

Daytona Beach Housing Authority

November 12, 2021 Special Board Meeting 10:00 a.m.

- I. Call to Order** - Commissioner Daniels called the meeting to order at 10:03 a.m.
- II. Roll Call** - Commissioners Jass, Brown-Crawford, and Daniels were present for roll call. Commissioners Jamison and Ivey were absent.
- III. Invocation** - Invocation was led by Commissioner Daniels.
- IV. Recognition of Visitors** - None.
- V. Public Comments** - No public comments.
- VI. Approval of Minutes** -
 - A. Regular Board Meeting - October 15, 2021** -
Commissioners Present: Jass, Jamison, Brown-Crawford.
Commissioner Absent: Daniels. Commissioner Hemis Ivey joined meeting at 10:12 a.m. - Approval of minutes was tabled until next meeting when more commissioners are present.
- VII. Approval of Agenda** - Commissioner Daniels requested adding an item under old business to discuss Picerne. Attorney Gilmore requested adding release of authorizing resolutions for Windsor/Maley to agenda.

Commissioner Brown-Crawford made a motion to approve the agenda for Friday, November 12, 2021, adding to old

business Picerne and the release of the resolution for the WM. Commissioner Jass seconded the motion. Unanimously approved.

VIII. Consent Agenda - *(Matters included under the consent agenda are self-explanatory and are not expected to require review or discussion. Items will be enacted by one motion. If discussion is desired by any member of the Board, then that item will be removed from the consent agenda and considered separately.)*

A. Resolution 2022-12 Housing Choice Voucher Admin Plan

Revision. Recommendation: COO Natalie Smith-Wells

recommends approval. Commissioner Jass made a motion to approve the consent agenda. Commissioner Brown-Crawford seconded the motion. Unanimously approved.

IX. BGC Advantage - Holly Knight with BGC Advantage presented an update. Ms. Knight welcomed Mr. Woodyard as the new CEO. Ms. Knight first discussed WM at the River. She stated that final Bank of America approval has been received as well as Fannie Mae. The insurance has been bound and the permitting is complete. The relocation is starting to happen. Ms. Knight stated that there will be a mock model unit available at WM at the River after the first phase so that everybody can come and see changes, and adjustments can be made.

Ms. Knight discussed Daytona RAD family. There will be new construction at the Halifax site. Ms. Knight stated there is about \$1 million difference in what was worked through in June, July, and September. She reminded the commissioners that the Housing Authority will be holding a seller-takeback note. Ms. Knight asked the Housing Authority to put in \$750,000 in PHA funds.

The operational costs have impacted the mortgage. The first mortgage is \$23 million. There is \$24 million in equity coming in. And then, of the development fee, which is \$9.2 million, BGC is putting \$3.7 million back into the project. Ms. Knight stated that they are awaiting RCC until the commitment for the \$750,000 has been received, as well as the seller-takeback note.

Ms. Knight stated that the past Wednesday was the deadline to be able to get on the Florida Housing Finance Agency Board and the Volusia County Board. Because those commitments were not received, Ms. Knight stated that BGC will have to wait until the Board is ready to submit those. Ms. Knight stated that she went over both projects with Mr. Woodyard and Ms. Smith-Wells a few weeks back.

Ms. Knight provided a 20-year forecast of development fees and cash flow to PHA. In the first year, the Housing Authority will be getting back \$550,000, which is from

developer fee. The second year is under construction. The third year, the Housing Authority will be getting back \$550,000.

In the fourth year, the Housing Authority will receive \$1.2 million at the conversion. In the fifth year, the Housing Authority will receive \$376,000. Ms. Knight reminded the Board that these are cash flow payments that are being made.

Commissioner Daniels asked Ms. Knight when the closing date on Windsor/Maley is. Ms. Knight stated that closing should be by the end of the month.

Commissioner Jass discussed the residents' anxiety about moving. Ms. Knight stated she will look into bringing some services in to help the residents with their anxiety.

Commissioner Brown-Crawford asked Ms. Knight to keep in contact with Mr. Woodyard.

Reno & Cavanaugh - Marty Walsh, with Reno & Cavanaugh, provided an update. He stated there is a meeting at 11:00 to discuss the final stretch with Windsor/Maley, specifically on the bonds. Mr. Walsh stated that the closing is targeted to happen in November.

Jonathan Flugstad added that if closing does slip into December, then the HAP contract will be updated, and new effective date would be January 1st.

Attorney Gilmore asked Reno & Cavanaugh to stay on the line until after the Board discussed old business.

X. Old Business -

A. Picerne - Commissioner Daniels stated that there is an opportunity to take back Lakeside and Villages at Pine Haven. Commissioner Daniels asked the commissioners to take a look into the takeback period of taking back over the properties.

Mr. Woodyard told Commissioner Daniels that he would like to work with development staff over the next couple of weeks and get a handle on it so he can report back to the Board. He stated he will come back with an update and recommendation.

B. Release of the Resolutions from Windsor/Maley -

Attorney Gilmore stated that even though a finalized report from Tom has been received, the reports that have been seen to this point have been satisfactory. Any issues that remain unresolved don't have anything to do with the Authority.

Based on the representation, Attorney Gilmore stated he's authorizing the release of the resolutions in order for the closing to move forward.

Commissioner Brown-Crawford told Marty Walsh that the names on the credit underwriting package for the

Development Corporation are wrong. Mr. Walsh stated that they have some cleanup to do, and they will have an opportunity to clean it up before closing.

Commissioner Brown-Crawford asked for a corrected copy. Mr. Walsh stated he will press for the final corrected copy. He stated that the document itself is not in his control.

Attorney Gilmore asked Mr. Walsh if he's expecting another draft from Tom. Mr. Walsh stated he requested it from him before the 11:00 call. He stated that on the 11:00 call, he will go around with the full development team, the investor, and the other lenders to get the closing process in motion. Attorney Gilmore asked Mr. Walsh to circulate the next version of the document, even if it's not in final form. Mr. Walsh stated he would.

Commissioner Brown-Crawford asked Mr. Walsh if the company is being paid for every revision. She also asked if the company had the correct information in the beginning. Mr. Walsh stated that development has been submitting information related to the deal.

AmeriNat prepares the credit underwriting report. He suggested asking Jean as he's not included in the specifics of the engagement with AmeriNat.

Commissioner Brown-Crawford stated that the cost for the revisions shouldn't fall back on the Housing Authority.

XI. New Business - No new business

XII. Information Items

A. CEO Financial Update - Mr. Woodyard stated he's been reviewing the finances, making sure that everything is input correctly, making sure the staff are trained on the new software, and making sure the budget is correct. He stated he's looking to hire a new CFO as soon as possible. In the meantime, Rubino is the accounting firm, and they're helping to prepare the financials for the auditors.

Commissioner Daniels stated that when people take over a seat, there should be an audit done to make sure everything is in place. Commissioner Daniels believes there should be an audit. Commissioner Daniels asked Mr. Woodyard to get an audit performed.

Commissioner Brown-Crawford asked Mr. Woodyard if he wants to continue using Yardi for the accounting software. Mr. Woodyard stated that Yardi is the industry standard.

Commissioner Brown-Crawford asked that the next CFO live in Volusia County. Commissioner Daniels stated

that Commissioner Brown-Crawford was not making a directive but just making a suggestion.

XIII. Monthly Departmental Reports - Mr. Woodyard stated that he's working on his own reports to give an update to the Board monthly. He stated they'll work on that and start getting reports to the Board soon. He stated he's short on staff and needs to work on that first.

A. Finance Report -

B. Housing Choice Voucher Report -

C. Development and Business Management Report -

D. Affordable Housing Reports -

a. Caroline Village

b. Maley

c. Northwood/Walnut Oak

d. Northwood II

e. Palmetto Park

f. Windsor

E. Chief Operating Officer (COO) Report

XIV. Commissioner Comments - Commissioner Jass discussed the comment she made to Holly Knight of BGC regarding the residents' anxiety. She stated that she considers it very serious because she sees how serious it is with the tenants. She stated that people in the Maley and the people in the Windsor don't like each other.

Mr. Woodyard stated that one of the things he committed to the Board was that he would do a listening tour with the residents. He stated that talking with residents at Windsor and Maley will be first on his list.

Commissioner Jass stated that a lot of the residents in both buildings have a lot of mental issues. She stated that a lot of the residents don't understand the rules. The residents also don't respect management.

Mr. Woodyard stated that before his listening tour, he needs to have a meeting with Commissioner Jass and the officers of the resident organizations to figure out how the meeting needs to be conducted. Mr. Woodyard stated he will be in contact with Commissioner Jass.

Commissioner Brown-Crawford had no comments.

Commissioner Daniels officially welcomed Mr. Woodyard. He told Mr. Woodyard that he has the Board's full support.

Commissioner Brown-Crawford recognized the birthdays for November. Commissioner Brown-Crawford's birthday is November 25th and Commission Jass's birthday is November 27th. Commissioner Jass is also celebrating her 40th wedding anniversary. Commissioner Daniels stated that there needs to be a cake at the next meeting.

XV. Adjournment - Commissioner Jass made a motion to adjourn.

Commissioner Brown-Crawford seconded the motion. Meeting was adjourned at 10:52 a.m.

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