



## Delray Beach Housing Authority

### REGULAR BOARD MEETING

MARCH 15, 2012

### MINUTES

#### **I. CALL TO ORDER**

Meeting called to order at 8:45 a.m..

#### **II. ROLL CALL**

Joseph Hepp – Present  
Christel Silver – Present  
Choli Aronson – Present  
Sylvia Morris – Absent  
Shelly Petrolia – Present  
Guarn Sims – Present  
Marcia Beam – Absent

#### **III. APPROVAL OF AGENDA**

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

#### **IV. APPROVAL OF THE MINUTES OF FEBRUARY 16, 2012**

A motion to approve the minutes of February 16, 2012 was made by Commissioner Silver. Motion seconded by Commissioner Petrolia. All in favor. Motion passed.

#### **V. RECOGNITION OF VISITORS**

Stephen Bien - Roundstone Development, LLC  
Clifton Phillips - Roundstone Development, LLC  
Tylar Klewin - Klewin Construction  
Jim Orlando - Klewin Construction  
Byron Tramonte - Klewin Construction

#### **VI. PUBLIC COMMENTARY**

None

#### **VII. CONSENT**

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

#### **VIII. CORRESPONDENCE**

NAHRO Newsletter

#### **IX. OLD BUSINESS**

A. Chief Operations Officer's Report

- Set-Aside Funding for the Housing Choice Voucher Program to offset funding shortfall

The Chief Operations Officer informed the Board that Congress appropriated up to \$103 Million for the Section 8 Housing Choice Voucher Program to adjust Public Housing Agencies with Housing Assistance Payment shortfalls for the calendar year 2012. The application is due to HUD March 27, 2012. The COO informed the Board that the Delray Beach Housing Authority will be applying for the additional funding and anticipated that HUD would announce their decision sometime in August.

- NOFA-Section 8 Family Self-Sufficiency Coordinator Position

The Chief Operations Officer reported that HUD published Notice of Funding Availability (NOFA) for the Section 8 FSS Coordinator position and was due April 24, 2012. The purpose of this NOFA is to provide Public Housing Authorities the funds to support the Section 8 FSS Coordinator position. Currently there are 44 mandatory slots and 42 families under contract. The COO informed the Board that renewal of this grant is submitted to HUD on an annual basis to support the Authorities current FSS Coordinator's position.

- 50058 PIC Submission and Enterprise Income Verification (EIV)-Failed Identity Reports

The COO reminded the Board that as part of the Section 8 Management compliance the Authority is required to submit all activities pertaining to family's income and subsidy determinations on a monthly basis to the Public and Indian Information Center – (PIC). These reports are closely monitored for failure in transmissions. The Chief Operations Officer reported that as of February 29, 2012 the Authority was reporting at 97%.

## **B. Development Officer's Report**

- West Settlers Service Center Financing Update

The Development Officer informed the Board that as last reported, Mr. David Baker, a Development Advisor from PNC Bank, had completed his preliminary review of the project and as a result of Mr. Baker's review the project did not seem feasible at this time due to the DBHA's current financial situation.

- 133 SW 12<sup>th</sup> Avenue Duplex & 704 SW 9<sup>th</sup> Street

### **133 SW 7<sup>th</sup> Avenue**

The Development Officer reported that the contractor was awaiting building permits and was anticipating receiving them later that week.

### **704 SW 9<sup>th</sup> Street**

The Development Officer reported that construction activities for this project began February 21, 2012 and was progressing very quickly. A new roof had been installed as well as a new HVAC system. The Development Officer noted that all was moving along as scheduled.

## **C. Roundstone Development Update**

Presented by Clifton Phillips

Mr. Phillips informed the Board that Michael Hartman the liaison between DBHA and Roundstone had resigned and though he would be missed Roundstone Development was committed to ensure the successful completion of the development. The new contact person for the DBHA will be Clifton Phillips, President of Roundstone Development. Mr. Phillips introduced Mr. Stephen Bien who had been working closely with Roundstone regarding this project and reassured the Board that between their team and the DBHA's the Development would be a success.

- LIHTC Application

Mr. Phillips reported that he felt confident that their application would prevail in Palm Beach County and was currently waiting for "Final scores" which were projected to be posted on March 28, 2012.

- Formation of a For-Profit Subsidiary

Mr. Phillips reminded the Board that as discussed previously it will be necessary for the Authority to form a for-profit subsidiary for its ownership in Village Square Elderly, Ltd. Mr. Phillips explained that the reason for this change had many aspects however the most significant reason for this change was to allow the tax credit equity partners to utilize 27.5 years versus the 40 year depreciation for Village Square Elderly, Ltd. By using this faster depreciation schedule, the equity partner could offer the partnership higher pricing for each tax credit ensuring the economic viability of the deal. The Board decided that the name of this new entity would be Delray Village Square, LLC. the Attorney noted that he will check on the availability for this name and would draw up the required paperwork.

**D. President/CEO's Report**

Miscellaneous Accounts Receivables as of March 31, 2011

The CEO informed the Board that as part of the audit Management Letter dated November 17, 2011 a recommendation had been made to investigate outstanding receivables which dated back to 2001 totaling \$2,523.70. The CEO reported that their investigation had determined that the age of the receivables made it difficult to determine their validity. It was explained that some were valid but could not be substantiated. The CEO noted that about 40% of the receivables had been recorded as due from her. In looking at the years that the expenditures occurred, the largest amount occurred between 2004/2005 and 2007. Several significant events took place during this period which could explain why the debts remain outstanding.

1. Personal crisis of staff person responsible for reconciling travel (husband became ill and passed away).
2. Hurricane Wilma (Fall of 2005)
3. Office Move (Fall of 2006)
4. The illness and eventual passing of the person responsible for reconciling travel (2009-2010).

The CEO informed the Board that there were three options for them to choose from.

- a. The Board could direct staff to attempt to collect the amounts owed. The CEO noted that this option would surely be met with a challenge as to the validity of the debts.
- b. The Board could direct staff to write the debts off as uncollectible.
- c. The Board could decide on third option of its choosing

After a very brief discussion a motion to write off the debt as uncollectable was made by Vice Chairman Silver. Motion seconded by Commissioner Aronson. All in favor. Motion passed.

**X. NEW BUSINESS**

**Resolution 2012-07 Approving the Public Housing Utility Allowance**

The Chief Operations Officer informed the Board that the Department of Housing and Urban Development required uniform application of Utility Allowance estimates for the Public Housing Program units. The DBHA acquired them from the West Palm Beach Housing Authority who had an independent study conducted by the Management Resource Group to analyze energy consumption for both the Section 8 and Public Housing units in Palm Beach County in order to provide compliance with Federal requirements. Approval was recommended.

A motion to approve Resolution 2012-07 was made by Commissioner Aronson. Motion seconded by Commissioner Sims. All in favor. Motion passed.

**XI. COMMENTS**

The CEO requested that Staff comments be added to this Agenda Item.

**XII. ADJOURNMENT**

Meeting Adjourned at 9:41 a.m.

[Return to Agenda](#)