



Delray Beach Housing Authority

REGULAR BOARD MEETING

SEPTEMBER 20, 2012

MINUTES

I. CALL TO ORDER

Meeting called to order at 8:55 a.m.

II. ROLL CALL

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

III. APPROVAL OF AGENDA

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

IV. APPROVAL OF THE MINUTES OF AUGUST 16, 2012

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

V. RECOGNITION OF VISITORS

- Clifton Phillips, Roundstone Development
- Steve Kaplan, Roundstone Development
- Bobby Colvard, Roundstone Development

VI. PUBLIC COMMENTARY

None

VII. CONSENT

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

VIII. CORRESPONDENCE

- NAHRO Newsletter

IX. OLD BUSINESS

A. Chief Financial Officer's Report

The CFO reported that as of August 31, 2012 the Section 8 program had excess revenue over expenses of \$755,241. Of this amount \$723,448 was provided from an increase in restricted assets and \$31,793 was provided from the net increase of unrestricted assets less depreciation. Of the net increase in restricted assets \$481,891 was from a first

quarter adjustment HUD made to the DBHA's housing choice voucher payment. Exclusive of this one-time adjustment, the net restricted assets increased an average of \$48,312 per month for the first five months of this fiscal year.

The CFO reported that the unrestricted net assets increased to \$36,022, or an average of \$7,204 per month for the first five months of the fiscal year. The Board was informed that this margin was directly attributed to the cost cutting measures that were instituted over a year ago and needed to be monitored closely. The savings in office rent alone accounts for \$5,300 of the increase in net unrestricted assets.

B. Chief Operations Officer's Report

- Reporting Section 8 Voucher Management System (VMS)

The COO reported that an estimated report for the month of July had been submitted to VMS on August 22, 2012 and approved by the Financial Management Center. The actual expenditure report and correction would be resubmitted to VMS upon completion of the end of the month financial reconciliation report provided by the Accounting Department. The COO reported that revisions had been made through the month of June 2012.

- PIH Information Center (PIC) Reporting Rate requirement

The COO reported that as part of HUD's Internal control efforts, the Department's Real Estate Assessment Center (REAC) continuously monitors the timeliness and accuracy of tenant information reported to the Public and Indian Housing Information Center (PIC), REAC performs data comparisons of tenant information reported in PIC to data obtained from other Federal databases to validate the accuracy of tenant reported income, Social Security Numbers, name and dates of birth. The intended outcome of monitoring is to identify, reduce and recover improper payments within HUD's rental Assistance programs, improve the accuracy and integrity of tenant data and to verify the Housing Authorities comply with PIC reporting and use of the Enterprise Income Verification (EIV) system. Therefore, HUD was requiring that all PHA's improve all efforts to report 100% by September 28, 2012.

The COO reported that the DBHA's reporting rate was 100%.

Roundstone Development Update

Reported by: Steve Kaplan/Clifton Phillips

Permitting/Plat

- **SPRAB:** Mr. Kaplan reported that the SPRAB approved the colors on September 12, 2012

- Final Plat Submission:

Mr. Kaplan noted that they had received the first round of comments from the city and responded to those comments on September 14th. They were minor changes and anticipated completion by the end of the week.

- Financing/Timing

- PHASE I:

Mr. Phillips reported that they were still awaiting the final construction plans/budget to be finalized. The last round of changes to the plans should be ready by September 26.

- PHASE II:

Mr. Phillips informed the Board that they had narrowed down the debt and equity offers and after consulting with the CEO, they had chosen JP Morgan Chase for the debt and

Hunt Capital Partners for the equity. There were multiple reasons for their choice, however the key factors revolved around the interest rate pricing and structure for the debt side and tax credit pricing, flexibility of reserves, and having a common investor on the equity side.

- Timeline for Phase I and II

Mr. Phillips stated that assuming receipt of final plans by Klewin on September 26, Klewin will have final bids by mid-October now (due to delay in modifying the plans). They will then be able to start moving financing forward. Based on the previous timetable with the working group on the financing, that would translate into a closing in late December but more likely in January.

C. CEO/President's Report

- Rental Assistance Demonstration – RAD

The CEO informed the Board that they had decided not to apply for this program as they determined their application would not score well. This program was designed specifically for those Housing Authorities with capital needs and their 5 units had already been rehabilitated.

- Annual Organizational Meeting of the Board (October)

The CEO noted that in accordance with the BY Laws, the Annual Meeting is held in October. This is the time that the Board must elect the new Chair and Vice Chair. The Board was asked to please be prepared to nominate and elect at the October meeting.

- President/CEO Evaluation

The CEO reported that she was last evaluated in 2010, yet it should be performed annually. The Board was informed that they may decide to establish a committee to handle this important task or do it individually ahead of the next meeting with a full Board discussion at the October Board meeting.

The Board elected to do individually ahead of the next meeting with a full Board discussion.

X. NEW BUSINESS

Approval to Issue RFP for Owner's Construction Representative for Village Square and West Settler's Service Center

The CEO reminded the Board that several months ago following the departure of the Development Officer, they believed it was important to have a person with construction/development expertise to represent the Housing Authority's interest in the construction phase of Village Square and the West Settler's Office Building. This item was to request the approval to develop and issue a Request for Proposals from qualified firms and/or individuals who will provide representation, oversight, compliance reporting on behalf of the agency. The DBHA will obtain the Attorney's input on the structuring of the RFP with the plan to have it ready for issuance by the October meeting.

After a brief discussion the CEO determined that once the document has been created she would bring it back for the Board's review and recommended that Board make a motion to proceed with the creation of such documents with the condition stated above.

A motion to proceed with the creation of the RFP for Owner's Construction Representative for Village Square and West Settler's Service Center was made by Commissioner Sims. Motion seconded by Commissioner Petrolia. All in favor. Motion passed.

XI. COMMENTS

A. President/CEO

- a. Website: The CEO informed the Board that staff is updating the website and wants to post the board's pictures on the website and asked permission to do so. With the exception of Chairman Hepp, and Commissioner Aronson who were absent, all present Commissioner's agreed including the Attorney.
- b. Lawn Mower/Conference Table: The CEO informed the Board that they had a lawn mower in storage along with the conference table that was used at the old location and had some prospective parties interested in the items. The CEO informed the Board that the items will be sold or discarded since they are very large items and are taking up a lot of storage space and the DBHA no longer has any need for them.

B. Commissioners

C. Attorney

XII. ADJOURNMENT

Meeting Adjourned at 9:30 a.m.