



Delray Beach Housing Authority

JANUARY 16, 2014 BOARD MEETING MINUTES

I. CALL TO ORDER

Meeting called to order at 9:10a.m.

II. ROLL CALL

Joseph Hepp – Absent
Christel Silver – Present
Choli Aronson – Present
Sylvia Morris – Absent
Guarn Sims – Present
Marcia Beam – Present
Gaston Joseph - Present

III. APPROVAL OF AGENDA

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

IV. APPROVAL OF THE MINUTES OF OCTOBER 17, & NOVEMBER 21, 2013

A motion to approve the minutes of October 17 and November 21, 2013 was made by Commissioner Silver. Motion seconded by Commissioner Sims. All in favor. Motion passed.

V. RECOGNITION OF VISITORS

- Vin Nolan, Community Redevelopment
- Elizabeth Colome', Colome' & Associates, Inc
- Clifton Phillips, Roundstone Development
- Larry Zabik, Zabik & Associates

VI. PUBLIC COMMENTARY

None

VII. CONSENT

A motion to approve Consent Agenda was made by Commissioner Silver. Motion seconded by Commissioner Sims. All in favor. Motion passed.

VIII. CORRESPONDENCE

None

IX. OLD BUSINESS

A. Chief Financial Officer's Report

REAC Submission for Fiscal Year 2013 Financial Data Schedules

The Chief Financial Officer reported that the fiscal 2013 financial data schedule was in review status and the DBHA was currently waiting for approval.

Public Housing Operating Subsidy

The CFO reported that the application for the Public Housing Operating Subsidy had been prepared and submitted to HUD for approval. If approved the DBHA will be entitled to an annual subsidy of \$6,043.

Section 8 Current YTD vs Last YTD Comparison

The CFO reported that the schedule comparing the current year to date revenue and expenses to the same period last year reflected a decrease of \$97,386 in the HUD Administrative fees. The reduction was anticipated and had been reflected in the budget.

B. Chief Operations Officer's Report

The CEO informed the Board that the Chief Operations Officer was not able to attend the meeting because she had been in the hospital and was still not feeling well. In her absence the CEO reported the following;

Subsidy Layering Review for Village Square Elderly

The CEO reminded the board that the Subsidy Layering was sent to the Miami HUD Office on November 7, 2013. Currently there was nothing new to report.

PIH Information Center (PIC) Reporting rate requirement

The CEO reported that the PIC reporting rate for December was 99% and staff was working on bringing it up to 100%.

C. Roundstone Development Update

Construction Financing/Other Issues

Mr. Phillips reminded the Board that as part of the Layering Review, HUD required an appraisal and as a result Citi Bank was conducting the appraisal. Mr. Phillips reported that the appraisal came back low and was currently requesting that Citi Bank revisit their numbers. The appraisal had created a concern with the Community Redevelopment's Loan Commitment and Mr. Phillips reported that they were working on addressing those concerns.

D. Zabik's Update

Mr. Zabik reported that Klewin was approximately three months behind the original schedule. Klewin submitted Change order 3 for a 21 day extension which had been recommended for approval. Mr. Zabik informed the Board that Mr. Phillips (Developer) had put Klewin on written notice due to the delay.

E. President/CEO's Report

- West Settler's Office Building

The CEO reminded the Board that as part of her evaluation process, some Commissioners discussed with her the future of this building. It was suggested by one Commissioner that staff should re-think building this project and look to purchase an existing building. The CEO researched the feasibility of this suggested approach considering the funding availability. The CEO noted that as it stands, the funding available for this project is federal Public Housing dollars which narrows the opportunity to pursue anything other than Public Housing related activities. The CEO reported that she had spoken with the Architect about eliminating the first floor commercial office space as a way to cut construction costs. Considering the large amount of vacant office space in the area it may be to the Authority's advantage to eliminate this space. Per the Board's direction an Office Space Vacancy Report had been requested and as a result the CEO had spoken to Vin Nolan, the City's Economic Development Director concerning the commercial space market and was asked to attend this meeting.

Commercial Office Space Market Discussion

- Mr. Nolan reported that there was no formal analysis available but he was able to provide his professional opinion regarding the market. Mr. Nolan reported that Delray Beach specifically the downtown areas was considered to be a desirable location. The current rent range for office space in Delray was between \$28-\$32/sq. ft. Boca Raton's current rent range for old office space was between \$15-\$20/sq. ft and \$20-\$25/sq. ft. for new space. Mr. Nolan noted that the current Market was moving very slowly and the question was "How long would the Authority be able to sustain the office building until the market picks up". The current rate for Class A office space in Delray was \$30-\$35/ft² and the current vacancy rate was 40%. The CEO reported that the DBHA had only seen interest from non-profits who were looking for free space.

After a brief discussion the Board determined that it would be in the best interest of the Authority to eliminate the first floor. A motion for Elizabeth Colome' of Colome' & Associates, Inc (Architect) to draw new plans and obtain new numbers was made by Commissioner Silver. Motion seconded by Commissioner Gaston.

F. Resolution 2013-16 Approving Amendment 3 of the Elderly Ground Lease

Tabled

X. NEW BUSINESS

A. Resolution 2013-18 Approving the Submission of the State of Florida Annual Local Government Financial Report Certification for Fiscal years 2012-2013

The CFO informed the Board that the Annual Financial report was a report that the Department of Financial Services used to collect revenue, expenditures, and other

data from all government entities. The CFO noted that the report was submitted annually. Approval was recommended.

A motion to approve resolution 2012-18 was made by Commissioner Silver. Motion seconded by Commissioner Gaston. All in favor. Motion passed.

B. Resolution 2013-19 Approving the Property Management Agreement Between DBHA & DHG

The CEO informed the Board that this action was necessary in order to solidify the DHG's ability to provide Public Housing property management on behalf of the Housing Authority. since DHG was charging the Public Housing program a Management Fee in accordance with HUD regulations. Approval was recommended.

A motion to approve resolution 2013-20 was made by Commissioner Beam. Motion seconded by Commissioner Silver. All in favor. Motion passed.

C. Resolution 2013-20 Approving a new Combined Position of Inspector and Assistant Property Manager

The CEO reminded the Board that the Assistant Property Manager resigned this part time position in July 2013, providing an opportunity to review the position and consider money saving options in light of the agency's fiscal challenges. The CEO reported that by combining the two functions creates a more efficient method of operating the Agency's housing programs. Approval was recommended.

A motion to approve Resolution 2013-20 was made by Commissioner Beam. Motion seconded by Commissioner Silver. All in favor. Motion passed.

D. Resolution 2012-21 Approving the Five Year and Annual Plan

The CEO reported that the Authority had been soliciting public comments since November 21, 2013. The final copy of the Plan was available for review at the DBHA's Office. Approval was recommended.

A motion to approve Resolution 2012-21 was made by Commissioner Sims. Motion seconded by Commissioner Gaston. All in favor. Motion passed.

E. Resolution 2013-22 Ratifying the Neighborhood Stabilization Program Agreement between the City of Delray Beach & DBHA/DHG

The CEO reminded the Board that the Authority had responded to the City's issuance of an RFP for nonprofits interested in participating in the NSP rental housing program. This item is the result of DBHA/DHG being selected to receive donated units for the purpose of providing affordable rental housing for very low income families. The Agreement was approved by the City Commission meeting for January 7, 2014. The Authority received notice that the Agreement would be on the City Commission Consent Agenda on January 6, 2014 and therefore the CEO signed the agreement with the intent to request the Board's ratification at the January 16 meeting.

A motion to approve Resolution 2013-22 was made by Commissioner Beam. Motion seconded by Commissioner Sims. All I favor. Motion passed.

XI. COMMENTS

The CEO asked the Board if they would be interested in attending a retreat that would provide board members and key executive staff to collaborate on issues and needs impacting on housing authorities. The retreat was being scheduled for February in Palm Beach County. The Riviera Beach Housing Authority would be the lead agency hosting the event.

Commissioners expressed interest in attending the retreat.

XII. ADJOURNMENT

Meeting Adjourned at 10:30 a.m.