



# *Board of Memphis and Shelby County Community Redevelopment Agency*

CITY HALL 125 NORTH MAIN STREET, SUITE 468, MEMPHIS TENNESSEE 38103-2084 (901) 576-6610

## MINUTES

### Meeting of the Board of Directors

125 N. Main Street, City Council Chambers – City Hall Lobby

Date: January 8, 2015

### Meeting Attendance

#### CRA Board Members

OFFICERS/MEMBERS	NAME	PRESENT	ABSENT
Chairman	Michael R. Frick	X	
Secretary	Ann Langston	X	
Treasurer	Shawn Thomas		X
Vice-Chair	Deborah Massie	X	
Member	Luke Hill	X	
Member	John Smith		X
Member	McKinley Martin	X	

**Legal Staff:** Cheryl M. Hearn (HCD/Legal), City Attorney

**DPD/CRA Staff:** Clara Harris, Principal Planner; Marion Jones, Municipal Planner; and Mary Lynn Seale, Finance Manager.

**Visitors:** John Dudas, Tanja Mitchell, Alexandra Mobley, Luretha Phillips and Josh Poag.

#### **I. Call to Order**

By: Chairman Michael Frick

Time: 8:40 A.M.

#### **Agenda Item II.**

Item Summary: Approval of CRA Board Meeting Minutes – November 6, 2014.  
 Discussion Summary: Board Member Massie made a motion to approve the Board Meeting Minutes from November 6, 2014. The motion was seconded by Board Member Martin. Motion passed unanimously.

#### **Agenda Item III.**

Item Summary: 2014 CRA Audit Report.  
 Discussion Summary: DPD Finance Manager, Mary Lynn Seale gave the report on the Audit. She noted the overall account of The Revenue and Expenditure Section as it related to the Uptown and Highland

Projects; gave the current CRA balance and she made mention of the Audit Findings/Weaknesses which focused mostly on the Technical Review of the Projects. She stated that from catching up on the Audit since 2009, everything is current and up to date.

Board Member Massie made a motion to accept the 2014 CRA Audit Report. The motion was seconded by Board Member Martin. Motion passed unanimously.

**Agenda Item IV.**

Item Summary:

Update: Highland Row Redevelopment Project

Discussion Summary:

Josh Poag from Poag & McEwen gave an update on the Highland Row Redevelopment Project. He reported on the project progress and timeline for the upcoming development activity – contractors have been hired. Mr. Poag also reported on project financing, including work in progress for pending bond issue-draft term sheet submitted for review. He was joined via conference call by Rick Miller, Bond Counsel for CRA and Mark Mamantov, Bond Counsel for the Highland Row Project Team to answer questions about pending bond issue.

**Agenda Item V.**

Item Summary:

Modified Developer Fee for Uptown Manor Senior Housing Project and Reallocation of \$51,300 from NS 4 A&B (Multi-family Acquisition & Rehabilitation) to NS14 North of Chelsea-Uptown Manor Senior Housing Modified Developer Fee.

Discussion Summary:

Clara Harris gave a brief update on the Uptown Manor Senior Housing Project and noted at the time of Board approval of Resolution from April 6, 2014, the Developer's Fee (10%) was not included in the \$790,000 amount. She reminded the Board Members that the Developer's Fee was in question, as to the services or [lack of services] being provided to this project as with the other projects in the Uptown area. She noted that as of December, meetings were held with CRA Staff, the Developer, and MHA; a meeting with CRA Staff, the Developer, MHA, CAAP, Community Capital, and HCD; and Policies and Procedures Committee to arrive at a modified developer fee. The results from the meetings were that the Developer requested a modified fee of 7.5%; CRA Staff recommended a fee of 5.5% and the CRA Policies and Procedure Committee recommendation to the Board is 6.5%.

Board Member Massie [Chair, Policies and Procedures Committee] stated that the Developer provided their scope of work for the project that justified the 6.5% but not the 7.5% or usual 10%, since most of the initial and fundamental development of the

Uptown Manor Senior Housing Project was and is to be performed by the Uptown Manor Project Team (CAAP Group).

Clara Harris directed the Board's attention to the resolution and roles and responsibilities (scope of work) attached and stated that Lauderdale-Greenlaw (Developers) provided advice to the Uptown Manor Project Team which resulted in site improvements and cost savings. Per the Policies and Procedures Committee, the Developers were to provide an outline of the "Cost Savings Amounts or Value" that resulted from their advice. The Developers reported that they were not able to quantify the cost savings but provided a description/summary of the advice provided.

Board Member Massie made a motion to approve the Modified Developer Fee of 6.5% for Uptown Manor Senior Housing Project and Reallocation of \$51,300 from NS 4 A&B to NS14 North of Chelsea-Uptown Manor Senior Housing Modified Developer Fee. The motion was seconded by Board Member Langston. Motion passed unanimously.

**Agenda Item VI.**

Item Summary:

Amendment to CRA Resolution of April 6, 2014 to fund Uptown Manor Senior Housing Project at \$790,000 under NS 14 North of Chelsea to Clarify/Expand use of funds to include Site Prep as well as Construction of Units.

Discussion Summary:

Clara Harris gave a brief summation of the amendment to the resolution to include the use of funds for Site Prep along with Construction of Units. She noted that this was a recommendation from the Developer, Lauderdale-Greenlaw which would allow for CRA to be more engaged on the front end of the project as it relates to the Site Prep and minimize involvement throughout the entire project – also will simplify inspections and invoicing for CRA funding and provide some flexibility to project financing.

Chairman Frick asked if there was a fixed price contract, who would supervise the project, and who would perform 3<sup>rd</sup> party inspections for the project. Clara Harris stated she did not ask the Uptown Manor Project Team to be present during the meeting and would refer questions to the CAAP Organization and email the responses to the Board. Clara noted that HCD has funds in the project and MHA would be inspecting the project on behalf of HCD and CRA. Mr. Frick stated that his concern is that CRA is putting in equity in effect, and he wants assurance that when the last dollar is spent they are ready to have people move in. Mr. Frick then asked Ms. Phillips if she had any comments, she

responded regarding inspections the same as Clara Harris. Chairman Frick then stated that the Board would assume that all the controls are in place and asked Ms. Phillips to provide a report during the next meeting regarding: 1) project supervisor - who will be overseeing the construction draws 2) if there is a fixed price contract and 3) 3<sup>rd</sup> party inspection monitoring.

Board Member Massie made a motion to approve the Amendment to CRA Resolution of April 6, 2014 to fund Uptown Manor Senior Housing Project at \$790,000 under NS 14 North of Chelsea to Clarify/Expand use of funds to include Site Prep as well as Construction of Units. The motion was seconded by Board Member Langston. Motion passed unanimously.

**Agenda Item VII.**

Item Summary:

Discussion Summary:

Year End Report: Uptown Redevelopment Activity

John Dudas gave a report on the following:

**I. Projects Completed/Under Construction/Design**

- a. Looney/Front/Main Block
- b. Alleys – 19 Segments
- c. MCP Parking Lot
- d. MTM Uptown – sidewalks, curbs, etc.
- e. North 2<sup>nd</sup> Street

**II. Infrastructure Projects**

- a. Front Street – Looney –
- b. Front Street – Willis Looney
- c. Harbor Front
- d. Colonial Park
- e. Greenlaw Community Center

**III. Building Rehabilitation Structures**

- a. Single Family
- b. Historic
- c. Commercial
- d. Urban Lift Grant

**IV. New Housing Projects**

- a. Habitat
- b. KIPP/Promise
- c. AHDI – 3 Units
- d. CAAP – 50 Units
- e. PIRHL Project

**V. Uptown Center Project**

- a. Multi-Parcel Transactions
- b. Chism Trail Parcel
- c. Residential & Remainder Parcels
- d. Proposed ALSAC Data Center Site

Discussion was centered around the delinquent taxes on some of the parcels in Uptown and Chairman Frick suggested he would speak with David Lenoir to see if he could get Cheyenne Johnson's office to expedite the process of the new program that's proposed to lift the taxes from parcels throughout the City of Memphis and Shelby County.

**Agenda Item VIII.**

Item Summary: Unfinished Business  
Discussion Summary: None.

**Agenda Item IX.**

Item Summary: New Business  
Discussion Summary: None.

**Agenda Item X.**

Item Summary: Next Meetings – CRA Committee Meeting [January 15, 2015] and CRA Board Meeting [February 5, 2015]  
Discussion Summary: Clara Harris noted that the materials for the upcoming meetings are due Jan. 9, 2015 by 5pm.

**Agenda Item XI.**

Item Summary: Adjournment  
Discussion Summary: Meeting adjourned at 9:36 A.M.

Respectfully Submitted by:

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Ann W. Langston, Secretary