



Delray Beach Housing Authority

FEBRUARY 20, 2014 BOARD MEETING MINUTES

I. CALL TO ORDER

Meeting called to order at 8:50 a.m.

II. ROLL CALL

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

III. APPROVAL OF AGENDA

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

IV. APPROVAL OF THE MINUTES OF JANUARY 16, 2014

A motion to approve the minutes of January 16, 2014 was made by Commissioner Silver. Motion seconded by Commissioner Morris. All in favor. Motion passed.

V. RECOGNITION OF VISITORS

- 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 Operations Officer's Report

Subsidy Layering Review for Village Square Elderly

The COO reminded the board that the Subsidy Layering was resubmitted to the Miami HUD Office on January 9, 2014 and staff was hopeful to hear back soon.

Revised Section 8/PH Utility Allowance

The COO informed the Board that the Utility Allowances Schedules; defined as an additional deduction for tenant paid utilities when calculating the tenant portion of the rent. As a result the Authority is required to conduct an annual analysis of the actual and average utility consumption rates throughout the Palm Beach County area based on unit bedroom sizes, unit type and location. This data is compared with the previous year utility allowance schedule and if there is an increase by 10% the Authority is required to revise the utility allowances according to the study.

Throughout the years the DBHA has collaborated with West Palm Beach Housing Authority to share this data and to implement the same utility allowances throughout the Palm Beach County area. The COO noted that the WPBHA had provided a copy of the study conducted by Management Resource Group. According to the study there was a minimum decrease in utilities cost by 2-3% for Palm Beach County and 2% increase for the Lake Worth area. Though the study reflects no significant increase that requires a revision, it was recommended that the DBHA adopt the revised schedule to be uniformed with the local housing authorities. The COO noted that effective April 1, 2014 the DBHA will implement the revised utility allowance schedules for the Section 8 Program and Public Housing Program.

B. Roundstone Development Update

Construction Financing/Other Issues

Mr. Phillips reminded the Board that as reported previously as part of the Layering Review, HUD required an appraisal and as a result Citi Bank had conducted an appraisal that came back low. As a result a second appraisal was conducted and the numbers came back fine. Mr. Phillips informed the Board that he would be meeting with the CRA following the Board meeting to ensure that any concerns they had were addressed.

C. Zabik's Update

Mr. Zabik reported that Klewin was approximately four months behind the original schedule. Klewin has assigned a new project manager and superintendent to the job. The new team is working hard to get the project on track. Mr. Zabik reported that currently 91 units had commitments for lease but was concerned that units may not be ready for occupancy as projected. Commissioner Sims requested the presence of Sunchase America (Management Company) to provide a detailed update regarding lease ups.

D. President/CEO's Report

West Settler's Office Building

The CEO reminded the Board that at the January meeting they had authorized the Architect (Elizabeth Colome') to redesign the building, eliminating the first floor. Ms. Colome' had not completed the task although she had redrawn the site plan. The CEO noted that Ms. Colome' was asked to submit an amendment to her original contract, to include costs from Design thru construction.

The CEO noted that this project would be financed using part of the Village Square ground lease payment. Therefore in order to proceed the Authority would need HUD approval of what is called a Development Proposal.

X. NEW BUSINESS

Resolution 2014-01 Approving the 2014/2015 Budget Submittal to HUD per the Approved Disposition for the \$2,178,000 Ground Lease Payment

The CFO reported that HUD's Special Applications letter dated December 20, 2013, granted approval for some of the line items in the proposed use request and had stipulated additional requirements prior to the approval of other line items. In compliance with item 4, the CFO prepared an item budget for both the Public Housing and Section 8 programs for fiscal years ending March 31, 2014 and March 31, 2015. The CFO reported that the budgets were ready for the Board's review and approval. Once approved the budgets will be forwarded to HUD for approval. The CFO reminded the Board that they had previously approved the fiscal 2014 budget, however, the budget presented here had been updated to reflect additional information and to revise previous amounts.

A motion to approve Resolution 2014-01 was made by Ms. Silver. Motion seconded by Ms. Aronson. All in favor. Motion passed.

XI. COMMENTS

The CEO commended the Attorney for assisting in obtaining the approval from HUD, his guidance was helpful.

XII. ADJOURNMENT

Meeting Adjourned at 9:35 a.m.