

The BOARD of DIRECTORS
Of the
City of Douglas Community Housing Corporation
will meet

Thursday, February 13, 2020 at 9:30 a.m.

At the
Rancho La Perilla Apartments
Community Room
1201 E. Fairway Drive
Douglas AZ

PURSUANT TO THE AMERICANS WITH DISABILITIES ACT (ADA), THE CITY OF DOUGLAS DOES NOT, BY REASON OF A DISABILITY, EXCLUDE FROM PARTICIPATION IN OR DENY BENEFITS OF SERVICES, PROGRAMS OR ACTIVITIES OR DISCRIMINATE AGAINST ANY QUALIFIED PERSON WITH A DISABILITY. INQUIRIES REGARDING COMPLIANCE WITH ADA PROVISIONS, ACCESSIBILITY OR ACCOMMODATION CAN BE DIRECTED TO ALMA ANDRADE WITHIN 72 HOURS AT (520) 417-7302, FAX (520) 364-7507, 425 10TH STREET, DOUGLAS, ARIZONA 85607.

Agenda
Board of Directors Regular Meeting
City of Douglas Community Housing Corporation

Thursday, February 13, 2020 at 9:30 a.m.

Rancho La Perilla Apartments
Community Room
1201 E. Fairway Drive
Douglas, AZ 85607

1. Call to Order.
2. Roll Call.
3. Persons wishing to address the committee in writing or verbally on any item not on the agenda.
4. Accept resignations from Michael Gutierrez due to professional commitments causing an inability to attend and conduct swearing in of new Member Debra Wendt and possible election of Board officers.
5. Discussion/Decision on Approval of Minutes for the August 8, 2019 Board Meeting.
6. Management Report and presentation of current Financial Reports for CHC and Facility.
7. Standing Report from management regarding ongoing marketing efforts and general results of these efforts for the CHC and Facility, to include possible Discussion/Decision on any related marketing concept, to include bill board on A Avenue and HWY 80.
8. Scheduling and/or confirmation of next Meeting date(s), and suggestions for future agenda items.
9. Adjournment

Posted at:
City Hall
Douglas Police Department
Douglas Library
<http://www.douglasaz.gov>
Tuesday, February 11, 2020 @ 5:00 p.m. by:



Alma Andrade
Acting City Clerk

MEETING MINUTES FOR THE BOARD OF DIRECTORS
CITY OF DOUGLAS COMMUNITY HOUSING CORPORATION

Thursday, August 8, 2019 at 9:30 a.m.

Rancho La Perilla Apartments
Community Room
1201 E. Fairway Drive
Douglas, AZ 85607

1. Call to Order.
Rancho La Perilla Board members held their quarterly meeting on Thursday, August 8, 2019 in the community room at Rancho La Perilla Apartments, 1201 East Fairway Drive, and the meeting was called to order at 11:05 a.m.
2. Roll Call.
Board Members present were Vicky Merritt, Michael Gutierrez, and David Hargis. Absent members were Arturo Escalante and Felix Soto. FW management team members present were Frank Moro and Ana Salazar, City Staffer Juan Pablo Flores, City Attorney was present.
3. Persons wishing to address the committee in writing or verbally on any item not on the agenda.
(NONE)
4. Swearing in of newest Member David Hargis.
This function was performed by City Attorney, Juan P. Flores Esq., and all went according to standard swearing in protocol.
5. Accept resignations from Felix Soto and Arturo Escalante due to illness and inability to attend.
Vicky Merritt made a motion to accept the noted member's resignation. The motion was seconded by David Hargis, and after little to no discussion, the motion was approved unanimously.
6. Discussion/Decision on selection of prospective CHC Board members to recommend to Mayor and Council for possible appointment.
The board discussed several possible new members for future possible nomination at future meetings. The group discussed the various options and selection process and pitfalls to avoid in the initial selection process. Then Vicky Merritt made a motion to approach Ralph Robles and Fernanda Hernandez to see if they would have interest to serve on the Board. The motion was seconded by David Hargis, and after little to no discussion, the motion was approved unanimously.
7. Discussion/Decision to nominate and approve new slate of Officers for the CHC Board.
Vicky Merritt made a motion to retain the current slate of officers on an interim basis until new members can be appointed and a new board is approved.

The motion was seconded by David Hargis, and after little to no discussion, the motion was approved unanimously.

8. Discussion/Decision on Approval of Minutes for the April 11, 2019 Board Meeting. Vicky Merritt made a motion to accept the minutes of the quarterly meeting held on April 11, 2019 CHC Board meeting as presented. The motion was seconded by David Hargis, and after no discussion, the motion was approved unanimously.

9. Management Report and presentation of current Financial Reports for CHC and Facility, and possible Discussion/Decision on approval of renewal of Management Agreement with FW due to its expiration in September, 2019.

The documents presented include the balance sheet, the rent roll, the income 12 statement which is the 12-month trailing statement. Basically, representing a snap shot in kind of a trend analysis with a fiscal year ending in June and includes the last 12 months, Frank Moro reported that the property is currently in an audit, as is customary every August. The property is doing better with effective gross income for August is reported as \$57,009 just above the effective rental income. The last three months are showing strong numbers with the effective net income showing a good trend with cash flow being strong enough to allow the CHC to pay most of their bills, and reported that City utilities will be caught up once the next 2 payments are made, then CHC can then start paying on the long-term cash deficit loans from City. Frank Moro then looked at NOI, as this is a combination of income and expenses averaging in the high 20s the last few months allowing CHC to catch up on bills. It was also reported that CHC had property tax appeal with the County and after a hearing they decided to decrease the taxes again and this adjustment should be good for at least 2 years. County is flay lining the value of the CHC facility at \$2.9Million, meaning our yearly taxes with the County for the facility are \$31.3K. The low income (income qualification relative median income) housing designation and typical characteristics of this potential program were discussed by the group. The MOU with the Golf Course and the Golf Course MPC functions and City subsidy of \$170K per year for the course were briefly discussed and then Occupancy was reported to be in the high 90% but there is a turn-over rate of 5+ units per month. PMI and HUD mandated characteristics were also discussed. The pool condition was discussed and the various options as to splitting duties between landscaper and pool cleaning duties were discussed noting that these 2 generally do not overlap, as each is independent. After some discussion, the option of hiring a part-time assistant to the maintenance person seemed to be the best option for the Board.

FW went over their duties as a property management as part of the renewal of the Management Agreement item, Frank reported that FW has been managing the facility since 2007, and that the commission rate is at 6%. A motion was made by Vicky Merritt to renew the agreement for 1 year starting September 1, 2019, and the motion was seconded by David Hargis, and the motion was approved unanimously.

10. Report on billboard refurbishment project along with a facility analysis/assessment by FW on the condition of the apartment complex and report on outcome of facility roof inspection.

Frank Moro reported that he owns a sign company in Sierra Vista and that even at his cost it is still a \$3-4K anticipated expense to refurbish the noted panels and sides for a sign about 12x24'. Currently the CHC has the financial resources to get this done, where it did not have in months past, and Frank Moro said he would report to the Board upon knowing the full scope of the project and the anticipated expenses, and since it is likely an administrative matter it can be completed by management. Board concluded by discussing the billboard design.

11. Standing Report from management regarding ongoing marketing efforts and general results of these efforts for the CHC and Facility, to include possible Discussion/Decision on any related marketing concept herein.

The marketing report noted that the FB page has been giving positive reports, and the American Publishing option of institutional marketing at a \$500 per year Board decided against it. The website 360 virtual tour seems also to be doing well and it was also reported that there is a geofencing expansion to encompass Cochise College

12. Scheduling and/or confirmation of next Meeting date(s), and suggestions for future agenda items.

Board looked at early October 2019 for their next meeting date to be on 10/3/2019 as next regularly scheduled meeting. Fall break starts on 10/14 and Mr. Flores asked to move meeting to 10/10 at 9:30 a.m., due to vacation plans. Agenda items was hopeful to have new members, and any other items that Board would come up with would be sent to Mr. Flores or the Board President.

13. Adjournment

A motion was made by Vicky Merritt to adjourn the meeting, and the motion was seconded by David Hargis, and the motion was approved unanimously with group adjourning at 12:04 p.m.

Prepared by:



Juan Pablo Flores, Douglas City Attorney