

ANNUAL REPORT

2022

An annual review of the Hightstown Housing Authority

**Annual Report of the
Hightstown Housing Authority
February, 2023**



This annual report is being presented to the Borough Council and the general public of the highlights, activities and plans developed by the Executive Director and dedicated Board of Commissioners.

Description and History

The Hightstown Housing Authority (HHA) was originally established in the mid 1950's with the intent of redeveloping the blighted area of town bordered by Rogers Avenue, Mercer, and Academy Streets. In 3 phases and separate grants, the 100 housing units were built, and the remaining property was deeded to the Post Office, with portions sold to what is now the Lakeland Bank. The Housing Authority (HA) property and housing units are strictly controlled by HUD through deed restrictions, a Declaration of Trust, a Use Agreement, and an annual ACC (Annual Contributions Contract). We also have a pending Cooperation Agreement with the Borough. All these documents control what we can do with the property and how we are required to operate.

Importance of Our Board of Commissioners

Unlike most boards and commissions in the Borough, the HHA Board has a legal and fiduciary responsibility to the Borough, the State of New Jersey, and the Federal Government. The Board is liable for the operations and can be sued for their actions or lack thereof. Our commissioners are required to have state mandated training at Rutgers University. In addition, the HHA makes continuing education and conferences available to the Board and Executive Director at the HHA expense. The Commission selects new members based on expertise that is needed by our business. We currently have on our board representatives with experience in law enforcement, finance, insurance, banking, legal, social services, and education. Having expertise in these fields is beneficial to managing a social service based real estate business.

Covid 19

This has marked the third year our country has gone through what can be considered the worst pandemic in recent history. We are all proud of our residents who many of which came to our vaccine clinics or went downtown and got fully vaccinated. Also our board members who got vaccinated decided we put enough procedures in place to have in person meetings again. We are the first commission in Hightstown to do so, and to the staff and guests attending it is appreciated.

Once again we had to halt the in person meetings for one month due to the Omnicron outbreak and the rampant spread of the virus. We have been able to be back in person starting with the March 2022 meeting.

We continue to provide our residents with a number of flyers, notes and suggestions on Social Distancing, limiting exposure to others. We feel it has helped to keep our families safe, and the staff healthy not only the pandemic, but flu season.

In Hightstown We See Housing as a Basic Need

Every major source will confirm, Food, Water and Shelter are the 3 basic needs for human survival. Our hope is the Borough Council selected “affordable housing administrator” in Hightstown holds the same values and helps to promote affordable housing in our town.

What are the chances of a person holding down a full-time job, or a child graduating from High School without a roof over their heads? Housing is a critical element, but it’s so much more. Properly housed, our residents have access to clean drinking and bathing water, ability to cook and prepare food, enjoy the security of closing their door at night and sleeping peacefully. We as the Hightstown Housing Authority have developed a community where neighbors become friends, caring for one another, caring for the children and the elderly. By having this stability, we enable people to achieve a level of self-worth by allowing them to develop their own feelings of self-esteem.

Capital projects

Roofing:

The Housing Authority completed a complete re-roofing of the complex with new 50-year warranty shingles. Included in this project was all new soffits, facias, and new gutters with gutter guards. Over 200 sheets of plywood had to be replaced when the roofing was done, mostly from moisture damage surrounding the fire walls in the attic. Air sealing the firewalls was immediately added to the capitol agenda so the Housing Authority can solve this problem. We had a great experience with the contractor and architect, who took great care of our property and the residents during construction.



Exterior piping damage:

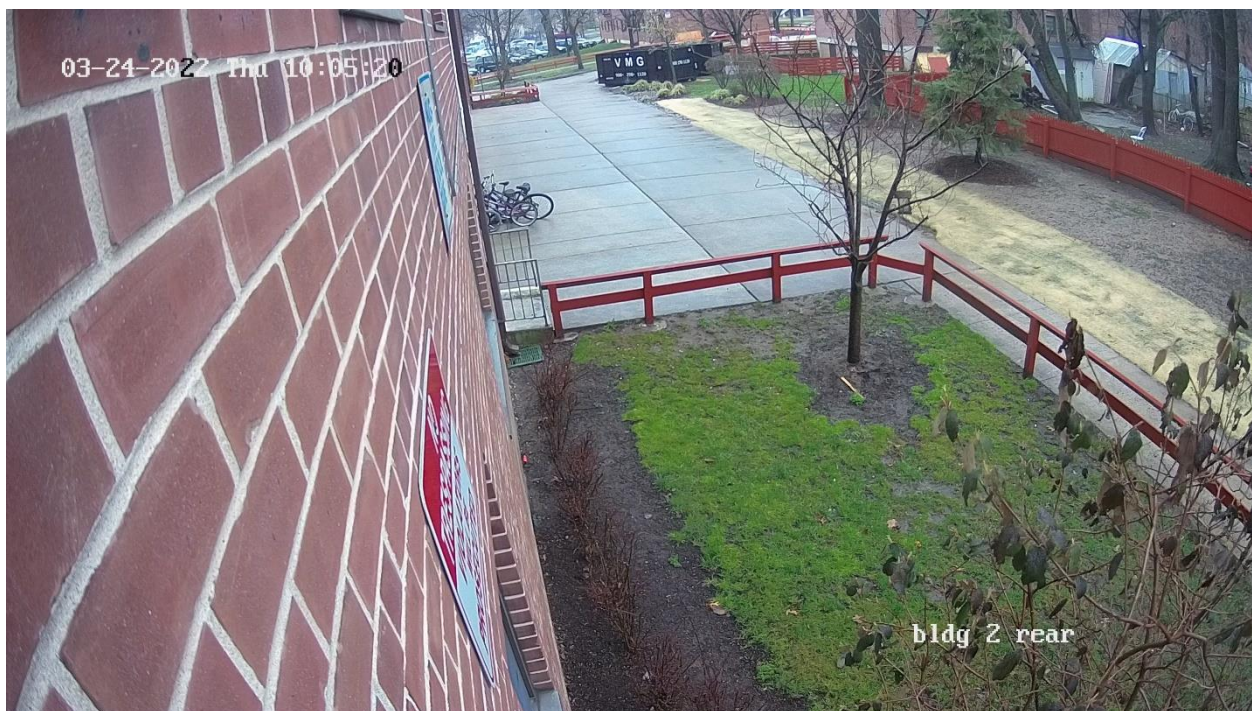
A major 2-inch hot water line developed a large leak in between buildings one and two. It took 3 days and a lot of excavation to uncover the problem and solve it. This was one of the many physical plant problems we had to deal with this year.



Unfortunately, this was not our only problem. Another leak occurred closer to building 1 that took excavation of the line again. Fortunately we now know what we are dealing with and were able to excavate, replace the damaged line and regrade in the course of 1 day.



Leaking problems exist in most of our crawlspaces and underground between the buildings. These are the lifelines of the Authority, providing heat, domestic hot and cold water to our apartments. In August we discovered another leak and brought in the excavators and plumbers to have it fixed. The Executive Director made the bold move and reached out to both State and Federal Agencies detailing the ongoing concerns. His persistence paid off. As a result of his efforts, and at no cost to the Housing Authority, we were granted \$615,000 dollars for year one to do the engineering and begin the construction replacing all the aging piping that supplies heat and water to each apartment. HUD has given us assurances that the money needed to complete the project will be available when needed. Many thanks for these efforts supporting our residents and ensuring the safety and comfort of our residents.



Repairs made to piping in the lawn.

O&S Engineering won the competitive bid that was done by the Housing Authority and is currently designing the new systems that will last the Housing Authority for generations to come.

HHA & NAHRO “What Home Means to Me” Poster Contest

NAHRO invites Housing Authorities to participate in their yearly poster contest. In March we ask our Resident Students, Kindergarten through 12th Grade to participate in our Poster Contest. 1st Place Winners in each age category (Elementary, Middle School and High School) are summited to NAHRO Regional Competition, and the winners from Regionals are summited to the National Competition. Our students show their artistic flair and do a wonderful job each year.

Resident Council

Our Resident Council normally meets the 3rd Tuesday of the month at 10 AM in our Community Room. We encourage all our Residents to participate. The Council gives the Residents the opportunity to express their ideas and concerns and give us feedback on the projects going on here at the HHA. We have been able to be meeting in person. Our resident had a large Easter Egg hunt for the kids, Halloween treats and a Holiday gift for both the children and the Senior Citizens of the Housing Authority.

Our Gardens

The Board and Staff of the Hightstown Housing Authority are dedicated to providing quality housing and service to our residents, both inside their apartments and outside on the grounds. We have expanded our “Resident Garden” program in 2022 to include over 12 participating families including 6 planting boxes specifically for the kids. Our “pollinator gardens” designed to attract bees, birds and other insects that assist in pollination are in their fourth full season and the plants are maturing nicely. The colorful signage helps everyone understand the purpose of the gardens and provides a bit of fun education. The original rain gardens, (yes, now 8 years old) was completely redone in 2021 and has matured nicely. . It’s amazing how things filled the space, making it look like we never touched it! We built a new raingarden in 2021 on the end of building 1, unfortunately, the lack of rainfall in the summer has taken its toll, so we will replant what is needed in 2023. . All the gutters on the end of building 1 have been connected and redirected to the rain garden that was been planted with several perennials and one dogwood tree as the anchor.



Demographics

Age and ethnicity: The HHA is currently serving 203 residents of which 117 are female and 86 males. We have 49 senior citizens and 12 younger persons that are permanently disabled. We currently have 56 children under the age of 18. We are an ethnically diverse community, with 104 Caucasian residents, 90 African American residents and 9 Asian residents. 57 of our residents are listed as Hispanic.

Employment and Community Service

The Housing Authority has policies in place that promote work and self-sufficiency. Each resident who is 18 or older and is not a full-time student, senior citizen, family caregiver or disabled must be employed and work at least 30 hours per week. If none of these are applicable, they must perform community service. Community service is a benefit to the local community by volunteering at local non-profits.

We currently have 63 residents working at the businesses listed below. Many of our residents do not have cars, but rather rely on bikes, cabs or walking to work. As you can see, many of the employers below are within walking distance of our community.

Workforce Housing: Employers Served

Meadow Lakes	Shop Rite	E.W. School District	Walmart
Princeton Hospital	Target	Amazon	Comfort Keeper
RISE	Home Health Aids	4 Seasons Deli	CVS
Hightstown Housing	Temp Agency	Better Beginnings	Wawa
Bank of America	Local Construction	Home Depot	Hilton
Jiffy Lube	Victoria Textiles	Lifetime Brands	Hightstown Diner
US Post Office	RISE	Morgan's Grill	Retro Fitness
NJ Turnpike	Staples	Home Depot	Morgan's Grill
Local Dry Cleaner	Forsegate CC	Dollar Tree	Monroe Village

We have 13 residents performing community service at the following organizations

Rise	Trenton Area Soup Kitchen	Better Beginnings
United Methodist Church	St. James EME	First Baptist Church
HHA Resident Council	HHA Delivering Notices	HHA Clean-up

Wait Lists and Wait List Management

The Hightstown Housing Authority actively monitors and twice per year updates the waiting lists to make sure everyone on the list is still interested. In 2021 we opened our wait lists for 3 months for 3 apartment types. We currently have 178 families waiting for apartments. We are estimating a 3-5 year wait for a unit, especially one-bedroom units (both family and senior citizen). We had 11 turnovers in 2022 that allowed us to renovate several apartments.

Financials

The Hightstown Housing Authority has developed a strong financial position over the last 10 years. Maintaining 100% occupancy and strict financial controls have allowed us to generate over \$900,000 in cash that has been dedicated to supplementing our Capital Fund which is used to rebuild and maintain the Housing Authority. 2022 continued this trend as demonstrated below.

2022 at a Glance:	Revenues	\$980,075.49
	Expenses:	
	Salaries	\$261,580.30
	Payroll Expenses	\$105,299.21
	Utilities	\$175,541.69
	Maintenance Exp.	\$119,662.47
	Admin Exp.	\$ 83,803.01
	Insurance	\$ 45,000.00
	PILOT	\$ 41,194.99
	Extraordinary Maintenance (Roofing and major pipe repairs)	<u>\$324,324.38</u>
	Revenue VS Expenses	<u>\$176,328.56</u> (Unaudited)

We are pleased with our performance given the amount of cash we spent this year on capital improvements. We use just over \$150 thousand in excess revenue, and we utilized resources from our savings and we still maintained over \$500K in liquid cash. We were very fortunate this year to benefit from the increased federal subsidy and resident incomes.

The Trend in Public Housing

In our opinion, Public Housing and publicly subsidized housing will be going through a slow transition to a private housing model. This has been underway for several years and will continue to evolve over the next 10 years. The Federal Government no longer has the will or the financial resources to properly fund these vital programs, our hopes were dashed through the “Build Back Better” plan, which was approved by the House, but failed to reach the Senate floor. This bill would have brought substantial subsidies into the Housing Authority allowing us to complete many capital projects. The Tax Credit Program is one of the models to help fund development without long-term capital and operating support. The downside is the Housing Authority would lose control of the property during the compliance period (15 Years) The RAD (Rental Assistance Demonstration Program) is another model that is currently being tested and shows promise. This helps fund operations and long-term capital. The problem is the local HA loses control of the operations in either scenario. In the future we believe affordable housing will become an issue that must be solved and funded locally.

Planning for The Future

- 1. Investing in Infrastructure:** In 2021 and 2022, the HHA invested from its cash reserves and limited capital funds over \$900,000 dollars into the physical plant and residential units. We contracted an architect to redesign our handicap kitchens around the facility. To date 4 kitchens have been completed, and the others will be scheduled upon turnover. The board undertook the replacement of the flooring material on turnover this year. This was originally a recommendation from the resident council, that the board considered and decided to move forward. With this we are replacing the base trim, outlets, switches and mounted light fixtures. Counter tops and appliances are replaced as needed in the units. The apartments look brand new when they are turned over. We continued with our normal capital activities such as appliance replacement, storm water drainage systems, landscape improvements and removal of unused impervious surfaces.
- 2. Roofing Project.** In 2021 and into 2022 we undertook the reroofing of all 7 residential buildings. The board took the bold move to reroof the entire complex, using cash reserves to lock in the prices. This proved to be a good move, given the inflation in 2022, saving more than \$100 thousand dollars. The Board chose a 50-year shingle, a virtual lifetime of leak free service from our roofs. To compliment this, we replaced all the soffits, fascia's and installed new gutters with "gutter guards". This is yet another benefit for our residents, to go along with the new heating systems, hot water systems, stairways, and sidewalks.
- 3. Infrastructure piping:** The board is actively working with the Architect and engineers to begin the next phase of infrastructure work at the Housing Authority. We will be replacing all the heating and domestic water piping in the crawlspaces and underground connections. This will include replacing and labeling all the valves leading to each radiator and apartment fixture. Most of this piping is over 50 years old and beginning to fail in some areas. We had multiple failures on the heating and hot water loop that happened very early in the heating season. We were fortunate we were able to have it repaired before there was a serious need to heat. We are currently dealing with several issues on the hot and cold-water supply side almost weekly.
- 4. Exterior doors and Windows:** The board is actively working towards replacing all the exterior doors and windows in the complex. When installed, the current windows are all aluminum without thermal breaks. So, when it's cold or hot, that temperature gets transmitted into the unit. The new doors and windows will be thermally broken and energy

efficient, saving the Authority money on utilities but more importantly keeping the residents comfortable.

Memberships, Affiliations and Certifications

The HHA holds memberships to the following national and regional organizations:

- PHADA - Public Housing Authority Directors Association. The ED is a principal member of their Small PHA Committee.
- NAHRO - National Association of Housing and Redevelopment Officials.
- NJNAHRO - NJ division of the above.
- NJNAHRA - NJ division of National Association of Housing and Redevelopment Authorities
- IREM - Institute of Real Estate Management
- AHAB - Affordable Housing Accreditation Board

Executive Director's Accreditations:

- **ARM** (Accredited Residential Manager)
- **CPM** (Certified Property Manager) designations from the Institute of Real Estate Management
- **AHM** (Assisted Housing Manager) from the National Leased Housing Association
- **PHM** (Public Housing Management) from the National Association of Housing and Redevelopment Officials.

Awards and Honorariums

- High Performance Housing Authority as awarded by HUD for operational, financial and physical plant excellence. 2013,2014,2015,2016,2017,2018, 2019.(first inspection since Covid in January 2023)
- New Jersey Sustainable Business Designation
- River Friendly Business - Stony Brook Millstone Watershed
- NAHRO Award of Merit for Sustainability Efforts and Education
- One or only 8 Accredited Agency's by the Affordable Housing Accreditation Board in the United States

Our Board of Commissioners:

James Eufemia, Chairperson

Jeet Gulati

Brent Rivenburgh

Terry Parliaros

Eva Teller.

Sean McDonnell

Jameeliah Lance

Our Staff:

Allen Keith LePrevost, Executive Director

Cheryl Cavanaugh, Certification Specialist

Lynmarie Newman, Administrative Assistant

Charles Schilling, Maintenance

William Miller, Maintenance

