



## DELRAY BEACH HOUSING AUTHORITY

### **REGULAR BOARD MEETING** **AUGUST 25, 2009** **MINUTES**

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

Meeting called to order at 1:35 p.m

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

Morris Weinman - Present  
Choli Aronson - Present  
Joseph Hepp - Absent  
Sylvia Morris - Present  
Shelly Petrolia - Present  
Christel Silver - Present  
Shelly Weil - Present

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

Motion to approve Agenda made by Commissioner Weil. Motion seconded by Commissioner Morris. All in favor. Motion passed.

#### **IV. APPROVAL OF MINUTES OF July 16, 2009**

Motion to approve made by Commissioner Weil. Motion seconded by Commissioner Aronson. All in favor. Motion passed.

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

Allen Schneer – The Auburn Group  
Ahmed Martin – Smart, Inc.  
Knox LsSister – Smart, Inc.  
Gregory Clay – Families First

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

None

#### **VII. CONSENT**

- a. Section 8 Coordinator's Report – Bridgette Huff
- b. Chief Financial Officer's Report – Naomi Durham
- c. Administrative/Grant Report – Nina Levine
- d. Quality Control Report – Jakeleen Fernandez
- e. Development Officer's Report – Nguyen Tran

Motion to approve Consent Agenda made by Commissioner Silver. Motion seconded by Commissioner Morris. All in favor. Motion passed

## **VIII. CORRESPONDENCE**

Journal of Housing

## **IX. OLD BUSINESS**

### a. Chief Operations Officer's Report –

1. Section 8 Management Assessment Program (SEMAP) Designation – Note was made that notification had been received from HUD that, once again, the Delray Beach Housing Authority had received a designation as a HIGH PERFORMER.
2. Revision of Section 8 Utility Allowance Schedule – This allowance consists of a deduction in the amount of rent a Section 8 participant pays. This deducted amount is applied to utility payments. As a requirement of HUD, this Allowance Schedule is revised annually. Partnering with other housing authorities in Palm Beach County, the review is conducted by a different Agency each year. Last year it was done by the DBHA. This year it is being conducted by the West Palm Beach Housing Authority. Once the study is completed the findings are shared with the other participating housing authorities. Upon receipt of the results, it will be shared with the Board.
3. Implementation of New Payment Standards – Payment standards is what is used to determine Housing Assistance Payment (HAP) payments. These standards are found by the Fair Market Rental (FMR's) Limitations issued by HUD. The DBHA's payment standards are currently at 90% of the Fair Payment Rent Limitation. A request has been made of HUD to permit the Housing Authority to reduce these standards to 80% off the FMR's. With the expectation of HUD's approval, these new standards will be made effective October 1.
4. Elderly Project Based Waiting List – Due to the financial impact affecting HAP funds, it has become necessary to close the waiting list for Lake Delray (the DBHA's over 55site). At the present time, there are 400 elderly on the waiting list with an estimated availability time of 2 to 3 years.

### b. President/CEO's Report –

#### 1. 82 NW 5<sup>th</sup> Avenue – West Settlers Office Building Update –

The Development Officer noted that efforts to obtain a plat exemption were successful. The architect is at approximately 50% completion of the drawings, which is a little ahead of schedule. It is anticipated that they will be at 100% by the end of September or early October. That will leave about 2 months for permitting, and possibly getting permits by December or January. It was noted that as part of the normal platting process, this is where the land dedications would occur. Due to the City requiring a 5 foot dedication for Northwest 5<sup>th</sup> Avenue as well as a 1 foot dedication for the alleyway, with the receipt of the plat exemption, it would have to be dedicated by Deed. The issue remains that with the purchase and sale agreement, it is stated that the DBHA will close on the property 30 days after receipt of building permits. We cannot go into building permits until the City is in receipt of the Deeds. The Planning Director has stated that the Deed would be acceptable, but there remains a problem of the Deeds being signed over for the land, which is not owned by the DBHA yet. Gilberto Pastoriza, DBHA legal counsel, advised that this obstacle can be overcome by having all documents prepared in advance and then sign and date them. It was also mentioned that all drawings have been modified to reflect the dedications.

#### 2. Update on Redevelopment of Carver Estates –

Mr. Pastoriza mentioned that a settlement agreement was in the process of being worked out with the Auburn Group. The Board of Commissioners will be advised upon completion of the agreement and their approval will be required. Note was made that the DBHA's settlement Committee consisted of the Interim-Chairman, President/CEO, Mr. Pastoriza and Knox LaSister of Smart, Inc.

At this point in the meeting, Allen Schneer, of the Auburn Group, stated that the Auburn Group wished to return the Deed for the 18 acre land known as Carver Estates to the Delray Beach

Housing Authority. They would do this if the Delray Beach Housing Authority would work together with Auburn to facilitate the development of affordable housing and receive the DBHA's cooperation in completing the Villages of Delray permitting process. Upon receipt of the permits the Deed to the 18 acres would be returned to the Housing Authority. Mr. Pastoriza noted that this topic should be handled by each firm's legal counsel. He also stated that he would not recommend that his client enter into a settlement agreement where the results, which are totally beyond the control of the DBHA is the operative factor in deeding the property over. Also, it was noted that the DBHA has always been willing to cooperate with Auburn, to the extent of recently submitting a \$10 million funding application to HUD for Auburn's rental apartment project. Mr. Pastoriza stated for Auburn to release the land, which technically does not belong to them, it being conditional on Auburn obtaining permits from another jurisdiction and is something that the DBHA has no control over, he cannot recommend to his client that they agree to this. Knox LaSister, of Smart, Inc., in agreement with Mr. Pastoriza stated that Mr. Schmeer's statement was very disingenuous in context, taking into consideration what was demonstrated by Auburn over the last few years. He also stated that the cooperation requested by Auburn is so constricted in context, requiring acts beyond the control of the Housing Authority it sets up a situation where the DBHA could be in default out of no fault of their own.

c. Approval to Convene a Special Strategic Planning Session –

In light of the breakdown in the relationship with the Developer, the President/CEO requested that LaSister, of Smart, Inc. plan a strategic planning session. As part of this session, the public would also be invited to attend. Mr. LaSister briefly noted that as the DBHA has demonstrated in the past it has recognized its' mission of supplying safe, sanitary and decent housing for 199 families. There was a planning effort (prior to Smart's engagement) relating to what could be accomplished, based on demographics, economics, etc. and what could be accomplished on the Carver Estates site as required by zoning laws of the State and the local community. The new initiatives of HUD and how it plays a part in what is desired for the new Carver will also be a part of this session. Some topics of discussion, such as low income tax credits, what is currently being done with the tax credit program, SHIP funding, the Promise and Choice Program , among other topics, will also be included. Also proposed is a half day charrette with the community, to obtain their ideas and recommendations. This half day session will be planned for the community to take part in, in the northwest section and will include what the site should and should not look like and what was planned for the Carver Estates site, in terms of homeownership. After a brief discussion it was decided to explore locations to hold the Session. The dates decided upon will be Saturday, October 3 for the charrette, which will include the community and Tuesday, October 6 for the Strategic Planning Session to be followed by the Delray Beach Housing Authority's Annual Meeting.

**X. NEW BUSINESS**

a. Resolution 2009-07 Approving Participation in a 457 Deferred Compensation Plan –

This Plan, is a supplement to the current 401A plan which is for public entities. The Housing Authority contributes 9% of an employee's salary and the employee contributes 3% to the 401A. This 457 plan is totally employee contributed to and is totally voluntary, and will not cost the Housing Authority anything.. Approval is recommended. Motion to approve Resolution 2009-07 was made by Commissioner Silver. Motion seconded by Commissioner Morris. All in favor. Motion passed.

b. Resolution 2009-08 approving an Amendment to the Colome´ & Associates Contract Incorporating LEED Certification –

The Development Officer noted that designing and constructing a certified green building will increase over all costs. The return on the investment will be in the form of energy cost savings, as well as the overall health, welfare and productivity of all building occupants. The proposal will increase the existing contract by \$39,450, for a total contract amount of \$184,570. It was mentioned that the City has demonstrated a commitment to making the City of Delray Beach a greener community by implementing a Green Task Force and the adoption of the Florida Green Building Coalition's Green Local Government Standard. Approval is recommended. Motion to approve Resolution 2009-08 was made by Commissioner Aronson. Motion seconded by Commissioner Silver. All in favor. Motion passed.

c. Resolution 2009-09 Approving an Amendment to a New Procurement Policy to Provide Compliance

with the American Recovery and Reinvestment Act (ARRA) –

Also known as the Stimulus Program, it was previously noted that the DBHA received \$390,000 in Capital Funding. These funds will be used to partially acquire the NW 5<sup>th</sup> Avenue land for the new Housing Authority’s administrative office building, and also to offset the cost of the fees and administrative costs. As part of ARRA, State and local laws are pre-empted by Federal laws. A main aspect of ARRA is that it must include a provision stating “Buy American”. Also, any amount exceeding \$15,000 will be brought back to the Board for approval. Approval is recommended. Motion to approve Resolution 2009-09 made by Commissioner Morris. Motion seconded by Commissioner Silver. All in favor. Motion passed.

- d. Resolution 2009-10 Approving Rescension of the Interlocal Agreement for funding in the Amount of \$1 million - This Resolution relates to the Agreement between Palm Beach County, The City of Delray Beach and the Delray Beach Housing Authority. Due to the partnership between the Auburn Group and the DBHA having disintegrated and the development, as planned, is not likely to occur, Palm Beach County has proposed that the funding be transferred to the City of Delray Beach so as to expedite the completion of the previously planned infrastructure improvements on Southwest 12<sup>th</sup> Avenue. This will avoid recapture of the funds. This Resolution approves the withdrawal of the Delray Beach Housing Authority from the Interlocal Agreement between Palm Beach County, the City of Delray Beach and the Delray Beach Housing Authority. Approval is recommended. Motion to approve Resolution 2009-10 made by Commissioner Silver. Motion seconded by Commissioner Aronson. All in favor. Motion passed.

**XI. COMMENTS**

- a. **President/CEO**  
None
- b. **Attorney**  
None
- c. **Commissioners**  
None

**XII. ADJOURNMENT**

2:40 p.m.