



Delray Beach Housing Authority

REGULAR BOARD MEETING

APRIL 21, 2011

MINUTES

I. CALL TO ORDER

Meeting called to order at 8:50 a.m..

II. ROLL CALL

Joseph Hepp – Present

Christel Silver – Present

Choli Aronson – Present

Sylvia Morris – Present

Shelly Petrolia – Present

Shelly Weil – Present

Guarn Sims - Present

III. APPROVAL OF AGENDA

A motion to approve the Agenda was made by Vice Chairman Silver. Motion seconded by Commissioner Petrolia. All in favor. Motion passed.

IV. APPROVAL OF THE MINUTES OF MARCH 17, 2011

Vice Chairman Silver noted that a correction was needed to Item II (Roll Call). Where Next to the name “Commissioner Morris” there was a typo reflecting “Morris”. The minutes should be corrected to reflect present or absent. A motion to approve the minutes of March 17, 2011 as corrected was made by Commissioner Aronson. Motion seconded by Commissioner Weil. All in favor. Motion passed.

V. RECOGNITION OF VISITORS

- Michael Hartman – Roundstone Development

- Gregory Clay – Families First

VI. PUBLIC COMMENTARY

None

VII. CONSENT

A motion to pull Consent Item B, Chief Financial Officer’s report was made by Commissioner Aronson. Motion seconded by Commissioner Petrolia. All in Favor motion passed.

A motion to approve consent agenda was made by Vice Chairman Silver. Motion seconded by Commissioner Petrolia. All in favor. Motion passed.

VIII. CORRESPONDENCE

IX. OLD BUSINESS

a. Chief Financial Officer's Report

The CEO asked the Board to pay close attention to this report because it offered crucial information concerning the Authority's Income. The CEO reported that Housing Authorities throughout the country were receiving less administrative dollars due to a rule passed by Congress. The Board was reminded that several factors were responsible for the Authority's current financial situation, the largest being the loss of the Authority's Public Housing Revenue estimated at approximately \$500,000 annually. This was the outcome of Hurricane Wilma in 2005. The Authority has attempted several other income options, such as applying for grants, managing properties and purchasing properties. These attempts were either unsuccessful or have not made a significant impact in the Authority's income.

The CEO reminded the Board that the Authority continues to work towards obtaining 100 percent of the income produced by the CRA properties (Carolyn Quince & LaFrance). The CEO asked for the Board's assistance in the persuasion to the CRA's Board, to grant the DBHA 100 percent of the income provided by these properties at the CRA's June 2011 Board meeting. It was determined that DBHA staff will provide talking points to the Board of Commissioners in preparation of the CRA's June meeting.

Commissioner Aronson asked how long the Authority will be able to operate in the current state before being considered "troubled" by HUD. Though not certain of HUD's requirement for this category, the CFO stated that the Authority currently has no monies to fund operations for the development (Village Square) and the DHG. The CFO noted that HUD is very strict on how Section 8 ACC funds are used. HAP revenue is restricted and can only be used for HAP expenses. Administrative fee revenue is only to be used to cover Sec 8 expenses, but cannot be used to fund operations of other Housing Authority programs. The CFO reported that the DBHA is spending more in Section 8 operating expenses than they are receiving in administrative fee revenue, meaning that the Authority is using HAP revenue to fund Sec 8 operation and this is disallowed by HUD.

The CEO reminded the Board that the DBHA had not received any notification regarding the award of HOPE VI. The DBHA's Board of Commissioners had some concerns regarding the possibility of an interruption of award if the Agency were determined to be "troubled". The CEO stressed that the DBHA is a well

managed Agency and that the reason for this financial burden is strictly because the Authority doesn't have the money to operate as mandated by HUD.

The CEO informed the Board that staff had found reasonable and affordable space to move the Administrative Office. The Chief Operations Officer stated that this move will help the DBHA's budget by \$60,000 for fiscal year ending March 31, 2012. The CEO stressed that the Authority recognized that additional layoffs could be required to help alleviate the current financial pressure.

The CFO reported that she was able to get \$50,000 from HUD for money that the Agency was going to lose and will be reflected in the books further down the road. The CEO commended the Chief Financial Officer for a job well done.

A motion to reconsider the approval of Consent Agenda was made by Commissioner Sims. Motion seconded by Commissioner Petrolia. All in favor. Motion passed.

A motion to pull item A, Section 8 Coordinator's report and item C, Office Manager's report from consent agenda was made by Commissioner Sims. Motion seconded by Commissioner Morris. All in favor. Motion passed.

b. Item A; Section 8 Coordinator's Report

Orientation

Commissioner Sims questioned if the DBHA provided a mandatory orientation session for landlords. The Chief Operations Officer informed Commissioner Sims that the Authority was unable to mandate the request because several landlords were from out of state. The CEO also informed Commissioner Sims that the Authority does provide all landlords with an orientation packet and the guidelines are clearly specified under the HAP agreement. The DBHA provides a landlord outreach once year with the intention of educating and answering landlord issues.

A motion to approve Item A was made by Commissioner Sims. Motion seconded by Vice Chairman Silver. All in favor. Motion passed.

c. Office Manager's Report

New Properties

Commissioner Sims asked if when purchasing properties the DBHA had any specific reasons that would cause them to walk away from a potential property. The CEO informed Commissioner Sims that the Authority does hire an Inspector to inspect the property, if the cost of repairs is unreasonable to put the unit up to standards, the DBHA would then consider walking away from the deal.

Last Resort Program

Commissioner Sims informed the Board that he had been addressed by a family whose house burned down and who was a DBHA Section 8 participant. The family spoke to him about the need for additional assistance. The CEO informed Commissioner Sims that in a case such as this the family is able to relocate their voucher to another unit or even another state. Further information was requested regarding the family.

A motion to approve Item C was made by Commissioner Sims. Motion seconded by Commissioner Petrolia. All in favor. Motion passed.

d. Chief Operations Officer's Report

Community Connection Event

The Chief Operations Officer reported that Florida Rural Legal Services was organizing a community connection event at Village Academy on Saturday, April 30, 2011 from 11:00 a.m. thru 3:00 p.m. and had asked the Authority to co-sponsor the event. The objective for this event was to bring several agencies together to provide information to the South County residents. City National Bank will cover the DBHA's expense of \$150.00 for hotdogs and buns for the event.

SEMAP Status

The Chief Operations Officer reported that the percentile rate for the month ending March 31, 2011 was 98%. Staff had addressed most of the errors with the exception of 16 files. The files in question were portables and will require the DBHA to contact the initial Housing Authorities. The Chief Operations Officer reported that in addition all SEMAP indicators (9-12 and 14) tested by HUD were looking favorable, another HIGH Performance rating for fiscal year ending March 31, 2011.

e. Development Officer's Report

226 SW 12th Avenue Duplex

The Development Officer reported that the Authority was waiting to hear back from the architect but was hopeful that the bidding process would be underway.

Replacement Factor Funds

The Development Officer reported that two offers had been made and were currently awaiting closing.

1. 704 SW 9th Street
2. 133 SW 7th Avenue

Redevelopment Update

The Development Officer informed the Board that the Conditional Use report formulated by the department of Planning and Zoning reflected a redesign of the

site. The Board was informed that Mr. Hartman of Roundstone would be presenting the details.

f. Roundstone Development -Update on Village Square

Reported by: Michael Hartman

Financing

Mr. Hartman reported that he met with the CRA the week prior to the Board meeting to discuss proceeding with a Bond deal for the Senior Phase. The DBHA is looking to fill a 2.7 million dollar gap with bonds. Currently it is looking favorable for the DBHA.

Conditional Use Application

Mr. Hartman reported that the Conditional Use Application was filed on March 30, 2011. Mr. Hartman reported that the technical comments from Planning and Zoning had been received regarding the Village Square Conditional Use and also the initial CPTED review.

Design Points Discussion (alternative plan for Phase II)

Planning & Zoning (P & Z) provided an alternative plan for Phase II. This plan resembled the former Carver Estates. The Board discussed several possible alternatives such as rotating the building located on the east side of the plan to where retention # 2 was situated, facing the single family homes and Retention #2 would replace it. This change would satisfy the CPTED's concern regarding this building sitting by itself on the east of the property.

Amenities

The current plans reflect a soccer field, tot lot, grilling areas, and a basketball court. Commissioner Aronson made a suggestion that in place of the basketball court a game room located inside the club house could substitute it since basketball courts was something the Authority preferred to stay away from..

At this time Mr. Hartman pointed out some of the issues in the P & Z Memorandum of Technical Comments for the Board's recommendation.

- Parking Spaces

The Authority would like to obtain a parking study for other senior developments in the city, county, or anywhere in the State to allow the possibility of requesting a waiver.

- Plans drawn up by P& Z

P & Z provided an alternative plan for Phase II that resembled the former Carver Estates. The Authority is adamant that another Carver Estates will not be created.

- Performance Standards #13(d)

The Authority will designate all of Phase II units as Family Workforce Housing.

- Guardhouses, Security Gates, Fences

The Authority does not want guardhouses and security gates because it would take away the community feeling that is trying to be obtained by not isolating the property.

g. President/CEO's Report

Daughters of Zion

The CEO reminded the Board that a Temporary Use Agreement was signed and approved by the Board back in January 2011, allowing them to put a tent for various community outreach programs on DBHA property approximately two or three days per week for about a six week period. The Board was informed that Daughters of Zion was having difficulties with the City because they changed their original plan and to include revival-type activities for 6 days per week, contrary to the Temporary Use Agreement. The CEO informed the Board that their permit may not get approved.

X. NEW BUSINESS

Approval of Resolution 2011-04

Approving the standard form Business Lease between 701 Building Corporation & DBHA.

The CEO informed the Board that the Attorney had reviewed the Lease for the new space and was ready for the Board approval. The CEO also informed the Board that staff had gone to the current landlord to negotiate a possible rent deduction.

A motion to approve Resolution 2011-04 approving the standard form Business Lease between 701 Building Corporation & DBHA, pending notification of the current landlord to reduce the current rent to \$4,000.00 by April 22, 2011 was made by Commissioner Aronson. Motion seconded by Commissioner Petrolia. All in favor. Motion passed.

XI. COMMENTS

A. President/CEO

B. Attorney

C. Commissioners

XII. ADJOURNMENT

Meeting Adjourned at 11:00 a.m.