



## Delray Beach Housing Authority

### REGULAR BOARD MEETING

DECEMBER 15, 2011

### MINUTES

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

Meeting called to order at 8:47 a.m..

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

Joseph Hepp – Absent

Christel Silver – Present

Choli Aronson – Present

Sylvia Morris – Present

Shelly Petrolia – Absent

Guarn Sims – Present

Marcia Beam – Present

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

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

At this time the CEO noted that a revised Agenda was being presented to include item G. Approval of a Restrictive Covenant for Village Square Elderly. Approval was recommended.

A motion to approve the revised agenda was made by Commissioner Aronson. Motion seconded by Commissioner Morris. All in favor. Motion passed.

#### **IV. APPROVAL OF THE MINUTES OF OCTOBER 20, 2011**

A motion to approve the minutes of October 20, 2011 was made by Commissioner Sims. Motion seconded by Commissioner Morris. All in favor. Motion passed.

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

None

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

None

#### **VII. CONSENT**

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

#### **VIII. CORRESPONDENCE**

A. NAHRO Newsletter

B. Delray Beach Community Land Trust – Annual Notice

The CEO informed the Board that as members of the Housing Authority Board of Commissioners, the Authority pays for their membership (\$1.00 annually) in the Community Land Trust. If interested in being nominated for their Board membership the DBHA will do so.

C. Journal of Housing & Community & Community Development

## **IX. OLD BUSINESS**

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

#### Delray Beach Housing Authority-Annual Plan

The Chief Operations Officer noted that the Authority's Annual Plan is due to HUD on January 15, 2012. The plan has been updated to reflect the agencies goals, objectives and projected plans for the upcoming fiscal year 2012/2013.

The goals set were as follows;

- The DBHA will implement its Public Housing Program with the 8 units acquired with the first two of five allocations Replacement Housing Funds (RHF) and the Authority's commitment to replace the public housing units.
- The DBHA will initiate the first phase of the Development of Village Square-formerly Carver Estates site with Low Income Housing Tax Credit and Project Base Section 8 Housing Choice Vouchers for all (84) Elderly units.
- The DBHA will set aside 84 Section 8 Housing Choice Vouchers for Project Basing of the first phase Elderly Housing of the Village Square Development.
- The DBHA will continue to work closely with the Developer in acquiring financing for the development of Village Square and the Community Service Building and whereas, the third and fourth allocation of the FHF funds will be used as part of the construction financing.
- The DBHA will continue to make all efforts to acquire additional Management opportunities for its Non-Profit Instrumentality.
- The DBHA will continue to seek and apply for competitive funding opportunities not limited to HOPE VI.
- The DBHA will continue to commit to its High Performance Status in Management of its Section 8 and Public Housing Program. The Chief Operations Officer noted that the Annual Plan will be presented for approval at the January meeting. A draft copy is available for public review.

#### 50058 PIC Submission & EIV Reports

The COO reported that as part of the Section 8 Management Compliance the Authority is required to submit all activities pertaining to families income and subsidy determination to the Public and Indian Housing Information Center (PIC). These reports are closely monitored for failure in transmission or incorrect data. Currently the DBHA's reporting rate is 97%.

#### Reporting Sec 8 Voucher System (VMS)

The Chief Operations Officer noted that as reported monthly, she submits to VMS estimated HAP expenditure totals based on reports generated by the program's software when generating outgoing payments. The Chief Operations Officer reported that she is not able to report the actual total HAP expenses until the Accounting Department has completely reconciled the monthly expenditures. It was reported that an estimated report for the month of November was submitted and approved by the Financial Management Center. The actual expenditures report will be resubmitted to VMS once the accounting department has reconciled the months of April thru November.

#### PUBLIC HEARING

At this time the Vice Chairman opened the floor for public commentary, no comments were made and the floor was closed for public comments.

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

##### West Settlers Service Center-Financing Update

The Development Officer reminded the Board that the first amendment to the interlocal agreement was approved on January 27, 2011 by the CRA Board. The amendment extended the deadline for the DBHA to obtain Construction financing until February 9, 2012. Previously the Board was informed that the DBHA had enlisted the services of Jenkins Appraisal and Realty to provide the Agency with a Prospective Real Estate Appraisal for the proposed West Settlers Service Center development. This Real Estate Appraisal was required as part of the Construction Loan Application. However the DBHA has determined that they will not apply for financing until they are able to show enough income for debt repayment on this construction loan.

The CEO reported that she spoke informally with Diane Colonna, Executive Director for the CRA regarding the status and will provide the CRA with a written update.

##### 226 SW 12<sup>th</sup> Avenue Duplex

The Development Officer reported that the rehabilitation work on the duplex is proceeding as planned.

##### **Roundstone Development Report**

Nguyen Tran informed the Board that Michael Hartman was not able to attend this month's meeting due to a ribbon cutting ceremony in Pinellas County; however Mr. Hartman did provide the DBHA with a monthly update which Mr. Tran reported to the Board. In Summary;

1. The tax credit application for the family phase was filed on 12/06/11. The preliminary scores should be posted in mid to late January.
2. Permitting
  - a. Expected submittal for SPRAB approval for all three phases estimated to be 12/19/11.
  - b. Expected submittal for Final Plat approval for all three phases estimated to be 1/23/12.

- c. Mr. Hartman met with Officer Westner and the DBHA has reached an agreement for implementing the CPTED recommendations that mirrors the conditions in the Conditional Use Approval.

Mr. Tran further reported that they had executed the CRA loan commitment for the \$2,700,000 gap loan to finance the elderly phase. It was noted that currently Roundstone has received ten tax credit equity offers on the elderly phase and they are evaluating all offers.

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

Accounting Department Update

The CEO introduced Ada de los Rios as the DBHA most newly hired employee. Ada will be replacing Dennis Tanner who was promoted to Chief Financial Officer. The CEO reminded the Board that Naomi Durham's last day was November 30, 2011. Though the DBHA is challenged by the changes within the department, Mr. Tanner stated that the Board may expect to begin receiving monthly reports no later than January 2012. He anticipated having April thru July completed by the next meeting. The CEO informed the Board that Dennis and Ada had just returned from a two day training session in Orlando and felt confident with the changes. The CEO also reported that she will be more involved with the department then previous years since both employees are fairly new to the organization.

Audit Findings

The CEO reminded the Board that previously there was some concern regarding this year's Audit in that they would have Audit Findings (a first for this administration) related to budget shortfall. The CEO reported that two Findings had been reported however after further review, the Auditor's determined that there was only one finding. At the October meeting a Repayment Agreement was approved between the DHG and the DBHA which required the DHG to repay approximately \$150,000 to the Section 8 Program, a debt incurred as a result of the work DHG performed on behalf of the Housing Authority. The work included property management and predevelopment activity related to Village Square dating back several years. The repayment agreement was a satisfactory course of action in settling this finding.

**X. NEW BUSINESS**

**A. Resolution 2011-15 Approving the Amended and Restated Elderly Ground Lease Agreement**

The CEO reminded the Board that in August 2011 they had approved an amendment to the MDA (Resolution 2011-08) which made a change to the Development Schedule, pushing dates back 90 days due to the requirement of the Bond Financing and Tax Credits. The Ground Lease for the Family Development was amended however the Authority did not do so for the Elderly Development. This Resolution addresses that oversight. Approval was recommended.

A motion to approve Resolution 2011-15 was made by Commissioner Morris. Motion seconded by Commissioner Sims. All in favor. Motion passed.

B. Resolution 2011-16 Approving an Amendment to the Section 8 Administrative Plan

The Chief Operations Officer noted that the DBHA was amending the Section 8 Administration Plan to include a revision to Chapter 17- Project Based Voucher and such amendment was consistent with the update and revised regulations 24 CFR part 983 required by HUD in the administration of the Project Based Voucher Program. The Authority determined as part of the Annual Plan process that this revision and amendment was necessary. Approval was recommended.

A motion to approve Resolution 2011-16 was made by Commissioner Morris. Motion seconded by Commissioner Sims. All in favor. Motion passed.

C. Resolution 2011-17 Approving A Right-of-Way Deed

The Development Officer explained that a portion of Auburn Avenue immediately adjacent to the west of the Authority's 15 acre site, north of SW 8<sup>th</sup> Street and South of the Villages at Delray was never conveyed to the City of Delray Beach to be used for public right-of-way prior to the construction of this stretch of roadway. This action corrects that oversight. The Development Officer reported that the Right-of-Way Deed had been reviewed by the Authority's legal counsel and was ready for Board approval.

A motion to approve Resolution 2011-17 was made by Commissioner Aronson. Motion seconded by Commissioner Morris. All in favor. Motion passed.

D. Resolution 2011-18 Approving the Award of Contract for Bid NO. 2011-02, 133 SW 7<sup>th</sup> Avenue

The Development Officer noted that on November 3, 2011 an Ad for Bid was posted on the DBHA's Website and all qualified General Contractors from the City of Delray Beach's approved Contractor's List had been e-mailed. The Board was reminded that a portion of the Replacement Housing Factor (RHF) grant will be used to rehabilitate the above mentioned property as part of the DBHA's Public Housing Program.

On December 5, 2011 received two bids prior to the 2:00 p.m. deadline. The first bidder was Raymond Graeve & Sons Construction with a proposed amount of \$61,730.00. The second bidder was Built Solid Construction, Inc with a proposed amount of \$68,545.00. The in-house estimate to complete this project was estimated at \$50,386. The apparent lowest bidder was Raymond Graeve & Sons Construction in the amount of \$61,730. After a detailed line item review of Raymond Graeve & Sons proposal, it was determined that \$61,730. was a reasonable price proposal even though this bid amount was beyond 10% of the in-house estimate. The Development Officer stated that based upon price and responsiveness, staff recommends a motion to award a contract for Bid No 2011-02 to

Raymond Graeve & Sons Construction in the amount of \$61,730 subject to the following condition. That the successful bidder enters into a binding contract with the DBHA. The Attorney recommended that a 30 day timeframe to enter into a contract should be added to this resolution.

A motion to approve Resolution 2011-18 to include that the successful bidder enters into a binding agreement with the DBHA within 30 days of this approval was made by Commissioner Morris. Motion seconded by Commissioner Aronson. All in favor. Motion passed.

E. Resolution 2011-19 Approving the Award of Contract for Bid NO. 2011-03, 704 SW 9<sup>th</sup> Street

The Development Officer noted that on November 3, 2011 an Ad for Bid was posted on the DBHA's Website and all qualified General Contractors from the City of Delray Beach's approved Contractor's List had been e-mailed. The Board was reminded that a portion of the Replacement Housing Factor (RHF) grant will be used to rehabilitate the above mentioned property as part of the DBHA's Public Housing Program.

On December 5, 2011 received two bids prior to the 2:00 p.m. deadline. The first bidder was Raymond Graeve & Sons Construction with a proposed amount of \$35,695.00. The second bidder was Built Solid Construction, Inc with a proposed amount of \$41,240.00. The in-house estimate to complete this project was estimated at \$31,900.00. The apparent lowest bidder was Raymond Graeve & Sons Construction in the amount of \$35,695.00.

After a detailed line item review of Raymond Graeve & Sons proposal, it was determined that \$35,695.00. was a reasonable price proposal even though this bid amount was beyond 10% of the in-house estimate. The Development Officer stated that based upon price and responsiveness, staff recommends a motion to award a contract for Bid No 2011-03 to Raymond Graeve & Sons Construction in the amount of \$35,695.00 subject to the following condition. That the successful bidder enters into a binding contract with the DBHA. The Attorney recommended that a 30 day timeframe to enter into a contract should be added to this resolution.

A motion to approve Resolution 2011-19 to include that the successful bidder enters into a binding agreement with the DBHA within 30 days of this approval was made by Commissioner Sims. Motion seconded by Commissioner Aronson. All in favor. Motion passed.

F. Resolution 2011-20 Approving an Amendment to Chapter 11, Section II.E of the Section 8 Administrative Plan – Voluntary Separation of Employment

The Section 8 Coordinator informed the Board that this amendment to the Sec 8 Admin Plan was precipitated by common tenant behavior related to a program preference for

tenants who have jobs. The DBHA desires to maintain the financial integrity of its Housing Choice Voucher program and Budget reductions by HUD has created the need to review all aspects of the Authority's policies and procedures to determine areas that may require changes in order to eliminate negative budgetary impacts. This policy once implemented eliminates the immediate change in rent when a tenant voluntarily terminates employment. Instead, the change will not occur until three months later. This policy will not apply to tenants who lose their jobs involuntarily, but only to those tenants who decide to voluntarily terminate their employment. Staff recommended approval.

A motion to approve Resolution 2011-20 was made by Commissioner Morris. Motion seconded by Commissioner Sims. All in favor. Motion passed.

G. Approval of Restrictive Covenant of Village Square Elderly

It was determined that this document needed further review and would be presented at the next Board meeting.

**XI. COMMENTS**

A. President/CEO

none

B. Attorney

none

C. Commissioners

Commissioner Sims reminded all Commissioners to attend Village Academy's Annual Staff and Community Holiday BBQ.

**XII. ADJOURNMENT**

Meeting Adjourned at 10:16 a.m.