

CITY OF UNION CITY
HUDSON COUNTY, NEW JERSEY
BOARD OF COMMISSIONERS

:
:
SPECIAL MEETING :
:
TRANSCRIPT OF RECORDED
PROCEEDINGS

Housing Authority
Hillside Pavilion
3911 Kennedy Boulevard
Union City, New Jersey

Monday, July 27, 2015
Commencing at 7:05 p.m.

M E M B E R S P R E S E N T:

BRIAN P. STACK, MAYOR
LUCIO P. FERNANDEZ, COMMISSIONER
MARYURY A. MARTINETTI, COMMISSIONER
CELIN J. VALDIVIA, COMMISSIONER
TILO E. RIVAS, COMMISSIONER

M E M B E R S A B S E N T:

A L S O P R E S E N T:

DOMINICK CANTATORE, ACTING CITY CLERK

SCARINCI HOLLENBECK
BY: MONICA E. de los RIOS, ESQ.
BY: KRYSTLE NOVA, ESQ.
Corporation Counsel

SUSAN COLDITZ, Chief Financial Officer

ERIN KNOEDLER, Director of Operations

A L S O P R E S E N T cont'd:

ELISE DiNARDO, ESQ.
Attorney for Board of Education

SUSANNE LAVELLE, ESQ.
Attorney for Board of Education

SILVIA ABBATO, Superintendent

ANTHONY DRAGONA
Business Administrator, Board of Education

FRANK TEDESCO, Mount Vernon Group

VIRGILIO CABELLO, Executive Director
Union City Housing Authority

RAFAEL NATERA, Chief Financial Officer
Union City Housing Authority

WILLIAM F. SNYDER, President
EXECU-TECH

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1 ACTING CITY CLERK: This is a Special --
2 Ready?

3 MS. DILLON: Yes.

4 MAYOR STACK: You've got to keep your voice
5 up, Dominick.

6 ACTING CITY CLERK: This is a Special
7 Public Meeting of the Union City Board of
8 Commissioner, being held on Monday, July 27,
9 2015, at seven p.m., at the Housing Authority
10 Hillside Pavilion, 3911 Kennedy Boulevard, Union
11 City, New Jersey.

12 Everyone please rise for the Pledge of
13 Allegiance.

14

15 (Whereupon the Pledge of Allegiance was
16 said.)

17

18 ACTING CITY CLERK: This meeting has been
19 called in accordance with Chapter 231, Public Law
20 of 1975, the Open Public Meeting Act.

21 Adequate notice of this meeting has been
22 provided as follows:

23 Notice of this meeting set forth the time,
24 the date, location, and the agenda, to the extent
25 known, was forwarded to The Jersey Journal, The

1 Record, and The Hudson Reporter, has been posted
2 on bulletin board in City Hall, and has been made
3 available to the public in the office of
4 Municipal Clerk.

5

6 **ROLL CALL:**

7

8 ACTING CITY CLERK: Roll call.

9 Commissioner Fernandez?

10 COMMISSIONER FERNANDEZ: Here.

11 ACTING CITY CLERK: Commissioner Rivas?

12 COMMISSIONER RIVAS: Here.

13 ACTING CITY CLERK: Commissioner Valdivia?

14 COMMISSIONER VALDIVIA: Here.

15 ACTING CITY CLERK: Commissioner

16 Martinetti?

17 COMMISSIONER MARTINETTI: Here.

18 ACTING CITY CLERK: Mayor Stack?

19 MAYOR STACK: Here.

20

21 **ORDINANCES FOR HEARING AND ADOPTION**

22 **CONSIDERATION:**

23

24 () ORDINANCE APPROPRIATING FUNDS FOR SCHOOL

25 ADDITIONS AND RENOVATIONS IN THE CITY OF UNION

1 CITY, IN THE COUNTY OF HUDSON, NEW JERSEY, AND
2 AUTHORIZING THE ISSUANCE OF UP TO \$38,000,000 OF
3 SCHOOL BONDS OF THE CITY TO MEET SAID
4 APPROPRIATIONS

5
6 ACTING CITY CLERK: First item is an
7 Ordinances for Hearing and Adoption
8 Consideration.

9 Ordinance Appropriating Funds for School
10 Additions and Renovations in the City of Union
11 City, in the County of Hudson, New Jersey and
12 Authorizing the Issuance of Up to \$38,000,000.00
13 of School Bonds of the City to Meet Said
14 Appropriation.

15 MAYOR STACK: At this time, Mrs. Abbato,
16 Superintendent of Schools, will step forward.

17 Ms. Abbato, if you could give us a brief
18 presentation; then maybe introduce the team --

19 MS. DILLON: Ma'am?

20 MAYOR STACK: -- that you have present this
21 evening.

22 MS. DILLON: Right over here.

23 ACTING CITY CLERK: Ms. Abbato, --

24 MAYOR STACK: If you could maybe -- right
25 over here; --

1 ACTING CITY CLERK: Ms. Abbato, right here
2 please.

3 MAYOR STACK: -- if we can come right over
4 here.

5 ACTING CITY CLERK: How are you, Ms.
6 Abbato?

7 MS. ABBATO: Good evening, everyone.

8 Senator, Mayor Brian Stack, Commissioners,
9 member of the Board, member of the public. I'm
10 very pleased to be here to speak on the Gilmore
11 School project. It is something that we have
12 been working for years and we're looking forward
13 to the fruition of this project.

14 As you know Union City School District is
15 approximately 14,000 students growing at a rate
16 of 350 students each year. That means our City
17 is viable; there is a lot of people moving into
18 the Union City School District.

19 We have a national reputation, -- not a
20 state reputation, a national reputation -- for
21 being a high achieving urban school district.

22 Just to give you a little perspective about
23 how the Gilmore School project came about. The
24 Gilmore project School will provide a new bloom
25 to the Union City Board of Education's Woodrow

1 Wilson School, a magnet school with an art
2 integrated curriculum that, by the way, has won a
3 National Blue Ribbon Award.

4 Back in 1995 -- if you do the math that was
5 20 years ago -- it was the vision of the Union
6 City Board of Education at the time to
7 temporarily lease the space in Weehawken. Even
8 though it's a charming building, it is a 90 year
9 old site, which does not offer some of the
10 attributes that are required to provide a 21st
11 Century educational program.

12 Right now with the Gilmore project we are
13 looking to consisting renovations of additional
14 to the under-utilized old Gilmore School, Sara
15 Gilmore School, and the existing building square
16 footage of 28,989 square feet with a planned
17 addition of 46,747 square feet.

18 This additional building will include a 288
19 seat theater, gymnasium and cafeteria, with a
20 small service kitchen, media center,
21 administrative spaces, classroom and a greenhouse
22 on the rooftop plaza. The entire facility will
23 be wired with information technology and
24 communication systems.

25 Site improvements include a new soccer

1 field, fencing, paved plazas, walkways, benches
2 and a playground.

3 This project is -- the designs are here
4 that I would like to share with you later on and
5 now I'm going to turn it over to our Business
6 Administrator, Mr. Anthony Dragona, to have a
7 great presentation and then we can open it up to
8 questions.

9 Thank you.

10 We are very excited about this project and
11 we hope with the collaboration with the City we
12 can move forward and continue to provide 21st
13 Century education to all of our students.

14 Thank you very much.

15 MAYOR STACK: Thank you very much, Miss
16 Abbato, and for the great job you've been doing
17 at the Board of Ed.

18 MS. DILLON: Your name for the record,
19 please?

20 MR. DRAGONA: My name is Anthony Dragona.

21 I'm the School Business Administrator for
22 the Board of Education in Union City.

23 Good evening, Mayor Stack, and
24 Commissioners, and members of the audience. It's
25 a pleasure to be with you tonight to talk a

1 little bit about the Gilmore School project.

2 Gilmore School project is a little bit
3 unique. This will be the sixth new school that
4 we'll be opening in Union City and as Mrs. Abbato
5 said we have a growing enrollment. And it's
6 always been our desire that when we build or have
7 the opportunity to build new schools, we provide
8 state-of-the-art facilities for our students.
9 But what we've seen, and I'm sure that you agree
10 because you've been a big part of it, Mayor, is
11 that when there's a new school in an area, the
12 surrounding area also starts to become
13 revitalized.

14 So it's not just about putting the school,
15 it's about taking an area and helping to
16 revitalize the area as well.

17 We've been very fortunate throughout the
18 years that we've probably received about 400
19 million dollars in construction funds from the
20 New Jersey School Development Authority.

21 And those dollars have gone to build Jose
22 Marti Freshman Academy, the turf field that's
23 adjacent to that, the Early Childhood Center at
24 22nd and Kennedy Boulevard, Colin Powell School,
25 Union City High School; all buildings that we're

1 very proud of.

2 But as you know, the SDA has a limited
3 amount of resources available. So in our
4 conversations with them and our discussions with
5 them, they will allow Union City Board of
6 Education to construct Gilmore School because
7 we're looking towards them to help us build
8 another school in the future.

9 So in order for us to take advantage of the
10 opportunity that we have, --

11 And if you remember years ago there was a
12 plan for the demolition of Gilmore School and we
13 were against that. So now we have the
14 opportunity to restore Gilmore School; maintain
15 its charm.

16 As you could see from the design, the --
17 the new addition sort of matches the old,
18 beautiful, majestic building that's there. So it
19 would be the type of a facility that would blend
20 very nicely with the community.

21 Right now the plan is that we would
22 relocate the students that are attending Woodrow
23 Wilson School in Weehawken, which is one of our
24 Blue Ribbon schools. And they achieve very well;
25 it's a great place for our children to learn.

1 But as Mrs. Abbato said it is a 90 year old
2 building. And as you continue to occupy as a
3 renter of 90 year old building, you continue to
4 find that there are a number of maintenance
5 issues.

6 So instead of us investing into a 90 year
7 old building we now have an opportunity to build
8 a new addition and restore the old Gilmore
9 School. And the reason why we are going for
10 bonding this time, because we haven't done that
11 for the past schools, is that the SDA will not be
12 funding the school. So we're coming to the Mayor
13 and the Commissioners for their approval on a
14 bond.

15 It's our intention that what we'll be able
16 to do is once the school is done, we'll be able
17 to save probably about a million dollars from our
18 lease in Weehawken and apply that towards paying
19 down the debt from the bond.

20 Now that may not pay the entire annual rate
21 or annual fee that's due but it would be a cost
22 to the district that we will continue to incur to
23 provide a brand new state-of-the-art facility for
24 our children.

25 This building is also going to have LEED's

1 Gold criteria. Which means that from an energy
2 saving standpoint, from a green school
3 standpoint, there'll be solar panels. There'll
4 be opportunities for us not only to teach our
5 children within the classrooms, we could also
6 teach our children about the building and how we
7 built something that is energy-efficient, energy-
8 conscious, how we conserve energy along the way.

9 So we believe it will be another project
10 that you, the Commissioners, the Board of
11 Education, the residents will be able to really
12 be proud of. And especially our students as they
13 occupy this building, they'll be in another
14 state-of-the-art facility.

15 So we hope that as we go forward and as we
16 begin -- or as we actually break ground, -- we
17 have invested some money already in the drawings,
18 the environmental remediation and things of that
19 nature.

20 We're sort of -- we're ready to go and when
21 we were faced with 350 new students a year on the
22 average, the last five years, our classrooms are
23 getting tighter and tighter.

24 So, even though this building isn't going
25 to solve that problem, it's certainly going to go

1 a long way in helping our teachers have more
2 manageable class sizes but the environment that
3 they'll be working in will be something that I'm
4 sure you'll be very proud of and so will the
5 community.

6 MAYOR STACK: Thank you very much, Mr.
7 Dragona.

8 MR. DRAGONA: Thank you.

9 MAYOR STACK: Thank you.

10 Do you have anyone else, Ms. Abbato, who
11 you'd like to --

12 No?

13 Okay.

14 Anyone further wishing to comment on this
15 matter, please step forward, state your name and
16 address for the record.

17 Mr. Price?

18 MR. PRICE: Larry Price, 1006 Palisade
19 Avenue.

20 I really have questions.

21 So, I think, first to Mr. Dragona, if I
22 may?

23 MAYOR STACK: And you'll --

24 You got a question for him? I'm sorry.

25 MR. PRICE: Oh, yeah, I have question --

1 whole series of questions here.

2 MAYOR STACK: Sure.

3 If we could, maybe Mrs. Abbato and Mr.

4 Dragona, maybe if you could both stand closer?

5 Is there anyone else maybe -- I don't know

6 if --

7 Ms. DiNardo maybe -- or Ms. Lavelle, if you

8 could step forward also?

9 Is bond counsel here also?

10 MS. de los RIOS: Yes, --

11 MAYOR STACK: Is the bond counsel here

12 also?

13 MS. de los RIOS: Yes, Mayor.

14 (Whereupon, there was a pause in the

15 proceedings.)

16 MAYOR STACK: If they could all just move a

17 little closer, just so that if they could hear

18 the question.

19 Sue, maybe --

20 MR. PRICE: Okay, my -- first of all.

21 Essentially this new Gilmore School is a

22 replacement for Woodrow Wilson.

23 Correct?

24 How many students are in the Woodrow Wilson

25 School today?

1 MS. ABBATO: Approximately, I would say off
2 the top of my head, --

3 MAYOR STACK: Just, Mrs. Abbato, if you
4 could just state your name for the record again
5 and just keep your voice up.

6 MS. ABBATO: Approximately --

7 MS. DILLON: The responders --

8 Excuse me.

9 The responders, unfortunately because it's
10 a large room, I need you to step forward so that
11 your comments are on the record.

12 MS. ABBATO: That's fine.

13 MS. DILLON: Thank you.

14 MS. ABBATO: That's fine.

15 MS. DILLON: And if you can just --

16 MS. ABBATO: Thank you.

17 MS. DILLON: -- state who you are.

18 Thank you so much.

19 MS. ABBATO: Okay.

20 Do I have to state my name again?

21 MS. DILLON: I got it.

22 MS. ABBATO: Okay.

23 Approximately 350 students but we would
24 like to increase the amount of students in the
25 Woodrow Wilson School; that's why we're building

1 a bigger facility.

2 MR. PRICE: Three fifty is your present
3 capacity?

4 MS. ABBATO: Yes, approximately.

5 MR. PRICE: Okay.

6 Should I repeat my name?

7 MS. DILLON: No.

8 MR. PRICE: Okay.

9 Looking at the floor plans, there are going
10 to be two classes for kindergarten through 8th
11 grade, which should be 18 classes.

12 How many students can you put in each
13 class?

14 MS. ABBATO: Well by State Guidelines we
15 can only -- if there's any pre-K classes at 15;
16 for the 1st through 3rd grade, we're looking at
17 25; and then as we go to the other grades, 26 to
18 28 students.

19 MR. PRICE: Okay.

20 MS. ABBATO: Oh, thank you.

21 MR. PRICE: So this school will have a
22 capacity of roughly 500 students. And you're
23 bringing 350 from Woodrow Wilson.

24 MS. ABBATO: Correct.

25 MR. PRICE: So it's actually only a little

1 additional capacity.

2 Correct?

3 MS. ABBATO: Not necessarily because
4 remember the 8th graders leave for our high
5 school. So it will be the incoming students,
6 plus the new 8th grade class; so they'll both be
7 moving up a grade.

8 MR. PRICE: Okay.

9 MS. ABBATO: So the additional students
10 that could participate in the new school.

11 MR. PRICE: Okay. Now, my --

12 MS. ABBATO: You want to add something?

13 MR. DRAGONA: I just want to --

14 MR. PRICE: Oh, sure.

15 MR. DRAGONA: The other aspect is that at
16 Wilson School there isn't a full-size gymnasium,
17 there isn't a full-size media center.

18 So as you look at the -- the layouts here
19 you're going to see some educational spaces other
20 than classroom space that will also enhance
21 the --

22 MR. PRICE: Oh, there are a lot of those
23 spaces, technology, whatever that may be --

24 MR. DRAGONA: Right.

25 MR. PRICE: -- and so on. But -- okay.

1 MS. ABBATO: If I could add, that building
2 does not have a cafeteria. It does not have a
3 performing arts school. As far as a wing for
4 students to really participate in all the
5 wonderful things that they have right now. They
6 have partnerships with the New York City Ballet,
7 --

8 MS. DILLON: She still has to come closer.

9 MS. ABBATO: -- (indiscernible) -- and they
10 have a slew of professional --

11 ACTING CITY CLERK: Sorry.

12 MS. ABBATO: This mic is better?

13 ACTING CITY CLERK: No, closer to the
14 speaker. No, --

15 MS. ABBATO: Oh, okay.

16 MS. DILLON: Thank you.

17 MS. ABBATO: They have a lot of
18 partnerships with the New Jersey Performing Arts,
19 New York City Ballet, et cetera, where right now
20 currently, Woodrow Wilson School, if you have a
21 Parker (phonetic) show, only certain grades can
22 attend because the theater is not conducive to
23 that presentation.

24 MR. PRICE: Okay. What -- if I may, let me
25 ask one question.

1 This school is going to be kindergarten
2 through 8th grade. Now that's different from the
3 rest of Union City, which is -- well, I don't
4 need to tell you but we have -- we have pre-K, we
5 have kindergarten, we have grade schools, we have
6 middle schools, and then we have Freshman
7 Academy, and then we have a high school.

8 Oh, well of course, Freshman Academy and
9 the high school don't matter as far as this --

10 But here, these students will stay in
11 Gilmore.

12 Correct?

13 MS. ABBATO: Correct.

14 MR. PRICE: A 5th grader will go to the 6th
15 grade in Gilmore. He will not go to the middle
16 school at Emerson.

17 MS. ABBATO: That's right.

18 MR. PRICE: Why are we doing it
19 differently?

20 MS. ABBATO: Doing it differently because
21 right now the school is currently a K through 8
22 school that is integrated with the arts.

23 We are trying to integrate some of the arts
24 into the alliance after school, the additional
25 school, but it is a school that's nationally

1 recognized for its excellence.

2 MR. PRICE: Okay. But --

3 MS. ABBATO: So, basically, why change the
4 formula when it works?

5 MR. PRICE: Okay. All right, that's good
6 enough. Yeah, it works.

7 Mr. Dragona -- Dragona, sorry, a couple of
8 questions to you.

9 There's going to be 28,000 square feet in
10 the old Gilmore. There are 46,000 square feet in
11 the new addition. Cost is 38 million.

12 If you put the cost only on the new
13 addition, that's \$813.00 a square foot. That
14 seems high.

15 MR. DRAGONA: As far as the -- the costing,
16 I would refer that to our architect for him to go
17 into the method in which the calculations are
18 made.

19 We have to understand, -- I don't believe
20 it's \$800.00 a square foot. I'm not disputing
21 it, I just don't believe that -- that that
22 calculation truly reflects what the building is.
23 But then again you have to understand that some
24 of these spaces, when you look at the new
25 addition and you see a theater, the type of

1 | things that go into the theater with the seating
2 | and the acoustics and the sound and the -- we
3 | want to make it a smaller performing arts center.

4 | Right?

5 | So you don't get that, you know, for
6 | \$250.00 a square foot. So, -- when you look at
7 | that space.

8 | Then when you look at the cafeteria, you
9 | have cafeteria space is a little bit different, a
10 | little bit more costly.

11 | When you have the gymnasium space.

12 | So those spaces are a little bit more
13 | costly to undertake but I would rather have our
14 | architect address that a little bit more
15 | specifically as to the cost.

16 | This is Mr. Frank Tedesco from Mount Vernon
17 | Group.

18 | MR. TEDESCO: Hi, Mr. Price.

19 | The cost is -- for the addition will be
20 | approximately \$423.00 --

21 | Excuse me.

22 | -- for the new addition is \$423.00 a square
23 | foot. And the renovation would be \$236.00 a
24 | square foot.

25 | And then in addition to that there are soft

1 costs.

2 MR. PRICE: Seven and a half million
3 dollars worth.

4 MR. TEDESCO: Well, I don't know if they
5 would be using all that; they're authorizing it.

6 MR. PRICE: Okay. Okay.

7 Four hundred for the --

8 MR. TEDESCO: Yes.

9 MR. PRICE: -- the addition and 200 for
10 the --

11 MR. TEDESCO: Well, 423 for the addition;
12 236 for the --

13 MR. PRICE: Does that include the
14 equipment?

15 MR. TEDESCO: No. Equipment is part of the
16 soft cost.

17 MR. PRICE: Okay. Okay.

18 MR. TEDESCO: Okay, except fixed equipment
19 is included. Kitchen equipment, auditorium
20 seating, gymnasium, you know, equipment and
21 bleachers. Those sort of things are included.
22 All the infrastructure, the electronic and the
23 cable infrastructure is included in that.

24 MR. PRICE: Yeah.

25 MR. TEDESCO: So just, basically, the loose

1 equipment and furnishings that is not.

2 MR. PRICE: Okay.

3 Mr. Dragona, --

4 MR. DRAGONA: Yes.

5 MR. PRICE: -- I have one question.

6 This originally was to be a School
7 Construction Authority site. They, as I
8 understand it, bought the adjacent properties,
9 demolished them, whatever. And they own the
10 property.

11 Now we're building on their property. Are
12 they giving us the property? Do we have to pay
13 them for the property?

14 What's --

15 MR. DRAGONA: Fortunately the SDA and the
16 Union City Board of Education and the City of
17 Union City have a very good partnership in
18 working together.

19 As a result of that they were able to deed
20 the land to the Board of Education for this
21 project and partnership.

22 So although the SDA is not contributing a
23 dollar towards this project as far as the
24 funding, they are contributing towards this
25 project by deeding over the property to the Board

1 of Education.

2 MR. PRICE: At no cost?

3 MR. DRAGONA: At no cost.

4 So, you know, what's happened is maybe
5 seven years ago, maybe ten years ago, when the
6 SCC was aggressively asking the District -- it
7 was almost like give us your wish list -- and we
8 were trying to look through that crystal ball at
9 that time and say where are we going to be ten
10 years from now as far as our enrollment. And we
11 were beginning to plan a school on the site of
12 Gilmore School and that's why they acquired the
13 property there.

14 But then, as you know, you know the SDA was
15 in some areas maybe a little bit overextended.
16 They were over aggressive in their desire to help
17 districts such as ours build schools, build
18 quality schools to address the overcrowding
19 problem. And the funding was not remaining
20 intact.

21 So we had to sort of make a choice. And
22 the choice was that we wanted to continue to
23 proceed to renovate and expand upon Gilmore
24 School and we're hoping that we can continue to
25 partner with the SDA for a future project.

1 MR. PRICE: Okay.

2 You had that comment earlier and I didn't
3 quite understand it.

4 We paid for this one; we hope they'll pay
5 for a future one?

6 MR. DRAGONA: Another school. Sure.

7 MR. PRICE: Okay. But we don't -- this --
8 if we do this they're not making a firm
9 commitment to --

10 MR. DRAGONA: Well, we --

11 MR. PRICE: -- fund a future --

12 MR. DRAGONA: -- we are pursuing that. I
13 believe that at the last Board of Commissioners
14 meeting the town fathers approved the Chapter 34
15 study, which is a first step requirement that the
16 SDA has before we could look to identify a site
17 for our next school project.

18 This Thursday I believe, at the Board of
19 Education meeting, the Board of Education would
20 approve that Chapter 34 study. So then we can go
21 back to the SDA and say we followed your
22 recommendations, your first step of identifying a
23 site that might be feasible to build another
24 school, and now we want to be able to go and
25 speak a little bit more firmly about it.

1 And, as I had said, they -- they were
2 looking at -- in the past they looked at the
3 Gilmore School site, they looked at the 5th Street
4 Transfer Station site. They've looked at the
5 uptown parking lot site. They've looked at a
6 number of different sites.

7 So we're trying to keep those irons hot
8 with them. They do have enough money for Union
9 City probably to build one more school. It's
10 just that we don't necessarily want that money to
11 be used for Gilmore School when we could possibly
12 get another school.

13 And when we look at our demographics, even
14 with -- the SDA bases it all upon unhoused
15 student populations and even though this school
16 will be built, we're not really going to resolve
17 the unhoused student population issue. Okay?
18 Because this is --

19 MR. PRICE: Well, this is -- this is a
20 substitute, really. This is -- this is a
21 replacement for Woodrow Wilson School --

22 MR. DRAGONA: Right.

23 MR. PRICE: -- in large major.

24 MS. ABBATO: Um-hum.

25 MR. DRAGONA: Correct.

1 So we're able to go back to them and say we
2 still have an unhoused student population, can
3 you please build a school for us.

4 And I believe that that's -- it's more than
5 just a theory right now.

6 MR. PRICE: Okay. Okay.

7 One last question for the architect, if I
8 may?

9 What's the timeline on building this thing?

10 MR. TEDESCO: It will be a little under --

11 MS. DILLON: You need to come forward.

12 MR. TEDESCO: It will be about 20 to 22
13 months.

14 MR. PRICE: Two years.

15 Right?

16 MR. TEDESCO: Roughly two years, yes.

17 MR. PRICE: Okay.

18 Thank you all very much.

19 MS. ABBATO: Thank you --

20 MR. PRICE: Thank you.

21 MAYOR STACK: Thank you, Mr. Price.

22 Anyone further who has any questions on
23 this matter?

24 Mr. Marotta, please step forward.

25 MR. MAROTTA: I don't have -- I don't have

1 questions.

2 MS. ABBATO: No questions?

3 MAYOR STACK: Maybe if you could just wait
4 there just in case there's anything I need to ask
5 anyone.

6 ACTING CITY CLERK: Hold the microphone and
7 stay close to this.

8 MR. MAROTTA: Thank you.

9 Libero Marotta. I live at 311 9th Street.
10 I'm proud to say that I'm a product of the Union
11 City School System. I've lived here all my life.
12 And I could say personally with the problems of
13 an urban district the Board of Education in Union
14 City has always provided, in my opinion, top
15 education in the State of New Jersey. And I
16 believe that the present administrators and the
17 Board of Education have continued that to this
18 day.

19 That being said, I'm someone who's really
20 not shocked at times by what local governments
21 do. I've lived long enough to get immune to
22 certain things. But 38 million dollars shocks
23 me. Okay.

24 That being said I have to ask this Board to
25 reject this bond ordinance and I qualify that

1 | because I'm going to have to give a little bit of
2 | history.

3 | I see this group here; they're like a Blue
4 | Ribbon Committee that we had many years ago that
5 | Senator/Mayor Musto, when he introduced a 3.2
6 | million dollar bond ordinance to purchase the
7 | Vista View (phonetic) building on 22nd Street in
8 | Union City. And there was a meeting at 11
9 | o'clock in the morning and I went to the meeting
10 | and Mayor Musto asked to meet me outside and we
11 | met in another office and I asked him -- I
12 | pleaded with him, you're going to spent 3.2
13 | million dollars, go to the people, present it to
14 | the people.

15 | You could adopt a resolution to put the
16 | question on the ballot as a non-binding
17 | referendum. I think spending 38 million dollars,
18 | the people of Union City should have a say in
19 | that.

20 | Not that we're against -- you know,
21 | renderings always look beautiful. I've never
22 | seen a poor rendering. Do we need something like
23 | this? Probably we do. But at the same time
24 | we're talking 38 million dollars in a depressed
25 | bond area for this City.

1 Between principal and interest we're
2 talking millions and millions of dollars that are
3 going to be spent. And I don't think that should
4 be done at all of two meetings.

5 You know that Blue Ribbon Committee years
6 ago, and forget we had a young man on that
7 committee; his name was Robert Menendez. In
8 fact, I think he was Chairman of that committee
9 at that time. To this day let's say if Mayor
10 Musto had --

11 And you know it was in July; the same month
12 now, 1979.

13 I say to this day, if Mayor Musto had only
14 taken my advice and put that on the ballot maybe
15 he never would have been indicted and never
16 convicted.

17 I ask you to please consider the people of
18 the City. I'm not saying reject this ordinance.
19 I'm not saying reject this project. But I think
20 there should be a full public debate on this
21 question.

22 You know when Mayor Musto said to me he's
23 not going to put the ordinance -- the resolution
24 and put it on the ballot, I told him I would put
25 it on the ballot. He told me I couldn't do it.

1 What we did we prepared a petition, an
2 initiative to the referendum. We got on the
3 ballot, we got our signatures, he took us to
4 court. Our signatures were knocked out, we got
5 more signatures, he took us to court again. But
6 we got on the ballot. Had a big debate.

7 Fortunately the people rejected purchasing
8 the Vista View by 4,000 to 3,000 votes. We saved
9 multi-million dollars and we still have that
10 building on the tax rolls.

11 So I think, Mayor Stack and Commissioners,
12 I think really we owe it to the people of Union
13 City to go to them; should we spend 38 million
14 dollars for this? Let's have a full open public
15 debate on it.

16 That's all I have to say.

17 Thank you very much.

18 MAYOR STACK: Thank you, Mr. Marotta.

19 Anyone further on this matter?

20 Seeing no other, I'll make a motion.

21 And just making the motion, I believe that
22 the people of Union City have elected us to -- to
23 make these decisions and trust that we're making
24 the right decision.

25 I feel very comfortable in voting for this

1 ordinance because I know what the purpose is;
2 educating our children.

3 We've been very, very fortunate thanks to
4 the great relationship between the Board of
5 Education, the City of Union City, in securing
6 hundreds and hundreds of millions of dollars in
7 funds for new schools in Union City and I think
8 we've been very fortunate.

9 I think our education system speaks for
10 itself. And I think the Board of Commissioners
11 has to continue giving the tools to the Board of
12 Education to make that possible to continue the
13 great education that the children of Union City
14 are getting.

15 So, I proudly move the -- move it.

16 ACTING CITY CLERK: Motion by Mayor Stack.

17 COMMISSIONER MARTINETTI: Second.

18 ACTING CITY CLERK: Second by Commissioner
19 Martinetti.

20 Roll call.

21 MS. de los RIOS: At this time, Mayor, it
22 is recommended that -- that Commissioners
23 Martinetti, Commissioners Fernandez, Commissioner
24 Rivas, and Commissioner Valdivia recuse
25 themselves.

1 However, invoking the doctrine of
2 necessity, Commissioners Martinetti,
3 Commissioners Fernandez, and Commissioner Rivas
4 will be voting.

5 ACTING CITY CLERK: Roll call.

6 Commissioner Fernandez?

7 COMMISSIONER FERNANDEZ: As stated below by
8 the counsel, based on the doctrine of necessity,
9 I will vote yes.

10 ACTING CITY CLERK: Commissioner Rivas?

11 COMMISSIONER RIVAS: Yes.

12 ACTING CITY CLERK: Commissioner Valdivia;
13 recusing.

14 Commissioner Martinetti?

15 COMMISSIONER MARTINETTI: Yes.

16 ACTING CITY CLERK: Mayor Stack?

17 MAYOR STACK: Yes.

18 And I would just like to thank the
19 administrators that are here this evening from
20 the Board of Education; Mrs. Abbato, Mr. Dragona,
21 and all that are here this evening. And thank
22 you, Mrs. Abbato, for the great work that the
23 education team has done at the Board of Education
24 for the children of Union City.

25 Thank you very much to you and the entire

1 Board of Education and all the staff.

2 Thank you.

3 ACTING CITY CLERK: Is there a motion to
4 adopt the Ordinance Appropriating Funds for
5 School Additions and Renovations, City of Union
6 City, in the County of Hudson, New Jersey, and
7 Authorizing the Issuance of Up to \$38,000,000.00
8 of School Bonds of the City to Meet Said
9 Appropriations.

10 MAYOR STACK: Motion.

11 ACTING CITY CLERK: Motion by Mayor Stack.

12 COMMISSIONER RIVAS: Second.

13 ACTING CITY CLERK: Second by Commissioner
14 Rivas.

15 Roll call.

16 Commissioner Fernandez?

17 MS. de los RIOS: Recuse -- recusing.

18 ACTING CITY CLERK: Recusing.

19 Commissioner Rivas?

20 COMMISSIONER RIVAS: Yes.

21 ACTING CITY CLERK: Commissioner Valdivia?

22 COMMISSIONER VALDIVIA: Yes.

23 ACTING CITY CLERK: Commissioner
24 Martinetti?

25 COMMISSIONER MARTINETTI: Recusing.

1 ACTING CITY CLERK: Recusing.

2 Mayor Stack?

3 MAYOR STACK: Yes.

4 MS. de los RIOS: Mr. Clerk?

5 Just for -- for the record, we will also --
6 we will also be invoking the doctrine of
7 necessity on this item as well. That will enable
8 Commissioner Valdivia to vote.

9 ACTING CITY CLERK: Commissioner Valdivia
10 will vote based on necessity.

11 MS. de los RIOS: He voted. On that one.

12

13 **REGULAR AGENDA:**

14

15 1. Addendum to Shared Service Agreement
16 Between the City of Union City and the Union City
17 Board of Education for the Lease of the Rear
18 Portion of 2214 Kennedy Boulevard

19

20 ACTING CITY CLERK: Next item is a Regular
21 Agenda.

22 MAYOR STACK: Thank you. Thank you to all
23 for being here this evening. Have a wonderful
24 night.

25 ACTING CITY CLERK: Next item is a Regular

1 Agenda.

2 First item is Addendum to Shared Service
3 Agreement Between the City of Union City and
4 Union City Board of Education for the Lease of
5 the Rear Portion of 2214 Kennedy Boulevard.

6 MAYOR STACK: Motion.

7 ACTING CITY CLERK: Motion by Mayor Stack.

8 COMMISSIONER RIVAS: Second.

9 ACTING CITY CLERK: Second by Commissioner
10 Rivas.

11 Roll call.

12 Commissioner Fernandez?

13 Recusing.

14 Commissioner Rivas?

15 COMMISSIONER RIVAS: Yes.

16 ACTING CITY CLERK: Commissioner Valdivia?

17 COMMISSIONER VALDIVIA: Yes.

18 ACTING CITY CLERK: Commissioner

19 Martinetti?

20 Recusing.

21 Mayor Stack?

22 MAYOR STACK: Yes.

23

24 **REGULAR AGENDA:**

25

1 2. Resolution Authorizing the Issuance and
2 Sale of Up to \$38,000,000 of School Bonds Series
3 2015

4

5 ACTING CITY CLERK: Item 2.

6 Resolution Authorizing the Issuance and
7 Sale of Up to \$38,000,000.00 of School Bonds
8 Series 2015.

9 Is there a motion?

10 MAYOR STACK: Motion.

11 ACTING CITY CLERK: Motion by Mayor Stack.

12 COMMISSIONER RIVAS: Second.

13 ACTING CITY CLERK: Second by Commissioner
14 Rivas.

15 Roll call.

16 Commissioner Fernandez?

17 COMMISSIONER FERNANDEZ: Clerk, based on
18 the doctrine of necessity, I will vote on this
19 item; yes.

20 ACTING CITY CLERK: Commissioner Rivas?

21 COMMISSIONER RIVAS: Yes.

22 ACTING CITY CLERK: Commissioner Valdivia?

23 COMMISSIONER VALDIVIA: Recusing.

24 MS. de los RIOS: For the record, excuse
25 me, it is recommended that Commissioners Valdivia

1 and Commissioners Rivas recuse themselves from
2 this vote.

3 And invoking the doctrine of necessity,
4 Commissioners Martinetti and -- and Fernandez
5 will be voting.

6 ACTING CITY CLERK: Commissioner
7 Martinetti?

8 COMMISSIONER MARTINETTI: Yes.

9 ACTING CITY CLERK: Mayor Stack?

10 MAYOR STACK: Yes.

11 COMMISSIONER RIVAS: Oh, I recuse myself.
12 Right?

13 MS. de los RIOS: Yes.

14 COMMISSIONER FERNANDEZ: Just for the
15 record, Commissioner Tilo Rivas will be recusing
16 on that second --

17 ACTING CITY CLERK: Commissioner Rivas will
18 recuse.

19 COMMISSIONER FERNANDEZ: -- item.

20 MS. de los RIOS: Thank you.

21

22 **REGULAR AGENDA:**

23

24 3. Resolution to Award Contracts for Football
25 Equipment, Supplies and Trophies to Stan's Sport

1 Center, BSN Sports and Riddell

2

3 ACTING CITY CLERK: Item 3.

4 Resolution to Award Contract for the
5 Football Equipment, Supplies and Trophies to
6 Stan's Sport Center, BSN Sports and Riddell.

7 Motion to approve item 3?

8 MAYOR STACK: Motion.

9 ACTING CITY CLERK: Motion by --

10 COMMISSIONER FERNANDEZ: Second.

11 ACTING CITY CLERK: -- Mayor Stack.

12 COMMISSIONER FERNANDEZ: Second.

13 ACTING CITY CLERK: Second by Commissioner
14 Fernandez.

15 Roll call.

16 Commissioner Fernandez?

17 COMMISSIONER FERNANDEZ: Yes.

18 ACTING CITY CLERK: Commissioner Rivas?

19 COMMISSIONER RIVAS: Yes.

20 ACTING CITY CLERK: Commissioner Valdivia?

21 COMMISSIONER VALDIVIA: Yes.

22 ACTING CITY CLERK: Commissioner
23 Martinetti?

24 COMMISSIONER MARTINETTI: Yes.

25 ACTING CITY CLERK: Mayor Stack?

1 MAYOR STACK: Yes.

2

3 **PRESENTATION:**

4

5 Rental Assistance Demonstration (RAD) Program,
6 Union City Housing Authority

7

8 ACTING CITY CLERK: Mayor, the next item is
9 a presentation, Rental Assistance Demonstration,
10 RAD Program, Union City Housing Authority.

11 MAYOR STACK: Yes.

12 Mr. Cabello?

13 MR. CABELLO: Good evening.

14 I'm Virgil Cabello, Executive Director of
15 the Housing Authority of Union City.

16 Good evening, Mayor and Commissioners,
17 Housing Commissioners, and the public.

18 A few years ago HUD conceived new
19 initiatives to fund public housing authorities
20 throughout the nation and they called it the
21 Rental Assistance Demonstration Grant.

22 Two years ago the Housing Authority hired
23 the services of Execu-Tech, who are individuals
24 in New Jersey who have -- a part of putting these
25 applications together. And we present an

1 application to HUD and it was approved two years
2 later.

3 As you can see the government works really
4 fast.

5 Part of the program, it needs the support
6 of the City for certain aspects of it. And the
7 Housing Commissioners thought it prudent to
8 present this program to you, Mayor and the
9 Commissioners, to get your support and, you know,
10 agree with the program.

11 So with that said I would like to ask Bill
12 Snyder who's the principal of Execu-Tech to do
13 the Rental Assistance presentation.

14 Thank you.

15 MR. SNYDER: Good afternoon, Mayor Stack,
16 City Commissioners, Chairman Martinetti, Housing
17 Authority Commissioners, and interested members
18 of the public.

19 My name is Bill Snyder. I'm a principal in
20 the firm of Execu-Tech.

21 With me, to my right, -- (indiscernible) --
22 it's Lou Riccio, he's my partner; and also with
23 me is Bill Katchen, he's a partner also and a
24 CPA.

25 Together we have over 100 years experience

1 in the affordable housing area. In terms of my
2 background, I was retired as the Secaucus Housing
3 Authority Executive Director three, four years
4 ago. I also served as the Executive Director of
5 the Hackensack Housing Authority, the Passaic
6 Housing Authority, and for a short period of time
7 the Asbury Park Housing Authority.

8 So jointly we've run many housing
9 authorities in the State of New Jersey. We have
10 a wealth of experience from the Housing Authority
11 side. In addition to that, we've been involved
12 with affordable housing development and
13 management for many, many decades.

14 We're here tonight to talk to you about the
15 Rental Assistance Demonstration Program. This is
16 kind of hybrid of a presentation that we put
17 together. We use it to talk to residents as we
18 go around the State.

19 There are currently about 37 of the 85-plus
20 housing authorities in New Jersey that have
21 received approval to proceed with the Rental
22 Assistance Demonstration Program. We represent
23 -- our firm, more than half of those.

24 So tonight what I'd like to do, it's kind
25 of a longwinded presentation but I promise you

1 I'm going to make it as short as possible.

2 I want to tell you where you're at in terms
3 of the Union City Housing Authority. I want to
4 give you some information from our perspective,
5 based upon the many decades that we've done this,
6 where we think federal housing programs are going
7 -- specifically the public housing program.

8 We're going to tell you what -- if you want
9 to continue, what you're going to need to do in
10 terms of the City and the Housing Authority.

11 Then we'll accept questions and answers
12 from you because I know there will be many; there
13 always are.

14 Questions are, what does this mean to the
15 Housing Authority? What does it mean to the
16 City? And, more importantly, if there's any
17 residents here, what does it mean to the
18 residents?

19 So, we've done a lot of these. In fact,
20 we're about to close the single biggest RAD deal
21 in New Jersey, which is the Passaic Housing
22 Authority. And that deal should be closed very,
23 very shortly; we're waiting for a commitment on
24 FHA insurance.

25 Mr. Riccio is about to close another

1 smaller deal at the Madison Housing Authority.

2 You received actually your approval in the
3 second phase. The first phase was a competitive
4 phase. Second phase was everybody else that was
5 on a waiting list. And as your Executive
6 Director Virgil Cabello said, you recently
7 received approval to convert your entire
8 portfolio.

9 Now let me say this at the outset, we're
10 not here to convince you to do anything. We're
11 here to give you information. The ultimate
12 decision as to whether you move ahead with this
13 is based upon the City and the Housing Authority
14 and what you think is in the best interest of
15 your residents.

16 So, just by point of reference, if you want
17 to look up -- as a matter of fact, Lou, you can
18 give some of those out.

19 I've got some information I just brought
20 with me today on some projects that have already
21 been converted around the country. So this will
22 give you some good information in terms of what
23 other people are doing.

24 If you wanted to look up yourself, these
25 Regulations, we bring them here. It's 2012-32,

1 | it's actually Revision 2. That's going to give
2 | you the latest information on what the RAD
3 | Program is about.

4 | Now what is the RAD Program? Okay, it's
5 | HUD's latest and greatest program. What it
6 | allows a Housing Authority to do is convert from
7 | your current form of assistance. You are funded
8 | wholly from the Public Housing Program under the
9 | Housing Act of 1937. Section 9 of that.

10 | So what this allows you to do is to convert
11 | from Section 9 to a program that you were all
12 | aware of, Section 8. You all know it as a rent
13 | subsidy program where you're subsidizing tenants'
14 | RADs throughout your City. Tenants pay 30
15 | percent of the rent and the Housing Authority
16 | pays the difference up to a contract rent.

17 | Well what this does is that's a tenant-
18 | based program. It allows you, the Housing
19 | Authority, to get a project-based voucher. Works
20 | very similar to the tenant-based program, except
21 | the voucher is attached to the unit.

22 | Think about it, if you were to convert and
23 | a tenant could take the voucher with them, you'd
24 | have no subsidy; you'd have a unit without
25 | anything.

1 So it's very similar to Section 8, tenant-
2 based, but the subsidy is actually attached to
3 the unit. Okay?

4 Where are you at in terms of this process?
5 The Union City Housing Authority has received
6 approval -- what's called a CHAP, commitment to
7 enter into a housing assistance payment contract
8 with HUD. You are very early on in the process.
9 We often get, how much money are we going to get,
10 what work are we going to do; we will explain the
11 process to you but you are only in the planning
12 stages.

13 And, by the way, the Housing Authority can
14 withdraw from this process anytime up till
15 closing. I anticipate the earliest closing will
16 be within a year.

17 Now HUD tells you you have a hundred and
18 eighty days in which to submit a financing plan.
19 Depending on the sources of financing, that will
20 take more than a hundred and eighty days.

21 The Passaic deal is taking us going on --
22 it's going on three years now.

23 And by the way I would encourage you --

24 I know Senator Stack I'm sure knows
25 Assemblyman Schaer, who is also City Council

1 President in Passaic, to reach out to him, ask
2 him what he thinks is going on with this program;
3 whether they think it's been beneficial to the
4 city.

5 I've been told by the city that it is the
6 single biggest redevelopment effort to date
7 that's been approved in the city. And it will
8 convert their public housing stock. We're
9 putting in -- the first phase is a hundred and
10 thirty units and it's about, I think, \$5.8
11 million in rehab to the units. It's in the area
12 of 30, \$35,000.00 per unit. But if you know what
13 the cost of rehabilitation is to an apartment
14 building, a high-rise building, you can put
15 kitchens, bathrooms, so on and so forth. So it
16 does dramatically change the appearance of the
17 property.

18 In terms of Union City, you have four what
19 we call AMPS, Asset Management Projects. You
20 have Columbia Court, which is 96 units. You've
21 got Hillside Terrace I, Hillside Terrace II; 147
22 units, 111 units at Hillside Terrace II. Then
23 your senior property, which has a hundred and one
24 units. Total of 455 units.

25 And, by the way, because it is four AMPS,

1 | you can decide to convert your whole portfolio,
2 | you can decide to convert any one of those
3 | individual AMPS, or you can decide to do nothing
4 | at all. That's your decision.

5 | What will this mean for the residents?

6 | We always get that because what we're
7 | required to do is meet with the residents. We
8 | did have two meetings with your residents here in
9 | Union City. The first thing they wanted to know
10 | is am I going to be displaced, lose my apartment,
11 | is my rent going to go up?

12 | The rent is not going to go up. Tenants,
13 | we are not allowed to raise their rent; they will
14 | still pay 30 percent of their adjusted annual
15 | income. The difference between a rent that is
16 | set by HUD, just like in the Section 8 program,
17 | who we have paid to the Housing Authority from
18 | HUD in the Housing Assistance Payments. Same as
19 | Section 8 in the tenant-based program.

20 | Will tenants be required to move? No. We
21 | don't anticipate here and all of our other
22 | clients; we will be required to prepare a
23 | relocation plan. Our relocation plan
24 | specifically is this, in apartments it's mostly
25 | kitchens and bathrooms. We have a great deal of

1 | experience in doing this, as does the Housing
2 | Authority here. We do kitchens in one day
3 | believe it or not. We do bathrooms in three
4 | days. We set up a couple of apartments where
5 | people have vacated as hospitality apartments
6 | that we furnish. We provide some food and
7 | beverages, particularly with your seniors so they
8 | can go there. They have facilities to shower or
9 | use the toilet if they need to do so.

10 | We put the toilet back in every single day.
11 | It generally takes, if you're replacing a tub,
12 | three days to replace that. So they could be
13 | without those shower facilities; that's why we
14 | set it up.

15 | So there will be no relocation. As opposed
16 | to some places where they move wholesale tenants
17 | out, put them up someplace until you do the work,
18 | and bring them back.

19 | And the reason that we do that also is it's
20 | very, very costly to relocate tenants. It's
21 | under the Uniform Relocation Act, so that becomes
22 | a problem. So, very, very little in terms of
23 | impact on the tenants.

24 | Now I say this to you because it's a
25 | compliment to the City and to the Housing

1 Authority for looking outside the existing box,
2 the paradigm of public housing. The Public
3 Housing Program, it's no secret, it's a fact, it
4 is a dying program.

5 In a minute I'm going to show you the way
6 that funding's been going; it's been going down
7 and down every year.

8 You are essentially funded from two sources
9 under the Public Housing Program.

10 Now remember also, I should say this, this
11 only pertains to those four properties that I
12 told you about. This does not pertain -- I
13 understand you have Veteran's Housing here; this
14 does not pertain to that, that is not public
15 housing.

16 Your public housing is funded from two
17 sources under the Public Housing Program.

18 One is called the Operating Fund. There is
19 a formula that is prepared every year and it
20 tells you how much money that HUD is going to
21 give you to operate your public housing.

22 I know sometimes people are surprised to
23 hear this but some of your residents don't pay
24 any rent; in fact, they get a check every month
25 to help them with their utilities.

1 So if you were in business running a
2 private apartment building how would you stay in
3 business?

4 You stay in business because HUD provides
5 this subsidy to you to pay for contract loss,
6 maintenance material, salaries and benefits,
7 insurance, utilities, so on and so forth. The
8 rent that the tenants pay only cover a small part
9 of that. Okay?

10 So the operating fund is subject to annual
11 appropriations from Congress. Many years ago, --
12 I want to say around the Reagan
13 Administration, --

14 When I first started, which is only
15 yesterday, -- it's actually close to 40 years
16 now, we received full funding. So if you were
17 entitled to a million in operating fund --
18 formula funding, you got a million dollars.

19 Well, right around Ronald Reagan,
20 thereabouts, HUD did not -- Congress did not
21 appropriate a hundred percent. So if Congress
22 appropriated 90 percent, that's all you got.

23 What does this mean to a Housing Authority?
24 For every million dollars in funding under the
25 operating funds you're entitled to, -- and they

1 | only -- Congress only appropriates 90 percent,
2 | you only receive \$900,000.00. It's up to the
3 | Authority to figure out where they're going to
4 | find that additional money.

5 | Now this has been going on since then;
6 | we've hit some historical lows in terms of the --
7 | the funding.

8 | Go to the chart or the graph; keep going.
9 | Okay.

10 | You'll see here. Okay?

11 | The blue line is the subsidy eligibility
12 | the Housing Authority's are entitled to. This is
13 | only up to 2013. You see the gap between that
14 | and the red line? Well you see them intersect
15 | sometime around 2010 or so, -- that's because of
16 | a gimmick that was played where they recaptured
17 | money from housing authorities and redistributed
18 | to everybody.

19 | So, they -- since -- this goes back to
20 | 2003, you can see they have not been
21 | appropriating not much money.

22 | Now you could say -- somebody just said to
23 | me, well Bill, what happens if Congress
24 | appropriates a hundred percent next year?

25 | Well if you know anything about Washington,

1 | there's a tooth fairy also. We've got a problem
2 | in Washington and Congress has not been
3 | appropriating enough money for at least domestic
4 | discretionary programs.

5 | In fact, you may remember over about a year
6 | ago -- and it's going to come back again, there's
7 | something called sequestration, which was
8 | automatic cuts across the program, domestic
9 | discretionary programs, which HUD is one of.

10 | So in addition to the proration and the
11 | operating fund we also received a haircut and I
12 | think it was another five percent based upon
13 | sequestration.

14 | Okay, your original application was based
15 | upon 95 percent proration factor. The approved
16 | application is at 89 percent. The amount that
17 | HUD is actually appropriating is significantly
18 | less than that.

19 | By participating in the RAD program HUD is
20 | setting your rent at a level, which is based upon
21 | the 2014, I believe, proration level.

22 | What's happening is HUD is using the
23 | capital fund and the operating fund program to
24 | fund these RAD conversions. So in addition to
25 | receiving the proration factor, the amount of

1 funding has continued to go down because they're
2 pirating that program to pay for this program.

3 So by being locked in at that rent, your
4 rent is the rent, you've already got an approved
5 rent schedule that came from HUD. In addition to
6 that you're going to get historically what's
7 called an OCAF adjustment. An operating cost
8 adjustment factor in your rent, which will allow
9 your rent to go up a little bit.

10 Last year was two percent. Not much but as
11 I told you, the operating fund has been going
12 down. So it stabilizes your funding source.

13 Capital fund; that is the other source of
14 funding that you have. Operating fund for
15 operations; capital fund to make repairs to your
16 building.

17 Several years ago HUD commissioned a study
18 from a group by the name of Abt Associates. They
19 determined that there's a 26 billion dollar
20 shortfall in the capital fund program across the
21 country. You will see it has an annual accrual
22 rate of 3.6 billion dollars. Meaning just to
23 keep up with the rate of repairs, the current
24 rate of repairs, you'd need to appropriate 3.6
25 billion dollars. The 2013 appropriation was 1.78

1 billion dollars.

2 In fact, there was a 25 percent cut in this
3 program between 2010 to 2012. So the amount of
4 money they're giving you to actually make repairs
5 to the building has been going down and it's been
6 going down.

7 One of the purposes of this RAD program is
8 it wasn't that actually HUD or Congress is saying
9 we want to do something great for housing
10 authorities, it's because it gives you an
11 opportunity to bring in the private sector in
12 terms of lenders and investors to invest in your
13 public housing. Okay?

14 There's two programs. The single biggest
15 provider for affordable housing today by the way
16 is not -- does not come from a funding source
17 from HUD.

18 It's a program that's administered by the
19 Internal Revenue Service called a Low Income
20 Housing Tax Credit Program. Where investors
21 invest in affordable housing such as a public
22 housing project that is converting under RAD;
23 they provide their equity and they get a big tax
24 credit for doing that.

25 You'll see the Capital Fund Program. If

1 | you look back on 2003 to 2013, where that's been
2 | going. It's much less than what it was then.

3 | As I said what HUD and Congress is trying
4 | to do, they understand that 26 billion dollar
5 | shortfall in the Capital Fund Program across the
6 | country. There's no way -- that's -- that's the
7 | entire HUD budget for everything, including FHA,
8 | for one year.

9 | So what they decided to do is allow housing
10 | authorities to convert to attract private
11 | investment to be able to provide the money that
12 | you need to fix up your public housing.

13 | Your public housing here is like many
14 | places, it is -- whether it's Passaic or
15 | Hackensack where I was, a good deal of them was
16 | built during the Eisenhower Administration. And
17 | you here actually participate in what was called
18 | the Capital Fund Financing Pool.

19 | Several years ago we put together a pool in
20 | New Jersey and you leverage your capital funds
21 | and made repairs to your building. So you're a
22 | little bit ahead of the curve in terms of having
23 | that money that made those repairs.

24 | However the problem with that is there's
25 | less capital fund money, more that's going to pay

1 down that debt and, in fact, when you do -- if
2 you decide to convert, that debt has to be paid
3 off.

4 You are obviously eligible; you received a
5 commitment from HUD to participate this program.
6 That was not an issue. The issue comes down now
7 is to actually, as I said, is just a planning
8 stage for us to actually analyze your finances to
9 see if, number one, you can assume a mortgage;
10 and if, number two, you can leverage debt from
11 private investment.

12 The first thing that has to happen, and
13 again as I said you can pull out of this at any
14 time, is to commission what's called a physical
15 condition assessment. That assessment is a tool
16 that's required by HUD. It will analyze all of
17 your properties on the inside and outside and
18 tell you exact amount of work that you need in
19 order to participate and to move to the next
20 level.

21 So, for example, they will come in -- an
22 engineering firm -- and they'll look at the
23 outside of the building. They'll say you have so
24 many light fixtures; how much it costs to replace
25 the light fixtures. How many linear feet of

1 curbing. How many square foot of sidewalk. How
2 many square foot of asphalt paving. And what it
3 costs to replace all of those items.

4 They will also do an energy audit, green
5 energy audit to determine if there's any energy
6 needs that you have and so you can convert in
7 terms of electricity and water savings.

8 Once that tool is done, then we analyze it
9 and go over with the staff what work from there
10 should be pulled forward into the first two years
11 and to be funded from whatever sources we can put
12 together.

13 Again, that's either by amount -- amount of
14 debt being issued and our investment from private
15 investors to do this.

16 If you don't need the work, -- in some
17 cases I have one client which has very, very
18 little work -- there will be no debt or equity
19 investment. They're just proceeding. They've
20 got some money in reserves. They're using their
21 reserve money.

22 And this PCA I'm telling you about is for
23 20 years. So what happens is, is going to tell
24 us what we need now and for the next 20 years.
25 You are going to be required to make a deposit

1 | into a reserve every year for 20 years to satisfy
2 | the items in that PCA that need to be done.

3 | So, for example, if a roof has a useful
4 | life of 20 years and it was replaced ten years
5 | ago, ten years into the PCA it will have a dollar
6 | amount to replace that roof and that money can't
7 | be used for anything else other than those items
8 | that are in that PCA and you require HUD approval
9 | to actually use it.

10 | So we get that all the time, sure you're
11 | going to take this money and use it for whatever
12 | you want, we can't. Okay. So it's locked in,
13 | not only now but going in to the future.

14 | Okay.

15 | We estimate, as I said -- and our other
16 | clients, that's anywhere from 25 to \$30,000.00 to
17 | being able to raise in debt and equity, to make
18 | repairs to the buildings.

19 | I already told you about the relocation.

20 | I mentioned to you about the Low-Income
21 | Housing Tax Credit Program. That is where
22 | private investors would come in to invest in
23 | their property and they get a tax credit for that
24 | if you need that.

25 | We don't know that yet, because we don't

1 know where you are in the financing process. We
2 have to determine what your needs are first. But
3 this would be a consideration in terms of a
4 financing source.

5 What we looked at when we first came here
6 to look at your properties, the Housing Authority
7 had -- done a physical needs assessment. That
8 physical needs assessment, HUD required on all of
9 your properties, and it tells you from the
10 perspective of the person who prepared it, what
11 they think your needs are.

12 The amounts that we see in here is about 20
13 million dollars. That was from an old survey
14 that was done. And that was probably done before
15 you did your leveraging, so some of these items
16 have already been addressed.

17 Okay.

18 This is just broken down by projects. We
19 don't need to get into that.

20 Annual and five year plan has to be
21 revised. I'm working on the staff with that.

22 Resident provisions. As I said your
23 residents are protected. We would have to meet
24 with your residents again, if you move to the
25 next step. What we do is generally complete that

1 physical condition assessment, meet with the
2 residents after we determine the type of work
3 that needs to be done to explain to them the
4 process, the work items by building.

5 Once you convert to RAD you no longer
6 obviously going to receive the operating fund or
7 the capital fund. You're going to have a set
8 rent that it's built into that.

9 HUD calculates your per unit, per month
10 amount of operating subsidy in capital fund
11 money. They develop a rent. Tenant pays a
12 portion; HUD pays the difference in that rent.
13 And a piece of it, because it's built in from the
14 capital fund, is what you're actually able --
15 able to leverage in terms of assuming debt.

16 Does it make sense for you to convert?
17 That's really a decision that rests with you.

18 We give you a little information on where
19 we think the federal funding's going. I mean
20 that's a historical trend that's not getting any
21 better. Washington is not -- doesn't have an
22 appetite currently for, you know, coming up with
23 a lot more money for these domestic discretionary
24 programs. I think it's going to be going even
25 less and less. That's just my opinion. I think

1 ultimately they're going to require everybody to
2 convert.

3 There were 65,000 units in the first round,
4 which is a competitive round. Congress lifted
5 that ceiling last year to a hundred eighty-five
6 thousand units. So nationwide you're going to
7 have a hundred eighty-five thousand units that
8 are going to be converted. And, you know, you
9 received an approval to be in that phase.

10 The next step, if you decide to go forward,
11 is to issue a request for proposals for the
12 physical condition assessment; to have an
13 engineering firm prepare this PCA. You would
14 have to bring in after that, if you decided and
15 there's a need for the financing, a tax
16 credit/mortgage consultant, special counsel that
17 would have to set up special purpose entities to
18 participate in a tax credit program. And there
19 was a checklist, which we actually gave to the
20 Authority that we tell them to look at, so we're
21 on top of where we're going in terms of the
22 conversion.

23 That's essentially in a -- you know, a
24 snapshot view of what it's all about. I'm sure
25 you have questions and we're here to answer your

1 questions, you know, or members of the public.

2 MAYOR STACK: What would -- what would it
3 do to the rent on the average -- on the average
4 unit?

5 Where would the rent be three to five years
6 from now if this -- this happened?

7 MR. SNYDER: The rents are set -- as I
8 said, there's a CHAP. The rents on this program
9 are very low compared to say multi-family
10 subsidized housing. My recollection is -- let's
11 just say it's \$600.00 here. Tenants are not
12 going to pay any more rent. If a tenant is -- if
13 a tenant currently pays 30 percent of their
14 adjusted annual income, -- let's say it's a
15 hundred bucks -- the difference between that and
16 what you're being subsidized is being made up
17 from HUD from the operating fund.

18 So let's say that you rent for a one
19 bedroom's 600, the tenant still pays a hundred,
20 HUD pays the 500; so you're being made whole.

21 Those rents hopefully will go up because it
22 doesn't affect the tenants; as it goes up, it's
23 giving the Authority more money to operate. So,
24 it's -- there's no more impact on the -- on the
25 residents like they have to pay more.

1 MAYOR STACK: Would it come back to that
2 particular tenant who's living in the unit when
3 this is done -- that tenant moves out, you talked
4 about mobility, what happens to the rent in that
5 unit? Does it increase when a --

6 MR. SNYDER: No.

7 MAYOR STACK: No.

8 MR. SNYDER: No, those rents are set by
9 HUD. The only time they would adjust is that
10 annual OCAF adjustment that HUD gave.

11 And by the way, good point Mayor. There's
12 a program -- an aspect of this, which is a little
13 unusual, called Choice Mobility. So if somebody
14 lives in public housing now and decides they want
15 to move, you have to accommodate them, after a
16 certain period of time, by giving them a voucher
17 through your tenant-based program, allowing them
18 to move with a voucher.

19 So the benefit to them is they're
20 subsidized where they're at in the project. If
21 they move out, they get the next available
22 voucher to go somewhere else.

23 MAYOR STACK: I see.

24 MR. SNYDER: That's called Choice Mobility.

25 MAYOR STACK: Okay.

1 Any Commissioners have any --

2 COMMISSIONER FERNANDEZ: When you say you
3 -- it takes one day to do a kitchen and three
4 days to do a bathroom.

5 MR. SNYDER: Yes.

6 COMMISSIONER FERNANDEZ: Right?

7 Union City's case, when you have 455 units,
8 how many are you -- how many of these bathrooms
9 and kitchens are you doing, you know, on a weekly
10 basis let's say?

11 MR. SNYDER: Yeah. That would -- again,
12 that's way ahead of ourselves. That would be at
13 the time -- you're going to award a contract to a
14 general contractor and what happens is we
15 actually prepare a plan and we sit down with the
16 general contractor during the pre-construction
17 meeting and really read him the riot act and we
18 tell them --

19 What usually happens in a kitchen and
20 bathroom job is they mobilize, we do one unit
21 which is a mockup in terms of determining quality
22 and how long it takes. Then we release a certain
23 number of units to see how many they can do in a
24 period of time until we give them the whole job.

25 Because particularly elderly units, -- and

1 we have a lot of experience with that -- we don't
2 want them disrupting our elderly residents; they
3 go absolutely crazy.

4 So there's a sequencing process and then we
5 -- you know, we got to stay on top of it.

6 And, again, you'll be hiring an
7 architectural engineering firm and depending on
8 the size of the job, -- some places hire
9 construction management firms to stay on exactly
10 that to make sure that the work is going smoothly
11 and good quality and no disruption to the
12 residents.

13 COMMISSIONER FERNANDEZ: How many times
14 have you done a contractor be on time?

15 I've never seen one be on time; a plumber,
16 anybody.

17 MR. SNYDER: Well I can only tell you from
18 my own perspective as a Director, I may have been
19 only one of the few ones, I'm really hard on
20 contractors and I've always instituted liquidated
21 damages. And at 25 percent, 50 percent, 75
22 percent, they get a letter from me, when I was a
23 Director, telling them where they're at.

24 So, 25 percent of the job, if you're 12
25 percent done, I tell them on this day it's going

1 to cost you usually 500 or a thousand dollars a
2 day. And I used to implement it.

3 People who deal with me knew if you don't
4 get done on time you're going to get assessed
5 these penalties. And if they know you're serious
6 about it, they're more likely to finish on time.
7 Unforeseen conditions, obviously, being something
8 different.

9 COMMISSIONER FERNANDEZ: Does this cover
10 anything about common areas or just the
11 apartments themselves?

12 Anything on common areas?

13 MR. SNYDER: We won't know till we do the
14 PCA. I suspect it's going to be common areas
15 also.

16 We're going to be looking -- the PCA are
17 looking at mechanical systems. I don't know the
18 age of your boilers. It's going to look at
19 boilers, heating, ventilating, air conditioning.
20 Elevators in your high-rise buildings, it will
21 look at that also. They'll determine the useful
22 life, the condition it's in.

23 Are you going to have -- there's a whole
24 accessibility checklist, so there may be some
25 handicap issues that you have to address. That

1 will all be part of the PCA.

2 And, again, when that's done, we don't make
3 the decision on that, you all jointly will look
4 at it and say, you know, we have X-amount of
5 dollars we can leverage and here's the items. So
6 there's going to be some items that somebody may
7 say, well, this is a priority, this isn't.

8 You know the Olympic swimming pool might
9 not be a priority, but elevators might be.

10 So you're going to be -- you know, I'm
11 being facetious about that -- but you're going to
12 move things around.

13 Yes?

14 COMMISSIONER VALDIVIA: You said that the
15 voucher program is similar to the Section 8
16 program --

17 MR. SNYDER: Yes.

18 COMMISSIONER VALDIVIA: -- that exists,
19 that anyone can move anywhere.

20 Could you explain a little more? If
21 someone --

22 MR. SNYDER: Yeah, --

23 COMMISSIONER VALDIVIA: -- was to --

24 MR. SNYDER: -- there's a component of this
25 which is -- it's called Choice Mobility. And I

1 | don't want to confuse you on this.

2 | Essentially what it is to participate in
3 | this program --

4 | And you already have a tenant-based program
5 | here in Union City.

6 | So essentially what it is --

7 | And, let's face it, most of our seniors
8 | don't move; they're not going anywhere. But I
9 | did -- I did have a meeting with some seniors, --
10 | I don't think it was here, might have been in
11 | Passaic -- and a woman said to me you're telling
12 | me that I could go back when I get real old to
13 | live with my family in Puerto Rico -- because she
14 | was -- her family was still --

15 | I said well actually you can. You can get
16 | a voucher and go --

17 | She wanted to know if she got sick could I
18 | be by my children; they were still there. And
19 | really under the Choice Mobility Program I
20 | believe there's a minimum time you have to stay
21 | back and it might be a year. If a -- if you want
22 | to move, you'd be put on a list obviously, and as
23 | a voucher becomes available through the tenant-
24 | based program, you would get that and be able to
25 | move where you want.

1 The project-based voucher that the Housing
2 Authority has stays with the apartment because we
3 need to collect that rent otherwise you'd go out
4 of business.

5 COMMISSIONER VALDIVIA: It stays in there.
6 Okay.

7 MR. SNYDER: Yeah.

8 MAYOR STACK: Any questions?

9 Does any -- any member of the public have
10 any questions at this time?

11 Okay. Okay.

12 Okay, the next -- the next step would be
13 for the City and the Housing Authority to make a
14 decision at that point. The Board of
15 Commissioners would have to make a decision; then
16 -- or the Housing Authority?

17 MR. SNYDER: It's really the -- well, it's
18 twofold. It's really the Housing Authority,
19 Board of Commissioners. The next step is to
20 issue these RFPs.

21 As I said, Mayor, you can back out of this
22 anytime right up to closing. But I don't -- I
23 don't want you -- let's be -- I'm going to be
24 honest with you upfront, as you get deeper and
25 deeper into this, particularly hiring special

1 | counsel, which you know these are tax counsel
2 | with these credits on, you're spending money. So
3 | the deeper you get in, the more money the
4 | Authority's spending. You can back out at any
5 | time.

6 | The next step would be the PCA. I would
7 | recommend going -- that's not going to cost you a
8 | lot of money. I mean it's thousands of dollars,
9 | 12, \$14,000.00, but that will tell you the work
10 | that you need, then you can decide in terms of
11 | the financing.

12 | In terms of the circuit breaker really
13 | being the City, it's the Housing Authority Board
14 | of Commissioners that will determine this but the
15 | City's really a circuit breaker and I'm going to
16 | tell you why.

17 | In order to do any financing at the end,
18 | we've got to come to you and you've got to extend
19 | the current tax abatement agreement. There's a
20 | P.I.L.O.T. agreement that the Housing Authority
21 | has in the form of what's called a cooperation
22 | agreement. That goes in perpetuity for public
23 | housing.

24 | In order to do financing there isn't an
25 | bank or investor that's going to allow the

1 Housing Authority to move forward unless they
2 come forward with that document. So it's going
3 to come back to you and you're either going to
4 say yes or no it's a good deal for the City.

5 MAYOR STACK: And the buildings will always
6 remain public housing, so to speak?

7 They'll always be public housing? It's not
8 going to be a situation where you like -- where
9 you have in Hoboken where you have Applied
10 Housing and then after so many years the
11 buildings go back to a market rate or anything
12 like that?

13 MR. SNYDER: That's a good question.

14 MAYOR STACK: That's something we would --

15 MR. SNYDER: No.

16 MAYOR STACK: -- we would not want.

17 MR. SNYDER: No. It's always going to
18 remain as affordable housing within -- the
19 housing --

20 I get this a lot of time for Housing
21 Authority Commissioners, what happens to us, do
22 we still exist? Yes. That Board is still an
23 autonomous Board but that Board will still
24 control everything that's going on. The Housing
25 Authority will continue to manage the units.

1 I get that from employees, am I still going
2 to be in the pension system? Yes. Still a
3 public employee. Still the same management.
4 Everything is still the same.

5 Different program though, Section 8, as
6 opposed to Section 9.

7 MAYOR STACK: Right. Okay, got it.

8 Anyone else any further questions?

9 MR. MARTINETTI: Just have a question.

10 MAYOR STACK: Just if you could, Marty, if
11 you could just step forward. Just come right
12 over to the mic for a minute.

13 MR. MARTINETTI: Sorry.

14 MAYOR STACK: Just for the record.

15 MR. MARTINETTI: Marty Martinetti,
16 Chairperson, Union City Housing Authority.

17 I just had a quick question.

18 If this -- the Authority couldn't make
19 their debt payments with the mortgage holders,
20 they'll assume the properties?

21 MAYOR STACK: Just if you can keep your
22 voice up.

23 MR. MARTINETTI: Will those properties
24 be --

25 MAYOR STACK: Just move a little bit

1 closer.

2 MR. MARTINETTI: If the Authority somehow
3 doesn't make the payments or is unable to make
4 the payments due to increase in costs, interest
5 rates, so forth and so on, would the mortgage
6 holders take possession of these properties?

7 That's all I wanted to -- a quick question.

8 MR. SNYDER: Well, it's just like your own
9 mortgage. If you don't make a mortgage payment
10 on your home, the bank is going to foreclose.

11 However, depending on the financing
12 sources, if you're using a tax credit program,
13 okay, there's going to be somebody -- the long
14 term financing may come through the Housing
15 Mortgage Finance Agency. There will be a
16 regulatory agreement. You'll probably have more
17 oversight because they're going to be looking at
18 everything.

19 Now, it's like any other entity, if the
20 Housing Authority decides to hire a lot of people
21 and their expenses exceed by a great deal their
22 revenue and you can't pay your expenses, I -- I
23 can't tell you that you're not going to go into
24 default. I can't tell you that PSE&G isn't going
25 to turn off your electricity and gas if you don't

1 pay the bills.

2 And so the answer would be yes but that's
3 anybody who doesn't pay their bills. And, in
4 fact, those debt service payments are built into
5 the rent. So you having the money now, -- when
6 we run a pro forma, which we're going to be
7 required to do for HUD and the lenders and
8 investors, we have to exceed our revenue over our
9 expenses by what's called a debt service
10 coverage. It's a minimum -- most investors want
11 1.15, which is 58 percent overage of revenue over
12 expenses.

13 When we start out in the early years of the
14 pro forma, you're at 1.25, meaning that our --
15 our revenue is going to exceed our expenses by 25
16 percent to trend it out over the entire term of
17 the mortgage. If it's an FHA mortgage, insured
18 mortgage is 40 years. So you even got to start
19 it higher.

20 So you're starting out with all that excess
21 cash. It's going to get less towards the -- the
22 40 years; at the end of 40 years you pay it off,
23 you refinance or you do something else.

24 So the money is there but I can't tell you
25 -- I mean if somebody -- I'm not here running the

1 place. If somebody ran the place into the ground
2 and, you know, you're not paying any of your
3 bills it would be the same thing.

4 Frank?

5 MR. CARNEY: My name's Frank Carney; one of
6 the smaller Commissioners.

7 My problem is the same as Marty's; worrying
8 about the property. We all realize that all our
9 housing is on prime property. So the thing that
10 worries me is if we don't make that payment they
11 come in and take our land away and we're left
12 with nothing.

13 So I don't think we should rush into this
14 without thinking about real seriously. Remember
15 the property is prime property. Every property
16 the Housing owns is prime. So we got to be
17 careful and make sure it's run properly and that
18 we don't get any glitches.

19 Thank you very much.

20 MAYOR STACK: Thank you, Mr. Carney.

21 MR. SNYDER: And just to respond to that, I
22 mean that's an important point. What I didn't --
23 I don't want to give the impression that
24 somebody's going to come in and throw anybody
25 out.

1 If you default on your mortgage there's a
2 deed restriction on this property that says it
3 has to remain affordable on that program. It
4 just means that the management entity is going to
5 get thrown out. Somebody else maybe manages,
6 which would be another probably public entity or
7 the State of New Jersey but it will not impact
8 the tenants. The deed restriction requires that
9 it be affordable housing.

10 MR. MARTINETTI: Just one quick question
11 again.

12 Marty Martinetti.

13 Mr. Snyder, I just had a quick question,
14 maybe you could explain to the public and Mayor,
15 Commissioners, is --

16 MS. DILLON: Just speak up and come closer.

17 MAYOR STACK: Just move closer. Just move
18 closer.

19 MR. MARTINETTI: I couldn't hear well from
20 over there; it's kind of muffled.

21 MR. CARNEY: Marty, we can't hear you --

22 MR. MARTINETTI: I couldn't hear well from
23 over there; it's kind of muffled. I just had a
24 quick question.

25 Is HUD going to guaranty the subsidies

1 | throughout the life of the mortgage?

2 | Or will they be cutting them in the future
3 | and then we're going to be forced to raise rents
4 | or default on our obligations?

5 | MR. SNYDER: Well, I'd like to be able to
6 | guarantee everything that the federal government
7 | does but I can't speak for them. I could just
8 | tell you this that the platform that they're
9 | using on the project-based program is very
10 | similar to the multi-family program, which is --
11 | I know the Mayor mentioned Applied Housing but
12 | you may even have some in Union City which is
13 | privately owned Section 8 new construction.
14 | Those owners have never got a cut in rent or --
15 | or a cut -- it's just the way they do it with the
16 | private sector, you're more on the level with
17 | them.

18 | I wish I could guarantee you but again
19 | nothing's guaranteed in Washington.

20 | MAYOR STACK: I mean as the Mayor, I mean
21 | I'd have to look much further into this before
22 | I'd offer my support.

23 | I mean one thing I do try to do is even in
24 | -- with rent control is protect it in the City of
25 | Union City. Public Housing is sacred and it

1 really is something that needs to be preserved
2 and protected. In fact, we need more.

3 So I'm not totally convinced at this point
4 but I will look into it further.

5 Anyone else has any questions or comments?

6 Okay, seeing no other.

7 MR. SNYDER: Okay.

8 Thank you very much.

9 MAYOR STACK: Thank you.

10

11 **REGULAR AGENDA:**

12

13 2. Resolution Authorizing the Issuance and
14 Sale of Up to \$38,000,000 of School Bonds Series
15 2015

16

17 ACTING CITY CLERK: Mayor, before we close,
18 -- before we close, we would like to go back on
19 item 2.

20 Resolution Authorizing the Issuance and
21 Sale of Up to \$38,000,000.00 of School Bonds
22 Series 2014 (sic) and revote on that one.

23 MAYOR STACK: Sure.

24 COMMISSIONER RIVAS: Again?

25 COMMISSIONER VALDIVIA: I got to recuse on

1 | that.

2 | MAYOR STACK: I'll make a motion.

3 | COMMISSIONER FERNANDEZ: Second.

4 | ACTING CITY CLERK: Motion made by Mayor
5 | Stack.

6 | Second by Commissioner Fernandez.

7 | MS. de los RIOS: And at this time we
8 | recommend that -- that Commissioners Valdivia and
9 | -- and Commissioner Rivas recuse themselves.

10 | And based on the doctrine of necessity have
11 | Commissioners Martinetti and Commissioner
12 | Fernandez vote.

13 | ACTING CITY CLERK: Commissioner Rivas?

14 | COMMISSIONER RIVAS: I'm recusing.

15 | MS. de los RIOS: Recusing.

16 | ACTING CITY CLERK: Recusing.

17 | Commissioner Valdivia?

18 | Recusing.

19 | Commissioner Martinetti?

20 | COMMISSIONER MARTINETTI: As requested by
21 | counsel, we're going to be voting yes.

22 | ACTING CITY CLERK: Mayor, there are no
23 | other items on the --

24 | MAYOR STACK: My vote. My vote.

25 | I vote yes.

1 ACTING CITY CLERK: Mayor Stack?

2 Yes.

3 MAYOR STACK: Anyone else --

4 MS. de los RIOS: Wait.

5 MAYOR STACK: And now just open up the
6 meeting for any public comment anyone may have.

7 COMMISSIONER FERNANDEZ: I didn't vote.

8 MS. de los RIOS: And Commissioner --

9 COMMISSIONER FERNANDEZ: And I didn't vote
10 as well.

11 COMMISSIONER VALDIVIA: Fernandez didn't
12 vote on this one.

13 COMMISSIONER FERNANDEZ: Based on the
14 doctrine of necessity, I'll vote yes.

15 ACTING CITY CLERK: Commissioner Fernandez
16 will vote yes based on the doctrine of necessity.

17 MAYOR STACK: How many -- how many in
18 favor? How many --

19 COMMISSIONER MARTINETTI: Three.

20 ACTING CITY CLERK: We have -- we have
21 three -- three in favor and -- and two recusing.

22

23 **OPPORTUNITY FOR CITIZENS TO ADDRESS THE BOARD:**

24

25 MAYOR STACK: Anyone wishing to comment on

1 any matter concerning municipal government in the
2 City of Union City, please step forward, state
3 your name and address for the record.

4 Seeing none.

5
6 **ADJOURNMENT:**

7
8 ACTING CITY CLERK: Mayor, there are no
9 items on the agenda.

10 Is there a motion to adjourn?

11 COMMISSIONER MARTINETTI: Motion.

12 MAYOR STACK: Motion to adjourn.

13 I would just like to thank the Housing
14 Authority for making the presentation.

15 Thank the Union City Board of Education --
16 Mrs. Abbato and the Board of Education
17 representatives that were here today and the
18 professionals for being here this evening.

19 And thank the Commissioners again for
20 moving a hundred percent of our meetings
21 throughout the community.

22 MS. DILLON: All in favor?

23 MAYOR STACK: Motion.

24 ACTING CITY CLERK: All in favor?

25

1 (Whereupon, there was a chorus of ayes.)

2

3 (Whereupon, the proceedings were concluded

4 at 8:15 p.m.)

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1	_____	Brian P. Stack
2	_____	Lucio P. Fernandez
3	_____	Maryury A. Martinetti
4	_____	Celin J. Valdivia
5	_____	Tilo E. Rivas

6 **Board of Commissioners**

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Attest:

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Dominick Cantatore,

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Acting City Clerk

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1 STATE OF NEW JERSEY:

2 :

3 COUNTY OF ESSEX :

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5 I, KAREN A. MARINO, assigned transcriber,
6 do hereby affirm that the foregoing is a true and
7 accurate transcript in the matter of the SPECIAL
8 MEETING of the UNION CITY BOARD OF COMMISSIONERS,
9 held on Monday, July 27, 2015 and digitally
10 recorded.

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25 Monitored and Proofread by: Deborah Dillon