

Housing Authority of the City of Daytona Beach

Board of Commissioners Development Retreat

March 5, 2021 1:00 P.M.

RAD Closing Celebration for Windsor/Maley (May/June) - Ms.

Bates asked the commissioners what kind of celebratory event the board would like to see for the first closing at Windsor/Maley. Attorney Gilmore suggested a large ceremony, inviting local and HUD officials. Ms. Bates stated that HUD will not travel but will possibly send a video to show at the ceremony. Attorney Gilmore also suggested having a shovel ceremony.

Ms. Bates clarified that this is the first administrative closing in the RAD deal that legally transfers the property from the housing authority to the new affiliate.

Chairman Daniels agreed that the city officials and media need to be invited. He suggested that the commissioners wear housing authority shirts.

Ms. Bates suggested having a few residents say a few words at closing. There was discussion about what day of the week the closing should take place. It was decided that Thursday or Friday may be good days of the week.

HACDB Site & Neighborhood Standards/HUD/Update - Kara

Lennard gave a presentation about the notice that covers

site and neighborhood standards, which is PIH Notice 2011-31. Regulations come from Congress that goes into the Federal Register. HUD PID notices are their interpretation, their rules to public housing. PIH Notice 2011-31 was adopted in 2011.

PIH Notice 2011-31 provides guidance on non-discrimination and equal opportunity requirements for public housing authorities. HUD site and neighborhood standards facilitate further compliance with Title VI of the Civil Rights Act of 1964, Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, various executive orders, and implementing regulations. Site and neighborhood standards apply when public housing authorities needs HUD financial assistance to construct, acquire, or site housing.

One of the items listed in the PIH notice is non-discrimination based on race, color, and national origin. 24 CFR 1.4 is the federal regulation in the Federal Register.

Non-discrimination based on disability is listed in 24 CFR part A. Ms. Bates stated that 5 percent of all public housing must be accessible to persons with disabilities and any new construction must meet current 504 standards along with the 5 percent. Ms. Lennard stated it is 5 percent for

persons who have mobility disabilities and an additional 2 percent for people with hearing and vision disabilities.

The PIH notice also discusses standards regarding neighborhoods. When properties are built, people must have the same level of access to amenities, such as schools, hospitals, grocery stores, and public transportation. It also discusses environmental conditions.

To determine minority concentration, HUD says to take metropolitan statistical area and the minority concentration of the metropolitan statistical area, which is 29 percent, add 20 percent to that, and that gives you what is considered the threshold for minority concentration in an area.

For Daytona Beach, it must be 49 percent or fewer to be not minority concentrated. Northwood, minority concentration is 67 percent minority. Pine Haven, 94.63 percent minority concentration. Halifax, 66.09 percent. Loomis, 95.33 percent, north of the Northwoods site, 22.16 percent. The areas are not minority concentrated according to HUD rules. Everything that the housing authority has property in counts as minority concentrated.

The census track determines what is poverty by the estimated minimum level of income needed to secure life's necessities. Northwoods, 66.77 percent of individuals

living in census track live below the poverty level. Pine Haven is 53.76. Halifax is 33.41. Loomis is 66.77. South of Loomis is 14 percent.

Ms. Lennard discussed the different properties and lots, talking about minority concentrations for each property.

Ms. Bates asked the board that since they have the lot for sale, if they want to hold on to the other parcels.

Ms. Bates told the board that at the April board meeting, the housing authority can bring a resolution asking the board for permission to submit a disposition application for the lots.

Ms. Bates stated that a fence was rented for the corner lot, but the amount of time has been exceeded that the city allows a fence to be put up. The fence has been taken down.

Ms. Bates told the board that as Ms. Lennard goes through the slides, she would like to know what the board thinks about the different things so staff will know what to bring before the board for consideration.

Chairman Daniels asked Ms. Bates if the city owns lots in the area. Ms. Bates stated that they mapped out what the city owns and what habitat owns. She stated they were looking for logically what would make sense to make an investment.

Ms. Lennard discussed the property that the eagles are located. Ms. Bates stated that staff will come to the board with a resolution asking for permission to submit an application for disposition to dispose of the land, which would allow the sale of the property.

Commissioner Ivey stated he doesn't believe there should be a resolution on the big parcel. He supports a resolution on the little ones. Commissioner Ivey believes they should wait on making a decision to the big parcels. Commissioner Brown-Crawford believes the opposite and thinks there should be a resolution before the board. Ms. Bates stated she will get an updated report from Fish and Wildlife and the environmental attorney's report and bring it to the board for discussion.

Commissioner Ivey asked Ms. Bates if the housing authority puts in for the DOT to be removed so the property could be sold, does the property have to be sold or does it need to be put up for sale while applying for DOT. Ms. Bates stated the property cannot be listed for sale while waiting for HUD approval. There are several steps that need to be taken. Commissioner Brown-Crawford stated that the housing authority should sell the property to be relieved of the burden of the eagles. Ms. Bates stated the property was purchased with HUD money. If the property is sold, the

funds would be restricted. The funds could be used to build the Faircloth units.

Commissioner Jamison stated she would be in favor of selling Rose Street, but not Pine Haven. Commissioner Ivey agreed with Commissioner Jamison.

Ms. Bates stated that the housing authority needs to decide what it wants to be in midtown. Ms. Bates stated that one of the purposes of the development retreat is to discuss what is the housing authority's priority. Commissioner Jamison stated the housing authority's goal is to create affordable housing. She doesn't want to be in the business of selling and nothing comes out of it that increases housing in the area. Commissioner Brown-Crawford believes that the housing authority should partner with a non-profit.

Commissioner Ivey agreed with Commissioner Brown-Crawford. He discussed putting out an RFP for a non-profit to build on property that is owned by the housing authority.

Attorney Gilmore asked the board if they want Ms. Bates to get more information about what could possibly happen with the lots and who might want to partner with the housing authority. Commissioner Ivey stated he doesn't want to make a commitment to one group.

Attorney Gilmore told the board to be prepared in the event there are no other non-profit companies interested in partnering with the housing authority. Commissioner Brown-Crawford stated she's not opposed to entertaining a partnership with the 32114 Initiative, but not to give property away.

Commissioner Ivey stated he would like to entertain to see what's out there. He asked Ms. Bates to come back with some scenarios on how to put it out there to partner with someone.

Ms. Bates stated she needs the board to say who they are. Are they people who are interested in the promotion of affordable housing in midtown or are they people interested in being development partners for the construction of housing in midtown? A non-profit needs profit and they will partner with the housing authority, but no one is going to walk away without money. The board needs to have a position about what is the role with the transaction, so it knows what to ask for.

Commissioner Jamison said that each property needs to be addressed one by one.

Commissioner Brown-Crawford stated that for Vernon Street area, the housing authority may want to partner as a developer. However, on another property, the housing

authority may want to develop the property. Commissioner Ivey stated the housing authority would not be the builder. He stated he's for a partnership. The partnership needs to be kept different because there are different locations which will require a different type of partnership.

Ms. Bates asked the board what they want for Vernon Street. Commissioner Jamison stated that the focus of the housing authority should always be on is the housing authority providing the service that they're here to do.

Ms. Bates stated that on Whitehall, there is an RFP and contracts will be awarded to two builders, but so far only one site has been identified. She asked the housing authority if they want Whitehall to be a second site where one of the developers that's already responded is used to propose construction of something and money would need to be found.

Commissioner Ivey stated that the Vernon Street lot will sell quicker than Whitehall. He thinks it'll be unfair to have them bid against one another on the sites because they're unequal. Ms. Bates asked Commissioner Ivey if they want to build on Whitehall or put a hold on it.

Commissioner Brown-Crawford believes the contractors should look at the property. Commissioner Ivey stated he doesn't want to hold back progress. He told Ms. Bates to get

developers to look at Whitehall and Vernon Street and see what can be worked out.

Commissioner Jamison asked how the housing authority got possession of a business park. Ms. Lennard stated that the housing authority was going to build an office. This property was supposed to be the housing authority's office. This area is 59.2 percent minority concentration. There's a school within .5 miles and a hospital at 1.8 miles, with a bus stop at .3 miles. It's under a declaration of trust. The zoning is for industrial park, which means nothing residential can be put on the property.

Commissioner Ivey asked if it could be rezoned since there's been a lot of building going on and the area is growing. Commissioner Brown-Crawford asked again for a tour of the properties. Ms. Bates stated that she will put the discussion of a tour date on the agenda.

Caroline Village Water Issue - James Chisholm, City Manager

CODB - James Chisholm discussed water issues and flooding in the city. He stated that the existing drain system should flow from there back into the canal, which works until it floods and then flows reverse. Prior to back flow preventers, the water would flow back into the draining system, which was conveying it back into the neighborhood.

Chairman Daniels told Mr. Chisholm that the builder would like to put in retention ponds. He asked Mr. Chisholm to clarify his plan that will hopefully help with the flooding outside of putting in retention ponds. Mr. Chisholm stated that the pond could hold some water, but it wouldn't hold enough of it. He suggested dig them and put a conveyance system over the Butts pond, which would reduce the length of time there is water standing in the area. Ms. Bates stated that the builder said it's a dry retention pond and that there wouldn't always be water there, which Mr. Chisholm agreed with, based on what the water table is in the area.

Commissioner Ivey stated that there's a canal that runs to the Maley Street pond. He asked if the housing authority could tap into the system and carry it back to Maley. Mr. Chisholm stated that it will carry it to Maley and then it goes to Butts in a pipe. Commissioner Ivey asked why the housing authority can't tap into the system because then they wouldn't need retention. Mr. Chisholm stated that they would still need retention because the flooding will not be solved. He stated the water is going through there now. Ms. Bates asked how feasible it would be to tap into the system and if the city has any way to help the housing authority with the water. Mr. Chisholm stated that it

depends on the impact of the system. He said he could work with the housing authority on the design so that it would work as good as it can work with the existing system.

Chairman Daniels asked about the dry ponds and whether they would keep water. Mr. Chisholm stated that he believes the dry ponds will keep water.

Ms. Bates stated that there has been a flood study done for every building on the property. The engineers that are working on the site have all the statistical data about the flood activity at the property.

Commissioner Ivey stated that BGC Advantage's engineers need to get with the city engineers to find the best way to address the problem. Ms. Bates stated that beyond the boundaries of the property, there's nothing the housing authority can do.

Ms. Bates asked the board if they want to keep Caroline Village. If the board does want to keep Caroline Village, then they will have to try to solve for what is in the housing authority's capacity financially and within money that can be leveraged. She stated the housing authority cannot do anything outside of the boundaries of the property.

Chair Daniels stated that there is property that would be a great place for development. Mr. Chisholm stated that it's

25 acres. Ms. Bates stated that Wal-Mart owns the property, and the city may be able to offer Wal-Mart a trade of tax credits for a reduction in the price of the property. Ms. Bates stated their bottom line was 5.5 million. Mr. Chisholm stated he would look into it and that he would support it if there's a way to do it.

Ms. Bates stated that BGC Advantage's architects and engineers and flood mapping people have been at the property for months. The investor required a flood certification for each building.

Ms. Bates told the board that she wanted to have the time to talk through things and get a better understanding of where the housing authority is. BGC Advantage was supposed to attend on Zoom but it wasn't connected. Ms. Bates stated she will send a recording to the architect so he can hear the conversation with the city manager.

She stated that one of the investors backed out because of the flood report. There have been extensive flood reports done for Caroline Village and Palmetto Park because investors look at them. Investors look at a 20-year flood study before they invest.

Commissioner Brown-Crawford asked Mr. Chisholm what was causing all the flooding. She stated she grew up in the

area and never dealt with flooding issues as bad as the current issues.

Public Private Partnerships 32114 - Ms. Bates stated the 32114 Initiative people would like to purchase the Vernon Street lots to build affordable homes at or below market. She said no decision needs to be done today but it's something to think about. Ms. Lennard stated it is within a 100-year floodplain and it's zoned for multi-family. Ms. Bates asked the board if they had any interest in considering partnering with 32114 or some other non-profit for the purpose of being able to construct affordable housing on Vernon Street. Commissioner Brown-Crawford stated she would like to partner with somebody so everyone can make money. Ms. Bates stated that the 32114 people do not want to make money. They made it clear that they would want to sell the homes at or below market. They want some consideration from the housing authority. They would like the housing authority to work with them so that the house remains affordable.

Ms. Bates stated that if the board wanted people to qualify for down payment assistance, there's a cap on what the cost of the house can be. As the cost of the house rises, it can still be sold but it's not going to be sold to a low-income

person who can get the money from the city through down payment assistance.

Attorney Gilmore stated there are ways to restrict the sale so that it can't be flipped for a while.

Ms. Bates stated HUD will not allow a sale that is less than appraised value. However, sometimes an appeal can be made to HUD that the houses are being used specifically for the purpose of building affordable housing and the cap in the city is \$165,000. Commissioner Brown-Crawford stated that she's willing to discuss options.

Attorney Gilmore asked if the 32114 Initiative would be interested in appraised value. Ms. Bates stated they would be interested but they would want to talk about how that impacts the final cost of the property.

Attorney Gilmore clarified that the lots in discussion were left over HOPE VI lots.

Ms. Bates told the board that they need to think about what kind of partner it wants to be.

Commissioner Brown-Crawford would like to take a tour of the properties in the future.

Commissioner Brown-Crawford believes the housing authority should partner with somebody.

Rezone Commercial Property - Ms. Bates stated that there will be a tour before further discussion will take place.

Jurisdiction - Ms. Bates stated she sent a question to HUD and they stated the statute. If the housing authority is using federal money, it must be in the city of Daytona Beach. If an opportunity came up in another city and there was private money through the affiliate, they would be able to work with that particular jurisdiction. However, with HUD money, it must be in the city of Daytona Beach jurisdiction.

Commissioner Ivey stated that he had asked if the housing authority could look at property outside of Daytona Beach where there is no housing authority.

Ms. Bates stated that when the housing authority gets the developer fee, it's not federal money. Affiliates could purchase property in other areas and the source of the purchase could be non-federal funds. However, at the current moment, every dime that the housing authority has is federal money.

The affiliate can eventually be charged to go out and purchase property in other locations.

Questions and Answers - Commissioner Brown-Crawford liked the development retreat and thinks there should be more in the future.

Upcoming Events - There will be a St. Patrick's Day event at Windsor/Maley. The Saturday before Easter, Caroline

Village will host a cookout and Easter egg hunt. The residents are planning the events and Ms. Bates asked the commissioners to stop by if they have time.

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