

**MINUTES OF THE MEETING
OF THE COMMISSIONERS OF THE
NASHUA HOUSING AND REDEVELOPMENT AUTHORITY
HELD AUGUST 28, 2020**

The Commissioners of the Nashua Housing and Redevelopment Authority (NHRA) held its meeting at a community room of the Nashua Housing and Redevelopment Authority, located at 100 Major Drive, Nashua, New Hampshire, at 8:30 a.m. on Friday, August 28, 2020. Chairperson Paul Deschenes called the meeting to order, and the Recording Secretary called the roll at approximately 8:37 a.m. with the following responses:

Present

Paul Deschenes

Thomas Monahan

Helen Honorow (entered meeting via teleconference at 9:21 a.m.)

James Tollner (via teleconference)

Eric Wilson

Absent

The meeting was held in the community room at 100 Major Drive due to federal and state social distancing guidelines relative to the COVID-19 pandemic, which require a larger meeting space to allow for precautions.

The following persons were also present : Lynn Lombardi, Executive Director; Scott Costa, Assistant Executive Director; Cary Soto-Lozada, Finance Manager; David Sanchez, Property Manager, and Andrea Reed-Lenane, Recording Secretary.

MINUTES:

The Chairperson entertained a motion to waive the reading of the Authority's regular meeting minutes dated July 17, 2020, accept them, and place them on file. Mr. Wilson made a motion, and Mr. Tollner seconded the motion.

The Chairperson asked if there were any comments, additions/deletions, corrections, or discussion.

There being no further discussion, the motions passed.

COMMUNICATIONS:

The Chairperson entertained a motion to waive the reading of the Communications, accept them, and place them on file. Mr. Monahan made the motion, and Mr. Wilson seconded. The Communications were as follows: Monthly Operational Reports – July 2020 – consisting of Public Housing and Section 8 Waiting List and Applications Report; Vacancy Report; Vacancy Report Compilation Sheet; Work Order Report; Section 8 Housing Choice Voucher Program (HCVP) Utilization Report; Rent Collections Report, and NHRA Development Sheet dated August 21, 2020.

The Chairperson asked if there were any comments, additions/deletions, corrections, or discussion.

Mr. Deschenes asked about the high rent receivables, and asked if NHRA is working hard to collect monies owed. Ms. Lombardi said yes, and informed the Board the eviction moratorium has now ended. Ms. Lombardi explained the public housing department is continuing to work with residents on entering into repayment agreements to resolve past debt, and other residents have been served eviction notices, as necessary. Ms. Lombardi said she is hopeful NHRA will enter into repayment agreements with residents who are faced with financial hardships due to the COVID-19 pandemic, and resulting widespread unemployment. Ms. Lombardi said while working on collecting the debts owed, NHRA is also ending the tenancy for residents who have a history of nonpayment of debt with NHRA.

Mr. Deschenes commented that the extra six-hundred dollars which was previously being paid to those receiving unemployment benefits has now ended, and must be creating difficulty for some residents. Ms. Lombardi explained there are programs available for residents to receive rental assistance, but unfortunately some residents have either already exhausted those services, or are in non-compliance with the programs and ineligible for continued help.

Mr. Wilson asked what resources are available to residents, and if NHRA offers this information or obtains services for them. Ms. Lombardi confirmed NHRA does supply referrals to residents. Ms. Lombardi said the City of Nashua's Welfare Department, The Front Door Agency, and Southern NH Services can be contacted for financial assistance.

Mr. Wilson asked when NHRA would stop leasing-up units that become vacant at Bronstein, as the redevelopment project is progressing. Ms. Lombardi explained the U. S. Department of Housing and Urban Development (HUD) requirements relative to days a public housing unit can remain vacant. Long term vacancies inevitably affect PHAS/REAC performance scoring under HUD's oversight. Ms. Lombardi said once NHRA receives approval on its Section 18 application, and the Declaration of Trust is released by HUD, units at Bronstein can remain vacant pending redevelopment. Mr. Wilson asked if new tenants at Bronstein are made aware of the redevelopment project. Ms. Lombardi confirmed.

There being no further discussion, motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT:

I am seeking the Board's direction on the six CD investments NHRA has with Triangle Credit Union (TCU). The rates proposed by TCU for the upcoming terms are very low, but still remain more competitive than other banking institutions. I am seeking the Board's direction on renewing these CDs. One option to consider is moving the funds to a money market account at TCU. The third option is to move the funds into a savings account with no guarantees on the APY (currently 0.50 APY at Citizens Bank). Looking at the chart below, I recommend moving NHRA's current investments into a money market account at TCU with an APY of 0.75. The current APY for a money market account at Citizens Bank is 0.20.

CD Renewal at TCU	Money Market Account at TCU
(1) \$200,000 CD – 3 months @ 0.50 APY	\$200,000 - \$499,000 @ 0.65 APY
(2) \$200,000 CDs – 6 months @ 0.50 APY	\$500,000 and over @ 0.75 APY
(3) \$200,000 CDs – 9 months @ 0.70 APY	

The redevelopment plans at Bronstein Apartments continue to move forward with Boston Capital following the August 6th Planning Board approval. The team is currently looking at predevelopment funding options, and we have received promising feedback from The Genesis Fund out of Berwick, Maine. The partnership is compiling the Section 18 Demo/Dispo application due to HUD in September. A meeting is being scheduled to hold a discussion with HUD's Special Applications Center prior to the submission of the Section 18 application. Dialogue is ongoing with NH Housing Finance Authority relative to the Low Income Housing Tax Credit preliminary application, with them providing NHRA and Boston Capital with feedback on the structure of the property.

With the delay in holding the August Board Meeting due to staff absences, NHRA was able to complete the Operating Budget for fiscal year beginning October 1, 2020 through September 30, 2021. The information is a lot to absorb and I am prepared to answer any questions.

The ongoing modernization work at Ledge Street Homes has exposed extensive rot beneath the existing siding. Scott Costa and Jim Floras have been working with the contractor to have all rotted boards replaced, while maintaining a close watch on the cost of change orders. If the change orders result in an overage of more than ten percent of the original approved cost, I intend on presenting this to the Board for approval.

The Chairperson entertained a motion to accept the Executive Director's Report. Mr. Monahan made the motion, and Mr. Wilson seconded.

The Chairperson asked if there were any additional comments or discussion.

Mr. Monahan commented the rates on certificates of deposit are not likely to increase for a long time. Mr. Monahan recommended more research be done regarding rates, specifically with banks local to the Nashua area. Mr. Monahan stated not only would the banks then have a local interest, but the Community Reinvestment Act could be beneficial for NHRA redevelopment going forward due to the very high amounts that would be deposited. Mr. Monahan said this would be the case with either a local banking institution or credit union. Mr. Monahan asked which CDs were due to be rolled over. Ms. Lombardi said all six. Mr. Monahan said credit unions have more limits with the capacity to loan, and banks can sometimes offer higher rates for investments. Mr. Monahan asked for a revisit of the rates Triangle Credit Union (TCU) offered. Mr. Monahan said this investment could potentially be an opportunity to leverage a liquid asset.

Mr. Monahan noted a correction needed to be made on the Executive Director's report. Mr. Monahan said the reference to Zoning Board approval be changed to Planning Board

approval. The correction is reflected in the Executive Director's Report as recorded in these minutes.

Mr. Monahan asked if Resolution No. 20-2372, regarding the FY2021 Operating Budget, had to be approved at this meeting, or could be considered further and approved at a later date. Ms. Lombardi confirmed that it could be tabled for approval at the September 2020 meeting.

There being no further discussion, motion passed unanimously.

NEW BUSINESS:

RESOLUTION NO. 20-2370
BY THE NASHUA HOUSING AND REDEVELOPMENT AUTHORITY
AUTHORIZING ITS EXECUTIVE DIRECTOR TO REJECT THE SOLE BID FOR
CUSTODIAL SERVICES RECEIVED FROM A-Z RESTORATION,
386 DUNSTABLE ROAD, TYNGSBORO, MA 01879
AND RE-BID THE WORK DUE TO BUDGETARY RESTRICTIONS

The Chairperson entertained a motion to approve Resolution No. 20-2370. Mr. Wilson made a motion, and Mr. Monahan seconded the motion. The Chairperson asked if there were any comments or discussion.

Mr. Wilson asked how the cost outlined in this bid compared to the previous contract. Ms. Lombardi said the proposed cost nearly doubles the cost of the previous contract. Mr. Wilson asked the name of the previous contractor. Ms. Lombardi said FV Kings, and explained that NHRA ended the contract with that company for continued lack of performance.

Mr. Deschenes commented on some poor performance from A-Z Restoration, the cleaning company from whom the bid was received, and the company whose services are currently being utilized by NHRA in the interim. Ms. Lombardi thanked Mr. Deschenes for sharing the cleaning deficiencies and assured him it will be discussed with the company.

Mr. Wilson asked if the term of the contract NHRA terminated with FV Kings had been completed. Ms. Lombardi said no. Mr. Wilson asked if there was a bond, and if action could be taken against it. Ms. Lombardi said yes. Mr. Wilson asked if the lack of performance was completely documented. Ms. Lombardi confirmed a five thousand dollar bond is required. Mr. Costa followed up with further information regarding the NHRA contract bond protocols, and stated the remaining bond amount from FV Kings could be two thousand five hundred dollars if FV Kings requested half of the amount back at the end of nine-months. Mr. Wilson recommended keeping the full amount.

There being no further discussion, the Recording Secretary called the roll with the following responses:

AYE

Eric Wilson

James Tollner

Thomas Monahan

Paul Deschenes

NAY

Motion passed unanimously.

RESOLUTION NO. 20-2371
BY THE NASHUA HOUSING AND REDEVELOPMENT AUTHORITY
APPROVING THE PUBLIC HOUSING TENANT ACCOUNT RECEIVABLES (TAR)
WRITE-OFFS IN THE AMOUNT OF \$35,748.17
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2020

The Chairperson entertained a motion to approve Resolution No. 20-2371. Mr. Monahan made a motion, and Mr. Tollner seconded the motion. The Chairperson asked if there were any comments or discussion.

Mr. Deschenes asked about a write-off of over eight thousand dollars, and what that may include. Ms. Lombardi explained it was a combination of past due rent, attorney fees, unit clean-out, and maintenance repairs.

Mr. Wilson asked if owing a debt to NHRA prevents a former resident from receiving other federally funded housing assistance nationwide. Ms. Lombardi said yes. Ms. Lombardi elaborated by saying although collection options for debts owed by former residents have been discussed, it is difficult to determine which direction to take in this regard. Ms. Lombardi said there are concerns about contributing to the homeless population by preventing former residents from securing any housing when the actions taken by a collection company appear on their credit history. Ms. Lombardi explained she and Mr. Costa have been discussing this after determining residents were vacating after having done extensive damage to the unit, which was being discovered at the move-out inspection.

Mr. Wilson suggested if a resident leaves with a large amount of rent owed, and it is determined they have caused a lot of purposeful damage, NHRA should pursue action to collect the debt. Mr. Wilson said there are circumstances in which a former resident may be in a legitimately difficult financial situation whether related to the pandemic or otherwise, and has done nothing intentional, but still owes money. Mr. Wilson stated each situation must be addressed at the discretion of the staff.

Ms. Lombardi asked the Board for their opinion on taking collection action through the court system, as opposed to a collection agency or other alternative. Mr. Wilson said he did not think court action was an effective solution, and stated several reasons why. Mr. Monahan agreed. Mr. Monahan said internal attempts are his suggestion, and delineating between those who abuse the services provided by NHRA, and those who are struggling is very important. Ms. Lombardi agreed and said NHRA staff could easily identify the differences. Ms. Lombardi detailed the process when the first month of rent goes unpaid by a resident, to the beginning of the eviction process, the move-out of a resident, move-out inspection and possible findings, as well as potential high costs to clean-out and prepare the unit for a new resident. Mr. Wilson confirmed his original statement that staff must determine the former residents who intentionally caused problems leading to their debt owed, and take action to collect the debt. Mr. Monahan concurred.

There being no further discussion, the Recording Secretary called the roll with the following responses:

AYE

Eric Wilson
James Tollner
Thomas Monahan
Paul Deschenes

NAY

Motion passed unanimously.

**RESOLUTION NO. 20-2372
BY THE NASHUA HOUSING AND REDEVELOPMENT AUTHORITY
APPROVING THE OPERATING BUDGET FOR
FISCAL YEAR ENDING SEPTEMBER 30, 2021**

The Chairperson entertained a motion to approve **Resolution No. 20-2372**. Mr. Monahan made a motion to table approval of Resolution No. 20-2372 until the September 2020 meeting, and Mr. Wilson seconded the motion. The Chairperson asked if there were any comments or discussion.

Mr. Wilson stated it is important for Board members to have further time to review the Operating Budget, ask any questions, and make a decision with all Board members present at the September meeting.

Mr. Monahan also said he would prefer more time to look over the budget prior to making a decision to approve the resolution.

There being no further discussion, the Recording Secretary called the roll with the following responses:

AYE

Eric Wilson
James Tollner
Thomas Monahan
Paul Deschenes

NAY

Motion passed unanimously.

**RESOLUTION NO. 20-2373
BY THE NASHUA HOUSING AND REDEVELOPMENT AUTHORITY
APPROVING THE FINANCIAL STATEMENTS / AUDIT PRESENTED AT THE JULY 17,
2020 BOARD MEETING FOR FISCAL YEAR ENDING SEPTEMBER 30, 2019**

The Chairperson entertained a motion to approve **Resolution No. 20-2373**. Mr. Wilson made a motion, and Mr. Monahan seconded the motion. The Chairperson asked if there were any comments or discussion.

Mr. Monahan said the audit report is very good, and he is happy there are no findings. Mr. Monahan noted the unrestricted funds were much higher than last with an increase of 16.68%, and said this shows the equity gained over the years is significant. Mr. Monahan said liabilities have increased, with the primary line items for liabilities being long-term portion of debt, as well as pensions. Mr. Monahan recommended reviewing the pension plan moving forward. Mr. Monahan also said increasing revenue is important, and the way to continue to offer pension benefits with consideration of affordability. Mr. Monahan expressed concerns about current liabilities as they relate to the cost of retirement benefits. Mr. Monahan commented NHRA is definitely doing very well at managing the costs associated with the Bronstein Redevelopment, and this bodes well for the future success of the NHRA itself, and potential additional redevelopment projects.

Mr. Monahan referenced the operating expenses as they compare to revenue, and stated this is a very important number to keep in mind as the Authority considers future redevelopment projects. Mr. Monahan explained the unrestricted net position, and the intended use of the funds referenced by same. Mr. Monahan expressed thanks regarding the financial management of NHRA funds, stating this resulted in the Authority having an excellent bottom line cash position. Mr. Monahan spoke about the Other Post Employment Benefit (OPEB) liability, and the impact of this expense. Mr. Monahan reiterated his previous statement of a review of the OPEB being needed by the Board. Mr. Monahan stated the financial reporting was listed in the audit report as in compliance, completely within standards, and this is very good news. Mr. Monahan complimented NHRA staff for this accomplishment.

Ms. Lombardi said she agrees with the OPEB liabilities, and has begun discussions with the fee accountant about decreasing the OPEB. Ms. Lombardi explained post-employment benefits that have been established in the past were to reward the staff for longevity and good service, and going forward it is also necessary to consider the longevity of the agency. Ms. Lombardi said the fiduciary responsibility to the agency must be looked at, and moving forward the agency cannot continue to carry such a high OPEB liability.

Mr. Wilson stated he has concern about the budgeted costs for retirees in the upcoming fiscal year, and the Board needs to move to the mechanism used for State and Municipal employees. Mr. Wilson said the Authority and the employee would then contribute during their tenure, and once the employee retires, the Authority would end contributions. Mr. Wilson additionally noted he does not think that the current way of handling retirement benefits would be financially survivable long-term.

Mr. Monahan said he agrees, but there are ways to be creative as the Board reviews the benefits and makes decisions regarding changes. Mr. Monahan also said he is glad Ms. Lombardi has been reviewing this, and would like to have a Commissioner be part of the discussions. Mr. Monahan recommended Mr. Tollner be the representative Commissioner due to his experience in the benefits field. Mr. Monahan said NHRA has a great staff, and as an inducement for new employees he still wants to offer certain benefits.

Mr. Wilson commented medical and dental benefits for retirees represent a cumulative expense as well, making the actual liability for retirees from the Authority quite a bit higher than the number reflected only for pensions. Mr. Wilson asked Mr. Tollner if he would accept

the task of being the representative of the Board for the purposes of reviewing the OPEB, and Mr. Tollner agreed.

There being no further discussion, the Recording Secretary called the roll with the following responses:

AYE

Eric Wilson
James Tollner
Thomas Monahan
Paul Deschenes

NAY

Motion passed unanimously.

BILLS/INVESTMENTS:

The Chairperson called for a motion to pay the bills as listed on the Cash Disbursement List - check numbers 63474 through 63641 and from the Park View Apartments Cash Disbursement List – check numbers 5505 through 5513, and to approve the investments as listed. Mr. Tollner made a motion to approve, and Mr. Wilson seconded the motion.

Mr. Monahan asked about a check made payable to D.L. Raymond, and if they had taken over the custodial work. Ms. Lombardi explained D.L. Raymond cleans and paints vacant units for turnover.

Mr. Wilson asked about a check which accounted for several units. Ms. Lombardi explained.

There being no further discussion, motion passed unanimously.

COMMISSIONERS' COMMENTS:

Mr. Wilson said he drove through Maynard Homes and it looks really good. Ms. Lombardi thanked Mr. Wilson, and said she would pass along the compliment to the maintenance department.

Mr. Monahan said the Memorandum of Understanding for Bronstein has been signed, which is big step forward. Mr. Monahan further explained the meaning of the document, as well as the upcoming joint venture agreement. Mr. Monahan stated the site plan was approved without any contingencies, and with the full support of the Planning Board and the public. Mr. Monahan again said this appears to be going very well towards progress for the community and NHRA. Mr. Monahan said Boston Capitol is taking care of quite a bit of work, and has been handling it all very well. Mr. Monahan said the work on the project has not been seamless, but is successfully moving along.

Mr. Deschenes addressed smoking in the buildings being a big problem, and the need to evict residents who violate the Smoke-Free Policy. Ms. Lombardi said discussions have

been held internally about enforcement, and what steps will be taken to further communicate that smoking in the units and/or buildings will not be tolerated. Ms. Lombardi said flyers will be delivered door-to-door, and signage will be ordered. Ms. Lombardi also detailed the consequences of non-compliance with the policy, up to and including the start of eviction proceedings for multiple offenses. Ms. Lombardi said residents who are determined to be in violation are referred to smoking cessation programs, and their units inspected for further violations prior to eviction proceedings being initiated. Ms. Lombardi noted an increase in the incidences of residents smoking in their units during the pandemic due to residents not wanting to leave their units for safety reasons.

Mr. Deschenes mentioned the amount of cigarette butts on the ground outside as there are no containers for disposal, noting they have been removed. Mr. Deschenes commented about residents who smoke in their units often try to cover up the smell with sprays and incense which is also a problem. Mr. Deschenes asked if the use of medical marijuana is allowed in the buildings, as there is a constant smell of this substance in the hallway. Ms. Lombardi said NHRA does have verified medical documentation from residents who have requested and been granted reasonable accommodations to do so.

Mr. Deschenes said there are many non-residents who appear to be residing with authorized residents, and asked what can be done about this, especially due to the fact that many of these people cause problems, damage, and drug issues in the buildings. Ms. Lombardi said one of the most important things residents can do to assist NHRA is to report these suspicions, which enables staff to investigate the issue. Ms. Lombardi explained the investigative process, and that NHRA will work diligently to evict. Ms. Lombardi said the more information NHRA can gather about the unauthorized person living with a resident, the more successful NHRA is with the eviction process. Mr. Deschenes also explained there is a lot of damage being done to the laundry rooms in the buildings, and described what is happening, stating the washers and dryers are constantly needing repairs.

Mr. Monahan said the worst part of this fraud is there are applicants waiting to be housed.

Mr. Deschenes said there are no screens in the laundry room of Sullivan Terrace South, and people are climbing in through the window to access the building, as well as throwing laundry out the window. Mr. Deschenes asked if bars could be put on the window. Ms. Lombardi said she would have the missing screens, and all noted issues addressed.

PUBLIC COMMENT:

None.

ANY OTHER BUSINESS WHICH MAY COME BEFORE THE BOARD:

None.

ADJOURNMENT:

The Chairperson entertained a motion to adjourn. Mr. Monahan moved to adjourn, and Mr. Wilson seconded the motion. Motion carried. Meeting adjourned at approximately 9:35 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Andrea Reed-Lenane". The signature is written in a cursive, flowing style.

Andrea Reed-Lenane
Recording Secretary