase received by maintenance employees under their collective bargaining agreement. It was confirmed that clerical and administrative staff are not unionized but typically receive similar adjustments.

Mr. Snyder concluded by acknowledging the challenges of budgeting with fluctuating utility and service costs but emphasized efforts to manage expenses efficiently, including strategies like quicker unit turnovers to reduce costs. Chairperson Clifton thanked Mr. Snyder and his team for their detailed work in preparing and organizing the financial report.

RESOLUTION NO. 2609 - APPROVING THE REPLACEMENT OF THE HOT WATER SYSTEM AT THE MONOCACY TOWER.

Mr. Rittle made a motion to approve the operating budget for fiscal year ending 3/31/2026.
Mrs. Leon seconded.

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

Chairperson Clifton inquired about the familiarity of Hosler Enterprises LLC, to which Mr. Kichline confirmed they had previously worked with the organization. She then asked about the project timeline and its impact on residents. Mr. Kichline explained that the project is expected to last 60 days and, if awarded promptly, will allow the contractor to begin preparations, including ordering equipment, for a late May start. The timing aligns with the heating system shutdown, ensuring minimal disruption as one existing boiler will be used temporarily to maintain hot water service while the domestic hot water system is replaced.

02/10/2025

(7)

Under New Business and Miscellaneous Reports and other business – Nothing reported.

Under Public Comments Former Commissioner Valerie McLendon delivered a heartfelt acknowledgment of individuals who have made significant contributions to the Parkridge Community. She began by expressing her deep personal connection to Parkridge, highlighting her and her husband’s longstanding commitment to the community.

Her first recognition was for Charles “Chip” Jablonski, the Maintenance Supervisor for Bethlehem Housing Authority, praising his outstanding work ethic, reliability, and adherence to the housing authority’s values. She emphasized his integrity and dedication, presenting him with a Loyal Service Award in appreciation of his hard work and commitment to the community.

Next, Mrs. McLendon recognized Gwendolyn Flores, Family Self-Sufficiency Coordinator at BHA for her instrumental role in serving the Parkridge Community. She shared a personal quote from Mrs. Flores, “if we use our talents and our lives to change someone else’s life, we can transform our community and, ultimately, the world.” She highlighted Mrs. Flores’s along with Mr. Ritter’s efforts in securing a 54-foot truck to provide 31,000 pounds of food to families in need and her leadership in coordinating a tenant council for Parkridge. She was presented with a Recognition Award for her dedication and community service.

The final acknowledgment was for Mr. John Ritter, who has served BHA since 2012 and demonstrated unwavering support for the Parkridge Community. Mrs. McLendon commended him for his volunteer efforts at community events, including cooking for the Annual Community Block Party, and his role in securing permits and licenses for events such as food distributions. He was presented with an Appreciation Award for his continued commitment and leadership in improving the community. Chairperson Clifton expressed gratitude to Ms. McLendon for her words and efforts.

Chairperson Clifton noted that the next regular board meeting will be held on Monday, March 10, 2025, 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