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6 JACKSONVILLE HOUSING AUTHORITY
7 BOARD OF COMMISSIONERS MEETING
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9
10 TAKEN: Friday, May 19, 2023
11 TIME: 9:00 a.m. to 12:43 p.m.
12 PLACE: Jacksonville Housing Authority
13 1300 North Broad Street
14 Jacksonville, Florida 32202
15 and by videoconference
16 Taken by Carol DeBee Martin, court reporter.
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1 APPEARANCES:
2 DWAYNE ALEXANDER, PRESIDENT/CEO
3 CHAIRMAN CHRISTOPHER WALKER
4 COMMISSIONER HARRIET BROCK
5 COMMISSIONER ANDRE GREEN
6 COMMISSIONER CHARLES GRIGGS
7 COMMISSIONER HEATHER HOROVITZ
8 COMMISSIONER CRAIG SHOUP
9 LAWSIKIA HODGES, ESQUIRE (OGC)
10 KORT PARDE, ESQUIRE
11 EVANN MORRIS
12 ANTONIO PEREZ
13 LINDA SIMS
14 DENNIS LOHR, CFO
15 VANESSA DUNN, COO
16 GREGORY WILLIAMS
17 MICHAEL EDGAR
18 COLENE ORSINI
19 CATHY HUNT
20 CORDELIA PARKER
21 TODD AUBUCHON
22 DANIEL MITCHELL
23 WILLIAM A. MILFORD, ESQUIRE, (BMO)
24 MS. JENNIFER, (Public Comment Speaker from
25 Lindsey Terrace)
MS. JOI JONES-McNEAR (Public Comment Speaker
from Lindsey Terrace)
VIA VIDEOCONFERENCE
BRIAN NEMEROFF (Berman Hopkins)
TANYA DEMPSEY (CSG)

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1 PROCEEDINGS
2 May 19, 2023 9:00 a.m.
3 CHAIRMAN WALKER: Good morning, everybody.
4 According to my iPhone, it is nine o'clock.
5 So I'm going to go ahead and call the meeting to
6 order.
7 This is the Jacksonville Housing Authority
8 Board of Commissioners Meeting for Friday,
9 May 19th.
10 As we open it up, first of all, thanks,
11 everybody, for being here bright and early.
12 Thank you to the staff and to Dwayne for feeding
13 us this morning. If you haven't gotten anything,
14 please do. The donuts look amazing.
15 And, for the record, please let it reflect
16 that, for my wife, I did not eat a donut.
17 She'll be very proud of me.
18 I'll go ahead and open it up for public
19 comments.
20 Do we have any public comments today,
21 either in the room or online?
22 I certainly encourage it and welcome any
23 comments.
24 (no response)
25 CHAIRMAN WALKER: Hearing none I'll go ahead

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1 and close public comments.
2 Next on the agenda is the approval of the
3 minutes from the last board meeting from Monday,
4 April 24th. As always, we thank Ms. Carol for
5 putting these together for us.
6 Were there any questions or comments on the
7 meeting minutes?
8 (no response)
9 COMMISSIONER SHOUP: Motion to approve.
10 CHAIRMAN WALKER: I have a motion to approve.
11 COMMISSIONER BROCK: Second.
12 CHAIRMAN WALKER: I have a second from
13 Commissioner Brock.
14 Any discussion?
15 (no response)
16 CHAIRMAN WALKER: Hearing none I'll call the
17 question.
18 All those in favor of approving the meeting
19 minutes signify by saying, "Aye."
20 COMMISSIONER GREEN: Aye.
21 COMMISSIONER SHOUP: Aye.
22 COMMISSIONER BROCK: Aye.
23 COMMISSIONER GRIGGS: Aye.
24 CHAIRMAN WALKER: Any opposition?
25 (no response)

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<p>1 CHAIRMAN WALKER: Hearing none the minutes 2 are approved. 3 Just a couple of quick things for 4 Chair Comments today. 5 So I want to thank all of the senior staff in 6 the room, as well as OGC. I appreciate that we 7 got comments around and together on these. 8 Where is Lawsikia? 9 MS. HODGES: I'm here. 10 CHAIRMAN WALKER: We've got the, "OGC," 11 on the bottom left-hand corner. So I appreciate 12 that being a priority in getting done for us very 13 much so. 14 I did have a chance to meet with Dwayne, 15 and he may touch on this. But Dwayne let me know 16 that the -- 17 COMMISSIONER BROCK: (pointed to Ms. Hodges) 18 CHAIRMAN WALKER: Did you need -- 19 COMMISSIONER BROCK: She was (referred to 20 Ms. Hodges) -- 21 CHAIRMAN WALKER: Oh, did you have a problem? 22 MS. HODGES: No. I -- no, no. It's fine, 23 Chair. 24 CHAIRMAN WALKER: Okay. 25 MS. HODGES: I can raise it when we get to</p>	<p>1 place sooner rather than later. 2 So I'm hoping that, by the June meeting, 3 we'll have a sketch outline of the contract and 4 the Interlocal Government Agreement that 5 Mr. Alexander is working on the terms for. 6 Once you get some terms and conditions, 7 if you could, circulate a draft to the board 8 so we can populate any questions back to you. 9 But I would like to bring that before us at the 10 June meeting so that it's in place to begin 11 assisting them. 12 Any questions on that high-level? 13 COMMISSIONER GRIGGS: I do. 14 CHAIRMAN WALKER: Commissioner Griggs. 15 COMMISSIONER GRIGGS: Thank you, Mr. Chair. 16 I just want to know if that agreement would 17 require a board field trip? 18 CHAIRMAN WALKER: Commissioner Griggs, 19 I'm glad you brought this up. I feel it is 20 important that we, you know, document our 21 participation in this. So I'll leave 22 Mr. Alexander to negotiate that point for us. 23 Commissioner Green. 24 COMMISSIONER GREEN: Dwayne, didn't you work 25 for the Virgin Islands Housing Authority?</p>
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<p>1 the resolutions. 2 CHAIRMAN WALKER: Okay. Dwayne and I did 3 meet yesterday in anticipation of the board 4 meeting to go over and prep for it, and one of 5 the things that he brought to my attention, 6 which I'm very excited about the possibility of, 7 is the U.S. Virgin Islands has reached out to 8 this agency to ask for some technical assistance. 9 Dwayne and I were going through what that 10 proposal might look like. I had a chance to speak 11 with their executive director, Mr. Graham, 12 correct? 13 CEO: Yes, sir. 14 CHAIRMAN WALKER: It's a great opportunity 15 for us. You know, they're looking for assistance 16 given Dwayne and the team here -- their skill sets 17 -- they're looking for some assistance. 18 So Mr. Alexander is going to work on that 19 over the next course of the month. I would 20 encourage the board, if you have questions about 21 this, to please reach out to Mr. Alexander about 22 the details. 23 Because we do not plan on meeting in July or 24 August, and the U.S. Virgin Islands is 25 respectfully requesting that we get this into</p>	<p>1 CEO: Yes, yes. 2 CHAIRMAN WALKER: Mr. Alexander, why don't 3 you just give us some ... 4 Commissioner Brock, 1 second. 5 COMMISSIONER BROCK: I will wait. 6 CHAIRMAN WALKER: Yes. 7 If you could, give us some background on your 8 participation there and kind of what they're 9 asking for and why. 10 CEO: Yes. Thank you, Chair. So the 11 Virgin Islands originally was in receivership 12 about 17 years ago, and, at the time, there was 13 a receivership there. They had a receivership 14 about 11 years. 15 I worked with a team over there that actually 16 pulled them out of receivership, and what the 17 receivership was was a lot of misappropriation 18 of funds and responsibilities and duties over 19 there. 20 So HUD took over full responsibility and took 21 it from under local control, and one of the things 22 is that they had a REAC Score that actually went 23 below 60 percent. 24 Since then, they have been able to do basic 25 things to be able to stabilize with someone to</p>

Page 9	<p>1 stabilize the agency. They are on the verge of 2 falling back into that status.</p> <p>3 It's been challenging for them during the 4 pandemic. We have been providing them technical 5 assistance, and, just so everyone knows, 6 they will be here this Sunday to be here for three 7 days to mirror us.</p> <p>8 But we have been providing -- 9 at HUD's request, we have been providing some 10 technical assistance to several housing 11 authorities in the State of Florida, 12 and the Virgin Islands has been reaching out 13 and needing assistance with rent collection, 14 unit turn, modernization, just about everything.</p> <p>15 They didn't have any strong policies and 16 procedures in place, and they want to see -- 17 typically, these housing authorities reach out to 18 agencies they think have the best practices and 19 mirror exactly what we're doing.</p> <p>20 CHAIRMAN WALKER: Any other questions for 21 Mr. Alexander on this?</p> <p>22 COMMISSIONER BROCK: I do.</p> <p>23 CHAIRMAN WALKER: Commissioner Brock.</p> <p>24 COMMISSIONER BROCK: Thank you, Mr. Chair. 25 So, Mr. Alexander, you're saying that our</p>	Page 11	<p>1 have the expertise --</p> <p>2 COMMISSIONER BROCK: Right --</p> <p>3 CEO: -- and they will provide some technical 4 assistance.</p> <p>5 COMMISSIONER BROCK: -- okay.</p> <p>6 Thank you, Mr. Chair.</p> <p>7 CHAIRMAN WALKER: Of course.</p> <p>8 Any other comments or questions for 9 Mr. Alexander?</p> <p>10 (no response)</p> <p>11 CHAIRMAN WALKER: Awesome.</p> <p>12 The other thing that Mr. Alexander and 13 I spoke about yesterday, just to bring the board 14 up to speed, is -- and I don't think it's on your 15 report. It might be, Mr. Alexander.</p> <p>16 We did reach out to Lindsey Terrace. 17 They did provide a response to the information. 18 Mr. Alexander and I took a look at it. 19 It was pretty high-level --</p> <p>20 CEO: Yes.</p> <p>21 CHAIRMAN WALKER: -- without a lot of detail 22 behind it. But they did agree -- I think they 23 agreed to come in and meet with you, correct, 24 Mr. Alexander?</p> <p>25 CEO: Yes. We had a call with</p>
Page 10	<p>1 team, which is the staff, will be helping them, 2 right?</p> <p>3 CEO: Yes.</p> <p>4 COMMISSIONER BROCK: So that means that our 5 staff people will still be liable to have to get 6 their assignments done as well as doing the 7 Virgin Islands' stuff?</p> <p>8 CEO: No. We're not giving them -- 9 we're not doing any work. We're not going to do 10 their work.</p> <p>11 COMMISSIONER BROCK: Okay.</p> <p>12 CEO: We'll give them some best practices on 13 how we do our rent collection, unit turnaround, 14 how we manage our modernization.</p> <p>15 They are looking to build 3,000 units, 16 and they sort of want to follow our model on how 17 we get these things done.</p> <p>18 COMMISSIONER BROCK: Oh, okay. Because I was 19 just curious on that, because I didn't want, 20 you know, our staff people to be overworked, 21 you know, with trying to do their work as well as 22 trying to keep us, you know, where we're at.</p> <p>23 So that's why I was asking you.</p> <p>24 CEO: Yes, yes. It's none of our frontline 25 individuals. It's just that the senior staff who</p>	Page 12	<p>1 Steve Lamberti, who is the president of the 2 organization.</p> <p>3 But I would admit that we do have the 4 regional manager here and also the property 5 manager who is here, as well.</p> <p>6 CHAIRMAN WALKER: Perfect.</p> <p>7 CEO: But, yes. We have a scheduled meeting 8 with them on Monday. Steve and I talked through 9 some things, and we do have a physical meeting 10 on June 1st.</p> <p>11 CHAIRMAN WALKER: Okay.</p> <p>12 So, with that, I didn't realize we had them 13 here. I'm certainly willing to open it up to the 14 board for questions, should we want to, 15 to ask some questions of them.</p> <p>16 But, based on the review of the information, 17 you know, it certainly seems like they're -- 18 again, there wasn't a lot of detail to it, 19 but, from what we can see, they have put some 20 money back into the property.</p> <p>21 I think Mr. Alexander is going to broach the 22 conversation about how we can be more of a 23 financial assistance and/or property management 24 and/or some other aspect of it.</p> <p>25 But, with that, I'll see if any of the</p>

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<p>1 commissioners have any questions for the folks 2 while we have them here. 3 And I'm so sorry. We have the regional and 4 the property manager; is that correct? 5 MS. JENNIFER: Yes. 6 MS. JONES-McNEAR: Yes. 7 CHAIRMAN WALKER: Who is the regional? 8 MS. JENNIFER: I am. 9 CHAIRMAN WALKER: I'm so sorry. 10 What's your name? 11 MS. JENNIFER: Jennifer. 12 CHAIRMAN WALKER: Jennifer. 13 And your name? 14 MS. JONES-McNEAR: Joi. 15 CHAIRMAN WALKER: Joi. Great. So we have 16 Jennifer and Joi here, as well. 17 (Commissioner Horovitz entered the room.) 18 COMMISSIONER HOROVITZ: Sorry. 19 CHAIRMAN WALKER: Oh, you're fine, 20 Commissioner. 21 But, again, at this point, I think we're 22 still in an information gathering stage. 23 We do appreciate both of you attending today. 24 That speaks volumes for me for you guys being 25 here today. So I sincerely appreciate that.</p>	<p>1 Do we have a mike? 2 CEO: Yes. 3 CHAIRMAN WALKER: We'll get you a mike, 4 if you don't mind. Go ahead, please. 5 MS. JONES-McNEAR: Is it on? 6 CHAIRMAN WALKER: Is it on? 7 It should be. He's getting it. There you 8 go. 9 MS. JONES-McNEAR: Hello. I'm sorry. 10 So you just said it's near and dear to your 11 heart. 12 Can I ask as to why that is? 13 COMMISSIONER BROCK: Yes, and good morning, 14 again, Ms. Joi. 15 MS. JONES-McNEAR: Good morning. 16 COMMISSIONER BROCK: It's because residents 17 calls me, because I do a meeting for our board 18 that's called, "Resident Relations." 19 And so, when the residents that are up under 20 the Jacksonville Housing and they're having 21 problems, they will reach out to me to try 22 to understand how to solve that problem. 23 And so I've had several residents -- 24 as a matter of fact, I have one that I was going 25 to speak to Mr. Alexander about after our meeting</p>
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<p>1 Commissioner Brock, did you have something? 2 COMMISSIONER BROCK: Yeah. 3 Did I understand you right, Mr. Chair? 4 You say that we were -- we were looking to try 5 to do some financial assistance? 6 CHAIRMAN WALKER: Yes. Financial assistance 7 -- I mean looking at ways to -- you know, is there 8 a way for us to purchase the property? 9 Is there a way for us to subsidize certain 10 improvements to our units which we could get back 11 through rent concessions? 12 It's something that would be able to assist 13 the property. I know, Commissioner Brock, 14 this is one that is near and dear to your 15 heart. 16 COMMISSIONER BROCK: Yes. 17 CHAIRMAN WALKER: So, yes. 18 Any questions? 19 (no response) 20 CHAIRMAN WALKER: Those are the only -- 21 MS. JONES-McNEAR: Can I say something? 22 CHAIRMAN WALKER: -- yes, please. 23 MS. JONES-McNEAR: I'm sorry. 24 CHAIRMAN WALKER: No. You know, go ahead, 25 please. If you just wouldn't mind ...</p>	<p>1 that called me on yesterday that has a concern. 2 But I need to speak to Mr. Alexander about 3 that first, and so that's why it's dear to my 4 heart. 5 MS. JONES-McNEAR: Can you -- not speaking 6 about the resident that you spoke to yesterday, 7 can you speak to some of those concerns that some 8 of those residents may have? 9 COMMISSIONER BROCK: Yes. One of them talked 10 about how in her unit the ceiling had a hole in 11 it. Another one talked about how she didn't have 12 a working ... 13 But let me say this. I believe that the ones 14 that I got -- the complaints that I got -- 15 at that time, you were not the property manager. 16 Okay? 17 MS. JONES-McNEAR: Okay. Yes, ma'am. 18 COMMISSIONER BROCK: So, since you've been 19 the property manager, we -- I think I've only had 20 the one that called me yesterday, and then one 21 called me a few months ago. But me and 22 Mr. Alexander worked on that, and that was 23 resolved. 24 MS. JONES-McNEAR: Okay. Thank you. 25 COMMISSIONER BROCK: Uh-huh.</p>

Page 17	<p>1 CHAIRMAN WALKER: So, just for some</p> <p>2 additional context, obviously, Commissioner Brock</p> <p>3 is our resident commissioner. So she's,</p> <p>4 you know, a resident here with the housing</p> <p>5 authority, and she's obviously very intimately</p> <p>6 involved with our residents.</p> <p>7 Just another overall comment about</p> <p>8 Lindsey Terrace for our -- I don't know how much</p> <p>9 either of you have been briefed on our concerns.</p> <p>10 So part of our concerns, you know, relate to</p> <p>11 -- you know, we have allocated ...</p> <p>12 Is it Faircloth or HAP units?</p> <p>13 I always get this confused.</p> <p>14 CEO: It's just public housing units.</p> <p>15 CHAIRMAN WALKER: We have public housing</p> <p>16 units allocated to the property. So there's</p> <p>17 obviously certain standards of unit turn,</p> <p>18 certain standards that the housing authority will</p> <p>19 hold to that maybe a private landlord would not</p> <p>20 necessarily.</p> <p>21 So one of the things that we're looking at</p> <p>22 and want to understand is, how much is being</p> <p>23 poured into these units?</p> <p>24 Who is doing the contract work?</p> <p>25 You know, are we installing, you know,</p>	Page 19	<p>1 said here. The next thing is said over there,</p> <p>2 and nobody is really talking.</p> <p>3 So any other comments from the board on</p> <p>4 Lindsey Terrace?</p> <p>5 (no response)</p> <p>6 CHAIRMAN WALKER: Awesome.</p> <p>7 MS. JENNIFER: If I may --</p> <p>8 CHAIRMAN WALKER: Yes, yes, please.</p> <p>9 MS. JENNIFER: -- I think that -- I'm glad</p> <p>10 that we are having this discussion and meeting</p> <p>11 you, because we did not know that there was a</p> <p>12 liaison between the tenants -- between the tenants</p> <p>13 and us, as the property management.</p> <p>14 I think that we have reached out to the</p> <p>15 previous person that -- who we were dealing with</p> <p>16 very closely, which was Ms. Harris, and trying to</p> <p>17 forge some type of consistent communication and</p> <p>18 even more consistent housekeeping at the units</p> <p>19 from both us and you-all on a more consistent</p> <p>20 basis, whether it be quarterly, monthly, weekly.</p> <p>21 You know, we have some serious issues with</p> <p>22 the residents of JHA out there at the --</p> <p>23 at the property.</p> <p>24 For instance, one in particular that we</p> <p>25 worked with on this week -- they came out to the</p>
Page 18	<p>1 new stuff?</p> <p>2 Are we installing used stuff?</p> <p>3 Is it energy-efficient materials?</p> <p>4 We're making sure that much like our</p> <p>5 units here at the housing authority, where we</p> <p>6 try and continue to improve and upgrade and</p> <p>7 improve and upgrade, that those are happening</p> <p>8 there, as well.</p> <p>9 We just don't have a very good line of sight</p> <p>10 to what's happening there. We've had complaints</p> <p>11 Commissioner Brock has brought to us from other</p> <p>12 tenants.</p> <p>13 So I think overall what we're looking for is</p> <p>14 more participation from management with</p> <p>15 Mr. Alexander and his team.</p> <p>16 I would highly encourage, you know,</p> <p>17 Joi or -- I'm so sorry.</p> <p>18 Your name, again?</p> <p>19 MS. JENNIFER: Jennifer.</p> <p>20 CHAIRMAN WALKER: Jennifer, I would highly</p> <p>21 encourage you to communicate with Commissioner</p> <p>22 Brock so that she can communicate back to the</p> <p>23 residents.</p> <p>24 Because, oftentimes, you know, you have</p> <p>25 the daisy chain effect. You know, one thing is</p>	Page 20	<p>1 property. She has defaced her unit --</p> <p>2 every wall -- and this is not just paint.</p> <p>3 This is graffiti.</p> <p>4 And then she called her attorney, was it? --</p> <p>5 MS. JONES-McNEAR: Legal Aid.</p> <p>6 MS. JENNIFER: -- her Legal Aid person and</p> <p>7 demanded that we go in and repaint after she did</p> <p>8 this --</p> <p>9 CHAIRMAN WALKER: Uh-huh.</p> <p>10 MS. JENNIFER: -- and then comes up to the</p> <p>11 office, spits at Joi, called her a racial slur</p> <p>12 and then wants to go back under her Legal Aid</p> <p>13 person so that we cannot evict her.</p> <p>14 And, you know, I am very firm with disrespect</p> <p>15 from any resident, whether they be JHA or</p> <p>16 Lindsey Terrace.</p> <p>17 CHAIRMAN WALKER: Yes.</p> <p>18 MS. JENNIFER: You know, we don't --</p> <p>19 those are just things that, you know, I don't</p> <p>20 feel anybody in this room, at my properties</p> <p>21 should ever have to take on, you know,</p> <p>22 and deal with.</p> <p>23 But we have some serious issues, and I would</p> <p>24 like to forge a more consistent communicative</p> <p>25 relationship with JHA.</p>

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<p>1 CHAIRMAN WALKER: Mr. Alexander, who from 2 our team coordinates direct with Lindsey Terrace? 3 Is there a point person? 4 CEO: Yes, our Chief Operating Officer, 5 Ms. Vanessa Dunn. 6 CHAIRMAN WALKER: Okay. So, Ms. Vanessa -- 7 I don't know if you've met Vanessa, but I would 8 encourage you to speak with Vanessa. 9 Obviously, I will say, you know -- 10 and I'm speaking for myself here, not necessarily 11 the board -- you know, that kind of behavior from 12 our tenants or the people we serve is wholly 13 unacceptable. 14 COMMISSIONER BROCK: Yes. 15 CHAIRMAN WALKER: You know, we're providing a 16 service to them, but they need to understand that 17 that service, you know, is not just they're 18 entitled to it and they can do whatever they 19 want. 20 MS. JENNIFER: Correct. 21 CHAIRMAN WALKER: So we encourage you to 22 reach out and speak with Ms. Dunn. I think, 23 as a board, we're very supportive of making sure 24 that those tenants are addressed appropriately 25 appreciating that, you know, Legal Aid may be</p>	<p>1 forward, it can definitely be done. 2 And, under the direction of Joi, the property 3 has and is heading into the right direction. 4 CHAIRMAN WALKER: Great. 5 MS. JENNIFER: Before, the property manager 6 that was there for quite some time -- for maybe 7 about eight or nine months -- she started off 8 great -- don't know what happened. 9 But Joi is -- Joi is one of the ones that 10 I would say, in my previous life at a previous 11 company, she was the best at what she did. 12 So, when I saw that she wanted to come here, 13 I knew that I needed her here with me, 14 and, in just this short period of time, 15 she is -- you can see a turn. You know, 16 but we need collective efforts. 17 CHAIRMAN WALKER: Agreed. 18 I don't know. Mr. Alexander, something else. 19 Is this the one where we have concerns around 20 unit turn times, as well? 21 CEO: Yes, yes. 22 CHAIRMAN WALKER: Something else that may be 23 worthwhile exploring is, you know, again, 24 you know, we have this down to a bit of a science. 25 So, to the extent that our teams can help</p>
Page 22	Page 24
<p>1 involved obviously. 2 It's a bit of a different conversation when 3 Ms. Dunn returns a call to Legal Aid and explains 4 the situation. So I would encourage you to reach 5 out. 6 These are kind of conversations that we want 7 to be having with management, that we want to 8 understand what's happening, and we just -- 9 I appreciate that commentary. That helps bring 10 clarity to the situation. 11 Commissioner Brock. 12 MS. JENNIFER: And I -- 13 CHAIRMAN WALKER: Oh, go ahead, please. 14 MS. JENNIFER: -- oh, I'm so sorry. 15 COMMISSIONER BROCK: No. Go ahead. 16 MS. JENNIFER: Not taking away from the 17 things that we, as a property, needs to rectify 18 and take care of, I believe I speak for both 19 Joi and I when I say we stepped into a situation 20 that was not conducive to what y'all need and what 21 I am accustomed to. And turning it around has 22 been a bit of a challenge at this property. 23 CHAIRMAN WALKER: Uh-huh. 24 MS. JENNIFER: You know, but I believe, 25 with communication and just putting our best foot</p>	<p>1 turn units -- obviously, they'd need to be 2 compensated under a management or a subcontract -- 3 I don't know why we wouldn't be allowed to do that 4 as long as we're doing it. 5 I mean we can provide that type of technical 6 assistance I guess is the point. 7 MS. JENNIFER: What I think would be 8 beneficial in that area is, if your subcontractors 9 wanted to become a vendor -- 10 CHAIRMAN WALKER: Yes -- 11 MS. JENNIFER: -- with Highmark -- 12 CHAIRMAN WALKER: -- yes -- 13 MS. JENNIFER: -- that would be perfect. 14 That's the way of getting around the red tape -- 15 CHAIRMAN WALKER: -- yes -- 16 MS. JENNIFER: -- is becoming a vendor. 17 CHAIRMAN WALKER: -- yes. 18 And so, again, I highly encourage you to 19 speak with Ms. Dunn, because I think there's 20 an opportunity to be more of a partnership, 21 you know, and make it a two-way street. 22 Commissioner Brock, do you have a comment? 23 COMMISSIONER BROCK: Yes. 24 First of all, I want to say that, 25 like you said, Mr. Chair, that's not something</p>

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<p>1 that we teach our residents, to be disrespectful.</p> <p>2 I know, in every meeting I have, I always</p> <p>3 encourage the residents to stay a lady and to stay</p> <p>4 a gentleman. So that particular resident who</p> <p>5 you're talking about -- I don't know if she's ever</p> <p>6 even been present at one of the meetings,</p> <p>7 because that's not a behavior that we --</p> <p>8 that we look at and support. But, you know,</p> <p>9 we definitely would speak to that.</p> <p>10 But, also, I wanted to say that Legal Aid is</p> <p>11 involved in some of the residents out there.</p> <p>12 I have spoke with Legal Aid, and, again,</p> <p>13 I haven't had the opportunity yet to talk to</p> <p>14 Mr. Alexander, but I need to speak to</p> <p>15 Mr. Alexander about this first.</p> <p>16 I don't want to put it on the record until</p> <p>17 I speak to Mr. Alexander, but I have spoke to</p> <p>18 Legal Aid. Legal Aid do have somewhat --</p> <p>19 I will say it like this -- somewhat of a</p> <p>20 different take --</p> <p>21 CHAIRMAN WALKER: Sure --</p> <p>22 COMMISSIONER BROCK: -- on what is being</p> <p>23 reported.</p> <p>24 CHAIRMAN WALKER: -- sure.</p> <p>25 COMMISSIONER BROCK: Thank you.</p>	<p>1 an established protocol for reaching out --</p> <p>2 I think what you're saying is reaching out --</p> <p>3 that there's like an established protocol for</p> <p>4 reaching out to the agency and vice versa.</p> <p>5 Us to be able to reach out to management so that</p> <p>6 we have an understanding of who's communicating</p> <p>7 what and, you know, how that's going.</p> <p>8 Is that what I'm understanding?</p> <p>9 COMMISSIONER GRIGGS: Yes.</p> <p>10 To her point, one of the -- it seems like one</p> <p>11 of the solutions perhaps -- I don't know how it</p> <p>12 would work administratively -- is to have our</p> <p>13 people become vendors.</p> <p>14 It seems like something very simple and</p> <p>15 almost seems like something we would be</p> <p>16 considering anyway to help make these types of</p> <p>17 things, you know, easier.</p> <p>18 I don't know if that works in every</p> <p>19 situation. I'm just saying that this boardroom</p> <p>20 probably shouldn't be the place where that's</p> <p>21 vetted out.</p> <p>22 CHAIRMAN WALKER: Agreed.</p> <p>23 COMMISSIONER GRIGGS: And there should be</p> <p>24 a better -- you know, they should have a better</p> <p>25 understanding of how we operate, and we should</p>
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<p>1 CHAIRMAN WALKER: Commissioner Griggs?</p> <p>2 COMMISSIONER GRIGGS: Thank you, Mr. Chair.</p> <p>3 This conversation and dialogue has been very</p> <p>4 interesting to me. I think maybe -- I don't know</p> <p>5 if I'm concerned or surprised that we don't have</p> <p>6 more of a seamless communication protocol between</p> <p>7 the property managers and the way we handle our</p> <p>8 tenants.</p> <p>9 I'm wondering if, you know, with respect to</p> <p>10 our guests, if this isn't perhaps maybe just a</p> <p>11 one-off or if we need to have a better</p> <p>12 understanding of how we're communicating across</p> <p>13 the board with other property management companies</p> <p>14 related to regarding how our tenants --</p> <p>15 the lease of our tenants and their -- you know,</p> <p>16 what Commissioner Brock's role is, as well.</p> <p>17 So I guess I'm just asking, is there a way</p> <p>18 for us to know, you know, to evaluate perhaps</p> <p>19 the relationships we have with the property</p> <p>20 management companies across the board and maybe</p> <p>21 perhaps establish some things that we can review</p> <p>22 in the future or evaluate in the future related to</p> <p>23 how these types of situations are addressed?</p> <p>24 CHAIRMAN WALKER: Commissioner, I think</p> <p>25 that's a great idea, doing something where we have</p>	<p>1 have a better understanding of how they operate</p> <p>2 just across the board, not just with this</p> <p>3 particular situation, but with all of our property</p> <p>4 management situations.</p> <p>5 CHAIRMAN WALKER: That's a great point.</p> <p>6 I don't know if we have a protocol for dealing</p> <p>7 with third-party management groups or</p> <p>8 third parties that we have vouchers at,</p> <p>9 but it's a great point.</p> <p>10 CEO: Yes. We do.</p> <p>11 CHAIRMAN WALKER: We do.</p> <p>12 CEO: And we have worked with the teams</p> <p>13 over there. There has been some turnover at that</p> <p>14 site. Ms. Joi has been doing a good job,</p> <p>15 and I brought that to the board's attention.</p> <p>16 Because, at one point, I mentioned to the</p> <p>17 board that the unit turnover there was averaging</p> <p>18 about 100 days, and that is very concerning once</p> <p>19 you get past ten days to me.</p> <p>20 Because that means that we can't house</p> <p>21 someone for 100 days, and that's an average.</p> <p>22 That's not one unit. That's an average.</p> <p>23 And, when you have 84 units and you have an</p> <p>24 average of 100 days, that is a big concern.</p> <p>25 We have reached out on many levels.</p>

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<p>1 I'm glad that they are here today, 2 but it has escalated to the point that we 3 sent the president a letter. 4 And, when I meet with them, as you read the 5 letter, we will be able to discuss some of these 6 things in more detail. 7 CHAIRMAN WALKER: Yes. Great. 8 Any other comments or conversations on this 9 point? 10 MS. JONES-McNEAR: I have one more thing that 11 I -- 12 CHAIRMAN WALKER: Please, go ahead, Joi. 13 MS. JONES-McNEAR: -- first of all, I want to 14 apologize, because, when I come in, I absolutely 15 look to make a community better. 16 So I have been trying to cultivate a 17 relationship with Jacksonville Housing Authority 18 and get an understanding of what is being asked of 19 me and what is being asked of Highmark so I can 20 accommodate both parties. 21 So I greatly want to apologize that, 22 at this point, it's not to where it needs to be, 23 but I do believe that with Ms. Dunn and 24 Mr. Alexander and Mr. Daniel and Mr. Greg 25 that we are coming together to actually get the</p>	<p>1 better job then, if we're not doing that. 2 CHAIRMAN WALKER: Mr. Alexander, I think this 3 would merit a follow-up, if we could, for the 4 next board meeting in June, and I'll mark it 5 down here as a deliverable. Just see what the 6 policy and procedure is. 7 You know, is there a dedicated email 8 address. 9 Is there a, "We will respond within 72 10 hours"? 11 Is there just some level of protocol that we 12 can see? 13 We don't have to debate it or look at it, 14 but I'd like to see it just so we have it. 15 I think these are all good points, 16 and I think, you know, to Commissioner Griggs' 17 point, Commissioner Horovitz's point, I will get 18 it after a year. I promise. 19 You know, the communication is key. 20 You know, we can't understand the concerns if we 21 don't know about it, and vice versa. 22 You know, so we'll mark that down as a 23 deliverable and take a look at the next meeting. 24 CEO: Okay. 25 CHAIRMAN WALKER: Any other comments or</p>
Page 30	Page 32
<p>1 property -- JHA units, as well as Lindsey Terrace 2 as a whole -- to where it -- everybody is going to 3 be happy. 4 So I just wanted to say that I'm sorry. 5 CHAIRMAN WALKER: Any additional comment? 6 COMMISSIONER HOROVITZ: Yes. 7 CHAIRMAN WALKER: Commissioner. 8 COMMISSIONER HOROVITZ: Yes. Thank you. 9 I would just make the comment that, 10 if we don't already have very clear policies for 11 our partners on how they can make complaints or 12 comments about how our residents are, that really 13 needs to be established. 14 Because I don't think that we can handle the 15 reputational risk of vendors or property managers 16 not wanting to take our residents. So we need to 17 really show that we're a partner, or we're going 18 to have a much bigger issue. 19 So, if there aren't policies, I think that 20 we need to work on getting that. 21 Is there an email address or some kind of 22 process that we can have better communication? 23 I would hate to think that this is the first 24 time that we're hearing about this, the resident 25 who defaced her unit, because we need to do a</p>	<p>1 questions on this matter? 2 (no response) 3 CHAIRMAN WALKER: Okay. Hearing none 4 we did ask at the last board meeting so that we 5 could get ahead of this to go ahead and begin our 6 review and audit review of the fiscal year 2022. 7 I see that we have our esteemed colleague 8 with us from Berman. 9 Thank you for joining us. I appreciate it. 10 I understand Commissioner Shoup, per your 11 request, there was a preplan. He could not be 12 here. 13 So I did go ahead, and say, "Virtual was 14 perfectly fine." 15 COMMISSIONER SHOUP: (nodded head 16 affirmatively) 17 CHAIRMAN WALKER: But, if you could go ahead, 18 Brian, and go ahead and give us the, you know, 19 overview of the 2022 Audit Summary so we can 20 get a look at this and ask questions. It would be 21 very much appreciated. 22 MR. NEMEROFF: Very good, very good. 23 Can everyone hear me? 24 COMMISSIONER GRIGGS: Yes. 25 COMMISSIONER BROCK: Yes.</p>

Page 33	<p>1 MR. NEMEROFF: Sound check. Okay.</p> <p>2 And, can everyone see the PowerPoint on</p> <p>3 the screen share?</p> <p>4 COMMISSIONER BROCK: Yes.</p> <p>5 (Ms. Jennifer and Ms. Jones-McNear left the</p> <p>6 room.)</p> <p>7 MR. NEMEROFF: Okay. Very good.</p> <p>8 Well, thank you. Brian Nemeroff,</p> <p>9 partner with Berkman Hopkins, and we did your</p> <p>10 9-30-22 year-end audit. We're still putting</p> <p>11 the finishing touches on it, but I think we have</p> <p>12 enough here for the board to approve for us to go</p> <p>13 final and move forward.</p> <p>14 I did try and keep it down to some minimal</p> <p>15 slides, because I know you have a full agenda.</p> <p>16 There are a couple key points I do want to point</p> <p>17 out.</p> <p>18 This is past tense, right?</p> <p>19 We are after the fact. We are independent,</p> <p>20 and the current financial data you're going to</p> <p>21 have from finance is much more relevant than the</p> <p>22 numbers, per se.</p> <p>23 What is relevant is our opinion on those</p> <p>24 numbers ending September 30.</p> <p>25 And what we do is we take a snapshot at</p>	Page 35	<p>1 It is regulatorily required June 30th,</p> <p>2 but, if you're pushing for May or if you're</p> <p>3 pushing for April, finance needs to know.</p> <p>4 And they need to make action items to get</p> <p>5 everything closed on time.</p> <p>6 The accounting standards that we're showing</p> <p>7 here -- we do this in accordance with government</p> <p>8 accounting standards. Housing authorities follow</p> <p>9 GASB. GASB writes GAAP, generally accepted</p> <p>10 accounting principles.</p> <p>11 A layman might consider GAAP as the</p> <p>12 expectation GAAP of what you would expect versus</p> <p>13 what we have do do.</p> <p>14 So, for example, on the 1st of the month,</p> <p>15 rent revenue gets hit, and tenant AR gets booked.</p> <p>16 And then, as you collect it, we reduce the</p> <p>17 liability.</p> <p>18 Right?</p> <p>19 If you get money today, for the future,</p> <p>20 it's unearned, and it's somewhat restricted.</p> <p>21 And so that's GAAP. That's generally accepted</p> <p>22 accounting principles. That's full accrual.</p> <p>23 Another example is capital outlay.</p> <p>24 It's an outlay of funds that is on the books at</p> <p>25 cost, and we depreciate it. So useful lives of</p>
Page 34	<p>1 year-end, and that's the balance sheet.</p> <p>2 That's what you own, and that's what you owe.</p> <p>3 But you keep moving. October 1st you keep</p> <p>4 moving.</p> <p>5 So it's really just those 12 months,</p> <p>6 lock-chained, if you will, codified, sent</p> <p>7 up the food chain to HUD and REAC and OMB,</p> <p>8 but it's also a management tool for you.</p> <p>9 And the sooner we get that to you the better.</p> <p>10 If you recall, we had some findings in the</p> <p>11 past based on financial close. Findings related</p> <p>12 to the controls and compliance would be a little</p> <p>13 more concerning, but closing the books on time --</p> <p>14 finance was kind of overstaffed (sic),</p> <p>15 overburdened and had a lot of competing action</p> <p>16 items going on. But things have been getting</p> <p>17 better. So I want to point that out.</p> <p>18 We have no federal findings. So that's</p> <p>19 fantastic, as it relates to Section 8 and</p> <p>20 compliance and your frontline impact on tenants,</p> <p>21 and there is some improvement needed, you know,</p> <p>22 on the financial close.</p> <p>23 But that's ongoing, because you're a high-end</p> <p>24 agency and top-notch board, you probably want this</p> <p>25 data a little bit sooner.</p>	Page 36	<p>1 that depreciation is an estimate. But,</p> <p>2 essentially, that's government accounting,</p> <p>3 and that's what we're following.</p> <p>4 And then we have multiple opinions.</p> <p>5 Items C, D and E are opinions. Those are audit</p> <p>6 standards, and let me just jump over here.</p> <p>7 So the first audit opinion fairly stated in</p> <p>8 all material respects is unmodified.</p> <p>9 The second opinion is really government on</p> <p>10 its standards. It looks at taxpayer dollars,</p> <p>11 abuse, waste, the financial close process,</p> <p>12 and we had no issues there.</p> <p>13 And then, under the federal, as I already</p> <p>14 mentioned, Number 3, no findings related to</p> <p>15 major programs as far as direct and material</p> <p>16 compliance testing.</p> <p>17 So that right there is your report card --</p> <p>18 the takeaway, if you will. Good opinions</p> <p>19 all-around.</p> <p>20 This is a sample of one of those reports and</p> <p>21 one of those opinions in Item A. This is the</p> <p>22 opinion going to be in the yellow book for</p> <p>23 compliance. I didn't include them all here.</p> <p>24 The two reports in the back actually</p> <p>25 have four separate sections of reporting.</p>

<p style="text-align: right;">Page 37</p> <p>1 So compliance as well as controls. 2 Significant accounting policies are going to 3 be in Note A, if you do want to read the 4 financial statements when it's done, and it should 5 be done shortly here in a couple weeks. 6 No disagreements with management. 7 We did have some difficulties during the audit 8 process just getting things timely and getting 9 things accurately, and then I mentioned your 10 accounting estimates, depreciation, its useful 11 lives, which is very significant. 12 Your capital assets right now is about 13 \$72,000,000. We can talk about that in the next 14 slide. 15 And then we have the pension. We know -- 16 I've mentioned in the past -- some of you may 17 be new -- but the defined benefit plan -- 18 and this is a GASB accounting concept -- 19 at the state retirement level as well as the 20 retirement plan you have with the city -- 21 anything that's a defined benefit -- a lot of 22 estimates. 23 Right? 24 How much are people making? 25 How long are they going to work?</p>	<p style="text-align: right;">Page 39</p> <p>1 trying to buy, you know, more affordable housing 2 for the benefit of everyone. 3 But definitely feel good about how many rent 4 payments you're on behalf of for your voucher 5 holders, because it's right there, 69,000,000. 6 So very good. 7 Next slide here. Hang on. 8 This is just a little snippet of your assets. 9 As of 9-30-22, your cash and your restricted cash 10 -- very little assets otherwise -- and then your 11 notes receivable. 12 We do have some restricted cash down below 13 and noncurrent, but it's really those capital 14 assets that you have. 15 The column on the right is going to be your 16 discreet component units. Those would have been 17 items that were public housing that you 18 transferred over in a RAD conversion. 19 The Waves is over here -- the 53,000,000 -- 20 on the component unit side. 21 So, even though it's primary, we do have some 22 discreet component units where there's other 23 members that are majority owners, but you're still 24 involved there. And we call that, "discreet and 25 not blended."</p>
<p style="text-align: right;">Page 38</p> <p>1 How long are they going to live? 2 A defined contribution plan is much easier 3 from an accounting standpoint, but a defined 4 benefit plan requires some additional 5 presentation. 6 And, essentially, we're putting it on the 7 books, your future liability, but you're paying 8 as you go and you're not in arrears. But there is 9 a big liability on your books, about 25,000,000, 10 20,000,000 roughly, which has been there in the 11 past and is also considered consistent 12 presentation with all governments that have a 13 defined benefit plan. So you're not unique in 14 that regard. 15 Financial highlights. This is your 16 federal funds. I wanted to call out that you have 17 \$88,000,000 in federal funds, and most of that is 18 in your Section 8 Program. 19 You can see your public housing is still very 20 substantial, but it's your voucher program with 21 69,000,000, 70,000,000 of your 88,000,000. 22 So definitely you want to provide -- 23 and that's really your frontline. You know, 24 you have many, many vouchers out there, 25 and I know you're trying to build more roofs,</p>	<p style="text-align: right;">Page 40</p> <p>1 132,000,000 is your assets, and then your 2 liabilities is 31,000,000. And you can see the 3 pension liability there is the biggest chunk. 4 We talked about the accrual concept. 5 So you have some unearned revenue, unearned lease 6 revenue. So you have some prepaid leases, 7 and we're going to recognize that over the term of 8 the lease -- that revenue. 9 So it's a liability, but really it's cash 10 received unearned, and we have parked down there 11 at 5.8 million. All right. So those are just a 12 recap of some of the numbers. 13 This is the income statement. This is the 14 activity for 12 months. Again, the balance sheet 15 is that picture in time right at year-end of 16 what you own and what you owe. 17 This is a 12-month period. We talked about 18 87,000,000 on the SEFA, the HUD revenue. 19 69,000,000 of that is your Section 8. 20 If we jump down to 66,000,000 -- apologies -- 21 I'm trying to slide across here -- apologies, 22 again -- but 66,000,000 of housing assistant 23 payments is your last item here on your operating 24 expenses. That's your HAP payments. So, again, 25 very good.</p>

<p style="text-align: right;">Page 41</p> <p>1 All the other expenses -- there's nothing 2 really outlining there, and then you have some 3 items below the line. 4 But I want to point out the bottom line at 5 the end is that, if you include the discreets, 6 which we shouldn't, we'll just talk -- 7 the bottom line is 98,000,000 in net position. 8 And I want to be clear that the 98,000,000 in net 9 position is mostly in fixed assets. 10 It's not like you can say, in your 11 previous conversation, "Oh, a tenant had a leaky 12 roof. How come we don't have the money to pay for 13 that?" 14 The money presented here is a GASB 15 definition. HUD has a unique definition that it's 16 programmatically restricted. So there is a little 17 bit of difference in GASB versus HUD in that 18 definition. Everything in the program is 19 restricted for that program. 20 As HUD is concerned, GASB has a little bit 21 of a definition change there. But very good. 22 Your income statement is very good here. 23 You balance sheet is very solid from the 24 year-end at 9-30-22. 25 And these are just a couple of your</p>	<p style="text-align: right;">Page 43</p> <p>1 And we depreciate it over time. 2 Here is some of your restricted cash 3 details. In case you're interested, these are 4 some excerpts of the notes in your receivables. 5 With that, I'll turn it over to any 6 questions. 7 There is improvement needed in accuracy 8 and the timeliness of the close. This was a 9 finding you had in the past. We feel that -- 10 you know, these are your books, and we really just 11 give an opinion. 12 In practice, though, we're checking it out, 13 and we're trying to make it right. And we're 14 communicating with your staff on those 15 adjustments. 16 We'd like to see that happen more on your end 17 and less on our end in the future, but, again, 18 there was a finding in the past that is clear now. 19 But there is still work to be done in that area. 20 CHAIRMAN WALKER: Commissioners, I'll open it 21 up first. 22 Commissioner Green. 23 COMMISSIONER GREEN: Thank you, Brian. 24 So, in audit language -- so, what? 25 It's an unmodified opinion with like a note?</p>
<p style="text-align: right;">Page 42</p> <p>1 footnotes and long-term liabilities rolling 2 forward. We still have to update the pension 3 as far as its unique additions and reductions to 4 get to 18,000,000, but not bad. 5 And you can see the owner of land lease 6 at 5,000,000. We're recognizing 117- and just 7 rolling it forward. 8 You do have money in your FSS. 9 It's a liability, because it's restricted. 10 And it's on behalf of the tenants. 11 And this is your fixed assets that we were 12 talking about, the 72,000,000. Now, in reality, 13 it's on the books at cost, 167,193,000, 14 but then we have some accumulated depreciation 15 of 121-. I'm on the bottom right-hand section 16 in total. 17 So it's 72,000,000 of net book value. 18 That's just accounting. We know that those 19 properties are worth more. We know if you're 20 going to insure it's probably your market rate 21 insurance or your replacement value. 22 This is on the books. This is not current 23 value, because GASB and GAAP, generally accepted 24 accounting, tells us, as a housing authority and 25 as a government, we put it on the books at cost.</p>	<p style="text-align: right;">Page 44</p> <p>1 So basically it's a good audit with a note? 2 Is that what that is? 3 MR. NEMEROFF: Yes. That's a very good 4 question. It's going to be unmodified, 5 and there's not going to be a note. 6 At this point, there is no finding -- maybe a 7 management comment, but I don't think I need to 8 put that in writing. 9 I think this verbal communication here 10 is fine. So we can just make that the verbal 11 comment that there is improvement needed. 12 But I don't want to have to write a letter in 13 that regard, because HUD will make you try and 14 follow up as if it's a finding and a corrective 15 action plan. 16 And, if we don't need that, we can avoid 17 that, but, if we want to talk -- you know, 18 hear from Mr. A or Dennis in that regard ... 19 If you recall, the staff in the past was -- 20 well, there was a lack of staff. There was a 21 transition, lack of qualified staff, and you were 22 doing numerous closings. 23 And then you hired the staff, and you did 24 some more conversions. So I think it's just -- 25 it's going to take time, and we're hoping we see</p>

Page 45	<p>1 that.</p> <p>2 I know I promised last year it would be clean</p> <p>3 this year, and it is. But it was -- it was --</p> <p>4 it was close. It was close on that finding level.</p> <p>5 CHAIRMAN WALKER: Commissioner Green,</p> <p>6 go ahead.</p> <p>7 COMMISSIONER GREEN: I'm done.</p> <p>8 CHAIRMAN WALKER: No. I do recall,</p> <p>9 and then I'm sure I'll open it up. I do recall.</p> <p>10 I guess my personal opinion is satisfied but</p> <p>11 slightly disappointed, because this was a finding</p> <p>12 last year which we asked to be addressed.</p> <p>13 And so I hear that we've now moved away from</p> <p>14 a finding, but I would have thought we would have</p> <p>15 made bigger strides in a year.</p> <p>16 So this is certainly, for me, going to</p> <p>17 be on my radar, and I'd like to know --</p> <p>18 you know, and maybe not so much from Brian --</p> <p>19 from maybe Mr. Alexander and Mr. Lohr.</p> <p>20 You know, is this still a lack of staff?</p> <p>21 Is this a lack of qualified staff?</p> <p>22 You know, why are we still having this</p> <p>23 conversation a year later?</p> <p>24 I guess that's my question.</p> <p>25 CEO: So I'll make a couple comments,</p>	Page 47	<p>1 -- the timing issue?</p> <p>2 MR. NEMEROFF: Let me elaborate on that.</p> <p>3 You know, the definition of a finding says</p> <p>4 that staff should close the books accurately</p> <p>5 and timely, and HUD has a 60-day unaudited.</p> <p>6 Because they can't wait for nine months,</p> <p>7 but the regulatory is nine months.</p> <p>8 And, if we were to present this in two weeks,</p> <p>9 I think probably Dennis and his team are working</p> <p>10 towards that.</p> <p>11 If we had to present this May 1st or two days</p> <p>12 ago, I don't think we would have been ready.</p> <p>13 So, if it's on the radar as a board due date,</p> <p>14 if it's on the radar as an Audit Committee</p> <p>15 due date, then finance needs to meet that</p> <p>16 deadline.</p> <p>17 And, to be fair, I asked Dennis to bring this</p> <p>18 up at the board meeting last month, because we</p> <p>19 were not getting what we needed on time.</p> <p>20 And I know we made assurances to you last year</p> <p>21 that things would be on time.</p> <p>22 And then, of course, that came back,</p> <p>23 you know, to us to try and get things done,</p> <p>24 but our starting point is Dennis's or finance's</p> <p>25 ending point.</p>
Page 46	<p>1 and then I'll let Dennis speak for the</p> <p>2 department. We had some changes over there in</p> <p>3 some key positions.</p> <p>4 In addition we had, as you-all are aware --</p> <p>5 that we closed -- well, not closed -- this is the</p> <p>6 first year that we have all the RAD properties.</p> <p>7 So we were pretty much tied up, and that's not an</p> <p>8 excuse.</p> <p>9 We were very busy trying to get the system</p> <p>10 down in terms of tax reporting for these RAD</p> <p>11 properties. As most people know, these RAD</p> <p>12 properties are very new to the agency.</p> <p>13 I think we're doing extremely well with them,</p> <p>14 but it was extremely taxing trying to prepare for</p> <p>15 that.</p> <p>16 So it sort of took away from what we were</p> <p>17 doing, but I think moving forward, after going</p> <p>18 through this first revolution of going through all</p> <p>19 the tax credit properties and all the tax credit</p> <p>20 reporting, the RAD properties and reporting on a</p> <p>21 financial level, I think we are just about in sync</p> <p>22 now moving forward.</p> <p>23 CHAIRMAN WALKER: Okay. Commissioner Green.</p> <p>24 COMMISSIONER GREEN: Through the Chair,</p> <p>25 Brian, an agency of this size -- is that typical</p>	Page 48	<p>1 So, when he's done and the books are closed,</p> <p>2 he gives it to us, and we're supposed to give an</p> <p>3 opinion on it.</p> <p>4 We don't want to have to go through and</p> <p>5 identify deficiencies or mistakes and then kick it</p> <p>6 back and get it corrected.</p> <p>7 So things have been improved over the past,</p> <p>8 and it's really judgment call timely in that</p> <p>9 definition.</p> <p>10 If the board says you want this in</p> <p>11 February, if the Audit Committee says he needs to</p> <p>12 be done by this date and he's not, then that's</p> <p>13 really the timely -- if we were here June 30th,</p> <p>14 like we were in the past, that's when you had</p> <p>15 the findings.</p> <p>16 Well, we're a month ahead of schedule.</p> <p>17 The numbers are looking good. There is just one</p> <p>18 or two open items, and, you know, I -- I think</p> <p>19 we're fine.</p> <p>20 But, if the board says, "Hey, we want this</p> <p>21 in April," then that's now Dennis's timeline.</p> <p>22 You know, we need it in February, or we need it in</p> <p>23 January.</p> <p>24 And you're a September year-end. So the bank</p> <p>25 rec should have been -- you know, things should</p>

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<p>1 have closed a little bit sooner, but, again, 2 there were competing -- if I was going to write a 3 finding and I was going to give a cause, 4 it would be competing duties on finance. Finance 5 was stretched a little thin. 6 CHAIRMAN WALKER: Commissioner. 7 COMMISSIONER HOROVITZ: Yes. Thank you. 8 That's a great segue, and I'm going to -- 9 at the risk of overstepping here, this needs to be 10 the priority. A clean audit needs to be the 11 priority. 12 I know we want to do everything else, 13 but finance's resources needs to be committed to 14 getting the audit good. 15 And, if we need to get more people or we need 16 to allocate resources differently, then we need to 17 do that, but we can't do an audit sight of desk 18 (phonetic). That has to be a priority, and that 19 is concerning that we're not getting our partners 20 what they need in order to do that. 21 CHAIRMAN WALKER: Commissioner, if I can 22 ask a question, because this is certainly more in 23 your bailiwick. 24 You know, what is the reasonable -- 25 so what I just heard was the year-end closeout</p>	<p>1 you know, I think he's still closing those books 2 and getting those audits with separate auditors. 3 But, you know, I'm just not sure if it was 4 complicated tax transactions or complicated issues 5 on those regards, and you're very large. You're 6 very large. 7 So, if you set a timeline for Dennis or 8 Mr. A to, you know, achieve, that's really 9 the guideline. So it's your internal purposes. 10 I will say, though, that, when we start the 11 audit, even though we're not done and there's 12 issues, we will be communicating that to you in a 13 timely manner for sure. 14 We don't need to wait until the audit. 15 If there were issues, you would have heard from us 16 beforehand. Like an accounting like theft, 17 fraud, abuse, issues related to tenant files, 18 things like that, your team would have already 19 known that and would have already taken corrective 20 measures. 21 I do know that Dennis is trying to use 22 Yardi to its fullest, and some of those 23 integration tools might have been giving him a 24 headache. And he was trying to work through 25 those -- maybe the bank rec module, maybe the</p>
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<p>1 is when we can really kick off the audit process. 2 Is that right typically? 3 COMMISSIONER HOROVITZ: Is that right for 4 you? 5 I mean the partnership should be like 6 continuous. 7 CHAIRMAN WALKER: Right. 8 COMMISSIONER HOROVITZ: But I mean I don't do 9 -- I'm not an accountant by any means. 10 CHAIRMAN WALKER: No. 11 But I mean, Brian, is that the thing which is 12 -- the books have to be closed out on Day 365. 13 The year is over within 30 days. 14 So T plus 30 the books need to be cleared out 15 so you can commence your work? 16 What is the best practice? 17 If you had to tell this board, "This is what 18 needs to be done, and I would, you know, hop, 19 skip and dance for you because it was so good," 20 what is that practice? 21 MR. NEMEROFF: I think that, you know, 22 Dennis has now multiple audits, and maybe we 23 should hear from Mr. Lohr there. But he has to do 24 the discreet component unit closeouts, as well. 25 The component unit column that we showed --</p>	<p>1 CFE module. 2 But, from the board's perspective, those are 3 just excuses, right? 4 I mean, if you need numbers, he should be 5 able to close the books. 6 Now, internally, your data is different. 7 This is a GAAP reporting, right? 8 This is like full accrual. Some year-end 9 adjustments have to happen that don't happen 10 monthly, and I think we had plenty of tracking 11 tools for that. 12 I think Dennis can implement something and 13 really be a leader and hold staff accountable to 14 close on a timely time frame. 15 CHAIRMAN WALKER: Sure. Thank you. 16 Mr. Lohr -- 17 MR. NEMEROFF: So, again, normally -- 18 this is very normal. Other agencies your size 19 have been getting a finding from us, especially 20 past COVID, but because of staffing. 21 They might have implemented a rule of 22 mandatory vaccines, and key accounting staff had 23 to get dismissed. I might have disagreed with 24 that, from an accounting -- purely an accounting 25 standpoint, but they made that policy.</p>

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<p>1 And, you know, now they're backtracking, 2 and they had a finding, an inaccurate close. 3 But they felt that that was worth it based on that 4 policy, and they wanted everyone in-house, 5 not working from home. And they couldn't find 6 a replacement for their accounting staff. 7 So it's a little bit unique in this 8 situation, but, again, if we were due June 30th, 9 I think we would be right on time. There wouldn't 10 be any conversations of timeliness. 11 But we don't want to have to check everything 12 and point out mistakes. We want that to be on 13 your side of the table. Give us accurate 14 information, and we'll give an opinion. 15 But that rarely happens in practice. 16 CHAIRMAN WALKER: Commissioner. 17 MR. NEMEROFF: And we're trying to get that 18 unmodified opinion. We're trying to get that 19 clean opinion. So we're adjusting and trying to 20 get things correct. 21 CHAIRMAN WALKER: I'm going to go 22 Commissioner Green and then Commissioner Shoup, 23 please. 24 COMMISSIONER GREEN: Through the Chair and 25 Brian, so I think the audit -- we did have a good</p>	<p>1 the audit finding, just the verbal comment, 2 and now that we've set a precedent of, 3 "Here is where we want it, not in June, but we 4 want it here. Have it for the month before at 5 the Finance Meeting for it. We've got a 6 framework. We've shown some improvement. 7 Let's see what next year does. 8 And I think, if we have an issue again next 9 year, this goes back to governance versus 10 operations, and this is a discussion with 11 Mr. Alexander about how he and his staff manage 12 things. 13 And that's a discussion the board has 14 with Mr. Alexander for him to implement any 15 changes that may or may not be needed. 16 CHAIRMAN WALKER: Thank you, Commissioner 17 Shoup. 18 Mr. Alexander, when is the audit due? 19 MR. NEMEROFF: June 30. 20 CEO: June 30th. 21 CHAIRMAN WALKER: June 30th. 22 And so working backwardly -- but we owe 23 unaudited financials to HUD 60 days after year-end 24 closeout. 25 MR. NEMEROFF: And, you know, that's the</p>
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<p>1 audit. I think there's -- because, like he said, 2 unmodified in the GAAP world is unqualified. 3 It is a good audit. They are going to -- 4 nothing is going to be perfect. I mean, as we 5 may want it, you know, timed out a little faster, 6 but the audit was good. So ... 7 CHAIRMAN WALKER: Okay. 8 COMMISSIONER GREEN: Correct? 9 Brian, right? 10 MR. NEMEROFF: Correct. 11 COMMISSIONER GREEN: He's going to find 12 something. 13 Right? 14 I mean that's his job as an auditor. 15 MR. NEMEROFF: We are clearing the finding 16 from last year, but it was close. And I wanted to 17 point out there is still improvement in that area. 18 CHAIRMAN WALKER: Commissioner Shoup. 19 COMMISSIONER SHOUP: I think, like he said, 20 a clean audit, and I think, if I remember 21 correctly at our last board meeting, it's when we 22 said, "Hey, we want to move this time frame up for 23 the presentation." 24 So we basically gave them 30 days -- 25 that we're moving it up 30 days. So, to not have</p>	<p>1 trick. 2 In 60 days, how accurate is that going to be 3 for an agency your size? 4 And, when we have significant adjustments 5 from unaudited to audited, that's kind of on the 6 radar, and that's kind of a trigger for us for 7 those types of findings. 8 But that 60-day is the same for a small 9 agency or a complicated agency. It's just HUD 10 so they can get, you know, data early to know 11 troubled agencies. 12 COMMISSIONER SHOUP: Okay. 13 MR. NEMEROFF: I don't know that you're going 14 to be able to do an accurate close in 60 days. 15 COMMISSIONER SHOUP: Okay. 16 CHAIRMAN WALKER: Okay. Any other questions 17 from the commissioners? 18 (no response) 19 CHAIRMAN WALKER: I'd like to see, 20 Mr. Alexander, maybe, you know, for this year 21 maybe by the next board meeting or shortly 22 thereafter, if you and Mr. Lohr can get together 23 and give us a proposed timeline for next year. 24 I think that will help us understand where we 25 want to be, and we can comment on that, again,</p>

<p style="text-align: right;">Page 57</p> <p>1 you know, more policy governs than getting into 2 the weeds here but just so we could understand. 3 I mean it sounds like we can get the 4 financials out in the 60 days. There are 5 potentially going to be issues with them, 6 but certainly within 90 days after that we should 7 be able to get this done. 8 You know, a 90-day audit seems reasonable. 9 I know I've seen them before 90 days after fiscal 10 year-end, but I could be off-base. 11 Commissioner Shoup? 12 COMMISSIONER SHOUP: I'd just make the point 13 that maybe not just this audit we're talking 14 about, but we have several different audits 15 they're doing. 16 CHAIRMAN WALKER: Yes. 17 COMMISSIONER SHOUP: So that rundown sheet 18 -- where I think it would be good just for us to 19 have those dates kind of where we can take 20 everything in perspective, not just this audit, 21 but of the fed's and every little audit we've got 22 that there is a lot going on there. 23 CHAIRMAN WALKER: Yes. Agree. 24 Commissioner Griggs. 25 COMMISSIONER GRIGGS: Yes. I don't</p>	<p style="text-align: right;">Page 59</p> <p>1 there is a lot of complex things in this audit, 2 including the pension liability, which is a big 3 report that we get from the city that we have to 4 go through and dissect to ensure that we are, 5 you know, reporting that liability properly and 6 across all of our different programs and 7 departments. 8 So ... 9 CHAIRMAN WALKER: Commissioner Brock and 10 Commissioner Shoup. 11 COMMISSIONER BROCK: Thank you, Mr. Chair. 12 Through Mr. Alexander to Mr. Dennis, would you say 13 that you need some more staff in finance to be 14 able to do what you need to do in a timely manner? 15 Do you know how many you need? 16 CFO: We just hired two new accountants in 17 January. So they're still going through the 18 training process. 19 You know, typically, in accounting, 20 you see things throughout our year. A lot of them 21 you'll only see one time. So it's a learning 22 process. We've got a lot of training to do with 23 staff, and there's, you know, some growing pains 24 with the department. 25 But the new staff is coming along really</p>
<p style="text-align: right;">Page 58</p> <p>1 really have anything to add, but we've been having 2 this conversation. 3 Through Mr. Alexander, I was wondering if 4 Mr. Lohr had anything he wanted to add to this 5 conversation. 6 CHAIRMAN WALKER: Mr. Lohr. 7 CFO: The only thing I would add is we did 8 have three previous audits. They all started on a 9 calendar year. 10 So, at the beginning of the year, 11 we had The Waves audit, the Centennial Towers 12 audit and also the Hogan Creek audit. 13 With the RAD conversions, there were a lot 14 of different transactions that we had to report at 15 year-end to get them to where we needed to be. 16 We'll definitely share all three of those 17 audits with you, but we did come through all three 18 of those audits with an unmodified opinion, 19 a clean audit. And they're all looking good. 20 We're hoping that, as we move forward, 21 there will be less transactions that need to be 22 reported after year-end. So we'll be more timely 23 with those audits so that we can definitely get 24 the big audit complete. 25 And, you know, like Brian was saying,</p>	<p style="text-align: right;">Page 60</p> <p>1 well. We have a couple of really good superstars 2 in our department now, and I don't foresee this 3 being an issue going forward. 4 CHAIRMAN WALKER: Commissioner Shoup. 5 COMMISSIONER SHOUP: One last thing. 6 I know we walked about the city providing the 7 pension report and the amount -- I'll call it from 8 the nontechnical term, "guesstimating --" 9 is the city providing you that in a timely manner, 10 or are you having to bug them needing it? 11 "Hey, hey, hey, we need this." 12 And they're saying, "We'll get it to you. 13 We'll get it to you." 14 CFO: I typically request it from them, 15 but they're always very, very quick in getting it 16 to me. 17 COMMISSIONER SHOUP: Okay. 18 CHAIRMAN WALKER: Any other conversation on 19 the audit review? 20 (no response) 21 CHAIRMAN WALKER: Hearing none, Brian, 22 thank you very much. It goes without saying. 23 We know this is complicated. So thank you. 24 Thank you, Dennis, to your team, 25 and Mr. Alexander.</p>

<p style="text-align: right;">Page 61</p> <p>1 With that, I think we can proceed to the 2 agency financial overview. 3 Mr. Lohr. 4 CFO: Good morning, Commissioners. 5 We're looking at our financials today as of 6 April, 2023. So we're into our seventh month of 7 our fiscal year. 8 Looking at our net income by source, 9 currently, for our JHA operations, we're at 10 about 3.8 million dollars. 11 For our RAD properties, which are on a 12 calendar year, we're just under a million dollars. 13 For our Section 8 Program, we have about 14 \$890,000 in restricted cap funding. 15 And overall our operating income is about 16 5.6 million dollars year to date. 17 Looking at our central office, we're a 18 little over budget on our revenue for the month. 19 We're doing very well year to date, though. 20 Same thing with our expenses. We're slightly over 21 budget, but, overall, we're doing very well. 22 Looking at our public housing, we received 23 a little bit less operating subsidy this month 24 from HUD. So we're at \$1,243,249 of revenue. 25 COMMISSIONER HOROVITZ: I'm sorry.</p>	<p style="text-align: right;">Page 63</p> <p>1 So, overall, from the previous year, 2 we're right on track. 3 CHAIRMAN WALKER: Okay. 4 CFO: And this doesn't take into 5 consideration the RAD conversions and things like 6 that were -- you know, we may have had some 7 Hogan Creek under public housing last year. 8 CHAIRMAN WALKER: So, okay. So that then -- 9 on a follow-up question for me then, so, even 10 though it's last year -- 11 CFO: Yes -- 12 CHAIRMAN WALKER: -- the operating revenue 13 year to date is trending down, but that could be 14 because we converted properties from public 15 housing to RAD. 16 CFO: -- correct. 17 CHAIRMAN WALKER: Okay. So, sorry. 18 One more follow-up. 19 CFO: Yes. 20 CHAIRMAN WALKER: So then this -- and this 21 just may be me. So this graft for me then is 22 misleading, because, to that point, if an outside 23 observer looks at it, it just looks like we're 24 losing revenue year over year. 25 So I don't know how we note that going</p>
<p style="text-align: right;">Page 62</p> <p>1 Mr. Lohr, what was the reason for that? 2 CHAIRMAN WALKER: Can we go -- thank you. 3 CFO: HUD gave us a little bit less in the 4 operating subsidy. They -- in some of the 5 previous months, like January and February, 6 they gave us a little bit more. 7 Once we submitted our operating subsidy 8 funds, they kind of even it out so we get a little 9 bit less this month. We should get a little bit 10 more, again, next month. 11 It's just the way our HUD funding is. 12 CHAIRMAN WALKER: Mr. Lohr, real quick, 13 on these slides, can we get a trending line for 14 the net difference? 15 Does that make sense? 16 Because I happen to see this, but a trend 17 line would be nice. To me, it looks like month 18 over month we're spending more than we're getting 19 for the most part, assuming the light blue is 20 expense. 21 CFO: The light blue is from the previous 22 year. 23 CHAIRMAN WALKER: It's from the previous 24 year. My apologies. 25 CFO: Yes, yes.</p>	<p style="text-align: right;">Page 64</p> <p>1 forward. You know, maybe it's just a footnote 2 saying, "You know, it includes removal of RAD 3 units," because this one caught my eye. 4 CFO: Okay. So, looking at our expenses, 5 we ended the month at \$1,164,904. So our 6 revenues are definitely higher than our expenses. 7 So that's always good. That's what we're looking 8 for. 9 For our Housing Choice Voucher Program, 10 this is just our administrative side. We ended 11 the month at \$813,038. So we're doing very well 12 with our admin money, and we ended our expenses at 13 \$539,356. 14 For our Gregory West property, we're right 15 on budget at \$135,380 for our revenue, 16 and our expenses are right on track at \$71,086. 17 For our Jax Beach Rehab property, 18 we're over budget by about \$6,000 at \$87,472. 19 So we're doing very well with our revenue, 20 and our expenses are trending a little bit higher 21 -- 53,480. 22 For Brentwood Park, our income for the month 23 is down a little bit at \$198,489, and our expenses 24 are also low at \$189,334. 25 Looking at our estimated reserves,</p>

<p style="text-align: right;">Page 65</p> <p>1 we're finishing up the month right at 2 \$45,319,000. This takes into account the purchase 3 of our first 20 houses from JWB and also the 4 purchase of our Normandy land, which we paid cash 5 for, as well. 6 Looking at our Quick Ratio and our MENAR, 7 our months of operations are averaging 8 15.3 for public housing. So we're doing very well 9 with our MENAR. 10 Our Quick Ratio is very well, also, 11 ranging from anywhere from 8 to 32. HUD gives us 12 full points on our scoring of anything over a 4. 13 So we're doing excellent with our Quick Ratio and 14 our MENAR. 15 And then, looking at our RAD properties, 16 we're into our fourth month. So a third of the 17 way through our fiscal year. 18 Looking at The Waves, we're right on budget 19 with our income at \$151,037. Our operating 20 expenses for the month are slightly high at 21 \$69,559. 22 Looking at Centennial Towers, our revenue is 23 right on track. 24 COMMISSIONER SHOUP: Go back to the last 25 slide.</p>	<p style="text-align: right;">Page 67</p> <p>1 COMMISSIONER GREEN: So our MENAR is at 2 15.3. 3 CFO: Yes. 4 COMMISSIONER GREEN: Is there an -- 5 "issue," is not the right word. 6 But, having so much cash, can we spend that 7 down towards something else, like employees, or -- 8 CFO: We definitely could. HUD has done 9 a recapture of excess funds in the past. 10 It led to some issues with several housing 11 authorities across the country not getting any 12 operating subsidy, and that led to a lawsuit. 13 So I don't believe that HUD would take back 14 any of that money, but I think, if we were to, 15 you know, have that restricted to a certain 16 project or a certain expense, I think that might 17 be a good idea. 18 CHAIRMAN WALKER: Commissioner Brock. 19 COMMISSIONER BROCK: Yes, Mr. Chair. 20 So the Normandy property -- 21 CFO: Yes -- 22 COMMISSIONER BROCK: -- we will be spending 23 money out that of that money to do the building 24 for the Normandy property? 25 CFO: -- we should be getting a loan to do</p>
<p style="text-align: right;">Page 66</p> <p>1 What is the variance from -- 2 CFO: There was some additional maintenance 3 work that was done out at the property. 4 COMMISSIONER SHOUP: -- okay. 5 CFO: So Centennial Towers -- the operating 6 revenue is right on budget. For the expenses, 7 we're way under budget at \$88,578. So that's very 8 good. 9 For our Hogan Creek property, our income 10 is showing at \$202,844. This is due to the makeup 11 of some OCAF rent, which is part of our operating 12 subsidy where we get an increase each year. 13 This was just an adjustment for it. And then, 14 looking at our operating expenses, we're under 15 budget at \$70,526. 16 And that's it. 17 Any questions? 18 COMMISSIONER HOROVITZ: I'm sorry. 19 How much cash did we commit to Normandy? 20 I don't recall that number. 21 CFO: The property -- the land cost was right 22 at 3,000,000. 23 COMMISSIONER GREEN: Through the Chair, 24 I have some questions. 25 CHAIRMAN WALKER: Commissioner Green.</p>	<p style="text-align: right;">Page 68</p> <p>1 the construction work. 2 COMMISSIONER BROCK: Oh, okay. 3 CFO: And part of the resolutions today is to 4 be reimbursed for the money that we've already 5 outlined. 6 COMMISSIONER HOROVITZ: So, can I go -- 7 CHAIRMAN WALKER: Commissioner. 8 COMMISSIONER HOROVITZ: -- back to 9 Commissioner Green's question? 10 How much cash are we talking about is at risk 11 of being captured? 12 CFO: I don't believe that it is going to be 13 at risk, but, if we look back right here at our 14 reserves, we have about 19.8 million dollars, 15 19.9 million dollars in reserves. 16 HUD may want us to have less -- less reserves 17 in that regard. So ... 18 COMMISSIONER HOROVITZ: Is there a ratio 19 or some kind of benchmark that we're supposed to 20 be managing to? 21 What's normal for our organization? 22 CFO: They want us to be at about four 23 months. 24 COMMISSIONER HOROVITZ: What number would 25 that be?</p>

<p style="text-align: right;">Page 69</p> <p>1 CFO: As far as dollars, it would probably be 2 4- or 5,000,000. 3 CHAIRMAN WALKER: Commissioner. 4 COMMISSIONER GREEN: Do I have to say, 5 "Through the Chair"? 6 CHAIRMAN WALKER: No. You're fine. 7 COMMISSIONER GREEN: I mean I think last year 8 we were around 9, and then we went to 12. 9 We obviously want to be over 4. 10 Probably like around 10 to 12, right? 11 So ... 12 CHAIRMAN WALKER: So, for lack of a better 13 understanding, is this a use-it-or-lose-it type 14 situation? 15 CFO: No. This is money that's sitting in 16 our bank account that we will be able to use at 17 some future point. 18 COMMISSIONER GREEN: I mean I feel like 19 Dennis is saying the government isn't going to 20 take it, but there was like a small fear that 21 they could. 22 CHAIRMAN WALKER: Right. 23 CFO: Right. There always is that small 24 fear. 25 COMMISSIONER GREEN: Right.</p>	<p style="text-align: right;">Page 71</p> <p>1 CHAIRMAN WALKER: So we could allocate 2 Faircloth, hypothetically, to a project, 3 which would pull down off of the public housing 4 reserves. 5 COMMISSIONER GREEN: Yes. 6 CEO: Yes. 7 CHAIRMAN WALKER: Interesting. 8 Commissioner Shoup, did you have anything? 9 COMMISSIONER SHOUP: I was just going to say 10 we can use some of the money to buy or get more 11 properties and put more people in houses. 12 CHAIRMAN WALKER: I don't think we can with 13 the public housing money, correct? 14 CEO: Unless it was public housing. 15 COMMISSIONER GREEN: JWB houses would (sic) 16 be considered public housing. 17 CHAIRMAN WALKER: JWB's housing would be 18 public housing? 19 CEO: No. They are Section 8. 20 COMMISSIONER GREEN: Sorry. 21 COMMISSIONER BROCK: They're Section 8. 22 CHAIRMAN WALKER: We'd have to use a 23 Faircloth allocation and allocate the units in 24 order to deem it to be public housing whereby we 25 can tap the reserves.</p>
<p style="text-align: right;">Page 70</p> <p>1 COMMISSIONER BROCK: Yeah. 2 COMMISSIONER GREEN: So, ideally, we could 3 spend some of it down towards something? 4 CHAIRMAN WALKER: Mr. Alexander, we got 5 those physical needs reports back a while back, 6 didn't we? 7 CEO: Yes. 8 CHAIRMAN WALKER: Are we addressing 9 everything on those physical needs with these 10 dollars? 11 CEO: Yes. We have capital funds to address 12 that. 13 CHAIRMAN WALKER: So, in addition to these 14 reserves, we have capital fund money. 15 CEO: Yes, yes, we do. That's capital fund 16 money, but this money can be used for public 17 housing. And we do have the Faircloth. 18 So we are looking at that. So we can use 19 that, because you only can use public housing 20 money on public housing. 21 CHAIRMAN WALKER: Sure. 22 CEO: You can only use Section 8 money on 23 Section 8. 24 It's public housing money. So we could use 25 that on Faircloth.</p>	<p style="text-align: right;">Page 72</p> <p>1 CEO: Yes. 2 COMMISSIONER GREEN: Yes. 3 CHAIRMAN WALKER: Is -- 4 COMMISSIONER HOROVITZ: Would -- 5 CHAIRMAN WALKER: -- go ahead, Commissioner, 6 please. 7 COMMISSIONER HOROVITZ: -- no, no. 8 You go ahead. 9 CHAIRMAN WALKER: No, no, please. 10 COMMISSIONER HOROVITZ: Where can we find 11 or can you provide a list of approved use of funds 12 so we could have a conversation about that? 13 CFO: Certainly. 14 COMMISSIONER HOROVITZ: Can you send it to 15 us? 16 CFO: Yes. Absolutely. 17 CHAIRMAN WALKER: Okay. I just think it's 18 interesting. 19 You know, how many units do we have left on 20 our Faircloth, Mr. Alexander? 21 CEO: I want to say about 150, somewhere in 22 there. 23 CHAIRMAN WALKER: Interesting. 24 Yes. I mean, Commissioner Green, I think 25 this was kind of what your point was getting to,</p>

<p style="text-align: right;">Page 73</p> <p>1 which is we keep building this reserve, 2 which is great, but we're not deploying it. 3 And, just thinking through a way -- 4 maybe, Mr. Alexander, you and your team could come 5 up with a way to look at deploying it. Certainly 6 not all of it, but a piece of it. You know, 7 2-, 3-, \$4,000,000 dollars out of a \$19,000,000 8 reserve to add some units for Faircloth doesn't 9 sound awful. 10 Commissioner Griggs. 11 COMMISSIONER GRIGGS: Thank you, Mr. Chair. 12 I just wanted to -- while we're spending that 13 money, I just wanted to remind us that the reserve 14 money is intended for us to be able to operate for 15 a year providing some type of catastrophe or 16 COVID or whatever. 17 So let's keep that in mind as we're preparing 18 to find some other uses for this -- for the money, 19 and that would be, since it is public housing, 20 there are maybe perhaps other options around town 21 that may be amenable for us to approach from a 22 business perspective, that we can make better 23 use of all these assessments and maybe some other 24 situations. But let's keep in mind that one year, 25 the 12-month reserves.</p>	<p style="text-align: right;">Page 75</p> <p>1 COMMISSIONER SHOUP: -- and I know with 2 the Finance Chair maybe she can input something 3 here -- but my thought would be maybe going 4 forward -- I know at the Finance Committee having 5 the deep overview from Mr. Lohr and everybody, 6 but, at this meeting, more of a high-level not -- 7 we received the PowerPoint -- all of us -- 8 several days in advance -- just a couple 9 highlights of why maybe a couple of variances 10 may be. 11 If anyone wants to dive into any of that 12 specifics would be welcome at the Finance 13 Committee to maybe differentiate a little bit 14 between committee work and board work, 15 but that's just a thought. 16 Maybe I'm just stirring it up. 17 COMMISSIONER HOROVITZ: No, no. 18 You're definitely stirring the pot. 19 CHAIRMAN WALKER: Commissioner Horovitz. 20 COMMISSIONER HOROVITZ: It brings up a good 21 point about committee work, board work, 22 several days getting materials. 23 Just for the board's knowledge, we canceled 24 this month's Finance Committee Meeting, 25 because it was going to be held on Wednesday,</p>
<p style="text-align: right;">Page 74</p> <p>1 COMMISSIONER GREEN: Right. Well, we're 2 at 15. 3 CHAIRMAN WALKER: Any other questions for 4 Mr. Lohr? 5 (no response) 6 CHAIRMAN WALKER: Hearing none I know it's a 7 bit of an early meeting. I'd like to go ahead and 8 take a 5-minute recess -- 9 COMMISSIONER HOROVITZ: Thank you. 10 CHAIRMAN WALKER: -- if we could. 11 So we'll adjourn and readjourn in about 12 5 minutes. 13 (A recess was taken.) 14 (The recess concluded.) 15 CHAIRMAN WALKER: All right. I'll give 16 everybody about 30 seconds to get situated, again. 17 COMMISSIONER GREEN: Okay. 18 CHAIRMAN WALKER: All right. I'm going to go 19 ahead call us back to order. 20 We have several resolutions. 21 COMMISSIONER SHOUP: Can I -- 22 CHAIRMAN WALKER: Yes, Commissioner Shoup. 23 COMMISSIONER SHOUP: -- going back to the 24 financial overview real quick -- 25 CHAIRMAN WALKER: Sure.</p>	<p style="text-align: right;">Page 76</p> <p>1 which would have been two days ago and wouldn't 2 have allowed for any meaningful adjustments to any 3 documents. And it wouldn't have been fair to ask 4 the Finance Team to make those changes, and then 5 we wouldn't have had time to review them. 6 So that's why it canceled, because we were 7 going to have this long working board meeting 8 today. 9 To that point, yes. We should have more 10 working type meetings during the committee 11 meetings, but those meetings need to be 12 meaningful. 13 And we need to get those documents in front 14 of the board with enough time to review 15 considering we all have very busy schedules and 16 other responsibilities. 17 So I agree. We need to be a little bit more 18 concise with the presentation. I would like to be 19 a little bit more involved in the financial 20 package that gets in front of the board. 21 And I'd like to talk to Mr. A about how we can 22 work on, in general, putting a board package 23 together that is, you know, easy to look through, 24 highlights any changes and given to this board 25 with enough time to review and have meaningful</p>

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<p>1 conversation when we all get together.</p> <p>2 So maybe we can work on that moving forward.</p> <p>3 I think that would be -- that would be helpful for</p> <p>4 me, because I know, personally, I did not have</p> <p>5 enough time to review the documents. Because I</p> <p>6 think I got changes as late as three o'clock</p> <p>7 yesterday.</p> <p>8 CHAIRMAN WALKER: Any other commissioners --</p> <p>9 I'd actually like to add that -- maybe we'll add</p> <p>10 that to some closing comments, because I do want</p> <p>11 to get through some other things. We have some</p> <p>12 folks waiting on us on the line, but I'd like to</p> <p>13 dive into that a little bit later.</p> <p>14 COMMISSIONER SHOUP: My apologies for going</p> <p>15 out of order.</p> <p>16 CHAIRMAN WALKER: No. You're fine,</p> <p>17 Commissioner.</p> <p>18 Okay. We have several resolutions that we</p> <p>19 need to address today. I'm going to pull</p> <p>20 Resolutions 20, 21, and 22.</p> <p>21 But, absent any objections or need to</p> <p>22 comment, I don't know if the board had a chance</p> <p>23 to review these resolutions in advance or if you'd</p> <p>24 like to discuss them.</p> <p>25 Are there any other commissioners that would</p>	<p>1 But 18, 19 and 20 -- I have a concern about</p> <p>2 the Procurement Code and whether or not the</p> <p>3 appropriate method was used to procure those,</p> <p>4 and today Colene this morning gave me a cite to</p> <p>5 a federal regulation that governs insurance</p> <p>6 companies that this authority can choose various</p> <p>7 insurance services from.</p> <p>8 That's fine. I just have not reviewed that</p> <p>9 to confirm that. So I'm just stating that for</p> <p>10 the record. We want to make sure that we're</p> <p>11 following procurement rules.</p> <p>12 You can certainly approve resolutions,</p> <p>13 and I can just state, after this meeting,</p> <p>14 I told Colene that I would talk with her.</p> <p>15 And we can work through it, and I guess</p> <p>16 worst case scenario you approve something.</p> <p>17 And, if it's not in order, then they wouldn't</p> <p>18 be able to move forward, and then you'd just come</p> <p>19 back and approve it at another meeting.</p> <p>20 Or you can approve it subject to OGC doing</p> <p>21 that review and confirmation to make sure that</p> <p>22 we're appropriately in line with procurement.</p> <p>23 I just wanted to state that for those three</p> <p>24 resolutions.</p> <p>25 CHAIRMAN WALKER: Okay. Thank you.</p>
Page 78	Page 80
<p>1 like to pull any other resolutions for individual</p> <p>2 discussion?</p> <p>3 (no response)</p> <p>4 MS. HODGES: Through the Chair, can I just --</p> <p>5 I just want to make a comment, because you know</p> <p>6 I sent these to you.</p> <p>7 CHAIRMAN WALKER: Yes, ma'am.</p> <p>8 MS. HODGES: I had a few comments to the</p> <p>9 resolutions that I didn't get responses to,</p> <p>10 because procurement was incredibly slammed,</p> <p>11 which I understand that. Because that's the</p> <p>12 world that I operate in.</p> <p>13 And I just wanted to state I had a quick</p> <p>14 conversation with Colene to try to get some of the</p> <p>15 questions -- they were procurement-related</p> <p>16 questions to 18, 19 and 20.</p> <p>17 I had a question about 16 and 17, just making</p> <p>18 sure that those were appropriate change orders.</p> <p>19 Usually, there is a definition for a change order</p> <p>20 in a procurement policy. I didn't see that,</p> <p>21 but Colene confirmed that those are appropriate</p> <p>22 change orders.</p> <p>23 I just haven't laid eyes on that to confirm</p> <p>24 it myself. So we can certainly go with the</p> <p>25 procurement chief's statement.</p>	<p>1 MR. MILFORD: Mr. Chair --</p> <p>2 CHAIRMAN WALKER: Yes. Commissioner.</p> <p>3 MR. MILFORD: -- sorry.</p> <p>4 Was 22 one of the ones you proposed pulling?</p> <p>5 CHAIRMAN WALKER: Yes.</p> <p>6 MR. MILFORD: And, when you say, "pull,"</p> <p>7 you're --</p> <p>8 CHAIRMAN WALKER: Meaning pull it from an</p> <p>9 en banc approval. Yes.</p> <p>10 MS. HODGES: As a consent agenda.</p> <p>11 CHAIRMAN WALKER: A consent agenda, correct.</p> <p>12 MR. MILFORD: -- I wanted to make sure you</p> <p>13 weren't pulling from the agenda.</p> <p>14 CHAIRMAN WALKER: No, no. That one is on</p> <p>15 my radar.</p> <p>16 So, with that, my recommendation,</p> <p>17 before I would entertain a motion on 15, 16, 17,</p> <p>18 18 and 19 would be I think we can go through with</p> <p>19 these.</p> <p>20 But thank you, Mr. Alexander and OGC.</p> <p>21 We have a nice little footer over here on the</p> <p>22 left-hand side. I would say that, you know,</p> <p>23 we can approve them subject to final OGC</p> <p>24 sign off on procurement, which, for purposes</p> <p>25 hereof, we would want that signature on the bottom</p>

<p style="text-align: right;">Page 81</p> <p>1 left-hand side. But I'm happy to discuss that at 2 this point. 3 Commissioner. 4 COMMISSIONER HOROVITZ: I just have a 5 question on process, because this is very 6 different from what I'm used to in my day job. 7 So we're reviewing resolutions as a board, 8 but they haven't been fully signed off by our 9 legal counsel, which is very different. 10 Because we go through numerous legal reviews 11 before it gets in front of my board at my 12 organization. 13 So, what do we need to change here in order 14 to get to that kind of relationship so we're not 15 doing all these modifications and pending OGC 16 review later? 17 Like, "What do we need to change," 18 is my question, if that's even possible? 19 CHAIRMAN WALKER: So, Mr. Alexander, 20 do you want to comment? 21 I believe saw this month we were getting 22 better and faster, and I'm looking at both of you. 23 MS. HODGES: (nodded head affirmatively) 24 CHAIRMAN WALKER: Because I think this month 25 was the first month where we actually had some</p>	<p style="text-align: right;">Page 83</p> <p>1 make sure we get it to OGC before it gets to us. 2 So I sent it off to OGC last Tuesday with the 3 anticipation of hoping to get it back Friday of 4 last week. Then that way I could at least have a 5 week for the board to have the documents to be 6 able to look at. 7 I didn't get them back until yesterday 8 morning. So it was a little late getting them 9 back, but we have to work on getting these 10 documents back. 11 But I did send them out. I put them out 12 in an email to everyone -- well, to General 13 Counsel -- last Tuesday, and I wanted to send the 14 package out last Friday. Because I wanted 15 the board to have at least a week to review the 16 documents. I know how it is when you get these 17 documents at the last minute and are reviewing 18 them at a board meeting. 19 CHAIRMAN WALKER: Commissioner. 20 COMMISSIONER HOROVITZ: Thank you. 21 And I might be speaking -- I am speaking for 22 myself, and no one else on the board may agree. 23 I appreciate wanting to get the documents in 24 front of us with enough time to review, but, 25 if there are going to be numerous iterations</p>
<p style="text-align: right;">Page 82</p> <p>1 time to get comments back, but I agree. 2 I think -- and maybe we just have to have -- 3 maybe it's just a stated rule that, unless OGC's 4 signature is on the bottom left-hand side of these 5 resolutions, this board will not consider them. 6 COMMISSIONER HOROVITZ: I think you said that 7 last time. 8 COMMISSIONER BROCK: I was just fixing to 9 say, "You said that last month." 10 COMMISSIONER SHOUP: I'd be curious to hear 11 from Mr. Alexander what the timeline was on these 12 from when they were sent -- and in consultation 13 with Ms. Hodges -- when they were sent to OGC, 14 when OGC received them, if there was any delay, 15 where that specific delay was and that whole 16 timeline on this. 17 I think that would give us a lot of insight 18 on where any hiccups may or may not be. 19 CHAIRMAN WALKER: Mr. Alexander. 20 CEO: Thank you, Commissioner. 21 So we have been working diligently and 22 balancing how we get these notices out and 23 packages out. 24 This package was sent out -- because, 25 at the last board meeting, you said you wanted to</p>	<p style="text-align: right;">Page 84</p> <p>1 of the document, I don't know which one I should 2 be looking at. And so I'm looking at five 3 different sets of documents looking for changes. 4 I don't need to see any documents until 5 they're reviewed by OGC if that's what we agree 6 it's going to be. 7 So my assumption is the document I got was 8 reviewed, and everything was good. And I can have 9 an opinion about it when we all get together. 10 CHAIRMAN WALKER: Can I ask just a procedural 11 question from OGC and Mr. Alexander? 12 How many days in advance must a resolution be 13 published for us to consider it at a stated 14 meeting? 15 MS. HODGES: So he's actually required to 16 publish the agenda -- seven days. So that's by 17 statute. 18 But this agency, like the rest of our 19 agencies -- so putting you in line with other 20 consolidated government independent agencies -- 21 usually, their resolutions are at least five 22 business days. 23 The transparency issue is you want the public 24 to be able to know more than just the agenda 25 bullets. You want them to know and be able to</p>

<p style="text-align: right;">Page 85</p> <p>1 comment so that the public comment period can be 2 meaningful, and they can usually opine. 3 And, if I can respond to what Dwayne is 4 saying -- so, just in the month of May, 5 I think, Dwayne, you might have sent these, 6 gosh, a week ago or whatever you said. 7 But, you know, prior to then -- and I've had 8 this recurring conversation for two years now -- 9 I think the issue is -- and just for the board 10 to consider -- the way that other agencies do it. 11 So you guys don't have to reinvent the wheel. 12 We have JEA. We have JTA. They have JPA. 13 Other agencies get the packets out that have 14 agenda meetings with OGC, because that would be 15 better for me. 16 Because we're consolidated government, 17 and everybody at this table knows that 18 OGC services the entire consolidated government 19 and independent agencies. 20 So I'm not just working on the Jacksonville 21 Housing Authority's items. I'm working on 22 City Council member items, constitutional offices, 23 the mayor's office. You name it. 24 And so, with other agencies, we have agenda 25 calls, and we have those agenda calls almost</p>	<p style="text-align: right;">Page 87</p> <p>1 It's just timing. That's all this is. 2 It's not anything complicated. It's just timing. 3 And, if we could, you know, sit down where I 4 at least have seven days to look at board packet, 5 or either Colene, for example -- all the 6 procurement questions that I'm raising -- 7 she can work with me as she's drafting those 8 resolutions. 9 I don't even know who's drafting the 10 resolutions, but she can actually work with me on 11 a piecemeal basis so I don't have to get 12 15 resolutions at one time. 13 I can work with Dennis on his finance 14 resolutions, and then, before even Dwayne gets 15 the resolution to review, I could be working 16 with the staff. 17 And that actually would probably be 18 easier, you know, for me, but those are just some 19 thoughts as to how we do it with the other 20 agencies. 21 CHAIRMAN WALKER: So a couple of things. 22 I like the idea of an agenda call. I don't 23 necessarily need to be on it, but I'm happy to 24 jump on it from time to time. 25 I agree, Commissioner Horovitz, that these</p>
<p style="text-align: right;">Page 86</p> <p>1 immediately after the board meeting with all of 2 the professional staff to talk through and vet any 3 legal issues. 4 So Finance is at the table. OGC is at the 5 table. Any other professionals, the CAO of those 6 corporations are at the table, administrative 7 officers, and we are issue spotting for the agenda 8 purposes. 9 The Chair is also invited to those meetings 10 so that the Chair can chime in if they want to, 11 you know, be included in that, and so that's 12 something that's helpful. 13 But those other boards -- those boards -- 14 to Heather's point, they are not seeing any 15 resolutions that haven't been reviewed by the 16 professional staff of that organization. 17 They're not even getting it. 18 And a lot of times it is hard to keep up 19 with, because like, for example, the resolutions 20 that included -- there were several documents that 21 are being added in the appointment invite. 22 And I can't tell what's new or not. 23 I can't tell if it's already a resolution that 24 I have reviewed or not, and so I would almost 25 prefer if Dwayne and I can just sit down.</p>	<p style="text-align: right;">Page 88</p> <p>1 should be signed off before they get here to 2 us. 3 And so understanding we're still working on 4 that timing, I would ask that, you know, 5 at the next stated meeting, if there are 6 resolutions, I'll just -- I think I can do this 7 as Chair -- I'll just pull the resolutions if I 8 don't have a wedding signature from OGC. 9 How we get there you can organize it, 10 but I believe that's my prerogative, to pull a 11 resolution should I choose, as Board Chair. 12 MS. HODGES: Yes. You can pull a resolution. 13 CHAIRMAN WALKER: We're going to put that on 14 your staff, Mr. Alexander, to figure out how to 15 make it work with OGC. I don't really care how. 16 In the same vein, I want to make sure that -- 17 and, Lawsikia, you brought up a good point. 18 You know, in the same vein, to the extent you 19 need more assistance so we can go yell at 20 Mr. Teal, please let us know, because I don't want 21 to be in a situation where we're having to discuss 22 this, again. 23 This is just a procedural item that frankly 24 shouldn't even be at this level. So we'll leave 25 it at that for the time being.</p>

Page 89	<p>1 Any more comments?</p> <p>2 Commissioner Green.</p> <p>3 COMMISSIONER GREEN: I remember at our last</p> <p>4 board meeting you had mentioned or the board</p> <p>5 mentioned about hiring someone from OGC to our</p> <p>6 board.</p> <p>7 Is that something that they would be able to</p> <p>8 do?</p> <p>9 CHAIRMAN WALKER: Mr. Alexander -- yes.</p> <p>10 Mr. Alexander and I met with -- oh, I can't</p> <p>11 think of his name --</p> <p>12 CEO: Jason Teal.</p> <p>13 CHAIRMAN WALKER: -- Jason Teal, who is</p> <p>14 General Counsel for the city.</p> <p>15 It's not as straightforward as what we</p> <p>16 thought; however, Mr. Alexander is working direct</p> <p>17 with OGC to work through that.</p> <p>18 So the answer is, "Yes."</p> <p>19 COMMISSIONER GREEN: So this is something</p> <p>20 that --</p> <p>21 CHAIRMAN WALKER: In theory.</p> <p>22 But Ms. Hodges' experience -- there would</p> <p>23 have to be a bifurcation of duties there in some</p> <p>24 ways. Like being able to guide a board and</p> <p>25 dealing with some of the day-to-day, you know,</p>	Page 91	<p>1 It will just be more efficient that way I</p> <p>2 think at this point.</p> <p>3 So, at this point, can I get a motion to</p> <p>4 approve JHA-15?</p> <p>5 And we can open it up for discussion.</p> <p>6 COMMISSIONER GRIGGS: So moved.</p> <p>7 CHAIRMAN WALKER: I have a motion from</p> <p>8 Commissioner Griggs.</p> <p>9 COMMISSIONER BROCK: Second.</p> <p>10 CHAIRMAN WALKER: I have a second from</p> <p>11 Commissioner Brock.</p> <p>12 Mr. Alexander, can you give us a quick</p> <p>13 summary on JHA-15?</p> <p>14 I believe it's the refuse services contract.</p> <p>15 CEO: That is correct. This is a renewal and</p> <p>16 increase. The contract was awarded back in 2021.</p> <p>17 This is the third year of the contract,</p> <p>18 and the vendor requested an increase,</p> <p>19 which is allotted underneath 2.4 underneath the</p> <p>20 contract.</p> <p>21 They asked for a 5.6-percent increase,</p> <p>22 and, underneath Section 2.4, due to the</p> <p>23 CPI adjustment, they were allotted up to</p> <p>24 6.6 percent.</p> <p>25 So, basically, it's just a renewal with a</p>
Page 90	<p>1 legal matters we might run into are different</p> <p>2 things.</p> <p>3 So, you know, OGC will still have to sign off</p> <p>4 on these. You know, I'm not sure that this</p> <p>5 attorney would have the skill set to do that,</p> <p>6 but that's a conversation for Mr. Alexander and</p> <p>7 Mr. Teal and Ms. Hodges to address.</p> <p>8 Does that make sense?</p> <p>9 COMMISSIONER GREEN: Uh-huh.</p> <p>10 CHAIRMAN WALKER: Anymore discussion on this</p> <p>11 matter?</p> <p>12 (no response)</p> <p>13 CHAIRMAN WALKER: So, are these contracts --</p> <p>14 Mr. Alexander, let me back up.</p> <p>15 I think what I'd like to do, for purposes of</p> <p>16 this meeting, would be we'll entertain the</p> <p>17 resolutions subject to final OGC sign off.</p> <p>18 It sounds like we're 85 percent of the way</p> <p>19 there --</p> <p>20 MS. HODGES: We can talk.</p> <p>21 CHAIRMAN WALKER: -- and we'll go ahead and</p> <p>22 go through with those for now.</p> <p>23 That said, why don't we just pull them</p> <p>24 one by one so we can cross confirm a couple of</p> <p>25 details?</p>	Page 92	<p>1 5.6-percent increase.</p> <p>2 CHAIRMAN WALKER: Thank you.</p> <p>3 Any questions?</p> <p>4 COMMISSIONER GRIGGS: Yes.</p> <p>5 CHAIRMAN WALKER: Commissioner Griggs.</p> <p>6 COMMISSIONER GRIGGS: Thank you, Mr. Chair.</p> <p>7 Mr. Alexander, they asked for an increase,</p> <p>8 or they justified an increase?</p> <p>9 CEO: Well, they're allowed to have an</p> <p>10 increase based on the 2.4. So they requested</p> <p>11 an increase of 5.6 percent.</p> <p>12 They are allotted whatever the CPI is,</p> <p>13 which is 6.6, and they just asked for that.</p> <p>14 That's for labor costs.</p> <p>15 COMMISSIONER GRIGGS: (inaudible)</p> <p>16 COURT REPORTER: Can you talk louder?</p> <p>17 I'm sorry.</p> <p>18 COMMISSIONER GRIGGS: I'm sorry.</p> <p>19 Do we have to give them that increase?</p> <p>20 Are we obligated to give them the increase?</p> <p>21 CEO: Yes, based on the contract.</p> <p>22 CHAIRMAN WALKER: Any other questions?</p> <p>23 (no response)</p> <p>24 CHAIRMAN WALKER: Hearing none I'll move the</p> <p>25 question.</p>

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<p>1 All those in favor of approving JHA-15 2 signify by saying, "Aye." 3 COMMISSIONER GREEN: Aye. 4 COMMISSIONER SHOUP: Aye. 5 COMMISSIONER BROCK: Aye. 6 COMMISSIONER GRIGGS: Aye. 7 COMMISSIONER HOROVITZ: Aye. 8 CHAIRMAN WALKER: Any opposition? 9 (no response) 10 CHAIRMAN WALKER: Hearing none, the 11 resolution is adopted. 12 Can I get a motion for JHA-16, please, 13 so we can have a discussion? 14 COMMISSIONER GRIGGS: So moved. 15 CHAIRMAN WALKER: Thank you, Commissioner 16 Griggs. 17 Can I have a second? 18 COMMISSIONER BROCK: Second. 19 CHAIRMAN WALKER: Commissioner Brock, 20 thank you. 21 Any discussion on JHA-16 -- or, actually, 22 I'm sorry. 23 Mr. Alexander, would you mind just giving us 24 a quick summary? 25 CEO: This is a change order of \$2700 for the</p>	<p>1 (no response) 2 CHAIRMAN WALKER: Hearing none I'll go ahead 3 and call the question. 4 All those in favor of approving JHA-16 5 signify by saying, "Aye." 6 COMMISSIONER GREEN: Aye. 7 COMMISSIONER SHOUP: Aye. 8 COMMISSIONER BROCK: Aye. 9 COMMISSIONER GRIGGS: Aye. 10 COMMISSIONER HOROVITZ: Aye. 11 CHAIRMAN WALKER: Any opposition? 12 (no response) 13 CHAIRMAN WALKER: Hearing none that 14 resolution is passed. 15 Mr. Alexander, would you mind giving us 16 a brief -- sorry. 17 Resolution 2023-JHA-17, Intron Technologies 18 Contract Modification. 19 I'd entertain a motion for approval so we can 20 have a discussion. 21 COMMISSIONER GRIGGS: So moved. 22 CHAIRMAN WALKER: Thank you, Commissioner 23 Griggs. 24 Can I get a second? 25 COMMISSIONER BROCK: Second.</p>
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<p>1 roofer. We originally had a contract with them, 2 and they based the price based on an estimate. 3 And, after they pulled back on the shingles, 4 they saw that there was some plywood that was 5 damaged. 6 So they asked for an increase, because it was 7 more damage than anticipated underneath the 8 shingles. So the \$2700 -- 2,760, to be exact -- 9 is basically the cost of replacing the plywood 10 underneath that roof, which is about 23 sheets. 11 CHAIRMAN WALKER: Any discussion here? 12 COMMISSIONER GRIGGS: Yes. 13 CHAIRMAN WALKER: Commissioner Griggs. 14 COMMISSIONER GRIGGS: Thank you, Mr. Chair. 15 I guess I'm wondering why we need to 16 approve a \$2700 change order. 17 It seems -- 18 CHAIRMAN WALKER: I think it's because the 19 aggregate contract amount exceeds Mr. Alexander's 20 spending authority. 21 COMMISSIONER GRIGGS: -- thank you. 22 CHAIRMAN WALKER: Yes. 23 I asked that question previously, 24 Commissioner Griggs. Great minds think alike. 25 Any other questions, comments?</p>	<p>1 CHAIRMAN WALKER: Commissioner Brock -- 2 I have a second. 3 Mr. Alexander, would you mind summarizing 4 this one for us? 5 CEO: Yes. This one here is for 6 Twin Towers. There was more concrete needed than 7 what was originally bid on. This is for 8 \$163,753.65. 9 Originally, when they looked at this, 10 they had some stress factors on the storefront of 11 the building, and these things sort of -- 12 the stress points veered all the way into the 13 unit. 14 So now they have to use -- cut back farther 15 than what they anticipated. So they came back 16 with an estimate. We have an architect that we 17 sent. We had a third-party architect to go out to 18 verify that the work is needed as requested, 19 and we also have our in-house engineer to go out 20 to verify that the work is needed so that we 21 know that they're just not trying to pad the work. 22 This contract was originally awarded at 23 1.1. This is adding \$163,000, which we couldn't 24 avoid, but we budgeted 1.4 million dollars for the 25 job. So it's still below the original budget.</p>

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<p>1 CHAIRMAN WALKER: Any questions? 2 COMMISSIONER GRIGGS: Yes. 3 CHAIRMAN WALKER: Commissioner Griggs. 4 COMMISSIONER GRIGGS: Thank you, 5 Mr. Chairman. 6 I guess, Mr. Alexander, because of the 7 discovery of the extra additional work, 8 these are renovations being done, correct? 9 CEO: Yes. These are the balconies. 10 COMMISSIONER GRIGGS: There are no current 11 safety issues because of what the discovery is for 12 the tenants there? 13 CEO: No, because they're on the premises 14 doing the work. This will eliminate all safety 15 issues. Good point. Thank you. 16 COMMISSIONER GRIGGS: Thank you, Mr. Chair. 17 COMMISSIONER GREEN: Can -- 18 CHAIRMAN WALKER: Commissioner Green. 19 COMMISSIONER GREEN: -- through the Chair, 20 I'm sorry. I'm a little confused. 21 So we budgeted 1.4, but it's 1.3? 22 CEO: Overall about 1.3. 23 CHAIRMAN WALKER: Well, Mr. Alexander, 24 we budgeted 1.4 originally -- 25 CEO: Yes --</p>	<p>1 COMMISSIONER BROCK: Aye. 2 COMMISSIONER GRIGGS: Aye. 3 COMMISSIONER HOROVITZ: Aye. 4 CHAIRMAN WALKER: Any opposition? 5 (no response) 6 CHAIRMAN WALKER: Hearing none that 7 resolution is adopted. 8 Mr. Alexander, JHA-18 -- would you mind 9 giving us a quick summary on that, please. 10 CEO: Yes. This is the renewal of the 11 insurance at Brentwood Apartments. The insurance 12 for these apartments is up to \$190,000. 13 This is a renewal every year that we have this 14 insurance. 15 So we're asking the board to approve the 16 renewal of this insurance. 17 CHAIRMAN WALKER: Can I get a motion so we 18 can enter a discussion? 19 COMMISSIONER GRIGGS: So moved. 20 CHAIRMAN WALKER: Thank you, Commissioner 21 Griggs. 22 COMMISSIONER BROCK: Second. 23 CHAIRMAN WALKER: I have a second from 24 Commissioner Brock. 25 Mr. Alexander, I did want to have a quick</p>
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<p>1 CHAIRMAN WALKER: -- and the change order 2 increases it to 1.3, correct? 3 CEO: -- yes. 4 CHAIRMAN WALKER: We're not taking it from 5 1.3 up. That's not -- 6 CEO: No. 7 CHAIRMAN WALKER: -- okay. 8 COMMISSIONER GREEN: So, what was the 9 original -- so we budget 1.4. 10 What was the original amount? 11 CEO: I believe the original contract 12 was 1.1. We had the change order. 13 COMMISSIONER GREEN: For 163,000. 14 CEO: Yes. 15 COURT REPORTER: Y'all have to talk one at a 16 time, please. I'm sorry. 17 CEO: 1.1 million. Yes. 18 CHAIRMAN WALKER: Any further questions? 19 (no response) 20 CHAIRMAN WALKER: Hearing none I'll call the 21 question. 22 All those in favor of approving 2023-JHA-17 23 signify by saying, "Aye." 24 COMMISSIONER GREEN: Aye. 25 COMMISSIONER SHOUP: Aye.</p>	<p>1 conversation. This is the one that I did wonder 2 about procurement. 3 So, did procurement connect with OGC 4 on this one? 5 MS. HODGES: Well, that was a conversation we 6 just had about talking to Colene, and she gave me 7 a federal cite that I haven't reviewed -- 8 CHAIRMAN WALKER: Okay -- 9 MS. HODGES: -- but I can review. But you 10 can move forward -- 11 CHAIRMAN WALKER: -- right. 12 MS. HODGES: -- subject to me confirming that 13 it's in proper order. 14 CHAIRMAN WALKER: Okay. Again, go ahead, 15 Mr. Alexander. 16 CEO: Yes. I would just add on the record 17 that HUD does have the state insurance risk pools 18 that we pool from. So they normally have waivers, 19 and that is found under CFR 965, that the housing 20 authorities can have a waiver underneath that. 21 So that's why we don't actually have bids and 22 you can go through the HUD state insurance pool 23 to pull folks from, but these folks who have been 24 providing insurance have been around for years at 25 these properties.</p>

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<p>1 CHAIRMAN WALKER: Okay. So we're going 2 through some sort of a, for lack of a better word, 3 "collective group of HUD --" 4 CEO: Yes -- 5 CHAIRMAN WALKER: "-- for housing 6 authorities, like a pool insurance?" 7 Does that sound right? 8 CEO: -- yes. That's correct. 9 CHAIRMAN WALKER: Okay. Any other questions 10 on this one? 11 Actually, I do have one more. 12 Do we have named storm coverage on our 13 policies? 14 A hurricane hits. Normally, that would be 15 outside your typical policy. 16 Do we have named storm coverage, meaning 17 they'll cover us if the hurricane blows a roof off 18 or anything like that, or is this just your 19 typical property, like fire, damage -- 20 CEO: Oh, no, no. We have just about 21 everything. 22 CHAIRMAN WALKER: -- okay. 23 CEO: Everything is covered in there. 24 CHAIRMAN WALKER: Okay. Any other questions? 25 (no response)</p>	<p>1 COMMISSIONER BROCK: Second. 2 CHAIRMAN WALKER: Second from Commissioner 3 Brock. 4 Any discussion or conversation around this 5 resolution? 6 COMMISSIONER GRIGGS: Yes. 7 CHAIRMAN WALKER: Commissioner Griggs. 8 COMMISSIONER GRIGGS: Just what's the 9 difference in the insurance company that we're 10 using for the previous property? 11 CEO: Because the other ones are public 12 housing. These are properties that we have 13 investors with, and the investors require that we 14 have some different insurance. 15 COMMISSIONER GRIGGS: I just wanted to get 16 that on the record. Thank you. 17 CHAIRMAN WALKER: Thank you. 18 Commissioner Green. 19 COMMISSIONER GREEN: No. 20 CHAIRMAN WALKER: Any other questions 21 or discussion? 22 (no response) 23 CHAIRMAN WALKER: Hearing none I'll call the 24 question. 25 All those in favor signify by saying, "Aye."</p>
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<p>1 CHAIRMAN WALKER: Hearing none, I'll call the 2 question. 3 All those in favor signify by saying, "Aye." 4 COMMISSIONER GREEN: Aye. 5 COMMISSIONER SHOUP: Aye. 6 COMMISSIONER BROCK: Aye. 7 COMMISSIONER GRIGGS: Aye. 8 COMMISSIONER HOROVITZ: Aye. 9 CHAIRMAN WALKER: Any opposition? 10 (no response) 11 CHAIRMAN WALKER: Hearing none Resolution 12 2023-JHA-18 is passed. 13 The next resolution is JHA-19. 14 Mr. Alexander, if you could give a brief 15 summary, I'd appreciate it. 16 CEO: Yes. This is Centennial Towers -- 17 insurance for that specific property. 18 That is a RAD property. It's a renewal as the 19 other one through Gallagher Insurance 20 for \$295,363.48. This covers that whole entire 21 property, too. 22 CHAIRMAN WALKER: Thank you. I'd entertain a 23 motion for discussion. 24 COMMISSIONER GRIGGS: So moved. 25 CHAIRMAN WALKER: Can I get a second?</p>	<p>1 COMMISSIONER GREEN: Aye. 2 COMMISSIONER SHOUP: Aye. 3 COMMISSIONER BROCK: Aye. 4 COMMISSIONER GRIGGS: Aye. 5 COMMISSIONER HOROVITZ: Aye. 6 CHAIRMAN WALKER: Any opposition? 7 (no response) 8 CHAIRMAN WALKER: Hearing none, the 9 resolution is passed. Thank you. 10 Mr. Alexander, would you mind giving us -- 11 sorry. 12 I'd entertain a motion for approval of 13 JHA-20. 14 COMMISSIONER GRIGGS: So moved. 15 CHAIRMAN WALKER: Can I have a second? 16 COMMISSIONER BROCK: Second. 17 CHAIRMAN WALKER: I have a second from 18 Commissioner Brock. 19 Mr. Alexander, would you mind giving us a 20 brief summary? 21 CEO: Yes. This is basically a renewal for 22 all our public housing. We use Hunt Insurance as 23 our broker to give us the best rates. This is for 24 all of the properties. \$1,217,661.27. 25 This is through FPHASIF, which is the</p>

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<p>1 Florida Public Housing Self-Insured Fund, 2 for property and equipment insurance, and they are 3 a HUD-approved vendor underneath the approved 4 state insurance risk pool. 5 CHAIRMAN WALKER: Thank you. 6 Mr. Alexander, you mentioned something in 7 our prep meeting for the board that I thought was 8 interesting, just to bring it to the board's 9 attention. 10 We're a part of this fund, right? 11 CEO: Yes. 12 CHAIRMAN WALKER: And we get dividends out of 13 this? 14 CEO: Yes. Over the years, we have, 15 when it's a good year, based on if there's not 16 hurricanes and all that. If there are some 17 dividends to be given, they normally give us 18 dividends. 19 I think the last check I might have seen was 20 about \$87,000. 21 Is that correct, Dennis? 22 CFO: Yes. 23 CEO: Yes. 24 CHAIRMAN WALKER: That's great. 25 CEO: They have been giving this agency</p>	<p>1 broker to go through Florida Public Housing? 2 CEO: They shop for the best deals. 3 They actually work right along with them and shop 4 for the best numbers out there. 5 COMMISSIONER GRIGGS: It's like when you have 6 an insurance agent, and they (inaudible) -- 7 COURT REPORTER: What? 8 I'm sorry. 9 COMMISSIONER GRIGGS: -- I'm sorry. 10 It's like when you have an insurance agent, 11 and they shop your policy for you. 12 COMMISSIONER GREEN: But you're self-insured. 13 COMMISSIONER GRIGGS: Well, not really. 14 It's just part of the funding. 15 COMMISSIONER GREEN: No. 16 COMMISSIONER SHOUP: It's funding the 17 self-insurance fund. 18 CHAIRMAN WALKER: Well, no, no. 19 COMMISSIONER GRIGGS: No? 20 CHAIRMAN WALKER: I don't think it is. 21 To be very clear, I don't think it's a true 22 self-insurance fund. 23 CEO: That's correct. 24 CHAIRMAN WALKER: My understanding, 25 when I researched this the other day, is it acts</p>
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<p>1 dividends all along. 2 CHAIRMAN WALKER: Do we budget those 3 dividends, or is that just kind of a net increase 4 whenever they come in because we don't know? 5 CFO: Just an increase. 6 CHAIRMAN WALKER: Just an increase. Okay. 7 I thought it was great. It's, you know, a way for 8 us to recoup some of these dollars. 9 Any other questions? 10 COMMISSIONER SHOUP: Real quick, sir. 11 Maybe it's just because I'm tired, 12 but the resolutions -- Hunt Insurance Group 13 for 1.2, but then it's resolving to the 14 Florida Public Housing Authority Self-Insurance 15 Fund for the 1.2; is that right? 16 CEO: Are you asking, is the insurance -- 17 COMMISSIONER SHOUP: I'm reading it. It says 18 it's from Hunt Insurance for 1.2 for the 19 Jacksonville Housing Authority, as we see, for the 20 annual renewal. 21 And then we're paying the Florida Public 22 Housing Authority Self-Insurance Fund. 23 CEO: Yes. That's our insurance carrier. 24 Hunt is just our broker. Yes. 25 COMMISSIONER GREEN: So, do we have to get a</p>	<p>1 like a self-insurance fund, where, if you are a 2 public housing authority, you are allowed to use 3 it, and they'll pay dividends. 4 But we are not required to use it. 5 So we go to market to cross-check and make 6 sure it makes sense for us. That was my 7 understanding of how this worked. 8 COMMISSIONER SHOUP: Sounds good. 9 COMMISSIONER HOROVITZ: Do we pay broker 10 fees? 11 CEO: I'm not sure if they separate it out 12 there. 13 We don't, Dennis? 14 CFO: No. 15 CEO: No. So, no. 16 COMMISSIONER HOROVITZ: So we don't pay any 17 fees? 18 CEO: No. 19 CHAIRMAN WALKER: Good questions. 20 COMMISSIONER GRIGGS: We get this money 21 somehow. 22 CHAIRMAN WALKER: Any other questions on 23 JHA-20? 24 (no response) 25 CHAIRMAN WALKER: So I have a motion and a</p>

<p style="text-align: right;">Page 109</p> <p>1 second. I'll call the question. 2 All those in favor, signify by saying, 3 "Aye." 4 COMMISSIONER GREEN: Aye. 5 COMMISSIONER SHOUP: Aye. 6 COMMISSIONER BROCK: Aye. 7 COMMISSIONER GRIGGS: Aye. 8 COMMISSIONER HOROVITZ: Aye. 9 CHAIRMAN WALKER: Any opposition? 10 (no response) 11 CHAIRMAN WALKER: Hearing none JHA-20 is 12 approved. 13 Mr. Alexander, and, actually, Mr. Lohr, 14 I'm actually not going to ask for a motion on 15 this. I'd like to discuss -21 first before we go 16 through. 17 So, do you want to give the summary of the 18 update of the budget, or would you like Mr. Lohr 19 to give it? 20 CEO: Dennis can go ahead. 21 CHAIRMAN WALKER: Mr. Lohr, would you mind 22 giving us a summary on the budget adjustments for 23 the year? 24 CFO: Okay, okay. 25 Good afternoon, Commissioners. We're looking</p>	<p style="text-align: right;">Page 111</p> <p>1 and two maintenance mechanics. We changed one of 2 the utility workers to a maintenance mechanic. 3 There is no change in the dollar amount, though, 4 because they start off at the same rate. 5 And then, for public housing, we changed the 6 title of the Director of Public Housing to the 7 Vice President of Public Housing. 8 And then we added -- let's see what the 9 title is -- a senior real estate officer, 10 and that person is replacing the comptroller 11 position. 12 So, overall, though, the dollar amounts are 13 the same. 14 CHAIRMAN WALKER: Commissioner Brock. 15 COMMISSIONER BROCK: I was curious. 16 Are we allowed to know the names of who those 17 people are? 18 CFO: Certainly. 19 CEO: So, if I may, as most people know, 20 it's very challenging recruiting, and, when you 21 put out the title of Director of Public Housing, 22 you get some bites. It's more appealing using 23 Vice President of Property Management. 24 And, typically, when you have a budget, 25 if you make any changes to the budget,</p>
<p style="text-align: right;">Page 110</p> <p>1 at the 2023 budget revision. So the purpose of 2 this budget revision is just to update some of our 3 financial numbers. 4 We're looking at public housing, the central 5 office and Brentwood. Those are the three areas 6 that we determined needed a little bit of 7 tweaking. 8 There is a couple of payroll changes, 9 just mostly titles, but there is no changes in the 10 dollar amount of anybody. And our number of 11 budgeted positions remains at 230. 12 COMMISSIONER HOROVITZ: I'm sorry. 13 I didn't notice title changes. 14 Are those called out specifically? 15 Because I had also asked Mr. Alexander for 16 the org chart, and so I didn't ... 17 Can you highlight those changes? 18 CFO: It's in with the resolution. 19 CHAIRMAN WALKER: When you say, 20 "title changes," you mean titles of people's 21 positions. 22 CFO: Right. So there is only three or four 23 of them, and we can just go through them, 24 if that's easiest. 25 At Brentwood, we had three utility workers</p>	<p style="text-align: right;">Page 112</p> <p>1 regardless of what it is, if it's not the same 2 budget that the board approved at the beginning -- 3 if you make any changes in there, you have to 4 bring it back to the board. 5 So we just changed the title. We didn't 6 change the money or anything. It just changed the 7 titles. 8 CHAIRMAN WALKER: So, for me -- and I'll let 9 the board chime in on this -- this, to me, 10 is not something that rises to our level 11 as long as the monetary numbers are not moving in 12 any substantial order. 13 I'll leave staffing decisions, title 14 decisions to you, Mr. Alexander. 15 That would be my recommendation. I think it 16 just caused some confusion for me, as well. 17 What are we doing with the titles? 18 But I would say, unless anybody on the board 19 feels otherwise, I'm not -- you know, unless we're 20 eliminating a chief financial officer title 21 and doing something else in the C Suite, 22 I'm not particularly interested in knowing the 23 nuances of this. 24 COMMISSIONER HOROVITZ: I agree, with the 25 exception that I think, if we're looking at holes</p>

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<p>1 in the organization's leadership, that we have 2 that conversation.</p> <p>3 We talked about legal, and, if there is a 4 point where, in adding this role, it's going to 5 strengthen an area of the operations, I think that 6 we need to know. But we don't need to discuss 7 any kind of title changes.</p> <p>8 CEO: Thank you.</p> <p>9 CHAIRMAN WALKER: Commissioner Griggs.</p> <p>10 COMMISSIONER GRIGGS: The only thing I would 11 add, to the Chairman, is that, when titles change, 12 typically job descriptions change, as well, 13 and it doesn't sound like that's being -- 14 your descriptions are being impacted here.</p> <p>15 I don't want to wonder out loud, 16 but, if I'm a staff person and if my title 17 changes, I would want to know what that means 18 for my job description. So ...</p> <p>19 CHAIRMAN WALKER: Mr. Alexander, no change 20 in these job descriptions.</p> <p>21 This is just title?</p> <p>22 CEO: Exactly.</p> <p>23 CHAIRMAN WALKER: Okay. Anything else, 24 Mr. Lohr?</p> <p>25 CFO: That's it on the payroll changes.</p>	<p>1 somewhere in here that explains these large 2 variances so we don't have to discuss it.</p> <p>3 CFO: Yes. And that's actually in the notes 4 that should have been attached to your resolution.</p> <p>5 COMMISSIONER HOROVITZ: And that goes back to 6 the comments around --</p> <p>7 CFO: Right.</p> <p>8 COMMISSIONER HOROVITZ: -- things that are 9 not in the package.</p> <p>10 CHAIRMAN WALKER: Oh, we're going to get to 11 that today.</p> <p>12 CFO: Looking at out expenses for public 13 housing, we're only up about \$222,000. 14 The biggest item in here are utilities, 15 which is up about \$140,000, and our insurance, 16 which is up about 400,000.</p> <p>17 For Brentwood Park --</p> <p>18 COMMISSIONER HOROVITZ: I'm sorry. 19 Can we go back?</p> <p>20 Why are we seeing a variance in resident 21 expenses or services?</p> <p>22 What is that?</p> <p>23 CFO: Resident Services' expense?</p> <p>24 COMMISSIONER HOROVITZ: Yes. 25 What is included in that?</p>
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<p>1 Again, there is nothing monetary. It's just the 2 title changes.</p> <p>3 So, for public housing total, 4 we're increasing operating revenue by about 5 1.5 million dollars. Primarily rental income is 6 increasing, because our occupancy is increasing.</p> <p>7 Our original budget -- we budgeted occupancy 8 at 95 percent, and, through our first six months 9 of operations, we've been hovering right around 10 99 percent. So we're just tightening that up a 11 little bit.</p> <p>12 Our grant income -- this is our capital fund. 13 We're allowed 20 percent of our capital fund for 14 operations. This is just tightening up the 15 numbers a little bit to show that true 20 percent.</p> <p>16 Our interest income is up about \$280,000. 17 We just received notice from our bank that our 18 interest that we're earning is up to 3.1 percent. 19 For the prior year, it was under 1 percent.</p> <p>20 So, with all of the increases and interest, 21 we're now earning additional interest income.</p> <p>22 COMMISSIONER HOROVITZ: I have a question.</p> <p>23 CHAIRMAN WALKER: Commissioner, sorry.</p> <p>24 COMMISSIONER HOROVITZ: I'm sorry. 25 It would be helpful for me if we had notes</p>	<p>1 CFO: Resident Services would be anything 2 like resident stipends, resident activities, 3 things like that. So it's money that each 4 property gives back in events for the residents.</p> <p>5 COMMISSIONER SHOUP: Sorry. I'm playing 6 catch-up here.</p> <p>7 We're giving stipends to residents?</p> <p>8 CFO: There are a couple of stipends for 9 residents who do work around the properties. 10 They help out with different events.</p> <p>11 They man the front desk, and they do different --</p> <p>12 CEO: So HUD only allows up to \$200 a month 13 for any individual that's actually performing 14 services around or on the property to sort of help 15 residents out.</p> <p>16 In addition to, there is money that goes to 17 Resident Council. So each resident council gets 18 \$25 a door for whatever site that they're at 19 for activities.</p> <p>20 COMMISSIONER SHOUP: Okay. When I hear, 21 "stipend," I'm not thinking of that. It almost 22 sounds more like it's --</p> <p>23 COMMISSIONER HOROVITZ: Part-time employment 24 -- 25 COMMISSIONER SHOUP: -- yes, part-time</p>

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<p>1 employment.</p> <p>2 COMMISSIONER HOROVITZ: -- which might be</p> <p>3 better.</p> <p>4 COMMISSIONER SHOUP: Well, there may be some</p> <p>5 rules on what --</p> <p>6 CHAIRMAN WALKER: No. It can't be part</p> <p>7 time.</p> <p>8 They're not W-2, correct?</p> <p>9 CFO: Correct.</p> <p>10 CHAIRMAN WALKER: This is a 1099 stipend</p> <p>11 is all it is.</p> <p>12 COMMISSIONER HOROVITZ: Got it.</p> <p>13 COMMISSIONER SHOUP: Makes more sense.</p> <p>14 CFO: And it doesn't count against their</p> <p>15 income for their rent or anything like that.</p> <p>16 COMMISSIONER HOROVITZ: All right.</p> <p>17 CFO: Looking at Brentwood Park,</p> <p>18 there is about an \$80,000 increase in operating</p> <p>19 revenue. Most of it is due to interest income</p> <p>20 being up, but also rental revenue is up also</p> <p>21 because of our occupancy.</p> <p>22 And then, looking at our expenses,</p> <p>23 utilities are up, but, overall, there is not much</p> <p>24 of a change -- about \$50,000. So we're showing</p> <p>25 about a \$22,000 increase in revenue.</p>	<p>1 CFO: Yes.</p> <p>2 CHAIRMAN WALKER: -- I don't think it is</p> <p>3 budgeted. Correct me if I'm wrong.</p> <p>4 Based on our review, Mr. Alexander,</p> <p>5 that doesn't -- we have not amended the budget</p> <p>6 to bring in a warm body. This is what we</p> <p>7 anticipate spending through the remainder of the</p> <p>8 year to get these various deals done is</p> <p>9 my understanding --</p> <p>10 CEO: That's correct --</p> <p>11 CHAIRMAN WALKER: -- I thought -- I think.</p> <p>12 CFO: Yes.</p> <p>13 CEO: -- last-minute change.</p> <p>14 COMMISSIONER HOROVITZ: I'm going to ask a</p> <p>15 couple questions.</p> <p>16 First, I had asked Mr. Alexander,</p> <p>17 if there is no expense, I would like to have</p> <p>18 read-only access to Yardi -- I know that the</p> <p>19 budget comes out of that system -- just so I can</p> <p>20 dig into the details, because I would like to see</p> <p>21 how everything rolls out.</p> <p>22 Like, for example, consultants --</p> <p>23 I'd like to see everything that we have.</p> <p>24 So, if that's possible --</p> <p>25 COURT REPORTER: Can you talk louder?</p>
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<p>1 And then, for our central office,</p> <p>2 we're showing about half a million dollars extra</p> <p>3 for operating revenue. Again, interest income is</p> <p>4 up, and we're showing a little bit extra in</p> <p>5 our other operating revenue. This is just</p> <p>6 miscellaneous revenue that the central office is</p> <p>7 charging back to the properties.</p> <p>8 And then, looking at our expenses,</p> <p>9 we're increasing our operating expenses by about</p> <p>10 \$500,000. A good portion of this is in utilities</p> <p>11 and in insurance, and then, also, we've increased</p> <p>12 the expense for attorney's fees.</p> <p>13 COMMISSIONER HOROVITZ: I think that we</p> <p>14 should take that out, right, because we haven't</p> <p>15 determined how that will be?</p> <p>16 CHAIRMAN WALKER: No.</p> <p>17 Did we adjust for a new position,</p> <p>18 or is this just the fees we've been incurring with</p> <p>19 our new deals?</p> <p>20 COMMISSIONER HOROVITZ: They've added</p> <p>21 300,000 to a legal expense.</p> <p>22 CFO: It's fees for new deals.</p> <p>23 CHAIRMAN WALKER: Based on what we're</p> <p>24 spending for bond counsel, additional OGC</p> <p>25 assistance --</p>	<p>1 I'm sorry.</p> <p>2 COMMISSIONER HOROVITZ: -- I would like to</p> <p>3 have access to Yardi so I could see the details</p> <p>4 behind the financials.</p> <p>5 Second, is it not possible to do a</p> <p>6 consolidated budget?</p> <p>7 I know we look at these three separate</p> <p>8 budgets, but ...</p> <p>9 CFO: So public housing is a consolidated</p> <p>10 budget. It's all of our public housing</p> <p>11 properties. We have 13 public housing properties,</p> <p>12 and it all rolls up into that one budget.</p> <p>13 And, for the central office, all of our</p> <p>14 different central office departments roll up</p> <p>15 into that central office budget.</p> <p>16 COMMISSIONER HOROVITZ: So I mean everything.</p> <p>17 Like, if I wanted to see one budget, can we do</p> <p>18 that?</p> <p>19 CFO: We should be able just to print a</p> <p>20 report that has that one budget. Yes.</p> <p>21 COMMISSIONER HOROVITZ: That would be</p> <p>22 helpful for me.</p> <p>23 And, just on the legal expense --</p> <p>24 because I've been looking at other housing</p> <p>25 authority org structures -- to me, it seems</p>

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<p>1 unusual that we don't have -- and I know 2 we've talked about this a bunch -- 3 but we have all of the these consultants, 4 and we have all of these different third parties 5 who are doing this work for us. 6 Who's responsible for managing that? 7 Because I know we've talked in past board 8 meetings that we would like to be more involved. 9 We'd like to make sure who's reviewing what, 10 and I don't have that visibility. 11 And I'd like to know who the point person 12 here is that I could reach out to to get a little 13 bit more. 14 CEO: It's me. I'm the person. 15 CHAIRMAN WALKER: I think what you're getting 16 at, though -- interpreting a little bit -- 17 I think what you're getting at, though, is not 18 just a, "Mr. A, are we moving forward? How's it 19 going," but more of a, "Hey, we have --" 20 I'm making this up "-- we have a deal that we're 21 looking at. We're negotiating a PSA. Are you 22 doing that? Is that in OGC's corner? Do we have 23 outside counsel for that? Who's coordinating, 24 you know, those things?" 25 And I think this goes back to the</p>	<p>1 But, if we're talking about day-to-day 2 procurement contracts that OGC has never been 3 asked to review by this agency ever, 4 that's a different body. 5 That's not going to be your outside counsel. 6 That's not going to be bond counsel. 7 That's going to be a person at OGC that's 8 doing that work, but we first need the agency to 9 say to OGC, "I want you to review contracts." 10 You know, the role that you see me playing is 11 very limited. It is right here, because, 12 up until this point, there hasn't been an 13 expansion of that. It's looking at, you know, 14 your resolutions. 15 But the outside counsel, just to be clear, 16 is absolutely supervised through the charter 17 by the Office of General Counsel. 18 Even if you had a person that's sitting here, 19 that person would still be the person that's 20 overseeing the outside counsel work. 21 And, Dwayne, you know -- correct me if I'm 22 wrong -- you've been working with BMO. 23 You've told me they've done excellent work for 24 you. 25 CEO: Yes.</p>
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<p>1 conversation of Mr. A, and, do we need a full-time 2 warm body here? 3 Do we need more assistance from OGC? 4 What do we need? 5 And I don't know that we have the solution 6 yet. 7 MS. HODGES: Yes. 8 CHAIRMAN WALKER: Ms. Hodges? 9 MS. HODGES: Just really quick on OGC. 10 I mean remember, for the deals that you're doing, 11 you have multiple third parties. 12 CHAIRMAN WALKER: Yes. 13 MS. HODGES: It's not just legal. 14 You have financial. You have a bond attorney. 15 You have real estate counsel. Those attorneys 16 are operating very efficiently. 17 I've had Dwayne, on the record in our phone 18 conversations, talk about how excellent those 19 attorneys are. 20 One of those attorneys is sitting here. 21 I oversee the work of those attorneys, 22 and so, you know, Commissioner -- to Heather, 23 if you have a question on the legal review, 24 it would be OGC that's supervising outside 25 counsel.</p>	<p>1 MS. HODGES: They're very responsive. 2 You've also been working with the bond 3 counsel. You've told me that they're very 4 responsive. They're very timely in how they 5 do the work. 6 So, with those particular professionals on 7 the deals that you're doing, I'm not aware of 8 any issue, and any commissioners could reach out 9 certainly to me, as you have. 10 And I know I've had some discussions with 11 other commissioners, and you guys have access to 12 me. But, hopefully, that, you know, helps. 13 CEO: Yes. BMO has done an excellent job, 14 and we do have a financial consultant on the 15 screen, who was here at our last board 16 meeting. And you-all got a chance to talk to her 17 if you have any issue, but we can always make an 18 arrangement to sit down. 19 CHAIRMAN WALKER: I think this goes back to, 20 as we progress through the deals -- and, again, 21 this is the world in which I live, and I think 22 this is probably similar to what you're asking, 23 which is -- you know, we're seeing a big hike 24 in a legal expense, which makes sense considering 25 what we're asking folks to do.</p>

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<p>1 But, like you and I have talked about, 2 Mr. Alexander, the weekly calls to progress the 3 deals, the agendas -- who's delivering what? 4 When are the deadlines? 5 What's going on? 6 I think, as we get started -- and I know 7 we're still finding our way, and I think -- 8 I don't know if Tanya is on the line or not -- 9 I think Tanya will be a big help in driving 10 this -- 11 CEO: Yes. 12 CHAIRMAN WALKER: -- by saying, "Look. 13 We want to break ground by X date." 14 Now we work backwards on the timeline, 15 and all of a sudden there's deliverables. 16 There's responsible parties. There's people 17 that have to deliver things. 18 So that, at a board meeting, when we're 19 saying, "Hey, we have \$300,000 of new legal 20 expense. What is that?" -- 21 COMMISSIONER HOROVITZ: Yes -- 22 CHAIRMAN WALKER: -- it because we've 23 got 13 different law firms now engaged -- 24 COMMISSIONER HOROVITZ: -- right -- 25 CHAIRMAN WALKER: -- working on six different</p>	<p>1 to understand the 300,000, because I still really 2 don't. 3 CHAIRMAN WALKER: So my understanding -- 4 again, my understanding is like projecting -- 5 again, my experience -- and Tanya may be able to 6 advise on this, as well -- is we're going to have 7 to engage BMO for bond counsel, and then we're 8 going to have other lawyers working on this deal, 9 which, believe it or not, \$300,000 for an issuance 10 is pretty conservative. 11 I'm assuming that's what this is for. 12 COMMISSIONER HOROVITZ: I have no idea. 13 CFO: Yes. 14 CHAIRMAN WALKER: And I don't know, 15 and I would assume this is just based on financial 16 projections that maybe Tanya helped put together 17 on a sources and uses of hypothetical closing 18 costs. I don't know. 19 Do we know? 20 CFO: It's an estimate based on what we think 21 we're going to need moving forward for the rest of 22 the year. 23 CHAIRMAN WALKER: Okay. But the estimate -- 24 not criticizing, but the estimate isn't 25 necessarily backed by data. It's just an</p>
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<p>1 deals -- 2 COMMISSIONER HOROVITZ: -- yes. 3 CHAIRMAN WALKER: -- then it makes more 4 sense. 5 MS. HODGES: And I'm not even -- I don't know 6 where this number is coming from. I have not 7 talked to BMO. I have not talked to, you know, 8 the bond counsel to see where this projected 9 number ... we have current numbers in those 10 engagements. 11 I don't know, Dwayne, if you had some 12 conversation with Charlie to project this 13 massive \$300,000 number or if this number perhaps 14 includes a warm body here. 15 But, just so everybody is clear, 16 in any in-house counsel role, that counsel isn't 17 going to do bond work, employment work and 18 real estate work. 19 CHAIRMAN WALKER: No. 20 MS. HODGES: You don't have one attorney 21 that can do all of that work. Some of this 22 stuff will have to be outsourced, and it should 23 be on deals that are this significant. 24 CHAIRMAN WALKER: Everyone is looking at me. 25 COMMISSIONER HOROVITZ: Yes. Because I want</p>	<p>1 estimate. It's a pull a number. 2 MR. EDGAR: It's a round number. 3 MS. HODGES: Dwayne could talk to bond 4 counsel -- 5 CHAIRMAN WALKER: Yes. 6 MS. HODGES: -- to get that estimate. 7 MS. DEMPSEY: Yes. My -- I'm sorry. 8 Can you guys hear me? 9 CHAIRMAN WALKER: Yes. 10 MS. DEMPSEY: You are coming in a little bit 11 in and out, but, yes. I mean my assumption 12 is that we're very early in the process to have 13 real numbers. My assumption is that that dollar 14 amount is just a placeholder until we get more 15 information. 16 CFO: (nodded head affirmatively) 17 CHAIRMAN WALKER: Okay. 18 My opinion considering this is a budget 19 is it doesn't mean we have to use it, to be very 20 clear, but I do think that, before we start 21 spending dollars, we should get some more detail 22 on what said expense would be. 23 It is not a carte blanche check, 24 unless you're hiring me, which is prohibited. 25 So any other questions on the budget?</p>

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<p>1 I have one if nobody else has any other 2 questions on the budget revisions. 3 Does the new income number reflect the 4 additional income we're receiving from the new 5 homes we're bringing online? 6 CFO: No. 7 CHAIRMAN WALKER: It does not. 8 CFO: No. 9 CHAIRMAN WALKER: What do we estimate that 10 new number to be? 11 CEO: On the new units? 12 CHAIRMAN WALKER: Meaning, you know, 13 the units we bought from JWB. 14 Are those included in these income increases? 15 What do we expect that income increase to be? 16 And I remember speaking with Tanya, 17 but I don't think all the board members were 18 there. 19 What do we estimate our cash-on-cash return 20 is on that? 21 Because it was quite -- 22 CEO: I have the numbers on that, 23 but I'd have to go back and look at the 24 numbers. 25 But I know the ones that -- the eight units</p>	<p>1 were packaged deals." 2 You know, it goes to the question of, 3 you know, making sure we, as a board, 4 understand that analysis and understanding as we 5 go through it. 6 But it was a very eye-opening conversation 7 when we had Tanya here -- what was it, two weeks 8 ago? Three weeks ago? -- understanding the 9 returns. 10 So, in theory, the income should also go up 11 more than what we're projecting here. 12 CFO: Right. 13 CHAIRMAN WALKER: Okay. Commissioner Shoup. 14 COMMISSIONER SHOUP: I'll just say I did 15 some very quick math on the 300,000 on the legal 16 side. 17 At \$600 an hour, which is not going to be 18 unrealistic for I think in this world -- 19 it's 500 hours across all the different counsels, 20 all the different people doing ... that's 21 definitely not unreasonable. 22 I think that's a very -- like you said 23 earlier, I think that's a very conservative 24 round park estimate. I wouldn't be surprised if 25 they have to come back and add more money for</p>
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<p>1 that we just picked up -- we looked at that it 2 would be possibly \$230,000 a year just for the 3 eight units that we have. 4 MR. EDGAR: Right. 5 CHAIRMAN WALKER: So we're picking up 6 an additional \$230,000 a year of revenue 7 understanding we deployed cash. 8 CEO: Yes. 9 CHAIRMAN WALKER: And then, Tanya, not to put 10 you on the spot, do you recall what the -- 11 or maybe, Michael, you know -- 12 MR. EDGAR: I do. 13 CHAIRMAN WALKER: -- the cash-on-cash return 14 is? 15 MR. EDGAR: It's 250- a year based on 16 50 homes. So it's 500- we estimate over two years 17 based on that prior discussion we had. So ... 18 CHAIRMAN WALKER: And, what's the 19 cash-on-cash return? 20 MR. EDGAR: 25-plus percent easy probably 21 easy. 22 CHAIRMAN WALKER: Okay. So this goes to the 23 bigger conversation. 24 Last month we talked about, you know, 25 "Are we or are we not financing? We thought these</p>	<p>1 it, truthfully. 2 MS. HODGES: And your rates are much lower 3 than that. They're actually in the 3-s. 4 So you get more hours with that. 5 CHAIRMAN WALKER: Any other questions on the 6 budget modifications? 7 (no response) 8 CHAIRMAN WALKER: At this point, I'd 9 entertain a motion to approve it. 10 COMMISSIONER GREEN: I make a motion. 11 CHAIRMAN WALKER: I have a motion by 12 Commissioner Green. 13 Do I have a second? 14 COMMISSIONER BROCK: Second. 15 CHAIRMAN WALKER: Commissioner Brock. 16 Any further discussion on this? 17 (no response) 18 CHAIRMAN WALKER: Hearing none I'll call the 19 question. 20 All those in favor signify by saying, "Aye." 21 COMMISSIONER GREEN: Aye. 22 COMMISSIONER SHOUP: Aye. 23 COMMISSIONER BROCK: Aye. 24 COMMISSIONER GRIGGS: Aye. 25 COMMISSIONER HOROVITZ: Aye.</p>

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<p>1 CHAIRMAN WALKER: Any opposition? 2 (no response) 3 CHAIRMAN WALKER: Hearing none the resolution 4 2023-JHA-21 passes. Thank you very much. 5 Next on the list is Resolution No. 6 2023-JHA-22. 7 I believe what would make the most sense here 8 is, Mr. Alexander, why don't you give us just a 9 brief introduction to Tanya, and maybe Tanya 10 and our bond counsel can explain the purposes 11 behind this, what it does for us, what it doesn't 12 do for us, what liability we have, what liability 13 we don't have, so we can understand this 14 resolution as -- I don't know if this is the first 15 time we've done this -- 16 MS. HODGES: It is. 17 CHAIRMAN WALKER: -- as a board. 18 But it's the first time for me as chairing the 19 board. So just maybe having some understanding. 20 So, Mr. Alexander, if you wouldn't mind 21 introducing Tanya and our counsel. 22 CEO: So we have in the room with us, 23 William Milford, who is from BMO. 24 MR. MILFORD: BMO. 25 CEO: And he is bond counsel.</p>	<p>1 So we do these routinely, and it's very 2 straightforward. No liability. Nothing to worry 3 about. 4 Any questions for me? 5 And, no, I do not know the origin of the 6 \$300,000 figure. 7 CHAIRMAN WALKER: Good cover, good cover. 8 COMMISSIONER GREEN: You just ironed it out. 9 CHAIRMAN WALKER: I'll ask some questions 10 just to get some clarity on the record. 11 MR. MILFORD: Sure. 12 CHAIRMAN WALKER: So, again, no obligation 13 if we choose to shelve the bond issuance. 14 We are not obligated to do anything with this. 15 MR. MILFORD: Absolutely correct. 16 CHAIRMAN WALKER: Okay. 17 MR. MILFORD: No obligation. 18 CHAIRMAN WALKER: And, was this resolution 19 drafted by y'all's firm and approved by OGC? 20 MS. HODGES: Yes. 21 CHAIRMAN WALKER: So it's in proper form? 22 MS. HODGES: Yes. I've looked at it. 23 MR. MILFORD: I reviewed it, as well. 24 I did not draft it, but I reviewed it. 25 CHAIRMAN WALKER: Okay. Great.</p>
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<p>1 We have Tanya Dempsey on the screen, 2 who is the Co-CEO of CSG. And we'll let 3 Mr. Milford talk about the bond process, 4 and then we'll let Tanya speak. 5 MR. MILFORD: Just to give a quick summary, 6 my understanding is the Normandy property was 7 acquired in March I believe. The IRS -- 8 in order to reimburse with bond proceeds for that 9 acquisition, the IRS requires resolutions such as 10 this to declare the intent of the future 11 to issue the bonds for that reimbursement. 12 There is a quick time frame on that, 13 and this resolution has to be adopted within 14 60 days of the date of that original expenditure. 15 So that's why this is before you today is to 16 really just declare the intent of the authority to 17 issue a future bond issue to make that 18 reimbursement. 19 It doesn't obligate anything. There is no 20 liability associated with this. 21 This is just a declaration of intent that 22 you're exploring a bond financing to reimburse 23 that expenditure, and it's required by the IRS to 24 be done within 60 days of the original 25 expenditure.</p>	<p>1 And then relative to the declaration -- 2 you know, no obligation to proceed, but, also, 3 you know, at this point, if we decide to kick this 4 can down the road six to nine months, we can still 5 get reimbursed. 6 There is no timeline or expiration on this? 7 MR. MILFORD: The timeline is 18 months after 8 the later of the date of the expenditure or the 9 place and service date of the project. 10 So you've got in no event later than three 11 years after the date of expenditure. 12 So you really have three years from March to have 13 the bonds issued and make that reimbursement. 14 CHAIRMAN WALKER: Understood. 15 Tanya is on the screen. You can see her up 16 there. Tanya is up there, as well. Tanya is our 17 financial adviser that's been engaged. A couple 18 of us had a chance to meet with Tanya. I really 19 appreciate her coming. 20 Tanya, did you have anything to add 21 just specifically on the resolution before we get 22 into some other questions? 23 MS. DEMPSEY: No. Again, I just want to 24 reiterate that there isn't a risk here, 25 because there isn't an obligation to issue these</p>

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<p>1 bonds.</p> <p>2 So, again, this is just we're issuing this</p> <p>3 resolution as an opportunity to recapture funds</p> <p>4 that have already been spent, and part of that is</p> <p>5 because you did use your own money to purchase the</p> <p>6 property and purchase the land.</p> <p>7 Right?</p> <p>8 So that's really the genesis of this.</p> <p>9 If, you know, we never issue bonds related to this</p> <p>10 -- totally fine. You're exactly where you are</p> <p>11 today.</p> <p>12 CHAIRMAN WALKER: Commissioners, any other</p> <p>13 questions on this resolution specifically?</p> <p>14 COMMISSIONER HOROVITZ: I just have two quick</p> <p>15 questions --</p> <p>16 CHAIRMAN WALKER: Of course.</p> <p>17 COMMISSIONER HOROVITZ: -- maybe for</p> <p>18 Mr. Alexander. I'm not sure.</p> <p>19 But, in one of our last board meetings,</p> <p>20 we discussed having some kind of training around</p> <p>21 risk and liability.</p> <p>22 Was that scheduled?</p> <p>23 CHAIRMAN WALKER: Mr. Alexander?</p> <p>24 CEO: No. So we didn't have any training,</p> <p>25 but we will provide some training. But we did</p>	<p>1 on how to proceed."</p> <p>2 That did not occur.</p> <p>3 COMMISSIONER HOROVITZ: Sure.</p> <p>4 Just on that -- and trust me I don't feel</p> <p>5 left out -- if we are going to have a meeting</p> <p>6 where we have a resource that's going to be here</p> <p>7 explaining something, it would be great if that</p> <p>8 was clearly spelled out in the meeting notice,</p> <p>9 because then we can prioritize our schedules.</p> <p>10 CHAIRMAN WALKER: Uh-huh.</p> <p>11 Mr. Alexander, can you make sure that</p> <p>12 occurs?</p> <p>13 CEO: For sure.</p> <p>14 CHAIRMAN WALKER: Fantastic.</p> <p>15 COMMISSIONER HOROVITZ: And I have another</p> <p>16 question.</p> <p>17 Is this the property that we were talking</p> <p>18 about with Chase?</p> <p>19 CHAIRMAN WALKER: Yes.</p> <p>20 COMMISSIONER HOROVITZ: And that is still our</p> <p>21 partner in this?</p> <p>22 CEO: Yes. As of right now, yes.</p> <p>23 COMMISSIONER HOROVITZ: Is the, "as of right</p> <p>24 now," a significant comment?</p> <p>25 CEO: Well, I mean we had a meeting.</p>
<p>Page 138</p> <p>1 have Ms. Tanya come to the last board meeting</p> <p>2 and sort of basically explain the whole process to</p> <p>3 the members that were here. But we will set up</p> <p>4 something real soon.</p> <p>5 CHAIRMAN WALKER: Commissioner Brock.</p> <p>6 COMMISSIONER BROCK: Mr. Chair, I just want</p> <p>7 to help Commissioner --</p> <p>8 COMMISSIONER HOROVITZ: Horovitz.</p> <p>9 COMMISSIONER BROCK: -- it wasn't an overall</p> <p>10 board meeting. It was an --</p> <p>11 CHAIRMAN WALKER: Noticed meeting.</p> <p>12 COMMISSIONER BROCK: -- asset management</p> <p>13 --</p> <p>14 CHAIRMAN WALKER: It was a noticed meeting.</p> <p>15 COMMISSIONER BROCK: -- oh.</p> <p>16 CHAIRMAN WALKER: It was a noticed meeting.</p> <p>17 I wanted to talk to Commissioner Shoup about a</p> <p>18 couple of matters.</p> <p>19 So we set it on the record. It was a</p> <p>20 noticed meeting, but it wasn't all-inclusive.</p> <p>21 So there was not a formal --</p> <p>22 COMMISSIONER BROCK: Board meeting --</p> <p>23 CHAIRMAN WALKER: -- board meeting or formal</p> <p>24 explanation of, "Here's the deal. This is the</p> <p>25 process. This is the recommendation from our team</p>	<p>Page 140</p> <p>1 At the last meeting, we discussed this in great</p> <p>2 length.</p> <p>3 The board tasked me to go back and to sit</p> <p>4 down with them and work out the nuances and</p> <p>5 differences of this deal.</p> <p>6 CHAIRMAN WALKER: Uh-huh.</p> <p>7 CEO: And I sat down with them. We worked</p> <p>8 out some things. I have a meeting, again,</p> <p>9 with them at three o'clock today.</p> <p>10 They made changes to the document.</p> <p>11 I have not reviewed the document yet, and we will</p> <p>12 have a discussion on it. But I would give an</p> <p>13 update to the board on where we are with that</p> <p>14 whole process.</p> <p>15 CHAIRMAN WALKER: So two tagalong comments to</p> <p>16 this.</p> <p>17 This tags along to our last board meeting,</p> <p>18 correct?</p> <p>19 CEO: That's correct.</p> <p>20 CHAIRMAN WALKER: I'm looking at -- I think</p> <p>21 it was in the minutes where there was serious</p> <p>22 confusion over, "Are they a developer, or are they</p> <p>23 a construction manager, or are they a project</p> <p>24 manager?"</p> <p>25 MS. HODGES: It was an internal meeting</p>

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<p>1 actually.</p> <p>2 CHAIRMAN WALKER: Internal meeting.</p> <p>3 MS. HODGES: It was not a board meeting at</p> <p>4 all.</p> <p>5 COMMISSIONER BROCK: Right.</p> <p>6 MS. HODGES: It was just a conversation</p> <p>7 with me, you, Chase Properties, Dwayne and the</p> <p>8 staff.</p> <p>9 CHAIRMAN WALKER: I thought we had a</p> <p>10 gentleman here from OGC last month reviewing it.</p> <p>11 MS. HODGES: The confusion over Chase being</p> <p>12 the lead developer --</p> <p>13 CHAIRMAN WALKER: Yes.</p> <p>14 MS. HODGES: -- that confusion was discussed</p> <p>15 in a call that you and I had with Chase and</p> <p>16 Dwayne.</p> <p>17 I think, at the board level, I don't</p> <p>18 believe the board was under any other impression</p> <p>19 than that Chase was going to be the developer,</p> <p>20 because that was what the board voted on in</p> <p>21 January.</p> <p>22 CHAIRMAN WALKER: So, yes.</p> <p>23 So, Mr. Alexander, you did put this in</p> <p>24 your report, correct?</p> <p>25 CEO: Yes.</p>	<p>1 CHAIRMAN WALKER: In the deal as a whole?</p> <p>2 COMMISSIONER HOROVITZ: Absolutely.</p> <p>3 CHAIRMAN WALKER: Yes. Understood.</p> <p>4 Any other questions or comments on this</p> <p>5 resolution?</p> <p>6 (no response)</p> <p>7 CHAIRMAN WALKER: Hearing none I'll call the</p> <p>8 question.</p> <p>9 All those in favor of JHA-22, signify by</p> <p>10 saying, "Aye."</p> <p>11 COMMISSIONER GREEN: Aye.</p> <p>12 COMMISSIONER SHOUP: Aye.</p> <p>13 COMMISSIONER BROCK: Aye.</p> <p>14 COMMISSIONER GRIGGS: Aye.</p> <p>15 COMMISSIONER HOROVITZ: Aye.</p> <p>16 CHAIRMAN WALKER: Any opposition?</p> <p>17 (no response)</p> <p>18 CHAIRMAN WALKER: Hearing none the resolution</p> <p>19 passes. Thank you very much.</p> <p>20 Tanya -- and it's Will, correct? --</p> <p>21 MR. MILFORD: Yes.</p> <p>22 CHAIRMAN WALKER: -- if you could stick</p> <p>23 around, I'm sure we're going to get into this.</p> <p>24 MR. MILFORD: Sure.</p> <p>25 MS. DEMPSEY: Yes. I'll just be off-camera</p>
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<p>1 CHAIRMAN WALKER: So what I'd like to do,</p> <p>2 if it's okay with the board, is let's address the</p> <p>3 matter in front of us, which is this intent,</p> <p>4 and then let's get into this conversation,</p> <p>5 should we choose to do so, under Mr. Alexander.</p> <p>6 So, at this point, I think I have a motion,</p> <p>7 and I have a second.</p> <p>8 Are there any further questions on the</p> <p>9 resolution, JHA-22, itself?</p> <p>10 COMMISSIONER SHOUP: I would say this should</p> <p>11 be the easiest resolution today. It doesn't bind</p> <p>12 us to anything. We can do something. We cannot</p> <p>13 do something. It just gives us an option up to a</p> <p>14 couple years down the road. This seems to be</p> <p>15 simple.</p> <p>16 CHAIRMAN WALKER: I agree.</p> <p>17 COMMISSIONER HOROVITZ: I understand that,</p> <p>18 and I agree. I just make the comment that I've</p> <p>19 heard the words, "There is no risk," but I don't</p> <p>20 understand my full risk. And that's what I</p> <p>21 want to get to.</p> <p>22 So that's important for me. This is a</p> <p>23 simple resolution. I agree, but I would like to</p> <p>24 see other risks that I could be exposing myself</p> <p>25 to.</p>	<p>1 --</p> <p>2 CHAIRMAN WALKER: Of course.</p> <p>3 MS. DEMPSEY: -- until you call me, again.</p> <p>4 CHAIRMAN WALKER: Mr. Alexander, I believe</p> <p>5 you're up next.</p> <p>6 CEO: Great.</p> <p>7 CHAIRMAN WALKER: We've got the agency update</p> <p>8 and then two updates on JWB and Chase, and then I</p> <p>9 see the construction manager comment here.</p> <p>10 So, if you'd like to go ahead and get us</p> <p>11 started, I'd be appreciative.</p> <p>12 CEO: Okay. So what I want to do is ask</p> <p>13 if anybody had any questions on the operations</p> <p>14 report that was part of the package.</p> <p>15 CHAIRMAN WALKER: No -- yes. I do.</p> <p>16 I notice that your vacant turnaround time is</p> <p>17 still coming down, which is great --</p> <p>18 CEO: Yes --</p> <p>19 CHAIRMAN WALKER: -- but we're still above</p> <p>20 that ten-day threshold.</p> <p>21 CEO: -- yes. So we're from borderline</p> <p>22 D and F up to a B-plus, A-minus status. So we are</p> <p>23 at 10.36 days, and anything ten days or less would</p> <p>24 be a Straight A for the work orders.</p> <p>25 I'll just go through the high-level work</p>

<p style="text-align: right;">Page 145</p> <p>1 orders. We've done over 2500 work orders. 2 Rent collection was at a little bit less than 3 95 percent, and, we've done all the inspections, 4 the research, unit turnaround. All of those 5 things are in line. UPCS inspections average 6 83 percent. 7 In terms of Section 8, our utilization and 8 the VASH Program just went up slightly. 9 It was up to 77 percent. The VO Program is 10 96 percent. The FUP Program is at 92 percent, 11 and the Emergency Housing Voucher Program is at 12 99 percent. And the Mainstream Program is at 13 100 percent. 14 So all the programs are functioning good, 15 and public housing and Section 8 are doing 16 extremely well. 17 CHAIRMAN WALKER: Thank you. 18 And I know at the last meeting we discussed 19 this, as well, but I still see 135 VASH vouchers 20 outstanding, which hasn't moved the needle at all 21 -- 22 CEO: Just a hair -- 23 CHAIRMAN WALKER: -- just a hair. 24 CEO: -- yes. 25 CHAIRMAN WALKER: Have we made any progress</p>	<p style="text-align: right;">Page 147</p> <p>1 CHAIRMAN WALKER: That's fantastic. 2 Anything to help move that ahead. 3 And then my last one, if I can find it. 4 I marked it, and, if anybody else has any 5 comments, please let me know. 6 Where was it? 7 Yes. 8 Am I seeing -- so the first quarter ended 9 December '22, which is -- and then first quarter 10 ended '23. I'm sorry. I'm on Page 1 of your rent 11 collections, Mr. Alexander. 12 CEO: Yes. 13 CHAIRMAN WALKER: So we've gone from a 14 -- my word -- "delinquency," of 12.79 down to a 15 5-percent delinquency? 16 CEO: That's correct. 17 CHAIRMAN WALKER: And, where is the target 18 delinquency? 19 3? 20 Sub 3? 21 CEO: Well, typically, it's usually around 22 95 percent, but we like to be at -- we always like 23 to be at 100 percent. But, in the past, we were 24 consistent with 88 -- maybe 98 to 99 percent. 25 CHAIRMAN WALKER: Yes.</p>
<p style="text-align: right;">Page 146</p> <p>1 whatsoever with the VA? 2 CEO: Yes. We're still talking to them, 3 and things seem to be working out. We have some 4 other options that may be coming down the pike. 5 It's not as fast as I would anticipate them 6 to be, but it is some movement somewhere there -- 7 CHAIRMAN WALKER: Yes. 8 CEO: -- as long as the numbers are not going 9 backwards. But we do have 135. Any time we get 10 over 100, I'm always concerned about it. 11 CHAIRMAN WALKER: Yes. I mean the voucher 12 utilization is at 77 percent. 13 CEO: Yes. 14 CHAIRMAN WALKER: It's just not -- realizing 15 this has less to do with our team and more to do 16 with external parties, that's not an acceptable 17 metric. 18 COMMISSIONER SHOUP: I would add on that. 19 I guess now Councilman Elect Chris Miller, 20 who is Congressman Rutherford's District Director 21 -- I've had him in contact with Ms. Dunn and 22 Mr. Alexander and staff, and he has committed 23 Congressman Rutherford's office to anything they 24 can do to push the VA to do what it should be 25 doing.</p>	<p style="text-align: right;">Page 148</p> <p>1 I was going to say I went back and looked, 2 and usually we were running around sub 3-percent 3 delinquency rate. 4 CEO: And I think Ms. Dunn and her team 5 over there are doing an excellent job. 6 CHAIRMAN WALKER: Clearly. 7 CEO: But, typically, we know the trends in 8 our developments, and, typically, in May and in 9 September of every year -- May and August of every 10 year, we often see these trends where May is 11 normally prom time and graduation time. And then 12 August, September, is back to school time. 13 So we see some challenges around these 14 periods in collecting rent, but the occupancy is 15 up at 99 percent. But, overall, the program is 16 doing good. 17 CHAIRMAN WALKER: Awesome. 18 And then any other questions? 19 I have one more. I'm finding more questions. 20 Last month I think we discussed -- or at some 21 point we discussed doing RFQs for new banking 22 relationships to see if there are better financial 23 opportunities. 24 I didn't see it on the active -- on an active 25 solicitation.</p>

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<p>1 Has that gone out? 2 CEO: No, it has not gone out yet. 3 Am I correct? 4 MS. ORSINI: It hasn't gone out yet. 5 CEO: We pulled down some RFPs and 6 RFQs from another housing authority. 7 I think we pulled Denver; is that correct? 8 MS. ORSINI: Yes. 9 CEO: And a couple of other housing 10 authorities to make sure we had the language 11 correct, and Michael and Colene were working on 12 that. So you can see that any day now, 13 but we have not started that process. 14 CHAIRMAN WALKER: Will the procurement -- 15 and this may be too specific, but I'm just 16 curious. 17 Will the procurement call for, you know, 18 a financing line of credit or something so we 19 don't have to deploy cash? 20 CEO: Yes, yes, yes. 21 CHAIRMAN WALKER: Okay. Those were my only 22 questions on the operation report. 23 Any other questions? 24 COMMISSIONER HOROVITZ: I just see that the 25 -- we're having kind of a gap here in the budget</p>	<p>1 to reach out to third parties, or do they have to 2 go through a -- 3 MS. ORSINI: It has to -- 4 CHAIRMAN WALKER: I think it's a procurement 5 -- 6 MS. ORSINI: -- yes. Especially for the 7 amount, because, in the State of Florida, 8 anything over 35,000 has to be publicly listed. 9 COMMISSIONER HOROVITZ: Do we have a strategy 10 to get more bids, or is this the best -- 11 MS. ORSINI: We put it out, again. This was 12 the second time we put it out. We haven't awarded 13 it yet. 14 COMMISSIONER HOROVITZ: Yes. 15 MS. ORSINI: So we're looking at options 16 with our capital fund on how we can do that. 17 COMMISSIONER HOROVITZ: Okay. 18 CHAIRMAN WALKER: Any other questions? 19 COMMISSIONER GRIGGS: I do. 20 CHAIRMAN WALKER: Commissioner Griggs. 21 COMMISSIONER GRIGGS: Thank you, Mr. Chair. 22 I do have a question for Mr. Alexander. 23 It doesn't have anything to do with his report. 24 But, in looking through the report, 25 it kind of triggered my -- this thought process,</p>
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<p>1 for window replacement across the properties -- 2 that we're getting bids that are much higher than 3 we planned; is that right? 4 MS. ORSINI: (nodded head affirmatively) 5 COMMISSIONER HOROVITZ: How are we helping 6 to improve that? 7 Is there an RFP out? 8 What's the goal there? 9 It looks like we could -- are we like bidding 10 them as one project? 11 Like these are huge variances. 12 MS. ORSINI: I'm not sure what you're asking. 13 COMMISSIONER HOROVITZ: So my question is, 14 do we have an RFP out for the entire ask? 15 It looks like three properties need windows, 16 and it's coming in at 2 1/2 million total. 17 Is that one company that we're getting it 18 from? 19 MS. ORSINI: Yes. It was just one company. 20 It was like 1.5 million. 21 COMMISSIONER HOROVITZ: Yes. 22 MS. ORSINI: But it was put out for bid 23 all together, all three properties were put out on 24 the same bid. 25 COMMISSIONER HOROVITZ: Are we not allowed</p>	<p>1 and I didn't know -- we probably -- we probably 2 do. 3 But, do we have a customer service -- 4 do we deploy a customer service survey for our 5 tenants as well as our vendors? 6 If so, how often do we do that? 7 CEO: So, no, we have not. But I think we 8 have just shopped someone, as far as -- 9 we procure shopping for customer service to be 10 able to take -- 11 MS. ORSINI: I thought our website has that. 12 CEO: -- the website has it? 13 MS. ORSINI: Yes, the website has it. 14 COMMISSIONER GRIGGS: So, do we get 15 a report or some type of tabulation on how we're 16 doing with customer service for our tenants and 17 vendors? 18 CEO: No. I have not seen one. 19 COMMISSIONER GRIGGS: Would you consider 20 maybe perhaps doing something a little more 21 formal, like an annual or biannual customer 22 service survey that the board could maybe 23 evaluate? 24 CEO: For sure. 25 CHAIRMAN WALKER: I could have swore --</p>

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<p>1 I'm thinking back to Commissioner Phillips when 2 she was here.</p> <p>3 I could have swore we've seen something to 4 this effect, like a summary of comments 5 or a summary of comments received from -- 6 I don't know if it's Rent Cafe or whatever it's 7 called.</p> <p>8 MS. DUNN: Brooks Jeffrey.</p> <p>9 CHAIRMAN WALKER: What is it?</p> <p>10 MS. DUNN: Brooks Jeffrey, the website.</p> <p>11 CHAIRMAN WALKER: Yes. I could have swore 12 we've --</p> <p>13 COURT REPORTER: I didn't hear what that was. 14 I'm sorry.</p> <p>15 CHAIRMAN WALKER: -- the Brooks Jeffrey 16 website.</p> <p>17 COURT REPORTER: Thank you.</p> <p>18 CHAIRMAN WALKER: I could have swore that 19 I've seen something to this effect.</p> <p>20 So, if we can maybe dive back in and look. 21 It's been a while, as you bring it up, 22 Commissioner Griggs.</p> <p>23 I haven't seen it recently, but I remember 24 seeing comments or some scaling like 1 to 5 at 25 some point. It's probably been a while.</p>	<p>1 1 percent of our close to 8,000 vouchers in that 2 specific area.</p> <p>3 But the units are great. So now that brings 4 our number up to 28 houses that we closed on 5 looking at the small area fair rents.</p> <p>6 The rents come back for four bedrooms on the 7 Section 8 Program at about \$2400. I think it was 8 \$2,440, and you have to minus out the utilities. 9 So it's probably \$2100 a month on that if you use 10 a Section 8 voucher.</p> <p>11 So we thought that was an excellent deal. 12 We're looking at these additional units that we 13 have out there. We have a list of about eight 14 units we're looking at, and we're still sorting 15 through them.</p> <p>16 And I mentioned before that we don't have -- 17 or we're not taking any units with any wells or 18 septic tanks or anymore HOAs.</p> <p>19 Also, after the last meeting with the board, 20 I sat down with Chase and had a discussion with 21 Chase.</p> <p>22 COMMISSIONER GREEN: Can you just -- 23 CHAIRMAN WALKER: Yes. 24 CEO: Oh, I'm sorry. 25 CHAIRMAN WALKER: Yes. Let's go back,</p>
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<p>1 COMMISSIONER BROCK: I don't remember.</p> <p>2 COMMISSIONER GRIGGS: Yes, just --</p> <p>3 CHAIRMAN WALKER: Something.</p> <p>4 COMMISSIONER GRIGGS: -- we kind of get lost 5 in the policy stuff around here at this table. 6 It would be -- I think it would be useful for 7 us to know how we're doing on the ground.</p> <p>8 CHAIRMAN WALKER: Agreed.</p> <p>9 Any other questions on the Asset Management 10 Report? Agency Updates? 11 (no response)</p> <p>12 CHAIRMAN WALKER: Okay. Mr. Alexander, 13 do you want to move on to JWB, please?</p> <p>14 CEO: Yes. Thank you, Commissioner.</p> <p>15 So, on Tuesday, we actually closed on 16 eight more units. Okay. Yeah. On Tuesday, 17 we closed on eight more units.</p> <p>18 These units that we closed on were all 19 four bedrooms, two baths. Most of them had 20 two-car garages. They were in the 32221 ZIP Code.</p> <p>21 When we went back to look at the numbers in 22 that specific ZIP Code, we had less than 1 percent 23 of our vouchers in that specific neighborhood.</p> <p>24 So I think it was like 1.9 -- .92 or 25 something like that. So we had less than</p>	<p>1 because I have comments and questions.</p> <p>2 COMMISSIONER HOROVITZ: Yes.</p> <p>3 CHAIRMAN WALKER: So Commissioner Green 4 first.</p> <p>5 COMMISSIONER GREEN: I have a few questions. 6 You can go first.</p> <p>7 CHAIRMAN WALKER: So I want to elaborate on 8 the meeting that we did have when Tanya was here. 9 I learned some fascinating points.</p> <p>10 One of which -- and, if we can bring Tanya 11 back up -- Mr. Alexander can explain this -- 12 I had no idea this was a thing.</p> <p>13 MS. DEMPSEY: I'm back.</p> <p>14 CHAIRMAN WALKER: Apparently, on these homes, 15 there's a way where we can -- correct me if I'm 16 wrong, Tanya and/or Mr. Alexander.</p> <p>17 When we buy these homes ... 18 She's smiling, because she knows what I'm 19 going with here (referred to Ms. Dempsey).</p> <p>20 MS. DEMPSEY: I do.</p> <p>21 CHAIRMAN WALKER: You can turn around and 22 sell them to the tenant. So we get reimbursed our 23 cash, and then the voucher pays for the mortgage. 24 And we still get residual, correct? 25 Well, you get your cash back.</p>

<p style="text-align: right;">Page 157</p> <p>1 MS. DEMPSEY: I mean the way that it would 2 work, right, is that the Section 8 Program has a 3 homeownership program, where they, you know, 4 pay the mortgage, and the mortgage is actually 5 paid through the HAP contract. 6 And so, you know, we would figure out how to 7 size the mortgage to make sure the HAP, right, 8 makes sense, but that's actually how you receive 9 your upfront cash back. 10 Right? 11 And, because you bought these properties, 12 relatively they'll cost -- I think it's like 13 210- a door or something, and, you know, if they 14 -- if their income and the HAP can support, 15 you know, 300,000, your mortgage could be 300,000, 16 right? 17 And then what would happen is, yes, you would 18 be able to get your money back, and, because you 19 own them, you know, you're still, you know ... 20 Well, if they -- if we're doing a full 21 homeownership, then you're transferring everything 22 to them. So I don't know that you'll get residual 23 receipts from that. 24 The way that you would get residual receipts 25 is that there's like some underlying kind of</p>	<p style="text-align: right;">Page 159</p> <p>1 allows a family to pay rent. 2 We own the property or somebody else owns the 3 property, and they pay rent. 4 By buying these homes, we can convert that 5 voucher -- essentially, it's still a voucher -- 6 but, instead of paying rent, it will pay the 7 mortgage for them, which means they're paying down 8 principal at some degree, gaining equity in the 9 home. 10 And, since we own these homes, we actually 11 sell it to them. A bank will give them the 12 mortgage, because it's backed by a voucher. 13 We get our cash back. I love this. This is 14 fascinating. 15 We get our cash back -- maybe make a return 16 on it -- 3, 5, 7 percent -- and can just keep 17 recycling the same program using the vouchers to 18 promote homeownership for these tenants. 19 So it's an upward mobility as opposed to 20 being -- "stuck," isn't the right word, 21 but kind of pigeonholed into having to be a 22 voucher at a rental property. 23 We can actually convert these in a way and 24 such that we're recycling our same cash, 25 but promoting actual homeownership,</p>
<p style="text-align: right;">Page 158</p> <p>1 ground lease, right, where they would be making 2 some payment back to you. 3 But I don't think that that would be an 4 advisable structure if we're really trying to 5 promote equity in these communities and 6 increasing, right, essentially upward mobility 7 with the families who live in these neighborhoods. 8 I mean I kind of love that Mr. Alexander just 9 gave kind of -- "We don't have any vouchers in 10 these areas, and they're desirable neighborhoods." 11 That's how I interpret that, and, 12 as a result, if we're able to have, you know, 13 families that are, you know, eligible for the 14 voucher to be a homeowner, that's a good thing, 15 right? 16 That's a really good story, and, you know, 17 you could sell them either at cost or above cost 18 depending on, you know, how that market is. 19 And there's benefit assuming there's going to be 20 some attrition. You're actually building wealth 21 for the family who lives there, too. 22 CHAIRMAN WALKER: So this is what I found 23 fascinating about this program. I had no idea. 24 So I dumbed it down in my notes, which is, 25 right now we have a voucher that essentially</p>	<p style="text-align: right;">Page 160</p> <p>1 getting, you know, people into homes to take 2 pride in homeownership. 3 So I'm just really excited about this 4 program. 5 COMMISSIONER GREEN: They have to qualify for 6 the mortgage, though, right? 7 COMMISSIONER BROCK: Yes. 8 MS. DEMPSEY: Yes. They have to qualify 9 for the mortgage. They have to go through a 10 mortgage training. There is like very specific 11 criteria -- 12 CHAIRMAN WALKER: Yes. 13 MS. DEMPSEY: -- in order to be eligible, 14 because we want them to be successful. 15 It's not just about, you know, kind of the 16 financial aspect. It's actually much more, 17 like credit counseling and trying to make sure 18 that they can, right -- they can be a homeowner 19 and all that kind of entails. 20 CHAIRMAN WALKER: Commissioner Brock, 21 Commissioner Griggs and then Commissioner 22 Horovitz. 23 COMMISSIONER BROCK: But they have to go 24 through our program -- 25 CHAIRMAN WALKER: Yes --</p>

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<p>1 COMMISSIONER BROCK: -- that's up under 2 Resident Services, which is the FSS Program. 3 In order to be able to convert that voucher to a 4 homeowner, they have to go through that program. 5 CHAIRMAN WALKER: -- which I think is key 6 here, which is we're graduating people through 7 that program now. 8 COMMISSIONER BROCK: Uh-huh. 9 CHAIRMAN WALKER: But now we can offer them 10 the next step, which is -- as before, 11 it's like, "Congratulations. You've graduated 12 from the program. Good luck finding a house that 13 you can actually afford with this voucher that you 14 can buy." 15 Now we have the inventories, and we're able 16 to set the market for those tenants to be able 17 to graduate from that program and be able to 18 move into true homeownership. 19 I forget which way I went, but Commissioner 20 Griggs and then Commissioner Green. 21 COMMISSIONER HOROVITZ: And -- 22 CHAIRMAN WALKER: And then Commissioner 23 Horovitz. I apologize. I'm making it up here, 24 folks. 25 COMMISSIONER GRIGGS: Thank you,</p>	<p>1 COMMISSIONER GRIGGS: Yes. 2 But that doesn't sound like an incentive to 3 move off of the program. I mean, if I could have 4 -- 5 MS. DEMPSEY: Well, in terms of this -- 6 I'm sorry. 7 COMMISSIONER GRIGGS: -- I was just going to 8 say, "If you're going to pay my mortgage for 9 15 years, I'm never going to move." 10 MS. DEMPSEY: Well, you own it, right? 11 COMMISSIONER BROCK: You're buying it. 12 COMMISSIONER GRIGGS: Right. But, even -- 13 MS. DEMPSEY: You're buying it. 14 COMMISSIONER GRIGGS: -- you're buying it, 15 but still someone else is paying for it. So there 16 has to be some type of incentive for them to 17 take true ownership of the property versus having 18 someone else pay for it. 19 Otherwise, someone else doesn't get a 20 chance to use the program. 21 COMMISSIONER HOROVITZ: Yes. I'll go. 22 This is actually my world. This is my day 23 job, and I think this is fantastic. 24 COMMISSIONER GRIGGS: I do, too. 25 COMMISSIONER HOROVITZ: I'm sorry. Yes.</p>
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<p>1 Mr. Chairman. 2 I guess the obvious question would be, 3 once they become homeowners and the voucher 4 continues to pay, when would they graduate from 5 the voucher program? 6 CHAIRMAN WALKER: Great question. 7 Mr. Alexander? 8 CEO: Typically, the voucher will pay for 9 about 15 years. 10 COMMISSIONER GRIGGS: So, at that point, 11 what would be the incentive for the person to 12 move off of the voucher program so someone else 13 can use it? 14 CHAIRMAN WALKER: I'm glad you asked. 15 Because what you can do -- correct me if 16 I'm wrong, Tanya and Mr. Alexander -- 17 you can restrict it such that, you know, 18 a deed restriction or something that says, 19 "Hey, look. Once you've hit certain levels, 20 you have to move on. Pay off the mortgage, 21 take your equity," or other things, 22 or restrict certain properties to only be able 23 to do this so it can't be sold and converted to a 24 market property. 25 Does that make sense?</p>	<p>1 But we are -- this is a conversation probably 2 to have a year from now. I think, when you talk 3 about getting mortgage ready, it's not just going 4 through a resident program. 5 It's preparing credit. It's all this other 6 stuff that you have to go through. 7 COMMISSIONER BROCK: Right. 8 COMMISSIONER HOROVITZ: And I work for a 9 credit union, and we are completely committed to 10 getting members of the community homeowner ready. 11 And, obviously, we don't need to talk about 12 the importance of having an asset and building 13 generational wealth, but this is preaching to the 14 choir here. 15 A land -- deed restrictions, a land trust, 16 all of those different types of models are a great 17 way to maintain affordability for the property and 18 perpetuity. 19 Those are all great things that we should 20 explore as a housing authority, but, looking at 21 the JWB Properties in the short-term is 22 unrealistic for us to get our residents 23 home ready and homeownership ready in the 24 short-term. 25 So, in my opinion, I think we should explore</p>

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<p>1 this. I would be happy to lead a committee to 2 look at this kind of model, but I don't think 3 that that's something that we need to be 4 exploring in the short-term in my opinion. 5 CHAIRMAN WALKER: So, Commissioner Green. 6 COMMISSIONER GREEN: No questions. 7 CHAIRMAN WALKER: Well, wait a minute. 8 COMMISSIONER GREEN: It's just more on how 9 the program works, but I can find that out later. 10 CHAIRMAN WALKER: Yes. 11 COMMISSIONER BROCK: Mr. Chair -- 12 CHAIRMAN WALKER: Commissioner Brock. 13 Then Commissioner Griggs. 14 COMMISSIONER BROCK: -- but Commissioner 15 Heather is exactly right about the credit and all 16 of that. They do all of that to get them ready. 17 And, like you say, it's not something 18 that's going to happen in three months, 19 two months. It is a period. You know, it's a 20 time frame. 21 COMMISSIONER HOROVITZ: I know. Yes. 22 COMMISSIONER BROCK: Yes. 23 COMMISSIONER HOROVITZ: We work with the 24 Habijax very closely, and it takes months 25 to get people ready.</p>	<p>1 what was the original intention of buying these 2 properties, getting our residents into these homes 3 into these ZIP Codes and not looking at it from 4 any other financial benefit to the organization. 5 CEO: So -- 6 COMMISSIONER GRIGGS: And then -- 7 go ahead, Mr. Alexander. 8 CEO: -- so that's what we do. We just 9 purchase them for those specifics needs. 10 We have a full program underneath the 11 FSS Program where they have to go through the 12 whole process before they even get to the process 13 of owning a home. 14 So we -- I mean we've been -- our residents 15 have been purchasing homes every year since I've 16 been here. They go through the whole entire 17 process. 18 So we understand what the credit unions 19 -- and getting them credit ready going through the 20 process. So our focus is purchasing them, 21 but I know you were looking at it from the 22 perspective that you didn't know. 23 CHAIRMAN WALKER: Well, I think, 24 Commissioner, to your point, maybe the broader 25 conversation here is, "If we are going to --"</p>
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<p>1 COMMISSIONER BROCK: Exactly. 2 COMMISSIONER HOROVITZ: Absolutely. 3 That is the goal, and we should look at that 4 as a housing authority playing that role in our 5 residents' financial lives. 6 And that's something I'm very passionate 7 about, but I don't think that's something that we 8 need to be exploring today. 9 CHAIRMAN WALKER: So I want to make sure -- 10 I didn't mean to imply that this is something that 11 we should do today. 12 What I'm implying is it's a program that 13 I didn't realize we could convert to. 14 Today -- correct me if I'm wrong, 15 Mr. Alexander, these are just standard voucher 16 rental projects. 17 CEO: That's correct. 18 COMMISSIONER HOROVITZ: I think that's 19 terrific, but I also don't want us to get 20 into the position where we're looking at putting 21 these residents into these homes that -- 22 "Oh, this person might be more homeowner ready. 23 So they're going to get priority, because we get 24 these assets off our books." 25 But I really want us to be thinking about</p>	<p>1 quote/unquote "-- look at this and we buy the 2 assets and resell them, there should be an actual 3 intentional purpose around the selection of those 4 with the understanding that's what we're going to 5 do," not taking what we've already decided to 6 buy and decide to convert them to this program. 7 Is that a fair -- 8 COMMISSIONER HOROVITZ: I'm open to -- 9 I think that's something that we should definitely 10 explore. It would be a way for us to get more 11 inventory -- kind of like revolving funds -- 12 that we can continue to get more people into 13 homes. 14 CHAIRMAN WALKER: Yes. Because I have 15 questions around this, and this is where -- 16 again, this is something that -- and maybe this 17 already exists. 18 But this is a new world to me in the sense 19 like, it's great we get them in a home, 20 but then a major repair needs to be done. 21 How do you do it? 22 There's got to be some other policies 23 or procedures or grants or something that -- 24 you know, we've got to be prepared to assist. 25 Because it's one thing to put somebody in a</p>

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<p>1 home. It's a different conversation to be able to 2 afford to maintain that.</p> <p>3 COMMISSIONER HOROVITZ: Right. And that's 4 each credit union, again, but it's important, 5 when you get someone into a home they own when 6 they've never seen or experienced homeownership, 7 that they understand the costs of maintaining a 8 home.</p> <p>9 CHAIRMAN WALKER: Uh-huh.</p> <p>10 COMMISSIONER HOROVITZ: So there's much more 11 to the conversation that we need to be thinking 12 through.</p> <p>13 COMMISSIONER GRIGGS: And, Mr. Chairman, 14 I'm stuck on the generational wealth piece, 15 because, if someone is paying for a property -- 16 when they're paying for the property, 17 it's different than when someone else is paying it 18 for them.</p> <p>19 CHAIRMAN WALKER: Uh-huh.</p> <p>20 COMMISSIONER GRIGGS: So I'm not saying 21 that I'm not for the program paying for, you know, 22 the mortgage in this case, but there has to be 23 some skin in the game.</p> <p>24 Because, if there there isn't, then, 25 you know, it doesn't really feel like it's their</p>	<p>1 we would pick up the costs -- of the entire costs 2 of the house when that person lose their job.</p> <p>3 But it will be calculated on their income 4 when they go -- like the Commissioner said, 5 when they go to be approved and all of that stuff, 6 all of that is going to be calculated, 7 because they are going to look at all of that.</p> <p>8 They are going to look at their income. 9 They look at all that before they can switch 10 that voucher over to homeownership.</p> <p>11 CHAIRMAN WALKER: So -- and, again, I want 12 to apologize to the board. I took us down a 13 rabbit hole that I did not intend to take us down.</p> <p>14 COMMISSIONER HOROVITZ: I'm sorry. 15 You were so excited.</p> <p>16 CHAIRMAN WALKER: I was so excited. 17 I'm no longer excited. No. I'm still very 18 excited.</p> <p>19 But the point being is I guess I had always 20 envisioned being able to buy and looking at buying 21 an asset like JWB's homes at a discount which 22 would allow us to, you know, add more units.</p> <p>23 I failed to recognize that there's other 24 opportunities to do more with them. 25 So my point was to bring it to the board to</p>
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<p>1 home.</p> <p>2 CHAIRMAN WALKER: Yes.</p> <p>3 COMMISSIONER GRIGGS: And, over time, 4 you may be paying for their property -- 5 meaning we may be paying for the property, 6 but, at some particular point, it may not be worth 7 as much as they think it is when their time 8 comes.</p> <p>9 Or, if they want to sell it and move on to 10 something else, they still would be in the same 11 position as they were before but without the 12 program.</p> <p>13 CHAIRMAN WALKER: Uh-huh. 14 Commissioner Brock.</p> <p>15 COMMISSIONER BROCK: But, Commissioner 16 Griggs, under the program for the voucher, 17 who converts that voucher to a homeowner -- 18 it's calculated the same way it is when we give a 19 voucher.</p> <p>20 So they are going to be -- the person who is 21 going to purchase that home still has got to pay 22 -- has got obligations to pay something if that's 23 the calculations on that voucher.</p> <p>24 Only when that person lose they job that are 25 in homeownership -- lose their job -- that then</p>	<p>1 say -- you know, and this was something Tanya and 2 Dwayne brought to my attention -- I'm excited to 3 have them working together.</p> <p>4 Because I think there's an opportunity for us 5 to understand different structures that I may not 6 be aware of, or you may not, or other people may 7 not be aware of.</p> <p>8 So I'm happy to continue this conversation. 9 I certainly did not mean to take us down this 10 rabbit hole.</p> <p>11 COMMISSIONER GREEN: I have a question. 12 CHAIRMAN WALKER: Now you have a question, 13 Commissioner Green. Now you have questions.</p> <p>14 COMMISSIONER GREEN: But they're not 15 bond-related. This is regarding the JWB houses.</p> <p>16 I remember they were supposed to appraise 17 for 250- -- the first ones, right? 18 Then we had our appraisal of 242- or 241-. 19 What did these come back at? 20 CEO: These came back at I think about 270-. 21 COMMISSIONER GREEN: Oh, wow. 22 CEO: Right. 23 COMMISSIONER GREEN: And these are brand new 24 homes? 25 CEO: Yes. Brand new homes, four bedrooms</p>

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<p>1 and two baths.</p> <p>2 COMMISSIONER GREEN: Perfect.</p> <p>3 And you mentioned we don't accept houses</p> <p>4 on septic.</p> <p>5 So all of the houses we're getting from</p> <p>6 JWB are on city sewer and water?</p> <p>7 CEO: Yes. We made sure. We had the first</p> <p>8 couple ones we saw that did have some with</p> <p>9 septic tanks or were in HOAs. We know how</p> <p>10 complicated it could be.</p> <p>11 I mean it was all brand new. We understood</p> <p>12 that it was functioning, but, for long-term,</p> <p>13 we knew it would probably be taxing on us as far</p> <p>14 as maintenance.</p> <p>15 So we agreed not to accept any of those</p> <p>16 properties, which cut their numbers down that had</p> <p>17 either wells or septic tanks or HOAs.</p> <p>18 COMMISSIONER GREEN: If they appraise for</p> <p>19 270-, what did we purchase them at -- those eight</p> <p>20 houses?</p> <p>21 CEO: I think totally we got about \$5,000 --</p> <p>22 the appraisals -- these properties were \$5,000</p> <p>23 less than what the appraisals were.</p> <p>24 COMMISSIONER GREEN: Okay. And so we're at a</p> <p>25 total of 28.</p>	<p>1 the game by making sure that rent is paid or</p> <p>2 that mortgage is paid.</p> <p>3 CHAIRMAN WALKER: Commissioner Brock.</p> <p>4 COMMISSIONER BROCK: Mr. Chair to</p> <p>5 Mr. Alexander.</p> <p>6 What ZIP Code did you say our eight houses</p> <p>7 are in?</p> <p>8 CEO: 32221.</p> <p>9 COMMISSIONER BROCK: Oh, okay.</p> <p>10 CEO: Yes.</p> <p>11 COMMISSIONER SHOUP: 32221.</p> <p>12 CEO: 32221. Right.</p> <p>13 COMMISSIONER BROCK: Oh, 32221.</p> <p>14 CEO: Yes.</p> <p>15 COMMISSIONER BROCK: -21. Okay.</p> <p>16 CEO: Yes, -21.</p> <p>17 COMMISSIONER BROCK: Okay.</p> <p>18 CHAIRMAN WALKER: Any other questions on</p> <p>19 the JWB matter?</p> <p>20 COMMISSIONER HOROVITZ: I just have a general</p> <p>21 question about this whole category we're</p> <p>22 discussing.</p> <p>23 When we created the Acquisition Committee,</p> <p>24 what was the intent there?</p> <p>25 CHAIRMAN WALKER: Yes. The intent was --</p>
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<p>1 CEO: Yes.</p> <p>2 COMMISSIONER GREEN: Our agreement was 50.</p> <p>3 CEO: Yes.</p> <p>4 COMMISSIONER GREEN: So 22 more to go.</p> <p>5 CEO: Yes. We have a couple more. We have a</p> <p>6 list of I think it's 80 units on there that we're</p> <p>7 actually looking through now for some of the ones</p> <p>8 that meet our requirements.</p> <p>9 And I would just add, because no one said</p> <p>10 it, when these folks get on these programs</p> <p>11 with this homeownership, it's not like they are on</p> <p>12 a regular Section 8 voucher.</p> <p>13 Once they earn a certain income,</p> <p>14 they normally have to transition off the program</p> <p>15 at about six months.</p> <p>16 Public housing is usually about three years,</p> <p>17 and they are off the program.</p> <p>18 And, when you get to homeownership,</p> <p>19 once you step out there and you're in that</p> <p>20 homeownership, typically, the housing authority</p> <p>21 will subsidize them up to 15 years.</p> <p>22 But, if they default and are not paying the</p> <p>23 rent, then they'll lose the home.</p> <p>24 COMMISSIONER BROCK: That's right.</p> <p>25 CEO: So they have to have some skin in</p>	<p>1 that's a great question.</p> <p>2 The intent was that projects that the housing</p> <p>3 authority wanted to do the Acquisition Committee</p> <p>4 would review before it gets to the full board.</p> <p>5 What we're coming to realize is, even though</p> <p>6 a couple of those projects had gone through that</p> <p>7 process, when they get to the full board, it's the</p> <p>8 same -- it's repetitious. It's the same questions</p> <p>9 that we answered at the Acquisition Committee.</p> <p>10 So, fundamentally, I think what I'm going to</p> <p>11 do is have more of these brought to the full board</p> <p>12 to vet, just because we all have very similar</p> <p>13 questions and comments. So we don't have to do</p> <p>14 that.</p> <p>15 So the Acquisition Committee is essentially</p> <p>16 going to be defunct. I mean it's an ad hoc</p> <p>17 committee. We just don't have to renew it.</p> <p>18 We don't have to use it. We can just direct that</p> <p>19 these things be brought to the full board,</p> <p>20 which I think is preferable, so we can all talk</p> <p>21 openly together about it.</p> <p>22 COMMISSIONER HOROVITZ: Yes. I agree.</p> <p>23 And, just on these homes, is it worth</p> <p>24 discussing them before we purchase them?</p> <p>25 If we're going to be looking at 22 more</p>

<p style="text-align: right;">Page 177</p> <p>1 homes, is it not possible to get a look at them?</p> <p>2 CHAIRMAN WALKER: So I think what we did is,</p> <p>3 when we approved this, what we did is we said,</p> <p>4 "Mr. Alexander, we're authorizing you to buy up to</p> <p>5 50 homes. Here is your cap on the amount you</p> <p>6 can spend."</p> <p>7 We said, "That is policy. You implement it.</p> <p>8 You look at the ZIP Codes. You figure out where</p> <p>9 you need to put them."</p> <p>10 So it's that balance between trying to do --</p> <p>11 how involved are we versus setting policy and</p> <p>12 letting them execute the policy.</p> <p>13 COMMISSIONER HOROVITZ: Yes. Okay.</p> <p>14 COMMISSIONER GRIGGS: I do like the idea of a</p> <p>15 field trip, though.</p> <p>16 CHAIRMAN WALKER: That would actually be</p> <p>17 pretty cool to go see some of these houses.</p> <p>18 I'm still fascinated they can build them for</p> <p>19 210- to \$240,000. That's fascinating.</p> <p>20 COMMISSIONER SHOUP: I wouldn't disagree.</p> <p>21 It would be fun to go on Friday afternoon and have</p> <p>22 a field trip and see a sample, but I do think we</p> <p>23 do not need to get into, as a board,</p> <p>24 the determination of, "We're buying this house."</p> <p>25 "We're buying that house." "We're not buying this</p>	<p style="text-align: right;">Page 179</p> <p>1 Brock.</p> <p>2 COMMISSIONER BROCK: They were supposed to be</p> <p>3 scattered into various ZIP Codes. It wasn't</p> <p>4 supposed to be one particular ZIP Code.</p> <p>5 COMMISSIONER HOROVITZ: Uh-huh.</p> <p>6 COMMISSIONER BROCK: And I think our first</p> <p>7 group of houses that we did -- they were in</p> <p>8 several different ZIP Codes.</p> <p>9 Am I correct, Mr. Alexander?</p> <p>10 CEO: Yes. We make sure that they --</p> <p>11 COMMISSIONER HOROVITZ: Yes. Good.</p> <p>12 And I don't need to be involved in the day-to-day,</p> <p>13 but I do want us to achieve what we said that we</p> <p>14 were going to do first --</p> <p>15 CHAIRMAN WALKER: Uh-huh.</p> <p>16 COMMISSIONER HOROVITZ: -- and that they</p> <p>17 deliver on what they said they were going to when</p> <p>18 we agreed to partner with them.</p> <p>19 CHAIRMAN WALKER: Commissioner Shoup.</p> <p>20 COMMISSIONER SHOUP: I was going to say</p> <p>21 I think -- I thought we -- I think, even in</p> <p>22 putting them in 32221, that's a large geographic</p> <p>23 ZIP Code, and I think it's actually good that</p> <p>24 we're putting some houses over there.</p> <p>25 Because that's a very booming part of the</p>
<p style="text-align: right;">Page 178</p> <p>1 house."</p> <p>2 We kind of set some general parameters and</p> <p>3 some guardrails, and we need to make sure we stay</p> <p>4 out of the operation.</p> <p>5 COMMISSIONER HOROVITZ: I actually meant</p> <p>6 just pictures, guys.</p> <p>7 CHAIRMAN WALKER: Commissioner, you are more</p> <p>8 than welcome to walk the units.</p> <p>9 COMMISSIONER HOROVITZ: We did say no sewer</p> <p>10 and septic, right?</p> <p>11 CEO: Yes.</p> <p>12 COMMISSIONER HOROVITZ: And I know we're not</p> <p>13 -- that very first presentation from JWB --</p> <p>14 we were looking at certain ZIP Codes. In the end,</p> <p>15 they all were here.</p> <p>16 So I don't think we put any real restrictions</p> <p>17 on -- "We've got to scatter them."</p> <p>18 And I would just hate, at the end of this,</p> <p>19 we've got 50 houses in 32221.</p> <p>20 CHAIRMAN WALKER: No. I --</p> <p>21 COMMISSIONER BROCK: They were supposed to --</p> <p>22 CHAIRMAN WALKER: -- Commissioner Brock,</p> <p>23 and then Commissioner Shoup.</p> <p>24 COMMISSIONER BROCK: I'm sorry. I'm sorry.</p> <p>25 CHAIRMAN WALKER: Go ahead, Commissioner</p>	<p style="text-align: right;">Page 180</p> <p>1 city with a lot of jobs growing over that way.</p> <p>2 That ZIP Code includes the Cecil Commerce Center</p> <p>3 and all that way out off Normandy. So that's a</p> <p>4 very booming space.</p> <p>5 I know we're always looking at, are the homes</p> <p>6 -- like we talked about, not just the city sewer</p> <p>7 and city water, but are they close to a bus line?</p> <p>8 Are they close to certain things?</p> <p>9 Because that does -- when we talked about</p> <p>10 this a while back, it does inhibit some of the</p> <p>11 ZIP Codes. Like we talked about, there's no real</p> <p>12 bus service south of 295 in like the -56, -58</p> <p>13 ZIP Codes. It just doesn't exist.</p> <p>14 COMMISSIONER HOROVITZ: Yes.</p> <p>15 COMMISSIONER SHOUP: So I think it seems like</p> <p>16 Mr. A and his team have been doing a good job</p> <p>17 in maintaining that goal.</p> <p>18 CHAIRMAN WALKER: Any other comments on the</p> <p>19 JWB matters?</p> <p>20 (no response)</p> <p>21 CHAIRMAN WALKER: Thank you.</p> <p>22 Mr. Alexander, you're next.</p> <p>23 CEO: Yes. The Normandy deal --</p> <p>24 so, after the last meeting, I did exactly what the</p> <p>25 board said. I sat down with Chase and hashed out</p>

<p style="text-align: right;">Page 181</p> <p>1 some of the differences of their interpretation of 2 what we expected out of them and what they thought 3 their role was. 4 The agreement that they sent over was the 5 agreement for a developer, but they didn't want 6 to take on the risks of being a developer in doing 7 the deal, which makes a lot of sense considering 8 what they wanted to do. 9 So we sat down, and we actually went through 10 the documents and suggested some changes. 11 Originally on, BMO went through the documents 12 and made significant changes. They didn't agree 13 with it. 14 So, when I sat down with Chase, they were 15 going back to make some modifications, 16 because their role -- what I was looking at 17 that their role was wasn't as much as a developer 18 as the document stated. It was more of a 19 construction manager/consultant. 20 So he went back and took the document back to 21 work it up. I do have a meeting with him at 22 three o'clock today. So I think he did send me 23 something. 24 I'll take a look at it, and I'll report back 25 to the board.</p>	<p style="text-align: right;">Page 183</p> <p>1 being responsible, you know, for those things. 2 My layman's interpretation, which I think is 3 what you're working on -- 4 CEO: Yes. 5 CHAIRMAN WALKER: -- is they want to serve in 6 the role as a project manager or a construction 7 manager. 8 Those roles bring different responsibilities 9 to them and also different responsibilities to 10 us. 11 I talked with Mr. Alexander. I talked with 12 Mr. Alexander ad nauseam about this, specifically 13 around the risk point. 14 Commissioner Horovitz. 15 COMMISSIONER HOROVITZ: I was going there. 16 Could you tell? 17 CHAIRMAN WALKER: Yes. 18 And Ms. Hodges has brought this up -- 19 rightfully so -- and where I've come down on this 20 -- and Tanya can provide some context, as well, 21 which I would appreciate -- but where I'm seeing 22 this going is this. 23 We have -- right, wrong or indifferent 24 we have decided to staff up internally with our 25 team to be able to do these things such that we</p>
<p style="text-align: right;">Page 182</p> <p>1 But the bottom line is I think that we will 2 move ourself in that position, if it's okay with 3 the board. I think that we should be the 4 developer. 5 This won't be our first job. We developed 6 Hogan Creek. We know the whole aspect of putting 7 an owner's rep and going through the whole process 8 of coordinating project managers. 9 I think, in terms of getting the job done the 10 way we see it, we are talking an agreement with 11 them -- whatever that agreement is -- and we'll 12 assume the role as developer. 13 CHAIRMAN WALKER: So 1 second, Commissioner 14 Shoup. 15 So I've been part of numerous emails and 16 conversations about this, and one of the things 17 that I want to clear up some confusion on is, 18 in the original presentation that they gave to us 19 or we modified together or combined together -- 20 the word, "developer," was used. It said they 21 would be the developer. 22 What we've come to find is they are not 23 interested in being the at-risk developer. 24 Meaning signing on the dotted line, 25 being responsible for cost overruns,</p>	<p style="text-align: right;">Page 184</p> <p>1 are not splitting revenues or paying larger fees, 2 which is a question. 3 And I am fine with that as long as we all 4 understand that we are entering into the role 5 as a developer, which, based on what we talked 6 about, Mr. Alexander, we do. 7 We do that right now in the sense that 8 we -- while we will go out and solicit a GC, 9 we will self-manage that GC. 10 Is that true? 11 CEO: Yes. The best illustration of this 12 process is that we did Hogan Creek. 13 This board approved of an agreement with the 14 previous developer at Hogan Creek, where the 15 Jacksonville Housing Authority only received 16 30 percent, and the developer received 70 percent. 17 That's on the front end and on the back end. 18 We took the position -- 19 CHAIRMAN WALKER: We provided all of the 20 money for that, and they were just the developer? 21 Or, did they put cash in, too? 22 CEO: They didn't put any cash in. 23 CHAIRMAN WALKER: So they took 70 percent of 24 the deal. 25 CEO: They were supposed to take 70 percent</p>

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<p>1 of the deal as the developer fee. 2 They were supposed to get 70 percent, 3 and the housing authority was supposed to get 4 30 percent. 5 So I think there was a million upfront. 6 They were going to get 700,000. We were going to 7 get 300,000. 8 On the back end, I think it was close to the 9 same thing. I think, on the back end, they might 10 have gotten a couple million on the back end. 11 Well, we moved forward, because the bank 12 wanted us to have more skin in the game. 13 And, before it was all over with, 14 Jacksonville Housing Authority was the lead 15 developer, and we got 80 percent. 16 And the developer, who was originally 17 supposed to be lead developer, only got 18 20 percent. 19 So we took on the role as the lead developer, 20 and what we did was we managed that process. 21 We got an owner's rep, and -- 22 CHAIRMAN WALKER: So this is where I want to 23 make sure we're using terminology and 24 understanding where we're at today correctly. 25 Right?</p>	<p>1 So, as we sit here today, we own the 2 property, and we're now trying to make the 3 decision, do we want -- are we okay with them 4 potentially being a CM only? 5 Or, do we really want them signing on the 6 dotted line? 7 And so that, Mr. Alexander, is where your 8 conversation with Chase about what they are or 9 are not willing to do versus what your 10 recommendation is to us -- I just want to make 11 sure we're setting the table to understand and 12 have the right conversation. 13 Commissioner Green. 14 COMMISSIONER GREEN: Yes. So, was this deal 15 presented? 16 The deal did not work out for them. 17 So they presented it to the housing authority. 18 Was it fully permitted? 19 Was the deal fully permitted? 20 They already had the plans, or they already 21 had the plans drawn up. 22 CHAIRMAN WALKER: My understanding -- 23 CEO: They had renderings. 24 CHAIRMAN WALKER: -- yes. They have 25 renderings. They have a site plan, but I'm not</p>
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<p>1 They, Chase, do not have an interest in being 2 developers, because they, in their mind, 3 are not being compensated as a developer, i.e., 4 participation, you know, risk, reward, signing 5 guarantees. 6 They, in their mind -- and, Tanya, help me 7 out here -- although, Mr. Alexander, you met with 8 them -- 9 CEO: Yes. 10 CHAIRMAN WALKER: -- they see this as, 11 "We are helping you oversee the process, 12 helping you be an owner's rep." 13 Right? 14 Part of what I want to make sure we, 15 as a board, understands is, based on what 16 I understand, we have development experience in 17 the past. 18 However, when it was presented, 19 the word, "developer," was used, and that has a 20 specific connotation, which I don't think we 21 appreciated or parsed out correctly. 22 COMMISSIONER BROCK: Right. 23 CHAIRMAN WALKER: So we never voted to 24 approve them as a developer. What we voted for 25 was to acquire the property.</p>	<p>1 sure they've pulled permits. Because you don't 2 have contracts or anything like that. 3 COMMISSIONER GREEN: So we're doing all that. 4 So, basically, what are we getting from 5 Chase, just the land? 6 CHAIRMAN WALKER: We bought the land 7 at their basis, and what they're saying -- 8 and, again, Mr. Alexander, it may be premature to 9 be having this conversation without the final 10 agreement. 11 CEO: Right. 12 CHAIRMAN WALKER: But, what do they want to 13 do? 14 I'm not privy to that conversation. 15 What does Chase want to do, or you haven't 16 finalized that? 17 Where are we? 18 CEO: Well, we haven't finalized it, 19 and, again, I'll meet with them today and talk 20 with them today. 21 They just didn't want to take on -- 22 in the early conversation, they didn't want to 23 take on the responsibility that we're asking them 24 to take on. 25 And, just for the lack of a better</p>

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<p>1 description, if the building falls down, 2 then we go after the contractor, not them, 3 because they didn't build it. 4 So we're sorting through all of that process 5 so we can actually know what they want to be. 6 What I'm asking is, "What do you want to 7 be responsible for, and we'll take it from there. 8 Because we know what we need." 9 CHAIRMAN WALKER: Tanya? 10 MS DEMPSEY: I'm sorry. I was going to 11 piggyback off of what Mr. Alexander was saying, 12 right, is that so you, a developer -- you have 13 risks, right? 14 Your risk -- and Hogan Creek is actually a 15 really good example, because you've already done 16 this. So you've demonstrated that you can do 17 this. 18 You have construction risks, right? 19 If the building doesn't -- if you're unable 20 to get the contractor to build the building and 21 there is a cost overrun, you pay that. 22 So like that's your risk -- construction 23 risk, right? 24 And there are ways to mitigate that through 25 -- through, you know, liquidated damages,</p>	<p>1 enough to take on the risk, right? 2 But I would recommend actually having a list 3 of items that they are going to assist on and then 4 pricing out what we think that costs. 5 Because, ultimately, you're paying for that, 6 and you're taking on the risk. So now you are 7 in the driver's seat, and they're in the 8 passenger's seat. 9 And I think, if they were the developer and 10 you were, you know, kind of riding shotgun, 11 then they would be able to like make more of the 12 decisions. 13 So now you're kind of like both 14 decision-maker, owner. You own everything. 15 If something happens, it's going to be on you. 16 MS. HODGES: Through the Chair, can I just 17 respond really quick on what Tanya is saying? 18 Also, just remember, you are a governmental 19 entity. So, when you're talking about -- 20 MS. DEMPSEY: I can't hear anything if you 21 guys are talking. 22 MS. HODGES: -- yes. 23 MS. DEMPSEY: I'm sorry. 24 COMMISSIONER BROCK: Get the mike. 25 MS. HODGES: Oh, just -- Tanya, it's</p>
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<p>1 guaranteed max price. There are methods to 2 minimize that risk, but that is like -- 3 the primary risk is the construction risk, 4 right? 5 The secondary risk is lease-up risk, 6 right? 7 Okay. So they modeled this at some income 8 band. 9 The question is, do we think that you're 10 going to be able to lease-up those units? 11 And that's another I think significant risk. 12 Now, typically, the developer is paid to take 13 on these two major risks, right? 14 So, if they don't want to take on that risk, 15 again, I think, to Mr. Alexander's point, 16 that's fine. 17 I think that you guys should figure out what 18 you want to do, and then give them what you think 19 they should do. 20 Because right now they've already shown 21 their hand. They don't want to take on the risk. 22 I mean I have some other questions about why 23 don't they want to take on the risk. 24 I think you definitely alluded to the fact 25 that they don't think they're being compensated</p>	<p>1 Lawsikia. Just to add on to what you're saying, 2 you're a governmental entity. So, as we talk 3 about negotiations with a particular vendor, 4 you're also required to follow procurement rules. 5 So you'll need a sole-source justification 6 for entering into this contract with Chase, 7 and there's a whole list of conditions that you've 8 got to meet. 9 So the question is, is Chase providing some 10 particular service that nobody else can provide? 11 Maybe. Maybe not, but that's something you 12 need to think about. It's the procurement that, 13 as an entity, you can't just go out and hand 14 business, contract construction work, engineering 15 work, whatever it is. You've got to go through 16 procurement. 17 COMMISSIONER HOROVITZ: I have a question. 18 So Hogan Creek -- we were the developer. 19 That was a renovation, right? 20 COMMISSIONER BROCK: Uh-huh, uh-huh. 21 COMMISSIONER HOROVITZ: And so we're talking 22 about a development from the ground up, right? 23 That's very different. 24 So, do we have any experience being the 25 developer on new construction?</p>

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<p>1 CEO: Yes.</p> <p>2 COMMISSIONER HOROVITZ: How large was</p> <p>3 that project?</p> <p>4 CEO: In terms of dollars or size?</p> <p>5 200 units, 300 units. I'm not sure what our</p> <p>6 engineer -- I'm sure he has been on projects as</p> <p>7 large as that, but I have done several brand new</p> <p>8 deals throughout my career.</p> <p>9 COMMISSIONER HOROVITZ: In my opinion,</p> <p>10 I think that we should be exploring bringing in</p> <p>11 other developer partners -- at least having</p> <p>12 conversations.</p> <p>13 I don't know that this is an elephant worth</p> <p>14 trying to eat right now. We already own the</p> <p>15 property.</p> <p>16 It makes me uncomfortable that we would take</p> <p>17 on this project as developer.</p> <p>18 CHAIRMAN WALKER: Commissioner Griggs.</p> <p>19 COMMISSIONER GRIGGS: They brought us this</p> <p>20 deal, correct?</p> <p>21 COMMISSIONER BROCK: Uh-huh.</p> <p>22 COMMISSIONER GRIGGS: And they're changing</p> <p>23 the rules in the middle of the game?</p> <p>24 CHAIRMAN WALKER: No. Based on what</p> <p>25 I understand, I don't think they're changing the</p>	<p>1 COMMISSIONER GRIGGS: Unless it's a single</p> <p>2 source, but I mean we'd have to justify that.</p> <p>3 CHAIRMAN WALKER: Yes.</p> <p>4 COMMISSIONER GRIGGS: Because they'd be</p> <p>5 the only people who would be able to provide</p> <p>6 whatever, whatever.</p> <p>7 Mr. Alexander, absent of, you know,</p> <p>8 having the insight into the meeting you're having</p> <p>9 with them today, I'm curious about your</p> <p>10 approach to this process with them.</p> <p>11 It doesn't seem like there is a whole lot to</p> <p>12 talk about, if they are adamant about not being</p> <p>13 a developer.</p> <p>14 I'm not sure I would want them to assume</p> <p>15 that role at this point, because, you know,</p> <p>16 things have changed. I mean it seems like the</p> <p>17 whole flavor of this thing has changed.</p> <p>18 CEO: Yes. So, when we originally got the</p> <p>19 Development Agreement, we sent it to our</p> <p>20 attorneys, and our attorneys went through it.</p> <p>21 So we have basically a three or four-page</p> <p>22 document that turned into about a</p> <p>23 10 or 12-page document, which made them feel very</p> <p>24 uncomfortable I would assume.</p> <p>25 I can't speak for them. They felt</p>
<p>Page 194</p> <p>1 rules. I think that there was never an agreed set</p> <p>2 of rules to begin with.</p> <p>3 COMMISSIONER GRIGGS: They came to us as a</p> <p>4 developer.</p> <p>5 CHAIRMAN WALKER: They came to us as,</p> <p>6 "We have a piece of land we'd like to sell you</p> <p>7 and be involved."</p> <p>8 COMMISSIONER HOROVITZ: I disagree.</p> <p>9 COMMISSIONER BROCK: No. That ain't how they</p> <p>10 came.</p> <p>11 COMMISSIONER HOROVITZ: They certainly</p> <p>12 postured as developer.</p> <p>13 COMMISSIONER BROCK: Yes, they did.</p> <p>14 Yes, they did.</p> <p>15 COMMISSIONER GRIGGS: So my other question</p> <p>16 is, if we -- like to Ms. Hodges' point,</p> <p>17 once we assume the role, if we assume the role as</p> <p>18 developer, then we -- we pretty much move them</p> <p>19 out of the deal completely, if we're going through</p> <p>20 the procurement process.</p> <p>21 They'd have to go through that process and</p> <p>22 earn the right to be a part of the deal, correct?</p> <p>23 MS. HODGES: Unless it's a single source.</p> <p>24 CHAIRMAN WALKER: Unless it's a single</p> <p>25 source.</p>	<p>Page 196</p> <p>1 uncomfortable about some of the things the</p> <p>2 contract wanted to make them responsible for.</p> <p>3 So I had a meeting with them. They were</p> <p>4 clear about what they wanted to do, basically,</p> <p>5 and they went to put it in writing along with</p> <p>6 some other things.</p> <p>7 I haven't looked at that document yet.</p> <p>8 I think it would be -- in all things being fair,</p> <p>9 I have a meeting with them today to find out what</p> <p>10 it is, look at the document and report back</p> <p>11 to the board prior to signing any document.</p> <p>12 It has to come back to the board.</p> <p>13 COMMISSIONER HOROVITZ: I have a question.</p> <p>14 Did you present that you would be open to a</p> <p>15 relationship or a scenario where they would be the</p> <p>16 contractor, and we would be open to being</p> <p>17 developer?</p> <p>18 Did we present that as an opportunity,</p> <p>19 or they presented that?</p> <p>20 CEO: No, no. They have never suggested</p> <p>21 that we be the developer, and I never suggested it</p> <p>22 to them.</p> <p>23 I just know from experience. I just went</p> <p>24 through the discussion to be able to just talk</p> <p>25 in general which responsibilities they were</p>

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<p>1 willing to take on and what they're talking about 2 not doing. 3 COMMISSIONER SHOUP: So a little bit of 4 history here. I was at an event last night for 5 the Daniel Webster Perkins Bar at the DoubleTree 6 downtown where the Ruth's Chris is. 7 And Mike Balanky was coming out of there, 8 and I ran into in him as I was crossing the 9 hallway. I was talking for a minute. He was very 10 excited about this possibility. 11 I think we've all known -- we've said from 12 the beginning, "This is something that hasn't been 13 done before like this. This is something that's 14 not done around the country. We're getting 15 national attention for trying to be innovative in 16 what we're doing," and he even agreed. 17 And I think we all said, from the beginning, 18 there's going to be some hiccups. There is going 19 to be some bumps. We're having to work it out. 20 I think they're still -- his general comments 21 were that they were still committed to working 22 through the bumps, working through the hiccups, 23 and we'll get there. 24 I think we've got a team in place. 25 We've put a lot of trust in Mr. Alexander.</p>	<p>1 them years ago, and that was for RAD properties. 2 COMMISSIONER GREEN: Right. 3 CEO: And they fulfilled their 4 responsibilities of the contract. 5 COMMISSIONER GREEN: What were their 6 responsibilities? 7 CEO: They were the developer. 8 CHAIRMAN WALKER: When you say, "developer," 9 were they the developer or the contractor that 10 built it? 11 CEO: No. They were the developer. 12 CHAIRMAN WALKER: The developer. 13 CEO: They were the developer. 14 COMMISSIONER GREEN: So engineering, 15 permitting -- 16 CEO: Yes -- 17 COMMISSIONER GREEN: -- design -- 18 CEO: -- yes -- 19 COMMISSIONER GREEN: -- all that stuff? 20 CEO: -- yes. 21 COMMISSIONER GREEN: Okay. And, with Chase 22 -- so they're not involved in the design, right? 23 Chase is not involved in the design for 24 this Normandy project. They're not going to be 25 involved in the design.</p>
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<p>1 We've got to let him try and negotiate this best 2 deal and bring it to us. 3 And then let's go up or down on it. 4 But I mean we can bounce around all day, 5 but, if we don't have what it is yet, we don't 6 know yet. 7 I think having Chase involved can be helpful 8 for future developments for future projects, 9 but, again, I think that this specific one -- 10 like I said, the agreement was we'd purchase the 11 land. 12 We don't know what the rest of it is yet, 13 and that's why we have Mr. A to finalize that. 14 CHAIRMAN WALKER: Commissioner Green. 15 COMMISSIONER GREEN: A few questions, 16 comments. 17 Our partnership -- we did something with 18 Vestcor, right? 19 CEO: Yes. 20 COMMISSIONER GREEN: So, how did that work? 21 How did that work? 22 Because they are developers. They're 23 developers. 24 So, how did that partnership work? 25 CEO: We had a Development Agreement with</p>	<p>1 CEO: I don't know. I don't know if they're 2 going to do the design or if they are involved 3 with it. 4 CHAIRMAN WALKER: So, guys, I go back to 5 this, which is right, wrong or indifferent, 6 we bought the property. 7 I will say, from a perception standpoint, 8 they brought us the deal. We bought the 9 property. 10 They have always believed that they were 11 going to be involved in this deal in some way. 12 The first step for me is, can we sole source 13 either a CM or a developer? 14 They still have -- I believe they have plans 15 and specs, and they've already started to figure 16 out the underwriting, the pro forma and things 17 like that. 18 But, for me, the first step is, can we 19 sole source them? 20 The second step, to me, is hindsight 20/20 21 we should have defined what we were looking 22 for in a -- quote -- "developer," from the 23 beginning. 24 Whether that means just an owner's rep 25 or whether that means full-on, "You sign the</p>

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<p>1 carve-out guarantees and everything else." 2 At this point, I don't know where they want 3 to be. We spoke with Tanya about this previously, 4 which I thought was insightful. 5 Depending on the level of risk will determine 6 the potential -- whether it's Chase or anybody 7 else depending on the level of risk will 8 determine the compensation that this group should 9 be paid. 10 And, at this point with this group, 11 we don't know what that is, which is problematic, 12 but it is what it is. 13 Commissioner Green, Commissioner Brock 14 Commissioner Griggs. 15 COMMISSIONER GREEN: Commissioner Horovitz 16 suggested a third-party developing -- 17 I mean we have an engineer in-house. 18 That's great. We can hire an engineer here. 19 We could hire an engineer, right? 20 Because we already understand that the staff 21 has a lot to do. So a ground-up project is 22 additional stuff. So I'm open or down for 23 suggesting, you know, we either find another 24 developer to help us codevelop it and to give them 25 a debt fee, right?</p>	<p>1 up ownership. We're not splitting other things. 2 If we go out -- 3 MS. DEMPSEY: Technically -- so sorry -- 4 technically, you're taking the fee -- 5 CHAIRMAN WALKER: Correct. 6 MS. DEMPSEY: -- right? 7 COMMISSIONER GREEN: Right. 8 (inaudible crosstalk) 9 CHAIRMAN WALKER: Correct. 10 COMMISSIONER GREEN: We can get a debt fee. 11 CHAIRMAN WALKER: We're going to pay 12 ourselves a development fee out of the deal, 13 right? 14 The difference is, if we go with a 15 third-party developer, which I'm not saying is a, 16 "No." I'm saying this is a conversation we need 17 to have --" we are giving up potentially a 18 substantial portion of the fee and potentially, 19 depending on how the deal is structured -- 20 you know, what I would call, "upside," or, "GP --" 21 -- you know, they may want an ownership interest. 22 That's the conversation I feel like we need 23 to get to rather sooner than later is, what do we 24 want to give up? 25 Nothing.</p>
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<p>1 Project manager or -- 2 CHAIRMAN WALKER: So you're suggesting a 3 combination of the two, have a true developer, 4 but then have an owner's rep? 5 COMMISSIONER GREEN: Either an owner's rep, 6 or we bring on another developer. We give them 7 a debt fee as an owner's rep, basically, 8 is what I'm getting at. 9 And we hire an outside engineer. We hire an 10 outside architect, but we have our internal staff 11 value to engineer the other stuff. 12 CHAIRMAN WALKER: And this may be getting too 13 in the weeds, but, again, I want to make sure 14 we're talking the same way. 15 A developer signs. 16 And, Tanya, maybe you can ... and Ms. Hodges 17 -- a developer signs. Meaning they are legally 18 and financially responsible. 19 COMMISSIONER GREEN: We are the developer. 20 We are the developer. We would get someone as 21 an owner's rep. 22 CHAIRMAN WALKER: That's what I -- 23 but this is the point, which is we're signing. 24 We're taking that risk, but, in exchange, 25 we're not paying as much fees. We're not giving</p>	<p>1 In which case, we really want an owner's rep 2 or a little bit, and then we need a combination. 3 Or we're fine with whatever. We just want to 4 outsource the whole development. 5 To me, that's the policy question that's 6 coming before us. 7 COMMISSIONER HOROVITZ: I think that you 8 always get an owner's rep. Owner's reps pay for 9 themselves. 10 With whatever scenario, that's somebody we 11 should be looking for. I think that we should be 12 going to an outside developer. I don't think in 13 the short-term we should be taking on developing 14 this deal. 15 That's my personal opinion. I think that 16 it's going to come down to a vote. 17 But, moving forward, I think that we need to 18 be looking for a new partner. I think that Chase 19 misrepresented how they wanted to be engaged 20 with the housing authority. 21 To me, that's breaking our trust, and I think 22 that we need to be looking for a new partner. 23 CHAIRMAN WALKER: Commissioner Brock. 24 COMMISSIONER BROCK: Mr. Chair, to what 25 Commissioner Heather just said, that's what I was</p>

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<p>1 going to say.</p> <p>2 Because, when they came and presented to us,</p> <p>3 they presented pictures of the units, and they</p> <p>4 made us think -- I know I did -- I thought that</p> <p>5 they were going to be the developers for it.</p> <p>6 They were going to build it.</p> <p>7 We would have those units. We would pay for</p> <p>8 it. I was not under the impression that all we</p> <p>9 were doing was paying for property. That was</p> <p>10 never said -- never said to us.</p> <p>11 COMMISSIONER SHOUP: Well, hold on.</p> <p>12 CHAIRMAN WALKER: Wait.</p> <p>13 Go ahead, Commissioner Shoup.</p> <p>14 Commissioner Griggs.</p> <p>15 COMMISSIONER SHOUP: I want to say the</p> <p>16 resolution was very clear. We were buying</p> <p>17 property.</p> <p>18 CHAIRMAN WALKER: Correct.</p> <p>19 COMMISSIONER SHOUP: And we had some</p> <p>20 extensive discussion. We could do Chase.</p> <p>21 We could not do Chase, but it was very clear that</p> <p>22 we were buying property.</p> <p>23 Chase had an idea and presented an idea of</p> <p>24 what we could do with the property,</p> <p>25 but the resolution is very clear. We were buying</p>	<p>1 because of the way this piece has gotten off the</p> <p>2 ground.</p> <p>3 I'm with Commissioner Horovitz. I would</p> <p>4 probably lean towards hiring a third party,</p> <p>5 an outside developer, to do this, but then, again,</p> <p>6 that would call for us to go through a procurement</p> <p>7 process, as well.</p> <p>8 So, you know, I would feel more comfortable</p> <p>9 knowing that all of these boxes have been</p> <p>10 checked, but I'm going to defer to Mr. Alexander</p> <p>11 and get him to bring back some clarity from</p> <p>12 Chase's position and have absolute clarity on our</p> <p>13 position and recommendation moving forward.</p> <p>14 CHAIRMAN WALKER: Yes. Fair.</p> <p>15 I want to respond back to the commissioners,</p> <p>16 as well, and, again, this just may be my</p> <p>17 experience.</p> <p>18 When we bought this property, to me,</p> <p>19 the full intent the entire time was we were buying</p> <p>20 a piece of property.</p> <p>21 And then they had presented pictures.</p> <p>22 They talked about -- we talked, "No. We would</p> <p>23 maybe want a community center."</p> <p>24 We wanted those things. To me, at no point</p> <p>25 in time had we decided that they were going to be</p>
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<p>1 property.</p> <p>2 COMMISSIONER BROCK: What I said was that</p> <p>3 what they presented to us, when they presented</p> <p>4 their presentation -- that they was the</p> <p>5 developers. They showed us pictures.</p> <p>6 I'm saying me. It led me to believe that</p> <p>7 they were going to be building those units.</p> <p>8 I didn't say anything about the resolution.</p> <p>9 I did not know, when they did their</p> <p>10 presentation, that they were just talking about</p> <p>11 being -- "We buying the property. We get somebody</p> <p>12 to build the units and all that."</p> <p>13 No. I was not under that impression.</p> <p>14 I really wasn't, Mr. Chair. Sorry.</p> <p>15 CHAIRMAN WALKER: That's okay.</p> <p>16 Commissioner Griggs.</p> <p>17 COMMISSIONER GRIGGS: Mr. Chair, there is a</p> <p>18 significant amount of angst about this deal now.</p> <p>19 I'm going to defer to Mr. Alexander's meeting</p> <p>20 today to get clarity on positions for Chase,</p> <p>21 and that will help guide -- I guess that will help</p> <p>22 guide this board in terms of how we approach our</p> <p>23 policy decisions.</p> <p>24 Right now I can't -- really, to be honest,</p> <p>25 I couldn't see us developing this property just</p>	<p>1 developing this based on what they presented,</p> <p>2 because we had already talked about,</p> <p>3 "Well, we wouldn't want that, and we may want to</p> <p>4 change that."</p> <p>5 We didn't know what the underwriting</p> <p>6 would look like. So, to me, that's why the</p> <p>7 resolution was done the way it was.</p> <p>8 We bought a piece of property. We now have</p> <p>9 a piece of property that we want to figure out</p> <p>10 what to do with.</p> <p>11 I disagree with the assessment that they</p> <p>12 misrepresented, because those slides were put</p> <p>13 together by us, not them. So I want to bring</p> <p>14 clarity to that point, as well.</p> <p>15 I think we need to -- I'm with you,</p> <p>16 Commissioner Griggs, which is I think we need</p> <p>17 to take a breath and see where they're at and what</p> <p>18 they want to do and then rely on Mr. Alexander</p> <p>19 and our financial adviser to tell us,</p> <p>20 "Okay. That is a reasonable proposal for what</p> <p>21 they're asking," or it's not.</p> <p>22 And it still begs the question in my mind</p> <p>23 whether or not we can even go forward without a</p> <p>24 procurement process.</p> <p>25 To me, that is the -- to me, that is the</p>

<p style="text-align: right;">Page 209</p> <p>1 first step, to make sure that we can sole source, 2 because, if we can't, this is a moot point 3 entirely. 4 So that is where -- that's kind of where 5 I see it at this point. 6 Commissioner Griggs. 7 COMMISSIONER GRIGGS: I think the confusion 8 -- first off, Mr. Chair, I think the confusion 9 with the language -- 10 CHAIRMAN WALKER: Yes -- 11 COMMISSIONER GRIGGS: -- comes from the fact 12 that there was a document being reviewed between 13 us and Chase. 14 And, in that document, information in there 15 said they were the developer, and I guess 16 Mr. Alexander -- when that information was 17 presented to him, they made -- or we made changes, 18 or they made changes. Somebody made changes, 19 and that's where the confusion is. But that 20 document obviously said -- used the terminology, 21 "developer." 22 CHAIRMAN WALKER: Uh-huh. 23 COMMISSIONER GRIGGS: And then, when it was 24 reviewed by them, that was -- okay. Sorry. 25 Go ahead, please.</p>	<p style="text-align: right;">Page 211</p> <p>1 November of last year. 2 So we, your lawyers, added provisions to the 3 contract to protect this agency, and, when we did 4 that, it was wholesale rejected, which is okay. 5 Because we don't want to have a developer 6 that isn't able to implement the project in a way 7 that's going to protect the agency. 8 And so, when we had our call, it wasn't like 9 -- we can't force somebody to be a developer. 10 So I appreciate it -- Chase being very frank, 11 and saying, "Hey. This is too much. We can't do 12 it." 13 But I don't want the board to get the 14 impression that we expanded the scope. 15 We added protections to the agreement that are 16 very standard for any Development Agreement that 17 you would have with a government agency. 18 CHAIRMAN WALKER: Ms. Hodges makes a great 19 point. 20 Again, to me, it goes back to terminology, 21 right? 22 We're using the word, "developer." 23 That has an implicit meaning. 24 COMMISSIONER BROCK: Right. 25 CHAIRMAN WALKER: For whatever reason,</p>
<p style="text-align: right;">Page 210</p> <p>1 MS. HODGES: Just to add, yes. Our lawyers, 2 outside counsel under my supervision -- 3 I added additional comments, but I don't feel like 4 it was a five-page document that we made 12 pages. 5 Let me tell you the comments that we made to 6 the document that was presented to us where it was 7 clearly defined as a developer. 8 It was a Development Agreement. That's what 9 was sent to us by their attorney. 10 COMMISSIONER GRIGGS: Right. 11 MS. HODGES: What we did was protect this 12 agency and add basic governmental -- I talked to 13 their lobbyist. 14 And I said, "Hey, you've got to get some 15 basic government terms." 16 This developer is very used to dealing with 17 the city. So basic terms, like, 18 "indemnifications," "insurance," "performance 19 bond --" making sure that, if the developer that 20 this agency is going to enter into an agreement 21 with is a shell entity, that it's backed up by the 22 actual parent. 23 Because that would have been the entity that 24 would have been on the dotted line -- 25 a shell entity -- that was created back in</p>	<p style="text-align: right;">Page 212</p> <p>1 they sent us an agreement that said, 2 "a Development Agreement." 3 To Ms. Hodges' point, if you send an 4 agreement that says, "Development Agreement," 5 we're going to assume that you want to be a 6 developer. 7 If that's not what you want to be, 8 then we need to define what it is you want to 9 be and whether or not -- again, putting aside 10 sole source, for a second, which for me is a 11 threshold issue, right? 12 "If that's not what you want to be, 13 I need to know what you want to be and if the 14 compensation is reasonable. That's what I need 15 to know, for me." 16 Mr. Alexander. 17 CEO: So I'll just add this and put it on the 18 record. 19 So we talked about this development thing, 20 and everybody had a chance to comment on it. 21 Just a couple years ago, even before we got 22 to this Hogan Creek thing, if you-all remember, 23 that deal was close to about 27- or \$28,000,000. 24 And the banks were pulling out on different 25 agencies because of the pandemic. We didn't have</p>

<p style="text-align: right;">Page 213</p> <p>1 much. When I'm not talking about, "much," 2 I mean staffing. 3 They didn't have much skill set when it came 4 to it, but we opted to take on the responsibility. 5 We opted to take on the responsibility. 6 We took on that responsibility, and, because we 7 took on that responsibility of the developer, 8 this agency made more than \$2,000,000 on that 9 deal. 10 We saved that deal altogether, 11 because the banks were pulling out on that deal. 12 Because they didn't think that the developer had 13 the capacity to do the job. 14 So we took an 80 to 20 split, and, 15 whether we're doing new construction or old 16 construction or renovations, it's all the same 17 thing. Construction is construction. 18 But we brought several million dollars into 19 this agency based on our knowledge and skill set. 20 So handling a job like this is not challenging. 21 Again, as I mentioned before, I think we 22 need to sit down and wait until the board 23 agrees -- until I sit down and talk to them to see 24 exactly what they want to do. 25 And there are going to be more deals like</p>	<p style="text-align: right;">Page 215</p> <p>1 So I understand that Chase wants the 2 agreement. I do think that it's worth working 3 with them in good faith to have these 4 conversations to see where it ends up. 5 But we're nowhere near having to worry about 6 executing a Development Agreement, because we 7 don't even know if it's financially feasible. 8 And that, to me, is what's important here, 9 right? 10 I want to understand the financial 11 feasibility of this. I want to understand the 12 timeline. 13 And, Mr. Alexander, I'll go back to 14 Commissioner Griggs in this sense. You know, 15 sort of along Commissioner Griggs' point, 16 I am going to take my -- for me personally, 17 I'm going to take my direction from you. 18 CEO: Okay. 19 CHAIRMAN WALKER: You know, you're the one 20 running this agency. If this is -- if you present 21 a solid plan that makes financial sense and you 22 believe it is executable, then I'm going to listen 23 very intently to whatever it is. 24 But I do think, like I said -- 25 I feel -- "obligated," is too strong a word.</p>
<p style="text-align: right;">Page 214</p> <p>1 this. There are going to be more deals that we 2 sit down and have this discussion. 3 I think setting it up originally the way we 4 anticipated or we thought -- they may change as we 5 move through the process. 6 CHAIRMAN WALKER: Yes. I agree, 7 Mr. Alexander. I mean I appreciate the thought of 8 -- and trust me, I do. I appreciate the thought 9 that there may be some deals where we do want to 10 develop them ourselves. 11 There may be some deals where we want to 12 develop them with some assistance on the outside, 13 and there may be some deals where we want to -- 14 "We own the property. We're going to pay for it. 15 You develop it, and we'll cut an economic deal." 16 But, for me, I don't have enough information 17 at this point to even begin to assess that 18 situation. I don't know quite frankly -- 19 and this is where Tanya will be involved -- 20 what's the financial feasibility of the project? 21 I mean, in some ways, we're getting ahead -- 22 the cart before the horse -- here, because we 23 don't have a feasibility study from our financial 24 consultant saying, "Hey, this is feasible." 25 Do you know what I mean?</p>	<p style="text-align: right;">Page 216</p> <p>1 I feel that we need to be intentional with our 2 conversations with Chase, because absent having a 3 clear line of sight with what they do or do not 4 want to do will then allow us to inform our next 5 decision, at least where we sit today. 6 CEO: Yes. 7 CHAIRMAN WALKER: And they have developed a 8 lot of units. So that helps. 9 Any other -- Tanya, one question that I had 10 is, when we talked, we talked potentially about 11 you being able to put together a board packet that 12 kind of, you know, lays this out. 13 Is that something that you think we'll be 14 able to see in the near future? 15 MS. DEMPSEY: Yes. Sure. 16 You mean laid out -- kind of the approach to 17 how we're looking at this? 18 CHAIRMAN WALKER: Yes, the financial 19 approach -- 20 MS. DEMPSEY: Right -- 21 CHAIRMAN WALKER: -- how we would execute -- 22 MS. DEMPSEY: -- like under- -- right, 23 like underwriting criteria -- 24 CHAIRMAN WALKER: -- yes -- 25 MS. DEMPSEY: -- and how I'm evaluating</p>

Page 217	<p>1 everything and potential risks related to</p> <p>2 each of the decisions that you might make?</p> <p>3 CHAIRMAN WALKER: -- yes.</p> <p>4 MS. DEMPSEY: Yes. I mean I should have that</p> <p>5 ready ...</p> <p>6 Did you say that you don't have board</p> <p>7 meetings in June or July?</p> <p>8 CHAIRMAN WALKER: We will in June.</p> <p>9 We will not in July and August, correct?</p> <p>10 Is that our normal schedule, Dwayne?</p> <p>11 CEO: It's typically July.</p> <p>12 CHAIRMAN WALKER: We take just July off?</p> <p>13 COURT REPORTER: July and December.</p> <p>14 CHAIRMAN WALKER: July and December off.</p> <p>15 Okay. Ms. Carol is making us work.</p> <p>16 MS. DEMPSEY: I do think, you know, I should</p> <p>17 be -- it should be ready for the next board</p> <p>18 meeting --</p> <p>19 CHAIRMAN WALKER: Yes.</p> <p>20 MS. DEMPSEY: -- if that works.</p> <p>21 CHAIRMAN WALKER: Yes. Again, for me,</p> <p>22 I want to see the independent FA's analysis of the</p> <p>23 overall deal -- what they deem to be a risk</p> <p>24 profile.</p> <p>25 I don't know if Tanya got a chance to give</p>	Page 219	<p>1 going on one o'clock.</p> <p>2 Just really quick, Commissioner Horovitz,</p> <p>3 you brought up previously governance and kind of</p> <p>4 what we're looking at.</p> <p>5 One of the things that I'm hoping we can do,</p> <p>6 Mr. Alexander, is -- I think we have it.</p> <p>7 I'm looking at a van.</p> <p>8 We have a portal where the commissioners can</p> <p>9 log in. The data is there. I'm going to ask that</p> <p>10 we try and use that, because this will eliminate</p> <p>11 some of the incorrect documents, meaning,</p> <p>12 you know, you'll see a document that's there.</p> <p>13 It's published. You'll get notifications of</p> <p>14 published -- will you get notifications of it</p> <p>15 being published?</p> <p>16 MS. HODGES: No.</p> <p>17 CHAIRMAN WALKER: Or, if you can look into</p> <p>18 boardable.com, something like this, where we</p> <p>19 can get our board materials in one location.</p> <p>20 We know what's final. We know what's not final</p> <p>21 so that we don't have to keep going through the</p> <p>22 rigamarole of documents going 13 different</p> <p>23 directions and having different versions.</p> <p>24 So I'd like that to be a priority for our</p> <p>25 next meeting is coming up with a solution.</p>
Page 218	<p>1 her background, but I mean, Tanya, you represent</p> <p>2 dozens, if not 100 housing authorities, correct?</p> <p>3 MS. DEMPSEY: Not quite 100. I represent</p> <p>4 about 30-plus housing authorities across the</p> <p>5 country and probably an additional 30-plus</p> <p>6 local and state housing finance agencies across</p> <p>7 the country.</p> <p>8 We definitely focus our practice on doing</p> <p>9 just this, right, understanding kind of how to</p> <p>10 reposition assets within the public housing</p> <p>11 portfolio and how to analyze deals from the</p> <p>12 perspective of, you know, either being a developer</p> <p>13 or a local HFA and trying to make sure that your</p> <p>14 risk is limited and mitigated.</p> <p>15 We do have -- we are regulated by the FCC,</p> <p>16 and we do have a fiduciary duty to the</p> <p>17 organization. So we pride ourselves on that,</p> <p>18 and, you know, I think getting into the details of</p> <p>19 each of the deals is going to be important as well</p> <p>20 as setting up like an infrastructure for how we</p> <p>21 look at the deals going forward.</p> <p>22 CHAIRMAN WALKER: Any other comments on this</p> <p>23 matter?</p> <p>24 (no response)</p> <p>25 CHAIRMAN WALKER: Awesome. I realize it's</p>	Page 220	<p>1 I don't particularly care what it is as long as it</p> <p>2 is a solution.</p> <p>3 Did you have something, Commissioner Green?</p> <p>4 COMMISSIONER GREEN: No.</p> <p>5 CHAIRMAN WALKER: The other thing is that</p> <p>6 I mentioned -- we sort of got into this --</p> <p>7 which is the Acquisition Committee.</p> <p>8 Absent any objection from the board,</p> <p>9 I plan on not using it. I think today's</p> <p>10 conversation proves that point.</p> <p>11 COMMISSIONER HOROVITZ: Uh-huh.</p> <p>12 CHAIRMAN WALKER: Other than that --</p> <p>13 I'm losing my voice -- other than that,</p> <p>14 I have no further comments.</p> <p>15 Is there any other comments for any</p> <p>16 commissioners?</p> <p>17 COMMISSIONER GREEN: Yes.</p> <p>18 CHAIRMAN WALKER: Commissioner Green.</p> <p>19 COMMISSIONER GREEN: I will say, Ms. Hodges,</p> <p>20 thank you for protecting us. Finance Department,</p> <p>21 thank you for the audit. It was a long year.</p> <p>22 And, Staff, thank you, again. Thank you.</p> <p>23 Mr. Chair and other board members. You guys are</p> <p>24 doing a good job.</p> <p>25 COMMISSIONER HOROVITZ: Thank you.</p>

1 CHAIRMAN WALKER: Any other commissioners?

2 COMMISSIONER BROCK: I ditto what

3 Commissioner Green just said, and to

4 Mr. Alexander, thank you.

5 COMMISSIONER GREEN: Yes. Thank you.

6 CHAIRMAN WALKER: I will say, for what it's

7 worth, we continue to have more robust

8 conversations, which I appreciate, because that's

9 what we're here to do.

10 So I do -- we will agree and disagree

11 from time to time, and that's exactly what we're

12 supposed to do.

13 COMMISSIONER HOROVITZ: We should.

14 CHAIRMAN WALKER: So I do appreciate it.

15 I saw some of the staff like tense up.

16 It's like, "It's fine. This is what we're

17 supposed to do. So it's totally good."

18 With that, absent any other comments,

19 I'll hold us in adjournment. Thank you very much,

20 guys.

21 (Whereupon, the taking of the JHA Board of

22 Commissioners Meeting concluded at 12:43 p.m.)

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1 CERTIFICATE

2 STATE OF FLORIDA)

3 COUNTY OF DUVAL)

4 I, Carol DeBee Martin, Certified Court

5 Reporter and Notary Public, certify that I was

6 authorized to and did stenographically report the

7 foregoing proceedings and that the transcript to the

8 best of my ability is a true and complete record of my

9 stenographic notes.

10 Dated this 5th day of June, 2022.

11

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13

Carol DeBee Martin

14

Carol DeBee Martin
Notary Public State of Florida
My Commission: HH 038064
Expires: 12-29-2024

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