

Princeton Housing Board
Monthly Meeting
April 14, 2015
Monument Hall – East Meeting Room
One Monument Drive, Princeton, NJ 08542

Present:

Board Members:

Lance Liverman
Alvin, McGowen, Chairman
Omar Nishstar
David Schraye, Vice Chairman
Ruth Thurmond Scott
Mary Agnes Procaccino
Colin VonVorys
Kate Warren

Staff:

Christy Peacock, Coordinator
Ed Schmeirer, Esq.
V Bea Snowdon
Ed Truscelli, PCH
Arnaz Yousafzai, PCH

Absent:

Carol Golden

I. CALL TO ORDER - Open Public Meeting Statement

At 5:42PM, Chairman McGowen called the meeting of the Princeton Housing Board to order by reading: "This is the regular meeting of the Princeton Housing Board for Tuesday April 14th. Adequate notice of this meeting has been provided as required by the Open Public Meetings Act. Notice was provided of the date, time, and location of this regular meeting by posting a copy of the adopted schedule of the regular meetings with the Clerk's office and by mailing copies to the Princeton Packet and Town Topics."

II. PUBLIC COMMENT

Chairman McGowen called for public comment. With no response heard from the public, the meeting continued.

III. APPROVAL OF MINUTES – March 10, 2015

The addition of honorifics, correction of a house number, and deletion of two items were requested by those present. Mr. Schraye's motion, to accept the March minutes with these revisions, was seconded by Ms. Thurmond Scott. Mr. Liverman and Mr. Vonvorys abstained from the vote, because they were absent on March 10th. All remaining eligible Board members voted in favor of the action to accept the minutes with revisions.

IV. PRINCETON COMMUNITY HOUSING (PCH) REPORT

The Affordable Rentals Status Report, containing data for the month of March, was distributed. A report given by Ms. Yousafzai shared the following:

Princeton Administrative Agent Rentals:

307 applicants are currently on the rental waiting list.
12 new applications were received and all of them were accepted.

Princeton Community Housing Rentals:

9 new applications were received for *Elm Court*, 119 applicants are on the waitlist.
5 new applications for *Harriet Bryan House* were received, 128 are now on the waitlist.
11 new applications were received for *Griggs Farm*, with 184 on the waitlist.

Only one vacancy now exists, and it is located at *Harriet Bryan House*.

Ms. Warren requested a year-by-year comparison report, along with a month-to-month report from PCH. Director Peacock and Board members agree that improved data tracking is enormously helpful.

PCH has determined that the waiting list of all housing owned and managed is 926 distinct households. The 19% of applications duplications for individual households to be considered for various housing options were identified and are removed from this group of 926.

There was discussion about the need to provide a breakdown of households by verified income level. HUD and COAH income limits are used as determining factors for income eligibility and placement. PCH was thanked for their fine efforts and the great start shown in revising PCH reports!

Ms. Yousafzai reported that Phase II of *Merwick Stanworth* appears to be on schedule, for a July 2015 groundbreaking.

V. BUSINESS

A. LEGAL

105HA

In this probate case, the complainants now have a total of 35 days to respond.

HA

The homeowner, with payments in arrears at HA, has made no response to formal contacts in this fourth violation of the deed restriction. Amounts outstanding have ranged from \$12,000 to \$4,000. Ms. Warren's motion to begin the process of legal action was seconded by Chairman McGowen. Ms. Proccacino abstained from voting. The six remaining eligible Board members voted in favor of this action.

218BH

The PNC foreclosure of BH has an updated payoff figure of \$73,540.83. A repurchase plan is being implemented.

Hilltop Group Home

\$400,000, for the purchase of 9 Hilltop Avenue, will come from the Housing Trust Fund.

Peck Place

A \$910,000 counteroffer, based on the removal of all commission and realty transfer fees, was accepted by the Seller in "as is" condition. The municipality is requesting that building inspections be allowed, with results considered for settlement. Research is underway to see if the current tenants might qualify under COAH and be allowed to stay, since the Seller also requests this condition.

The purchase of Peck Place will be bonded. PCH has submitted a proposal to pay the principal amount for this property over time, to the municipality, in a purchase from Princeton. PCH hopes to be the Administrative Agent for the municipality until PCH can assume full ownership.

Ms. Thurmond Scott presented the work of *The Housing Initiatives of Princeton Charitable Trust* (HIP). HIP expressed interest in leasing one unit in Peck Place. Many accounts of the success of applicants to this program were shared. They included news that one HIP client is now on the list for an affordable home purchase (after not being able to afford rent). COAH credits are given for resident HIP clients. All HIP clients sign occupancy agreements, as a further bond for compliance.

B. BOARD CHAIR/ VICE CHAIR REPORT

Task Force

Chairman McGowen reported that the *Mayors Task Force on Affordable Housing* is looking into publicly owned properties. The municipality owns a total of 13 sites. Their suitability for affordable housing is being assessed, as Council decides what to do with these properties. Some of them may be sold, for private development.

Middle Income Discussion

Chairman McGowen explained that the term “middle income” is broadly defined as 80% to 200% of the salaries on the median. Questions about the Board’s policy and where Princeton determines this category will fall, within the percentages defined, were discussed. Currently the COAH 2 person median is \$74,091, the 3-person median is \$83,353, and the 4 person median income is \$92,614. in this region.

When the median is calculated at 80%, the eligible salary levels would be \$59,273 for 2 person households, \$66,682 for 3 person households, and \$74,091 for 4 person households. When the median is calculated at 200%, the figures for 2, 3 and 4 person households are respectively calculated as \$148,182., \$166,706., and \$185,228.

For property tax purposes, affordable housing is taxed at the lower deed restricted price levels. 12 homes in Princeton are currently classified as “middle income” affordable units. These are grandfathered.

COAH eligibility for middle-income affordable housing was discussed. Questions about the mechanisms for giving loans to middle income homeowners, unrestricting, and selling these properties were also discussed.

Concerns that the middle class is being driven out of Princeton, due to the intense focus of developers on the construction of expensive projects, is one of the many reasons cited for support of a middle-income category. All agreed that if “middle income” wage earners will be subsidized by the municipality/taxpayers to purchase homes in Princeton, specific rules and regulations must apply to this housing category. Consideration of the salary level that would be eligible for “middle income” group housing, and the tax impact of expansion of the affordable housing program on Princeton’s unsubsidized low and middle income taxpayers already paying their way, are among the items that the Board determined will need to be discussed further.

Several Board members asked if Council will continue to pursue affordable housing regardless of cost, or if Council has taken the time to calculate the impact of housing programs on Princeton’s taxpayers.

C. PROPERTY REHABILITATION LOANS

A need for housing rehabilitation loans has been expressed by residents. This loan category, if expanded, would not be restricted to affordable homes. There have been municipal loan programs with: a) interest for six years that have then converted to principal payments and also b) loan programs converting to a grant after interest and principal payments for 10 years. The details of any new program suggested should

be presented to Council by May 11th. Resources could also be provided to people who don't qualify for loan assistance, but need information to determine funding options.

D. AFFORDABLE HOUSING STATUS REPORT

Spending Plan

An affordable housing spending plan report, prepared by Shirley Bishop, was distributed for review.

Sales Activity

Four affordable homes are now under contract. Three homes remain available for purchase.

Griggs Farm Deck Repairs

It is the Housing Board's responsibility to direct the mechanisms of repair of the any construction on the exterior deck façades and the actual decking, in the affordable GF units. Structural junctions and lumber under the siding, and siding repairs are the responsibility of the HOA. There is approximately \$50,000 now set aside as "health and safety" repairs at GF.

Oral History

Princeton's Housing History project will be scheduled as a project for Princeton University students next year.

Tax Delinquency case

The case of a homeowner with a property tax lien of approximately \$40,000 was discussed. Ms. Thurmond Scott motioned to offer the homeowner a \$40,000 municipal, low interest loan, to satisfy the lien, with right of first refusal for the home given to the municipality in the event that the property is sold. Ms. Proccacino seconded this motion. Ms. Thurmond Scott voted in favor of the motion. All remaining eligible voters present (McGowen, Proccacino, Schrayner, Vonvorvys, Warren) opposed this action. This request for funding by the Housing Board is denied.

Financial Workshop

On June 11th, a Housing Workshop will offer financial tools and action plans to help people stay in their homes or obtain housing.

X. ADJOURNMENT

Ms. Proccacino seconded Ms. Warren's motion to adjourn. With all voting in favor of this action, the meeting ended at 8:38 PM.

Respectfully submitted, V Bea Snowdon