

## MINUTES

**October 17, 2025**

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

Regular Meeting called to order at 10:05 AM by Vice Chair Sandy Murphy.

### **II. ROLL CALL**

Commissioners Sandy Murphy, Kelvin Daniels, and Sally Jass attended. Not present: Commissioner Kim Brown-Crawford.

### **III. INVOCATION**

Invocation by Daniels.

### **IV. RECOGNITION OF VISITORS**

CEO Charles Woodyard introduced virtual visitors (via Microsoft Teams): Sheila Jones, financial consultant for RAD Conversion project; Drew Krinsky, RAD developer with Smith and Henzy; Jozette Chack-On, attorney with Saxon Gilmore, representing Housing Daytona Beach. Bryan Finnie, Choice developer, with Housing Trust Group, joined via Microsoft Teams at 10:21 A.M.

### **V. PUBLIC COMMENTS**

None.

### **VI. ACCEPTANCE OF MINUTES – Regular Board Meeting – September 19, 2025**

Commissioners present: Brown-Crawford, Murphy, Daniels, Jass. Motion by Jass. 2<sup>nd</sup> by Daniels. Approved unanimously.

### **VII. CHANGES TO THE AGENDA**

Woodyard asked to move the Finance Report to Old Business Items, after the Audit Update, on the Agenda. He asked to move the Business Action items above the Consent Agenda, and to move the Real Estate Development update under the Business Action items, also above the Consent Agenda.

### **VIII. AUDIT UPDATE**

Consultant Tony Palmer said that the 2023 audit has been submitted to HUD and the 2024 audit can commence. He told the Board that the auditors will be on site on Monday.



## **IX. MONTHLY PERFORMANCE**

### **1. FINANCIAL STRENGTH**

#### **a. FINANCE REPORT**

Palmer provided a detailed, monthly financial report and a summarized version, for the two months ended Aug. 31, 2025. Palmer said that he would like to move forward with providing the summarized version to the Board. He provided the financial data for the Central Office Cost Center (COCC); Amp 2 (Caroline Village, Northwood Village, Palmetto Park, and Walnut Oak); Amp 20 (Northwood II); Section 8, Voucher, Emergency Housing Voucher and Mainstream; the Public Housing Assessment System (PHAS) Financial Report; the Balance Sheet; and the Months of Reserves (MOR), the latter two used to help prepare the PHAS scoring sheet, Palmer said. Woodyard said that the Agency is getting ready to embark on standardizing some of the internal financial procedures and putting together a Standard Operating Procedure.

## **X. BUSINESS ACTION ITEMS**

### **1. RESOLUTION 2026-13 HOPE VI DEBT FORGIVENESS**

Woodyard said that this is a part of the transaction for RAD conversion of the LIHTC properties. He said that the developer and the transaction attorney were invited to address any concerns of the Board.

Saxon Gilmore attorney Jozette Chack-On told commissioners that it's for the best interest of the RAD conversion to forgive the three Hope VI loans, approximately \$15 million dollars, which currently exist on Villages at Halifax, Lakeside, and Pine Haven apartments. She said that loans coming into the Housing Authority for the RAD conversion project will wash out the money that's being forgiven.

Developer Drew Krinsky, with Smith and Henzy, said that the interest rates on the loans are below AFR, which could cause an issue for the investor and put the tax credits at risk, jeopardizing \$40 million dollars in equity coming into the project. He said that the forgiven loans are being replaced by a seller note of \$35 million dollars coming back in as new debt, and that that the Housing Authority will be collecting interest off that debt for many years.

Financial Consultant Sheila Jones described the debt forgiveness as pretty standard.

Murphy asked for a diagram of the relationships involved in the transaction. Woodyard said that will be pretty easy to do.



EQUAL HOUSING OPPORTUNITY



Daniels said he had unease about forgiving such a long-standing debt and asked if doing so was time-sensitive.

Chack-On said that it's a very tight deadline based on the Freddie Mac maturity date of November 1, at which time \$1.6 million – which the Housing Authority does not have – is due. Krinsky said that the reason the Authority cannot pay off the existing debt is because rents are well below where they need to be, and the Housing Authority is losing money on these properties. Through this RAD conversion, Krinsky said, the Hope VI debt will be replaced with seller financing because we're able to appraise the property at what will be the higher rents. He explained how it will be paid and provided a timeline.

Starting in year eight, he said, 47.5 percent of available cash flow will go to paying off the new seller note and sponsor loan. And so there will be payments, Krinsky said, adding that the rents are high enough that revenue exceeds expenses. This is a loan that will be paid off in many years starting in years six and seven, he said.

Chack-On said that the Hope VI dollars came in from HUD, that it wasn't the Housing Authority's money. HUD gave the Housing Authority the ability to loan the funds in, versus a grant, so it could be given for the development, she said. But we loaned it in, she said, under the assumption that there would be enough rents to pay an interest payment. We were never intending to have the full amount paid, she said. It just depends on how much the property cash flows depending on the rents and the costs, she said, and at this point, the rents are lower, so the properties aren't able to operate at a profit. So once we get the RAD conversion done, she said, the rents will be higher, there will be more money in the deal, therefore there may be more money to pay down the debt that's coming in. You are forgiving \$15 million of Hope VI dollars that were not your dollars to get back almost \$40 million to the Housing Authority, Chack-On said, to the extent that there is enough cash flow from the rents to pay the Housing Authority. There is no guarantee that this project will cash flow and pay back the full \$40 million, she said. Chack-On explained investors are making sure that Krinsky's projections on the operating of the deal, based on the higher rents, will be adequate to pay back the construction, permanent, bridge loans and then have cash flow, and the developer fees, with 25 percent going to the Housing Authority, and then has cash flow to pay the seller note, which represents the property value of the three projects being transferred to the new RAD owner. So there's a lot of money flowing into the deal to make the RAD conversion work, she said, and there are a lot of people underwriting this deal to make sure that there's enough money coming in from rents to pay



EQUAL HOUSING OPPORTUNITY



everybody back. All of that has been reviewed by your financial advisor, the developer, and by Saxon Gilmore to make sure this project makes sense, Chack-On said.

Jones said that this is more about preserving the units and less about being a financial vehicle for the Agency.

Gilmore said that the key thing is we don't have the money to pay on November 1<sup>st</sup>. He said that this got compressed, that it's complicated, but that the end result is that the \$15 million dollars is really not our money, and that we are going to get some immediate cash flow.

Motion to approve by Daniels. 2<sup>nd</sup> by Jass. Unanimously approved.

## **2. RESOLUTION 2026-16 APPROVING THE FINANCE CLOSING FOR DAYTONA BEACH RESYNDICATION**

Chack-On said that this resolution lays out the structure of the deal.

Motion to approve by Daniels. 2<sup>nd</sup> by Jass. Unanimously approved.

Murphy thanked the professionals for joining the meeting virtually. At 11:12 A.M., Sheila Jones, Drew Krinsky, and Jozette Chack-On left the virtual meeting.

## **3. RESOLUTION 2026-14 UPDATED BYLAWS**

Gilmore said that the Bylaws are fluid and can be changed at any time.

Motion to approve by Daniels. 2<sup>nd</sup> by Murphy. Unanimously approved.

## **XI. REAL ESTATE DEVELOPMENT**

Woodyard introduced Bryan Finnie, with Housing Trust Group, developer partner for the historic midtown area.

Finnie gave an update on what his company has been doing, completing his report by 11:22 A.M.

## **XII. CONSENT AGENDA**

- 1. RESOLUTION 2026-10 APPROVAL OF UPDATED FLAT-RENT. SCHEDULE FOR PUBLIC HOUSING AND LOW-INCOME HOUSING TAX CREDIT PROPERTIES.**
- 2. RESOLUTION 2026-11 APPROVAL OF UPDATED MAINTENANCE PLAN.**
- 3. RESOLUTION 2026-12 APPROVAL OF UPDATED RENT COLLECTION POLICY.**
- 4. RESOLUTION 2026-15 RATIFICATION OF SWORN STATEMENT IN PROOF OF LOSS AND CLIENT STATEMENT.**

Motion by Daniels. 2<sup>nd</sup> by Jass. Unanimously approved.

## **XIII. MONTHLY PERFORMANCE**



EQUAL HOUSING OPPORTUNITY



## **1. Customer Satisfaction**

### **a. RESIDENT SERVICES REPORT**

Director of Resident Services & Community Engagement Seletha Bradley presented the Resident Services Department report. She asked the Board to donate to the Oct. 31 Fall Festival event and volunteer for the December Toys for Tots event.

## **2. Housing Solutions**

### **a. OPERATIONS REPORT**

Chief Operations Officer Vanessa Dunn provided the Operations Report for September 2025. She highlighted that Caroline Village is 85% occupied, with a year-end goal of 100% occupancy. She included a letter indicating that HUD completed the Section 8 Management Assessment Program (SEMAP) evaluation of the Housing Authority, for its fiscal year ending June 30, 2025, and that the Authority is considered a High Performer, with a score of 96 percent. She said that the Daytona Beach News Journal is working on a story about the Agency's home ownership program.

## **XIV. DISCUSSION**

None.

## **XV. CEO COMMENTS**

Woodyard reviewed his CEO Memo. He said that he hopes to provide the Housing Trust Group MDA and an Audit Policy, with schedule milestones, at next month's meeting.

## **XVI. COMMISSIONER COMMENTS**

Murphy asked about the Bylaws referencing an Audit Committee. Gilmore told her that the committee can be one commissioner who interacts with the auditor as a representative of the Board.

## **XVII. ADJOURNMENT**

Meeting adjourned at 11:59 A.M.



EQUAL HOUSING OPPORTUNITY

