

MINUTES . . . REGULAR MEETING . . . OCTOBER 14, 2024

The members of the Bethlehem Housing Authority met in a regular session on October 14, 2024, at 4:00 P.M. (IN PERSON MEETING). Those present and absent were as follows:

PRESENT

Mr. Rogelio Ortiz, Vice Chairperson
Mrs. Iris Linares
Mr. J. Marc Rittle

ABSENT

Mrs. Lindsey A. Clifton, Chairperson
Ms. Rachel Leon

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 September 9, 2024, were presented and approved. Mrs. Linares made a motion to accept the minutes of September 9, 2024. Mr. Rittle seconded the motion.

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

Under the Treasurer’s report, Mrs. Linares asked whether we are still paying for surveys and if they are still being conducted. Mr. Ritter replied that there are still a few ongoing, but we will be wrapping them up shortly.

Mrs. Linares made a motion to approve the Treasurer’s report for September Listing 2024. Mr. Rittle seconded the motion.

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

Under the Financial report, Mr. Snyder reported that the expense report appears satisfactory, with expenses remaining low due to anticipated costs, particularly utilities, expected to accrue later in the year. He noted that the program remains in shortfall, which is expected to continue into next year as adjustments are made. However, the shortfall numbers are beginning to decrease, with a reduction from 392 in September to 390 in October. If HUD gives us 100% utilization, we’ll have about 386 voucher utilizations per month. Maintaining this level may still result in a shortfall until further balance is achieved, at which point the program may be able to reissue new vouchers.

Mr. Rittle asked if the December target date is still on. Mr. Snyder responded that it looks like we’ll officially enter the shortfall at the end of November. We will receive extra funding to cover the shortfall. Then, in December, they’ll leave us in shortfall until they determine that we no longer need extra funds. In the future, HUD will determine when we’re out of the shortfall. No new vouchers may be issued until we’re out of the shortfall, but tenants may transfer between units within the program. Mr. Snyder confirmed existing units are currently utilized with no new placements on hold. Mr. Rittle asked if 407 units were currently in use, to which Mr. Snyder confirmed the approximate number.

Additionally, Mr. Snyder provided an update on the Income and Expense Statement, highlighting that it remains consistent. This statement includes utility expenses, listed toward the lower end of the report. He noted that the current figures are accurate and expects them to remain stable moving forward. Cash balances were also confirmed as reported.

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Mr. Rittle made a motion to approve the Financial Report for October 2024.

Mrs. Linares seconded the motion.

Roll Call: Ayes - Linares/Rittle/Ortiz; Nays - None

Under Courtesy of the Floor, Mrs. Anna Smith, Director of Community Action Development Bethlehem, expressed appreciation for the recent productive meeting on the Lynfield Community Center lease. She commended the Bethlehem Housing Authority (BHA) for clarifying processes for community and partner access to indoor spaces, which has been a prominent request throughout the Choice Neighborhood process. She noted that Lynfield has been an excellent example of providing safe community spaces over the past decade, and formalizing access procedures will benefit all BHA developments. Additionally, she thanked Mr. Ritter for his efforts to modernize BHA operations and address tenant concerns. She emphasized the BHA's critical role in addressing the affordable housing crisis and expressed her organization's commitment to continued partnership in serving the Bethlehem community.

Vice Chairperson Ortiz expressed gratitude to Mrs. Smith and extended thanks to Mr. Ritter for his leadership. He also recognized staff members, and the entire administration team, for their exemplary work, noting that BHA is among the best housing authorities in the Lehigh Valley.

Under Old Business, Deputy Executive Director's position, Mr. Ritter stated that Civil Service provided one applicant due to the veteran's preference, which granted her an additional 10 points, bringing her score to 105. This preference made her the mandatory hiring candidate. He clarified that an interview is scheduled for October 17th at 9:00 a.m., to be conducted by himself and Mr. Eugene Gonzalez, with HUD confirming that this process is entirely managed by the BHA executive director.

Mr. Rittle inquired about the selection process, asking if there was a threshold for interviews and how many candidates applied. Mr. Ritter explained that only one civil service applicant was forwarded based on priority scoring as well as veteran status, which is a mandatory hire. The interview will be held in the conference room, and board members are welcome to attend if they choose.

Under Old Business, Lynfield Community Center Lease, Attorney Matz reported that the lease is completed, with additional comments from Chairperson Clifton incorporated. The lease has been sent to Mr. Ritter and Chairperson Clifton for final review, though it is slightly behind schedule by approximately eight to ten days. Attorney Matz confirmed that, in his view, the lease should be ready for circulation.

Under Chairperson's Report: No report. Chairperson Clifton was not in attendance.

Under the Executive Director's report, Mr. Ritter reported on two letters sent to the board, covering reclaimed voucher funds and rent calculation protocols. Mr. Rittle expressed appreciation for the follow-up information provided and found the summary on funding recapture categories helpful. But he asked for clarification on the specific category or categories that contributed to the \$300,000 in reclaimed funds discussed at the previous meeting. Mr. Ritter explained that the recapture of approximately \$300,000 may be due to a combination of factors, including underutilization and elevated Fair Market Rent (FMR) 120 percent during COVID.

Mr. Rittle replied that we don't know specifically the category contributing to the \$300,000 in reclaimed funds. Mr. Ritter confirmed that no specific category was determined. He also noted that the authority currently has 407 vouchers in use, which is close to the target range. Additionally, out of 513 vouchers, maintaining a utilization rate of 425 to 435 vouchers is ideal to avoid a shortfall. And noted that the increase to 120% of Fair Market Rent during COVID, which was sustained for an additional two years, created challenges in managing funds, as it significantly impacted leasing and budget stability.

Mr. Rittle requested clarification on the 120% Fair Market Rent (FMR) rate, which Mr. Ritter explained was the maximum rate paid to landlords during COVID due to market pressures. The rate has since been adjusted down to 105% to improve budget stability. Mr. Rittle acknowledged the challenges of underutilization, high FMR, and tight housing market conditions, which impact voucher usage. He also expressed interest in a breakdown of reasons for any shortfall, including administrative errors, to better understand fund management and improve future processes. Mr. Ritter agreed to provide additional details.

Additionally, Mr. Ritter informed the board about the new Yardi system, which automates rental calculations. He emphasized that while mistakes can still occur, staff meet with tenants to review their calculations, providing them with copies and contact information for any questions. Mr. Rittle inquired about the motivation behind a recent letter to tenants regarding these calculations, to which Mr. Ritter responded that it was prompted by discussions from the previous board meeting.

Attorney Matz clarified that questions arose about the transparency of the calculations given to tenants, linking it to past complaints, including one from Senator Casey. He confirmed that Yardi was implemented before recent tenant concerns were raised, with current adjustments aimed at improving communication on calculation methods. So, Mr. Rittle noted that the main change is improved communication with residents regarding how rent calculations are conducted. Mr. Ritter confirmed that clearer communication is indeed a significant change in the process. Attorney Matz asked Mr. Ritter to explain the protocol for rent calculation disclosures to aid the commissioners. Mr. Ritter detailed that clerks or managers meet with tenants to review all information, providing a printout of the data entered in the Yardi system along with the calculated rent. He emphasized that this process enhances transparency.

In addition, Mr. Ritter reported they had an NSPIRE inspection conducted on September 20th for the Parkridge and Lynfield developments, which encompassed a total of 300 units and received an 83% grade. He noted that while the grade may fluctuate slightly, it is considered quite accurate. Additionally, meetings were held with Teamsters 773 regarding the maintenance contract, and agreeable terms were reached over two separate dates. This contract will be presented for approval at the November board meeting, as the current contract is set to expire on December 31st, 2024. In addition, on September 13th, some staff members participated in the 33rd Souper Day at ArtsQuest, focusing on issues of housing security, economic justice, and food stability.

Also, there is an upcoming Choice Neighborhood event hosted by the City of Bethlehem on October 22nd at the Northeast Community Center from 6:00 PM to 7:30 PM. Also, a bus trip to visit the Choice Neighborhood project in Camden is scheduled for November 13th, with surveys nearing completion and final checks to be issued soon.

Furthermore, the Drug and Criminal meeting is scheduled for October 16th at 10:00 AM in the Monocacy Conference Room. He highlighted the Steak and Burger fundraiser hosted by the Boys and Girls Club at Wind Creek on October 18th, which some board members plan to attend. Mr. Ritter also reminded everyone that the November board meeting has been rescheduled for Tuesday, November 12th, in accordance with the bylaws, due to Veteran's Day on November 11th. Lastly, he expressed gratitude to the City of Bethlehem Health Center for providing free COVID and flu shots at all four high-rises.

Under Committee Reports, Resident Advisory Committee, Vice Chairperson Ortiz reported that Lynfield Community Center has successfully launched the homework club and is preparing for a Halloween party for residents and children at the community center. Additionally, plans are in place to distribute turkeys and trimmings for Thanksgiving, with East Hills Middle School scheduled to serve over 120 meals to residents and children in the community. The meals will be served from the Lynfield Community Center, and Mr. Ortiz will provide updates on the specific date as it becomes available. He explained that East Hills Middle School has been involved in serving meals for over 7 years.

He also announced that the next Resident Advisory Board (RAB) meeting is scheduled for Thursday, March 15, 2025. He continued by stating that the committee is still working on improvements for the Roberto Clemente baseball field at the Lynfield Community Center, with plans to discuss these renovations after the season concludes. Additionally, he proudly shared that they have successfully sent ten kids to college with four-year scholarships, emphasizing the ongoing commitment to strengthening the community and supporting its residents.

RESOLUTION NO. 2600 - APPROVING THE SNOW REMOVAL CONTRACT FOR 2024-2025.

Mr. Rittle made a motion to approve the snow removal contract for 2024-2025.

Ms. Linares seconded the motion.

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

Under New Business, Mr. Rittle expressed that he is approaching his second anniversary and acknowledged the need to initiate a formal evaluation of the Executive Director, Mr. Ritter, which has been delayed due to various circumstances. He proposed bringing it up now as New Business to ensure it is addressed in Old Business, emphasizing the importance of the evaluation process for leadership and accountability. He indicated a desire to rely on Chairperson Clifton to clarify and guide the evaluation process, noting that practices may vary among authorities. Vice Chairperson Ortiz then asked who would be responsible for conducting the evaluation, and the commissioner reiterated the intention to leave the procedural details to Chairperson Clifton.

Under Miscellaneous Reports, nothing reported.

Under Public Comments, Mrs. Satullo from the City of Bethlehem provided an update regarding upcoming events and initiatives. She invited all commissioners and available staff to join a field trip to Camden, which will also be open to BHA residents. There is Google form link that will be shared for sign-ups to facilitate communication and provide further information.

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The trip is scheduled to leave from City Hall at 10:00 AM and will include lunch and transportation, requiring a full day commitment. She mentioned the meeting on October 22nd at the Northeast Community Center, organized by community ambassadors for residents, which will also allow for sign-ups. Starting next week, the Bethlehem Housing Authority (BHA) will host a Choice Neighborhood Working Group that will concentrate on three specific areas of focus. Additionally, she encouraged attendees to suggest any individual who should be invited to participate in these sessions, highlighting the importance of diverse input for effective discussions. Chairperson Ortiz and Mrs. Linares thanked her for the information. Also, Mr. Rittle requested that the link for the Camden trip be sent to ensure everyone could participate.

Vice Chairperson Ortiz noted that the next regular board meeting will be held on Tuesday November 12, 2024, at 4:00 P.M. at the Monocacy Tower, community room. There being no further business to transact, Vice Chairperson Ortiz declared the meeting adjourned.

John Ritter
Executive Director