



Delray Beach Housing Authority

July 15th, 2020

REGULAR BOARD MEETING

MINUTES

The Meeting was held via Zoom

I. CALL TO ORDER

Meeting called to order at 4:05p.m.

II. ROLL CALL

Dr. Jesse Saginor – Present
Ezra Krieg- Present
Krystina Buckley- Present
Marcus Metcalf - Present
James Hiler- Present
Ivan Gomez – Present
Robert Townsend-Present

III. APPROVAL OF AGENDA

A Motion to approve the Agenda was made by Commissioner Buckley. The Motion was seconded by Commissioner Metcalf. All in Favor. Motion passed.

IV. APPROVAL OF THE MINUTES JUNE 17TH 2020

At this time the CEO asked that the minutes be tabled in order to be amended to add Commissioner Townsend to the roll call and indicate his attendance. A Motion to table the minutes of June 17th was made by Commissioner Krieg. Motion was seconded by Commissioner Buckley. All in favor. Motion Passed.

V. RECOGNITION OF VISITORS

In attendance was Larry Zabik, Zabik and Associates and Lance Schmitt, Clifton Larson Allen.

VI. PUBLIC COMMENTARY

NONE

VII. CONSENT
NONE

VIII. CORRESPONDENCE
NONE

IX. OLD BUSINESS

A. DBHA Property Management Report
Public Housing Voluntary Conversion Application

The VP of Operations reported that as a result of the COVID-19 Pandemic the public housing repositioning application was on hold, she stated that she was hopeful that it would be ready for submission no later than October 2020.

B. Chief Financial Officer Report
Accounting Department

The Chief Account Officer reported that the Accounting Department continues to operate remotely and also in the office while following the health precautions due to COVID-19. She stated that they were working on closing the 2nd quarter and were also working on the close out of the accounting activities for the project at Delray 6th Ave, since the management agreement was terminated as of 7/31/2020, as well as preparing for the FYE 03/31/20 audit.

Financial Statements Summary:

The Chief Financial Officer submitted the updated unaudited financial statements through May 2020 for the board review.

Public Housing ended with a negative balance of \$(12,712), which was mainly due to the depreciation expense for the public housing units including the West Settlers Office building in the amount of \$21,459.00. She noted that the expense was expected to change once an appraisal had been conducted.

Section 8 ended with a positive balance in the amount of \$222,715 which was mainly due to additional administrative fees received by HUD in the amount of \$171,874.00 to be used for COVID-19 related expenses. She stated she had created a general ledger code to track all the expenses and that they were being reflected on FDS line #97100. She also provided a spreadsheet showing the expenditure to date.

Commissioner Buckley noted to the CFO to ensure that the funds are on track and to ensure that the funds are exhausted so that they will not be required to return to HUD.

C. Section 8/ FSS Coordinator Report

Section 8 Program Utilization

The FSS Coordinator submitted a chart which showed program utilization and reported that lease up was at 96% and that there were 0 terminations. She stated that the waiting list for Section 8 was closed however for project based 62 and older applications were being accepted. She reported that the Section 8 waiting list had 522 applications and the project based had 1282 applications.

The FSS Coordinator reported that the total HAP Housing Assistance Payment for the month of August was \$1,123,416.00.

Housing Participants Update to the COVID -19 Pandemic

The FSS Coordinator reported that in response to the COVID-19 crisis, the department continues to monitor the recommendations by the CDC guidelines, she stated that she attended virtual teleconferences and webinars hosted by HUD to address the CARES Act and waivers to housing programs.

The FSS coordinator reported that to her knowledge she was thankful that there was no loss of life due to COVID-19 virus but so far she has reports of two sets of families who have contracted the virus. She said however, several families have been impacted financially, as of June 10,2020 approximately 128 families have either lost employment or are working reduced hours. She stated that the amounts for Utility Housing allowance payments to families have increased in an effort to keep assisted housing affordable for low income households.

The FSS Coordinator stated that as families continue to become unemployed they will continue to make immediate adjustments to their rental assistance. She noted that the department continues to issue contract renewals and complete recertification of families.

Housing Quality Standard (HQS) Inspection Abatement of Landlord Housing Assistance Payment (HAP)

The FSS Coordinator reported that in accordance with HUD regulations the Housing Authority must abate HAP to owners who do not comply with notifications to correct HQS deficiencies within the specified time period: 24 hours or 30 days depending upon the reason for the deficiency. She stated that for the month of June there one payment being held until the owner has the unit ready and pass the HQS inspection.

Family Self-sufficiency (FSS) Escrow Deposits

The FSS Coordinator reported that the FSS deposit credit for the month of June was \$27277.00, which consists of the regular Section 8 Voucher FSS participant's

escrow credit of \$2161.00 and former Carver Estates relocation Voucher FSS participant's escrow credit of \$116.00.

SEMAP Indicators Report

The FSS Coordinator reported that the SEMAP indicator report from the HUD was updated as of June 30th, 2020 and that it was attached to her report for review by the board.

D. Executive Assistant Report

New Chase Signature Cards for Village Square Family LTD

The executive assistant informed the board that the Reserve account which was created for Village Square Family LTD needed to be amended. The former CEO Dorothy Ellington needed to be removed and the present CEO Shirley Erazo needed to be added to the account along with current board members.

She asked the board members to provide their availability to come in and sign the documents.

Status of Administrative Office Operations

The executive assistant reported that the administrative office continues to remain closed as a result of the pandemic. She noted that staff have been working remotely and the receptionist had been provided with a cell phone where she receives calls and disseminates the information.

E. President CEO Report

The CEO stated she wanted to give an update of the Island Cove Project , Darren Smith who joined the meeting confirmed the deadline to submit the application for the 9% LITHC as November 2020. He also said he attended the meeting with the CEO and VP of Operations with the CRA Executive Director who stated that there was a deficit of rental properties so she was in high support of the partnership.

At this time the CEO asked Larry Zabik to provide an update on the Island Cove Phase III project, he presented the summary below;

Summary of Island Cove Development Plan

Current Status:

The Delray Beach City Commission has approved the development of Island Cove with 54 units and a small pool complex.

UNIT	# OF UNITS	SF
2 BEDROOM	12	1469
3 BEDROOM	36	1667
3 BEDROOM	6	1366

This approval is good until July 2021.

Plan of Action:

Phase I

1. Complete detailed pricing of the REG construction documents by Stuart and Shelby. This pricing is due by the end of July.
2. Consider value engineering alternatives to reduce the construction costs of each unit. Once plan pricing is in hand, this will take about 2-4 weeks.
3. Review the project budget to look for other potential savings to reduce the per unit cost. This task can be completed this month.
4. Apply for 9% project funding from the State. This is very competitive but if we don't apply we won't be considered. This would require the conversion of these homes from fee simple ownership to rental. This application is being submitted later this year (November).
5. Meet with Palm Beach County to obtain qualification as pooled workforce housing enabling \$81K per unit subsidy. This task can be completed this month.
6. Meet with market rate developers to explore partnership to provide workforce housing bank for the developer. This task can be completed by the end of August.
7. Meet with the Executive Director of the Palm Beach County Housing Finance Authority and apply for a pre-development and construction financing loan. This task can be completed by the end of August.
8. Submit one building for plan review and permit issuance from Delray Beach. This task can be completed this month.
9. Meet with the Mayor to bring her up to date on plans and progress. This task can be completed by the end of August.
10. Meet with the Delray Beach Director of Finance to confirm the DBHA exemptions for building permit fees and utility connection fees. This task can be completed by the end of August.

Phase II

1. Propose for Board approval the best development course of action with approved plan based on findings from Phase I.
 - 1a. Development in phases building by building as sales and funding allow. This was the original plan.
 - 1b. Develop the entire project as one project. This will require a development partner to facilitate funding and assist with sales.

2. Rethink and re-plan the development based on current market conditions.

DBHA/DHG STAFF

The CEO reported that the staff continue to operate remotely from home with full access to their workstations. She stated that this is the new norm and that communication via zoom staff and managers meeting are a point of contact and updates from staff. The CEO stated that at this time she has no date for staff to return to the office however, she is focused on trying to make the office safe for staff and families when they return.

The CEO reported that she arranged for United Clinical Laboratory to conduct an onsite testing of office staff and family members. The testing was done on July 9th, 2020 there were 43 test administered and the test results should be available by the 15th of July. She stated that staff continues to adhere to social distancing guidelines.

Meeting with CRA regarding 9% LIHTC application proposal for Island Cove

The CEO reported that a virtual meeting was held with the Executive Director of the CRA Renee Judasingh regarding the Island Cove Project. An invitation was extended to the CRA to partner with the DBHA/DHG to meet the funding objective that would qualify DBHA/DHG for the Florida Housing Finance Corporation 9% Tax credits. In the proposal the partnership with the CRA would be to develop a rental project on the Island Cove site that would consist of 54 units. In order to qualify the CRA would be required to make a local government contribution of \$640,000.00. The Executive Director of the CRA was interested in the project and has agreed to partner with the DBHA/ DHG on the project. She stated she was prepared to present the proposal submitted by the DBHA/DHG to the CRA board for approval.

A copy of the proposal that was submitted to the CRA was presented for the board to review.

Status of HUD –Voucher Management Systems Monthly Report

The President reported that an estimated report was submitted to the VMS- Voucher Management System on June 22nd, 2020 for the month of May and approved by the financial Management Center. She stated that the report included all HAP expenses, the voucher and Project Based Voucher utilization report, and all other HCV related expenditures for the month.

F. Resolution 2020-06 Approving the Engagement of Clifton Larson Allen LLP, to Provide Audit Services for the Fiscal Year Ended March 31st, 2020

The CEO introduced Lance Schmitt to the board of directors, principle from the audit firm Clifton Larson Allen, she stated that they submitted a proposal and she

was able to negotiate with Mr. Schmitt and was able to agree on the same rate as last year. She presented the audit engagement letter for board approval.

Lance Schmitt introduced himself and gave a brief summary of himself and the firm, he stated he has had the pleasure of working with the DBHA over the years.

The CEO read the resolution for the record.

A Motion to Approve Resolution 2020-06 Approving the Engagement of Clifton Larson Allen, LLP to Provide Audit Services for Fiscal Year Ending March 31st, 2020 was made by Commissioner Krieg. Motion was seconded by Commissioner Gomez. All in favor. Motion Passed.

X. NEW BUSINESS
NONE

XI. COMMENTS

Commissioner Krieg noted to Bridgette huff that he sent information to the CEO regarding COVID kits that were available for families who were having issues, he said she should take advantage of this for residents who may be in need. He also asked that staff stay safe and continue the hard work without sacrificing their health.

Commissioner Saginor expressed thanks to the staff for their continued hard work, he commended staff.

XII. ADJOURNMENT

A Motion to adjourn the meeting was made by Commissioner Gomez. Motion was seconded by Commissioner Buckley. The meeting was adjourned at 4:44 pm